MORTGAGE

With Addendum for Repayment of Section 235 Assistance

THE STATE OF ALABAMA.

Shelby

COUNTY.

KNOW ALL MEN BY THESE PRESENTS:

That whereas the undersigned Larry A. Palmer and wife Kathy Palmer . County of Shelby Maylene , of the City of

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

indebted unto the Secretary of Housing and Urban Development, whose address is:

Washington, D. C.

, party of the second part (hereinafter called the Mortgagee), in the full sum of Ninety Three Thousand Seven Hundred Eighty Three and 60/100---- Dollars (\$ but not to exceed an amount computed under the terms of a note executed by said party of

October 29, 1982, with interest, if any, according to the terms of the the first part on

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WHEREAS the said Mortgagor is desirous of securing the prompt payment of said note; and the service interest to the said more and the service in the said more service in the securing the prompt payment of said note; and the service interest in the said securing the prompt payment of said note; and the service in the securing the prompt payment of said note; and the service in the said securing the prompt payment of said note; and the securing the prompt payment of said note; and the securing the said securing the prompt payment of said note; and the securing the securing the prompt payment of said note; and the securing t γκικετρολικικεται εκτιδικατε πεκιδικατείτες κατείτες του πακιδικός του and any additional indebtedness accruing to the Morte gee 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 Mortgage Larry A. Palmer and wife Kathy Palmer in hand paid by the Mortgagee, the receipt whereof is hereby acknowledged, and for the purpose of securing the prompt pa Larry A. Palmer and wife Kathy Palmer they the said ment of said indebtedness as it becomes due

do hereby grant, bargain, sell, and convey unto the said Mortgagee the following described real property situated in County, Alabama, to wit: Shelby

> Lot 5, according to the survey of Eaglewood, 3rd Sector, as recorded in Map Book 7, Page 92, in the Probate Office of Shelby County, Alabama.

together with the hereditaments and appurtenances thereunto belonging, and also together with all equipment and fixtures 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 anyw appertaining unto the said Mortgagee and assigns of the Mortgagee forever.

seized of said real property in fee simple, and ha And the Mortgagor hereby covenants that good right to sell and convey the same; that the property is free from all encumbrances and that the Mortgagor, and Mor gor's heirs, executors, administrators, next-of-kin, and assigns will forever defend the same unto the Mortgagee and assigns agai ist the claims of all parsons whomsoever:

THIS MORTGAGE IS : IADE, however, subject to the following covenants, conditions, and agreements, that is to say: 1. That the Mortgagor will proviptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times in the manner therein provided. Privilege is reserved to pay the debt in whole, MININGTONE ROUNDED COUNTRICED TO THE MANNEY OF THE PROPERTY OF X the porking the kar county of the first day of any month prior to maturity; provided, however, that written notice of an tention to exercise such privilege is given at least thirty (30) days prior to prepayment.

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Together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby. the Motgagor will pay to the Mortgagee, on the first day of each month until said note is fully paid, the following sums: (a) Anamount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the nove secured berel are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Uptan Develop-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 ment. accilows: 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 buch 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 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-twellth (1/12) of one-half (1/2) per centum of the average outstanding halance due up 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 properly plus tuxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefor 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 you ground rents, premiums, taxes, and special assess-(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 addments; and ed together and the aggregate amount thereof shall be quid each month in a single poment to be applied by the Mortgagee to the following items in the order set forth: premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of mortgage insurance premium), as the case may be: ground rents, taxes, special assessments, fire and other hazard incurance premiums; (111) interest on the note secured hereby; and (IV) amortization of the principal of said note. Any deficiency in the amount of any such aggregate monthly asyment shall, divess made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortexe. The Mortgagee may collect a "late charge" not to exceed four cents (14) for each dollar (\$1) of each payment more than fifteen (15) days in argears to cover the extra expendinvolved in handling delinquent payments. 3. If the total of the payments made by the Mongagor under (b) of paragraph I pit reding shall exceed the amount of the payments actually made by the Mortgagee for ground repts, taxes, assessments and insurance premiums, as the case may be, such excess, i 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, how eer, the monthly payments made by the Mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay ground regrs, taxes, assessments, and insurance premiums, as the sase may be, when the same shall become due and payable, than the Mortgagor will pay to the Mortgagee any amount necessary to make up the deliciency, on or before the date when payment of such ground tents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in 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 Greof 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 ander any of the provisions of this mortgage resulting in a public sale of the premises covered hereby or if the Mortgages 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) 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

