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THIS INSTRUMENT WAS PREPARED BY:
Douglas L. Key, Attorney at Law
2100 11th Avenue North
Birmingham, Alabama 35234

STATE OF ALABAMA)

SHELBY COUNTY)

SUBORDINATION AGREEMENT

THIS AGREEMENT is by and between APCO EMPLOYEES CREDIT UNION and HUGH NELSON THOMPSON and wife, NANCY THOMPSON.

BOOK 170 PAGE 585
WHEREAS, Hugh Nelson Thompson and wife, Nancy Thompson, did on the 25th day of March, 1977, execute a mortgage of real property to Real Estate Financing, Inc., for purposes of purchasing a residence upon the involved property and to secure the indebtedness to Real Estate Finance, Inc., said mortgage being filed for record on the 28th day of March, 1977, and recorded in Volume 363, Page 494, in the Probate Court of Shelby County, Alabama; and

WHEREAS, Hugh Nelson Thompson and wife, Nancy Thompson, did on the 9th day of October, 1987, execute a second mortgage of real property to APCO Employees Credit Union for purposes of additional home improvements upon the involved property and to secure the indebtedness to APCO Employees Credit Union, said second mortgage being filed for record on the 29th day of October, 1987, and recorded in Volume 157, page 298, in the Probate Court of Shelby County, Alabama; and

WHEREAS, the said Hugh Nelson Thompson and wife, Nancy Thompson, are desirous of obtaining a loan from APCO Employees Credit Union, which loan was to be secured by a first mortgage upon the above described real estate, out of which proceeds from loan, the mortgage to Real Estate Financing, Inc. is to be paid off, placing the present mortgage to APCO Employees Credit Union recorded in Volume 157, page 298, in first position.

WHEREAS, the said APCO Employees Credit Union has a lending policy that there is a limit on second mortgages to \$35,000.00 and the mortgage to be made is in the sum of \$50,000.00. Therefore the said Credit Union cannot make the new loan for the full amount unless they subordinate their present mortgage to the mortgage to be made to said Credit Union.

WHEREAS, it is the present intention of all parties to this instrument that the existing mortgage to Real Estate Financing, Inc. be paid off out of the new loan proceeds and that the existing mortgage to APCO Employees Credit Union which is recorded in Volume 157, page 298, be subordinated to the new mortgage to APCO Employees Credit Union recorded in Volume _____ page _____.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually agree as follows:

1. That APCO Employees Credit Union's mortgage on the property described in the above-referenced mortgage recorded in Volume 157, page 298 is subordinated to the mortgage from Hugh Nelson Thompson and wife, Nancy Thompson, to APCO Employees Credit Union

dated the 29th day of January, 1988, and filed for record on the _____ day of _____, 1988 and recorded in Volume _____, page _____, in the Office of the Judge of Probate of Shelby County, Alabama.

2. The undersigned, Hugh Nelson Thompson and wife, Nancy Thompson, hereby subordinate to APCO Employees Credit Union any and all interest in the property described in the previous mortgage to said APCO Employees Credit Union above referred to.

3. That it is the intent of this instrument that the mortgage and the mortgage indebtedness of Hugh Nelson Thompson and wife, Nancy Thompson, to APCO Employees Credit Union shall be superior to and considered a "first mortgage" in connection with the property which is the subject of the mortgages hereinabove referred to and the debts and other interest described in the various mortgages.

DONE this the 29th day of January, 1988.

APCO EMPLOYEES CREDIT UNION

BY: [Signature]
ITS: Loan Dept. 5480

Alaine G. Banna
WITNESS

Alaine G. Banna
WITNESS

Alaine G. Banna
WITNESS

[Signature]
HUGH NELSON THOMPSON

[Signature]
NANCY THOMPSON

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

88 FEB -9 AM 10:53

[Signature]
JUDGE OF PROBATE -3-

1. Used Tax	\$	_____
2. Mtg. Tax		_____
3. Recording Fee		7.50
4. Indexing Fee		1.00
TOTAL		8.50