Inst # 2001-30728

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SUBORDINATION AGREEMENT

Subordination of Mortgage

THIS SUBORDINATION AGREEMENT (the "Agreement") is made and entered into this **27TH day of JUNE, 2001**, by **DAVID P. GALIK AND JANE N. GALIK** (the "Owner"), and WELLS FARGO BANK WEST, N.A. (the "Beneficiary").

RECITALS

1. The Owner executed a mortgage (the "Beneficiary's Mortgage") dated **JULY 17TH, 2000** encumbering the following described real property (the "Property"):

SEE ATTACHED LEGAL DESCRIPTION.

to secure a promissory note in the sum of **$45,750.00**, dated **JULY 17TH, 2000** in favor of the Beneficiary, which Beneficiary's Deed of Trust was recorded **JULY 26TH, 2000** as **INSTRUMENT #2000-25060** of the records of the County of **SHELBY**, State of **ALABAMA**.

2. The Owner has or will execute a new mortgage (the "New Lender's Mortgage") and note in the sum of $ **252,500.00** dated ________________20___, in favor of **NEW SOUTH FEDERAL SAVINGS BANK** (the "New Lender"), which will also encumber the Property and which will also be recorded in **SHELBY** County, State of **ALABAMA**.

3. It is a condition precedent to obtaining the new loan (the "New Loan") from the New Lender that the New Lender's Mortgage shall unconditionally be and remain at all times a lien upon the Property that is prior and superior to the lien of the Beneficiary's Mortgage, and that the Beneficiary subordinates the Beneficiary's Mortgage to the New Lender's Mortgage.

4. It is to the mutual benefit of the parties to this Agreement that the New Lender make the New Loan to the Owner, and the Beneficiary is willing to subordinate the Beneficiary's Mortgage to the New Lender's Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce the New Lender to make the New Loan, the parties agree as follows:

(1) That the New Lender's Mortgage, together with any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property that is prior and superior to the lien or charge of the Beneficiary's Mortgage until the New Lender's promissory note secured by the New Lender's Mortgage is paid. Notwithstanding anything to the contrary, this Agreement shall not extend to any principal advances made by the New Lender after the date of the New Loan, except that this Agreement shall extend to future advances made for taxes, insurance, fees, costs, and expenses required to protect the interests of the New Lender in connection with the New Loan;

(2) That the New Lender would not make the New Loan without this Agreement; and

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(3) That this Agreement shall be the whole and only agreement with regard to the subordination of the Beneficiary's Mortgage to the New Lender's Mortgage.

The Beneficiary agrees and acknowledges:

(1) That the New Lender in making disbursements pursuant to the New Loan is under no obligation or duty to, nor has the New Lender represented that it will, see to the application of such proceeds by the person or persons to whom the New Lender disburses such proceeds;

(2) That the Beneficiary unconditionally subordinates the Beneficiary's Mortgage in favor of the New Lender's Mortgage and understands that in reliance upon, and in consideration of this 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 that would not be made or entered into but for said reliance upon this subordination; and

(3) That the Beneficiary's Mortgage has by this instrument been subordinated to the New Lender's Mortgage subject to the provisions of this Agreement.

WELLS FARGO BANK WEST, N.A.

By ______________________

Title R. Sean Bobbitt Officer

____
Owner **DAVID P. GALIK**

____
Owner JANE N. GALIK

STATE OF COLORADO)
) SS.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 27th day of June, 2001, by R. SEAN BOBBITT as OFFICER of WELLS FARGO BANK WEST, N.A..

WITNESS my hand and official seal.
My commission expires:______________

Kristien E Carroll
Notary Public

KRISTIEN E CARROLL
Notary Public
State of Colorado

My Commission Expires Jul 23, 2002

STATE OF ____________)
) SS.
COUNTY OF ___________)

The foregoing instrument was acknowledged before me this _____ day of __________________, 20___, by **DAVID P. GALIK AND JANE N. GALIK**.

WITNESS my hand and official seal.
My commission expires:__________

____
Notary Public

Lot 18A, according to a Resubdivision of Lots 18, 19 and 20, Heatherwood, 4th Sector, as recorded in Map Book 26, Page 11, in the Probate Office of Shelby County, Alabama.

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