

RETURN AFTER RECORDING TO:
Haythe & Curley
237 Park Avenue
New York, New York 10017
Attn: Erin Cornyn, Esq.

CROSS REFERENCE TO: Mortgage
recorded in Deed Book 1996,
Page 21127, Shelby County,
Alabama

Inst # 1996-21128

ASSIGNMENT OF MORTGAGE
(HEATHERBROOKE PROJECT)

THIS ASSIGNMENT is made and entered into as of the 1st day of June, 1996 by the **ALABAMA HOUSING FINANCE AUTHORITY**, a public corporation and instrumentality created and existing under the laws of the State of Alabama (the "Issuer") for the benefit of **AMSOUTH BANK OF ALABAMA**, a state banking corporation organized and existing under the laws of the State of Alabama and having an address at 1901 Sixth Avenue North, Seventh Floor, Birmingham, Alabama 35203 (the "Trustee"), in its capacity as trustee under that certain Trust Indenture between the Issuer and Trustee, dated June 1, 1996 relating to the \$9,900,000 Alabama Housing Finance Authority Multifamily Housing Refunding Revenue Bonds (Heatherbrooke Project), 1996 Series C (the "Bonds"), and **FEDERAL NATIONAL MORTGAGE ASSOCIATION**, a corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C. § 1716, et seq., whose address is 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016-2899 ("Fannie Mae"); and

WHEREAS, **COLONIAL REALTY LIMITED PARTNERSHIP**, a Delaware limited partnership having an address at P.O. Box 11687, 2101 6th Avenue North, Suite 750, Birmingham, Alabama 35203 Attention: Thomas H. Lowder ("Colonial"), executed and delivered a certain Multifamily Mortgage, Assignment of Rents and Security Agreement, dated as of June 1, 1996, recorded in Deed Book 1996, Page 21127, Shelby County, Alabama records (the "Security Mortgage") in favor of the Issuer, as security for, inter alia, the repayment of the Bonds; and

WHEREAS, Fannie Mae has agreed to provide credit enhancement and liquidity support for the Bonds; and

WHEREAS, the Issuer proposes to assign and set over to the Trustee and Fannie Mae and their successors and assigns, as their interest may appear, all of its right, title and interest in and to, the Security Mortgage;

NOW, THEREFORE, for and in consideration of the premises and the sum of Ten and No/100 Dollars (\$10.00) in hand paid from the Trustee and Fannie Mae to the Issuer, and other good and valuable consideration, the receipt and

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other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer does hereby, without recourse, grant, bargain, sell, convey, assign, transfer and set over to the Trustee and Fannie Mae and their successors and assigns, as their interests may appear, all the right, title and interest of the Issuer in and to the Security Mortgage, together with the rights, powers and privileges therein.

Neither the Issuer, the Trustee nor any person under their control shall, without the prior written consent of Fannie Mae, exercise any rights or remedies or direct any proceedings under the Security Mortgage, and Fannie Mae shall have the exclusive right to exercise and control such rights or remedies or direct such proceedings.

In furtherance of the foregoing, the Issuer appoints Fannie Mae as the Issuer's true and lawful attorney-in-fact, with power of substitution to take such actions and execute and deliver such other documents, filings, recordings and instruments for and on behalf of the Issuer and in its name, place and stead, or otherwise, as may be necessary or desirable to effectuate or accomplish the purposes of this Assignment. The Issuer declares that the appointment hereby made and the powers hereby granted are irrevocable and coupled with an interest.

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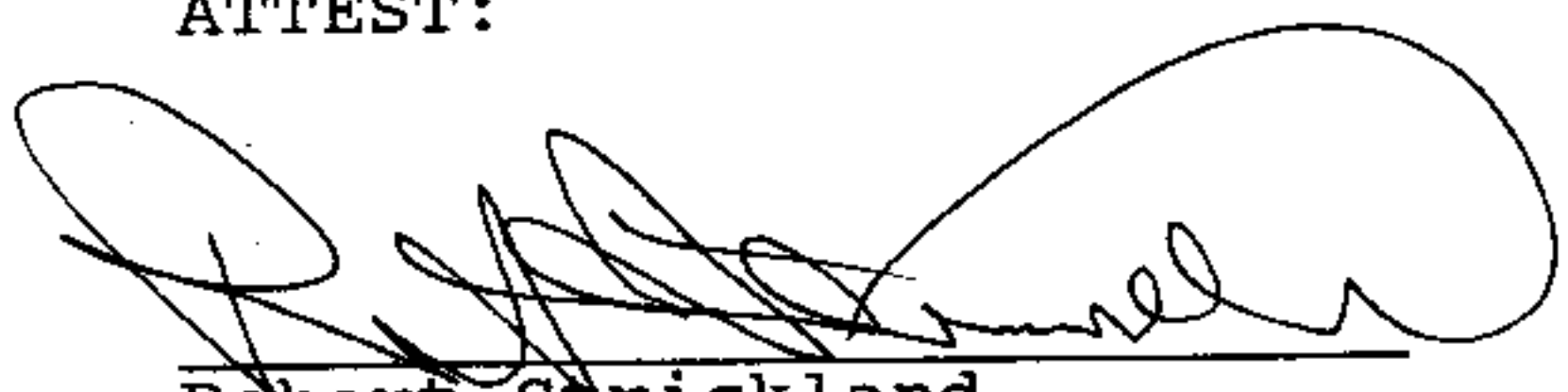
IN WITNESS WHEREOF, the Issuer has caused this Assignment to be executed and delivered on the date first above written.

ALABAMA HOUSING FINANCE AUTHORITY

By:


Ted B. Watts
Vice Chairman

ATTEST:


Robert Strickland
Assistant Secretary

[SEAL]

ACKNOWLEDGEMENT

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Ted B. Watts, whose name as Vice Chairman of Alabama Housing Finance Authority, a public corporation and instrumentality of the state of Alabama, 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 such instruments, he, as such Vice Chairman and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and seal, this 25th day of June, 1996.


Notary Public

[NOTARY SEAL]

My Commission Expires 11-13-99

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