CORRECTIVE MORTGAGE - TO ADD MIP RIDER.

State of Alabama

Mortgage

PHA Case No. 011:3101691-703

The State of Alabama, SHELBY County. [

Know All Men by These Presents:

That whereas the undersigned

TERRY R. DROKE and wife, DONNA R. DROKE

, of the City of Alabaster , County of Shelby

and State of Alabama has become justly indebted unto , party of the first part (hereinafter called the Mortgagor),

FIRST UNION MORTGAGE CORPORATION

, a corporation organized and existing under the laws of North Carolina

, party of the second part (hereinafter called the Mortgagee), in the full

SEVENTY-NINE THOUSAND THREE HUNDRED AND NO/100 ------

Dollars (\$ 79,300.00 per centum (ten

), money lent and advanced, with interest at the rate of %) per annum until paid, for which amount the Mortgagor 10.0 has signed and delivered unto the said Mortgagee a certain promissory note bearing even date with these presents, the said principal

and interest to be payable at the office of First Union Mortgage Corporation, 4300 Six Forks Road

, or at such other place as the holder

Raleigh, North Carolina 27609

may designate in writing, in monthly installments of SIX HUNDRED NINETY-FIVE AND 91/100-----

), commencing on the first day of Dollars (\$695.91

1989 , and on the first day of each month thereafter until the principal and interest are fully paid, except that the final payment of

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principal and interest, if not sooner paid, shall be due and payable on the first day of

, 2019 .

Whereas the said Mortgagor is desirous of securing the prompt payment of said note and the several installments of principal, interest, and monthly payments hereinafter provided for, and any additional indebtedness accruing to the Mortgagee on account of any future payments, advances, or expenditures made by the Mortgagee as hereinafter provided:

Now, Therefore, in consideration of the premises and the sum of One Dollar (\$1) to the undersigned Mortgagor in hand paid by the Mortgagee, the receipt whereof is hereby acknowledged, and for the purpose of securing the prompt payment of said indebtedness as it becomes due the said Mortgagor does hereby grant, bargain, sell, and convey unto the said Mortgagee the following described County, Alabama, to wit: real property situated in She1by

Lot 6, according to the survey of Navajo Hills, Fourth Sector, as recorded in Map Book 5 page 95 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

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SUBJECT TO: Building setback line of 35 feet reserved from Big Cloud Circle as shown by plat. Public utility easements as shown by recorded plat, including a 10 foot on the South

side. Restrictions, covenants and conditions as set out in instrument recorded in Misc. Book 2 page 549 in Probate Office of Shelby County, Alabama.

Transmission Line Permit to Alabama Power Company as shown by instrument recorded in Deed Book 279 page 201 in Probate Office of Shelby County, Alabama.

Mineral and mining rights if not owned by Grantor.

The proceeds of this loan have been applied to the purchase price of the property described herein, conveyed to mortgagor simultaneously herewith.

Reference is hereby made to the Assumption Rider attached and incorporated herein by reference.

together with the hereditaments and appurtenances thereunto belonging, and also together with all equipment and fixtures for heating and lighting now or hereafter installed therein by the Mortgagor.

To Have and to Hold the same with all the rights, privileges, and appurtenances thereunto belonging or in anywise appertaining unto the said Mortgagee and assigns of the Mortgagee forever.

And the Mortgagor hereby convenants that we are seized of said real property in fee simple, and have a good right to sell and convey the same; that the property is free from all encumbrances and that the Mortgagor, and Mortgagor's heirs, executors, administrators, next-of-kin, and assigns will forever defend the same unto the Mortgagee and assigns against the claims of all persons whomsoever;

This form is used in connection with mortgages insured under the one-to-four family programs of the National Housing Act which provide for periodic Mortgage Insurance Premium payments.

