

THE STATE OF ALABAMA

COUNTY OF SHELBY

## ALABAMA MORTGAGE

## KNOW ALL MEN BY THESE PRESENTS:

That, whereas the undersigned Harold R. Walker and wife, Frances J. Walker (hereinafter called the "Mortgagor", whether one or more), has become justly indebted to JEFFERSON FEDERAL SAVINGS & LOAN ASSOCIATION OF BIRMINGHAM (hereinafter called "Mortgagee") in the sum of ONE HUNDRED TWENTY FIVE THOUSAND AND NO/100 ----- Dollars

(\$ 125,000.00), evidenced by a certain promissory note of even date herewith, payable to the order of the Mortgagee, with interest thereon from the date thereof according to the terms of the Note secured thereby; said principal and interest sum being payable according to the terms of said Note, with the balance of said principal and interest being due and payable on the 1st day of July, 19 98.

WHEREAS, the said Mortgagor is desirous of securing the prompt payment of said Note and the 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 (\$1.00) to the undersigned Mortgagor, in hand paid by the Mortgagee, the receipt and sufficiency whereof is hereby acknowledged, and for the purpose of securing the prompt payment of said indebtedness, as it becomes due, does hereby grant, bargain, sell, assign and convey unto the said Mortgagee, the following described real property situated in SHELBY County, Alabama, to-wit:

For legal description see attachment, affixed hereto and made a part hereof as Exhibit A, and set out herein as if the same had been set out in this place in full.

This mortgage is security for a note which is subject to periodic adjustment of interest rates between the parties hereto.

TOGETHER with all and singular the fixtures appurtenant thereto, which shall include, in so far as they now are or may hereafter belong to or be used with the premises or any buildings or improvements thereon and whether attached or detached; all lighting, heating, cooling, ventilating, air-conditioning, incinerating, sprinkling, and plumbing fixtures; irrigating, water, and power systems; engines and machinery, boilers, ranges, furnaces, oil burners, or units thereof; elevators and motors; refrigeration plants or units; kitchen cabinets; cooking appliances; wall beds; storm windows and doors; window and door screens; awnings; window blinds; shrubbery; and all property now or hereafter attached to or reasonably necessary to the use of the premises, all of which shall be deemed to be fixtures and shall be part of the security for the indebtedness herein mentioned and shall be covered by this Mortgage; and together with all and singular the buildings, improvements, ways, streets, alleys, passages, waters, water courses, rights, liberties, privileges, easements, tenements, hereditaments, and appurtenances thereunto appertaining, and the reversions and remainders, rents, issues, and profits thereof, all of the said property, whether real or personal.

TO HAVE AND TO HOLD the same with all the rights, privileges, and appurtenances thereunto belonging or in anywise appertaining unto the said Mortgagee, the successors and assigns of the Mortgagee forever.

And the Mortgagor hereby covenants that Mortgagor is seized of said real property in fee simple, and has 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 MORTGAGE IS MADE, however, subject to the following covenants, conditions, and agreements, that is to say:

1. Mortgagor shall pay the indebtedness evidenced by said Note and interest thereon when and as it shall become due, whether in due course or under any condition, covenant, or agreement herein contained, together with any other indebtedness which Mortgagor may owe to Mortgagee.

2. Mortgagor shall immediately pay to Mortgagee all sums, including costs, expenses, reasonable agent's or attorney's fees which it may expend or become obligated to pay in any proceedings, legal or otherwise, to prevent the commission of waste, or to which it is made a party because of its interest in said property, or to establish or sustain the lien of this Mortgage or its priority, or to defend against liens, claims, rights, estates, easements, or restrictions, asserting priority to this Mortgage; or in payment, settlement, discharge, or release of any asserted lien, claim, right, easement, or restriction made upon advice of competent counsel that the same is superior to the lien of this Mortgage even if subsequently developed that such advice was erroneous either in law or in fact; or to enforce any obligation of or to foreclose this Mortgage, or to recover any sums hereby secured; and for payment of all sums due under this paragraph including interest at the maximum legal rate of interest until paid, this Mortgage shall stand as security in like manner and effect as for the payment of the said indebtedness.

