

1996-13647

04/26/1996-13647
11:49 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 SNA 18.50

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LOAN MODIFICATION AGREEMENT (Providing for Adjustable Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 29th day of March, 1996, between **Pelham Properties LLC**

("Borrower") and **First Federal Savings Bank** ("Lender"), amends

and supplements (1) the Mortgage, Deed of Trust or Deed to Secure Debt (as modified by an Adjustable Rate Rider of the same date) (the "Security Instrument"), dated September 26, 1996, and recorded in Book or Liber 1995 at page(s) 27282, of the JUDGE OF PROBATE RECORDS Records of SHELBY COUNTY, ALABAMA

[Name of Records]

[County and State, or other Jurisdiction]

and (2) the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at Lot 16 Valley Commerce Park Pelham AL 35124

[Property Address]

the real property described being set forth as follows:

See attached Exhibit "A" for legal description.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of March 29, 1996, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ 525,000.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.
2. The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 9.250 % (the "Initial rate of interest"), from March 29th 1996. The Borrower promises to make monthly payments of principal and interest of U.S. \$ 6,721.72, beginning on the 1st day of April, 1996, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on March 1, 2006 (the "Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower understands and agrees that the initial rate of interest may change on the first day of March 1997, and on that day every 12th month thereafter on the "change date" as such term is defined in the Note and Security Instrument.

The Borrower will make such payments at 1630 4th Avenue North Bessemer, AL 35020

or at such other place as the Lender may require.

The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under the Security Instrument, including:

- (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note; and
- (b) all terms and provisions of any adjustable rate rider or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.

4. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

Witness: _____

William H. Kenny, Jr. (Seal)
Borrower **Pelham Properties LLC**

BY: **WILLIAM H. KENNY, JR., ITS CHIEF MANAGER**

Witness: _____

X (Seal)
Borrower

George Douglas Lingren (Seal)
Borrower **GEORGE DOUGLAS LINGREN, ITS SECRETARY**

Borrower (Seal)

Lender: **FIRST FEDERAL SAVINGS BANK**

Witness: _____

By: Robert Nelson III
[Authorized Officer Name]

Witness: _____

Its: **ASSISTANT VICE PRESIDENT**
[Authorized Officer Title]

(Space Below this Line for Acknowledgements)

STATE OF TENNESSEE
COUNTY OF SHELBY

, THE UNDERSIGNED AUTHORITY, A NOTARY PUTLIC IN AND FOR SAID COUNTY, IN SAID STATE
HEREBY CERTIFY THAT WILLIAM H KENNY, JR. AND GEORGE DOUGLAS LINDGREN WHOSE NAMES AS
HIEF MANAGER AND SECRETARY OF PELHAM PROPERTIES, LLC, A CORPORATION, THEY SIGNED
O THE FOREGOING CONVEYANCE AND WHO ARE KNOWN TO ME, ACKNOWLEDGED BEFORE ME, ON THIS
AY, THAT , BEING INFORMED OF THE CONTENTS OF THE CONVEYANCE THEY, AS SUCH OFFICERS,
ND WITHFULL AUTHORITY, EXECUTED THE SAME VOLUNTARILY FOR AND AS THE ACT OF SAID CORPORATION
IVEN UNDER MY HAND ADN SEAL OF OFFICE THIS 29TH DAY OF MARCH, 1996.

Y COMMISSION EXPIRES My Commission Expires Aug. 12, 1998

Patricia S. Hansen
NOTARY PUBLIC

STATE OF ALABAMA
COUNTY OF JEFFERSON

} ss:

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that ROBERT NELSON, III
whose name as ASSISTANT VICE PRESIDENT of First Federal Savings Bank, a Corporation, is signed to the foregoing instrument,
and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer
and with full power and authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this 29th day of March, 1996

My Commission expires: 1/3/2000

Brenda R. Fitts
Notary Public

PREPARED BY: Brenda Fitts
First Federal Savings Bank
1630 Fourth Avenue North
Bessemer, Alabama 35020