Previous Editions Are Obsolete

HUD-92100M (3-88 Edition)

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This Mortgage is Made, however, subject to the following covenants, conditions, and agreements, that is to say:

- 1. That the Mortgagor will promptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times and in the manner therein provided. Privilege is reserved to pay the debt, in whole or in part, on any installment due date.
- 2. Together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each month until said note is fully paid, the following sums:
- (a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development, as follows:
 - (1) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or
 - (11) If and so long as said note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments.;
 - (b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefore divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes, and special assessments; and
- (c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by the Mortgagee to the following items in the order set ect forth: Sag
 - (I) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly OC be; charge (in lieu of mortgage insurance premium), as the case may
 - (II) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
 - (III) interest on the note secured hereby;
 - (IV) amortization of the principal of said note; and
 - (V) late charges

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge"

not to exceed four cents (4¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

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- 3. If the total of the payments made by the Mortgagor under (b) of paragraph 2 preceding shall exceed the amount of the payments actually made by the Mortgagee for ground rents, taxes, assessments and insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Mortgagor, shall be credited on the subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes, assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor will pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor all payments made under the provisions of (a) of paragraph 2 hereof which the Mortgagee has not become obligated to pay to the Secretary of Housing and Urban Development and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby or if the Mortgagee acquired the property otherwise after default, the Mortgagee shall apply, at the time of commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under said note, and shall properly adjust any payments which shall have been made under (a) of paragraph 2.
- 4. If the Mortgagee shall be made a party to any suit involving the title to the property hereby conveyed and employs an attorney to represent it therein, or if the Mortgagee employs an attorney to assist in settling or removing any cloud on the title to the property hereby conveyed that purports to be superior to the lien of this mortgage in any respect, the Mortgagor will pay to the Mortgagee, when the same becomes due, such attorney's fee as may be reasonable for such services, and if such fee is paid or incurred by the Mortgagee the same shall be secured by the lien of this mortgage in addition to the indebtedness specially secured hereby and shall bear interest from the date it is paid or incurred and shall be at once due and payable.
- 5. So long as any of the indebtedness secured hereby shall remain unpaid, in whole or in part, the Mortgagor agrees to keep said premises and the improvements thereon in good condition, and to pay all assessments that may be levied or accrue upon said property, and all other charges that may become liens upon said premises, and not to permit any lien, which might take precedence over the lien of this mortgage, to accrue and remain on said premises, or any part thereof, or on the improvements thereon.
- 6. The Mortgagor agrees to pay all taxes and assessments that may be assessed upon said property and all taxes except income taxes that may be assessed upon the Mortgagee's interest thereon or upon this mortgage or the moneys secured hereby, any law to the contrary notwithstanding. Upon any violation of this undertaking, or the passage of any law imposing upon the Mortgagee the payment of any part of the taxes aforesaid, or upon the ren-

dition by any court of last resort of a decision that the undertaking to pay the taxes as aforesaid is legally inoperative, then, in any such event, the debt hereby secured shall at the Mortgagee's option, become immediately due and payable, without deduction, any law heretofore or hereafter enacted to the contrary. notwithstanding.

- 7. That the Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged property, insured as may be required from time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums on such insurance provision for payment of which has not been made hereinbefore. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and ineterest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.
- 8. If the Mortgagor fails to insure said property as hereinabove provided, or to pay all or any part of the taxes or assessments levied, accrued, or assessed upon or against said property or the indebtedness secured hereby, or any interest of the Mortgagee in either, or fails to pay immediately and discharge any and all liens, debts, and/or charges which might become liens superior to the lien of this mortgage, the Mortgagee may, at its option, insure said property and/or pay said taxes, assessments, debts, tiens, and/or charges, and any money which the Mortgagee shall have so paid or become obligated to pay shall constitute a debt to the Mortgagee additional to the debt hereby specially secured, shall be secured by this mortgage, shall bear legal interest from date paid or incurred, and, at the option of the Mortgagee shall be immediately due and payable.
 - 9. No failure of the Mortgagee to exercise any option herein given to declare the maturity of the debt hereby secured shall be taken or construed as a waiver of its right to exercise such of or to declare such maturity by reason of any past or present taken or construed as a waiver of its right to exercise such option default on the part of the Mortgagor; and the procurement of insurance or the payment of taxes or other liens, debts, or charges by the Mortgagee shall not be taken or construed as a waiver of its right to declare the maturity of the indebtedness hereby secured by reason of the failure of the Mortgagor to procure such insurance or to pay such taxes, debts, liens, or charges.
 - 10. As long as any of the indebtedness hereby secured shall temain unpaid the Mortgagor will neither commit nor permit waste on the premises hereby conveyed; and upon the commission of any waste thereon the Mortgagee may, at its option, declare the entire indebtedness hereby secured to be at once due and payable. Nor will the Mortgagor remove any of the fixtures on the premises hereby conveyed so long as any of the indebtedness hereby secured shall remain unpaid.

