

NOTICE: THIS MORTGAGE SECURES AN OPEN-END CREDIT PLAN WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE ANNUAL PERCENTAGE RATE. INCREASES IN THE ANNUAL PERCENTAGE RATE MAY RESULT IN INCREASED MINIMUM MONTHLY PAYMENTS, INCREASED FINANCE CHARGES, AND A LARGER AMOUNT DUE AT MATURITY. DECREASES IN THE ANNUAL PERCENTAGE RATE MAY RESULT IN LOWER MINIMUM MONTHLY PAYMENTS, LOWER FINANCE CHARGES, AND A SMALLER AMOUNT DUE AT MATURITY.

THIS IS A FUTURE ADVANCE MORTGAGE AND THE PROCEEDS OF THE OPEN-END CREDIT PLAN SECURED BY THIS MORTGAGE WILL BE ADVANCED BY THE MORTGAGEE UNDER THE TERMS OF A CREDIT AGREEMENT BETWEEN THE MORTGAGEE AND THE BORROWER NAMED HEREIN

STATE OF ALABAMA

SHELBY COUNTY

Adjustable-Rate Equity Line of Credit Mortgage

THIS INDENTURE is made and entered into this 25th day of JANUARY, 2000 by and between RAYMOND PEARCE and CARRON A. PEARCE, Husband and Wife (hereinafter called the

"Mortgagor", whether one or more) and Aliant Bank, a state banking association (hereinafter called the "Mortgagee")

Recitals

A. The Secured Line of Credit. RAYMOND PEARCE and CARRON A. PEARCE, Husband and Wife

(hereinafter called the "Borrower", whether one or more) is (are) now or may become in the future justly indebted to the Mortgagee in the maximum principal amount of ONE HUNDRED THOUSAND AND NO/100 Dollars (\$ 100,000.00) (the "Credit Limit") pursuant to a certain open-end line of credit established by the Mortgagee for the Borrower under an agreement entitled, "The Aliant Bank Equity Line of Credit Note, Agreement and Disclosure Statement," executed by the Borrower in favor of the Mortgagee, dated JANUARY 25, 2000 (the "Credit Agreement"). The Credit Agreement provides for an open-end line of credit pursuant to which the Borrower may borrow and repay, and reborrow and repay, amounts from the Mortgagee up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit.

B. Rate and Payment Changes.

The Credit Agreement provides for finance charges to accrue on the unpaid principal balance outstanding from time to time at a variable rate of interest computed pursuant to the terms of the Credit Agreement. The variable rate of interest may increase or decrease based on changes in the "index" or in the "margin", as such terms are defined in and determined under the Credit Agreement. An increase in the variable rate of interest may result in increased finance charges, increased minimum payment amounts, and a larger amount due at maturity under the Credit Agreement.

C. Maturity Date.

If not sooner terminated as set forth therein, the Credit Agreement will terminate twenty years from the date of the Credit Agreement, and all sums payable thereunder (including without limitation principal, interest, expenses and charges) shall become due and payable in full.

D. Mortgage Tax.

This mortgage secures open-end or revolving indebtedness with an interest in residential real property. Therefore, under 540-22-2(1)(b), Code of Alabama 1975, as amended, the mortgage filing privilege tax shall not exceed \$.15 for each \$100, or fraction thereof, of the Credit Limit of \$ 100,000.00, which is the maximum principal indebtedness, to be secured by this mortgage at any one time. Although the interest rate payable on the line of credit may increase if the index in effect on the first day of a billing cycle increases, the increased finance charges that may result are payable monthly under the Credit Agreement and there is no provision for negative amortization, capitalization of unpaid finance charges or other increases in the principal amount secured hereby over and above the Credit Limit. Therefore, the principal amount secured will never exceed the Credit Limit unless an appropriate amendment hereto is duly recorded and any additional mortgage tax due on the increased principal amount paid at the time of such recording.

