

STATE OF ALABAMA
JEFFERSON COUNTY

This instrument was prepared by:
Alan C. Keith, Attorney
3525 Loma Ridge Dr., Ste 100
Birmingham, AL 35216

KNOW ALL MEN BY THESE PRESENTS: That, Whereas, Kenneth A. Lowe and wife, Brenda K. Lowe, (hereinafter called "Mortgagors," where one or more) are justly indebted to:

Mortgage Investors, Inc.

Birmingham, Alabama (hereinafter called "Mortgagee," whether one

or more) in the sum of \$73,500.00 executed by: PROMISSORY Note executed of even date herewith in the sum of Seventy-three thousand five hundred and 00/100 Dollars (\$73,500.00) plus simple interest thereon from date at the rate of 18.55% per annum shall be payable in one 1 Monthly installment in the amount of \$1,364.35 and 179 installments in the amount of \$1,212.86, beginning on the 1st day of March, 2000, and on the same day of each month thereafter until paid in full, payable at: 1211 - 28th Street South, Birmingham, AL 35205; or at such other place or places as the owner or holder hereof may from time to time designate

And, Whereas, Mortgagors agree, in incurring said indebtedness, that this Mortgage should be given to secure the prompt payment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications thereof. Collateral securing other loans with this lender will also secure your debt under this Note and Mortgage.

NOW THEREFORE, in consideration of the premises, said Mortgagors, 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 37, according to the Survey of Olde Towne Forest, as recorded in Map Book 9, Page 133, in the Probate Office of Shelby County, Alabama, being situated in Shelby County, Alabama.

This is a purchase money mortgage.

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If and when this is a second mortgage, it is further understood and agreed that this mortgage is subordinate to any prior mortgage only to the extent of the current balance now due on the debt secured by said prior mortgage. The within mortgage will not be subordinated to any advances secured by the above described prior mortgage, if said advances are made after the date of the within mortgage. Mortgagor hereby agrees not to increase the balance owed that is secured by the said prior mortgage. It is further agreed that, in the event the mortgagor fails to pay the interest and principal on said first mortgage according to its terms, the mortgagee herein or the assigns, are hereby authorized at their election to pay said interest and principal or any part thereof, and the mortgagor hereby agrees to refund on demand the sum or sums so paid with interest thereon at the rate of 18.55% per annum; said sums so paid shall be considered a part of the debt hereby secured and this mortgage shall stand as security therefor. And should the mortgagor fail to pay the interest or the principal secured by said first mortgage or fail to comply with any of the terms herein set out, the debt hereby secured may, at the option of the mortgagee, or assigns, be declared due and payable and this mortgage subject to foreclosure. This mortgage and lien shall secure not only the principal amount hereof but all future and subsequent advances to or on behalf of the mortgagors, or any other indebtedness due from the mortgagors to the mortgagee, whether directly or acquired by assignment, and the real estate herein described shall be security for such debts to the total extent even in excess thereof of the principal amount thereof.

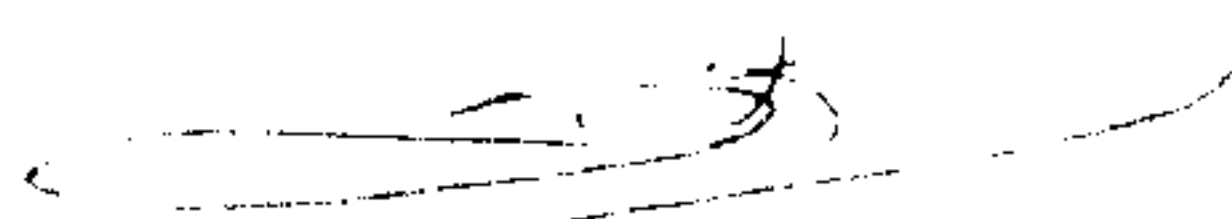
The mortgagee is authorized to declare, at its option, all or any part of such indebtedness immediately due and payable upon the sale, lease or other transfer of any kind or nature of the mortgaged property, or any part thereof, without the prior written consent of mortgagor. If assumed, an escrow analysis will be conducted and assumption will assume any shortage. This mortgage may be paid in full at any time on or before due date with no prepayment penalty.