- 11. If the Mortgagor shall make default in the payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions hereby, all the rents, income, and profits from the premises are hereby transferred, assigned, set_over, and conveyed to the Mortgagee, and the Mortgagee may proceed to collect the rent, income, and profits from the premises upon such default, either with or without the appointment of a \$ receiver; but the Mortgagee shall not hereby become bound by the terms of any lease then existing on the premises by electing to collect the rents thereunder, but may at any time terminate the same. Any rents, income, and profits collected by the Mortgagee prior to foreclosure of this indebtedness, less the cost of collecting the same, including any real estate commission or attorney's fee incurred, shall be credited first, on the advances with interest thereon, then upon the interest, and the remainder, if any, upon the principal debt hereby secured.
- 12. That if the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this mortgage, and the note secured hereby remaining unpaid, are hereby assigned by the Mortgagor to the Mortgagee and shall be paid forthwith to the Mortgagee to be applied by it on account of the indebtedness secured hereby, whether due or not.
- 13. Any promise made by the Mortgagor herein to pay money may be enforced by a suit at law, and the security of this mortgage shall not be waived thereby, and as to such debts the Mortgagor waives all right of exemption under the Constitution and laws of Alabama as to personal property and agrees to pay a reasonable attorney's fee for the collection thereof.
- 14. In consideration of the making of the loan secured by this mortgage, the Mortgagor, being all of the undersigned, covenant and agree that, in respect of the indebtedness secured hereby, they will forever waive, and they do hereby waive and give up all benefits, privileges, options, and rights of every kind and nature given to or which inure to the benefit or advantage of the undersigned, or either of the undersigned if more than one, under and by virtue of House Bill No. 422 of the Legislature of Alabama of 1935, enacted into law and approved on June 24, 1935, commonly referred to as the Deficiency Judgment Act; and further agree to waive and forego any like or similar rights, benefits, and options hereafter conferred upon mortgage debtors by law hereafter enacted; and further covenant and agree that the indebtedness hereby secured, and all extensions and renewals thereof, and this mortgage shall each be enforceable in accordance with their respective terms and conditions, without reference to and in spite of any provisions to the contrary in said Act of the Legislature of Alabama, and any and all other laws of like or similar purport which may hereafter be enacted.
- 15. The covenants, conditions, and agreements herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.
- 16. The Mortgagor further agrees that should this mortgage and the note secured hereby not be eligible for insurance under the National Housing Act within Sixty from the date hereof (written statement of any officer of the Department of Housing and Urban Development or authorized agent of the Secretary of Housing and Urban Development dated

