

STATE OF ALABAMA)
)
Shelby COUNTY)

SUBORDINATION OF MORTGAGE

This Subordination of Mortgage Agreement made this 16th day of May, 1997 by and among Chelsea Properties, Inc. ("Mortgagee"), whose address is 4918 Winwood Circle, Birmingham, AL 35242; Greenhill Construction, Inc. ("Borrower"), whose address is P.O. Box 361631, Birmingham, Alabama 35236 and Wickes Mortgage Lending, Inc. ("Construction Lender"), whose address is 7800 Belfort Parkway, Suite 100, Jacksonville, Florida 32256.

RECITALS

A. Mortgagee has made a loan to Borrower secured by a Mortgage (the "Mortgage") recorded in the Office of the Judge of Probate of Shelby County, Alabama, in Book 1997 beginning at page 17396 and encumbering the real property described as follows:

Lot 50-A, according to the Resubdivision of Lots 48 through 57, High Chaparral, Sector B and Acreage as shown in Map Book 16, Page 116, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

(The "Property").

B. Borrower is constructing or intends to construct a single family residence on the Property and has arranged for financing of such construction through a loan with Construction Lender.

C. Construction Lender has agreed to make such a loan to Borrower provided that it obtains a first mortgage on the Property.

D. Mortgagee has agreed to subordinate the Mortgage to a mortgage on the Property executed and delivered by Borrower to Construction Lender (the "Construction Lender Mortgage").

Now, Therefore, for and in consideration of the mutual agreements contained herein, the parties hereto agree as follows:

1. Mortgagee does hereby acknowledge and agree that the lien of the Mortgage and every other secured instrument of Mortgagee on the Property shall be junior and subordinate in all respects to the Construction Lender Mortgage and the rights granted thereunder. Further, Mortgagee agrees that the Mortgage and any other security interest of Mortgagee in the Property

06/04/1997-17397
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SHELBY COUNTY JUDGE OF PROBATE
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CLAYTON T. SWEENEY, ATTORNEY AT LAW

Inst # 1997-17397

shall be subordinate, junior and inferior and postponed in priority, operation and effect to the priority, operation and effect of the Construction Lender Mortgage and any other security interest of the Construction Lender in the Property.

2. Until the Construction Lender Mortgage has been released or satisfied, any hazard or other insurance proceeds and any condemnation awards relating to the Property shall be held and disbursed in accordance with the Construction Lender Mortgage.

3. This agreement shall bind and inure to the benefit of each of the parties hereto and their respective successors, assigns, personal representatives, and heirs.

4. This agreement shall be governed by and construed in accordance with the laws of the State of Alabama. Construction Lender is authorized to record this agreement in the Office of the Probate Judge of Shelby County, Alabama.

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the day and year first above written.

Mortgagee:

CHELSEA PROPERTIES, INC.

By: James H. Estes

James H. Estes

President

(Printed Name and Title)

Borrower:

GREENHILL CONSTRUCTION, INC.

By: Randy C. Greenhill

Randy C. Greenhill, President

Construction Lender:

WICKES MORTGAGE LENDING, INC.

By: Carl W. Cline

Carl W. Cline, Vice President

STATE OF Alabama)
)
Jefferson COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James H. Estes, whose name as President of Chelse Properties, Inc., a corporation, 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 corporation.

Given under my hand and seal of office this 21st day of May, 1997.


Notary Public

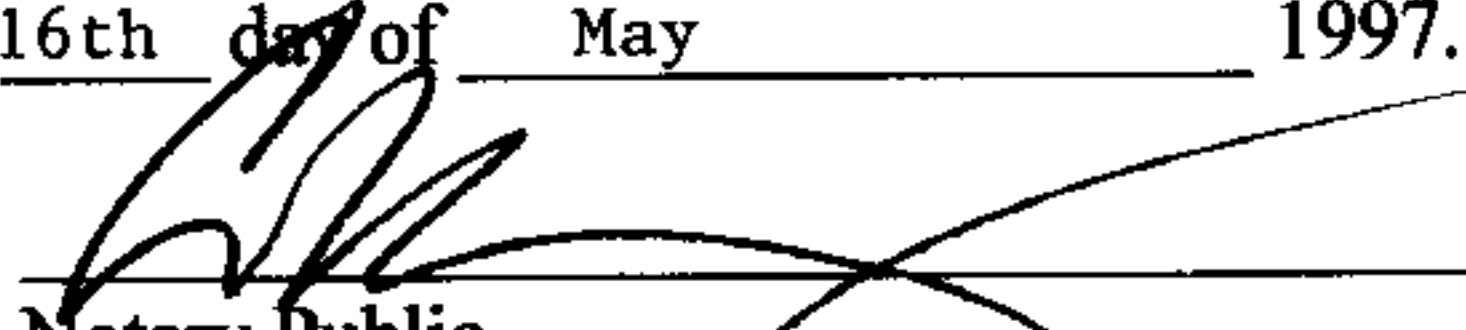
My Commission expires: 5/29/99

[NOTARIAL SEAL]

STATE OF Alabama)
)
Jefferson COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Randy C. Greenhill whose name as President of Greenhill Construction, Inc., a corporation, 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 corporation.

Given under my hand and seal of office this 16th day of May, 1997.


Notary Public

My Commission expires: 5/29/99

[NOTARIAL SEAL]

STATE OF FLORIDA)
)
DUVAL COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Carl W. Cline, whose name as Vice President of Wickes Mortgage Lending, Inc., a corporation, 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 corporation.

Given under my hand and seal of office this 13th day of May, 1997.



KIMBERLY M BOLES
My Commission CC451866
Expires Sep 08, 1997

Kimberly M. Boles
Notary Public
My commission expires: Sept. 8, 1997

This instrument prepared by Wickes Mortgage Lending, Inc., 7800 Belfort Parkway, Suite 100, Jacksonville, Florida 32256.

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