

## SUBORDINATION AGREEMENT

This Subordination of Mortgage is executed this 19 day of October, 2010 by Alabama Telco Credit Union.

### WITNESSETH

WHEREAS, Alabama Telco Credit Union is the owner and holder of that certain mortgage from Jeffery S. Smith and his wife Meredith M. Smith recorded in Instrument 20071004000464490 in the Probate Office of Shelby County, Alabama, said property being more particularly described as follows:

**See Exhibit "A" attached hereto**

Said Mortgage had a credit limit of Sixty-Five Thousand Seven Hundred (\$65,700.00) but has today been decreased to Twenty-One Thousand (\$21,000.00).

WHEREAS, Principal Mortgage, LLC is making a mortgage loan to Jeffery S. Smith and Meredith M. Smith in the amount of Three Hundred Thirty-Six Thousand and 00/100 Dollars (\$336,000.00) said loan secured by a mortgage which encumbers the real property described on Exhibit "A".

WHEREAS, Principal Mortgage, LLC as a condition for making a 1st mortgage loan requires Alabama Telco Credit Union to subordinate the lien of its mortgage to the lien of Principal Mortgage, LLC and Alabama Telco Credit Union has agreed to do so.

NOW, THEREFORE, for and in consideration of the premises hereof and of mutual advantages and benefits accruing to the parties hereto and in further consideration of the sum of Ten and 00/100 Dollars (\$10.00) in hand paid by Principal Mortgage, LLC to Alabama Telco Credit Union, the receipt and sufficiency of which is hereby acknowledged, Alabama Telco Credit Union does hereby covenant, consent and agree to and with Principal Mortgage, LLC that the lien of Alabama Telco Credit Union shall be and the same is hereby made subordinate, inferior and subject in every respect to the lien of Principal Mortgage, LLC which encumbers the above described property.

IN WITNESS WHEREOF, this agreement is executed the day and year first written above.

Signed, sealed and delivered in the presence of:

Alabama Telco Credit Union

Shannon Z. Porter

By: William Chancellor  
William Chancellor

Its: Senior Vice President

STATE OF ALABAMA     )  
                                  :  
JEFFERSON COUNTY    )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that William Chancellor whose name as Senior Vice President of Alabama Telco Credit Union, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, that being informed of the content of said instrument, he, as such Senior Vice President and with full authority, executed the same voluntarily for and as the act of said Alabama Telco Credit Union on the day the same bears date.

Given under my hand and official seal this 29 day of October, 2010.

Shannon Z. Porter  
Notary Public:  
My commission expires: 06-19-2013

## **Exhibit A**

**Lot 1030, according to the Survey of Highland Lakes, 10th Sector, Phase II, an Eddleman Community, as recorded in Map Book 32, page 133, in the Probate Office of Shelby County, Alabama.**

**TOGETHER WITH non-exclusive easement to use the private roadways, Common Area all as more particularly described in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, recorded as Instrument 1994-07111 and amended in Instrument 1996-17543 and further amended in Instrument 1999-31095 in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 10th Sector, Phase II, recorded as Instrument 20040430000226530 in the Probate Office of Shelby County, Alabama (which, together with all amendments thereto, is hereinafter collectively referred to as, the "Declaration").**



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Shelby Cnty Judge of Probate, AL  
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