FORSYTH CO,NC 53 FEE:$ 14.00
PRESENTED & RECORDED: 11/26/2001 10:37AM
DICKIE C. WOOD REGISTER OF DEEDS BY:WILLIA
BK2214 P 455 - P 458

RECORDING REQUESTED BY:
BridgeSpan Title Company
Escrow No. 712076
Order No.

AND WHEN RECORDED MAIL TO:

BridgeSpan Title Company
2591 Dallas Parkway, Suite 600
Frisco, Texas 75034

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

SUBORDINATION AGREEMENT

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 24th day of October, 2001, by Thomas Martin Bloxham, Sr. and Diane Helen Bloxham owner of the land hereinafter described and hereinafter referred to as "Owner" and First Union National Bank present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Thomas Martin Bloxham, Sr. and Diane Helen Bloxham did execute a deed of trust, dated July 15, 1999, to TRSTE, Inc., as trustee, covering:

See Exhibit "A" attached hereto and made a part hereof

to secure a note in the sum of $ 50,000.00, dated July 15, 1999, in favor of First Union National Bank, which deed of trust was recorded August 6, 1999 in book 2080 page 2742, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of $100,000.00 dated _____, in favor of E Loan, Inc., hereinafter referred to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust 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 first above mentioned; and

WHEREAS, lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

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 securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust 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 said deed of trust 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 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 first above mentioned to the lien or charge of the deed of trust 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 hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the note and deed of trust 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) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

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

Annie B. Gunter — Thomas Martin Bloxham

First Union National Bank — ANNIE B. GUNTER — Thomas Martin Bloxham, Sr.

FIRST UNION NATIONAL BANK, INC, ASSISTANT VICE-PRESIDENT

By: Annie B. Gunter — Diane Helen Bloxham

ANNIE B. GUNTER TRUSTEE

ASSISTANT VICE-PRESIDENT

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WTH THEIR ATTORNEYS WTH RESPECT THERETO.

(CLTA SUBORDINATION FORM "A")

Shirley W Sheppard 10.29.01

OFFICIAL SEAL
Notary Public, North Carolina
SHIRLEY W SHEPPARD
Forsyth County, N. C.
My Commission Expires 8.3.2004

NOT PASSED DJ

SUBORDINATING LENDER'S ACKNOWLEDGEMENT

STATE OF Virginia
COUNTY OF Roanoke

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 25 day of October, 2001, by Annie B. Gunter, as Asst Vice President 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.

April Diane Johnson (signature of person administering Oath)
printed name: /title:
(If Applicable) My Commission Expires: APRIL DIANE JOHNSON
My Commission Expires: October 31, 2002

TRUSTEE'S ACKNOWLEDGEMENT

STATE OF Virginia
COUNTY OF Roanoke

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 25 day of October, 2001, by Annie B. Gunter, as Asst Vice President 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.

April Diane Johnson (signature of person administering Oath)
printed name: /title: APRIL DIANE JOHNSON
(If Applicable) My Commission Expires:

My Commission Expires: October 31, 2002

STATE OF NC - FORSYTH CO
The foregoing certificate(s) of:
April Diane Johnson
NP(s)
is/are certified to be correct at the date of recordation shown on the first page thereof.
Dickie C. Wood, Register of Deeds by: Deputy/Asst

File Number: 712076

Exhibit 'A'

ALL THAT CERTAIN LOT OR PARCEL OF LAND SITUATED IN THE CITY OF KERNERSVILLE, KERNERSVILLE TOWNSHIP, FORSYTH COUNTY, NORTH CAROLINA AND MORE PARTICULARLY DESCRIBED AS FOLLOW:

BEING KNOWN AND DESIGNATED AS LOT NUMBER 9, AS SHOWN ON THE PLAT ENTITLED HUNTINGTON RUN, PHASE TWO, AS RECORDED IN PLAT BOOK 36, AT PAGE 118, IN THE OFFICE OF THE REGISTER OF DEEDS OF FORSYTH COUNTY, NORTH CAROLINA, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION.

SOURCE OF TITLE: BOOK 1899, PAGE 3010 (05/06/96)

Parcel # 5409E009