


Recording Requested By:
GMAC MORTGAGE

When Recorded Return to:
GMAC MORTGAGE
P O Box 780
Waterloo, IA 50702-5345


20050919000483360 1/4 \$20.00
Shelby Cnty Judge of Probate, AL
09/19/2005 08:01:59AM FILED/CERT

Prepared By: Michele Coley-Turner
Loan Number: 354516167

Space above this line for Recorder's Use.

SUBORDINATION AGREEMENT

Existing Trust Deed to Deed of Trust to Record

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

THIS AGREEMENT, made this **20** day of **July, 2005** by **JASON C. HILL & LORRETTA K. HILL**, owner of the land hereinafter described and hereinafter referred to as "Owner" and **E*Trade Bank**, present owner and holder of the Deed of Trust/Mortgage and Note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

WHEREAS, owner did on **4/25/03**, execute a Deed of Trust/Mortgage to **E*Trade Bank**, as Beneficiary, covering property in **Shelby**, County State of **Alabama**, to secure a Note in the sum of **10,000.00** which Deed of Trust/Mortgage was recorded **5/6/03**, in **Instrument 20030506000279740**, Official Records of said County and is subject and subordinate to the Deed of Trust/Mortgage next hereinafter described;

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust/Mortgage and Note in the sum of **116,000.00** in favor of **Coats & Co, Inc**, hereinafter referred to as "Lender" if payable with interest and upon the terms and conditions described therein, which Deed of Trust/Mortgage is to be recorded concurrently herewith;

WHEREAS, it is a condition precedent to obtaining said loan that said Deed of Trust/Mortgage last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Deed of Trust/Mortgage first above mentioned;

Handwritten notes:
10/19/05
2005

SUBORDINATION AGREEMENT
PAGE 2

Loan Number 354516167


WHEREAS, Lender is willing to make said loan provided the Deed of Trust/Mortgage securing the same is a lien or charge upon the land prior, and superior to the lien or charge of the Deed of Trust/Mortgage first above mentioned and provided that Lender will specifically and unconditionally subordinate the lien or charge of the Deed of Trust/Mortgage first above mentioned to the lien or charge of the Deed of Trust/Mortgage in favor of Lender;

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to owner; and Beneficiary is willing that the Deed of Trust/Mortgage securing the same shall when recorded, constitute a lien or charge upon said land which unconditionally prior and superior to the lien or charge of the Deed of Trust/Mortgage first above mentioned;

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 Deed of Trust/Mortgage securing said Note in favor of Lender, 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 lien or charge of the Deed of Trust/Mortgage first above mentioned.
2. That Lender would not make its loan above described without this Subordination Agreement.
3. That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Deed of Trust/Mortgage first above mentioned to the lien or charge of the Deed of Trust/Mortgage in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Deeds of Trust/Mortgage hereinbefore specifically described, any prior agreements as to subordination, including, but not limited to, those provision, if any, contained in the Deed of Trust/Mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that:


20050919000483360 2/4 \$20.00
Shelby Cnty Judge of Probate, AL
09/19/2005 08:01:59AM FILED/CERT

SUBORDINATION AGREEMENT

Page 3


Loan Number 354516167

(a) He consents to and approves (i) all provisions of the Note and Deed of Trust/Mortgage in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in 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;

(c) Beneficiary intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Deed of Trust/Mortgage first above mentioned in favor of the lien or charge upon the land of the Deed of Trust in favor of Lender, as well as all other obligations recited therein as being secured thereby, and understands that in reliance upon and in consideration of this waiver, relinquishment and subordination, certain modifications are being and will be made and, as part and parcel thereof, specific monetary and other obligations and agreements are being and will be entered into which would not be made or entered into but for the reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the Note secured by the Deed of Trust/Mortgage first above mentioned that the Deed of Trust/Mortgage has by this instrument been subordinated to the lien or charge of the Deed of Trust/Mortgage in favor of Lender above referred to.


20050919000483360 3/4 \$20.00
Shelby Cnty Judge of Probate, AL
09/19/2005 08:01:59AM FILED/CERT

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

This document may be executed in counterpart.