The mortgagor agrees not to permit, commit, or suffer waste, impairment or deterioration of said property or any part thereof, and upon the failure of the mortgagor to keep the property in good condition or repair and maintenance, this mortgagee may demand proper maintenance and the immediate repair of said property or an increase in the amount of security, or the immediate repayment of the debt hereby secured, and the failure of the mortgagor to comply with said demand of the mortgagee for a period of 30 days shall constitute a Breach of this mortgage and at the option of the mortgagee, immediately mature the entire amount of principal and interest hereby secured and the mortgagee immediately and without notice may institute proceedings to foreclose this mortgage. In the case of refusal, neglect or inability of the mortgagor to repair and maintain said property, the mortgagee may at its option, make such repairs or cause the same to be made, and advance money in that behalf, and add same to the debt hereunder.

The within mortgage is second and subordinate to that certain prior mortgage as recorded in Volume N/A, at Page N/A, in the Office of the Judge of Probate of SHELBY County, Alabama. In the event the within mortgagor should fail to make any payments which become due on said prior mortgage, or should default in any of the other terms, provisions and conditions of said prior mortgage, then such default under the prior mortgage shall constitute a default under the terms and provisions of the within mortgage, and the mortgagee herein may, at its option, declare the entire indebtedness due hereunder immediately due and payable and the within mortgage subject to foreclosure, and shall bear interest from the date of default. The mortgagee herein may, at its option, make, on behalf of mortgagor, any such payments which become due on said prior mortgage, or incur any such expenses or obligations, on behalf of mortgagor, in connection with the said prior mortgage, in order to prevent the foreclosure of said prior mortgage, and all such amounts so expended by the within mortgagee on behalf of mortgagor shall become a debt to the within mortgagee, or its assigns, additional to the debt hereby secured, and shall be covered by this mortgage, and shall bear interest from date of payment by the within mortgagee, or its assigns, and shall be at once due and payable, entitling the within mortgagee to all of the rights and remedies provided herein, including, at mortgagee's option, the right to foreclose this mortgage.

If a scheduled installment payment is 10 days late, a late charge of 5% of the overdue installment will be charged but not less than 50 cents nor more than \$100.00 for each late charge.

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 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, in 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 any renewal of said policies to said Mortgagee, and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies 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 of insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee, or assigns, 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 amounts Mortgagees may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance 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 said 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 incumbrance 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, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving the statutory required notice, by publishing once a week for three 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 parcels or en masse 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 attorney's fees after default and referral to an attorney, not a salaried employee of the creditor, 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 bidder therefore; and undersigned further agree 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 part of the debt hereby secured, interest shall accrue from the date of default or other above stated instance at the rate stated in the instrument or 12%. Upon acceleration, foreclosure 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 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 attorney's fees, and then to the sums secured by this Mortgage as stated above. In the event of default or foreclosure, lender shall have the right to charge fees for inspections of the subject premises.

Any Borrower who co-signs this Mortgage but does not execute the Note (a) is co-signing this Mortgage only to mortgage grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

PRE-DISPUTE BINDING ARBITRATION AGREEMENT

Any dispute, controversy or claim arising out of or relating to this mortgage, the application and approval process, the note and/or the closing this date shall be settled by binding arbitration in accordance with the Federal Arbitration Act. The arbitration shall be held before an arbitrator appointed pursuant to same, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding.


I (we) (1) have read; (2) understand; (3) received a copy of; and (4) accept the terms of this Pre-Dispute Arbitration Agreement



Kenneth A. Lowe


Brenda K. Lowe

IN WITNESS WHEREOF, the undersigned have hereunto set their signature(s) and seal, on January 26, 2000

CAUTION -- IT IS IMPORTANT THAT YOU THOROUGHLY READ THIS CONTRACT BEFORE YOU SIGN IT.

 (SEAL)
Kenneth A. Lowe

 (SEAL)
Brenda K. Lowe

____ (SEAL)

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, Alan C. Keith, a Notary Public in and for said County, in said State, hereby certify that Kenneth A. Lowe and wife, Brenda K. Lowe, 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 on January 26, 2000


NOTARY PUBLIC

My Commission Expires: April 6, 2000

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