

STATE OF ALABAMA)
)
SHELBY COUNTY)

DEED IN LIEU OF FORECLOSURE

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the release of liability from the indebtedness created by the hereinafter described Notes, Security Agreements and Mortgage Instruments and other good and valuable consideration, the sufficiency of which are hereby acknowledged, the undersigned grantors, Van Steven Morgan, and wife B. Ellen Morgan, (herein referred to as "Grantors") hereby GRANT, BARGAIN, SELL AND CONVEY unto the grantee, America's First Credit Union, (herein referred to as "Grantee") all that certain property situated in Shelby County, Alabama, more particularly described as:

Lot 29, together with an undivided 1/43rd interest in Lot 44 (common area), according to the Map of The Oaks, recorded in Map Book 10, Page 89, in the Office of the Judge of Probate of Shelby County, Alabama.

This is a deed in lieu of foreclosure. It is the intention of the Grantors and the Grantee that this deed and the effect of the conveyance evidenced hereby, shall be governed by, and interpreted according to, the provisions of Section 35-10-50 et. seq. of the Code of Alabama (1975) (1991 Replacement Volume). Without limiting the generality of the foregoing sentence, the Grantors and Grantee agree that this deed shall have the effect of transferring absolute title to the above described property to the Grantee free of any statutory or equitable right of redemption in the Grantors or anyone claiming by or through the Grantors. It is the further intention of the Grantors and Grantee that the lien created by that certain Note, Mortgage and Security Agreement from Grantors to Grantee dated April 2, 1990, and recorded in Real Property Book 286, Pages 175 - 177; and that certain Note, Mortgage and Security Agreement from Grantors to Grantee dated December 31, 1990, and Recorded in Real Property Book 324 Pages 301-303, will not merge into the fee title acquired by the Grantee pursuant to this deed. No such merger will occur until such time as the Grantee executes a written instrument specifically effecting such merger or releasing said Mortgage and Security Agreement and duly records same.

TO HAVE AND TO HOLD to Grantee, its successors and assigns forever, together with every contingent remainder and right of reversion. And Grantors do for themselves, their heirs, executors, administrators and personal representatives, covenant with Grantee that they are lawfully seized in fee

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simple of said real estate, that it is free from all encumbrances (excepting only the Notes Mortgages and Security Agreements described above), that they have good right to sell and convey the same as aforesaid, and that they will, and their heirs, executors, administrators and personal representatives shall warrant and defend the same to the Grantee, its successors and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, the Grantors have hereunto set their hands and seals on this the 25 day of March, 1994.


Van Steven Morgan



B. Ellen Morgan

STATE OF ALABAMA

SHELBY COUNTY

I, Janet Ross Craft, a Notary Public for the State of Alabama at Large, hereby certify that Van Steven Morgan and B. Ellen Morgan, whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that being informed of the contents of the conveyance, they executed the same voluntarily as their own free act.

GIVEN UNDER MY HAND and official seal of office this the 25th day of March, 1994.


Notary Public
Commission Expires: 3-7-96

THIS INSTRUMENT PREPARED BY:

Alan Stabler, Attorney
America's First Credit Union
1200 4th Ave N
Birmingham, AL. 35203

STATE OF ALABAMA

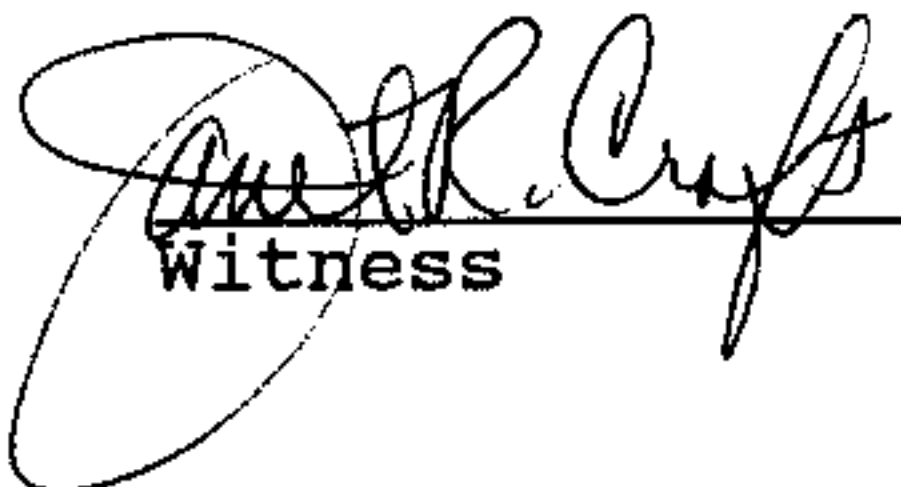
SHELBY COUNTY

SINGLE PAYMENT PROMISSORY NOTE

For Value Received, I promise to pay to the order of America's First Credit Union, the sum of Six Hundred and 00/100 Dollars, (\$600.00) payable on or before April 25, 1994 at 1200 4th Ave North, Birmingham, Alabama 35203 at 0% interest if paid on or before the above due date. Payment received after the above due date will be charged interest at the rate of 18% per annum.

I hereby waive as to this debt or any renewal thereof, all right of exemption under the Constitution and Laws of the State of Alabama, as to personal property, and agree to pay all costs of collecting or securing or attempting to collect or secure this note, including a reasonable attorney's fee whether the same be collected by suit or otherwise. And, I hereby waive demand, presentment, protest, and notice of protest.

IN WITNESS WHEREOF, I hereunto set my hand and seal on this the 25 day of March, 1994.


Witness


Steve Morgan

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