

1034

DEED OF TRUST

SECURING AN ADJUSTABLE RATE RETAIL INSTALMENT SALES CONTRACT

THIS DEED OF TRUST is made this 25TH day of NOVEMBER, 19 87, among the Trustor, **DON F. FLETCHER AND PAMELA A. FLETCHER** (herein "Borrower"), **Leader Enterprises, Inc.**, (herein "Trustee"), and the Beneficiary, **LEADER FEDERAL SAVINGS & LOAN ASSN.**

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located

SEE ATTACHMENT ON BACK.

TOGETHER, with all the improvements, tenements and appurtenances now or hereafter erected on the property, and all easements, rents, and all fixtures now or hereafter attached to or used in connection with the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust and all the foregoing, together with said property (or the leasehold estate in the event this Deed of Trust is on a leasehold) are herein referred to as the "Property".

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by a certain Retail Instalment Sales Contract of even date herewith (herein "Contract") in the principal sum of **SEVENTEEN THOUSAND SIX DOLLARS AND NO CENTS** Dollars, with interest thereon, providing for monthly installments of

principal and interest, with the balance of the indebtedness, if not sooner due and paid, due and payable on the 1st day of December, 1997, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust, as well as all renewals and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances as hereinafter provided.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to easements and restrictions of record.

COVENANTS. Borrower further covenants and agrees as follows:

1. **Prepayment.** Borrower(s) will pay the indebtedness as provided. Extra payments may be made at any time and interest, if any, will be charged only on the unpaid balance except during the initial term of the indebtedness and prior to the Borrower(s) receiving the initial renewal notice, the lender at its option may charge six (6) months advance interest on that part of the aggregate amount of all prepayments in any one year which exceeds twenty percent (20%) of the original principal indebtedness.

2. **Funds for Taxes and Insurance.** Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Contract, until the Contract is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents, if any, plus one-twelfth of yearly premium installments for hazard insurance required under paragraph 5 hereof, all as estimated initially and from time to time by Lender, to be applied by Lender to pay said taxes, assessments, insurance premiums and ground rents. The Funds are pledged as additional security for the sums secured by this Deed of Trust. No earnings or interest shall be payable to Borrower on the Funds. Lender shall have the right to hold the Funds in any manner Lender selects and may commingle the Funds with monies held by Lender.

If the amount of the Funds held by Lender shall not be sufficient at any time to pay taxes, assessments and insurance premiums and ground rents as they fall due, Lender may treat the deficiency in accordance with paragraph 15, item ii or iii. Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly credit to Borrower any Funds held by Lender.

3. **Application of Payments.** All payments received by Lender under the Contract and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of interest on Note and Future Advances, then all amounts payable under paragraph 2 hereof, then to the principal of the Contract and to the principal of Future Advances, if any.

4. **Charges, Liens and Service Charges.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and ground rents, if any, in accordance with paragraph 2 hereof, or if Lender so directs, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly discharge any lien which has priority over this Deed of Trust.

At the option of the Lender, the Borrower agrees to pay a service charge not exceeding six (6) cents for each dollar or fraction thereof of any installment payment including the required tax and insurance accruals, when paid more than fifteen (15) days from the due date thereof, which service charge is to cover the extra expense involved in handling late payments.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured by insurance carriers satisfactory to Lender against loss by fire, hazards included within the terms "extended coverage", and such other hazards as Lender shall designate and in such amounts and for such periods as Lender shall require. Borrower shall pay all premiums on insurance policies in accordance with paragraph 2 hereof, or, if Lender so directs, by Borrower making payment, when due, directly to the insurance carriers. All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all paid-premium receipts. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender, and Lender

may make Proof of Loss if not made promptly by Borrower. Lender is authorized and empowered to collect and receive insurance proceeds, and to apply the insurance proceeds or any part thereof at Lender's option to the restoration or repair of the Property damaged or to the reduction of the principal of the Contract or to the reduction of the principal of Future Advances, if any. Any such application to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 12 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender.