3. Mortgagor shall pay as the same shall become due all taxes and assessments that may be levied or accrue upon said property or any part thereof, or upon Mortgagee's interest therein or upon this Mortgage or the indebtedness or the evidence of

indebtedness secured hereby 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.

4. Mortgagor will continuously maintain hazard insurance, of such type or types and amounts as Mortgagee may from time to time require on the improvements now or hereafter on said premises, and he will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be delivered to and held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. Also Mortgagor shall deliver to the Mortgagee receipts for premiums paid thereon at least ten days prior to the due date of such premiums. 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 the 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 damages. 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.

5. If the Mortgagor fails to insure said property as hereinabove provided, or to pay all or any part of the said taxes or assessments so levied, accrued, or assessed, or fails to pay immediately and discharge any and all liens, debts, and charges which might become liens superior to the lien of this Mortgage, or to keep the premises in good condition and repair, all as provided herein, the Mortgagee may, at its option, insure said property and pay said taxes, assessments, debts, liens, and charges, or enter upon the premises and make such repairs as it may deem necessary, 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 interest at the maximum legal rate per annum from date paid or incurred, and, at the option of the Mortgagee, shall be immediately due and payable. Mortgagee shall have no obligation to procure such insurance, to pay such taxes or assessments or make such repairs.

6. The Mortgagee in its sole discretion may by agreement with the Mortgagor extend the time for the repayment to it for any sum or sums advanced by the Mortgagee for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder; and upon the request of the Mortgagee the Mortgagor shall execute and deliver a supplemental Note or Notes for the sum or sums advanced by the Mortgagee for such purposes or any other such purposes. Said Note or Notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the original principal indebtedness. Said supplemental Note or Notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the sum or sums so advanced shall be due and payable thirty (30) days after demand by the Mortgagee. In no event shall the maturity extend beyond the ultimate maturity of the original principal indebtedness, provided, however, that the Mortgagee shall be under no obligation whatever to waive any of the provisions of this instrument with respect to the reimbursement of the Mortgagee for any of the outlays made by it, and unless such extension is made by Notes executed by the Mortgagor and accepted by the Mortgagee as herein provided, the Mortgagor shall repay the Mortgagee the amount together with interest on each and every payment or advancement made by the Mortgagee on or before the next installment of said mortgage debt as provided in said principal Note hereby secured.

7. 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 of 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; and the lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

8. The Mortgagor agrees that with the monthly payments of principal and interest, Mortgagor will pay to the Noteholder a pro rata portion of the taxes, assessments and insurance premiums next to become due, as estimated by the Noteholder. Any deficit shall immediately be paid to the Noteholder by the Mortgagor of the premises. Money so held shall not bear interest, and upon default will be applied by the Noteholder on account of the indebtedness secured by this Mortgage.

9. If the Mortgagor shall well and truly pay and discharge the indebtedness hereby secured as it shall become due and payable and shall do and perform all acts and agreements to be done and performed by the Mortgagor under the terms and provisions of this Mortgage, then this conveyance shall be and become null and void.

10. If the Mortgagor shall fail to pay, or cause to be paid, as it matures, the indebtedness hereby secured or any part thereof, according 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 or performed, or if the interest of the Mortgagee in said property becomes endangered by reason of the enforcement of any prior lien or encumbrance thereon, then, in any such event, the whole indebtedness hereby secured shall, at the option of the Mortgagee, and without notice, become immediately due and payable and this Mortgage subject to foreclosure; and in such event the Mortgagee shall have the right and is hereby authorized to enter upon and take possession of said property, and, after or without taking possession, to sell the same before the Main Entrance of the Courthouse at the county seat of the said county in which said property is located in the State of Alabama, at public outcry, for cash, first giving notice of the time, place, and terms of said sale by publication once a week for three successive weeks prior to said sale in some newspaper published in said county and state in which said property is located, and, upon the payment of the 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 the property so purchased, and such purchaser shall not be held to inquire as to the application of the proceeds of such sale. The Mortgagee may bid at the sale and purchase said property, if the highest bidder therefor. At said foreclosure sale the premises may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner as Mortgagee may elect. The presence of any of the above described security at the place of sale is expressly waived.

