

SUBORDINATION AGREEMENT

STATE OF ALABAMA

COUNTY OF SHELBY

This Agreement is made as of **June 11, 1999** by **COLONIAL BANK**. (hereinafter referred to as "Mortgagee").

WITNESSETH:

WHEREAS, on **April 26, 1994** **Paul Lauren Barrett and Deborah B. Barrett** (hereinafter collectively referred to as "Borrower") executed a **Mortgage** (hereinafter referred to as the "Mortgage") to Mortgagee, encumbering the real property described on Exhibit A attached hereto and certain fixtures and personal property described in the Mortgage (such real and personal property and fixtures, any and all leases, rents, issues, profits and contracts relating thereto being hereinafter referred to as the "Property"), to secure a promissory note in the original principal sum of **\$20,000.00** "Promissory Note" such mortgage having been recorded in **Book 1996-16136 Page** in the **OFFICIAL RECORDS** of **Shelby county, Alabama**.

WHEREAS, a loan is being made to Borrower by **PNC Mortgage Corp. of America** (hereafter "Lender") in the original principal amount of **\$227,000.00** (the "Loan"); and

WHEREAS, Lender requires as a condition of its Loan, that Mortgagee subordinate the Mortgage, together with all other documents now or hereafter evidencing, securing or otherwise relating to any of the obligations secured or to be secured by the Mortgage, to the documents evidencing and securing the Loan from Lender so that such Loan documents shall create a lien upon the Property superior to the Mortgage and the indebtedness thereby secured;

NOW, THEREFORE, Mortgagee, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agrees, notwithstanding any provision of the Mortgage or any instrument of document relating thereto, that the lien of the Mortgage and all rights of Mortgagee in and to the Property, including but not limited to any and all interest, rights, powers and remedies arising under or by virtue of the Mortgage, or any and all other instruments now or hereafter evidencing, securing or otherwise relating to any of the obligations evidenced by the Promissory Note shall be expressly subordinate to, and Mortgagee does hereby subordinate and declare to be subordinate the lien of the Mortgage and the aforesaid interests, rights, powers and remedies to (i) the lien of the Lender, evidenced by the mortgage or deed of trust ("Security Instrument"), the Security Instrument to be filed for record contemporaneously with this agreement in the records of **Shelby county, Alabama**.

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(ii) the indebtedness secured by the Security Instrument, including without limitation, all sums or debts now or hereafter secured thereby, and all interest accrued or to accrue on any of such indebtedness, (iii) all other loan documents executed in connection with the Loan, and (iv) any modifications, amendments, renewals, replacements and alterations of the Security Instrument or the note or notes secured thereby. Mortgagee further agrees that in the event of default under the Mortgage or default under the Security Instrument and the foreclosure by Mortgagee or Lender under their respective security instruments, all right, lien and claim of Mortgagee in and to Property under the Mortgage shall be subordinate to and payable only following complete satisfaction of all right, lien and claim of Mortgagee in and to the Property under the Mortgage shall be subordinate to and payable only following complete satisfaction of all right, lien and claim of Lender in and to the Property under the Security Instrument.

Mortgagee hereby acknowledges that Lender shall rely upon this Agreement in extending the Loan which shall be secured by the Security Instrument, and that Lender shall have been induced to extend the Loan by the representations and agreements made by Mortgagee herein.

This Agreement shall be construed in accordance with the laws of the State of Kentucky.

Mortgagee

By

Its:

[Signature]
MARCUS Q. POOLE
Asst. Vice President

Attest:

Its:

STATE OF Alabama

COUNTY OF Jefferson

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On this 11th day of June, 1999 before me, the undersigned, a Notary Public in and for said county, personally appeared to me Marcus Q. Poole personally known, who being duly sworn, did say that he/she is Asst. Vice President of Colonial Bank and that foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged the execution of said instrument to be the voluntary act and deed of said corporation.

Witness my hand and notarial seal the day and year last above written.

My commission expires

[Signature]

MY COMMISSION EXPIRES JULY 22, 2002

Notary

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