

Inst # 1997-10146

04/02/1997-10146
03:24 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 HCB 224.50

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LOAN MODIFICATION AGREEMENT (Providing for Adjustable Interest Rate)

1997-10146

This Loan Modification Agreement ("Agreement"), made this 24th day of March, 1997, between Jake L. Turner, III and Barbara L. Turner, his wife

and First Federal Savings Bank ("Borrower") and First Federal Savings Bank ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust or Deed to Secure Debt (as modified by an Adjustable Rate Rider of the same date) (the "Security Instrument"), dated June 26, 1996, and recorded in ~~Instr #1996-21731~~ Instr #1996-21731 and being re-recorded in Instr #1996-29263 of the Judge of Probate Records of Shelby County

and (2) the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at 785 Highway 1 Maylene AL 35114

[Property Address]

the real property described being set forth as follows: **SEE ATTACHED EXHIBIT "A" for COMPLETE LEGAL DESCRIPTION**

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of March 24, 1997, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ 139,000.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.
2. The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 9.000 % (the "initial rate of interest"), from March 24th 1997. The Borrower promises to make monthly payments of principal and interest of U.S. \$ 1,118.43, beginning on the 1st day of April, 1997, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on March 1, 2027 (the "Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower understands and agrees that the initial rate of interest may change on the first day of March 2000, and on that day every 36th month thereafter on the "change date" as such term is defined in the Note and Security Instrument.

The Borrower will make such payments at 1630 4th Avenue North Bessemer, AL 35020 or at such other place as the Lender may require.

3. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under the Security Instrument, including:
 - (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note; and
 - (b) all terms and provisions of any adjustable rate rider or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.

4. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

Witness: _____ Jake L. Turner, III (Seal)
Borrower Jake L. Turner, III

Witness: _____ Barbara L. Turner (Seal)
Borrower Barbara L. Turner

Borrower (Seal)

Borrower (Seal)

Lender: FIRST FEDERAL SAVINGS BANK

Witness: _____ By: W. Max Adams
[Authorized Officer Name]

Witness: _____ Its: Assistant Vice President
[Authorized Officer Title]

(Space Below this Line for Acknowledgements)

STATE OF ALABAMA } ss:
COUNTY OF JEFFERSON

On this 24th day of March, 1997, I, the undersigned authority a Notary Public in and for said county and in and for said state, hereby certify that Jake L. Turner, III and Barbara L. Turner, his wife whose name(s) are signed to the foregoing conveyance, and who are known to me, acknowledged before me that, being informed of the contents of the conveyance, they executed the same voluntarily and as their act on the day the same bears date.

Given under my hand and seal of office this 24th day of March, 1997.
My Commission expires: 1-3-00 Peggy Miller
Notary Public

STATE OF ALABAMA } ss:
COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that W. Max Adams whose name as Assistant Vice President of First Federal Savings Bank, a 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, he, as such officer and with full power and authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this 24th day of March, 1997.
My Commission expires: 1-3-00 Peggy Miller
Notary Public

Prepared By: W. Max Adams
FIRST FEDERAL SAVINGS BANK
1630 4th Avenue North
Bessemer, AL 35020

EXHIBIT A

Parcel I

A parcel of land in the SE 1/4 of the NW 1/4 of Section 5, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the NW corner of the SE 1/4 of the NW 1/4 of Section 5, Township 21 South, Range 4 West; thence run South along the West line of the said 1/4-1/4 for a distance of 189.81 feet to the point of beginning; from the point of beginning thus obtained continue along the last described course for a distance of 569.28 feet; thence turn an angle to the left of 89 degrees 20 minutes 44 seconds and run East for a distance of 458.58 feet; thence turn an angle to the left of 90 degrees 18 minutes 59 seconds and run North for a distance of 190.42 feet; thence turn an angle to the right of 90 degrees 23 minutes 04 seconds and run East for a distance of 258.81 feet; thence turn an angle to the left of 101 degrees 48 minutes 19 seconds and run Northwest for a distance of 193.31 feet; thence turn an angle to the right of 101 degrees 44 minutes 55 seconds and run East for a distance of 620.94 feet to a point on the West right of way of Shelby County Road No. 1; thence turn an angle to the left of 100 degrees 44 minutes 57 seconds and run Northwest along the West right of way for a distance of 193.95 feet; thence turn an angle to the left of 79 degrees 17 minutes 16 seconds and run West for a distance of 1268.72 feet to the point of beginning; being situated in Shelby County, Alabama.

Mineral and mining rights excepted.

Description of property in Loan Modification Agreement, dated March 24, 1997 between Jake L. Turner III and wife, Barbara L. Turner, and First Federal Savings Bank.

ADJUSTABLE RATE RIDER
(3 or 5 Year Index - No Payment Cap)

THIS ADJUSTABLE RATE RIDER is made this 24th day of March, 1997, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower Adjustable Rate Note (the "Note") to First Federal Savings Bank

(the "Lender") of the same date and covering the property described in the Security Instrument and located at

785 Highway 1 Maylene AL 35114

Property Address

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. IF THE INTEREST RATE INCREASES, THE BORROWER'S MONTHLY PAYMENTS WILL BE HIGHER. IF THE INTEREST RATE DECREASES, THE BORROWER'S MONTHLY PAYMENTS WILL BE LOWER.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 9.000%. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of March, 2000, and on that day every 36th month thereafter. Each date on which my interest rate could change is called a "Change Date".

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 3 years, as made available by the Federal Reserve Board. The most recent Index figure available as of the date forty-five (45) days before each Change Date is called the "Current Index".

If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and 750/1000 percentage points (2.750%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Change Date. The rate of interest I am required to pay shall never be increased or decreased by more than 2.000% on any single Change Date from the rate of interest I have been paying the preceding 36 months. My interest rate also shall never be greater than 15.000%, or less than 9.000%.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(E) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER. If all or any part of the property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.


Borrower Jake L. Turner, III

(Seal)

Borrower

(Seal)


Borrower Barbara L. Turner

(Seal)

Borrower

Inst # 1997-10146

(Seal)