

SUBORDINATION AGREEMENT

The undersigned, AmSouth Bank of Alabama, is the holder and owner of a Mortgage made by Michael Scott Smith and Sabrina Barton Smith (hereinafter designated as the "Borrower"), recorded in Instrument # 1994-29201 and amended by Instrument # 1995-24771.

The said Borrower has applied for a loan in the sum of \$52,000.00 to be secured by a first mortgage (the "First Mortgage") conveying said property to AmSouth Bank of Alabama (hereinafter referred to as the "Lender"). The Lender has declined to make such loan unless the mortgage to AmSouth Bank of Alabama shall be subordinated to said new loan and the mortgage securing same.

WHEREFORE, in consideration of ONE DOLLAR (\$1.00) in hand paid by the said borrower to the undersigned, and in consideration of the consummation of said loan in reliance upon this instrument, the AmSouth Bank of Alabama hereby subordinates all right, title, or interest under the mortgage above set forth, or otherwise, in or to the property therein described, as against said loan to be so made by the Lender, so that the Lender shall convey title to said property superior to the mortgage of AmSouth Bank of Alabama and superior to the indebtedness thereby secured. This subordination Agreement shall be binding upon the heirs and assigns of AmSouth Bank of Alabama, and shall operate to the benefit of the grantee in the First Mortgage, the successors and assigns of said grantee, and of any purchaser at any foreclosure sale thereunder, and shall apply with like force and effect to any renewal thereof.

The mortgage now held by AmSouth Bank of Alabama shall remain otherwise in full force and effect, the waiver and subordination herein provided being limited in application to the proposed loan herein set forth, or any renewal thereof.

Witness the hand and seal of the undersigned, this the 8TH day of FEBRUARY, 1996.

AmSouth Bank of Alabama

By: Daniel W. Hise

Its: VICE PRESIDENT

Inst # 1996-05060

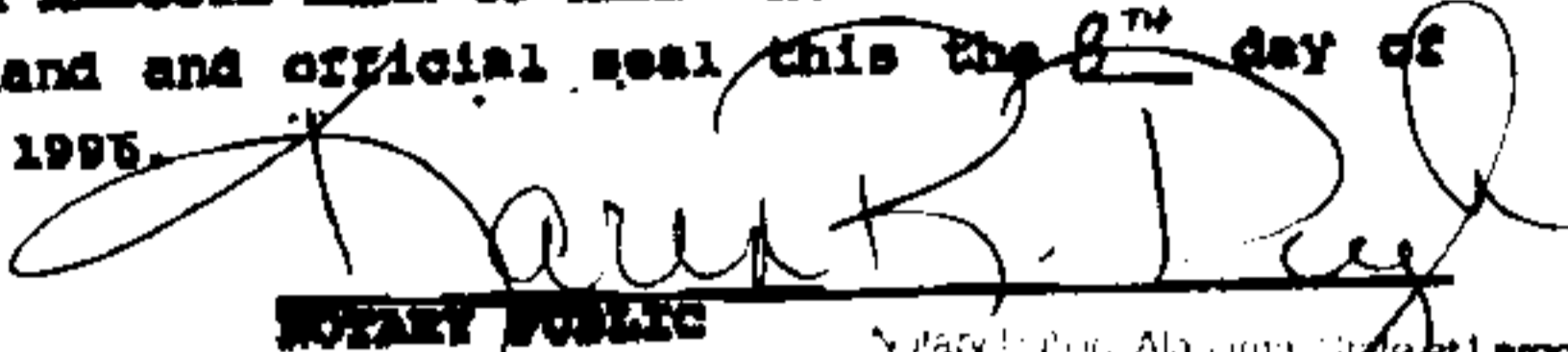
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10:33 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
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Inst # 1996-05060

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned Notary Public, in and for said State and County, hereby certify that DANIEL W. HILL whose name as VICE PRESIDENT of AMSCOTT BANK OF ALABAMA, a corporation, is signed to the foregoing Subordination, and who is known to me, acknowledged before me on this day that, being informed of the contents of the subordination, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said AMSCOTT BANK OF ALABAMA.

Given under my hand and official seal this the 8th day of FEBRUARY, 1996.



NOTARY PUBLIC

Notary Public, Alabama, State at Large
My Commission Expires, June 7, 1999

My commission expires: _____

Inst # 1996-05060

02/16/1996-05060
10:33 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROMOTE
MCD 11.00