

Loan Number: A004429768

PMI Number: _____

4211

This instrument prepared by: Frank K. Bynum #17 Office Park Circle, Birmingham, AL 35223

ASSUMPTION AND MODIFICATION AGREEMENT

July 2, 1991

Date

KNOW ALL MEN BY THESE PRESENTS:

Troy & Nichols, Inc., a corporation organized and existing under the laws of the State of Louisiana

the holder of a Note executed by

Kevin R. New and Liesl A. New

(hereinafter called "Mortgagor") in the original principal sum of Sixty Seven Thousand Four Hundred Seventy and No/100----- Dollars

(U.S. \$ 67,470.00) dated March 1, 19 90, with a

maturity date of March 1, XXX 2020, which Note is secured by certain Mortgage of even

date therewith and recorded in Volume 281, Page 165, in the Office of the Judge of Probate

of Shelby County, Alabama, described as wit:

Lot 10, according to the Survey of Monte Tierra, as recorded in Map Book 5, Page 114, in the Office of the Judge of Probate of Shelby County, Alabama.

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The Mortgagor proposes to sell the property covered by the Mortgage to Brian K. Allen and G. Carol Allen (hereinafter called "Purchaser"), and the Purchaser desires to assume all of the obligations of the Mortgagor in said Note, as herein amended, and also all the obligations of the Mortgagor in said Mortgage, as herein amended, as part of the consideration for the conveyance to the Purchaser of the real property covered by the Mortgage. Jefferson Federal is willing to consent to said conveyance and assumption of said indebtedness and obligations, without recourse, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, IT IS HEREBY AGREED AMONG THE PARTIES as follows:

- (A) 1. Troy & Nichols does hereby consent to the sale and conveyance of the property covered by the Mortgage by the Mortgagor to said Purchaser, subject, however, to all of the provisions of this Agreement.
2. The Purchaser acknowledges that the said Mortgage is a first, valid and prior lien or encumbrance against the property, and the Purchaser further acknowledges that the Mortgage and Note, as hereinafter amended, are enforceable under the laws of the State of Alabama and the United States of America and in accordance with their respective terms, as provided in paragraph 5 hereof.
3. A Mortgagee's Policy of title insurance insuring the title to the above described property has been issued to your mortgage lender, but that policy does not provide title insurance coverage to you. You may obtain an Owner's Policy of title insurance which provides title insurance coverage to you. If you are uncertain as to whether you should obtain an Owner's Policy of title insurance, you are urged to seek independent legal advise.
4. The property described in the Mortgage shall remain in all respects subject to the lien charge or encumbrance of said Mortgage, or conveyance of title (if any) affected thereby, and nothing herein contained and nothing done pursuant hereto, shall affect or be construed to affect the lien, charge or encumbrance of or conveyance affected by said mortgage, or the priority thereof over other liens, charges, encumbrances or conveyance, or except as expressly provided herein, to release or affect the liability of any party or parties whomsoever who may now or hereafter be liable hereunder or on account of the Note and/or Mortgage; nor shall anything herein contained or done in pursuance hereof affect or be construed to affect any other security or interest, if any, held by Jefferson Federal as additional security for or evidence of the aforesaid indebtedness.
5. The Purchaser does hereby assume and agree to pay said mortgage indebtedness, evidenced by the Note and Mortgage, and to perform all of the obligations provided therein, and to be subject to and comply with all the terms and conditions thereof, it being agreed and understood that as of this date the principal balance on the said loan is \$ 66,887.21 and that there remain to be paid 346 installments of principal and interest under the terms of the Note and the Mortgage. That, except as modified

by this agreement, all of the conditions, obligations, agreements and stipulations made in the original mortgage and note shall remain in full force and effect in all matters and respects and especially those provisions set forth in said mortgage in regard to default and foreclosure.

6. Mortgagor(s) ☒ [XX] authorize, ☐ [] do not authorize (check only one box), transfer of escrow funds, existing hazard insurance, and, if applicable, existing flood insurance.
7. This Agreement shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.
8. Wherever used, the singular number shall include the plural, the plural the singular, the use of any gender shall include all genders.

