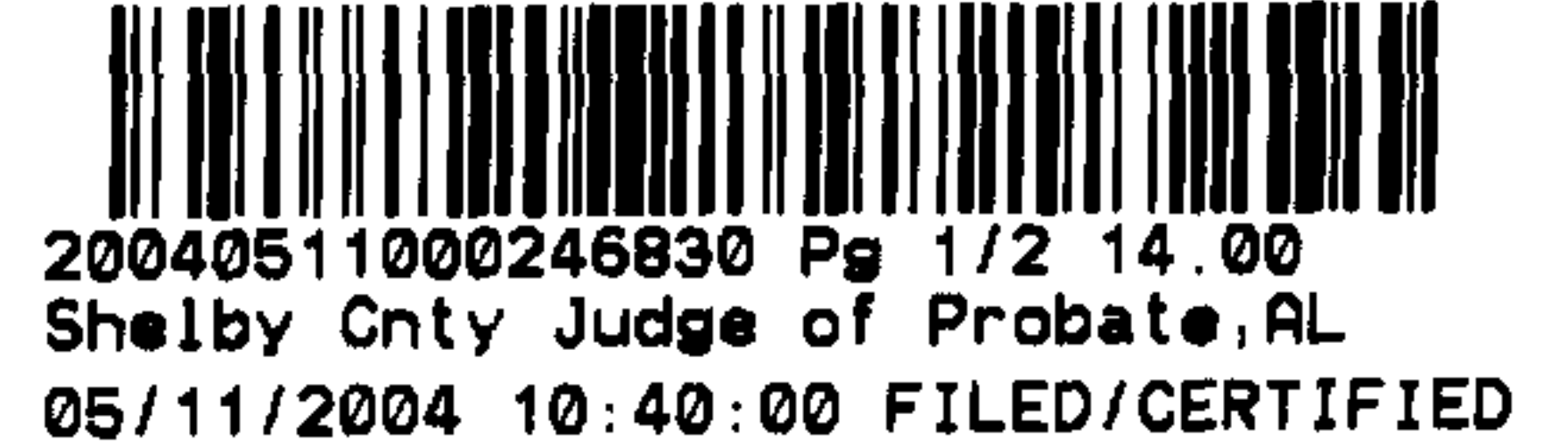


Yell
#107-03



STATE OF ALABAMA
COUNTY OF Shelby

SUBORDINATION AGREEMENT

WHEREAS, Richard Chandler, III and Jane F. Chandler (hereinafter referred to as "Borrower"), has applied to Navy Federal Credit Union (hereinafter referred to as "Bank") for a loan of money in the amount of \$150,000.00 to be secured by a mortgage on the property hereinafter described; and

WHEREAS, the undersigned have a lien on said property which would in the absence of this agreement be superior to the mortgage to be executed by the Borrower to the Bank; and

WHEREAS, the Bank is unwilling to make the requested loan to the Borrower unless the undersigned subordinate their lien in said property to the mortgage to be executed by the Borrower to the Bank.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, and in order to induce the Bank to make the requested loan to the Borrower, the undersigned hereby agree as follows:

The undersigned hereby subordinates to the mortgage to be executed by the Borrower to the Bank all right, title and interest at law or equity of the undersigned in and to the following described property situated in Shelby County, Alabama, to-wit:

Lot 62, according to the Survey of Little Ridge Estates, as recorded in Map Book 9, Page 174 in the Probate Office of Shelby County, Alabama

including without limitation, that certain mortgage dated December 4, 2001 recorded on May 10, 2002 in Inst. #20020510000222330 in the amount of \$50,000 in the Probate Office of Shelby County, Alabama.

IN WITNESS WHEREOF Navy Federal Credit Union has caused its ✓ ASSISTANT TREASURER to execute this Subordination Agreement with full authority for and on behalf of Navy Federal Credit Union this the 10 day of July, 2003.

20040511000246830 Pg 2/2 14.00
Shelby Cnty Judge of Probate, AL
05/11/2004 10:40:00 FILED/CERTIFIED

NAVY FEDERAL CREDIT UNION

BY: Brenda S. Sydnor
Brenda S. Sydnor
its Assistant Treasurer

STATE OF Florida
COUNTY OF Escambia

I, the undersigned authority, a Notary Public in and for said county in said state hereby certify that Brenda Sydnor whose name as Assistant Treasurer for NAVY FEDERAL CREDIT UNION is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he as such officer, and with full authority, executed the same voluntarily for and as the act of NAVY FEDERAL CREDIT UNION on the day the same bears date.

Given under my hand and official seal this the 10 day of July, 2003.

Teresa L. Heiden
NOTARY PUBLIC

My commission expires: ✓



Teresa L. Heiden
My Commission DD191529
Expires March 09, 2007