

This Instrument Prepared By:  
JAMES H. GREER  
P.O. Box 360345  
Birmingham, Alabama 35236

Send Tax Notice To:  
New South Federal Savings Bank  
MS # 10752, 210 Automation Way  
Birmingham, Alabama 35210

STATE OF ALABAMA  
SHELBY COUNTY

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**DEED IN LIEU OF FORECLOSURE**

KNOW ALL MEN BY THESE PRESENT, that in consideration of the sum of TEN DOLLARS AND 00/100 (\$ 10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned grantors, Tammy A. McFarland and Fred McFarland, Wife and Husband, (herein referred to as "Grantors") hereby grants, bargains, sells and conveys unto the Grantee, The Bank of New York, as Trustee, for New South Federal Savings Bank, series 2001-1, without recourse, (herein referred to as "Grantee"), all that certain property situated in Shelby County, Alabama as more particularly described below:

***Lot 31, according to the Amended Map of Shoal Creek Highlands, 2<sup>nd</sup> Sector as recorded in Map Book 16, Page 41, in the Office of the Judge of Probate of Shelby County, Alabama.***

***Street Address: 291 Shoal Creek Circle, Montevallo, Alabama 35115***

This is a deed in lieu of foreclosure. It is the intention of the Grantors and the Grantee that this deed and the effect of the conveyance evidenced hereby, shall be governed by, and interpreted according to, the provisions of Sections 35-10-50 & 51 of the Code of Alabama 1975 (Cum. Supp. 1990). Without limiting the generality of the foregoing sentence, the Grantors and Grantee agree that this deed shall have the same effect of transferring absolute title to the above described property to the Grantee free of any statutory or equitable right of redemption in the Grantors or anyone claiming by and through the Grantors. It is the further intention of the Grantors and Grantee that the lien created by that certain Mortgage and Security Agreement from the Grantors to Grantee, dated February 15, 2000, and recorded in the office of the Judge of Probate of Shelby County, in Instrument #2000-06324, will not merge into the fee title acquired by the Grantee pursuant to this deed. No such merger will occur until such time as the Grantee execute a written instrument specifically effecting such merger or releasing said Mortgage and Security Agreement and duly records the same.

TO HAVE AND TO HOLD to Grantee, its successor(s) and assigns forever, together with every contingent remainder and right of reversion. And Grantors do for themselves, its successor(s) and assigns, covenant with Grantee, its successor(s) and assigns, that is lawfully seized in fee simple of said real estate, that it is free from all encumbrances (excepting only the Mortgage and Security Agreement described above), that it has good right to sell and convey the same as aforesaid, and that it will, and its successors and assigns shall, warrant and defend the same to the Grantee, its successor(s) and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, Grantors, by Tammy A. McFarland and Fred McFarland, Wife and Husband are authorized to execute this Deed In Lieu of Foreclosure, has hereto set their signatures and seals, this the 26 day of Aug, 2002.

By: Tammy A. McFarland  
Tammy A. McFarland

By: Fred McFarland  
Fred McFarland

STATE OF ALABAMA )  
Chilton COUNTY )

20020903000418970 Pg 2/2 15.00  
Shelby Cnty Judge of Probate, AL  
09/03/2002 10:52:00 FILED/CERTIFIED

I, the undersigned, a Notary Public in and for said County in said State hereby certify that Tammy A. McFarland AND Fred McFarland, whose name(s) are signed to the foregoing instrument and who are known to me, acknowledge before me on this date that, being informed of the contents of the instrument, have executed the same voluntarily.

Given under my hand and official seal this 26 day of Aug, 2002.

[Signature]  
NOTARY PUBLIC

My commission expires: COMMISSION EXPIRES FEB. 15, 2005