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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on December 14
 19. 84 The grantor is Joseph F. Millner and wife, Kathy Jo Millner
 ("Borrower"). This Security Instrument is given to Mortgage
Corporation of the South, which is organized and existing
 under the laws of the state of Alabama, and whose address is 2119 6th Avenue North,
Birmingham, Alabama 35203 ("Lender").
 Borrower owes Lender the principal sum of FIFTY EIGHT THOUSAND NINE HUNDRED AND NO/100
Dollars (U.S. \$ 58,900.00). This debt is evidenced by Borrower's note
 dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not
 paid earlier, due and payable on January 1, 2015. This Security Instrument
 secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and
 modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this
 Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and
 the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and
 assigns, with power of sale, the following described property located in Shelby County, Alabama:

Lot 28, according to the Survey of Meadow Brook, Eleventh Sector, as
 recorded in Map Book 9, Page 6, in the Probate Office of Shelby County,
 Alabama.

Situated in Shelby County, Alabama.

Subject to existing easements, restrictions, set back lines, rights of
 way, limitations, if any, of record.

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

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which has the address of 5275 Harvest Ridge Lane Birmingham
[Street] [City]
 Alabama 35243 ("Property Address");
[Zip Code]

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all
 the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties,
 mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All
 replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this
 Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to
 mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record.
 Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any
 encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with
 limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Dale Corley

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds, multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured by this Security Instrument shall be reinstated.

NON-COMFORM COVENANTS. Borrower and Lender covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give a copy of a notice to Borrower in the manner provided in paragraph 14. Lender shall publish the notice of sale once a week for three consecutive weeks in a newspaper published in Shelby County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the front door of the County Courthouse of this County. Lender shall deliver to the purchaser Lender's deed conveying the Property. Lender or its designee may purchase the Property at any sale. Borrower covenants and agrees that the proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

22. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

- Adjustable Rate Rider
- Condominium Rider
- 2-4 Family Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Other(s) [specify]

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

.....
Joseph F. Millner(Seal)
 Joseph F. Millner-Borrower

.....
Kathy Jo Millner(Seal)
 Kathy Jo Millner-Borrower

[Space Below This Line For Acknowledgment]

STATE OF ALABAMA

Jefferson COUNTY

I, the undersigned, hereby certify that Joseph F. Millner and wife, Kathy Jo Millner, whose name(s) is/are signed to the foregoing conveyance, and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she executed the same voluntarily on the day the same bears date. Given under my hand and seal of office this 14th day of December, 19 84.



[Signature]
Notary Public

My commission expires: 9/7/87

THIS INSTRUMENT WAS PREPARED BY: Dale Corley, Attorney at Law
2100 16th Avenue South
Birmingham, AL 35205

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ADJUSTABLE RATE RIDER (Fixed Rate Conversion Option)

THIS ADJUSTABLE RATE RIDER is made this 14th day of December, 1984, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to Mortgage Corporation of the South (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

5275 Harvest Ridge Lane, Birmingham, Alabama 35243

(Property Address)

The Note contains provisions allowing for changes in the interest rate every year, subject to the limits stated in the Note.

The Note also provides for calculations of two separate monthly payment amounts. One will be the amount that the Borrower must actually pay each month. The other will be an amount that the Borrower would pay each month to fully repay the loan on the maturity date.

The principal amount the Borrower must repay could be larger than the original loan amount.

ADDITIONAL COVENANTS. 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 provides for an initial interest rate of 10.625%. Sections 2 through 8 of the Note provide for changes in the interest rate and the monthly payments, as follows:

2. INTEREST

(A) Interest Owed

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will owe interest at a yearly rate of 10.625%. The interest rate I will pay will change in accordance with Section 2(C) below on the first day of January 1, 1986, and on that day every 12th month thereafter. Each date on which my interest rate could change is called an "Interest Change Date."

(B) The Index

Beginning with the first Interest Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Interest Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Interest Rate Changes

Before each Interest Change Date, the Note Holder will calculate my new interest rate by adding 2.50 percentage points (2.50%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 2(D) below, this rounded amount will be my new interest rate until the next Interest Change Date.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay shall never be increased or decreased on any single Interest Change Date by more than two percentage points (2.0%) from the interest rate I have been paying for the preceding twelve months. My interest rate also shall never be greater than 15.125%.

