

SUBORDINATION AGREEMENT

This SUBORDINATION AGREEMENT (the "Agreement"), made and entered into this 25 day of July, 2003, by and between Ray P. Davis and Erlene W. Davis, ("Borrower"), Washington Mutual Bank, FA ("Washington Mutual"), and the subordinating party, Colonial Bank, (the "Creditor"), WITNESSETH:

WHEREAS, Creditor is holder of a mortgage on property located at 105 Indigo Lane, (the "Premises") from Borrower to Creditor in the amount of \$35,000.00 dated 07/30/2003, recorded 08/26/2003 and recorded in Volume 2002, Page 40708, in Shelby County Records, (the "Subordinated Mortgage"); and

WHEREAS, a new mortgage has now been or will be executed by the Borrower whereby Washington Mutual is holder of a mortgage on the Premises from Borrower to Washington Mutual dated August 11, 03, in the principal amount not to exceed \$74,000.00 (the "New Mortgage")

WHEREAS, Creditor intends by this Agreement to waive the priority of the lien on the Subordinated Mortgage in favor of the New Mortgage;

NOW THEREFORE, in consideration of the sum of One Dollar cash in hand paid to the Creditor, the receipt of which is hereby acknowledged, the Creditor expressly: (I) waives the priority of the Subordinated Mortgage and (II) subordinates all rights, titles, or interest under the Subordinated Mortgage to the lien of the New Mortgage to the same extent as if the New Mortgage had been executed and recorded before the execution and recording of the Subordinated Mortgage.

IN WITNESS WHEREOF, the said creditor has caused its corporate seal to be hereto affixed and these presents to be signed in its name and behalf by Teresa Griswold, this 25 day of July, 2003.

COLONIAL BANK

By: Teresa Griswold
Teresa Griswold
Its: Senior Vice President

Dated July 25, 2003

County of Autauga } SS:

Before me the undersigned, a Notary Public, in and said County and State on this 25 day of July, 2003, personally appeared Teresa Griswold to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Senior Vice President and acknowledged to me that she executed the same as his free

and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My Commission expires 5-8-06

Carolyn A. Trammer
Notary Public Carolyn A. Trammer

EXHIBIT A

20030818000544670 Pg 3/3 17.00
Shelby Cnty Judge of Probate, AL
08/18/2003 14:59:00 FILED/CERTIFIED

**ALL THAT PARCEL OF LAND IN CITY OF CALERO, SHELBY COUNTY, STATE OF ALABAMA,
AS MORE FULLY DESCRIBED IN DEED BOOK 2001, PAGE 19585, ID# 22-9-31-0-000-017.012, AND
ID# 22-9-31-0-000-017-007, BEING KNOWN AND DESIGNATED AS METES AND BOUNDS
PROPERTY .**

**BY FEE SIMPLE DEED FROM ERLENE W. DAVIS AND RAY P. DAVIS, WIFE AND HUSBAND AS
SET FORTH IN BOOK 2001 PAGE 19585 DATED 05/02/2001 AND RECORDED 05/15/2001, SHELBY
COUNTY RECORDS, STATE OF ALABAMA.**

Two handwritten signatures are present at the bottom right of the page. The first signature is a large, stylized 'R' with a circle around it. The second signature is a smaller, cursive signature that appears to be 'EWD'.