

AGREEMENT TO CONVERT

This Agreement is made this 12 day of March, 19 92, by and between Birmingham Federal Savings and Loan Association (the "Lender") and Fred B. Setzer, Jr. (the "Borrower") and modifies and amends certain terms of Borrower's indebtedness evidenced by a Convertible ARM Note (the "Note") to Lender dated December 28, 19 87, which is secured by a Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date and covering the property described in the Security Instrument and located at:

2170 Baneberry Drive; Birmingham, Alabama 35244
[Property Address]

In consideration of Borrower's exercise of Borrower's option to convert Borrower's adjustable interest rate loan to a fixed interest rate loan pursuant to the provisions of the Note and the Convertible ARM Rider to the Security Instrument, the Note is hereby modified and amended as follows:

I. Section 2 is changed to read:

2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid.

I will pay interest at a yearly rate of 8.750 % both before and after any default described in Section 8(B) of this Note.

II. Section 3(B) is changed to read:

(B) Amount of My Monthly Payments

Each of my monthly payments beginning with the payment due April 01, 19 92, will be in the amount of U.S. \$ 1,540.29

III. Sections 3(C), 4 and 5 are deleted in their entirety.

IV. Section 6 is changed to read:

6. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

I may make a full prepayment or partial prepayments without paying any prepayment charge. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes.

In addition to the modifications to the Note stated above, Borrower understands that, upon the Borrower's signing this Agreement, the Lender will have the option to require immediate payment in full of all the sums secured by the Security Instrument if all or any part of the Property or any interest in it is sold or transferred without Lender's prior written consent, as provided in Uniform Covenant 17 of the Security Instrument.

Except as stated in this Agreement, Borrower's promise to pay and the covenants and agreements under the Note and under the Security Instrument continue without change.

In Witness Whereof, Borrower and Lender have executed this Agreement.

Birmingham Federal Savings and Loan Association
Name of Lender

(Seal)
— Borrower

By:

Albert C. Hultquist

Fred B. Setzer, Jr.
Fred B. Setzer, Jr.

(Seal)
— Borrower

Its: President

(Seal)
— Borrower

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