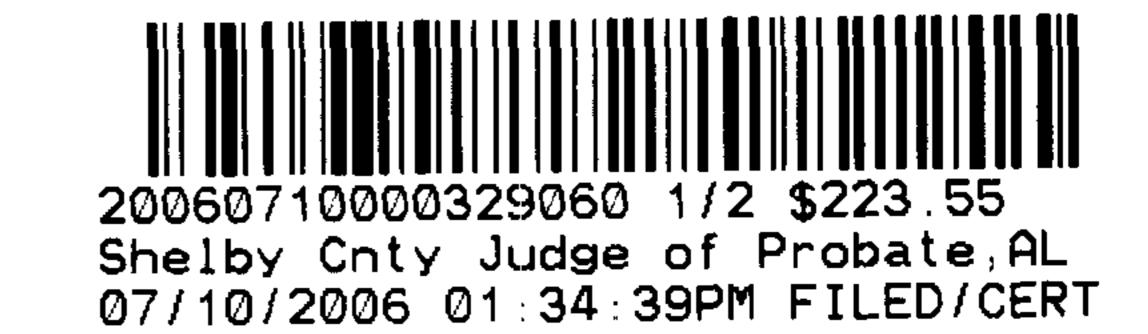
Later Recording, Return To:
FIRST FEDERAL OF THE SOUTH

126 NORTH NORTON AVENUE SYLACAUGA, AL 35150

ATTN: BARBARA ANDREWS



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Loan No. 5050001056

LOAN MODIFICATION AGREEMENT

(Providing for Adjustable Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 1ST day of FEBRUARY, 2005 between BRIAN DAKS KENNEDY AND DANA J KENNEDY, HUSBAND & WIFE

("Borrower") and FIRST FEDERAL OF THE SOUTH

("Lender"), and	mends and supplements (1) the Mortgage,	Deed of Trust o	r Secu	arity Deed	(as modified by an	n Adjustable Rate
Rider of the sa	ame date) (the "Security In	strument),dated	September	15,	2003	and recorded in	Book or
Liber *	, at page(s)	, of the	COUNTY	•	ታ	L NT-	Records of
•			lame of Records]			ment No.	
SHELBY	AL				200309	17000624760	
[County and State	e, or other Jurisdiction]						
and (2) the N	ote, bearing the same date	as, and secured	by, the Security	Instru	ıment, wh	ich covers the real	and personal
property descr	ribed in the Security Instru	ment and define	d therein as the	"Prop	erty," loca	ited at	

191 ASHTON WOODS DRIVE CHELSEA, AL 35043

[Property Address]

the real property described being set forth as follows:

Lot 5, according to the survey of Revised Final Plat, Ashton Woods, Phase Two, as recorded in Map Book 29, Page 92, in the Probate Office of Shelby County, Alabama

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

- As of **FEBRUARY 1, 2005**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ 139,639.50, consisting of the amount(s) loaned to Borrower by Lender and any interest capitalized to date.
- Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 5.750 %, from

 FEBRUARY 1, 2005 . Borrower promises to make monthly payments of principal and interest of U.S. \$ 814.90 , beginning on the 1ST day of MARCH, 2005 , and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may be entitled. If on FEBRUARY 1, 2035 (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.

The Borrower understands and agrees that the initial rate of interest may change on the first day of JULY 1, 2009 and on that day every TWELVE month thereafter on the "change date" as such term is defined in the Note and Security Instrument.

Borrower will make such payments at 126 NORTH NORTON AVENUE, SYLACAUGA, AL 35150 or at such other place as Lender may require.

The Borrower understands that (i) the interest rate they are required to pay at the first Change Date will not be greater than 7.750 % or less than 3.750 % and (ii) their interest rate will never be greater than 11.750 % as specified in the Note.

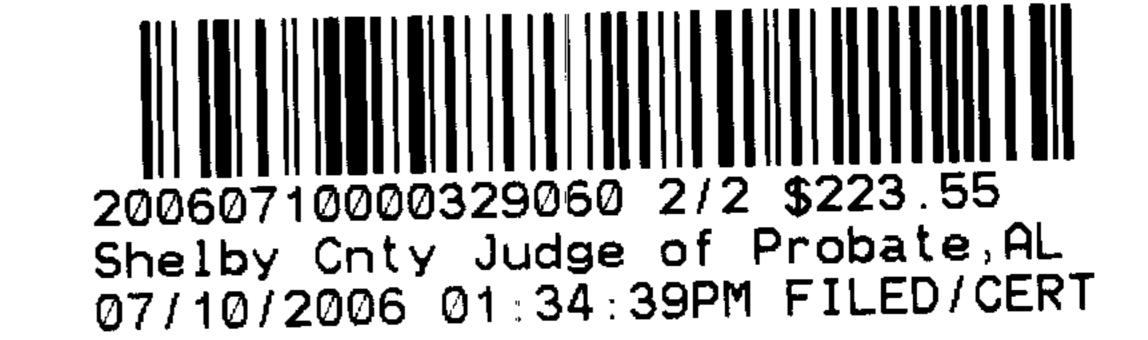
Form 3179 4/01

LOAN MODIFICATION AGREEMENT - Single Family - Fannie Mae Uniform Instrument

DOCUG081

(page 1 of 2 pages)

DOCUG081.VTX 10/11/2001



- If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.
- 4. Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:
 - all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and
 - (b) all terms and provisions of any adjustable rate rider, or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.
- Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

FIRST FEDERAL OF THE SOUTH

By:

Brian Daks Kennedy	(Seal) DANA J. KENNED	Lundy (Seal) -Borrower
	(Seal) -Borrower	(Seal) -Borrower
	[Space Below This Line For Acknowledgments]	
STATE OF ALABAMA	County of TALLADEGA	
On the 1ST day of FEBRUARY a notary public in and for said state, per HUSBAND & WIFE		before me, the undersigned, AND DANA J KENNEDY,
personally known to me or proved to a subscribed to the within instrument and THEIR capacity(ies), and that behalf of which the individual(s) acted,	by THEIR signature(s) on the instrumer	uted the same in it, the individual(s) or the person upon
STATE OF	County of	
the within instrument and acknowledge	in the year sonally appeared , e on the basis of satisfactory evidence to be the d to me that he/she executed the same in his/he berson upon behalf of which the individual acted	er capacity, and that by his/her signature
	Notary Public	