

LOAN ASSUMPTION AGREEMENT

WHEREAS, heretofore FIRST FEDERAL OF ALABAMA F.S.B. (FORMERLY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF ALABAMA) hereinafter "Lender", made a loan evidenced by a Note and Mortgage dated December 9, 1988, and recorded in Mortgage Book 217 at Page 562 of the Probate Records of Shelby County, Alabama. Said mortgage being secured by property located at 6775 Winchester Lane, Helena, AL 35080 (Property Address), and

WHEREAS, The undersigned, "Seller", is indebted to Lender under said Note and Mortgage and desires to sell said property to the undersigned "Borrower", said Mortgage requires that Lender consent in writing to such transfer, and

WHEREAS, Lender has consented to such transfer, and

WHEREAS, the undersigned "Borrower" has received a copy of the original Note and Mortgage referred to above and has read said mortgage and borrower desires to purchase said real property and assume said indebtedness in accordance with the terms and conditions of the Note and Mortgage;

NOW, THEREFORE, for and in consideration of the premises and Lender's consent to the conveyance of the property to the Borrower, the undersigned Borrower hereby assume and agree to pay the indebtedness evidenced by said note and mortgage and perform all of the obligations provided therein, it being agreed and understood that as of this date said indebtedness is Eighty-Nine Thousand Five Hundred Eighty-Nine and 05/100----- Dollars (\$ 89,589.05) and that the interest shall be 07.500 % per annum, and that the monthly payments shall be made beginning the first day of August, 19 89, in the amount of \$ 629.29 per month, and that the interest rate I am required to pay after I assume this mortgage obligation and for the entire term of this mortgage will never be greater than 13.500 %, and that this limitation also applies if I exercise my option to convert to a fixed-rate mortgage. In all other respects, all terms and conditions of said note shall remain in full force and effect.

Borrower specifically assumes said indebtedness and agrees to personally perform and be bound by all the obligations and duties imposed by the Note and Mortgage (including any extensions and modifications thereto) to the same extent as if Borrower had executed them originally. Borrower hereby appoints Lender the agent and attorney-in-fact for Borrower to exercise the power of sale contained in the Mortgage. Said power and agency are coupled with an interest, are irrevocable by death or otherwise, and are cumulative to the remedies for collection of said indebtedness as provided by law.

Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

Borrower hereby acknowledges that the monthly installments of principal and interest due under the terms of the Note are as shown above. Borrower further acknowledges that Lender has the right to require monthly deposits of taxes and insurance premiums as estimated by it from time to time, which deposits may be added to the principal and interest payments due under the Note. Any monies in the Seller's escrow account are to be transferred to the Borrower's escrow account.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals this the 28th day of June, 19 89.

David W. Midlik (SEAL) Seller HAROLD E. HESS (SEAL) Borrower

DONNA T. MIDLIK (SEAL) Seller SYLVIA F. HESS (SEAL) Borrower

89 JUL 24 AM 10:48 250 300 550 (SEAL) Seller (SEAL) Borrower

WITNESS AND SIGNED this the 28th day of June, 19 89.

Larry L. Halcomb, Notary
My Commission Expires 2-10-92

My Commission Expires 2-23-1990
Notary Public Larry L. Halcomb
As to Donna T. Midlik & Mr. & Mrs. Hess

This instrument was prepared by: Theresa Woods, an employee of First General Service(s) Corporation, a subsidiary of First Federal of Alabama F.S.B., P. O. Box 3205, Jasper, AL 35022-3205

BOOK 247 PAGE 401