

MODIFICATION AGREEMENT

This Modification Agreement ("Agreement") made July 3, 1997, between United Companies Lending Corporation, as servicer and on behalf of Bankers Trust Company of California, N.A. ("Servicer") and King Peoples and Gladys Peoples, ("Borrower") identified as Account #094-036-41361 modifies (1) the Mortgage, Deed of Trust, Deed to Secure Debt or other applicable security agreement (the "Security Instrument") dated March 24, 1995, and recorded on March 28, 1995, in Shelby County, Alabama; (2) the Note bearing the same date as, and secured by the Security Instrument, for the principal sum of Twenty-seven thousand Eight hundred and 00/100 (\$27,800.00) DOLLARS with an interest rate of 12.50% per annum daily (herein referred to as the "Rate") which covers the real and personal property (the "Mortgaged Property") located in Shelby County, State of Alabama, to wit:

SEE EXHIBIT "A"

The Security Instrument and Note are hereby modified as follows:

1. As of July 3, 1997, the amount payable under the Note and Security Instrument (the "Unpaid Principal Balance") is U.S. \$24,468.58, 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 Lender. Interest will be charged on the Unpaid Principal Balance; said interest will be amended from the yearly rate of 12.50% to a yearly rate of 11.00%. By virtue of this agreement, monthly payments of \$406.93 (principal and interest) will be amended to reflect monthly payments of \$265.58 (principal and interest). The Borrower promises to make monthly payments of principal and interest of U.S. \$265.58, beginning on July 1, 1997, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on June 1, 2014 (the "Maturity Date"), the Borrower still owes amounts under the Note and Security Instrument, as amended by the Agreement, the Borrower will pay these amounts in full on the Maturity Date.
3. In the event the terms and provisions contained in the Note and Mortgage in any way conflict with the terms and provisions contained in this Agreement, the terms and provisions herein contained shall prevail, and as modified by this Agreement, the Note and Mortgage are hereby ratified and confirmed.
4. Nothing herein contained shall in any manner affect the priority or lien of the Mortgage securing the Note and modification evidenced hereby shall be entered on the margin of the record of the Mortgage.
5. This Agreement shall be binding on the heirs, executors, administrators, successors, and assigns of the respective parties.

11/14/1997-37218
10:25 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 MEL 17.00

As consideration for Servicer entering into this Agreement, Borrower(s) hereby acknowledges and confirms that Borrower(s) does not have any claims, causes of action, or disputes as to the Account and Borrower(s) does hereby release, relinquish, surrender, cancel and forever discharge any, every and all claims, demands and causes of action that Borrower(s) may have against Servicer, its successors and assigns, based upon, connected with, institute, or arising out of the application for and the administration of the above referenced account.

Any controversy or claim (except foreclosure that is required to be handled by the courts) between or among the parties hereto including but not limited to those arising out of or relating to this agreement, the application or administration or the above-referenced account or any documents relating or pertaining to the account, shall be determined by binding arbitration in accordance with the Federal Arbitration Act (or if not applicable, the applicable state arbitration law). Any party to this agreement may bring an action, including a summary of the expedited proceeding, to compel arbitration of any controversy or claim to that which this agreement applies in any court having jurisdiction over such action.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates and year herein written.

UNITED COMPANIES LENDING CORPORATION

BY: _____

Stephen Staid, Vice President

**STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE**

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Stephen Staid, whose name as Vice President of United Companies Lending Corporation, a corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before this day that, being informed of the contents of such instrument, he, in his capacity as such Officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this 29 day of October, 1997.

Christy Shaffer, Notary Public, duly
commissioned and qualified in and for
the parish of East Baton Rouge, State
of Louisiana. My commission is for life.

Christy Shaffer
Louisiana Notary Public

[NOTARIAL SEAL]

My Commission Expires: At Death

STATE OF ALABAMA

COUNTY OF Shelby

King Peoples
King Peoples, Borrower

Gladys Peoples
Gladys Peoples, Borrower

I, the undersigned, hereby certify that King Peoples and Gladys Peoples, who name(s) they are signed to the foregoing instrument, and who is are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and seal of office this 23rd day of July, 1997.

Emory B. Phillips
Alabama Notary Public
[NOTARIAL SEAL]

My Commission Expires: Notary Public, Alabama State At Large
My Commission Expires Jan 23 2001

This document prepared by and a recorded copy should be sent to:
United Companies Lending Corp.
Attn: Tonya G. Wilson
P.O. Box 1591
Baton Rouge, LA 70821

BEGIN AT THE NE CORNER OF THE A.C. GALLOWAY PROPERTY AND RUN
WEST ALONG NORTH LINE OF SAID PROPERTY 142 FEET TO POINT OF
BEGINNING; THENCE CONTINUE WEST 364 FEET; THENCE RUN NORTH
WITH DITCH 345 FEET; THENCE EAST 116 FEET; THENCE SOUTH 345 FEET
TO POINT OF BEGINNING; SAID PARCEL LYING IN THE SW 1/4 OF THE SW
1/4 OF SECTION 17, TOWNSHIP 22 SOUTH, RANGE 3 WEST, ALL
SITUATED IN SHELBY COUNTY, ALABAMA.
SUBJECT LOCATED AT: 437 HIGHWAY 17 MONTEVALLO, ALABAMA 35115

Inst # 1997-37218

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