

## ASSUMPTION AGREEMENT WITH RELEASE

THIS AGREEMENT is made this 26th day of August, 1998, between Theodore A. Gibbs, (here "Borrower") and Leonard M. Lawley, (here "Lender"), for an assumption and release with respect to a promissory note dated February 28, 1995, in the original amount of U.S. \$85,000.00, bearing interest at the rate of Nine and One-Half (9.5%) percent per annum, secured by a Mortgage of the same date, made by borrower to Leonard M. Lawley, recorded in Instrument 1995-06133, in the Probate Office of Shelby County, Alabama, secured by the following described property in Shelby County, Alabama:

Lots No. 3 and 4, in Block 51, according to the survey of Reynolds Addition to Montevallo, as recorded in Map Book 3 at page 37, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

Less and except the following:

Commence at the SE corner of Lot 3, Block 51, according to Survey of Reynolds Addition to Montevallo, as shown by plat or map recorded in Map Book 3 page 37 as recorded, and run thence Southwesterly along the north line of East boundary Street a distance of 8.0 feet; thence run Northwesterly a distance of 175.0 feet, more or less, to a point on the Northwest line of said Lot 3, which is 8.0 feet from the Northeast corner of said Lot 3; thence run in a Northeasterly direction along the Northwest line of said Lot 3 a distance of 8.0 feet to the NE corner thereof; thence run Southeasterly along the Northeast line of said Lot 3 a distance of 175.0 feet to the point of beginning; being situated in Shelby County, Alabama;

which has the address of 611 E. Boundary Street, Montevallo, Alabama (herein "Property Address");

WHEREAS, BORROWER is indebted to LENDER under the note and Mortgage described above, payable in 180 monthly installments of \$887.60, due on the fifteenth day of each month, and

WHEREAS, BORROWER desires to sell and ASSUMER desires to purchase such property subject to such indebtedness and to assume the unpaid principal owing to LENDER, but such Mortgage requires the written consent of LENDER prior to any sale or transfer of all or any part of such property, and a sale or transfer without consent of LENDER would constitute a default of such Mortgage, and BORROWER and ASSUMER wish to obtain the consent of LENDER to such sale or transfer;

NOW THEREFORE, for and in consideration of the granting of such consent by LENDER and of the benefits flowing to each of the parties hereto, they do agree as follows:

- 1. STATUS OF LOAN.** As of the date of the transfer of the property on August 28, 1998, or as a result of such transfer, payments of principal and interest on the indebtedness are current, and the unpaid principal balance of the indebtedness to LENDER is \$74,352.84 as of such date, subject to payment of all checks in process in collection.
- 2. ASSUMPTION.** ASSUMER hereby assumes such indebtedness and shall hereafter make all monthly payments as called for therein. If this agreement is entered into after the date of the transfer of the property, ASSUMER agrees and tenders herewith an amount necessary to make the loan current as of the date of this agreement. Further, ASSUMER agrees to abide by all provisions of such note and of the Mortgage securing such indebtedness described above. In the event of any default by ASSUMER under the terms of such note or Mortgage, LENDER may exercise all remedies available to it under the terms of such note or Mortgage including an action at law against ASSUMER to collect any monies due under the note, and exercise the remedies contained in the

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non-uniform covenants of the Mortgage. ASSUMER hereby acknowledges that LENDER has made all disclosures to ASSUMER as may be required under the Consumer Credit Protection Act of 1968 and Regulation Z (Title 12, part 226, Code of Federal Regulations).

3. **FUNDS FOR TAXES AND INSURANCE.** LENDER agrees to allow ASSUMER to provide hazard insurance paid 6 months in advance rather than 12 months.


4. **LENDER CONSENT AND RELEASE.** LENDER hereby consents to the sale and transfer of such property to ASSUMER by BORROWER, hereby accepts ASSUMER as its obligor, and shall amend its records to indicate the transfer of such indebtedness from the name of BORROWER to the name of ASSUMER, and LENDER shall henceforth in releases BORROWER from all obligations or liabilities under such note or Mortgage. All other terms of this agreement to the contrary, notwithstanding the remedies contained in the non-uniform covenants of the Mortgage, shall remain in full force and effect in accordance with their terms.

5. **FUTURE TRANSFER OF PROPERTY.** ASSUMER agrees that the granting of consent by LENDER to this transfer shall not constitute a waiver of the restrictions on transfer contained in such Mortgage, and such restrictions shall continue in full force and any future transfer or sale by ASSUMER without the prior written consent of LENDER shall constitute a default of the terms of such Mortgage, and LENDER, at its option, may exercise all remedies available to it under the terms of such note and Mortgage.

6. **WHEREVER** the words "BORROWER" or "ASSUMER" are used in this agreement, they shall represent the plural as well as the singular, the feminine and neuter genders as well as the masculine, and shall include heirs, successors or assigns.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year aforesaid.

Signed, sealed and delivered in the presence of:

  
BORROWER Theodore A. Gibbs

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Theodore A. Gibbs, to me known to be the person described in and who executed the foregoing instrument, and severally acknowledged before me that they executed the same.

Witness my hand and official seal in the County and State aforesaid this 26<sup>th</sup> day of August, 1998.

My Commission expires:

3/79

  
Notary Public

W. F. D.  
P. D. D.

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Signed, sealed and delivered in the presence of:

William F. Dew, Jr.  
ASSUMER William F. Dew, Jr.

Peggy D. Dew  
ASSUMER Peggy D. Dew

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STATE OF ALABAMA )  
COUNTY OF SHELBY )

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared William F. Dew, Jr. and wife, Peggy D. Dew, to me known to be the persons described in and who executed the foregoing instrument, and severally acknowledged before me that they executed the same.

Witness my hand and official seal in the State and County aforesaid this 28th day of August, 1998.

My Commission Expires: 10/3/2001

Mark L. Ramsey  
Notary Public

Signed, sealed and delivered in the presence of:

Leonard M. Lawley  
By and through James M. Lawley  
his Attorney In Fact  
LENDER Leonard M. Lawley

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I hereby certify that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Leonard M. Lawley, to me known to be the persons described in and who executed the foregoing instrument, and severally acknowledged before me that they executed the same.

Witness my hand and official seal in the County and State aforesaid this 28th day of August, 1998.

My Commission expires:

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Notary Public

State of Alabama)  
County of Shelby)

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that James M. Lawley, whose name as Attorney In Fact for Leonard M. Lawley is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, in his capacity as such Attorney in Fact, executed the same voluntarily on the day the same bears date.

GIVEN UNDER MY HAND THIS THE 28TH DAY OF AUGUST, 1998.

My Commission Expires: 10/3/2001

Mark L. Ramsey  
Notary Public  
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