

This instrument prepared by:
James R. Moncus, Jr.
1313 Alford Avenue
Birmingham, Alabama 35226

STATE OF ALABAMA)

JEFFERSON COUNTY)

MORTGAGE SUBORDINATION AGREEMENT

THIS MORTGAGE SUBORDINATION AGREEMENT is entered into on this 1st day of August, 2003, by Regions Bank.

W I T N E S S E T H:

WHEREAS, Regions Bank is the holder of that certain mortgage executed by Gene A. Jernigan and wife, Marian Faye Jernigan, (the "Mortgagors") which mortgage is recorded in Instrument No. 2002-16976 and modified as Instrument No. 20020724000344430 in the Office of the Judge of Probate of Shelby County, Alabama; (the "Regions Bank Mortgage"); and

WHEREAS, the Regions Bank Mortgage is subordinate to that certain mortgage in favor of Washington Mutual which mortgage is recorded in Instrument No. 1998-40646 in the Office of the Judge of Probate of Shelby County, Alabama (the "Washington Mutual Mortgage"); and

WHEREAS, Regions Mortgage has agreed to lend to Gene A. Jernigan and wife, Marian Faye Jernigan the sum of Ninety Six Thousand and no/100 Dollars (\$96,000.00) to be used, among other things, to satisfy the Washington Mutual Mortgage, but on the condition that the conventional loan be secured by a first mortgage (the "Regions Mortgage Mortgage"); and

WHEREAS, Regions Bank has agreed to subordinate its mortgage to the Regions Mortgage Mortgage.

NOW, THEREFORE, in consideration of the premises and Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regions Bank does hereby agree as follows:

1. **Subordination.** In order to induce Regions Mortgage to make the loan to Gene A. Jernigan and wife, Marian Faye Jernigan, and at any time, or from time to time, at Regions Mortgage's option, to grant such renewals or extensions of said loan as it may deem advisable, Regions Bank hereby subordinates, in right of payment and claim, the Regions Bank Mortgage to the Regions Mortgage Mortgage and the debt secured thereby as described above, and Regions Bank further agrees that any existing or hereafter acquired or arising security interest, security title to, or lien against the property encumbered by the Regions Bank Mortgage in favor of Regions Bank securing the payment of the existing debt, including without limitation the Regions Bank Mortgage, shall be and at all times remain subordinate and inferior in priority to any security interest in, security title to or lien against such property in favor of the Regions Mortgage Mortgage securing payment of conventional loan, including without limitation the Regions Mortgage Mortgage.

2. **Successors and Assigns.** This subordination agreement shall be binding upon, and shall inure to the benefit of, Regions Mortgage, and Regions Bank and their respective successors and assigns.

3. **Waiver of Notice of Acceptance.** Notice of acceptance by Regions Mortgage of this subordination agreement is hereby waived by Regions Bank and this subordination agreement and all of the terms and conditions hereof shall be immediately binding upon Regions Bank from the date of the execution hereof.

IN WITNESS WHEREOF, Regions Bank by a duly authorized officer, has executed this agreement on or as of the date first above written.

REGIONS BANK

By: Bryan Sharahan
Its: Commercial officer

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County and State, hereby certify that Bryan Sharahan, whose name as Commercial officer of Regions Bank, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, (s)he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal this the 1st day of August, 2003.

[Signature]
Notary Public
My commission expires: 3/12/06

[SEAL]