11. The proceeds of a foreclosure sale, judicial or otherwise, shall be applied: First, to the expenses of advertising and selling, including reasonable attorney's fees; second, to the repayment of any money, with interest thereon, which the Mortgagee may have paid or become liable to pay or which it may then be necessary to pay for taxes, assessments, insurance and other charges, liens, or debts as hereinabove provided; third, to the payment and satisfaction of the indebtedness hereby specially secured with interest, but interest to date of sale only shall be charged; fourth, the balance, if any, shall be paid to the party or parties appearing of record to be the owner of the premises at the time of the sale after deducting any expense of ascertaining who is such owner.

12. Mortgagor hereby assigns to Mortgagee any and all awards or damages, actual and consequential, for the taking of any portion or all of the mortgaged premises, by the exercise of the right of eminent domain or condemnation, including but not limited to, damages or awards for changes to the grades of streets, or acquiring title to streets. The proceeds of such awards or damages, when received by Mortgagee, shall be applied at the option of Mortgagee either in reduction of the mortgage indebtedness or shall be paid to Mortgagor or its assigns. Notwithstanding that the assignment of awards referred to herein shall be deemed to be self-executing, the Mortgagor, after the allowance of a condemnation claim or award, and the ascertainment of the amount due thereon, and the issuing of a Warrant, by the condemnor, for the payment thereof, shall execute, at the Mortgagee's request, and forthwith deliver to Mortgagee, a valid assignment in recordable form, assigning all of such condemnation claims, awards or damages to the Mortgagee, but not in excess of an amount sufficient to pay, satisfy and discharge the principal sum of this Mortgage then remaining unpaid, with interest thereon, at the rate specified herein, or in the Note which this Mortgage secures, to the date of payment, whether such remaining principal sum is then due or not by the terms of said Note or of this Mortgage.

13. Mortgagor shall keep the premises in good condition and repair, reasonable wear and tear excepted; shall not permit nor perform any act which would in any way impair the value of the premises; shall not remove any fixture nor remove or demolish any building or improvement located on the above described land without the written consent of Mortgagee; and shall neither commit nor permit waste of the premises.

14. 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 hereof, the Mortgagee may at its option take immediate possession of the mortgaged premises and proceed to collect the rent, income, and profits from the premises, either with or without the appointment of a receiver. 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 fees incurred, shall be credited on the advances with interest thereon, or in reduction of any indebtedness, including interest thereon, hereby secured in such manner or proportion as Mortgagee may elect.

15. Mortgagor waives all rights of exemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and the Mortgagor waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the premises be set off against any part of the indebtedness secured hereby.

16. After foreclosure of this Mortgage, Mortgagor and all holding under him shall become and be conclusively presumed to be tenants at will of the purchaser at the foreclosure sale.

17. Any promise made by 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 rights of exemption under the law and agrees to pay a reasonable attorney's fee for the collection thereof.

18. No delay or failure of Mortgagee to exercise any option herein given or reserved shall constitute a waiver of such option or estop Mortgagee from afterwards exercising same or any other option at any time and the payment; or contracting to pay by Mortgagee of anything Mortgagor has herein agreed to pay shall not constitute a waiver of the default of Mortgagor in failing to make said payments and shall not estop Mortgagee from foreclosing this Mortgage on account of such failure of Mortgagor.

19. Mortgagor shall perform every obligation of the lessor and shall enforce every obligation of the lessee in every lease that is assigned to Mortgagee or any tenancy in which the rents are assigned to Mortgagee and shall not modify, alter, waive or cancel any such lease or any part thereof, nor anticipate for more than one month any rents that may be collectible under such lease or that may have been assigned to Mortgagee and shall not assign any such lease or any such rents.

20. If all or any part of the hereinabove described real property, or any interest therein, is sold, transferred or conveyed by Mortgagor, without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less, not containing an option to purchase, Mortgagee may, at its option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the real property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagee, and that the interest payable on the sums secured by this Mortgage shall be at a rate as Mortgagee shall request.

