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Shelby Cnty Judge of Probate, AL
09/14/2006 02:46:06PM FILED/CERT

SUBORDINATION AGREEMENT

STATE OF ALABAMA
COUNTY OF JEFFERSON

This Subordination Agreement made and entered into on this the 31st day of August, 2006, by and between: FLAGSTAR BANK, as party of the First Part and HOMETOWN MORTGAGE SERVICES, INC., party of the Second Part.

WITNESSETH:

That, Whereas, MARK GRAINGER AND ASHLEY GRAINGER, has an outstanding lien in favor of: Hometown Mortgage Services, Inc., serviced by Flagstar Bank through MERS dated the 8TH day of December, 2005, and recorded in Instrument 20051212000641800 in the Probate Office of Shelby County, Alabama, on certain real estate described therein to secure an indebtedness of $23,000.00, and said lien is in full force and effect.

Whereas, MARK GRAINGER AND ASHLEY GRAINGER has/have made an application to the Party of the Second Part for a loan in the sum of $193,500.00 and said Party of the Second Part is willing to make said loan to the said, provided they furnish it with a mortgage on the lands described in the aforesaid lien, and the said Party of the First Part subordinate the above-described lien and make the same second and subservient to the mortgage of Hometown Mortgage Services, Inc., and

Whereas, the said Party of the First Part is willing to subordinate its said lien and make the lien second and subservient to the mortgage of the said Party of the Second Part as an inducement to it to make said loan.

Now, Therefore, in consideration of the premises and the further consideration of the sum of $1.00, cash, in hand paid, the Party of the First Part by the Party of the Second Part, the receipt of which is hereby acknowledge, the said Party of the First Part does hereby agree that the lien of, Hometown Mortgage Services, Inc., serviced by Flagstar Bank through MERS dated December 8, 2005 and recorded in Probate Office of Shelby County, Alabama, in Instrument 20051212000641800 shall be subordinate to the mortgage of HOMETOWN MORTGAGE SERVICES, INC.

IT IS FURTHER agreed that should MARK GRAINGER AND ASHLEY GRAINGER default in the payments under the terms of the real estate mortgage to Party of the Second Part, the said Lender agrees to notify Party of the First Part of said default prior to taking legal action.

IN WITNESS WHEREOF, the said Party of the First Part has caused its name to be hereunto signed on this the 31st day of AUGUST, 2006.

FLAGSTAR BANK

BY: _____
ITS: VICE PRESIDENT

STATE OF MICHIGAN
COUNTY OF OAKLAND

I, the undersigned, a Notary Public in and for said county and state, hereby certify that GEORGE PFEIFFER whose named as VICE PRESIDENT of FLAGSTAR BANK 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, the same was executed voluntarily and with full authority on the day the same bears date.

Given under my hand and official seal on this 31ST day of AUGUST, 2006.

Nancy J. Meade
Notary Public Nancy J. Meade
Commission Expires: 04/03/2012

Prepared By: Moseley & Associates, P.C. 2871 Acton Road, Suite 101, Birmingham, Alabama 35243