WHEREAS, the parties hereto desire to modify and amend the terms of said mortgage as set forth in this document and the Adjustable Rate Rider executed simultaneously herewith:

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreement of the parties hereto, it is agreed:

- (B) 1. The terms of said Note are hereby amended by adjusting the interest rate contained therein from (check only one box and complete pertinent information, marking nonapplicable blocks "N/A"):

[n/a] a fixed rate with an interest rate of _____ % per annum to a fixed rate with an interest rate of _____ % per annum.

[n/a] a fixed rate with an interest rate of _____ % per annum to an adjustable rate with an interest rate of _____ % per annum.

[n/a] an adjustable rate with an interest rate of _____ % per annum to an adjustable rate with an interest rate of _____ % per annum.

The aforementioned Mortgage contains or is amended to contain the following paragraphs #2, #5, #11, #13, #14, #17, #18, and #19, contained in the FNMA/FHLMC UNIFORM MORTGAGE INSTRUMENT:

2. **Funds For and Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to the Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.
- The funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by the federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. A charge assessed by Lender in connection with Borrower's entering into this Security Instrument to pay the cost of an independent tax reporting service shall not be charged a charge for purposes of the preceding sentence. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.
- If the amount of the Funds held by the Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.
- Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

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5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards, including within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when notice is given. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to the Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Agreement shall bind and benefit the successors and assigns of the Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. 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 only 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.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

17. **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.

If Lender exercises this option, 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.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON-UNIFORM COVENANTS. Borrower and Lender further Covenant and agree as follows:

19. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the

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date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give a copy of the notice to Borrower in the manner provided in paragraph 14. Lender shall publish the notice of sale once a week for three consecutive weeks in a newspaper published in Shelby County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the front door of the County Courthouse of this County. Lender shall deliver to the Purchaser Lender's deed conveying the Property. Lender or its designee may purchase the Property at any sale. Borrower covenants and agrees that the proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

3. Riders to this Security Instrument. If one or more riders are executed by Purchaser and recorded together with this Assumption and Modification Agreement, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of the Security Instrument as if the rider(s) were a part of the Security Instrument. [Check applicable box(es)]

☐ Adjustable Rate Rider with Fixed Rate Conversion Option

☐ Other(s) [specify] _____

BY SIGNING BELOW, the parties hereto have agreed to the terms and conditions as contained herein, this 2nd day of July, 19 91

Brian K. Allen
Purchaser, Brian K. Allen

G. Carol Allen
Purchaser, G. Carol Allen

Kevin R. New and
Liesl A. New by their Attorney
(MORTGAGOR) Kevin R. New

-in-Fact Mary Raines
(MORTGAGOR) Liesl A. New

TROY & NICHOLS, INC.

By:

Diane Bannister

10.00
3.00
1.00
14.00

STATE OF ALABAMA

JEFFERSON COUNTY

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that Brian K. Allen and G. Carol Allen whose name(s) they signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 2nd day of July, 19 91

NOTARY PUBLIC
I CERTIFY THIS
INSTRUMENT WAS FILED

91 AUG 28 PM 1:12

Frank K. Bynum
Notary Public Frank K. Bynum
My Commission Expires: 11/20/92

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that Kevin R. New and Liesl A. New, by their attorney-in-fact, Mary Raines, whose names she signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she, executed the same voluntarily, and acting within the scope and power of said power of attorney, in her capacity as attorney-in-fact for Kevin R. New and Liesl A. New, on the day the same bears date.

My Commission Expires: 11/20/92

Frank K. Bynum
Notary Public: Frank K. Bynum

STATE OF LOUISIANA

PARISH OF Ouachita

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that Diane Bannister, whose name as Vice President of Troy & Nichols, Inc., a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 19th day of August, 1991.

My Commission Expires:

Linda Woodall
Notary Public: