

Space above line for recording purposes.

03/22/1999-11686
08:49 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 CSH 12.00

Inst • 1999-11686

SUBORDINATION AGREEMENT Subordination of Mortgage

THIS SUBORDINATION AGREEMENT (the "Agreement") is made and entered into this 15th day of FEBRUARY, 1999, by JOHN G. TATE, JR. AND PAMELA C. TATE (the "Owner"), and NORWEST BANK COLORADO, NATIONAL ASSOCIATION (the "Beneficiary").

RECITALS

1. The Owner executed a mortgage (the "Beneficiary's Mortgage") dated NOVEMBER 12, 1996 encumbering the following described real property (the "Property"):

LOT 351-A, ACCORDING TO A RESURVEY OF LOTS 351 AND 352, BROOK HIGHLAND, AN EDDLEMAN SUBDIVISION, 7TH SECTOR, AS RECORDED IN MAP BOOK 16, PAGE 55, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

to secure a promissory note in the sum of \$50,000.00, dated NOVEMBER 12, 1996 in favor of the Beneficiary, which Beneficiary's Mortgage was recorded JANUARY 10, 1997 in INSTRUMENT NO. 1997-1093 in the Probate Office of the records of the County of SHELBY, State of ALABAMA.

2. The Owner has or will execute a new mortgage (the "New Lender's Mortgage") and note in the sum of \$194,500.00 dated March 4 1999, in favor of NORWEST MORTGAGE, INC. (the "New Lender"), which will also encumber the Property and which will also be recorded in SHELBY County, State of ALABAMA.

3. It is a condition precedent to obtaining the new loan (the "New Loan") from the New Lender that the New Lender's Mortgage shall unconditionally be and remain at all times a lien upon the Property that is prior and superior to the lien of the Beneficiary's Mortgage, and that the Beneficiary subordinates the Beneficiary's Mortgage to the New Lender's Mortgage.

4. It is to the mutual benefit of the parties to this Agreement that the New Lender make the New Loan to the Owner, and the Beneficiary is willing to subordinate the Beneficiary's Mortgage to the New Lender's Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce the New Lender to make the New Loan, the parties agree as follows:

(1) That the New Lender's Mortgage, together with any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property that is prior and superior to the lien or charge of the Beneficiary's Mortgage until the New Lender's promissory note secured by the New Lender's Mortgage is paid. Notwithstanding anything to the contrary, this Agreement shall not extend to any principal advances made by the New Lender after the date of the New Loan, except that this Agreement shall extend to future advances made for taxes, insurance, fees, costs, and expenses required to protect the interests of the New Lender in connection with the New Loan;

(2) That the New Lender would not make the New Loan without this Agreement; and

(3) That this Agreement shall be the whole and only agreement with regard to the subordination of the Beneficiary's Mortgage to the New Lender's Mortgage.

The Beneficiary agrees and acknowledges:

(1) That the New Lender in making disbursements pursuant to the New Loan is under no obligation or duty to, nor has the New Lender represented that it will, see to the application of such proceeds by the person or persons to whom the New Lender disburses such proceeds;

(2) That the Beneficiary unconditionally subordinates the Beneficiary's Mortgage in favor of the New Lender's Mortgage and understands that in reliance upon, and in consideration of this subordination, specific loans and advances are being and will be made and as part and parcel thereof specific monetary and other obligations are being and will be entered into that would not be made or entered into but for said reliance upon this subordination; and

(3) That the Beneficiary's Mortgage has by this instrument been subordinated to the New Lender's Mortgage subject to the provisions of this Agreement.

NORWEST BANK COLORADO,
NATIONAL ASSOCIATION

John G. Tate, Jr.
JOHN G. TATE, JR., Owner

Pamela C. Tate
PAMELA C. TATE, Owner

By Sue Krautz
Sue Krautz
Title Vice President

STATE OF COLORADO)
) SS.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 15TH day of FEBRUARY, 1999, by SUE KRAUTZ as VICE PRESIDENT of NORWEST BANK COLORADO, NATIONAL ASSOCIATION.

WITNESS my hand and official seal.
My commission expires: 5-7-2002

Rolanne Hayes
Notary Public



STATE OF Alabama)
) SS.
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 4th day of March, 1999, by JOHN G. TATE, JR. AND PAMELA C. TATE.

WITNESS my hand and official seal.
My commission expires: 12/2/00

Angelita Baker
Notary Public

Inst # 1999-11686

MigSubordination

03/22/1999-11686
08:49 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 CMH 12.00