

Loan No. 4514348
Instrument Prepared by:

Inst # 1998-46555

Record & Return to
SOUTHTRUST MORTGAGE CORPORATION
210 WILDWOOD PARKWAY
BIRMINGHAM, ALABAMA 35209

11/23/1998-46555
01:37 PM CERTIFIED
SHELBY COUNTY JUDGE OF COURSE
351.00

(Space Above This Line For Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on NOVEMBER 10, 1998

The grantor is OMAR G. TOUCHSTONE III AND KATHERINE GRAU TOUCHSTONE, HUSBAND AND WIFE

(Borrower). This Security Instrument is given to

SOUTHTRUST MORTGAGE CORPORATION

, which is organized and existing

under the laws of THE STATE OF DELAWARE

, and whose address is

210 WILDWOOD PARKWAY BIRMINGHAM, ALABAMA 35209

(Lender)

Borrower owes Lender the principal sum of Two Hundred Twenty Seven Thousand One Hundred Fifty and 00/100

Dollars (U.S. \$ 227,150.00)

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 DECEMBER 1, 2013

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (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

SEE ATTACHED EXHIBIT "A"

Katherine Grau Touchstone, mortgagor herein, is one and the same as Katherine G. Touchstone.

which has the address of 1615 HWY 468

[Street]

VINCENT

[City]

Alabama 35178

[Zip Code]

(Property Address):

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, and 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 seized 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.

ALABAMA -Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
GFS Form G000010

Form 3001-9/98 (page 1 of 6 pages)
Initials: OM, KG

11. 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.

12. 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.

13. 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.

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 as if no acceleration had 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 hereby shall remain fully effective as if no acceleration had 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 interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also 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, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be 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 other action by any 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 authority, 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 substances 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 where the Property is 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 shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

24. 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
- Graduated Payment Rider
- Balloon Rider
- Other(s) [specify]
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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:


OMAR G. TOUCHSTONE III (Seal)
Social Security Number [redacted] -Borrower


KATHERINE GRAU TOUCHSTONE (Seal)
Social Security Number [redacted] -Borrower

Social Security Number _____ (Seal) -Borrower

Social Security Number _____ (Seal) -Borrower

[Space Below This Line For Acknowledgment]

JEFFERSON COUNTY

STATE OF ALABAMA
I, the undersigned, a Notary Public in and for said county in said state, hereby certify that OMAR G. TOUCHSTONE, III, AND KATHERINE GRAU TOUCHSTONE, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of this instrument, they executed the same voluntarily on the day the same bears date.
Given under my hand and seal of office this the 10th day of November, 1998.

This Instrument Prepared By:
Clayton T. Sweeney
2700 Highway 280 East, Suite 290E
Birmingham, AL 35223

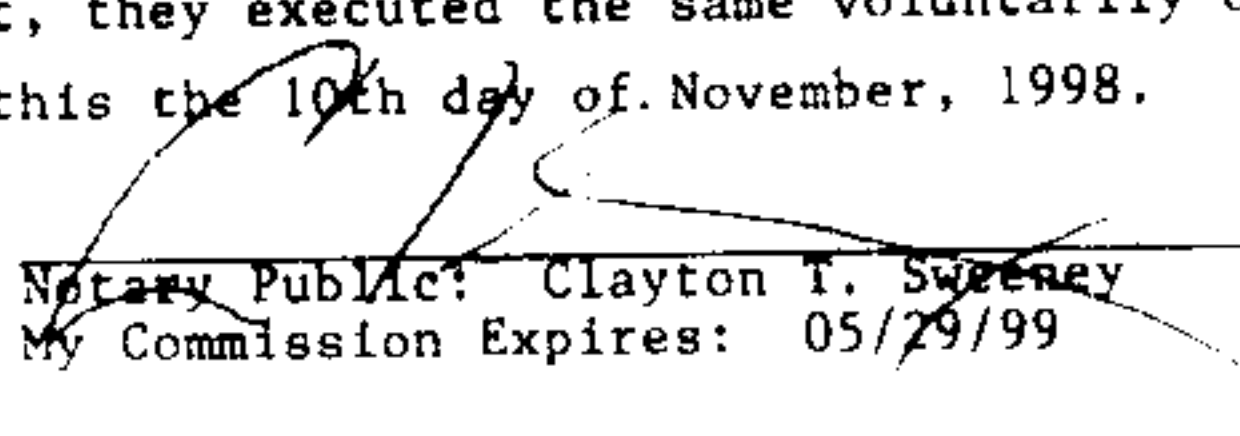

Notary Public: Clayton T. Sweeney
My Commission Expires: 05/29/99

EXHIBIT "A"
TOUCHSTONE

A Part of the East 1/2 of the NE 1/4 of Section 13, Township 18 South, Range 2 East, situated in Shelby County, Alabama, and being more particularly described as follows:

Commence at the NE corner of the SW 1/4 of the NE 1/4 of Section 13, Township 18 South, Range 2 East; thence North 0 degrees, 37 minutes West (Magnetic Bearing), 990.00 feet; thence North 89 degrees, 07 minutes East 567.66 feet; thence North 89 degrees, 13 minutes East 557.73 feet to the point of beginning of tract herein described; thence continue North 89 degrees, 13 minutes East 192.79 feet to a concrete marker (6 in. x 6 in.); thence South 1 degrees, 07 minutes 30 seconds East 388.80 feet; thence North 87 degrees, 23 minutes, 30 seconds West 268.77 feet; thence North 10 degrees, 19 minutes, 21 seconds East 380.01 feet to the point of beginning.

ALSO, a 25.00 foot Easement for Ingress and Egress and described as follows:

Commence at the NE corner of the SW 1/4 of the NE 1/4 of Section 13, Township 18 South, Range 2 East; thence North 0 degrees, 37 minutes West 990.00 feet; thence North 89 degrees, 07 minutes East 567.66 feet; thence North 89 degrees, 13 minutes East 557.73 feet; thence South 10 degrees, 19 minutes, 21 seconds West 27.35 feet to the point of beginning of the center line of said Easement (12.50 feet, each side of the following described course): thence North 88 degrees, 09 minutes West 186.54 feet; thence South 66 degrees, 08 minutes West 253.36 feet; thence South 42 degrees, 33 minutes West 200.00 feet; thence South 26 degrees, 26 minutes West 85.50 feet; thence South 8 degrees, 57 minutes West 262.70 feet; thence South 22 degrees, 24 minutes East 362.25 feet; thence South 40 degrees, 15 minutes East 77.80 feet; thence South 70 degrees, 56 minutes East 155.45 feet; thence South 27 degrees, 28 minutes East 70.00 feet; thence South 10 degrees, 34 minutes East 249.72 feet; thence South 28 degrees, 00 minutes East 202.08 feet; thence South 27 degrees, 05 minutes East 209.70 feet; thence South 61 degrees, 08 minutes East 116.58 feet; thence South 8 degrees, 03 minutes East 47.70 feet to the center of a public road and end of said Easement.

Inst # 1998-46555

11/23/1998-46555
01:37 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 MEL 361.80