

**SUBORDINATION AGREEMENT**  
(Real Property)

STATE OF ALABAMA  
JEFFERSON COUNTY

THIS SUBORDINATION AGREEMENT executed this **18TH** day of **FEBRUARY, 2004**, by the undersigned, **FIRST COMMERCIAL BANK** ("Holder");

WITNESSETH THAT:

WHEREAS, Holder is the holder and owner of a Mortgage from **SUSAN FRANKS, A SINGLE WOMAN, IN THE AMOUNT OF \$36,600.00** ("Borrower") dated **MARCH 20, 2003**, and recorded in Instrument # **2003/22216**, in the Office of the Judge of Probate of **SHELBY**, County, Alabama, ("Existing Mortgage") conveying the real property more particularly described below (the "Property"):

**LOT 454, ACCORDING TO THE SURVEY OF FOREST PARKS, 4TH SECTOR, 1ST PHASE, AS RECORDED IN MAP BOOK 23, PAGE 99 A & B, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.**

WHEREAS, Borrower has this date borrowed from **HomeTown MORTGAGE SERVICES, INC.** ("Lender") the sum of \$ **199,800.00**, 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.

