

SUBORDINATION AGREEMENT

WHEN RECORDED MAIL TO:	SPACE ABOVE FOR RECORDERS USE
MSN SV-79/ DOCUMENT CONTROL DEPT. P.O. BOX 10266 VAN NUYS CALIFORNIA 91410-0266	
LOAN #: 000021454456 / 0214543482005N	
ESCROW/CLOSING#:	

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT is made this 18th day of February, 2004, by Countrywide Home Loans, Inc. (“Subordinated Lienholder”), with a place of business at 1800 Tapo Canyon Road, Simi Valley, CA 93063.

WHEREAS, JONATHAN L & BRANDEN B SMITH executed and delivered to Subordinated Lienholder, a Deed of Trust/Mortgage (the 'First Security Instrument') in the sum of \$7,500.00 dated 12/19/2002, and recorded 12/27/2002 in Book , Page , as Instrument NO. 2002640379, in the records of JEFFERSON County, State of ALABAMA, as security for a loan (the 'First Loan'), which First Security Instrument is a valid and existing lien on the real property described on Exhibit 'A' attached hereto.

WHEREAS, JONATHAN L & BRANDEN B SMITH executed and deliverd to, Countrywide Home Loans, Inc. ('Lender'), a deed of trust/mortgage in the sum of \$134,550.00, which deed of trust/mortgage is intended to be recorded herewith or is recorded 12/27/2002 in Book , Page ,as Instrument No.2002640382 , in the records of JEFFERSON County, State of ALABAMA (the 'Second Security Instrument') as security for a loan (the 'Second Loan');

WHEREAS, it is a condition precedent to obtaining the Second Loan that the lien of the Second Loan shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien of the First Loan; and

WHEREAS, Lender is willing to make said loan provided the lien securing the Second Loan is a lien or charge upon the described property prior and superior to the lien of the First Loan and provided that Subordinating Lender will specifically and unconditionally subordinate the lien of the First Loan to the lien of the Second Loan; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such a loan to Borrower; and Subordinating Lender is willing that the lien securing the Second Loan shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien securing the First Loan.

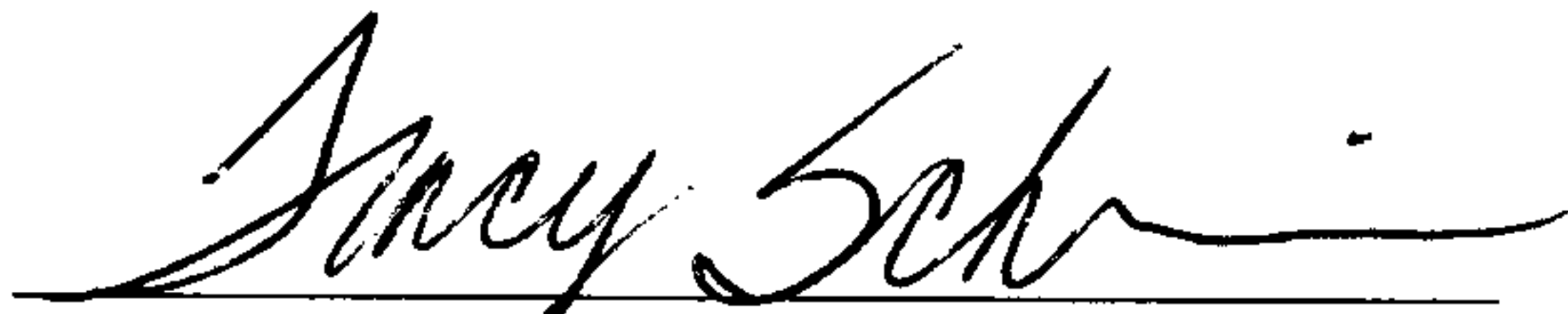
NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That the Second Security Instrument, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the First Security Instrument.
- (2) That Lender would not make the Second Loan without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the First Security Instrument to the Second Security Instrument and shall supersede and cancel, but only insofar as would affect the priority between the security instruments hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the First Security Instrument above mentioned, which provide for the subordination of the lien to another security instrument, deed of trust or mortgage.

