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Shelby Cnty Judge of Probate, AL  
06/05/2002 08:33:00 FILED/CERTIFIED

STATE OF ALABAMA)

SHELBY COUNTY)

### SUBORDINATION AGREEMENT

THIS AGREEMENT is made and entered into on this 5<sup>th</sup> day of May, 2002 by Alabama Telco Credit Union (hereinafter referred to as the "Mortgagee") in favor of Homecomings Financial Network, Inc., its successors and assigns (hereinafter referred to as "HFNI").

#### WITNESSETH

WHEREAS, Mortgagee did loan to James C. Findlay and Katherine R. Findlay ("Borrower") the sum of \$20,000.00, which loan is evidenced by a promissory note dated August 20, 1998, executed by Borrower in favor of Mortgagee, and is secured by a mortgage of even date therewith (the "Mortgage") covering the property described therein and recorded in Inst#1998-35288 of the real property records in the Office of the Judge of Probate of Shelby County, Alabama; and

WHEREAS, Borrower has requested that HFNI lend to it the sum of One hundred fifty nine thousand and no/100 dollars (\$159,000.00) (the "Loan"), such loan to be evidenced by a promissory note dated May 17, 2002, executed by Borrower in favor of HFNI and secured by a mortgage of even date therewith (the "New Mortgage") covering in whole or in part the property covered by the Mortgage; and

WHEREAS, HFNI has agreed to make the Loan to the Borrower, if, but only if, the New Mortgage shall be and remain a lien or charge upon the property covered thereby proper and superior to the lien or charge of the Mortgage and provided that the Mortgagee will specifically and unconditionally subordinate the lien or charge of the Mortgage to the lien or charge of the New Mortgage of HFNI:

NOW, THEREFORE, in consideration of one dollar and in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, and in order to induce HFNI to make the Loan above referred to, Mortgagee agrees as follows:

1. The New Mortgage and the note secured thereby and the debt evidenced by such note and any and all renewals and extensions thereof, or of any part thereof, and all interest payable on all of said debt and on any and all such renewals and extensions shall be and remain at all times a lien or charge on the property covered by the New Mortgage, prior and superior to the lien or charge of the Mortgage in favor of Mortgagee.

2. Mortgagee acknowledges that it intentionally waives, relinquishes, and subordinates the priority and superiority of the lien or charge of the Mortgage in favor of the lien or charge of the New Mortgage in favor of HFNI, and that it 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 by HFNI which would not be made or entered into but for such reliance upon this waiver, relinquishment, and subordination.

3. This agreement contains the entire agreement between the parties hereto as to the loan secured by the Mortgage and the Loan secured by the New Mortgage, and the property thereof, and there are no agreements, written or oral, outside or separate from this agreement, and all prior negotiations are merged into this agreement.

4. This agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

MORTGAGEE:

Alabama Telco Credit Union

BY: William R. Chancellor  
Vice President, Lending and  
Collections

STATE OF Alabama )  
COUNTY OF Jefferson

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that William R. Chancellor whose name as V.P. Lending and Collections, of Alabama Telco Credit Union is signed to the foregoing instrument, and who is known to me, acknowledged before me, on this day, that, being informed of the contents of said instrument, he as such officer and with full authority, executed the same voluntarily for and as the act of said Credit Union.

GIVEN under my hand and official seal this the 15th day of May 2002.

Elizabeth Ann Aldridge  
NOTARY PUBLIC

MY COMMISSION EXPIRES: 3/16/06