

THIS INSTRUMENT WAS PREPARED BY:

ROYCE WILLS

ALABAMA POWER CO.

Suite 600 N. 18th STREET

CITY: BIRMINGHAM, AL 35203

STATE OF ALABAMA)

COUNTY OF SHELBY)

SUBORDINATION OF RECORDED FINANCING STATEMENT (APCO)

Alabama Power Company, an Alabama corporation ("APCO"), for good and valuable consideration, hereby acknowledges and agrees that its lien and security interest evidenced and secured by that certain UCC-1 financing statement bearing file number 1999-52395 showing DANNY P. & ANN D. GARRETT as Debtor (the "Debtor," whether one or more) recorded in the office of the Judge of Probate of SHELBY County, Alabama (the "Financing Statement"), shall be and hereby is subordinate in right of priority to the lien of that certain mortgage from the Debtor to COOSA PINES FEDERAL CREDIT UNION (the "Mortgagee"), recorded in the office of the Judge of SHELBY County, Alabama at Alabama Book 2000-00471, Page (the "Mortgage"); provided, however, that such subordination shall be effective only to the extent that the Mortgage secures that certain loan from Mortgagee to Debtor in a principal amount not to exceed \$ 15000.00 (the "Loan"), together with interest on the Loan and any amounts specifically secured by the Mortgage which are expended by the Mortgagee to protect or enforce Mortgagee's rights under the Mortgage with respect to the Loan (the "Superior Indebtedness"). As used in this Subordination, the term "Superior Indebtedness" includes any extensions, renewals, modifications and replacements of or substitutions for the Superior Indebtedness; however, the term "Superior Indebtedness" does not include any increases in the principal amount of the Loan. APCO's lien and security interest evidenced and secured by the Financing Statement shall be superior in right of priority to the lien of the Mortgage to the extent that the Mortgage secures any indebtedness of the Debtor to the Mortgagee other than the Superior Indebtedness.

Notwithstanding anything expressed or implied herein, APCO does not in any way release, waive or subordinate the debt relating to or secured by the Financing Statement, or any portion of that debt or payments on it.

The provisions of this Subordination Agreement are solely for the benefit of APCO and the Mortgagee, and shall not modify any of the agreements executed or delivered in connection with the Financing Statement or the Mortgage or waive any of the rights of APCO or the Mortgagee, as the case may be, as against the Debtor, nor shall it constitute or give rise to any defense, right of offset or counterclaim by the Debtor.

Inst # 2000-04140

02/09/2000-04140
10:18 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE

002 MMS 11.00

09/25/98

IN WITNESS WHEREOF, Alabama Power Company, an Alabama corporation, has caused these presents to be executed this 3rd day of FEBRUARY, 2000

ALABAMA POWER COMPANY

Royce Willis
By: ROYCE WILLIS
Its: MARK REP.

STATE OF ALABAMA)

COUNTY OF TALLADEGA

I, MILLY L STOREY, a Notary Public in and for said County in said State, hereby certify that ROYCE WILLIS, whose name as MARKET REP of Alabama Power Company, a state banking corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, (s)he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Give under my hand this the 3rd day of Feb., 2000

(NOTARIAL SEAL)

Milly L Storey
Notary Public
My Commission Expires: _____

MILLY L. STOREY
Notary Public, AL State at Large
My Comm. Expires Mar. 2, 2002

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