Subordinating Lender declares, agrees and acknowledges that

- (a) It consents to and approves (i) all provision of the note and Second Security Instrument in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Borrower and Lender for the disbursement of the proceeds of the Second Loan;
- (b) Lender making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part; and
- (c) It intentionally and unconditionally waives, relinquishes and subordinates the lien of the First Security Instrument in favor of the lien or charge upon said land of the Second Security Instrument and understands that in reliance upon, and in consideration of, this waiver, relinquish and subordinate specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOW THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.



Tracy Schreiner
Assistant Vice President
Countrywide Home Loans, Inc.

STATE OF CALIFORNIA)
) SS.
COUNTY OF VENTURA)

On this 19th day of February 2004, before me, Debra A. Kiss,
Notary Public, personally appeared Tracy Schreiner,
Assistant Vice President, for Countrywide Home Loans Inc., personally known to me
or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are signed to the
foregoing instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

(SEAL)

My Commission Expires: 03/01/2006

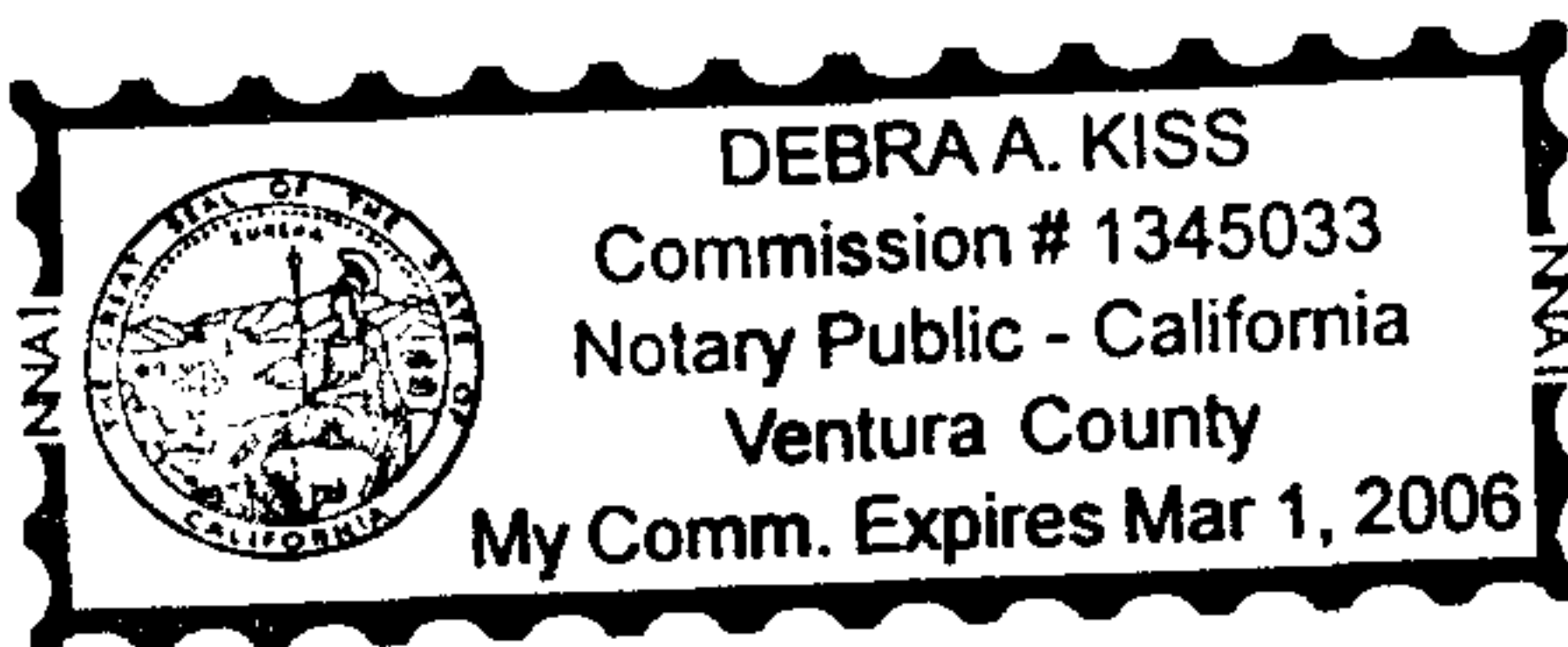


EXHIBIT “A”
LEGAL DESCRIPTION

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART
HEREOF.