Collateral

This instrument was prepared by:

Sammy P. Kendrick
1900 Crestwood Blvd
Birmingham, AL 35210

Inst # 1994-29562

ASSUMPTION AGREEMENT WITH RELEASE OF LIABILITY

THIS AGREEMENT made the 31st day of August, 1994, between First Federal Bank, FSB, and James R. Powell and Brenda H. Powell, hereinafter called Purchasers and Thomas Dabrowski and Judy Dabrowski, hereinafter called Sellers.

WHEREAS FIRST FEDERAL BANK, FSB is the owner and holder of that certain Adjustable Rate Note in the principal sum of $264,000.00 dated August 31, 1993, executed by Thomas Dabrowski and Judy Dabrowski payable to the order of Collateral Mortgage, Ltd., an Alabama Limited Partnership, together with that certain Mortgage with Adjustable Rate Rider dated August 31, 1993 executed by Thomas Dabrowski and Judy Dabrowski, recorded on September 7, 1993, in the Probate Office of Shelby County, Alabama in Instrument 1993-27188, which Mortgage with Rider was duly assigned from Collateral Mortgage, Ltd., an Alabama Limited Partnership, to New South Federal Savings Bank by Assignment dated September 7, 1993, recorded in the Probate Office of Shelby County, Alabama in Instrument 1993-37673, which Mortgage was duly assigned to First Federal Bank, FSB by Assignment dated February 28, 1994, recorded in Instrument 1994-21025, aforesaid records.

The within property being known, designated and described as follows:

> Lot 3, according to the Survey of Settler's Cove, as recorded in Map Book 13, Page 10, in the Probate Office of Shelby County, Alabama.

WHEREAS title to the mortgaged premises is now vested in Purchasers subject to the Adjustable Rate Note, Mortgage with Adjustable Rate Rider which is hereinafter called the Obligation; and

IT IS AGREED, in consideration of the mutual agreements, herein, that;

1. Purchasers hereby assume and agree to pay the remaining principal balance owed on said Adjustable Rate Note as of August

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SHELBY COUNTY JUDGE OF PROBATE
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SEP 06 1994

30, 1994, to wit: Two Hundred Fifty Nine Thousand Four Hundred Sixty and 57/100 Dollars ($259,460.57), with current interest rate of Three and Five-Eights (3.625%), and covenant to perform all the terms and conditions of the Obligation and agree to be personally bound for such performance and notwithstanding any failure of Sellers to perform on warranties of covenants of title running from Sellers to Purchasers.

2. It is understood between the parties that this Assumption Agreement is not to be construed as a novation of the original contract and that all other covenants and conditions in the original Adjustable Rate Note, Mortgage with Adjustable Rate Rider are in full force and effect.

3. This agreement shall bind, jointly and severally, the heirs, executors, administrators, successors and assigns of First Federal Bank, FSB and Purchasers respectively.

4. The Purchasers agree the interest rate they are required to pay after they assume this mortgage obligation and for the entire term of this mortgage will never be greater than 9.625%.

5. Sellers are hereby released from liability for the performance of the terms and of the Obligation including the liability of personal judgement, subject however to the provision that this Release shall in no wise effect, impair or diminish the lien or validity of Sellers warranties or Covenants of Title under such Obligation.

IN WITNESS WHEREOF, the said First Federal Bank, FSB, has caused this instrument to be executed this 1st day of September, 1994.

FIRST FEDERAL BANK, FSB

Charles Knapp, AVP

SEP 06 1994

Seller

Seller

Attorney in fact

In witness whereof, Sellers have caused this Instrument to be executed this 1st day of September, 1994.

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STATE OF Alabama)
)
COUNTY OF Jefferson)

I, Frank K. Bynum, a Notary Public in and for said County, in said State, hereby certify that Thomas Dabrowski and Judy Dabrowski, 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 this conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 1st day of September, 1994.

Notary Public

James R. Powell
Purchaser

Brenda H. Powell
Purchaser

In witness whereof, Purchasers have caused this Instrument to be executed this 1st day of September, 1994.

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STATE OF ALABAMA)
)
COUNTY OF JEFFERSON)

I, Frank K. Bynum a Notary Public in and for said County, in said State, hereby certify that James R. Powell and Brenda M. Powell 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 this conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 1st day of September, 1994.

Notary Public

JRP
BHP