Agreement

NOW, THEREFORE, in consideration of the premises, and to secure the payment of (a) all advances heretofore or from time to time hereafter made by the Mortgagee to the Borrower under the Credit Agreement, or any extension or renewal thereof, up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit, (b) all finance charges payable from time to time on said advances, or any part thereof, (c) all other fees, charges, costs and expenses now or hereafter owing by the Borrower to the Mortgagee pursuant to the Credit Agreement, or any extension or renewal thereof, (d) all other indebtedness, obligations and liabilities now or hereafter owing by the Borrower to the Mortgagee under the Credit Agreement, or any extension or renewal thereof, and (e) all advances by the Mortgagee under the terms of this mortgage (the aggregate amount of all such items described in (a) through (e) above being hereinafter collectively called "Debt") and the compliance with all the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagee, the following described real estate situated in

SHELBY

County, Alabama (said real estate being hereinafter called the "Real Estate").

101 SALISBURY LANE
BIRMINGHAM, AL
35242

Exhibit "A" is attached hereto and made a part hereof.

This is a Purchase Money Mortgage.

Inst. # 2000-03519

02/03/2000-03519
12:56 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 221 168.50

Loan ID: 610001002

Together with all the rights, privileges, tenements, appurtenances and fixtures appertaining to the Real Estate, all of which shall be deemed Real Estate and conveyed by this mortgage

To have and to hold the Real Estate unto the Mortgagee, its successors and assigns forever. The Mortgagee covenants with the Mortgagee that the Mortgagee is lawfully seized in fee simple of the Real Estate and has a good right to sell and convey the Real Estate as aforesaid, that the Real Estate is free of all encumbrances, except the lien of current ad valorem taxes, the prior mortgage, if any, hereinafter described and any other encumbrances expressly set forth above, and the Mortgagee will warrant and forever defend the title to the Real Estate unto the Mortgagee, against the lawful claims of all persons, except as otherwise herein provided.

This mortgage secures an open-end revolving line of credit under which the Borrower may borrow and repay and reborrow and repay, amounts from the Mortgagee from time to time up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit. Advances under the Credit Agreement are obligatory. The Credit Agreement does not require that the Borrower make any minimum initial advance or maintain any minimum balance under the line of credit; therefore, at times there may be no outstanding Debt under this mortgage. However, the mortgage shall become effective immediately notwithstanding the lack of any initial advance and shall not be deemed satisfied nor shall title in the Real Estate be divested from the Mortgagee by the payment in full of all the Debt at any one time outstanding, since in each case further borrowings can thereafter be made from time to time by the Borrower under the terms of the Credit Agreement and all such borrowings are to be included in the Debt secured hereby. This mortgage shall continue in effect until all of the Debt shall have been paid in full, the Credit Agreement shall have been terminated, the Mortgagee shall have no obligation to extend any further credit to the Borrower hereunder and an appropriate written instrument in satisfaction of this mortgage, executed by a duly authorized officer of the Mortgagee, shall have been duly recorded in the probate office in which this mortgage is originally recorded. The Mortgagee agrees to execute such an instrument promptly following receipt of the Borrower's written request therefor, provided that all of the conditions set forth above have been fulfilled. Nothing contained herein shall be construed as providing that this mortgage shall secure any advances by the Mortgagee to the Borrower under the Credit Agreement is a maximum principal amount at any one time outstanding in excess of the Credit Limit set forth above unless this mortgage shall have been amended to increase the Credit Limit by written instrument duly recorded in the probate office in which this mortgage is originally recorded.

(Complete if applicable:) This mortgage is junior and subordinate to that certain mortgage dated January 25, 2000 and recorded in _____

Volume _____ at page _____ in the Probate Office of Shelby County, Alabama

The Mortgagee hereby authorizes the holder of a prior mortgage encumbering the Real Estate, if any, to disclose to the Mortgagee the following information: (1) the amount of indebtedness secured by such mortgage; (2) the amount of such indebtedness that is unpaid; (3) whether any amount owed on such indebtedness is or has been in arrears; (4) whether there is or has been any default with respect to such mortgage or the indebtedness secured thereby; and (5) any other information regarding such mortgage or the indebtedness secured thereby which the Mortgagee may request from time to time.

