

THIS INSTRUMENT PREPARED BY:  
R. Shan Paden, Attorney at Law  
100 Concourse Parkway, Suite 130  
Birmingham, Alabama 35244

### SUBORDINATION AGREEMENT

STATE OF ALABAMA  
COUNTY OF SHELBY

This Subordination Agreement, made and entered into on this the 10TH day of JULY, 1998, by and between JOSEPH HABSHEY, as Party of the First Part, and NATIONAL BANK OF COMMERCE OF BIRMINGHAM, as Party of the Second Part.

### W I T N E S S E T H

THAT, WHEREAS, AJK CONSTRUCTION, INC., has/have an outstanding loan in favor of JOSEPH HABSHEY, as set forth in INSTRUMENT #1998-06744, in the Office of the Judge of Probate of SHELBY County, Alabama on that certain real estate located at LOT 27, OLD TOWN HELENA, HELENA, AL 35080 to secure an indebtedness of \$5200.00 and said lien is in full force and effect; and,

WHEREAS, AJK CONSTRUCTION, INC. has/have made an application to the Party of the Second Part for a loan in the sum of \$114,900.00 and said Party of the Second Part is willing to make said loan to the said AJK CONSTRUCTION, INC., provided they furnish it with a mortgage on the lands described in the aforesaid lien, and the said JOSEPH HABSHEY, subordinate the above described lien and make the same second and subservient to the mortgage of NATIONAL BANK OF COMMERCE OF BIRMINGHAM; and,

WHEREAS, the said Party of the First Part is willing to subordinate its said lien and make it second and subservient to the mortgage of the said Party of the Second Part as an inducement to it to make said loan.

NOW, THEREFORE, in consideration of the premises and further consideration of the sum of -0-, cash in hand paid, the Party of the First Part by the Party of the Second Part, the receipt of which is hereby acknowledged, the said Party of the First Part does hereby agree that the lien of AJK CONSTRUCTION, INC. to JOSEPH HABSHEY, recorded in the Probate Office of SHELBY County, Alabama in INSTRUMENT #9712/7767, shall be second and subservient to the mortgage of AJK CONSTRUCTION, INC. to NATIONAL BANK OF COMMERCE OF BIRMINGHAM and recorded in the Probate Office of SHELBY County, Alabama, in INSTRUMENT #\_\_\_\_\_, to secure the sum of \$114,900.00, plus interest, on the land described therein, and the said lien of the said JOSEPH HABSHEY, shall be subordinate to the

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mortgage of NATIONAL BANK OF COMMERCE OF BIRMINGHAM.

IT IS FURTHER agreed that should AJK CONSTRUCTION, INC. default in his/her/their payments under the terms of the real estate mortgage to NATIONAL BANK OF COMMERCE OF BIRMINGHAM, the said NATIONAL BANK OF COMMERCE OF BIRMINGHAM agrees to notify JOSEPH HABSHEY of said default prior to taking legal action.

IN WITNESS WHEREOF said JOSEPH HABSHEY has caused her/his name to be hereunto signed on this the 10TH day of JULY, 1998.

JOSEPH HABSHEY

BY: Joseph Habshey

STATE OF ALABAMA  
COUNTY OF SHELBY

I, the undersigned, a Notary Public in and for said State and County, hereby certify that JOSEPH HABSHEY, is signed to the foregoing subordination agreement, and who is known to me, acknowledged before me on this day, that, being informed of the contents of this subordination agreement, executed the same voluntarily.

Given under my hand and seal this 10TH day of JULY, 1998.

Rhonda Matthe  
Notary Public

My commission expires: April 9, 1999

Inst # 1998-28190

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