

MORTGAGE SUBORDINATION AGREEMENT

THIS AGREEMENT is made this 11 of June, 2003 by South Trust Bank ("Subordinating Party"), and is being given to Bank of America, N.A. ("Lender").

RECITALS

1. LENDER is making a mortgage loan (the "Loan") to:

Charles R. Merritt

Gwen E. Merritt

("Borrower") in connection with the acquisition or refinancing of certain premises with a property address of 6044 Mills Drive, Birmingham, AL 35242 which premises are more fully described in Exhibit A attached hereto and incorporated herein by reference ("Property").

2. Borrower is the present owner of the Property or will at the time of the making of the Loan be the owner of the Property, and has executed or is about to execute a Mortgage/Deed of Trust in the sum of \$154,000.00 with a loan number of 6914453813 in favor of the LENDER.
3. Subordinating Party is also making a mortgage loan to the Borrower in the amount of \$60,000.00 in connection with the acquisition of the Property, or now owns or holds an interest as mortgagee of the Property pursuant to the provisions of that certain Mortgage/Deed of Trust dated June 24, 2002, recorded on August 6, 2002, under Document No. 2002 0806000356910, Book No. N/A, Page N/A, County of Shelby, State of Alabama.
4. LENDER is willing to make such loan to Borrower provided that LENDER obtains a first lien on the Property and Subordinating Party unconditionally subordinates the lien of its Mortgage/Deed of Trust to the lien in favor of LENDER in the manner hereinafter described.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Subordinating Party, and to induce LENDER to make a loan to Borrower, Subordinating Party hereby agrees with LENDER that the Mortgage/Deed of Trust securing the Note in favor of LENDER, and any renewals, extensions or modifications of it, will be and shall remain a lien on the Property prior and superior to the lien in favor of Subordinating Party in the same manner as if LENDER's Mortgage/Deed of Trust has been executed and recorded prior in time to the execution and recordation of the Subordinating Party's Mortgage/Deed of Trust.

Subordinating Party further agrees that:

1. Any future advance of funds or additional debt that may be secured by the Subordinating Party's Mortgage/Deed of Trust including, without limitation, additional debt created by any shared appreciation or negative amortization provisions of the Subordinating Party's Mortgage/Deed of Trust (together, "Future Advances"), shall be subject to the provisions of this Mortgage Subordination

Agreement. The Mortgage/Deed of Trust securing the Note in favor of LENDER, and any renewals, extensions, or modifications of it, will be and shall remain a lien on the Property prior and superior to any lien for Future Advances.

2. This Agreement is made under the laws of the State in which the Property is located. It cannot be waived, changed, or terminated, except by a writing signed by both parties. This Agreement shall be binding upon Subordinating Party and the heirs, representatives, successors and assigns of Subordinating Party, and shall inure to the benefit of, and shall be enforceable by LENDER and its successors and assigns. Subordinating Party waives notice of LENDER's acceptance of this Agreement.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed the day and year first above written.

South Trust Bank

Subordinating Party

WITNESS:

Phillip Freeman
Phillip Freeman
Cindy Massey

By:

Stephen A. Pierce
(Signature)

Its:

(Title)



STATE OF Alabama
COUNTY OF Jackson } SS

20040804000433680 Pg 2/2 14.00
Shelby Cnty Judge of Probate, AL
08/04/2004 09:16:00 FILED/CERTIFIED

On this 11 day of June, 2003,

before me, the undersigned, a Notary Public in and for said county, personally appeared to me
Stephen A. Pierce personally known, who being duly sworn, did say that
he/she is Asst Vice Pres of South Trust Bank

and that foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors,
and he/she acknowledged the execution of said instrument to be the voluntary act and deed of said corporation.

Witness my hand and notarial seal the day and year last above written.

MY COMMISSION EXPIRES MAY 30, 2005

My commission expires _____

Notary Public