If Mortgagee exercises such option to accelerate, Mortgagee shall mail Mortgagor notice of acceleration by regular United States mail, postage prepaid. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Mortgagor, invoke any remedies permitted to it under the terms of the within Mortgage and the Note which same secures, including the remedy of foreclosure, and such other remedies as may be afforded to Mortgagee by law or equity, and such remedies may be exercised concurrently, independently or successfully.

21. At Mortgagee's option, Mortgagor will pay a "late charge" not exceeding four percent (4%) of any installment when paid more than fifteen (15) days after the due date thereof, to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

22. 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, subject to the provisions of paragraph 20 hereof. Whenever used, the singular shall include the plural, the plural the singular, the use of any gender shall include all genders, the term "Mortgagee" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise. If Mortgagors consist of more than one person, such persons shall be jointly and severally bound. Whenever and wherever the word "Mortgagors" is used herein, it shall mean any one or more of the Mortgagors named herein.

23. This conveyance shall constitute a security agreement under the Uniform Commercial Code as may from time to time be in force in the State of Alabama.

24. Anything to the contrary notwithstanding contained herein or in the Mortgage Note which is secured hereby, the total liability for payment in the nature of interest shall not exceed the limits now imposed by the usury laws of the State of Alabama.

25. Mortgagor covenants and agrees that Mortgagee shall have access to and the right to inspect said premises at all reasonable times.

26. Mortgagor covenants and agrees that it will not expand or extend the improvements except with the written consent of the Mortgagee.

27. Mortgagor further covenants and agrees that it will not construct, restore, add to or alter any building or other improvements or any extensions thereof, nor consent to or permit any such construction, restoration, addition or alteration without Mortgagee's written consent.

28. This Mortgage shall be governed by and construed according to the laws of the State of Alabama.

IN WITNESS WHEREOF, each of the Mortgagors has hereunto set his or her hand and seal or caused this Mortgage to be executed by its duly authorized officers and its seal to be hereunto affixed, this 7th day of June, 19 83.

Harold R. Walker (SEAL)  
Frances J. Walker (SEAL)

STATE OF ALABAMA  
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Harold R. Walker and wife, Frances J. Walker whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 7th day of June, 19 83.

Birdie Thent  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public in and for said County, in said State, hereby certify that \_\_\_\_\_ whose name as \_\_\_\_\_ of \_\_\_\_\_, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

Notary Public

THIS INSTRUMENT PREPARED BY:

"EXHIBIT A" -

Part of the NE 1/4 of NE 1/4, Section 36, Township 19 South, Range 3 West, Shelby County, Alabama, being more particularly described as follows:

BOOK 432 PAGE 137  
Begin at the Northeast corner of said Section 36 and run southerly along the East line of said Section for a distance of 549.85 feet; thence turn an angle of 76 deg. 10 min. 07 sec. to the right and run Southwesterly for 673.29 feet; thence turning an angle of 67 deg. 04 min. 29 sec. to the right, run in a Northwesterly direction along the Northeasterly right of way line of Shelby County Highway #275 for a distance of 208.79 feet to the point of beginning of the land here described; thence continue along the same course for a distance of 100 feet; thence turn an angle of 94 deg. 15 min. to the right and run in a Northeasterly direction for a distance of 158 feet; thence turn an angle to the right of 85 deg. 45 min. and run in a Southeasterly direction for a distance of 100 feet; thence turning an angle of 94 deg 15 min. to the right run in a Southwesterly direction for a distance of 158 feet to the point of beginning; being situated in Shelby County, Alabama.

Loan No. 00/45/003002

Date: June 7, 1983

Harold R. Walker  
Harold R. Walker

Frances J. Walker  
Frances J. Walker

# ADJUSTABLE RATE LOAN RIDER

**NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.**

This Rider is made this 7th day of June, 1983, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to JEFFERSON FEDERAL SAVINGS AND LOAN ASSOCIATION OF BIRMINGHAM (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 2105 Old Montgomery Highway, Pelham, AL 35124.

Property Address

**Modifications.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

## A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of 13.00%. The Note interest rate may be increased or decreased on the 1st day of the month beginning on September 1, 1984 and on that day of the month every 12 months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the:

[Check one box to indicate Index.]

