

## SUBORDINATION AGREEMENT

STATE OF ALABAMA  
COUNTY OF SHELBY

THAT, WHEREAS, CHRIS E. SAKAGUCHI AND SPOUSE, RENEE N. SAKAGUCHI, have an outstanding lien in favor of COMPASS BANK, dated the 11<sup>TH</sup> day of OCTOBER, 1999 recorded in the Probate Office of SHELBY COUNTY, Alabama, in Inst. # 1999/43004 on certain real estate described herein to secure an indebtedness of \$80,000.00, and said lien is in full force and effect, and,

WHEREAS, CHRIS E. SAKAGUCHI AND SPOUSE, RENEE N. SAKAGUCHI have made an application to NEW SOUTH FEDERAL SAVINGS BANK for a loan in the sum of \$266,400.00 and said to NEW SOUTH FEDERAL SAVINGS BANK is willing to make said loan to the said CHRIS E. SAKAGUCHI AND SPOUSE RENEE N. SAKAGUCHI, provided he/she/they furnish it with a mortgage on the lands described in the aforesaid lien, and the said COMPASS BANK subordinate the above described lien and make the same second and subservient to the mortgage to NEW SOUTH FEDERAL SAVINGS BANK, as recorded in INST. # 20021001000474740 and,

WHEREAS, the said COMPASS BANK is willing to subordinate its said lien and make the lien second and subservient to the mortgage of the said to NEW SOUTH FEDERAL SAVINGS BANK as an inducement to it to make said loan.

IT IS FURTHER agreed that should default in the payments under the terms of the real estate mortgage to COMPASS BANK, the said Lender agrees to notify to NEW SOUTH FEDERAL SAVINGS BANK of said default prior to taking legal action.

IN WITNESS WHEREOF, the said COMPASS BANK has caused its name to be hereunto signed on the 25 day of SEPTEMBER, 2002.

COMPASS BANK

BY:

ITS:

STATE OF Alabama  
COUNTY OF Walker

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that MD Peacock, whose name as Vice Pres of COMPASS BANK, a corporation, is signed to the foregoing instrument, and who known to me, acknowledged before me on this day, that, being informed of the contents of the said instrument, she/he executed the same voluntarily for and as the act of said corporation.

Notary Public

My Commission expires: 12-15-02

Prepared By:  
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