

SUBORDINATION AGREEMENT

The undersigned, University Federal Credit Union is the holder and owner of a Mortgage made Kenneth E. Thomaston and Gayla Thomaston (hereinafter designated as the "Borrower"), recorded in Instrument #1999-18349, Shelby County, Alabama Records, which was made to secure an indebtedness of \$ 20,000.00.

The said Borrower has applied for a loan in the sum of \$149,000.00 to be secured by a first mortgage (the "First Mortgage") conveying said property to Molton Allen & Williams, Corporation, (hereinafter designated as the "Lender"), and the proceeds of said loan will be used to satisfy in full the present liens in favor of American Home Funding Inc. as recorded in Instrument #1997-17107 and Instrument #1997-23781, Shelby County, Alabama Records. The Lender has declined to make such loan unless the mortgage to University Federal Credit Union shall be subordinated to said new loan and the mortgage securing same.

THEREFORE, in consideration of ONE DOLLAR (\$1.00) in hand paid by the said Borrower to the undersigned, and in consideration of the consummation of said loan in reliance upon this instrument, the University Federal Credit Union hereby waives and subordinates all right, title, or interest under the mortgage above set forth, or otherwise, in or to the property therein described, as against said loan to be so made by the Lender, so that the First Mortgage to be executed by the said Borrower to the Lender shall convey title to said property superior to the mortgage of University Federal Credit Union and superior to the indebtedness thereby secured. This Subordination Agreement shall be binding upon the heirs and assigns of University Federal Credit Union, and shall operate to the benefit of the grantee in the First Mortgage, the successors and assigns of said grantee, and of any purchaser at any foreclosure sale thereunder, and shall apply with like force and effect to any renewal thereof.

The mortgage now held by University Federal Credit Union shall remain otherwise in full force and effect, the waiver and

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subordination herein provided being limited in application to the proposed loan herein set forth, or any renewal thereof.

WITNESS the hand and seal of the undersigned, this the

6TH day of July, 1999.

University Federal Credit Union

BY: S. Glenn Bryan

Its: SE. VICE PRES.

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned Notary Public, in and for said State and County, hereby certify that S. Glenn Bryan whose name as Sr Vice Pres of University Federal Credit Union, a corporation, is signed to the foregoing Subordination, and who is known to me, acknowledged before me on this day that, being informed of the contents of the subordination, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said University Federal Credit Union.

Given under my hand and official seal this the 6 day of July, 1999.

David Ray Brandon
NOTARY PUBLIC

My Commission Expires: July 20, 2001

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