6. **Preservation and Maintenance of Property and Leaseholds.** Borrower shall keep the Property in good repair and shall not permit or commit waste, impairment, or deterioration of the Property and shall comply with the provisions of any lease, if this Deed of Trust is on a leasehold, and with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property. If Borrower fails to keep the property in good repair as required by Lender, Lender who shall have the right of reasonable inspection, may advance funds to make such repairs as it may reasonably deem necessary for the proper preservation thereof with the right in such instances to enter upon the property itself or by and through its agent or representative and may thereafter proceed in accordance with the provisions of paragraph 15, item ii or iii hereof.

In the event the improvements of said premises shall be abandoned or unoccupied for a period of fifteen (15) days or more, the Lender shall have the right to enter the improvements for the purpose of protecting same and may do such things to this end as is reasonable and such expense in connection herewith may be treated in accordance with paragraph 15, items ii or iii.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which affects the Property or title thereto, or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement, and arrangements and proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as Lender deems necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and may thereafter proceed in accordance with the provisions of paragraph 15, item ii or iii hereof.

8. **Condemnation.** All awards, proceeds or damages, direct or consequential, in connection with any condemnation or injury to the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned and shall be paid to Lender to the extent of the sums secured by this Deed of Trust. Lender is hereby authorized in the name of Borrower to execute and deliver valid acquittances thereof and may appeal from any such award. Lender at its option shall apply such awards, proceeds or damages to restoration of the Property or to the reduction of the principal of the Contract or to the reduction of the principal of Future Advances, if any. Any such application to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof, or change the amount of such installments.

9. **Future Advances.** The Lender may hereafter, at its option, at any time before full payment of this mortgage make Further Advances to the Borrower or their successors in title, and the same with interest as may be agreed upon shall be secured by this mortgage; provided, however, that the amount of principal secured by this mortgage and remaining unpaid shall not at the time of and including any such advance exceed the original principal sum secured hereby; and provided further that if the Lender at its option shall make such Further Advance or Advances as aforesaid, the Borrower or their successors agree to execute and deliver to the Lender a Contract in evidence of each such Advance and bearing such terms as the Lender shall require. The Borrower covenants and agrees to repay same as aforesaid with interest thereon and the Borrower does further covenant and agree that each Contract evidencing the same shall be secured by this mortgage and shall be subject to all of the covenants and conditions contained herein. Advances to such successors shall not release Borrower or successors from liability.

10. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. **Forebearance by Lender Not a Waiver.** Any delay, forbearance, discontinuance or cancellation by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy hereunder. All remedies of Lender are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently or independently.

12. **Power of Foreclosure.** In the event of Borrower's failure to discharge fully and promptly each and every obligation of the Contract or Contracts secured and of this Deed of Trust in the manner and upon the terms set forth herein, anything in said Contract or in this instrument heretofore or hereafter to the contrary notwithstanding, the entire indebtedness and all obligations secured shall at the option of the Lender become immediately due and collectible without notice and the whole of said indebtedness shall bear interest immediately thereafter at the maximum legal statutory contract rate until paid and the Trustee is hereby authorized to advertise the property above described once each week for three (3) consecutive weeks, giving notice of the time and date of sale, which shall be not less than twenty-one (21) days after the date of publication of first notice and of the terms of sale in a newspaper published in the County, in which said property is situated, and to sell the said property in whole or in part at its option and the sale of a part shall not release the remainder as security for the remaining debt unpaid, all within the legal hours of sale at the door of the Court House at the County seat of said County at public outcry to the highest and best bidder for cash and in bar of all equity of redemption, homestead, dower, courtesy, and all other rights and exemptions of every kind, all of which are hereby expressly waived. The Lender of the indebtedness hereby secured may bid at any sale under this Deed of Trust or order of Court resulting hereunder.

All parties in interest hereby expressly waive oath, inventory and bond for execution of this trust on the part of the Trustee or any successor Trustee.

In case of sale hereunder, the Trustee shall execute to the purchaser all necessary title papers and place the purchaser in quiet and peaceful possession of the property. From the date of such sale, any party occupying the premises shall become the tenant at will of the purchaser at the sale and obligated to pay a reasonable rent therefor.

