

**ASSUMPTION AND RELEASE OF LIABILITY AGREEMENT**

AGREEMENT, made this **16TH** day of **AUGUST**, **1996**, between  
**OTTIS MIMS CLAYTON AND TERESA S. SMITH**

(the "Transferor");

**OTTIS M. CLAYTON, AN UNMARRIED MAN**

(the "Transferee"); and

**FIRST TENNESSEE BANK NATIONAL ASSOCIATION**

(the "Mortgagee");

WITNESSETH:

WHEREAS:

A Note in the principal sum of \$ **120,800.00** was executed on **8/11/1993**, and delivered unto **FIRST TENNESSEE BANK NATIONAL ASSOCIATION** for payment of this sum together with interest at the rate and upon the terms as more fully set forth in the Note; and

A Deed of Trust/Mortgage/Security Deed ("Security Instrument") was also executed, acknowledged and delivered of even date therewith, which Security Instrument was recorded in **BOOK 662, PG. 332, RE-REC BOOK 670 PG 389** of **DESOTO** County, **MISSISSIPPI**, and which Security Instrument covered the premises described as follows:

**LOT 207, PHASE I, SECTION "F", THE PLANTATION SUBDIVISION, SITUATED IN SECTION 22, TOWNSHIP 1 SOUTH, RANGE 6 WEST, CITY OF OLIVE BRANCH, DESOTO COUNTY, MISSISSIPPI AS PER PLAT RECORDED IN PLAT BOOK 43, PAGE 34, CHANCERY CLERK'S OFFICE, DESOTO COUNTY, MISSISSIPPI.**

STATE MS., DESOTO CO.  
FILED  
vs  
Oct 21 3 57 PM '96

STATE MS., DESOTO CO.  
FILED  
vs  
Oct 21 3 56 PM '96

BK 864 PG 221  
W.E. DAVIS CH. CLK.

BK 864 PG 218  
W.E. DAVIS CH. CLK.

Mortgagee is the holder or is acting on behalf of the holder of the Note and Security Instrument and subsequent modifications thereof, if any (collectively the "Mortgage").

Transferor agrees and acknowledges that Transferor is obligated for repayment of same; and

Transferor is about to convey the premises described above to Transferee, and Transferee desires to assume payment of the Mortgage; and

Transferor and Transferee have requested the Mortgagee to release Transferor from the obligation to pay the principal sum of the Mortgage and interest thereon, and to accept Transferee as the primary obligor to pay the remaining indebtedness set forth below.

NOW, THEREFORE, in consideration of the mutual promises of the Parties hereto and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties do hereby covenant and agree as follows:

1. Mortgagee agrees not to exercise its right to declare all sums secured by the Mortgage to be immediately due and payable by reason of the anticipated transfer.
2. Mortgagor unequivocally accepts Transferee as the primary obligor to pay the remaining indebtedness as set forth below.
3. Transferee does hereby assume all obligations under the Mortgage and further assumes and agrees to pay the principal sum of the indebtedness evidenced by the Mortgage which has a current principal balance of \$ **117,044.94**, together with interest thereon at the present rate of **6.750** % per annum, in equal monthly installments of \$ **786.93**, including interest, on the first day of each month beginning **SEPTEMBER 1ST, 1996**, together with any amounts required for escrow deposits all as set forth in the Mortgage. A final installment equal to the entire remaining indebtedness of the obligation shall be due and payable on **JULY 1ST, 2023**. Subsequent to this Assumption and Release of Liability Agreement, adjustments to the interest rate and payment amount, if any, shall be made according to the terms of the Mortgage or this Agreement. A copy of the Note and subsequent modifications thereof, if any, are attached hereto and made a part hereof for all purposes.

MC  
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4. Transferor hereby relinquishes and transfers to Transferee all Transferor interest in any monies which may be held by Mortgagee as escrow deposits for the purposes of application to taxes, assessments, fire, or other insurance premiums, or any other purposes for which deposits are being required by Mortgagee. Transferee assumes the liability for payment of any unpaid taxes, assessments, fire, or other insurance premiums and agrees to continue making monthly deposits for such purposes if required by Mortgagee.