County of Shelby subsequent to the from the date of this mortgage, declining to insure said note and Alabama, at public outcry, for cash, first giving notice of the this mortgage being deemed conclusive proof of such ineligibilitime, place, and terms of said sale by publication once a week ty), the Mortgagee or the holder of the note may, at its option, for three successive weeks prior to said sale in some newspaper declare all sums secured hereby immediately due and payable. of general circulation published in said county, and, upon the payment of the purchase money, the Mortgagee or any person 17. If the Mortgagor shall well and truly pay and discharge the conducting said sale for it is authorized to execute to the purindebtedness hereby secured as it shall become due and payable chaser at said sale a deed to the property so purchased, and such and shall do and perform all acts and agreements to be done and purchaser shall not be held to inquire as to the application of the performed by the Mortgagor under the terms and provisions of proceeds of such sale. The Mortgagee may bid at the sale and this mortgage, then this conveyance shall be and become null and purchase said property, if the highest bidder therefor. void. 18. But if the Mortgagor shall fail to pay, or cause to be paid, 19. The proceeds of said sale shall be applied: First, to the exas it matures, the indebtedness hereby secured or any part penses of advertising and selling, including reasonable attorney's thereof, according to the terms thereof, or if the Mortgagor shall fees; second, to the repayment of any money, with interest fail to do or perform any other act or thing herein required or thereon, which the Mortgagee may have paid or become liable to agreed to be done or performed, or if the interest of the Mortpay or which it may then be necessary to pay for taxes, gagee in said property becomes endangered by reason of the enassessments, insurance and/or other charges, liens, or debts forcement of any prior lien or encumbrance thereon, then, in any hereinabove provided; third, to the payment and satisfaction of such event, the whole indebtedness hereby secured shall imthe indebtedness hereby specially secured with interest, but inmediately become due and payable and this mortgage subject to terest to date of sale only shall be charged; fourth, the balance, foreclosure, at the option of the Mortgagee, without notice; and if any, shall be paid to the Mortgagor. If this mortgage be the Mortgagee shall have the right and is hereby authorized to foreclosed in Chancery, reasonable attorney's fees for foreclosing enter upon and take possession of said property, and after or the same shall be paid out of the proceeds of the sale. without taking possession, to sell the same before the Courthouse , 19 89 this the 31st and seal s Given under [Seal] Terry R Droke [Seal] [Seal] ಌ County } ss: State of Alabama, SHELBY , a notary public in and for said county, in said State, hereby certify that BOOK the undersigned known to me, acknowledged before me on this signed to the foregoing conveyance, and who are executed the same voluntarily on the day the same are whose names they day that, being informed of the contents of this conveyance, bears date. , 1989 PAGE 519 March day of 31st Given under my hand and official seal this Notary Public This instrument was prepared by: (Address) 108 Chandalar Drive, Pelham, AL 35124 (Name) Daniel M. Spitler, Attorney at Law State of Alabama, County } ss: Judge of Probate Court of said County, do hereby certify that the foregoing I, day of conveyance was filed for registration in this office on the , 19 day of on the and was recorded in Vol. . Record of Deeds, pages at _____ o'clock ____ M.

Columbiana

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Fee _____

Judge of Probate

ASSUMPTION RIDER

	THIS ASSUMPTION RIDER is made this 31st day of March, 19 89.
	and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Mortgage"), of even date herewith, given by the undersigned ("Mortgagor") to secure Mortgagor's Note of even date herewith, to First Union Mortgage Corporation ("Mortgagee"),
	covering the premises described in the Mortgage and located at
	1139 Big Cloud Circle, Alabaster, Alabama 35007
200	Not withstanding anything to the contrary set forth in the Mortgage, Mortgagor and Mortgagee hereby agree to the following:
BOUN COO LAST	The Mortgagee shall, with the prior approval of the Federal Housing Commissioner, or his designee, declare all sums secured by this Mortgage to be immediately due and payable if all or a part of the property is sold or otherwise transferred (other than by devise, descent or operation of law) by the Mortgagor, pursuant to a contract of sale executed not later than
	BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Assumption Rider.
2	Mortgagor Terry R. Droke (SEAL)
PART	
140	Mortgagor Donna R. Droke
,	養 g
	STATE OF WEEK. SHELRY CV. I. CERTIFY THIS INSTRUMENT WAS FILED 2. Mig. Tex 1. Desci Tax \$ 11895
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JUDGE OF PROBATE

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FMA Assumption Rider FUMC 2014 (Rev. 2/88)

