

STATE OF ALABAMA     )  
COUNTY OF SHELBY    )

**SUBORDINATION OF MORTGAGE**

WHEREAS, Precision Automotive Engineering, Inc. ("Precision") executed a mortgage to National Bank of Commerce of Birmingham, covering certain real estate located in Shelby County, Alabama (the "Property"), which mortgage was filed for record on July 18, 1991, in Real 354, at Page 93, in the Office of the Judge of Probate of Shelby County, Alabama; and

WHEREAS, Precision thereafter executed a second mortgage covering the Property to Birmingham City Wide Local Development Company, which second mortgage was filed for record on March 12, 1992, in Real 394, at Page 230, in the Office of the Judge of Probate of Shelby County, Alabama, and later assigned to Small Business Administration by instrument recorded in Real 394, at Page 332, in the Office of the Judge of Probate of Shelby County, Alabama; and

WHEREAS, First Commercial Bank has committed to loan Precision sufficient funds to pay off the mortgage to National Bank of Commerce of Birmingham, provided that the mortgage assigned to Small Business Administration is second and subordinate to a mortgage on the Property which First Commercial Bank will take to secure the loan to Precision; and

WHEREAS, Small Business Administration has agreed to subordinate the lien of its mortgage on the Property to the lien of the mortgage to be given to First Commercial Bank, provided that the mortgage to National Bank of Commerce of Birmingham is paid off, and provided further that the principal amount of the mortgage to First Commercial Bank does not exceed \$ 186,427.58 , the amount required to pay off Precision's loan from National Bank of Commerce; and

WHEREAS, Precision has provided the necessary assurances to Small Business Administration, and Small Business Administration is willing to enter into this subordination.

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NOW, THEREFORE, in consideration of the premises and in reliance upon the representations of Precision, Small Business Administration does hereby subordinate and make second the lien of its mortgage on the Property to the lien of the mortgage given or to be given by Precision to First Commercial Bank in the amount of \$ 186,427.58 and covering the Property, it being the intention of Small Business Administration that First Commercial Bank shall have a first mortgage on the Property and Small Business Administration shall have a second mortgage on the Property.

Done this 10<sup>th</sup> day of July, 1997.

SMALL BUSINESS ADMINISTRATION

By:

As its

John H. Griffin  
Supervisory L/O

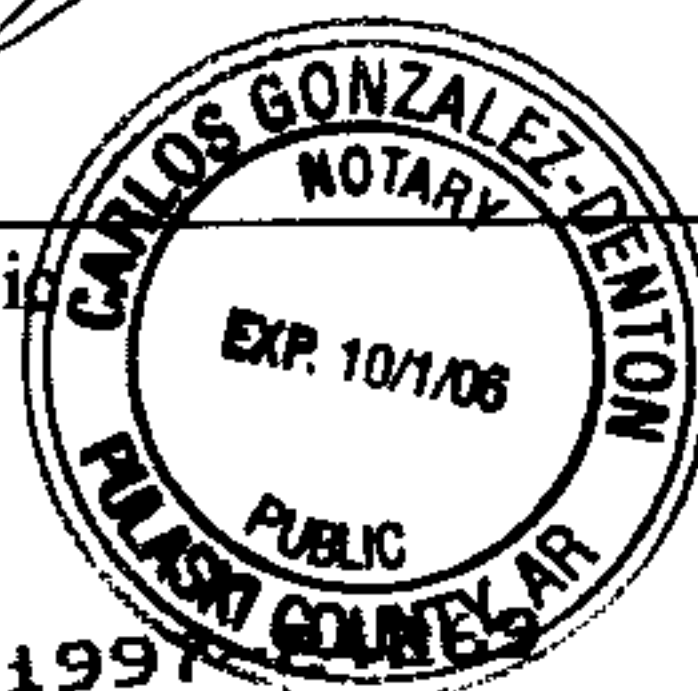
STATE OF Illinois )

COUNTY OF Polk )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John H. Griffin, whose name as Supervisory L/O of Small Business Administration, a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed 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 official seal this 10<sup>th</sup> day of July, 1997.

[Signature]  
Notary Public



My commission expires: 10/1/06

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