

BALANCE
of
note \$164,400.00
164,403.05

ASSUMPTION AGREEMENT

STATE OF ALABAMA }
COUNTY OF SHELBY }

KNOW ALL MEN BY THESE PRESENTS

This Assumption Agreement (the "Agreement"), is made this 25th day of September, 1995, by and between ARTHUR E. FLEET, A MARRIED MAN (the "Seller"), and KATHRYN M. MERGL, AN UNMARRIED WOMAN (the "Borrower"), and The Prudential Home Mortgage Company, Inc., a New Jersey corporation having its principal place of business at 8000 Maryland Avenue, Suite 1400, Clayton, Missouri 63105 (the "Lender").

Inst # 1995-28278

RECITALS:

WHEREAS, Seller is presently liable for payment of a promissory note or bond (the "Note"), dated January 28, 1994, made payable to Community Mortgage Corporation in the amount of \$ 164,400.00, the payment of which is secured by a deed of trust, mortgage, or security deed (the "Security Instrument"), dated January 28, 1994, and filed for record in the Official Records of Real Property of Shelby County, Alabama, which Security Instrument covers and affects the following described real property:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF AS IF SET FORTH IN FULL HEREIN FOR THE COMPLETE LEGAL DESCRIPTION OF THE PROPERTY BEING CONVEYED BY THIS INSTRUMENT.

and all improvements thereon, (together the "Property"); and

WHEREAS, Lender is or represents the lawful owner and holder of the Note and the Security Instrument; and

WHEREAS, by deed or other instrument of conveyance, dated September 25, 1995, Seller will convey the Property to Borrower for valuable consideration, part of which consideration is the assumption by and the agreement of Borrower to pay the unpaid balance owing on the Note; and

WHEREAS, under the terms of the Security Instrument, Lender has the right to accelerate the maturity of the note upon the transfer and conveyance of the Property unless Lender's consent has first been obtained; and

WHEREAS, Lender has agreed to lend Borrower the present unpaid balance owing on the Note upon the terms and conditions hereinafter stated;

NOW, THEREFORE, in consideration of Lender's agreement to lend Borrower the unpaid balance owing on the Note, and other good and valuable consideration, the parties hereto agree as follows:

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1. Assumption of Note and Security Instrument by Borrower. Borrower agrees that the true and lawful principal balance remaining due and unpaid on the Note is the sum of One Hundred Sixty-One Thousand AND 05 /100 DOLLARS (\$ 161,403.05) ~~Four Hundred Three~~ after application of the installment due September 1, 1995 under the Note. Borrower hereby expressly promises and agrees to pay to Lender the unpaid principal balance together with all other amounts due under the Note and Security Instrument according to the terms and conditions of the Note and the Security Instrument, copies of which have been provided to Borrower by Lender or by the agent of Lender. Additionally, Borrower expressly covenants and agrees to perform all of Seller's obligations under the Security Instrument to the same extent as if Borrower was the original party named therein. Acceptance by Borrower of the transfer to Borrower of the Property shall evidence Borrower's assumption of liability for the payment of the sums due under the Note and the Security Instrument, regardless of whether the deed conveying the Property to Borrower includes the assumption of the Note by Borrower. In the event of any default by Borrower under the terms of the Note or the Security Instrument, Lender may exercise all remedies available to it under the terms of the Note and the Security Instrument, including, without limitation, an action at law or in equity against Borrower to collect any monies due under the Note and the exercise of the remedies contained in the Security Instrument.

2. Acceptance of Borrower as Obligor. Lender hereby accepts Borrower as its obligor, Lender shall amend its records to indicate the transfer of such indebtedness from the name of Seller to the name of Borrower, and Lender shall henceforth in all respects treat Borrower as its borrower.

3. Lender's Release of Seller from Liability. Lender does hereby relieve and release Seller from any and all further liability or obligation under the Note and the Security Instrument; and Lender hereby agrees that it will not institute any action, suit, claim, or demand, at law or in equity, against Seller for or on account of the indebtedness evidenced by the Note and the Security Instrument, nor on account of any failure of performance of any of the covenants or terms of the Note and Security Instrument. Notwithstanding anything to the contrary contained herein, the parties hereto expressly understand and agree that this agreement of Lender to release Seller shall in no way be deemed to be or construed as a release of the indebtedness evidenced by the Note and the Security Instrument or as an impairment, in any manner or form, of the validity of the lien of the Note and the Security Instrument.

4. Note and Security Instrument in Full Force and Effect. The parties hereto expressly understand and agree that, except for the assumption and release described herein, (i) the Note as originally written shall remain unchanged, (ii) the balance owing on the Note shall be due and payable in the manner set out therein, and (iii) the Security Instrument shall remain in full force and effect against the Property until the full and final payment of the Note.

5. Severability; Maximum Interest. In the event that any item, term, or provision contained in this Agreement is in conflict, or may hereafter be held in conflict, with the laws of the state where the Security Instrument is recorded or the United States, this Agreement shall be affected only as to its application to such item, term, or provision, and shall in all other respects remain in full force and effect. In no event and upon no contingency shall the maker or makers of the Note, or any party liable thereon or theretofore, be required to pay interest in excess of the maximum interest that may be lawfully charged by the holder of said indebtedness under the laws of the state where the Security Instrument is recorded or the United States.