(1) ☒ "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2) ☐ .....

[Check one box to indicate whether there is any maximum limit on changes in the interest rate on each Change Date; if no box is checked there will be no maximum limit on changes.]

(1) ☒ There is no maximum limit on changes in the interest rate at any Change Date.

(2) ☐ The interest rate cannot be changed by more than ..... percentage points at any Change Date.

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

## B. LOAN CHARGES

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower.

## C. PRIOR LIENS

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

## D. TRANSFER OF THE PROPERTY

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If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17x 20

By signing this, Borrower agrees to all of the above.

  
Harold R. Walker (Seal)  
—Borrower

  
Frances J. Walker (Seal)  
—Borrower

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

# ADJUSTABLE RATE NOTE

NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

..... June 7 ..... 1983 ..... Birmingham, ALABAMA .....  
City State

..... 2105 Old Montgomery Highway, ..... Pelham ..... Alabama ..... 35124 .....  
Property Address City State Zip Code

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$... 125,000.00... (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is .....  
JEFFERSON FEDERAL SAVINGS AND LOAN ASSOCIATION OF BIRMINGHAM.....

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

## 2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of ... 13.00...% (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the 1st day of the month beginning on ... September ..... 1984. and on that day of the month every ... twelve ..... months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the 1st day of each month beginning on ... August ..... 1983. I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than ... July, 1998..... (the "final payment date").

I will make my monthly payments at ... 215 North 21st Street - Birmingham, Alabama 35203 ..... or at a different place if required by the Note Holder.

### (B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

### (C) Amount of Monthly Payments

My initial monthly payments will be in the amount of U.S. \$... 1,581.55..... If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

4. INTEREST RATE CHANGES

(A) The Index

Any changes in the interest rate will be based on changes in an interest rate index which will be called the "Index". The Index is the: [Check one box to indicate Index.]

(1) ☒\* "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2) ☐\* .....

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Note Holder will set the Note interest rate by using a comparable index.

(B) Setting the New Interest Rate

To set the new interest rate, the Note Holder will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is ..... 12.42. The Current Index figure is the most recent Index figure available .... 45. days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Note Holder will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Note Holder will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Note Holder will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

[Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.]

(1) ☒ If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.

(2) ☐ If this box is checked, the interest rate will not be changed by more than ..... percentage points on any Change Date. The Note Holder will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.

(C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

(D) Notice to Borrower

The Note Holder will mail me a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise me of:

- (i) the new interest rate on my loan;
- (ii) the amount of my new monthly payment; and
- (iii) any additional matters which the Note Holder is required to disclose.

5. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any of my monthly payments by the end of ... 15 ... calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 4.00 ... % of my overdue payment of principal and interest. I will pay this late charge only once on any late payment.

(B) Notice from Note Holder

If I do not pay the full amount of each monthly payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 30 days after the date on which the notice is mailed to me.

(C) Default

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

**(D) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

**6. WAIVERS**

Anyone who signs this Note to transfer it to someone else (known as an "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

**7. GIVING OF NOTICES**

Except for the notice provided in Section 4(D), any notice that must be given to me under this Note will be given by mailing it by certified mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

**9. LOAN CHARGES**

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with this loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**10. THIS NOTE SECURED BY A MORTGAGE**

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated June 7, 1983, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. One of those conditions relates to any transfer of the property covered by the Mortgage. In that regard, the Mortgage provides in paragraph 17:

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

An Adjustable Rate Loan Rider supplements the Mortgage and provides:

If there is a transfer of the Property subject to paragraph 12.20 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 12.20.

*Harold R. Walker* (Seal)

Borrower Harold R. Walker

*Frances J. Walker* (Seal)

Borrower Frances J. Walker

STATE OF ALA. SHELLEY CO.  
RECORDED IN S  
BOOK 432 PAGE 142

1983 JUN -8 AM 10:29

*Notary - 187 50*

*Rec 13 50*

*Ind 1 00*

*202 00*

.....(Seal)  
Borrower  
(Sign Original Only)

*Jefferson Federal*  
*215-Ho. 2, 2nd St.*  
*Bham AL*  
*35208*