(E) Interest After Default

The interest rate required by this Section 2 is the rate I will owe both before and after any default described in Section 11(B) below.

3. CALCULATION OF AMOUNTS OWED EACH MONTH

The Note Holder will calculate my Full Payment. The "Full Payment" is the amount of the monthly payment that would be sufficient to repay the amount I originally borrowed, or the unpaid principal balance of my loan as of an Interest Change Date, in full at the interest rate I am required to pay by Sections 2(A) or 2(C) above in substantially equal payments on January 1, 2015, which is called the "maturity date". Beginning on the date of this Note, my first Full Payment will be U.S. \$ 544.29 until the first Interest Change Date. Before each Interest Change Date, the Note Holder will calculate the new Full Payment which I will owe each month beginning on the first monthly payment date after the Interest Change Date.

After the first Interest Change Date, the Full Payment I owe may be more or less than the amount I am required to pay each month. Section 4 states the amount of my monthly payment and how it will change. Section 6 describes how my unpaid principal balance will change if the amount of my monthly payment and the Full Payment are different.

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4. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month. My monthly payments will be applied to interest before principal.

I will make my monthly payments on the first day of each month beginning on February 1, 1985. I will make these payments every month until I have paid all the principal and interest and any other charges described below that I may owe under this Note. If I still owe amounts under this Note on the maturity date, I will pay those amounts in full on that date.

I will make my monthly payments at Mortgage Corporation of the South, 2119 - 6th Avenue North, Birmingham, Alabama 35203 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 544.29. The Note Holder will change my monthly payment as required by Section 4(C) below on the 5th Interest Change Date and on every fifth anniversary of that date. Each of these dates is called a "Payment Change Date."

(C) Calculation of Monthly Payment Changes

Before each Payment Change Date, the Note Holder will calculate my Scheduled Payment. The "Scheduled Payment" is the new monthly payment sufficient to repay the unpaid principal balance on my loan in full on the maturity date at the Payment Rate in substantially equal payments. The "Payment Rate" is the sum of the interest rate figures calculated under Section 2(C) above for the Payment Change Date and the four preceding Interest Change Dates, divided by the number 5, rounded to the nearest one-eighth of one percentage point (0.125%).

(D) Effective Date of Payment Changes

I will pay the Scheduled Payment each month beginning on the first monthly payment date after the Payment Change Date, until my Scheduled Payment changes again in accordance with this Section 4 or Section 5 below.

5. BORROWER'S RIGHT TO LIMIT MONTHLY PAYMENT

(A) Calculation of Graduated Limited Payment

I may choose to limit the amount of my new monthly payment following a Payment Change Date if the monthly payment I have been paying otherwise would increase by more than twenty percent (20%). If I choose to limit the amount of my monthly payment, I must give the Note Holder notice that I am doing so at least 15 days before my first new monthly payment is due. When I do so, on the first monthly payment date after the Payment Change Date I will begin paying a new monthly payment which will be equal to the amount I have been paying each month multiplied by the number 1.20. Thereafter, on each of the first four anniversaries of my new monthly payment effective date, my monthly payment will increase to an amount equal to the amount I have been paying each month for the preceding twelve months multiplied by the number 1.075. These amounts are called the "Graduated Limited Payments."

Even if I have chosen to limit my monthly payment, Section 5(B), 5(C) or 5(D) may require me to pay a different amount.

(B) Reduced Monthly Payment

A Graduated Limited Payment could be greater than the Scheduled Payment. If so, on the date my paying a Graduated Limited Payment would cause me to pay more than the Scheduled Payment, I will instead then begin paying the Scheduled Payment as my monthly payment until the next Payment Change Date or until I am required to increase my payment under Section 5(C) below.

(C) Increased Monthly Payment

If my paying a Graduated Limited Payment or a Scheduled Payment would cause my unpaid principal to exceed the limit stated in Section 6(C) below at any time after an Interest Change Date, I will instead begin paying a new monthly payment until the next Interest Change Date. The new monthly payment will be in an amount which will be sufficient to prevent my unpaid principal balance from exceeding the Section 6(C) limit. Thereafter, I will pay as my monthly payment until the next Payment Change Date the greater of: (i) the Scheduled Payment; or (ii) an amount which will be sufficient to prevent my unpaid principal balance from exceeding the Section 6(C) limit.

