

After Recording return to:

Trans Financial Mortgage Company
10025 W. Markham, Suite 220
Little Rock, AR 72205

Space above this line for recorder's use

Inst. # 1998-38649

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this date June 15, 1998 by Shawn D. Gibson and Lisa M. Gibson owner of the land hereinafter described and hereinafter referred to as "Owner", and First Tennessee Bank, National Association, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH:

THAT, WHEREAS, Shawn D. Gibson and Lisa M. Gibson did execute a deed of trust dated January 8, 1998 to First Tennessee Bank, National Association, as trustee covering:

SEE ATTACHED EXHIBIT

to secure a note in the sum of \$ 15,000.00, dated January 8, 1998 in favor of First Tennessee Bank, National Association, which deed of trust was recorded (Instrument #1998-2895) in book/reel (), page/image (), series number 26,500 81 Official Records of said County; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$87,100.00, dated July 28, 1998 in favor of Trans Financial Mortgage Company hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above-mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above-mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge of the deed of trust first above-mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner, and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above-mentioned.

10/05/1998-38649
08:41 AM CERTIFIED
SELY COUNTY JUDGE OF PROBATE
009 HEL 13.30

NOW THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above-referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above-mentioned;
- (2) That Lender would not make its loan above-described without this subordination agreement; and
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above-mentioned to the lien or charge of the deed of trust in favor of Lender above-referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination, including, but limited to, those provisions, if any, contained in the deed of trust first above-mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees, and acknowledges that:

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above-referred to, and (ii) all agreements, including but not limited to, any loan or escrow agreements between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender, in making disbursements pursuant to any such agreement, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above-mentioned in favor of the lien or charge upon said land of the deed of trust in favor of the lien or charge upon said land of the deed of trust in favor of Lender above-referred to, and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made, and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above-mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above-referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN. A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

J. M. Caldwell VP
BENEFICIARY

OWNER

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO

State of ~~California~~ Tennessee)
County of _____)

On June 15 before me, the undersigned Notary Public, personally appeared
James M. Caldwell

☒ personally known to me, or
proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument, the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

WITNESS my hand and official seal.

MY COMMISSION EXPIRES APRIL 13, 2002

Signature James M. Caldwell

MY COMMISSION EXPIRES APRIL 13, 2002

State of ~~California~~ Tennessee)
County of _____)

On _____ before me, the undersigned Notary Public, personally appeared

☐ personally known to me, or
proved to me on the basis of satisfactory evidence to be the person(s)
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instrument, the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

Form # 630 (3/1/94)
CLTA form 'A'

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SHELBY COUNTY JUDGE OF PROBATE
000 HEL 13.30