6. Joint and Several Liability. In the event that there shall be more than one Borrower, the obligations of Borrower under the Note and the Security Instrument shall be joint and several.

IN WITNESS WHEREOF, this Agreement is executed as of the day and year first herein above written.

"Seller"

Arthur E. Fleet
ARTHUR E. FLEET

"Borrower"

Kathryn M. Mergl
KATHRYN M. MERGL

"Lender"

By: The Prudential Home Mortgage Company, Inc.

Name: Kim A. Wood

Title: Assistant Secretary

ACKNOWLEDGMENT

STATE OF ILLINOIS

COUNTY OF SANGAMON

This instrument was acknowledged before me on September 22, 19 95, by Kim A. Wood of The Prudential Home Mortgage Company, Inc., on behalf of said corporation.

[NOTARY SEAL]



Diane L. Grega
Notary Public, State of Illinois

SPACE BELOW FOR SELLER AND BORROWER ACKNOWLEDGMENTS

AFTER FILING, PLEASE RETURN TO:

The Prudential Home Mortgage Company, Inc.
3200 Robbins Road
Springfield, IL 62704

LOAN NUMBER: 0388363

A parcel of land being situated in the North 1/2 of the SE 1/4 of Section 7, Township 18 South, Range 1 East described as follows:

Commence at the Northeast corner of the NE 1/4 of SE 1/4 of Section 7, Township 18 South, Range 1 East and run North 89 deg. 37 min. West along the North line of said 1/4 1/4 for a distance of 277.0 feet to the Northwestern right of way line of Shelby County Highway #41 for the point of beginning; run thence South 32 deg. 54 min. West along said right of way for a distance of 790.00 feet to the corner of the Pleasant Ridge Baptist Church Property; thence turn an angle of 101 deg. 12 min. to the right and along said Church Property for a distance of 356.99 feet; thence turn an angle of 86 deg. 04 min. to the left and run South 48 deg. 02 min. West for a distance of 312.55 feet; run thence South 73 deg. 26 min. West for a distance of 360.0 feet; run thence North for a distance of 710.0 feet; run thence South 89 deg. 37 min. East for a distance of 1,263.17 feet to the point of beginning.

Less and except the following:

A parcel of land more particularly described as follows:

Begin at a point which is the most southwesterly corner of a parcel of land conveyed to grantors by deed of Joe A. Scotch and wife, Peggy P. Scotch dated October 20, 1972, which deed appears of record in the Probate Office of Shelby County, Alabama, in Deed Book 271 at Page 924, run thence North 0 deg. 00 min. 315.64 feet; turn thence an angle of 90 deg. 23 min. to the right 259.77 feet; turn thence an angle of 89 deg. 37 min. to the right 236.47 feet; and turn thence an angle of 73 deg. 26 min. to the right 271.57 feet to the point of beginning.

Less and except the following:

A part of the NE 1/4 of SE 1/4 of Section 7, Township 18 South, of Range 1 East and described as follows:

Commence at the NE corner of said 1/4 1/4 Section, thence North 89 deg. 37 min. West along the North line of said 1/4 1/4 Section a distance of 277.00 feet to the Westerly right of way line of Shelby County Highway No. 41, thence South 32 deg. 54 min. West along said right of way a distance of 790.00 feet, thence North 45 deg. 54 min. West a distance of 356.99 feet, thence North 89 deg. 35 min. West a distance of 147.20 feet to the point of beginning, thence continue along the last named course a distance of 200.0 feet, thence North 3 deg. 15 min. West a distance of 218.00 feet, thence South 89 deg. 42 min. East a distance of 210.84 feet, thence South 0 deg. 24 min. East a distance of 218.00 feet to the point of beginning.

Also a 20.00 foot easement for ingress and egress to the above described Property and
(SEE ATTACHED CONTINUATION PAGE)

the center line of said easement described as follows:

Commence at the SW corner of above described property thence North 3 deg. 15 min. West a distance of 10.02 feet to the point of beginning, thence South 89 deg. 35 min. East a distance of 351.48 feet, thence South 45 deg. 54 min. East a distance of 359.01 feet to the Westerly right of way line of Shelby County Highway No. 41.

Less and except the following:

Commence at the Northeast corner of the NE 1/4 of Section 7, Township 18 South, Range 1 East, Shelby County, Alabama. From said corner run North 89 deg. 37 min. West 277.0 feet; thence South 32 deg. 54 min. West a distance of 790.0 feet along Highway #41, thence North 45 deg. 54 min. West a distance of 356.99 feet to the point of beginning of the tract herein described; thence South 48 deg. 02 min. West a distance of 312.55 feet to a point; thence South 73 deg. 26 min. West a distance of 89.04 feet; thence North and parallel with the West line of said 1/4 1/4 section a distance of 236.65 feet to a point; thence East and parallel with the North line of said 1/4 1/4 section a distance of 317.62 feet to the original point of beginning.

All being situated in Shelby County, Alabama.

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