

Space Above Line For Official Use Only

Instrument Prepared By and Return To: G. Todd Burwell, Esq. (MSB #8832) G. TODD BURWELL, P.A. 618 Crescent Blvd., Suite 200 Ridgeland, MS 39157 Tel: (601) 427-4470	Grantor: Heritage Bank 119 S. Main Leachville, AR 72438 Tel: (870) 539-6354	Grantee: BAC Home Loans Servicing, L.P. f/k/a Countrywide Home Loans Servicing, L.P. 6400 Legacy Drive Plano, TX 75024-3632 Tel: (972) 608-6438
Indexing Instructions Lot 3, Virginia's Pointe Subdivision situated in Section 10, Township 2 South, Range 6 West, DeSoto County, Mississippi as per plat recorded in Plat Book 28, Page 48, in the Office of the Chancery Clerk of DeSoto County, Mississippi		

STATE OF MISSISSIPPI
COUNTY OF DESOTO

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT is entered into by HERITAGE BANK in favor of BAC HOME LOANS SERVICING, L.P. F/K/A COUNTRYWIDE HOME LOANS SERVICING, L.P.

WITNESSETH:

WHEREAS, on June 18, 2003, David Flagg and his wife, Sumi Flagg executed a Land Deed of Trust in favor of Heritage Bank in the original principal amount of One Hundred Sixty Thousand Dollars and No/100 (\$160,000.00). Said Deed of Trust was filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on August 4, 2003 in Book 1786 at Page 234 (the "Heritage Bank Deed of Trust");

WHEREAS, on August 17, 2006, David Flagg and his wife, Sumi Flagg executed a Modification and Extension of Deed of Trust in favor of Heritage Bank in the original principal amount of One Hundred Fifty Nine Thousand Seven Hundred Seven Dollars and 87/100 (\$159,707.87) agreeing to modify and extend the Heritage Bank Deed of Trust recorded in Book 1786 at Page 234. Said Modification and Extension of Deed of Trust was filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on August 28, 2006 in Book 2550 at Page 577 and re-filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on September 29, 2006 in Book 2573 at Page 245 (the "Heritage Bank First Modification");

WHEREAS, on July 24, 2007, David Flagg and his wife, Sumi Flagg executed a Deed of Trust in favor of Mortgage Electronic Registration Systems, Inc. as Nominee for Pulaski Mortgage Company n/k/a Iberia Bank Mortgage Company in the original principal amount of \$334,500.00. Said Deed of Trust was filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on July 31, 2007 in Book 2764 at Page 111 (the "Pulaski Mortgage Deed of Trust");

WHEREAS, on May 29, 2009, David Flagg and his wife, Sumi Flagg executed a Modification and Extension of Deed of Trust in favor of Heritage Bank in the original principal amount of One Hundred Fifty Nine Thousand Seven Hundred Seven Dollars and 87/100 (\$159,707.87) agreeing to modify and extend the Heritage Bank Deed of Trust recorded in Book 1786 at Page 234. Said Modification and Extension of Deed of Trust was filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on July 17, 2009, in Book 3058 at Page 172 (the "Heritage Bank Second Modification");

WHEREAS, on September 1, 2010, Mortgage Electronic Registration Systems, Inc. as Nominee for Pulaski Mortgage Company n/k/a Iberia Bank Mortgage Company executed an Assignment of Deed of Trust in favor of BAC Home Loans Servicing, L.P. f/k/a Countrywide Home Loans Servicing, L.P. conveying and assigning all its interests in the Pulaski Mortgage Deed of Trust recorded in Book 2764 at Page 111. Said Assignment of Deed of Trust was filed of record in the Office of the Chancery Clerk of DeSoto County, Mississippi on September 7, 2010 in Book 3210 at Page 14 (the "BAC Assignment").

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Heritage Bank hereby subordinates the Heritage Bank Deed of Trust recorded in Book 1786 at Page 234, the Heritage Bank First Modification recorded in Book 2550 at Page 577 and re-recorded in Book 2573 at Page 245 and the Heritage Bank Second Modification recorded in Book 3058 at Page 172, as they pertain to Lot 3 of Virginia's Pointe Subdivision and only Lot 3 of Virginia's Pointe Subdivision, to the Pulaski Mortgage Deed of Trust recorded in Book 2764 at Page 111 and the BAC Assignment recorded in Book 3210 at Page 14. Heritage Bank agrees that the Pulaski Mortgage Company Deed of Trust recorded in Book 2764 at Page 111 and the BAC Assignment recorded in Book 3210 at Page 14 will be at all times prior to and superior to the Heritage Bank Deed of Trust recorded in Book 1786 at Page 234, the Heritage Bank First Modification recorded in Book 2550 at Page 577 and re-recorded in Book 2573 at Page 245 and the Heritage Bank Second Modification recorded in Book 3058 at Page 172, as they pertain to Lot 3 of Virginia's Pointe Subdivision and only Lot 3 of Virginia's Pointe Subdivision. The Pulaski Mortgage Deed of Trust recorded in Book 2764 at Page 111 and the BAC Assignment recorded in Book 3210 at Page

14 shall be and remain a prior perfected lien on Lot 3 of Virginia's Pointe Subdivision and only Lot 3 of Virginia's Pointe Subdivision ahead of the lien reflected by the Heritage Bank Deed of Trust recorded in Book 1786 at Page 234, the Heritage Bank First Modification recorded in Book 2550 at Page 577 and re-recorded in Book 2573 at Page 245 and the Heritage Bank Second Modification recorded in Book 3058 at Page 172.

Except as specifically modified and subordinated herein, all covenants, agreements, restrictions, rights, privileges and obligations of all parties under the Deeds of Trust and Modifications mentioned above shall remain in full force and effect, and nothing contained in this document shall operate, or be construed to operate, as a waiver of any right, title or interest now held by any of the parties hereto.

WITNESS THE EXECUTION OF THIS INSTRUMENT, effective the 7th day of November, 2011.

HERITAGE BANK

By: [Signature]
Its: EVP

STATE OF Arkansas
COUNTY OF Craighead

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this 7th day of NOVEMBER, 2011, within my jurisdiction, the within named Jeff Brackley, who acknowledged that he is EVP of HERITAGE BANK and that for and on its behalf, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized so to do.

[Signature]
NOTARY PUBLIC

My Commission Expires: 9-1-2019

