

20101202000402810 1/3 \$18.00  
Shelby Cnty Judge of Probate, AL  
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This instrument was prepared by:

**Loretta Hemmer**  
**Processor**  
TranStar National Title  
2201 W. Plano Pkwy, Ste 152  
Plano, TX 75075  
File No. 322695  
**Please return to:**  
TranStar National Title  
2201 W. Plano Pkwy, Ste 152  
Plano, TX 75075

### **SUBORDINATION AGREEMENT**

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This Subordination Agreement, made this 27th day of October 2010 ~~2010~~, by and between **Alabama Telco Credit Union**, (hereinafter referred to as "Subordinating Party"), present owner and holder of the Mortgage and Note first hereafter described, and **North American Savings Bank, FSB**, its successors and or assigns as their interest may appear (hereinafter referred to as "Lender");

#### **WITNESSETH**

THAT WHEREAS, **Russell C. Olive and Susan H. Olive** (hereinafter referred to as "Owner") did execute a Mortgage, dated 08/18/2008 to **Alabama Telco Credit Union**, as Mortgage, covering that certain real property described as follows:

All that certain parcel of land situate in the City of Birmingham, County of Shelby and State of Alabama bounded and described as follows:

Lot 1719, according to the Survey of Eagle Point 17th Sector, as recorded in Map Book 30, page 82, in the Probate Office of Shelby County, Alabama.

**Tax id#: 09-3-08-0-007-026.000**

To secure a note in the sum of **\$67,000.00** dated 08/18/2008 in favor of **Alabama Telco Credit Union**, which Mortgage was recorded on 09/05/2008, as Instrument No. 20080905000354000, Official Records of said county, and

WHEREAS, Owner has executed, or is about to execute, a Mortgage and note not to exceed the sum of **\$286,000.00** dated \_\_\_\_\_, in favor of Lender, payable with interest and upon the terms and conditions described therein, which Mortgage is to be recorded concurrently herewith; and

WHEREAS, It is a condition precedent to obtaining said loan that said Mortgage last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Mortgage first mentioned, Owner has requested Subordinating Party to subordinate Subordinating Party's lien to the lien about to be taken by the Lender; and

WHEREAS, Lender is willing to make said loan provided the Mortgage securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Mortgage first above mentioned and provided that Subordinating Party will specifically and unconditionally subordinate the lien or charge of the Mortgage first above mentioned to the lien or charge of the Mortgage in favor of the Lender; and

WHEREAS, It is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Subordinating Party is willing that the Mortgage securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Mortgage first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed to as follows:

- (1) That said Mortgage securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Mortgage first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Mortgage first above mentioned to the lien or charge of the Mortgage in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the mortgage hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any contained in the Mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to another mortgage or mortgages.

Subordinating Party declares, agrees and acknowledges that:

- (a) It consents to and approves (i) all provisions of the note and Mortgage in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan.
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part.
- (c) It intentionally waives, relinquishes and subordinates the lien or charge of the Mortgage first above mentioned in favor of the lien or charge upon said land of the Mortgage in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and 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 which would not be made or entered unto but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the Mortgage first above-mentioned that said Mortgage has by this instrument been subordinated to the lien or charge of the Mortgage in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF LAND.

In witness whereof, the said PARTY(IES) HERETO has/have signed and sealed these presents the day and year first above written.

SUBORDINATING PARTY:  
Alabama Telco Credit Union

BY: William R Chancell  
William R Chancell, SVP Lending Collection  
(Print Name & Title)

STATE OF Alabama  
COUNTY OF Jefferson SS

On the 27 day of October, 2010, before me, the undersigned Notary Public, personally came William R Chancell to me known, who, being by me duly sworn, did depose and say that he is the SVP Lending Collection Alabama Telco Credit Union the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed h IS name thereto by like order.

Shannon L. Pate  
Notary Public  
Notary Commission Expires: 6-19-13

NOTARY STAMP/SEAL

Corporate Seal