

## MULTISTATE SUBORDINATION and MODIFICATION AGREEMENT

(With Optional Deed of Appointment  
of Substitute Trustee, if necessary)

Effective Date: December, 2008  
Borrower(s): John A Bella & Catherine M Bella  
New Lender: Liberty Mortgage Corporation  
Subordinating Lender: Wachovia Bank, NA  
Trustee (if Applicable): N/A  
Property Address: 113 Huntington Place, Birmingham, AL 35242

**THIS AGREEMENT** (this "Agreement"), effective as of the Effective Date above, is made by and among the Subordinating Lender, the Trustee (if any, including any substitute trustee appointed pursuant to Section C. of this Agreement) and the New Lender name above.

1. One or more of the person(s) name above as a Borrower(s) own(s) the real property located at the above Property Address (the "Property").
2. The Subordinating Lender and the Trustee (if any) have an interest in the Property by virtue of a mortgage, deed of trust or security deed (the "Existing Security Instrument") given by Borrower(s), which is dated the 18 day of April, 2008 and was filed as Instrument No. 20080508000190530 in Deed Book -- at page(s) --, et seq. of the public records of Shelby County, Alabama. The Existing Security Instrument secures repayment of a loan or line of credit (the "Existing Debt") extended to Borrower by Subordinating Lender.
3. The New Lender has agreed to (make new loan/amend existing loan) in the original principal amount of \$ 315,000.00 (the "New Loan"/"Amended Loan") to the Borrower, provided that the (New Loan/Amended Loan) is secured by a first lien mortgage, deed of trust or security deed on the Property (the "New Security Instrument") in favor of the New Lender.
4. The Subordinating Lender is willing to subordinate the lien of the Existing Security Instrument to the lien of the New Security Instrument.

### **NORTH CAROLINA LOANS ONLY** (if applicable):

5. The New Loan will have a maximum principal amount of \$ N/A (not including advances which the New Lender may make on Borrower's behalf to protect the property or the lien of the New Security Instrument) and a maximum rate of N/A% per annum.

**NOW, THEREFORE**, for and in consideration of the above recitals, the covenants herein contained, and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

### **A. AGREEMENT TO SUBORDINATE**

1. **Subordination.** Lender and Trustee (if any) hereby subordinate to the lien of the New Security Instrument the lien of the Existing Security Instrument, including all modifications, extensions and renewals of the New Security Instrument. This Agreement is effective as to any sum whose repayment is presently secured or which may in the future be secured by the Existing Security Instrument.
2. **Other Documents.** Subordinating Lender and Trustee (if any) will deliver to New Lender such estoppel letters, status reports or verification of this Agreement as New Lender may reasonably request.



**B. AGREEMENT TO REDUCE CREDIT LIMIT**

If this box is checked, the Lender's and (if any) the Trustee's agreement to subordinate the lien of the Existing Security Instrument is conditioned on a reduction of the Credit limit on Borrower(s)' revolving line of credit account to a maximum at any one time of \$ 88,750.00. By signing this Agreement below, each Borrower who signed the credit agreement for the account agrees to this permanent change.

**C. APPOINTMENT OF SUBSTITUTE TRUSTEE(s) (if applicable)**

**WHEREAS**, the Security Instrument referred to in Section A. of this Agreement is a Deed of Trust (the "Deed of Trust") which names N/A ("Original Trustee(s)") as Trustee(s) and Subordinating Lender as beneficiary; and

**WHEREAS**, the Deed of Trust provides that the Subordinating Lender may designate and appoint a substitute Trustee in place of any other trustee(s) by an instrument recorded among the appropriate land records; and

**WHEREAS**, it is the desire of the Subordinating Lender to appoint a substitute trustee in the place and stead of the Original Trustee.

**NOW, THEREFORE**, Subordinating Lender hereby removes the Original Trustee as Trustee and designates and appoints N/A as substitute Trustee with the same powers and duties as were originally vested in the Original Trustee under the Deed of Trust.

**D. GENERAL TERMS AND CONDITIONS**

- 1. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto and all of those holding title under any of them.
- 2. Nonwaiver.** This Agreement may not be changed or terminated orally. No indulgence, waiver, election or non-election by New Lender or the trustee(s) under the New Security Instrument or related loan documents shall affect this Agreement.
- 3. Severability.** The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions hereof.
- 4. Applicable Law.** It is agreed that the laws of the state in which the Property is located, applied without regard to general conflicts of laws principles, shall govern the construction and interpretation of this Agreement and the rights and obligations set out herein.

**E. SIGNATURES AND ACKNOWLEDGEMENTS**

**IN WITNESS WHEREOF**, the Subordinating Lender, through its authorized officer and, if applicable (i) the Trustee (if any), individually or through its authorized officer or other representative, and (ii) if applicable, the Borrower(s), have each set their hand and seal as of the Effective Date above.

**SUSAN COX**  
ATTEST: Susan Cox ASSISTANT SECRETARY  
(name/title)

(Corporate Seal)

ATTEST: N/A  
(name/title)

(Corporate Seal)

Catherine M Bella  
(witness to both borrowers)

SUBORDINATING LENDER: Wachovia Bank, NA  
By: Susan Ellis **SUSAN ELLIS**  
(name/title) ASST. VICE PRESIDENT

TRUSTEE: (if applicable)  
By: N/A  
(name/title)

BORROWER(s):  
John A Bella Catherine M Bella  
John A Bella Catherine M Bella

### SUBORDINATING LENDER'S ACKNOWLEDGEMENT

STATE OF VA  
COUNTY OF Roanoke

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 22 day of Dec, 2008, by Sen Ellis, as D.U.P. of the Subordinating Lender named above, on behalf of said Subordinating Lender pursuant to authority granted by its board of directors or other governing body. S/he is personally known to me or has produced satisfactory proof of his/her identity.

[Signature] (signature of person administering Oath)  
printed name: Julia Hill /title: 731-05  
(If Applicable) My Commission Expires: \_\_\_\_\_



Embodied Hereon is My Commonwealth of VA  
Notary Public Seal - County of Roanoke  
My commission expires 7/31/2009  
Julia Hill ID #067526

### TRUSTEE'S ACKNOWLEDGEMENT (if applicable)

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of the Trustee named above, on behalf of said Trustee pursuant to authority granted by Trustee's board of directors or other governing body. S/he is personally known to me or has produced satisfactory proof of his/her identity.

N/A (signature of person administering Oath)  
printed name: \_\_\_\_\_ /title: \_\_\_\_\_  
(If Applicable) My Commission Expires: \_\_\_\_\_

### BORROWER'S ACKNOWLEDGEMENT (Required If Section 'B' Above Has Been Completed)

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, the Borrower(s) named above. She/he/they is/are personally known to me or has produced satisfactory proof of his/her identity.

\_\_\_\_\_  
(signature of person administering Oath)  
printed name: \_\_\_\_\_ /title: \_\_\_\_\_  
(If Applicable) My Commission Expires: \_\_\_\_\_