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Shelby Cnty Judge of Probate, AL
02/26/2003 12:18:00 FILED/CERTIFIED

SUBORDINATION AGREEMENT

This agreement dated this 13th day of February, 2003, is made by **Alabama Telco Credit Union** (hereinafter called the "Subordinate Mortgagee") in favor of **Bank of Oklahoma, N.A.** (hereinafter called the "Refinance Creditor")

WITNESSETH:

WHEREAS, Subordinate Mortgagee is the holder of that certain mortgage executed by **Anson Scott Sims and Sandra Stetler Sims** ("the Mortgagor") to **Alabama Telco Credit Union** which mortgage was executed on 10/23/00, and was recorded in Inst# 2000-38192 on 11/03/00, in the Office of the Judge of Probate of **Shelby County, Alabama**; and

WHEREAS, Refinance Creditor has agreed to lend to the Mortgagor the sum of \$99,050.00, to be used, among other things, to pay in full the indebtedness secured by the Existing Mortgage to **Coats & Co., Inc.** dated 3/31/93, and recorded 4/6/93 at Inst # 1993-9223, and assigned to **Bank of Oklahoma, N.A.** in Inst #2001-55261 recorded on 12/17/01, in the Probate Office of **Shelby County, Alabama**, and to obtain a release or satisfaction of record of the Existing Mortgage, but on the condition that the Refinance Loan be secured by a Mortgage and that the Refinance Mortgage be entitled to the rights afforded to a first mortgage on such property; and

WHEREAS, at Mortgagor's and Refinance Creditor's request, Subordinate Mortgagee has agreed to subordinate its Mortgage to the **Refinance Mortgage** recorded in **Instrument No. 2003 0226000117990** in the Probate Office of **Shelby County, Alabama**, on the 26th day of FEBRUARY, 2003.

NOW, THEREFORE in consideration of the premises and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Subordinate Mortgagee does hereby agree with Refinance Mortgagee as follows:

1. Subordination. In order to induce Refinance Creditor to make the Refinance Loan and, at any time or from time to time, at Refinance Creditor's option, to grant such extensions or renewals of the Refinance Loan as Refinance Creditor may deem advisable, Subordinate Mortgagee hereby Subordinates the Mortgage and all right, title and interest of Mortgagee in the property conveyed and transferred thereby to the Refinance Mortgage and all the right, title and interest in the property conveyed and transferred to the refinance Creditor thereby, and Subordinate Mortgagee further agrees that any existing or hereafter acquired or arising security interests, security title, or lien in or on the property conveyed or transferred by the Mortgage are and at all times hereafter shall be and remain subordinate and inferior in priority to any security interest, security title or lien in or on such property in favor of Refinance Creditor securing payment of the Refinance Loan, including, without limitation, the Refinance Mortgage; provided, that the subordination herein made is limited to the original principle amount of the Refinance Loan, all interest thereon and all other sums Secured by the Refinance Mortgage (other than additional advances of principle to the mortgagors, their heirs, personal representatives, successors or assigns), and provided further that it is a condition to the

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effectiveness of this Subordination Agreement that the Refinance Mortgage and a release or satisfaction of the Existing Mortgage must be recorded in due course in the Probate Office named above.

2. Successors and Assigns. This Subordination Agreement shall be binding upon and shall inure to the benefit of Subordinate Mortgagee and Refinance Creditor and their respective successors and assigns, but this agreement shall not inure to the benefit of any other third party.

3. Waiver of Notice and Acceptance. Notice of acceptance of this Subordination Agreement by Refinance Creditor is hereby waived by Subordinate Mortgagee, and this Subordination Agreement and all of the terms hereof shall be immediately binding upon Subordinate Mortgagee from the date of execution and delivery hereof.

IN WITNESS WHEREOF, Subordinate Mortgagee, by its duly authorized officer, has executed this agreement on or as of the date first above written.

Alabama Telco Credit Union

By: Will Ch

Its: V.P. Lending and Collections

State of Alabama
County of Jefferson

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that William R. Chancellor whose name as V.P. Lending and Collections of Alabama Telco Credit Union is signed to the foregoing instrument, and who is known to me, acknowledges before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 13th day of february, 2003.

Victoria O. Seal
Notary Public 7-18-03
My commission expires: _____

Prepared By: Dawn I. McDonald
Attorney at law
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