20051026000556970 1/4 $20.00
Shelby Cnty Judge of Probate, AL
10/26/2005 01:07:27PM FILED/CERT

Recording Requested by: LSI
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2550 N. Red Hill Ave.
Santa Ana, CA 92705
800-756-3524 Ext. 5011

CRS: 1505859

APN: 117260005003000

SUBORDINATION AGREEMENT

20051026000556970 2/4 $20.00
Shelby Cnty Judge of Probate, AL
10/26/2005 01:07:27PM FILED/CERT

Prepared by Robin Benfield

Charles Schwab Bank, N.A.
4001 Leadenhall Road
Mailstop SV24
Mt. Laurel, NJ 08054
Attn: Subordination Department
Loan No.: 0027794940

Recording requested by: LSI
When recorded return to:
Custom Recording Solutions
2550 N. Redhill Ave.
Santa Ana, CA. 92705
800-756-3524 ext. 5011

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "Agreement") is made as of the 06th day of September 2005, by ***Charles Schwab Bank, N.A.***, 3000 Leadenhall Road, Mt. Laurel, NJ 08054 ("Subordinating Party"), in favor ***Bank Of America, N.A.*** , it's successors and/or assigns as their respective interests may appear ("Outside Lender").

W I T N E S S E T H: That,

WHEREAS, Subordinating Party is the owner and holder of that certain Mortgage dated May 08, 2004, in the amount of ***$44,500.00***, executed by ***Richard P. Storm and Martha R. Storm***, ("Borrower," which term includes all parties executing such instrument) in favor of Charles Schwab Bank, N.A., recorded on June 04, 2004 as ***Instrument No. 2004-29973*** of the public records of ***Shelby County***, State of Alabama (the "Subordinate Security Instrument"), which encumbers the following described real property:

SEE ATTACHED LEGAL DESCRIPTION

hereinafter the "Property."

WHEREAS, Borrower is the owner of the Property and Outside Lender is extending a new loan to Borrower in the amount of ***$273,985.00*** (the "New Loan") which is also secured by a Mortgage that encumbers the Property, which security instrument is being recorded in said public records contemporaneously with the recording of this Agreement (the "Outside Lender Security Instrument"); and

WHEREAS, Outside Lender, as an express condition of its extending the New Loan to Borrower, requires that the Outside Lender Security Instrument be a valid first lien encumbrance against the Property superior in all ways to the Subordinate Security Instrument and that Subordinating Party unconditionally subordinate the lien of the Subordinate Security Instrument to the lien of the Outside Lender Security Instrument in the manner hereinafter described;

NOW THEREFORE, in consideration of the premises which are hereby incorporated into this Agreement, 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 Outside Lender to make the New Loan to Borrower, Subordinating Party hereby unconditionally acknowledges and agrees with Outside Lender that:

0027794940

1. Subordinating Party hereby subordinates the lien of the Subordinate Security Instrument to the lien of the Outside Lender Security Instrument and declares that the Outside Lender Security Instrument, and any renewals, extensions, or modifications thereof, or substitutions therefore is and shall remain a first lien on the Property, prior and superior to the lien of the Subordinate Security Instrument, and shall be entitled to the same rights and privileges, both in law and equity, as it would have had if the Outside Lender Security Instrument had been executed, delivered, and recorded prior to the execution, delivery, and recordation of the Subordinate Security Instrument.

2. Any future advance of funds or additional debt that may be secured by the Subordinate Security Instrument shall be subject to the provisions of this Agreement. The Outside Lender Security Instrument, and any renewals, extensions, or modifications thereof or substitutions therefore, are and shall remain a first lien on the Property, prior and superior to any lien for future advances of funds or additional debt secured by the Subordinate Security Instrument.

3. 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 Outside Lender and Subordinating Party. This Agreement shall be binding upon Subordinating Party and the heirs, legal representatives, successors, and assigns of Subordinating Party and shall inure to the benefit of, and shall be enforceable by, Outside Lender and its successors and assigns. Subordinating Party waives notice of Outside Lender's acceptance of this Agreement.

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

Charles Schwab Bank, N.A., by
PHH Mortgage Corporation, authorized agent

Sergio Gargurevich, Vice President

Signed, sealed, and delivered
in the presence of:

Robin Benfield

Name: Robin Benfield

Mysti Specht

Name: Mysti Specht

Corporate Seal

STATE OF NEW JERSEY)

COUNTY OF BURLINGTON)

The foregoing instrument was acknowledged before me this 6th day of September 2005, by Sergio Gargurevich, who is Vice President of PHH Mortgage Corporation, on behalf of the corporation,

Natasha A. Moss

Notary Public, State of New Jersey

Natasha A. Moss
NOTARY - NEW JERSEY
ID #2315009
My Commission Expires 5/13/09

20051026000556970 3/4 $20.00
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20051026000556970 4/4 $20.00
Shelby Cnty Judge of Probate,AL
10/26/2005 01:07:27PM FILED/CERT

Order ID: 1505859

Loan No.: 6343825227

EXHIBIT A
LEGAL DESCRIPTION

THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN SHELBY COUNTY, STATE OF ALABAMA, TO WIT:

LOT 3803 ACCORDING TO THE SURVEY OF BIRKSHIRE, 38TH ADDITION TO RIVERCHASE, AS RECORDED IN MAP BOOK 22 PAGE 140 IN THE PROBATE OFFICE OD SHELBY COUNTY, ALABAMA.

APN: 117260005003000