

THIS INSTRUMENT WAS PREPARED BY:

Name: B. CHRISTOPHER BATTLES

3150 HIGHWAY 52 WEST
Address: PELHAM, AL 35124

STATE OF ALABAMA)

COUNTY OF SHELBY)

SUBORDINATION OF REAL ESTATE MORTGAGE

COMPASS BANK, formerly known as Central Bank of the South ("Compass"), for good and valuable consideration, does hereby acknowledge and agree that the lien of that certain Real Estate Mortgage dated May 31, 1995 from FRANCIS T. THOMAS and JUDITH M. THOMAS, as mortgagor (the "Mortgagor," whether one or more), to Compass, as mortgagee, recorded in the office of the Judge of Probate of SHELBY County, Alabama at INST. Book 1995, Page 14103, (the "Mortgage"), shall be and hereby is subordinate in right of priority to the lien of that certain mortgage from the Mortgagor, as mortgagor, to COMPASS BANK, as mortgagee (the "Mortgage"), to be recorded in the office of the Judge of Probate of SHELBY County, Alabama (the "Superior Mortgage"); provided, however, that such subordination shall be effective only to the extent that the Superior Mortgage secures that certain loan from Mortgagee to Mortgagor in the principal amount of \$373,000.00 (the "Loan"), together with interest on the Loan and any amounts specifically secured by the Superior Mortgage which are expended by the Mortgagee to protect or enforce the Mortgagee's rights under the Superior Mortgage with respect to the Loan (the "Superior Indebtedness"). The lien of the Mortgage shall be superior in right of priority to the lien of the Superior Mortgage to the extent that the Superior Mortgage secures any indebtedness of the Mortgagor to the Mortgagee other than the Superior Indebtedness. **RECORDED IN INST. 1996-10652.

To induce Compass to enter into this Subordination Agreement, Mortgagee hereby certifies to Compass as follows:

(1) that the proceeds of the Loan shall be used to satisfy in full all indebtedness secured by that certain mortgage dated _____, 19____, from _____, as mortgagor, to _____, as mortgagee, recorded in the office of the Judge of Probate of _____ County, Alabama at _____ Book _____, page _____; and

(2) that the street address of the real property to be covered by the Superior Mortgage is 2117 BROOK HIGHLAND RIDGE, BIRMINGHAM, AL 35242

The provisions of this Subordination Agreement are solely for the benefit of Compass and Mortgagee, and shall not be deemed to modify any of the agreements executed and delivered in connection with the Mortgage or the Superior Mortgage or to waive any of the rights of Compass or Mortgagee, as the case may be, thereunder, as against the Mortgagor, nor shall it constitute or give rise to any defense, right of offset or counterclaim by Mortgagor.

This Subordination Agreement may be amended or modified only by written instrument signed by Compass and Mortgagee.

12/05/1996-40034
12:42 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 NEL 11.00

Inst # 1996-40034

IN WITNESS WHEREOF, Compass has caused this Subordination Agreement to be executed as of the
26TH day of MARCH, 1996.

COMPASS BANK

"Compass"

By: [Signature]
Its D.V.R.

"Mortgagor"

"Mortgagee"

By: _____
Its _____

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, the undersigned, a Notary Public, in and for said County in said State, hereby certify that Riley D. Durr, whose name as Vice President of Compass Bank, a(n) Bank, is signed to the foregoing instrument and who is known to me, acknowledge before me on this day that, being informed of the contents of the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said _____.

Given under my hand and official seal on this the 22 day of Nov, 1996.

(NOTARIAL SEAL)

[Signature]
Notary Public
My Commission Expires OCTOBER 28, 1999

STATE OF _____)

COUNTY OF _____)

I, _____, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of _____, a(n) _____, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said _____.

Given under my hand and official seal this the _____ day of _____, 19____.

(NOTARIAL SEAL)

Notary Public
My Commission Expires: _____

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