If this mortgage is subordinate to a prior mortgage, the Mortgagee expressly agrees that if default should be made in the payment of principal, interest or any other debt payable under the terms and provisions of such prior mortgage, or if any other event of default (or events which upon the giving of notice or lapse of time, or both would constitute an event of default) should occur hereunder, the Mortgagee may, but shall not be obligated to, cure such default, without notice to anyone, by paying whatever amounts may be due, or taking whatever other actions may be required, under the terms of such prior mortgage as to put the same in good standing.

For the purpose of further securing the payment of the Debt, the Mortgagee agrees to: (1) pay all taxes, assessments, and other liens taking priority over this mortgage (hereinafter jointly called "Liens"), and if default is made in the payment of the Liens, or any part thereof, the Mortgagee, at its option, may pay the same; (2) keep the Real Estate continuously insured, in such manner and with such companies as may be satisfactory to the Mortgagee, against loss by fire, vandalism, malicious mischief and other perils usually covered by a fire insurance policy with standard extended coverage endorsement, with loss, if any, payable to the Mortgagee, as its interest may appear, such insurance to be in an amount at least equal to the full insurable value of the improvements located on the Real Estate unless the Mortgagee agrees in writing that such insurance may be in a lesser amount. Subject to the rights of the holder of the prior mortgage, if any, set forth above, the original insurance policy and all replacements thereof, shall be delivered to and held by the Mortgagee until the Debt is paid in full and the Credit Agreement is terminated. The insurance policy must provide that it may not be cancelled without the insurer giving at least fifteen days' prior written notice of such cancellation to the Mortgagee. Subject to the rights of the holder of the prior mortgage, if any, set forth above, the Mortgagee hereby assigns and pledges to the Mortgagee as further security for the payment of the Debt each and every policy of hazard insurance now or hereafter in effect which insures and improves, or any part thereof, together with the right, title and interest of the Mortgagee in and to each and every such policy, including but not limited to all the Mortgagee's right, title and interest in and to any premiums paid on such hazard insurance, including all rights to return premiums. If the Mortgagee fails to keep the Real Estate insured as specified above, then at the election of the Mortgagee and without notice to any person, the Mortgagee may declare the entire Debt due and payable and the mortgage subject to foreclosure, and this mortgage may be foreclosed as hereinafter provided; and, regardless of whether the mortgage declares the entire Debt due and payable and the mortgage subject to foreclosure, the Mortgagee may, but shall not be obligated to, insure the Real Estate for its full insurable value (or for such lesser amount as the Mortgagee may wish) against such risks of loss, for its own benefit, the proceeds from such insurance (less the cost of collecting same) if collected, to be credited against the Debt, or at the election of the Mortgagee, such proceeds may be used in repairing or reconstructing the improvements located on the Real Estate.

All amounts spent by the Mortgagee for insurance or for the payment of Liens or for the payment of any amounts under any prior mortgage shall become a debt due by the Mortgagee and at once payable, without demand upon or notice to the Mortgagee, and shall be included in the Debt secured by the lien of this mortgage, and shall bear interest from date of payment by the Mortgagee until paid at the rate of interest payable from time to time under the Credit Agreement, or such lesser rate as shall be the maximum permitted by law; and if any such amount is not paid in full immediately by the Mortgagee, then at the option of the Mortgagee, this mortgage shall be in default and subject to immediate foreclosure in all respects as provided by law and by the provisions hereof.

Subject to the rights of the holder of the prior mortgage, if any, set forth above, the Mortgagee hereby assigns and pledges to the Mortgagee the following property, rights, claims, rents, profits, issues and revenues:

1. All rents, profits, issues, and revenues of the Real Estate from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving to the Mortgagee, so long as the Mortgagee is not in default hereunder, the right to receive and retain such rents, profits, issues and revenues;
2. All judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments made for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of power of eminent domain. The Mortgagee is hereby authorized on behalf of, and in the name of, the Mortgagee to execute and deliver valid acquittances for, and appeal from, any such judgments or awards. The Mortgagee may apply all such sums so received, or any part thereof, after the payment of all the Mortgagee's expenses, including court costs and attorney's fees, on the Debt in such manner as the Mortgagee elects, or, at the Mortgagee's option the entire amount or any part thereof so received may be retained or may be used to rebuild, repair or restore any or all of the improvements located on the Real Estate.

