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Shelby Cnty Judge of Probate,AL
04/03/2003 10:35:00 FILED/CERTIFIED

SUBORDINATION AGREEMENT
(Real Property)

STATE OF ALABAMA
JEFFERSON COUNTY

THIS SUBORDINATION AGREEMENT executed this **18th** day of **MARCH**, **2003**, by the undersigned, **FIRST COMMERCIAL BANK** ("Holder");

WITNESSETH THAT:

WHEREAS, Holder is the holder and owner of a Mortgage from **JESS ALAN JOHNSON, HUSBAND AND MARGARET JO JOHNSON, HIS WIFE** ("Borrower") dated **JANUARY 29, 2002**, and recorded in Instrument # **2002/08269**, in the Office of the Judge of Probate of **SHELBY**, County, Alabama, ("Existing Mortgage") conveying the real property more particularly described below (the "Property"):

SEE EXHIBIT "A"

WHEREAS, Borrower has this date borrowed from **COATES AND COMPANY** ("Lender") the sum of $ **322,700.00**, secured by a Mortgage conveying said Property, dated of even date herewith, ("Superior Mortgage"); and

WHEREAS, Holder has agreed that the lien of the Superior Mortgage shall be prior and superior to the lien of the Existing Mortgage;

NOW, THEREFORE, for and in consideration of One Dollar ($1.00) in hand paid by the Borrower to Holder, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Holder, Holder hereby subordinates the lien of the Existing Mortgage to the lien of the Superior Mortgage, so that the Superior Mortgage shall be deemed to convey title to Lender to said Property superior to the Existing Mortgage and superior to the indebtedness secured by said Existing Mortgage. Holder specifically acknowledges and agrees that the priority of the security interests of Holder and Lender in the Property shall be governed by this Subordination Agreement and not by the order in which the Existing Mortgage and the Superior Mortgage are or were filed or recorded. Nothing contained herein or otherwise shall preclude Holder from demanding strict compliance by Borrower with the terms and conditions of the Existing Mortgage, and the instrument(s) evidencing the debt secured thereby, or enforcing its rights thereunder, subject to the terms of this Subordination Agreement. Without the prior written consent of Lender, Holder shall not exercise any collection rights with respect to the Property, will not foreclose under the Existing Mortgage or exercise any power of sale thereunder or to take any other collection action with respect to the Property and Holder's security therein.

Lender's rights under the Superior Mortgage may be exercised by Lender without notice to or consent by Holder. Lender may take such action regarding the Borrower, the indebtedness of Borrower to Lender, including, without limitation, extensions, renewals or restructurings of any indebtedness of Borrower to Lender (or the making of additional loans or advances to Borrower), all without notice to or consent of Holder, and without affecting the superiority of Lender's lien on the Property evidenced by this Subordination Agreement.

The subordination of the Existing Mortgage provided for herein: **x** shall be limited in application to the specific indebtedness of Borrower to Lender described hereinabove and any and all extensions, renewals and refinancings of same, or _____ shall apply to the specific indebtedness of Borrower to Lender described hereinabove and any and all extensions, renewals and refinancings of same and, in addition, to all other indebtedness of any nature whatsoever of Borrower to Lender whether heretofore or hereafter incurred.

Holder warrants and represents to Lender that Holder shall not transfer or assign the Existing Mortgage or any interest therein unless either (i) Holder has obtained the express prior written consent of Lender, or (ii) such transfer or assignment is specifically made subject to the terms and provisions of this Subordination Agreement and such is acknowledged in writing by the transferee and assignee in recordable form and Holder causes such acknowledgement to be recorded in the real estate records of the Office of the Judge of Probate in the county in which the Property is located.

This Subordination Agreement shall be binding upon Holder and the heirs, personal representatives, successors and assigns of Holder and shall inure to the benefit of Lender, its successors, assigns, purchasers at foreclosure sale and purchases pursuant to any power of sale contained in the Superior Mortgage.

Holder agrees to execute and deliver to Lender any further documents or instruments as specified by Lender to confirm or acknowledge the subordination of the Existing Mortgage evidenced hereby.

This Subordination Agreement shall be governed by and construed in accordance with the laws of the state in which the Property is located.

IN WITNESS WHEREOF, Holder has duly executed this Subordination Agreement, under seal, after due authorization, the day and year first above written.

HOLDER:

FIRST COMMERCIAL BANK

BY: ______________________
TRACI D. LANGSTON

ITS: **LOAN DOCUMENTATION OFFICER**

HOLDER'S ADDRESS:

800 SHADES CREEK PARKWAY
BIRMINGHAM, AL 35209

Signed, sealed and delivered
In the presence of:

____
Unofficial Witness

____
Notary Public

My Commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: [illegible]
BONDED THRU NOT[illegible]

____

(Notary Seal)

PREPARED BY:
KATHY MORGAN
(205) 868-4895

EXHIBIT "A"

Lot 28, according to the Map of Greystone, 6th Sector, as recorded in Map Book 17, Page 54 A,B and C, in the Probate Office of Shelby County, Alabama.

Together with the nonexclusive easement to use the private roadways, Common Areas and Hugh Daniel Drive, all as more particularly described in the Greystone Residential Declaration of Covenants, Conditions and Restrictions dated November 6, 1990 and recorded in Real Volume 317, Page 260, in the Probate Office of Shelby County, Alabama, and all amendments thereto.