

SUBORDINATION AGREEMENT

STATE OF ALABAMA
COUNTY OF JEFFERSON

This Subordination Agreement, made and entered into on this the 13th day of JANUARY 2003, by and between: COMPASS BANK, as party of the First Part and HOMETOWN MORTGAGE SERVICES, INC., party of the Second Part.

WITNESSETH:

That, Whereas, JOSEPH L. HOLLIS, SR. AND VICKIE J. HOLLIS have an outstanding lien in favor of: COMPASS BANK dated the 9TH day of April, 1997, and recorded in the Probate Office of Shelby County, Alabama, in Instrument 1997-12785, on certain real estate described therein to secure an indebtedness of \$17,000.00, and increased to \$25,0000.00 in Instrument 2001-42098, said lien is in full force and effect; and

Whereas, JOSEPH L. HOLLIS, SR. AND VICKIE J. HOLLIS made an application to the Party of the Second Part for a loan in the sum of \$133,000.00 and said Party of the Second Part is willing to make said loan to the said **JOSEPH L. HOLLIS, SR. AND VICKIE J. HOLLIS**, provided he furnish it with a mortgage on the lands described in the aforesaid lien, and the said Party of the First Part subordinate the above-described lien and make the same second and subservient to the mortgage of HOMETOWN MORTGAGE SERVICES, INC.; and

Whereas, the said Party of the First Part is willing to subordinate its said lien and make the lien second and subservient to the mortgage of the said Party of the Second Part as an inducement to it to make said loan.

Now, Therefore, in consideration of the premises and the further consideration of the sum of \$1.00, cash, in hand paid, the Party of the First Part by the Party of the Second Part, the receipt of which is hereby acknowledge, the said Party of the First Part does hereby agree that the lien of JOSEPH L. HOLLIS, SR. AND VICKIE J. HOLLIS dated April 9, 1997 and recorded in Probate Office of Shelby County, Alabama, in Instrument 2002-18970 and modified and increased in 2001-40298 shall be subordinate to the mortgage of COMPASS BANK.

IT IS FURTHER agreed that should JOSEPH L. HOLLIS, SR. AND VICKIE J. HOLLIS default in the payments under the terms of the real estate mortgage to Party of the Second Part, the said Lender agrees to notify Party of the First Part of said default prior to taking legal action.

IN WITNESS WHEREOF, the said Party of the First Part has caused its name to be hereunto signed on this the 13th day of JANUARY, 2003

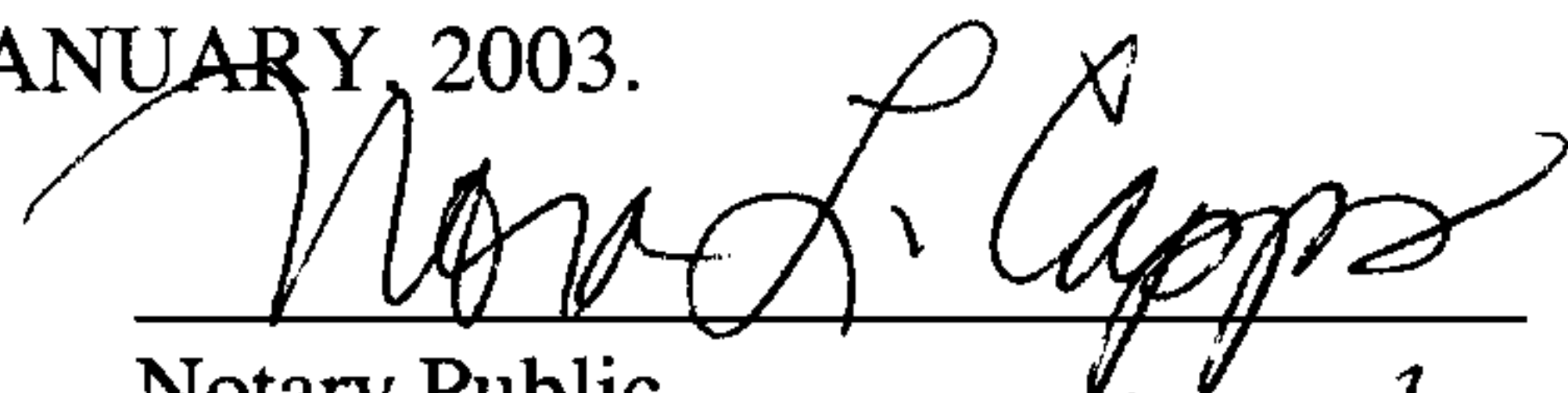
COMPASS BANK

BY: 

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said county and state, hereby certify that JA Woods whose named as AVP of COMPASS BANK, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day, that being informed of the contents of the conveyance, the same was executed voluntarily and with full authority on the day the same bears date.

Given under my hand and official seal on this 13th day of JANUARY, 2003.


Notary Public

Commission Expires: 5/11/06

Prepared By: Moseley & Associates, P.C. 3800 Colonnade Parkway, Suite 630, Birmingham, Alabama 35243