5. Mortgagee does hereby relieve and release Transferor of and from any and all further liability or obligation to make the payments provided for pursuant to the terms of the Mortgage. Mortgagee hereby agrees that it will not institute any action, suit, claim or demand in law or in equity against Transferor for or on account of the indebtedness secured by the Mortgage nor on account of any failure of performance of any of the covenants or terms of the Mortgage. It is expressly understood and agreed by the Parties hereto that this Agreement shall not be deemed to be or construed as a release of the indebtedness nor shall anything herein contained in any manner or form impair the validity or priority of the lien of the Mortgage.

6. There are no offsets or defenses to the Mortgage or to the amount of the debt as hereinbefore set forth.

7. Except as modified by this Agreement, all the provisions of Mortgage are and shall remain in full force and effect and shall be performed by Transferee as if these agreements had been originally executed by Transferee.

8. This Agreement shall be binding upon and insure to the benefit of the Parties hereto, their legal representatives, heirs, administrators, executors, successors and assigns.

IN THE EVENT this Agreement is not executed by Transferor, Transferee is nevertheless bound by this Agreement.

IN WITNESS WHEREOF, the undersigned parties have executed this Assumption and Release of Liability Agreement.

Transferee:

Transferor:

Ottis M. Clayton  
OTTIS M. CLAYTON

Ottis Mims Clayton  
OTTIS MIMS CLAYTON

Teresa S. Smith FKA  
TERESA S. SMITH  
Teresa S. Smith

Witnesses to Transferee:

Witnesses to Transferor:

Sophia J Maxwell  
Rachel Wade

Sophia J Maxwell  
Rachel Wade

Mortgagee:

Witnesses to Mortgagee:

FT MORTGAGE COMPANIES D/B/A FIRST TENNESSEE  
BANK NATIONAL ASSOCIATION

Manly Smith  
Chantell P. Fair

By: Ethylene Hatfield  
ETHYLENE HATFIELD

Its: ADMINISTRATIVE OFFICER

**INDIVIDUAL ACKNOWLEDGMENTS**

STATE OF MISSISSIPPI }  
COUNTY OF DESOTO }

On this 21st day of August, 96, before me personally appeared  
OTTIS M. CLAYTON  
to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that  
HE executed the same as HIS free act and deed.



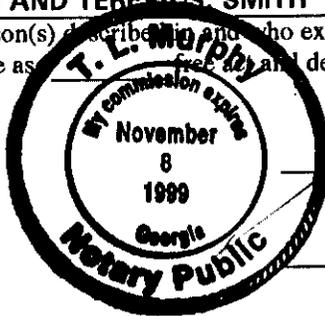
Darrel M. McGuire Notary Public  
Darrel M. McGuire (Printed Name)

MY COMMISSION EXPIRES AUG. 12, 1998

My commission expires: \_\_\_\_\_

STATE OF Georgia }  
COUNTY OF Fulton }

On this 21st day of August, 1996, before me personally appeared  
OTIS M. CLAYTON AND TERESA S. SMITH  
to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that  
\_\_\_\_\_ executed the same as \_\_\_\_\_ free act and deed.



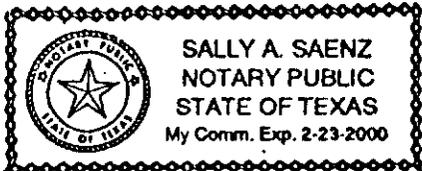
T. L. Murphy Notary Public  
T. L. Murphy (Printed Name)

My commission expires: \_\_\_\_\_

**CORPORATE ACKNOWLEDGMENTS**

STATE OF TEXAS }  
COUNTY OF DALLAS }

On this 16TH day of AUGUST, 1996, before me appeared \_\_\_\_\_  
ETHYLENE HATFIELD, to me personally known,  
who, being by me duly sworn, did say that he/she is the ADMINISTRATIVE OFFICER  
of FT MORTGAGE COMPANIES D/B/A FIRST TENNESSEE BANK NATIONAL  
ASSOCIATION,  
and that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the  
instrument was signed and sealed in behalf of the corporation by authority of its board of directors, and said  
ADMINISTRATIVE OFFICER acknowledged the instrument to be the free act and deed of the corporation.



Sally A. Saenz Notary Public  
SALLY A. SAENZ (Printed Name)

My commission expires: FEBRUARY 23, 2000

RETURN TO: FT MORTGAGE COMPANIES D/B/A FIRST TENNESSEE BANK NATIONAL  
ASSOCIATION  
8001 N. STEMMONS FREEWAY  
DALLAS, TEXAS 75247  
ATTN: ASSUMPTION DEPARTMENT