The Mortgagee agrees to take good care of the Real Estate and all improvements located thereon and not to commit or permit any waste thereon, and at all times to maintain such improvements in as good condition as they now are, reasonable wear and tear excepted.

Notwithstanding any other provision of this mortgage or the Credit Agreement, this mortgage shall be deemed to be in default and the Debt shall become immediately due and payable at the option of the Mortgagee, upon the sale, lease, transfer, or mortgage by the Mortgagee of all or any part of, or all or any interest in, the Real Estate, including transfer of an interest by contract in title.

The Mortgagee may make or cause to be made reasonable entries upon and inspections of the Real Estate, provided that the Mortgagee shall give the Mortgagee notice prior to any such inspection specifying reasonable cause therefor related to the Mortgagee's interest in the Real Estate.

Except for any notice required under applicable law to be given in another manner, any notice under this mortgage (a) may be given to the Mortgagee (if the notice party is the Borrower) in the manner set forth in the Credit Agreement; (b) may be given to any other Mortgagee by delivering such notice to the Mortgagee (or any one of them if more than one) or by sending such notice by first class mail addressed to the Mortgagee at any address on the Mortgagee's records or at such other address as the Mortgagee shall designate by notice to the Mortgagee as provided herein, and (c) shall be given to the Mortgagee by first class mail to the Mortgagee's address stated herein or to such other address as the Mortgagee may designate by notice to the Mortgagee as provided herein. Any notice under this mortgage shall be deemed to have been given to the Borrower, the Mortgagee or the Mortgagee when given in the manner designated herein.

The Mortgagee shall comply with the provisions of any lease if this mortgage is on a leasehold. If this mortgage is on a unit in a condominium or a planned unit development, the Mortgagee shall perform all the Mortgagee's obligations under the declaration creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents, all as amended. If a condominium or planned unit development rider is executed by the Mortgagee and recorded together with this mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this mortgage as if the rider were a part hereof.

The Mortgagee agrees that no delay or failure of the Mortgagee to exercise any option to declare the Debt due and payable shall be deemed a waiver of the Mortgagee's right to exercise such option either as to any past or present default, and it is agreed that no terms or conditions contained in this mortgage may be waived, altered or changed except by a written instrument signed by the Mortgagee and signed on behalf of the Mortgagee by one of its officers.

Upon the occurrence of an event of default hereunder, the Mortgagee, upon bill filed or other proper legal proceeding being commenced for the foreclosure of this mortgage, shall be entitled to the appointment by any competent court, without notice to any party, of a receiver for the rents, issues and profits of the Real Estate, with power to lease and control the Real Estate and with such other powers as may be deemed necessary.

