

SUBROGATION AGREEMENT

This indenture made between Angus R. Skipper and Doris Skipper (the "Borrower") and Engel Mortgage Company, Inc., a corporation, (Engel Mortgage Company, Inc., its successors and assigns hereinafter called "Lender").

WITNESSETH THAT:

Whereas, Borrower is the owner in fee simple of the following described real estate located in Shelby County, Alabama, to-wit:

Lot 19, according to the Survey of Monte Tierra, 1st Addition, as recorded in Map Book 6, page 93, in the Probate Office of Shelby County, Alabama.

(the "Property"); and

Whereas, a mortgage has been heretofore executed and is held by Mortgage Corporation of the ^{South} (the "Senior Mortgagee"), dated October 20, 1976, and recorded in Volume Book 359, at page 10, in the Office of the Judge of Probate, of Shelby County, Alabama (the "Senior Mortgage"), which secures a note in the original principal amount of \$ 32,900.00 (the "Senior Note"); and

Whereas, the Borrower has executed contemporaneously herewith a mortgage (the "Mortgage") dated March 22, 1982, to secure its note in the principal amount of \$ 54,050.00, and interest and other charges therein described (the "Note"),

which Note is held by the Lender; and

Whereas, all of the money secured by the Mortgage has not yet been advanced but is to be advanced by the Lender pursuant to the terms of the Note and the Mortgage, and to be applied from time to time to the payment of the remainder of the unpaid indebtedness secured by the Senior Mortgage.

Now, therefore, in consideration of the premises and of the making of the Mortgage, the Borrower does hereby authorize and empower the Lender to disburse from time to time the funds secured by the Mortgage and to apply the same from time to time to payment of part or all of the principal and interest secured by the Senior Mortgage, and it is expressly covenanted and agreed by the parties hereto that upon each such payment, the Lender shall be and is hereby subrogated to all rights, liens, and privileges which before such payment were vested in the Senior Mortgagee, and upon such payment the Mortgage shall be to all intents and purposes and to the extent of payments so made a first and valid lien, subrogated as aforesaid, upon the Property.

This Agreement is binding upon the successors and assigns of the parties hereto.

Witness our hands and seals this 22nd day of March, 1982.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
AGREEMENT WAS FILED

1982 APR 19 AM 8:17

Thomas A. Shanderson, Jr.
JUDGE OF PROBATE

Rec. 3.00
1.00
4.00

Angus R. Skapper
BORROWER Angus R. Skapper

Doris Skapper
BORROWER Doris Skapper

ENGEL MORTGAGE COMPANY, INC.

BY Asst. Vice President
Its