

Please Return to:  
COLONIAL BANK  
Post Office Box 5627  
Montgomery, Alabama 36103-5627

431807

## RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

(1 Year Treasury Index - Rate Caps)

This Agreement is made and entered into to be effective the 22nd day of JULY, 2000, by and between COLONIAL BANK (hereinafter referred to as "Note Holder") and JAMES S. FLOYD AND WIFE, LINDA F. FLOYD

(hereinafter referred to as "Borrower" whether one or more), said Borrower being legally obligated to pay the hereinafter described Promissory Note.

A. On DECEMBER 22, 1999, JAMES S. FLOYD AND WIFE, LINDA F. FLOYD

executed that one certain Promissory Note (the "Note") payable to the order of COLONIAL BANK in the original principal sum of \$ 181,300.00. Payment of Note is secured by, among other instruments, a Deed of Trust/Mortgage/Security Deed ("Security Instrument") of even date therewith duly recorded in INSTRUMENT # 2000-00598, REAL PROPERTY RECORDS, SHELBY County, ALABAMA, which instrument encumbers and creates liens against the following described property (the "Property") located at 57 GLYNN HOLLOW, CHELSEA, ALABAMA 35043 to-wit:

LOT 13, ACCORDING TO THE SURVEY OF GLYNN HOLLOW, AS RECORDED IN MAP BOOK 24, PAGE 96, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

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11:05 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
007 CJ1 30.00

(The above referenced Note, Security Instrument and all other instruments evidencing and/or securing the subject indebtedness being herein collectively referred to as either the "Loan" or the "Loan Instruments", as the context may require.)

B. Note Holder and Borrower have determined it would be mutually advantageous and desirable to renew, extend and modify the terms of the Loan as set forth in this Agreement.

Now, therefore, in consideration of the mutual agreements contained herein, Borrower and Note Holder hereby agree as follows (notwithstanding anything to the contrary contained in the Loan Instruments):

1. The foregoing recitals are true and accurate and are incorporated herein by reference.
2. The Loan and the instruments evidencing and/or securing same shall be and are hereby renewed, extended and modified as follows:
  - (i) It is expressly agreed that as of the effective date of this Agreement, the unpaid principal balance of the Loan is \$ 181,300.00 .
  - (ii) Interest will be charged on unpaid principal until the full amount of principal has been paid. Interest will accrue at a yearly rate of 7.8500 %. The interest rate may change in accordances with the provisions set forth below. The interest rate required by this Section (ii) and Section (iv) hereof is the rate at which interest will accrue both before and after any default described herein or in the Loan Instruments.
  - (iii) (a) Principal and interest payments will be made every month. The monthly payments will be made on the 22nd day of each month beginning on AUGUST 22, 2000 . The payments will be made every month until all of the principal and interest and any other charges described herein or that may be owed under the Note have been paid in full. The monthly payments will be applied to interest before principal. If, on JULY 22, 2030 , any amounts are still owed under the Note, those amounts will be paid in full on that date, which is called the "Maturity Date". Monthly payments will be made at Post Office Box 5650 Montgomery, Alabama 36103-5650 or at a different place if required by the Note Holder.
  - (b) Each of the initial monthly payments will be made in the amount of U.S. \$ 1,311.41 . This amount may change.

(c) Changes in monthly payment will reflect changes in the unpaid principal of the Loan and in the interest rate that must be paid. The Note Holder will determine the new interest rate and the changed amount of the monthly payment in accordance with Section (iv) hereof.

(iv) (a) The interest rate that will be paid may change on the 22nd day of DECEMBER, 2004, and on that day every 12 months thereafter. Each date on which the interest rate could change is called a "Change Date."

(b) Beginning with the first Change Date, the 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 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before the Change Date is called the "Current Index". If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give Borrower notice of this choice.

(c) Before each Change Date, the Note Holder will calculate the new interest rate by adding THREE ----- percentage point(s) ( 3.0000 %) 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%). Subject to the limit stated in Section (iv) (d) below, this rounded amount will be the new interest rate until the next Change Date. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date in full on the Maturity Date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of the monthly payments

(d) The interest rate cannot increase or decrease by more than TWO ----- percentage points ( 2.0000 %) at the first adjustment or more than TWO ----- percentage points ( 2.0000 %) per subsequent interest rate adjustments. The interest rate will never be greater than 13.8500 % per annum, which is called the "Maximum Rate".

