

WHEN RECORDED MAIL TO:

USAA Federal Savings Bank
10750 McDermott Freeway
Home Equity Loan Servicing
San Antonio, TX 78288-0558

**MORTGAGE LOAN MODIFICATION AGREEMENT
FOR LINES OF CREDIT
(For Use in States Other than Texas)**

This Mortgage Loan Modification Agreement ("Agreement" or "Modification" or "Modification Agreement"), made effective the **October 28, 2003** (the "Effective Date") between: **James D. Thorn and Ada Thorn**, the address of each of whom is as stated in the Credit Agreement and/or Security Instrument, defined below ("Obligor," whether one or more), and USAA Federal Savings Bank, whose address is 10750 McDermott Freeway, San Antonio, Texas, 78288 ("USAA FSB" or "Lender"), modifies, amends, and supplements (1) the **Mortgage** (the "Security Instrument") dated **July 20, 2001** and recorded at **Shelby County, State of Alabama**, recorded on **July 30, 2001**, in **Instrument Number 2001-31561** and (2) the Home Equity Line of Credit Agreement or the Equity Line of Credit Agreement and Disclosure bearing the same date as and secured by the Security Instrument (the "Credit Agreement"), said Security Instrument covering the real and personal property described in the Security Instrument and defined therein as the Real Property or Property, evidencing the mortgage loan made by USAA FSB to Borrower(s) as identified in the Credit Agreement effective **July 20, 2001** (the "Loan"), the real property described in said Security Instrument being set forth in Exhibit A, attached hereto and made a part hereof.

In consideration of the mutual promises and agreements exchanged, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by and among the parties as follows:

1. The current outstanding principal balance of the Credit Agreement as of October 28, 2003 is \$-655.94.

2. Obligor has requested that certain terms of the Credit Agreement and Security Instrument be modified. Lender has agreed to make certain modifications. Therefore, the following paragraphs of the Credit Agreement are amended as follows:

Change of Credit Limit. Beginning with the Effective Date of this Agreement, the Credit Limit is modified to be as follows:

FROM the previous Credit Limit of \$43,000.00 (the "Previous Credit Limit")
TO the new Credit Limit of \$35,200.00 (the "New Credit Limit"),
Constituting a decrease of \$7,800.00.

3. Except as otherwise expressly modified hereby, all terms and provisions of the Credit Agreement and Security Instrument are ratified and confirmed and shall remain in full force and effect, enforceable in accordance with their terms as hereby modified. To the extent of any conflict between the Credit Agreement and Security Instrument, on the one hand, and this Agreement, on the other hand, this Agreement shall control. Obligor represents and warrants that as of the effective date of this Agreement no default exists in the Credit Agreement or Security Instrument.

4. Obligor hereby agrees to observe, comply with and perform all of the obligations, terms and conditions under or in connection with the Credit Agreement and Security Instrument as previously executed by Obligor, as modified hereby. Obligor hereby reaffirms to USAA FSB each of the representations, warranties, covenants, and agreements contained in the Credit Agreement, Security Instrument, or any or all other documents executed by Obligor in connection with the Loan, with the same force and effect as if each were separately stated herein. This Agreement is not intended to be a satisfaction and replacement of the existing obligation, but rather a modification, amendment, and supplement of the existing obligation.

5. Obligor hereby acknowledges and agrees that the liens and security interests of the Security Instrument and any other documents and instruments executed in connection with the Loan securing the Credit Agreement are valid and subsisting liens and security interests and are superior to all other liens and security interests against the Real Property or Property and any other collateral to which they attach, with the sole exception of the indebtedness secured by encumbrances of record on the date of the Security Instrument and of which Obligor made Lender aware prior to closing of the

Loan (if any and if such indebtedness is still unsatisfied), and they are hereby renewed and extended and carried forward in full force and effect.

6. This Agreement shall be binding upon and shall inure to the benefit of the parties, their respective heirs, representatives, successors and assigns.

7. In the event the enforceability or validity of any portion of this Agreement, the Credit Agreement, the Security Instrument, or any other documents executed in connection with the Loan, all as modified hereby, is challenged or questioned, such provision shall be construed in accordance with and shall be governed by whichever applicable federal or state law would uphold or would enforce such challenged or questioned provision.

8. THIS AGREEMENT AND ALL OF THE LOAN DOCUMENTS, AS HERETOFORE OR HEREIN MODIFIED, REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OR PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

9. In the event the term, "Obligor," represents more than one person, then the terms of this Modification Agreement are undertaken by each and every person, and all duties under this Modification Agreement are joint and several. All references to the singular include the plural; all references to the masculine include the feminine.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the dates set forth in the acknowledgments below, the last date of said acknowledgments to constitute the "Execution Date" of this Modification, this Modification to be effective as of the Effective Date identified above.