SCHEDULE-A, CONTINUED
LEGAL DESCRIPTION

PARCEL I:

Commence at the southwest corner of the NW 1/4 of the SE 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama and run thence easterly along the south line of said quarter-quarter section a distance of 424.47 feet to a point; thence turn 63 degrees 45 minutes 08 seconds left and run North 27 degrees 36 minutes 44 seconds East a distance of 644.22 feet to a steel pin corner marking the northeast corner of Lot 16 of Valley Commercial Park and the point of beginning of the property being described; thence run North 62 degrees 08 minutes 55 seconds West 133.93 feet to a point; thence run South 27 degrees 52 minutes 49 seconds West - 198.00 feet to a point; thence run North 62 degrees 07 minutes 11 seconds West 141.73 feet to a point on the easterly margin of Shelby County Highway No. 33; thence run South 24 degrees 10 minutes 16 seconds West along said margin of said highway 195.96 feet to the P.C. of a curve to the left marking the northerly margin of Commerce Drive, said curve having a central angle of 48 degrees 26 minutes 01 seconds and a radius of 153.06 feet; thence run easterly along the arc of said curve an arc distance of 129.38 feet to the P.T. of said curve; thence run North 85 degrees 18 minutes 41 seconds East 166.24 feet to a point; thence run North 27 degrees 36 minutes 44 seconds East 285.90 feet to the point of beginning. According to the survey of Joseph E. Conn, Jr. Alabama PLS No. 9049, dated June 9, 1995.

PARCEL II:

Commence at the southwest corner of the NW 1/4 of the SE 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama and run thence easterly along the south line of said quarter-quarter section a distance of 424.47 feet to a point; thence turn 63 degrees 45 minutes 08 seconds left and run North 27 degrees 36 minutes 44 seconds East a distance of 644.22 feet to a steel pin corner marking the northeast corner of Lot 16 of Valley Commercial Park; thence run North 62 degrees 08 minutes 55 seconds West 133.93 feet to the point of beginning of the property being described; thence continue last described course 140.27 feet to a point on the easterly margin of Shelby County Highway No. 33; thence run South 28 degrees 18 minutes 13 seconds West along said margin of said highway 197.92 feet to a point; thence run South 62 degrees 07 minute 11 seconds East 141.73 feet to a point; thence run North 27 degrees 52 minutes 49 seconds East 198.00 feet to the point of beginning.
According to the survey of Joseph E. Conn, Jr. Alabama PLS No. 9049, dated June 9, 1995.

Description of property in Loan Modification Agreement between Pelham Properties LLC and First Federal Savings Bank, dated March 29, 1996.

COMMERCIAL ADJUSTABLE RATE RIDER (New York Prime Rate-Caps)

THIS ADJUSTABLE RATE RIDER is made this 29th day of March, 1996, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to First Federal Savings Bank (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

Lot 16 Valley Commerce Park Pelham AL 35124

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 9.250 % which is 1.000 percent above New York Prime Rate. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of March, 1997, and on that day every 12 months thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the rate equivalent to the New York Prime Rate to which this rate is tied as last published in the preceding month of the Wall Street Journal, and the change in the rate of interest herein shall be determined and become effective as of the first day of the following month.

(C) Calculation of Changes

Before each Change Date, the note Holder will calculate my new interest rate by adding One and 000/1000 percentage points (1.000 %) to the Current Index.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) LIMITS ON INTEREST RATE CHANGES

My interest rate will never be less than 9.250 %.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

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. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.


If Lender exercises the option to require immediate payment in full, 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 the 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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

The undersigned borrower(s) acknowledge(s) receipt of a copy of this instrument.

 (Seal)
Borrower **Pelham Properties LLC**

BY: WILLIAM H. KENNY, JR., ITS CHIEF MANAGER

 (Seal)
Borrower

 (Seal)
Borrower **GEORGE DOUGLAS LINGREN, ITS SECRETARY**

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