5. So long as any of the indebtedness secured hereby shall remain unpaid, in whole or in part, the Mortgagor agrees to keep said prem-

ises 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 mort-

gage, 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 ╼टॉ 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 aforevaid, or upon the rendition by any court of last resort of a decision that the undertaking to pay the taxes as aforesaid is legal-If y inoperative, then, in any such event, the debt hereby secured shall at the Mortgagee's option, become immediately due and payable.

I without deduction, any law heretofore or hereafter enacted to the contrary notwithstanding. 7. That he will keep the improvements now existing or hereafter erected on the mortgaged property, insured as may be required from

paid or incurred and shall be at once due and payable.

time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as Smay he 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 interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

B. 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, liens, 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 option or to declare such maturity by reason of any past or present 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 Mortgagoe shall not be taken or construed as a waiver of its right to declare the miturity of the indebtedness hereby secured by reason of the failure of the Mortga-

gor to produce such insurance or to pay such taxes. debts, liens, or charges."

10. As long as any of the indebtedness hereby secured shall remain 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 indehtedness hereby secured shall remain unpaid.

11. If the Mortgagor shall mak Lefau. Athe payment of any of the indebtedne. Acreby Leured, or in the performance of any of the serms or conditions hereby, all the rents, income, and profits from the premises are hereby transferred, assigned, set over, and conveyed to the Morigagee, and the Mortgagee may proceed to collect the rent, income, and profits from the premises upon such default, either with o without the appointment of a receiver; but the Mortgagee shall not hereby become bound by the terms of any lease then existing on th 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 fee incurred, shall be credited first, on the advances with interest thereon, then upon the interest, and the remainder, if any, upon the princ 12. That if the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the pal debt hereby secured. 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 Mortgag 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 should be a security of this mortgage should be a suit at law, and the security of this mortgage should be a security of this mortgage should be a suit at law, and the security of this mortgage should be a suit at law. not be waived thereby, and as to such debts the Mortgagor waives all right of exemption under the Constitution and laws of Alabama as 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 a agree that, in respect of the indebtedness secured hereby, they will forever waive, and they do hereby waive and give up all benefits, prileges, options, and rights of every kind and nature given to or which inure to the benefit or advantage of the undersigned, or either of t 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 a proved on June 24, 1935, commonly referred to as the Deficiency Judgment Act; and further agree to waive and forego any like or simil rights, benefits, and options hereafter conferred upon mortgage debtors by law hereafter enacted; and further covenant and agree that t indebtedness hereby secured, and all extensions and renewals thereof, and this mortgage shall each be enforceable in accordance with th respective terms and conditions, without reference to and in spite of any provisions to the contrary in said Act of the Legislature of Alaba a, 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 inute to, the response tive heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include t plural, the plural the singular, and the use of any gender shall include all genders. 16. FLXXXICCERRACCIONALERACIONALERACIONALE REPORTATIONALE REPORTATIONAL PROPERTIES DE LA CONTRACTA DE LA CONTR OR FERNING HER KENTER THE SHEET HER STATE OF THE SHEET HER SHEET HER SEED TO SHEET HER SHEET HE SHEET HER SHEET HE SHEET HER SHEET HE SHEET HER SHEET HE SHE 17. But if the Mortgagor shall fail to pay, or cause to be paid, as it matures, the indebtedness hereby secured or any part thereof, cording to the terms thereof, or if the Mortgagor shall fail to do or perform any other act or thing herein required or agreed to be done performed, or if the interest of the Mortgagee in said property becomes endangered by reason of the enforcement of any prior lien or cumbrance thereon, then, in any such event, the whole indebtedness hereby secured shall immediately become due and payable and mortgage subject to foreclosure, at the option of the Mortgagee, without notice; and the Mortgagee shall have the right and is hereby thorized to enter upon and take possession of said property, and after or without taking possession, to sell the same before the Courtho , County of Alabama, at public outcry, for cash, first giving notice of the time, place, and terms of said sale by publication once a week three successive weeks prior to said sale in some new spaper of general circulation published in said county, and, upon the payment of purchase money, the Mortgagee or any person conducting said sale for it is authorized to execute to the purchaser at said sale a deed to property so purchased, and such purchaser shall not be held to inquire as to the application of the proceeds of such sale. The Moriginary bid at the sale and purchase said property, if the highest bidder therefor. 18. The proceeds of said sale shall be applied: First, to the expenses of advertising and selling, including reasonable attorney's f second, to the repayment of any money, with interest thereon, which the Mortgagee may have paid or become liable to pay or which it ihen be necessary to pay for taxes, assessments, insurance and/or other charges, liens, or debts hereinabove provided; third, to the ment and satisfaction of the indebtedness hereby specially secured with interest, but interest to date of sale only shall be charged; for the balance, if any, shall be paid to the Mortgagor. If this mortgage be foreclosed in Chancery, reasonable attorney's fees for foreclo the same shall be paid out of the proceeds of the sale.

