

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION

AGREEMENT BY PRIOR LIENHOLDER

3901

WHEREAS, First National Bank of Columbia, Alabama (hereinafter called "Mortgagee") is the owner and holder of a certain real estate mortgage (hereinafter called "security instrument") recorded in Book No. 202, at Page 544, in the Office of the Judge of Probate, Shelby County, Alabama, and David H. Smith and Katie Lou Smith his wife, (hereinafter called "Mortgagor") is (are) the owner(s) of certain real estate described in the aforesaid mortgage; and

WHEREAS, Mortgagor has applied to the United State of America, acting through the Administrator of the Farmers Home Administration (hereinafter called the "Government"), for a loan for the purpose of improving or purchasing and improving said real estate, to be secured by a Mortgage subject to the security instrument held by or for the benefit of Mortgagee; and

WHEREAS, the loan insured or made by the Government, if approved, will enable Mortgagor to improve or purchase and improve said real estate and enhance its value;

NOW, THEREFORE, in consideration of the insuring or making of the loan by the Government, the Mortgagee, for himself, his heirs, executors, Administrators, successors, and assigns, does hereby agree:

1. To give the Government written notice of the commencement of any proceedings to foreclose the mortgage(s) held by the undersigned as aforesaid, by delivering in person or by mailing such notice to the State Director, Farmers Home Administration, United States Department of Agriculture, Montgomery, Alabama, at least ten (10) days prior to the commencement of such action; and the undersigned does further agree that this agreement shall be irrevocable, that it shall be binding upon the heirs and assigns of the undersigned and that upon any assignment of the mortgage(s) held by the undersigned as aforesaid, the undersigned will endorse, on the face of such mortgage (s) being assigned the following: "ACTUAL NOTICE OF COMMENCEMENT OF FORECLOSURE PROCEEDINGS SHALL BE GIVEN TO THE STATE DIRECTOR, FARMERS HOME ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE, MONTGOMERY, ALABAMA, IN ACCORDANCE WITH AGREEMENT DATED June 1, 19 61, AND RECORDED IN BOOK 215, AT PAGE 651, IN THE PUBLIC RECORDS OF Shelby COUNTY, ALABAMA." and will insert in the appropriate blank spaces provided therefor the date of this AGREEMENT and the recordation data, whereupon the undersigned will subscribe his or its name thereto.
2. *To postpone the lien or claim, operation and effect of the mortgage(s) described in the first paragraph of this AGREEMENT to the lien or claim; operation and effect of the mortgage(s) to be taken by the Government as security for the loan(s) aforesaid, insofar only as said security instrument covers and secures advances made by the Mortgagee to the Mortgagor or assigns from the date hereof, except such advances as are necessary to pay, when due, such items as taxes, assessments, and liens if the borrower fails to do so.

3. * That during a period of _____ years from the date of this agreement he will not declare his security instrument to be in default and will not, without the written consent of the State Director of the Farmers Home Administration for the State in which said real estate is located, accelerate the maturity date of the indebtedness secured thereby because Mortgagor does not pay the full amount of such secured indebtedness which during each year of the aforesaid period is due and payable.

4. * That so long as the loan insured or made by the Government remains unpaid the following covenants of Mortgagor and the rights of Mortgagee set forth in the security instrument will be enforced and exercised only with the written consent of the State Director of the Farmers Home Administration.

IN WITNESS WHEREOF, THIS Agreement is executed as a sealed instrument, this
1 day of June, 1961.

STATE OF ALABAMA }
SHELBY COUNTY }

I, Conrad M. Fowler, Judge of Probate hereby certify that the within _____ was filed in this office for record the _____ day of _____ at _____ o'clock _____ M. and recorded in _____ (Corporate Seal) Record _____ page _____ and the Mortgage Tax of \$ _____ has been paid. Deed Tax of \$ _____ has been paid.

Fee \$ _____
Judge of Probate

~~XXXXXXXXXXXXXXXXXXXX~~
(Individual - Mortgagee - Husband)

~~XXXXXXXXXXXXXXXXXXXX~~
(Individual - Mortgagee - Wife)

First National Bank of Columbiana
(Name of Corporation - Mortgagee)

BY B. J. Nolen
(Duly Authorized Officer)

Cashier
(Title)

ACKNOWLEDGEMENT

STATE OF Alabama)
COUNTY OF Shelby)

I, Elvena R. Higgins, a Notary Public in and for said County, in said State, do hereby certify that David H. Smith, Katie Lou Smith & B. J. Nolen whose name(s) are signed to the foregoing conveyance and who (is) (are) Cashier known to me, acknowledged before me on this date that, being informed of the contents of the conveyance, They executed the same voluntarily on the day the same bears date.

Given under my hand and seal, this 1 day of June, 1961.

(NOTARIAL SEAL)

My Commission Expires:

3-1-63

Elvena R. Higgins
Notary Public

* Strike if not applicable.

STATE OF ALABAMA, SHELBY COUNTY

I, Conrad M. Fowler, Judge of Probate, hereby certify that the within _____ was filed for record in this office on the _____ day of _____ 19____ at _____ M. o'clock and recorded in _____ Book _____ at page _____ on the _____ day of _____ 196____. Mortgage Tax _____ Deed Tax _____ has been paid.

Conrad M. Fowler
Judge of Probate

BOOK 215 PAGE 652