LENDER:

USAA FEDERAL SAVINGS BANK

By: *Diane P. Pena*
Diane P. Pena
Consumer Lending Officer

OBLIGOR:

James D. Thorn 10/31/03
James D. Thorn Date
Ada Thorn 10/31/03
Ada Thorn Date

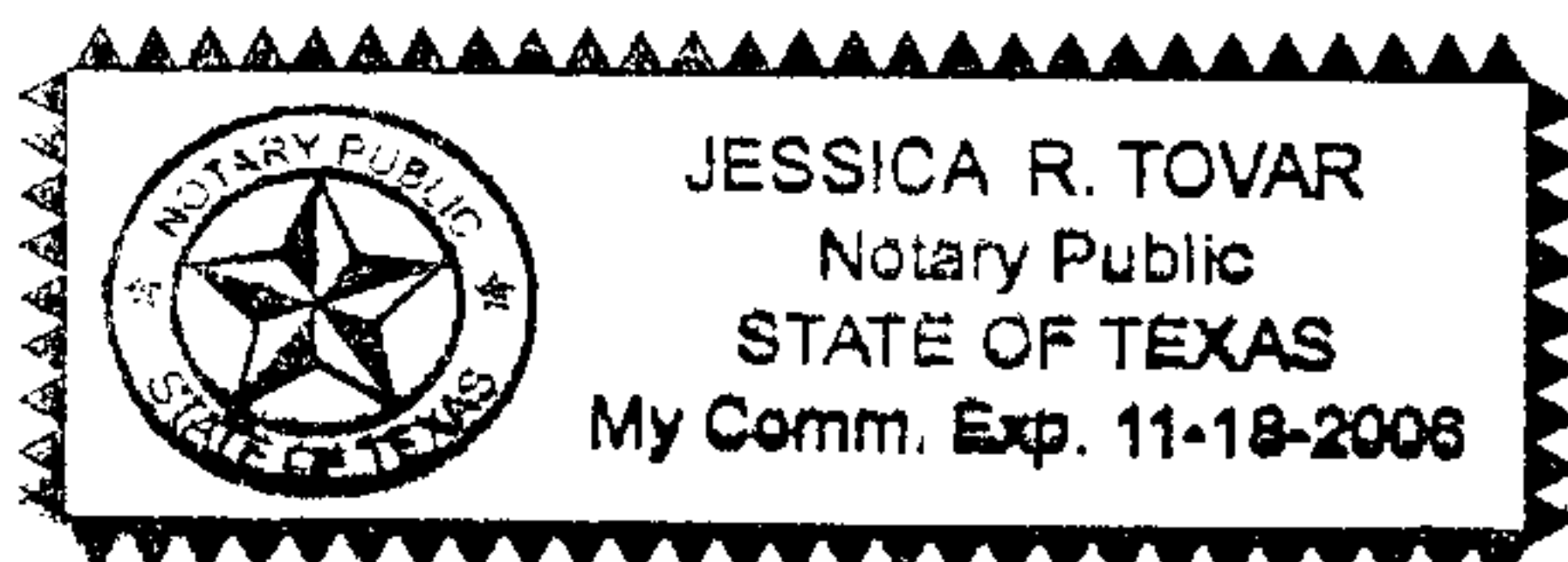
WITNESSES:

Karen Hedger 10/31/03
Witness Date
Sharon R. Decker 10/31/03
Witness Date

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared **Diane P. Pena, Consumer Lending Officer** of USAA Federal Savings Bank, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of said federal savings bank.

GIVEN under my hand and seal of office this **October 28, 2003.**



Jessica R. Tovar
Jessica R. Tovar
Notary Public
State of Texas
My Commission Expires: **11-18-2006**

STATE OF Alabama §
COUNTY OF Shelby §

BEFORE ME, the undersigned authority, on this day personally appeared of **James D. Thorn**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [strike out incorrect word:] he/she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this the 31 day of October, 2003.

Karen Hedges
Notary Public in and for
The State of Alabama

Printed Name of Notary:

Karen Hedges

My Commission Expires: 5/09/05

STATE OF Alabama §
COUNTY OF Shelby §

BEFORE ME, the undersigned authority, on this day personally appeared **Ada Thorn**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [strike out incorrect word:] he/she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this the 31 day of October, 2003.

Karen Hedges
Notary Public in and for
The State of Alabama

Printed Name of Notary:

Karen Hedges

My Commission Expires: 5/09/05

EXHIBIT A

LEGAL DESCRIPTION

Lot 8, according to the Map of Southern Hills, Sector 4, as recorded in Map Book 15, Page 72, in Probate Office of Shelby County, Alabama, situated in Shelby County, Alabama.

"Being the same parcel conveyed to James D. Thorn and Ada Thorn from Vaughan Homes, Inc., a corporation by virtue of a Deed dated 2/6/92 recorded 2/14/92 in Deed Book 389, Page 25 in Shelby County, Alabama."