(D) Required Full Payment

Unless I exercise my option under Section 7 below, I will pay the Full Payment as my monthly payment beginning with the first monthly payment after the final Payment Change Date.

6. CHANGES IN MY UNPAID PRINCIPAL

(A) Additions to My Unpaid Principal

My monthly payment could be less than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid principal I owe at the monthly payment date in full on the maturity date in substantially equal payments. If so, each month that the amount of my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid principal. The Note Holder will also add interest on the amount of this difference to my unpaid principal each month. The interest rate on the interest added to principal will be the rate required by Section 2(C) above.

(B) Reductions in My Unpaid Principal

My monthly payment could be greater than the amount of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current rate of interest in substantially equal payments. If so, the Note Holder will subtract the difference from the unpaid principal balance of my loan each month until the next Interest Change Date as if I had made a partial prepayment under Section 9 below.

(C) Limit on My Unpaid Principal

My unpaid principal can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal amount I originally borrowed.

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7. FIXED INTEREST RATE OPTION

(A) Option to Convert to Fixed Rate

I may choose the Conversion Option. The "Conversion Option" is my option to convert my adjustable rate interest payments to fixed rate interest payments as of the first day of February 1, 1990, which is called [Insert same date as first Payment Change Date]

the "Conversion Date." This is the only time that I may convert my adjustable rate payments.

If I choose the Conversion Option, I must give the Note Holder notice that I am doing so at least 15 days before the Conversion Date. I also must sign and give to the Note Holder the documents, in any form that the Note Holder may require, changing the terms of the Note to give effect to the conversion. My new, fixed interest rate will be equal to the Federal National Mortgage Association's published required Net Yield for 30-year, fixed rate mortgages covered by 30-day mandatory delivery commitments that was in effect as of the date 45 days before the Conversion Date, plus seven-eighths of one percent (0.875%). If this required Net Yield is not available, the Note Holder will determine my interest rate by using a comparable figure.

I will pay the Note Holder a conversion fee equal to one percent (1.0%) of unpaid principal as of the Conversion Date plus U.S. \$ 100.00. I will pay the conversion fee on or before the date of my first monthly payment after the Conversion Date.

(B) Required Principal Balance

If my unpaid principal balance on the Conversion Date will be greater than the original principal amount of my loan, the Note Holder may require that a qualified real estate appraiser, chosen by the Note Holder, prepare an appraisal report on the value of the secured property. I will pay the Lender a reasonable fee for this appraisal report. If my unpaid principal balance will be an amount greater than 95% of the value of the property securing my loan, as established by the appraisal report, I will not have the Conversion Option unless I pay the Note Holder an amount sufficient to reduce my unpaid principal balance to that amount.

(C) Determination of New Payment Amount

If I choose the Conversion Option, the Note Holder will then determine the amount of a monthly payment that would be sufficient to repay the unpaid principal balance I am expected to owe on the Conversion Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment, and the interest rate I owe will not change from the fixed rate established as of the Conversion Date.

(D) Transfer of the Property or a Beneficial Interest in Borrower

If I choose the Conversion Option and, thereafter, if all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without the Note Holder's prior written consent, the Note Holder may, at its option, require immediate payment in full of all amounts I owe under this Note. However, this option shall not be exercised by the Note Holder if exercise is prohibited by federal law as of the date of this Note.

If the Note Holder exercises this option, the Note Holder shall give me notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which I must pay all amounts that I owe.

8. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and a the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Unless Borrower chooses the Conversion Option under the Note as stated in Section A7 of this Adjustable Rate Rider, in which event the following amendment to Uniform Covenant 17 of the Security Instrument shall cease to be in effect, Uniform Covenant 17 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed which Borrower must pay all sums secured by this Security Instrument. If Borrower pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security

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Joseph F. Millner
Joseph F. Millner (Seal)
-Borrower

Kathy Jo Millner
Kathy Jo Millner (Seal)
-Borrower

RECORDING FEES

Mortgage Tax	\$ <u>88.35</u>
Deed Tax	_____
Mineral Tax	_____
Recording Fee	<u>20.00</u>
Index Fee	<u>1.00</u>
TOTAL	<u>\$109.35</u>

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1984 DEC 21 PM 12:55

Thomas A. [Signature]
JUDGE OF PROBATE

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RECORDED
INDEXED
COUNTY CLERK'S OFFICE
MONTGOMERY, ALABAMA