Jason C. Hill
JASON C. HILL, Owner

Loretta K. Hill
LORRETTA K. HILL, Owner

_____[Space below this line for acknowledgments in accordance with laws of Jurisdiction]_____

STATE OF

COUNTY OF

SS:

On 8/19/05, before me, Gene W. Gray Jr., personally appeared JASON C. HIL and LORRETTA K. HILL, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within 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 persons(s) acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires: 11-9-06

Gene W. Gray Jr.
GENE W. GRAY, JR. - Notary Public

_____[For Office Use only]_____

E*TRADE BANK

By: Colleen Damon
Name: Colleen Damon
Title: DIRECTOR

STATE OF VIRGINIA

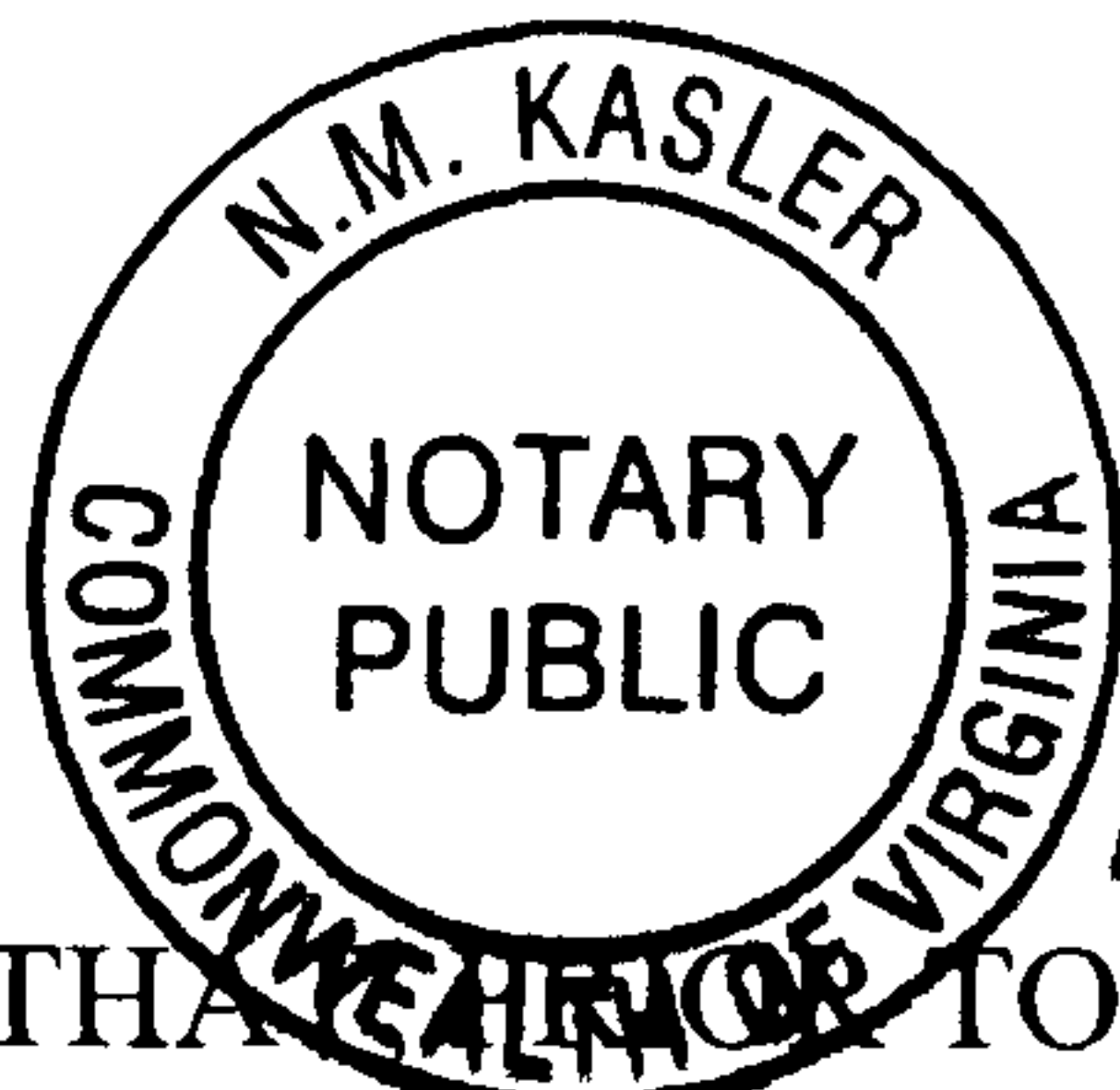
COUNTY OF ARLINGTON

SS:

On 8/19/05, before me, a notary public in and for the said county, personally appeared Colleen Damon known to me to be an DIRECTOR of E*TRADE BANK, the BANK that executed the within instrument and also known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument, on behalf of the Corporation herein named and acknowledged to me that such corporation executed the same.

WITNESS my hand and notarial seal.

My Commission Expires:
9/30/06



N.M. Kasler
N.M. KASLER
NOTARY PUBLIC
COMMONWEALTH
OF VIRGINIA
MY COMMISSION EXPIRES
SEPTEMBER 30, 2006

IT IS RECOMMENDED THAT EACH PARTY TO THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO

20050919000483360 4/4 \$20.00
Shelby Cnty Judge of Probate, AL
09/19/2005 08:01:59AM FILED/CERT