

SUBORDINATION

STATE OF ALABAMA
COUNTY OF SHELBY

This Subordination agreement, made and entered into this 02ND day of OCTOBER, 1992, by and between SOUTHTRUST BANK OF ALABAMA, N.A., as Party of the First Part, and COATS & COMPANY, INC., as Party of the Second Part.

Witnesseth

THAT, WHEREAS, JAMES M. CLARK AND PAMELA S. CLARK, has/have an outstanding lien in favor of SOUTHTRUST BANK OF ALABAMA, N.A., dated JULY 25, 1989 and recorded in the Probate Office of SHELBY County, Alabama, in Book #249 and Page #732-735 on certain real estate described therein to secure an indebtedness of \$30,000.00 and said lien is in full force and effect; and,

WHEREAS, JAMES M. CLARK AND PAMELA S. CLARK has/have made an application to the party of the Second Part for a loan in the sum of \$155,000.00 and said Party of the Second Part is willing to make said loan to the said JAMES M. CLARK AND PAMELA S. CLARK, provided he/she/they furnish it with a mortgage on the lands described in the aforesaid lien, and the said SOUTHTRUST BANK OF ALABAMA N.A. subordinate the above described lien and make the same second and subservient to the mortgage of COATS & COMPANY, INC.; and

WHEREAS, the said Party of the First Part is willing to subordinate its said lien and make the second and subservient to the mortgage of the said Party of the Second Part as an inducement to it to make same said loan.

NOW THEREFORE, in consideration of the premises and the further consideration of the sum of \$25.00, cash in hand paid, the Party of the First Part by the Party of the Second Part, the receipt of which is hereby acknowledged, the said Party of the First Part does hereby agree that the lien of JAMES M. CLARK AND PAMELA S. CLARK to SOUTHTRUST BANK OF ALABAMA N.A., dated JULY 25, 1989 and recorded in the Probate Office of SHELBY County, Alabama in Book #249 and Page #732-735, shall be second and subservient to the mortgage of COATS & COMPANY, INC. to JAMES M. CLARK AND PAMELA S. CLARK, dated OCTOBER 02, 1992 recorded in the Probate Office of SHELBY County, Alabama in INSTRUMENT # (1992-23176) to secure the sum of \$155,000.00, plus interest on the land described therein, and the said lien of the said SOUTHTRUST BANK OF ALABAMA N.A. shall be subordinate to the mortgage OF COATS & COMPANY, INC..

It is further agreed that should JAMES M. CLARK AND PAMELA S. CLARK default in his/her/their payments under the terms of the real estate mortgage to COATS & COMPANY, INC., the said COATS & COMPANY, INC. agrees to notify SOUTHTRUST BANK OF ALABAMA N.A., P.O. Box 531150, B'ham, AL. 35253, of said default prior to taking legal action.

IN WITNESS WHEREOF, the said SOUTHTRUST BANK OF ALABAMA, N.A. by CLARKE GILLESPIE has caused his/her name to be hereunto signed on this day the 21ST day of SEPTEMBER, 1992.

SOUTHTRUST BANK OF ALABAMA, N.A.

By: *Clarke Gillespie*

As its: VICE PRESIDENT

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said State and County, hereby certify that CLARKE GILLESPIE, whose name as VICE PRESIDENT of SOUTHTRUST BANK OF ALABAMA, N.A. is signed to the foregoing conveyance, and is known to me, acknowledged before me on this day, that, being informed of the contents of this conveyance, and with full authority as such officer, executed the same voluntarily for and as the act of said Corporation.

Given under my hand and seal of office this 21ST day of SEPTEMBER, 1992.

NOTARY PUBLIC *Heidi A. Bailey*

My commission expires : My Commission Expires July 13, 1996

Inst # 1992-23177

THIS SUBORDINATION IS BEING RE-RECORDED TO
INCLUDE THE INSTRUMENT NUMBER OF THE MORTGAGE.

10/12/1992-23177
02:59 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
001 MCD 6.50

Mike A.

Inst # 1993-23251
10/18/1993-3251
08:20 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
001 MCD 6.50