

Loan No.

971001326-AUS

This Instrument was prepared by

DINA POMPER/LEADERS IN LENDING

Record and Return to:

LEADERS IN LENDING LLC

103 EUCLID AVENUE

BIRMINGHAM, ALABAMA 35213

1997-10686

04/07/1997-10686
10:31 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
DOUG MEL 298-35

Inst # 1997-10686

(Space Above This Line For Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is dated MARCH 31, 1997

The grantor WAYNE J. OSMUNDSON JR. and WIFE, JUDITH H. OSMUNDSON

("Borrower"). This Security Instrument is given

LEADERS IN LENDING LLC

, which is organized and existing

under the laws THE STATE OF ALABAMA

, and whose address is

103 EUCLID AVENUE BIRMINGHAM, ALABAMA 35213

("Lender").

Borrower owes Lender the principal One Hundred Forty Four Thousand Nine Hundred and 00/100

Dollars (U.S. \$144,900.00)

). This debt is evidence

this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier on APRIL 1, 2027. This Security Instrument

debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, with power of sale following described property located in SHELBY County, Alabama:

Lot 29, according to the Survey of Mallard Pointe-First Addition as recorded in Map Book 11 page 86 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

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

which has the address 104 BLUE WING CIRCLE

PELHAM

[Street]

[City]

Alabama 35124

("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, appurtenances,

ALABAMA-Single Family/Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
MAS Form - MAS071REV. 3/1/95

Form 3001 9/98 Page 1 of 6 pages
Initials: JS JD

5. Hazard or Property Insurance.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to rest

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.

If Borrower f

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower sec

MAS Form - MAS0710

Form 3001 *9/92* Page 3 of 6 pages
Initials *LB*

Initials

8. Mortgage Insurance.

If Lender required mortgage insurance as a condition Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost to Borrower substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the mortgage insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. 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.

10. Condemnation.

The proceeds of any award or claim for damages, direct or consequential, resulting from any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned to 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, the fair market value of the Property immediately before the taking is equal to or greater than the amount secured by this Security Instrument immediately before the taking, 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 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnation award has been made, 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 postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver.

Any modification or amendment of the sums secured by this Security Instrument granted by Lender to any successor of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Borrower 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 or on behalf of 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.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers.

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 signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to evidence and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument without that Borrower's consent.

13. Loan Charges.

If the loan secured by this Security Instrument is subject to any 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 the permitted limit will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the loan.

making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial without any prepayment charge under the Note.

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

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

It is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums due under this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by law on the date of this Security Instrument.

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

18. Borrower's Right to Reinstate.

If Borrower meets certain conditions for reinstatement 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. These conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if 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 is reasonably required 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 hereby shall remain fully effective as if no acceleration occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer.

The Note or a partial instrument may be sold one or more times without prior notice to Borrower. A sale may result in a change in the identity of the servicer (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances.

Borrower shall not cause or permit the presence of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything on the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory agency that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction.

located that relate to health, safety or environmental protection.

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

21. 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 paragraph 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 21, 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.

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

23. Waivers. Borrower waives all rights of homestead exemption in the Property and re-lease and dower in the Property.

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

- | | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Rate Improvement Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> 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:

Wayne J. Osmundson Jr.
WAYNE J. OSMUNDSON JR. -Borrower
Social Security Number [redacted] (Seal)

Judith H. Osmundson
JUDITH H. OSMUNDSON -Borrower
Social Security Number [redacted] (Seal)

Social Security Number _____

Social Security Number _____

[Space Below This Line For Acknowledgment]

STATE OF ALABAMA
JEFFERSON COUNTY

I, Larry L. Halcomb, a Notary Public in and for said County, in said State, hereby certify that Wayne J. Osmundson Jr. and Wife, Judith H. Osmundson, whose name(s) 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 31st day of March, 1997.

[Signature]
Notary Public

My Commission Expires:
January 23, 1998