In the event of default, foreclosure, and sale of the property by the Trustee, the proceeds of the sale shall be applied by the Trustee as follows: First, to pay the expenses of executing this trust, including all attorneys' fees, Court costs, all amounts advanced or expenses incurred by the Lender for the account of the Borrower and compensation to the Trustee and all interest due; second, to pay the debt secured by this instrument; third, to pay the balance, if any, to the Borrower upon delivery and

surrender to the purchaser of possession of the property, less the expense of obtaining possession and reasonable rents accrued.

13. **Subsequent Transfers of Title.** If Borrower or any of Borrower's successors in title should convey the subject property or any interest therein to any other party without first obtaining written consent of the Lender, or should a creditor, receiver, or trustee in bankruptcy obtain any interest in the property or should any party obtain an interest by attachment or sale in accordance with the orders of any Court of competent jurisdiction or by any means other than inheritance or devise, the entire principal balance, together with interest and service charges accrued thereon and any prepayment penalty to which the Lender would otherwise be entitled were the Borrower desiring to pay off the indebtedness secured hereby in advance, shall become immediately due and payable at the option of the Lender.

14. **Notice.** Any notice from Lender to Borrower under this Deed of Trust shall be deemed to have been given by Lender and received by Borrower when mailed by certified mail by Lender to Borrower at the Property Address stated below or at such other address as Borrower may designate to Lender by certified mail received by Lender at Lender's address stated above, or at such other address designated by Lender to Borrower.

15. **Optional Advancements in Event of Default.** In every instance herein where Borrower or his successor shall fail to pay any amount when due, the same shall constitute default hereunder and Lender at its option may, without limitation, but by way of specific inclusion do any one of the following:

- (i) Demand the entire principal debt, advances hereunder and accrued interest and charges;
- (ii) Advance the funds necessary to satisfy the obligation and demand payment thereof within thirty (30) days from the date of said demand, together with the interest at the rate being charged at the time of the advance, all of which shall be secured by this Deed of Trust.
- (iii) Advance the funds necessary to satisfy the obligation and add the same to the principal debt secured hereby which advancement shall bear interest at the rate being charged at the time of the advance and shall be governed by the changes in rate of interest as set out in this document and the Contract secured by this Deed of Trust, all of which shall be secured by this Deed of Trust.

16. **Substitution of Trustee.** In the event of the death, refusal, or of the inability for any cause, on the part of the Trustee named herein, or of any Successor Trustee, to act at any time when action under the foregoing powers and trust may be required, or for any other reason satisfactory to the Lender, the Lender is authorized either in its own name or through an attorney or attorneys in fact appointed for that purpose by written instrument duly registered, to name and appoint a successor or successors to execute this trust, such appointment to be evidenced by writing, duly acknowledged; and when such writing shall have been registered, the substituted Trustee named therein shall thereupon be vested with all the right and title, and clothed with all the power of the Trustee named herein and such like power of substitution shall continue so long as any part of the debt secured hereby remains unpaid.

17. **Other Trustee To Act.** In the event more than one Trustee is named any one of the named Trustees or their successor or successors is authorized to act separately and independently of the other in all respects hereunder including but not limited to the advertisement of foreclosure, the sale of the security, and the execution of the necessary title papers to the purchaser thereof.

18. **Liability of Signers.** Any and all persons executing this instrument shall be deemed a Borrower and primarily liable as such and, therefore, responsible for all amounts due or to become due hereunder and all obligations hereof unless a contrary intention is specifically provided for herein.

19. **Adjustable Rate Provisions.** This Deed of Trust secures a Retail Instalment Sales Contract which contains a provision for the increase or decrease in the amount of interest charged on the unpaid balance. Changes in the interest rate will affect the amount of each monthly payment but will not affect the maturity date of the indebtedness.

