

Prepared By:
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393-4450

STATE MS. - DESOTO CO.
FILED

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BK 163 | PG 72 |
W.E. DAVIS CH. CLK.

This Instrument Prepared by: Account # 4458370393371451

And When Recorded Return to:
First Tennessee Bank National Association, Grantor
P.O. Box 17888
Memphis, TN 38187-0888

SUBORDINATION AGREEMENT

This Subordination Agreement (this "Agreement") is granted on this 24th day of December, 2002, by First Tennessee Bank National Association and its divisions, FIRST HORIZON EQUITY LENDING and FIRST HORIZON MONEY CENTER (collectively, "Grantor") to First Horizon Home Loan Corporation (the "Grantee").

RECITALS:

A. Grantor has heretofore extended a line of credit or installment loan to Jeffrey A. Newton and wife, Jill E. Newton (the "Borrower") secured by a Deed of Trust from the Borrower to Thomas F. Baker, IV, Trustee, for the benefit of Grantor in the sum of \$50,000.00, dated May 6, 1999, in the Land Records of DeSoto County MS, in Book 1122 at Page 143 (the "Grantor Deed of Trust") on the real property described below or in Exhibit "A", attached hereto, and having a property street address of:

Property Street Address
City, State Zip

7298 Whitten Place Drive
Olive Branch MS 38654

B. The Grantor Deed of Trust is subordinate to a prior deed of trust in the sum of \$192,000.00 dated April 16, 1999, from the Borrower to the trustees named therein, in the Land Records of DeSoto County MS, in Book 1104 at Page 151 (the "Original Deed of Trust"); and

C. The Grantee proposes to make a loan in the original principal amount of \$186,300.00 to the Borrower (the "New Loan"), the proceeds of which will be used to repay in full all of the Borrower's obligations secured by the Original Deed of Trust, and to obtain a release of the lien created by the Original Deed of Trust; and

D. As a condition of making the New Loan, the Grantee has required the Borrower to

execute a deed of trust on the Property securing repayment of the New Loan (the "New Deed of Trust"), which, upon execution and recordation of this Agreement, shall have a first lien position on the Property.

AGREEMENTS:

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. Effective upon the date of recording of a release of the Original Deed of Trust, Grantor hereby subordinates the lien created by the Grantor Deed of Trust to the lien created by the New Deed of Trust to the end that the lien of the New Deed of Trust shall be superior to the lien of the Grantor Deed of Trust.
2. The subordination described in paragraph 1 above shall not apply to any future advance of funds to the Borrower by the Grantee the New Deed of Trust except for advances necessary to protect the security of the New Deed of Trust.
3. Nothing in this Agreement shall be deemed to constitute a novation with respect to the debt secured by the Grantor Deed of Trust, nor an extension or modification thereof, nor otherwise affect the rights, remedies or penalties under the Grantor Deed of Trust.
4. This Agreement shall be binding upon and shall inure to the benefit of Grantor and the Grantee and their respective successors and assigns, and any purchaser at any foreclosure sale instituted pursuant to the Grantor Deed of Trust or the New Deed of Trust.
5. This Agreement shall be construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, Grantor has caused this Agreement to be executed by its duly authorized representative and Trustee has executed this Agreement as of the day and year first above written.

WITNESS:

Metrowne Stewart

First Tennessee Bank National Association

By: Joe M. Contreras
 Name: Joe M. Contreras
 Title: Vice President

By: _____
 Name: _____
 Title: Trustee

ACKNOWLEDGMENT

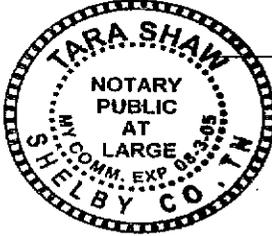
STATE OF Tennessee

COUNTY OF Shelby

)
) SS:
)

Before me, Tara Shaw of the state and county mentioned, personally appeared The M. Contractto, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be the Vice President of First Tennessee Bank National Association, the within named bargainer, a corporation, and that he/she, as such Vice President, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the corporation as Vice President.

WITNESS my hand and official seal on this 27th day of December, 2007



Tara Shaw
Notary Public

My Commission expires:

STATE OF _____

COUNTY OF _____

)
) SS:
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Personally appeared before me, a Notary Public for the State and County aforesaid, _____, the Trustee named in the foregoing instrument, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he/she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal on this _____ day of _____, 20____.

Notary Public

Prepared by:
Bridgette & Hunter
Notary Public
Southern MS 38671
Call for

[INSERT ACKNOWLEDGEMENT FORM REQUIRED BY APPROPRIATE STATE LAW]