MORTGAGE INSURANCE PREMIUM RIDER

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MORIGACE			_
THIS MORTGAGE INSURANCE PREMIUM RIDER (the	he "Rider") is made this	24th ed to amend and sup	day plement the
THIS MORTGAGE INSURANCE PREMIUM RIDER (ED.) March 19 89, and is incorpored the same date given by the undersigned, Mortgage Corporation, Mortgagee, of the same date and covering the pro-	to senure Mortesgor's	Note to First Union	n Mortgage
Corporation, Mortgagee, of the same date and and Circ	le, Alabaster, Alaba	та 35007	
(Property	Address)		
AMENDMENT TO COVENANTS. Mortgagor and Mort	gagee agree to the following	amendment to covera	ants made in
the Mortgage.			
2. Together with and in addition to the monthly pa of the note secured hereby, the Mortgagor will pay to the Mor- paid, the following sums:			
(a) A sum equal to the ground rents, if any, next due policies of fire and other hazard insurance covering on the mortgaged property (all as estimated by the number of months to elapse before one month passessments will become delinquent, such sums	e Mortgagee) less all sums a rior to the date when such a to be held by Mortgagee i	ready paid therefor d round rents, premius in trust to pay said	livided by the ms, taxes and ground rents,
(b) All payments mentioned in the preceding subsection note secured hereby shall be added together, and	to the following items in th	e order set forth:	ch month in a
(I) ground rents, taxes, special assessments	, fire and other hazard insu	irance premiums;	
(II) interest on the note secured hereby; and (III) amortization of the principal of said not Any deficiency in the amount of any such aggreg prior to the due date of the next such payme Mortgagee may collect a "late charge" not to ex than fifteen (15) days in arrears to cover the ex 3. If the total of the payments made by the Mortgage	ete. ate monthly payment shall, tent, constitute an event of sceed four cents (4°) for each tea expense involved in han	unless made good by to default under this ra h dollar (\$1) of each idling delinquent pay	payment more ments.
of the payments actually made by the Mortgagee for ground rebe, such excess, if the loan is current, at the option of the Mortgager, or refunded to the Mortgagor. If, however paragraph 2 preceding shall not be sufficient to pay ground rebe, when the same shall become due and payable, then the Mortgager when the same shall become due and payable, then the Mortgager the deficiency, on or before the date when payment of such be due. If at any time the Mortgagor shall tender to the Mortgager the Mortgagee shall, in computing the amount of such independent in the funds accumulated under the provisions of the provisions of this mortgage resulting in a public sale of property otherwise after default, the Mortgagee shall apply, the property is otherwise acquired, the balance then remaining a credit against the amount of principal then remaining unput the National Housing Act within 60 days from the distance	tr, the monthly payments mate, takes, assessments, and interesting the Morta of the Morta of the ground rents, taxes, assess agee, in payment of the entire btedness, credit to the accept of paragraph 2 hereof. If the premises covered here the time of commencements in the funds accumulated used under said note. In the date hereof (writted on the date hereof (writted on the date hereof (writted on the date hereof)	nsurance premiums, agree any amount necessary amount necessary amount necessary amount necessary of the Mortgag there shall be a default of such proceeding ander (a) of paragraph of Housing and Urbert	es the case may essary to make premiums shall sented thereby, or any balance alt under any of ee acquired the sor at the time 2 preceding, as le for insurance of the an Development
Department of Housing and Orban Development of dataset dated subsequent to the said time from the dated subsequent to the said time from the dated subsequent to the proof of such ineligibility declare all sums secured hereby immediately due and payable eligibility for insurance under the National Housing Act is premium to the Department of Housing and Urban Development	ate of this mortgage, decity), the Mortgagee or the he. This option may not be exclude to the Mortgagee's fair	lining to insure said solder of the note ma excised by the Mortal	y, at its option, agee when the in-
IN WITNESS WHEREOF, Mortgagor has executed this R	ider.	\sim 1	
	Terry R. Droke	<u>Droke</u>	[SEAL
	Donna 9	Drocke	[SEAL
THE TOTAL STREET	Donna R. Droke		
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89 7011-0 111	Z. Mig. lax	100 AC	
89 JUNE OF PROBATE	3. Recording Fo		
JUDGE CF TROOT	4. Indexing Fee TOTAL	1000	
	(171A)	18.00	

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