20. **Successors and Assigns Bound; Number; Gender; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower. In the event the ownership of the premises hereby conveyed, or any part thereof, becomes vested in a person other than the Borrower, the Lender, its successors or assigns, may, without notice to the Borrower, deal with such successor or successors in interest with reference to this instrument and the debt or debts hereby secured, in the same manner as with the Borrower and specifically without limitation of said general provision may make any said additional advance mentioned above to said successor or successors in interest without in any way vitiating or discharging the Borrower's liability hereunder or upon the debt thereby secured. No sale of the premises hereby conveyed and no forbearance on the part of the Lender or its assigns and no extension of the time for the payment of the debt hereby secured given by the Lender or its assigns shall operate to release, discharge, modify, change or affect the original liability of the Borrower herein either in whole or in part.

21. It is further agreed that if a portion or all of the proceeds of the loan secured hereby is loaned for construction, repairs, improvements or betterments on the above described property, or if any additional advance is made under the provisions hereof and should such construction, repairs, improvements or betterments not be completed according to agreed plans and specifications within eighteen months after the date hereof, or the date of the Contract evidencing such advance, then all of the remainder of the aforesaid principal sum with all arrearages of interest, and any additional advance made under the provisions hereof with arrearages of interest, taxes, assessments, insurance premiums and sums paid pursuant to the provisions hereof, shall at the option of the said Association, its successors or assigns, become immediately payable and foreclosure may be had as provided herein.

22. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender shall release this Deed of Trust. Borrower shall pay all costs of recording, preparation of release deed and other charges incurred as a result of said release.

IN WITNESS WHEREOF, we have hereunto signed our names, this 25TH day of NOVEMBER

X Don F. Fletcher

X Pamela A. Fletcher

STATE OF ~~MISSISSIPPI~~
COUNTY OF ~~SHELBY~~

ALABAMA
TUSCALOOSA

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, duly commissioned and qualified, Don F. Fletcher and Pamela A. Fletcher, the within named bargainors, with whom I am personally acquainted, and who acknowledged that they executed the within instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal, at office this 25TH day of NOVEMBER, 19 87.

Debra Kay Herdine
NOTARY PUBLIC

My commission expires:

My Commission Expires 11/23/91

Property known as:

RT. 1 CALERA, ALA.

This instrument was prepared by
PIGGY BANK HOMES OF ALA. INC.

Loan Number _____
Loan Amount \$ _____
State Tax \$ _____
Clerk's Fee \$ _____
Recording Fee \$ _____
Total \$ _____

BOOK 175 PAGE 426

BOOK 175 PAGE 427

DESCRIPTION OF LAND

BEGIN AT THE NORTHWEST CORNER OF THE SW $\frac{1}{4}$ OF THE SW $\frac{1}{4}$ OF SECTION 2, TOWNSHIP 24 NORTH, RANGE 13 EAST; THENCE RUN JSOUTH ALONG THE WEST LINE OF SAID $\frac{1}{4}$ $\frac{1}{4}$ SECTION A DISTANCE OF 860.85 FEET; THENCE TURN LEFT 85 DEG. 21 MIN. 55 SEC. AND RUN EAST A DISTANCE OF 210.0 FEET; THENCE TURN LEFT 94 DEG. 38 MIN. 05 SEC. AND RUN NORTH A DISTANCE OF 860 FEET, MORE OR LESS, TO THE NORTH OF SAID $\frac{1}{4}$ $\frac{1}{4}$ SECTION; THENCE TURN LEFT AND RUN WEST ALONG SAID NORTH $\frac{1}{4}$ $\frac{1}{4}$ SECTION; LINEAR DISTANCE OF 210 FEET, MORE OR LESS, TO THE POINT OF BEGINNING; BEING SITUATED IN SHELBY COUNTY, ALABAMA.

SUBJECT TO ALL RESTRICTIONS, RIGHTS OF WAY AND EASEMENTS OF RECORD, IF ANY.

1. Deed Tax \$ 11

2. Mtg. Tax 11

3. Recording Fee 12.50

4. Indexing Fee 1.00

TOTAL 13.50

STATE OF ALA. SHELBY
I CERTIFY THIS
INSTRUMENT WAS FILED

88 MAR 14 AP 1:38