

02-1698  
Prepared By:  
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(662) 393-4450

STATE MS.-DESOTO CO. <sup>MC</sup>  
CLERK <sub>MC</sub>  
Dec 11 2 27 PM '03

STATE MS.-DESOTO CO.  
CLERK  
Nov 21 3 14 PM '03 <sup>ps</sup>  
<sub>ps</sub>

BK 1888 PG 82  
RE. DAVIS CH. CLK.

BK 1875 PG 391  
RE. DAVIS CH. CLK.

This Instrument Prepared by: Account # 4458370393604505

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 23<sup>rd</sup> 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 James W. Rouse and wife, Debra E. Rouse (the "Borrower") secured by a Deed of Trust from the Borrower to Thomas F. Baker, Trustee, for the benefit of Grantor in the sum of \$10,000.00, dated March 26, 2001, in the Land Records of DeSoto County MS, in Book 1313 at Page 501 (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                      5385 Peach Trail  
City, State Zip                                      Southaven MS 38671

B. The Grantor Deed of Trust is subordinate to a prior deed of trust in the sum of \$79,900.00 dated April 28, 2000, from the Borrower to the trustees named therein, in the Land Records of DeSoto County MS, in Book ~~1280~~ 1210 at Page ~~151~~ 716 (the "Original Deed of Trust"); and

C. The Grantee proposes to make a loan in the original principal amount of \$81,950.00 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:

First Tennessee Bank National Association

Metayne Stewart

By: [Signature]  
Name: Joe M. Contratto  
Title: Vice President

\_\_\_\_\_

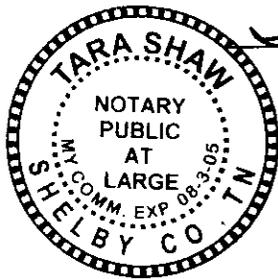
By: \_\_\_\_\_  
Name:  
Title: Trustee

ACKNOWLEDGMENT

STATE OF Tennessee )  
 ) ss:  
COUNTY OF Shelby )

Before me, Tara Shaw of the state and county mentioned, personally appeared Joe M. Contutto, 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 26th day of December, 20 02



Tara Shaw  
Notary Public

My Commission expires:

STATE OF \_\_\_\_\_ )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

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

My Commission expires:

[INSERT ACKNOWLEDGEMENT FORM REQUIRED BY APPROPRIATE STATE LAW]