

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "Agreement") is made, executed and delivered by **BancorpSouth Bank** (the "Prior Lender") as of the 19th day of June 2002 in favor of and for the benefit of **GMAC Mortgage Corporation** (the "Lender") for the purposes herein stated.

WITNESSETH:

WHEREAS, the Prior Lender has previously made a loan (the "Prior Loan") to Wayland Elliott (collectively the "Borrower"), evidenced and secured by a Promissory Note in the amount of \$350,000.00 dated 04/12/2001, a Mortgage and Security Agreement (the "Prior Mortgage") recorded in Instrument Number 2001-18597 in the Probate Office for Shelby County, Alabama, and various other agreements, documents and instruments executed in connection with the Prior Loan (for convenience the prior Promissory Note, the Prior Mortgage, and the other agreements, documents and instruments are collectively referred to as the "Prior Loan Documents"); and

WHEREAS, Lender has agreed to make a new loan in the amount of \$297,500.00 (the "New Loan") to the Borrower on the condition that, among other things, the Prior Mortgage, the Prior Loan Documents and all indebtedness secured by the Prior Mortgage or any of the other Prior Loan Documents be junior and subordinate to various agreements, documents, and instruments to be executed by Borrower in connection with the New Loan (collectively the "New Loan Documents") including, without limitation, a promissory note in the amount of \$297,500.00, a Mortgage and Security Agreement executed or to be executed by Borrower (the "New Mortgage"), and other agreements, documents, and instruments to be executed in connection with the New Loan. The Prior Lender Mortgage and the New Mortgage cover and relate to the real property described in EXHIBIT A.

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Lender to make the New Loan, Prior Lender covenants and agrees that the Prior Lender Mortgage and all indebtedness and liens evidenced or secured by the Prior Mortgage or any of the other Prior Loan Documents are and shall be junior and subordinate in all respects to the New Loan, the New Mortgage and all of the other New Loan Documents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

BancorpSouth Bank

BY: _____

ITS: _____

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, Erin Hammons, a Notary Public in and for said County, in said State, hereby certify that Gerald Watkins whose name as the Vice President of BancorpSouth Bank is signed to the foregoing Subordination Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Subordination Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 19th day of June, 2002.

Erin C. Hammons

Notary Public

My Commission Expires: 01/14/03

EXHIBIT A
LEGAL DESCRIPTION

Lot 119, according to the Map of Highland Lakes, 1st Sector, an Eddleman Community, as recorded in Map Book 18, Page 37 A, B, C, D, E, F & G, in the Probate Office of Shelby County, Alabama.

Together with nonexclusive easement to use the private roadways, Common Area all as more particularly described in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, recorded as Instrument #1994-07111 and amended in Inst. #1996-17543 and amended in Inst. # 1999-31095 in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 1st Sector, recorded as Instrument No. 1994-07112 in the Probate Office of Shelby County, Alabama (which, together with all amendments thereto, is hereinafter collectively referred to as, the "Declaration").