

STATE OF ALABAMA)

SHELBY COUNTY)

SUBORDINATION AGREEMENT

This Subordination Agreement is executed this 26 day of June, 2002, by **HERITAGE BANK** (the "Prior Lender") in favor of **GMAC MORTGAGE CORPORATION** (the "Subsequent Lender").

RECITALS

A. By instrument dated January 29, 2001, James C. Thompson and Jan S. Thompson (the "Mortgagor") granted to the Prior Lender that certain Mortgage, recorded in the Office of the Judge of Probate of Shelby County, Alabama, as Instrument Numbers 2001-5180b and 2002-8516 (as amended, the "First Mortgage").

B. Under the terms of the First Mortgage, the Prior Lender is granted a security interest in the real estate described on Exhibit A attached hereto and made a part hereof (the "Real Estate").

C. By instrument of even date herewith, the Mortgagor granted to the Subsequent Lender that certain Mortgage, covering the Real Estate, to be recorded in said Probate Office (the "Second Mortgage").

D. The Prior Lender desires to subordinate the lien of the First Mortgage on the Real Estate to the lien of the Second Mortgage. As recorded in instrument no. _____

AGREEMENT

20020703000310940

NOW THEREFORE, in consideration of the above Recitals and other good and valuable consideration, the Prior Lender hereby subordinates its interest in the Real Estate to the interest of the Subsequent Lender, and does hereby amend the First Mortgage so as to cause the same to be subordinate and inferior to the Second Mortgage, with the same effect as if the Second Mortgage had been executed and recorded prior to the First Mortgage.

IN WITNESS WHEREOF, the Prior Lender has caused this Subordination Agreement to be executed by its duly authorized officer as of the date first set forth above.

HERITAGE BANK

Tracy A. Corcoran

By: Tracy A. Corcoran
Its: Bank Officer

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Tracy A. Corcoran, whose name as Bank Officer of Heritage Bank, a Bank Officer 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 Subordination Agreement, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said Heritage Bank.

Given under my hand and official seal this the 27 day of June, 2002.

Donna C. Phillips
Notary Public

AFFIX SEAL

My commission expires: 7-28-05

This instrument prepared by:

Shannon L. Barnhill, Esq.
Walston, Wells, Anderson & Bains, LLP
505 20th Street North, Suite 500
Birmingham, AL 35203
205-251-9600

EXHIBIT A

[Legal Description]

Lot 49, according to the Survey of the Magnolia at Brook Highland, and Eddleman Community, as recorded in Map Book 13, Page 102, in the Office of the Judge of Probate of Shelby County, Alabama.