

347-5

2107

ALABAMA TELCO CREDIT UNION

STATE OF ALABAMA }
SHELBY COUNTY }

KNOW ALL MEN BY THESE PRESENTS: That whereas,

Clois L. Herring and wife, Gail M. Herring

(hereinafter called "Mortgagors")

whether one or more) are justly indebted to Alabama Telco Credit Union (hereinafter called "Mortgagee")

in the sum of One Hundred Sixty One Thousand Nine Hundred Seventy Five and 00/100
(\$ 161,975.00 DOLLARS, evidenced by a Promissory Note of even date;

And whereas, Mortgagor's agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW, THEREFORE, in consideration of the premises, said Mortgagors,

Clois L. Herring and wife, Gail M. Herring

and all others executing this

mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate, situated in Shelby County, State of Alabama, to wit:

Lot 20, according to the Survey of Third Addition to Riverchase County Club as recorded in Map Book 7, page 53, in the Probate Office of Shelby County, Alabama.

BOOK 121 PAGE 236

Said property is warranted free from all encumbrances and against any adverse claims, except as stated above. TO HAVE AND TO HOLD the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee, may at Mortgagee's option, pay off the same; and to further secure said indebtedness first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, with companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies (or copies thereof), or any renewal of said policy to said Mortgagee; and if undersigned fails to keep said property insured as above specified, or fail to deliver said insurance policies (or copies thereof) to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments, or insurance, shall become a debt to Mortgagee or assigns, additional to the debt hereby specifically secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee or assigns, at the same rate as the debt hereby specifically secured and be at once due and payable.

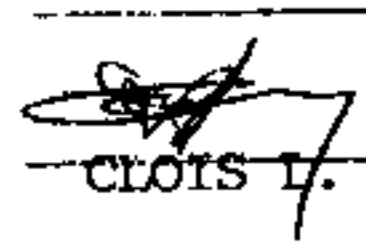
Upon condition, however, that if the said Mortgagor pays said indebtedness and reimburses said Mortgagee or assigns for any amount Mortgagee's may have expended for taxes, assessments, and insurance, and interest thereon, then this covenant to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee or assigns or should such indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee and assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty one (21) days notice, by publishing once a week for three (3) consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or enmasse as Mortgagee, agents or assigns deem best, in front of the Courthouse door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes, or other encumbrances, with interest thereon; Third, to the payment of said indebtedness in full, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the day of sale; and Fourth, the balance, if any, to be turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest therefor; and undersigned further agrees to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

Any transfer by sale, gift, devise, operation of law, or otherwise of the fee title interest in all or any portion of the mortgaged premises shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee, without prior notice or the lapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and, upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the note, this mortgage, or otherwise at law.

IN WITNESS WHEREOF, the undersigned

Clois L. Herring and wife, Gail M. Herring

have hereto set their signatures and seal, this 12th day of March, 19 87


CLOIS L. HERRING

(SEAL)


GAIL M. HERRING

(SEAL)

(SEAL)

Land Title

STATE OF ALABAMA

SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Clois L. Herring and wife, Gail M. Herring

whose names are signed to the foregoing conveyance, and who being 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 12th day of March 1987.

NOTARY PUBLIC

MY COMMISSION EXPIRES APRIL 7, 1987



STATE OF ALABAMA

COUNTY

I, a Notary Public in and for said County, in said State, hereby certify that

whose name signed to the foregoing conveyance, and who being known to me acknowledged before me on this day, that being informed of the contents of the conveyance executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this day of 19

NOTARY PUBLIC

ADJUSTABLE RATE MORTGAGE AMENDMENT

NOTICE: THE MORTGAGE AND THIS AMENDMENT SECURE A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE MAY RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE MAY RESULT IN LOWER PAYMENTS.

This Adjustable Rate Mortgage Amendment is made this 12th day of March, 19 87, and is incorporated into and shall be deemed to amend and supplement the Mortgage of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Alabama Telco Credit Union of the same date (the "Note") and covering the property described in the Mortgage and located at 2028 Lakemoor Drive Birmingham, Al 35244.
Property Address

Modifications. In addition to the covenants and agreements made in the Mortgage, Borrower and Alabama Telco Credit Union further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of 9.25 per cent. The Note interest rate may be increased or decreased on the first day of the month beginning on July 1, 19 87, and on that day of the month every six (6) months thereafter. The amount of my payments may be increased or decreased on the first day of the month beginning on January 1, 1988, and on that day of the month every twelve (12) months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the prime rate as announced by SOUTHTRUST BANK of Birmingham, Alabama. The interest rate will not increase above ~~eighteen (18)~~ sixteen (16) per cent per annum.

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

B. LOAN CHARGES

It could be that the loan secured by the Mortgage is subject to a law which sets maximum loan charges and that law is interpreted so that 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. Alabama Telco Credit Union may choose to make this refund by reducing the principal owed under the note or by making a direct payment to Borrower.

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

1. State Tax

2. City Tax

3. Record Fee

4. Notary Fee

TOTAL

Exempt
7.50
1.00
8.50

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1987 MAR 24 PM 1:32

STATE OF ALABAMA
SHELBY COUNTY

[Signature] (SEAL)
BORROWER
[Signature] (SEAL)
BORROWER



I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Clois L. Herring and wife, Gail M. Herring whose names are signed to the foregoing conveyance, and who being 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 12th day of March, 19 87.

NOTARY PUBLIC

MY COMMISSION EXPIRES APRIL 7, 1988