(e) The new interest rate will become effective on the Change Date. Borrower will pay the amount of the new monthly payment beginning on the first monthly payment after the Change Date until the amount of the monthly payment changes again.

- (f) The Note Holder will deliver or mail to Borrower a notice of any changes in the interest rate and the amount of the monthly payment before the effective date of any change. The notice will include information required by law to be given to Borrower and also the title and telephone number of a person who will answer any questions Borrower may have regarding the notice.
- (v) Uniform Covenant 17 of the Security Instrument is described 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 also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all 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.

- (vi) Borrower also will comply with all other covenants, agreements, and requirements of the Loan Instruments as modified hereby, including without limitations, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Loan Instruments.
3. Except as expressly provided herein, the Loan and all instruments evidencing same shall remain unchanged and unimpaired. By entering into this Agreement, the parties hereto have no intention whatsoever to extinguish or discharge the indebtedness or liens evidenced by the Loan Instruments or to effect any novation rather, the parties hereto intend merely to renew, extend and modify the obligations of Borrower contained in the Loan Instruments and carry forward all liens securing the Loan (which are acknowledged by Borrower to be valid and subsisting, as expressly provided in this Agreement).
4. The provisions of this Agreement shall bind and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.
5. A breach or other default of any of the terms of this Agreement by Borrower shall constitute a breach or default under the Note and Security Instrument, and Note Holder shall thereupon have the right to seek all remedies available to it under the aforesaid Loan Instruments.
6. Borrower covenants and agrees that the rights and remedies of the Note Holder under this Agreement are cumulative of, are not in lieu of but are in addition to, and their exercise or the failure to exercise them shall not constitute a waiver of, any other rights and remedies which Note Holder shall have under the Note or the Security Instrument.
7. It is agreed that time and the unimpaired security of Note Holder are of the essence of this agreement.
8. Borrower covenants and agrees that this Agreement represents the final agreement between Borrower and Note Holder relating to the above described subject matter and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties hereto. Borrower further covenants and agrees that there are no unwritten oral agreements between the parties hereto relating to the above described subject matter.
9. As used herein "Note Holder" shall mean the undersigned Note Holder or any future holder, whether one or more, of the Note.

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10. This Agreement shall be of no force or effect until such time as Note Holder has received the monthly installment due on the Note on the effective date of this Agreement and until such time as this Agreement has been duly executed by Note Holder.

In Witness whereof, this Agreement has been executed the date of the acknowledgements but to be effective as of JULY 22, 2000 .

NOTE HOLDER:  
COLONIAL BANK

By: Philip R. Blasingame  
Name: Phil Blasingame  
Title: President

BORROWER(S):

James S. Floyd 7/22/2000 (Seal)  
JAMES S. FLOYD -Borrower

Linda F. Floyd 7/22/2000 (Seal)  
LINDA F. FLOYD -Borrower

\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_ (Seal)  
-Borrower



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STATE OF Alabama  
County of Tallapoosa

Before me \_\_\_\_\_ on this day personally appeared  
JAMES S. FLOYD and LINDA F. FLOYD

known to me (or proved to me on the oath of \_\_\_\_\_  
or through \_\_\_\_\_)  
to be the person(s) whose name(s) are \_\_\_\_\_ subscribed to the foregoing instrument and acknowledged to  
me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22 day of JULY  
2000

Denise Shivers  
Notary Public

(Seal)

STATE OF Alabama  
County of Tallapoosa

Before me Phil Blasingame on this day personally appeared  
\_\_\_\_\_, of  
COLONIAL BANK

known to me (or proved to me on the oath of \_\_\_\_\_  
or through \_\_\_\_\_)  
to be the person(s) whose name(s) is subscribed to the foregoing instrument and acknowledged to  
me that ~~they~~ executed the same for the purposes and consideration therein expressed and in the  
capacity therein stated.

Given under my hand and seal of office this 22nd day of JULY  
2000

Denise Shivers  
Notary Public

(Seal)

Prepared By: Schwartz & Associates, 121 South Tennessee Street, McKinney, TX 75069 (972) 562-1966.  
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