19. If the Mortgagor shall well and truly pay and shall do and seed so the sale. 19. If the Mortgagor shall well and truly pay and discharge the indebtedness hereby secured as it shall become due and payable shall do and perform all acts and agreements to be done and performed by the Mortgagor under the terms and provisions of this mortg then this conveyance shall be and become null and void. this the 29th and seal hands Given under our [SEAL] ISE [SEAL] Kathy Palmer STATE OF ALABAMA. COUNTY. Shelby , a notary public in and for said county, in said State, hereby certify the undersigned Larry A. Palmer and wife Kathy Palmer known to me, acknowledged before me or signed to the foregoing conveyance, and who are executed the same voluntarily on the day the whose names day that, being informed of the contents of this conveyance. they bears date. **19 82** October day of · GIVEN under my hand and official seal this 29th Notary F (Address) 900 City Federal Building, Birmingham, A This instrument was prepared by: Michael J. Romeo (Name) -STATE OF ALABAMA **COUNTY OF** Judge of Prot ste Court of said County, do hereby certify that the fore, day of conveyance was filed for registration in this office on the day of on the Record of Deeds, pages and was recorded in Vol. o'clock Judge of P

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Fee.

Addendum

The rights and obligations of the parties to the attached Mortgage are expressly made subject to this Addendum. If there is any conflict between the provisions of this Addendum and the provisions of the Mortgage, the provisions of this Addendum shall control.

- 1. The debt secured by this instrument shall include not only the Note recited above, but also any assistance paid by the Secretary in accordance with Section 235 of the National Housing Act on behalf of any party to the Mortgage (including any party who takes title to the property subject to the said Mortgage or assumes said Mortgage) identified as FHA Case No. 011-231663-235 (Insured Mortgage).
- 2. The debt will be due and payable when the first of the following occurs:
 - (a) Title to the Property is conveyed to a party who is not eligible for Section 235 mortgage assistance payments, or
 - (b) The property covered by the Insured Mortgage is rented for a period longer than one year.
- 3. If the Insured Mortgage is not paid in full when payment is due under Paragraph 2, the Secretary may defer payment until the Insured Mortgage is paid in full. If payment is deferred, the debt will bear interest at the rate of 13.5 percent per year from the date the debt is due under Paragraph 2 until the full amount of the debt and interest is paid.

In witness whereof, Borrower has executed this Addendum to the Mortgage.

Borrower

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orrower Larry A. Palmer

Thomas Or Survey &

SUDGE OF PROPATE

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Kathy Palmer

October 29, 1982 -

Date

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