Upon conclusion, however, that if: (a) the Debt is paid in full (which Debt includes (i) all advances heretofore or from time to time hereafter made by the Mortgagee to the Borrower under the Credit Agreement, or any extension or renewal thereof, up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit; (ii) all finance charges payable from time to time on said advances, or any part thereof; (iii) all other fees, charges, costs and expenses now or hereafter owing by the Borrower to the Mortgagee pursuant to the Credit Agreement, or any extension or renewal thereof; and (iv) all other indebtedness, obligations and liabilities now or hereafter owing by the Borrower to the Mortgagee under the Credit Agreement, or any extension or renewal thereof; and (v) all advances by the Mortgagee under the terms of this mortgage); (b) the Mortgagee is reimbursed for any amounts the Mortgagee has paid in payment of Liens or insurance premiums or any prior mortgages, and interest thereon; (c) the Mortgagee fulfills all of the Mortgagee's obligations under this mortgage; (d) the Credit Agreement is terminated and the Debt has no obligation to extend any further credit to the Borrower thereunder; and (e) an appropriate written instrument in satisfaction of this mortgage has been executed by a duly authorized officer of the Mortgagee and properly recorded; this conveyance shall be null and void. But if any event of default and termination under Section 19 of the Credit Agreement shall occur, then, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable and this mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past-due mortgages, and the Mortgagee shall be authorized to take possession of the Real Estate and, after giving at least twenty-one days' notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the county in which the Real Estate is located, to sell the Real Estate in front of the courthouse door of said county, a public outcry, to the highest bidder for cash, and to apply the proceeds of said sale as follows: first, to the expense of advertising, selling and conveying the Real Estate and foreclosing this mortgage, including reasonable attorney's fees; second, to the payment in full of the balance of the Debt in whatever order and amounts the Mortgagee may elect, 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; third, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, Liens, any prior mortgages or other encumbrances related to the Real Estate, with interest thereon; and, fourth, the balance, if any, to be paid to the party or parties appearing of record to be the owner of the Real Estate. The Mortgagee agrees that the Mortgagee may bid at any sale held under the terms of this mortgage and may purchase the Real Estate if the highest bidder thereof. At the foreclosure sale the Real Estate may be offered for sale and sold as a whole without first offering it in any other manner or it may be offered for sale and sold in any other manner the Mortgagee may elect.

The Mortgagee agrees to pay all costs, including reasonable attorneys' fees incurred by the Mortgagee in collecting or securing or attempting to collect or secure the Debt, or any part thereof, or in defending or attempting to defend the priority of this mortgage against any lien or encumbrance on the Real Estate, unless this mortgage is herein expressly made subject to any such lien or encumbrance; and all costs incurred in the foreclosure of this mortgage, either under the power of sale contained hereunder by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Mortgagee shall be a part of the Debt and shall be secured by this mortgage. The purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money. In the event of a sale hereunder, the Mortgagee, or the owner of the Debt and mortgage, or the auctioneer, shall execute to the purchaser, for and in the name of the Mortgagee a deed to the Real Estate.

Plural or singular words used herein to designate the Borrower(s) or the undersigned shall be construed to refer to the maker or makers of the Credit Agreement and this mortgage, respectively whether one or more natural persons, corporations, associations, partnerships or other entities. All covenants and agreements herein made by the undersigned shall bind the heirs, personal representatives, successors and assigns of the undersigned; and every option, right and privilege herein reserved or secured to the Mortgagee shall inure to the benefit of the Mortgagee's successors and assigns.

IN WITNESS WHEREOF, the undersigned Mortgagor has (have) executed this instrument on the date first written above.

Raymond Pearce (Seal)
RAYMOND PEARCE
Carron A. Pearce (Seal)
CARRON A. PEARCE

(Seal)

ACKNOWLEDGEMENT FOR INDIVIDUALS

STATE OF ALABAMA

JEFFERSON County

I, the undersigned authority, a Notary Public, in and for said county in said State, hereby certify that

RAYMOND PEARCE and CARRON A. PEARCE, Husband and Wife

whose name(s) is (are) signed to the foregoing instrument, and who is (are) known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the date the same bears date.

Given under my hand and official seal, this 25th day of January, 2000

[Signature]
Notary Public
My commission expires: 6/5/03
NOTARY MUST AFFIX SEAL

ACKNOWLEDGEMENT FOR CORPORATION

STATE OF ALABAMA

County

I, the undersigned authority, a Notary Public, in and for said county in said State, hereby certify that _____ whose name is _____ of _____ a corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, _____ as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this _____ day of _____, 19____

Notary Public
My commission expires: _____
NOTARY MUST AFFIX SEAL

This instrument prepared by:

(Name) _____
(Address) _____

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 25th day of JANUARY, 2000 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 Note to ALIANT BANK (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 101 SALISBURY LANE, BIRMINGHAM, AL 35242

(Property Address)

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in Declaration of Covenants, Conditions and Restrictions of record and any amendments thereto (the "Declaration"). The Property is a part of a planned unit development known as

Highland Lakes
(Name of Planned Unit Development)

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

PUD Covenants. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage", then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage provided by the master or blanket policy.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 10.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

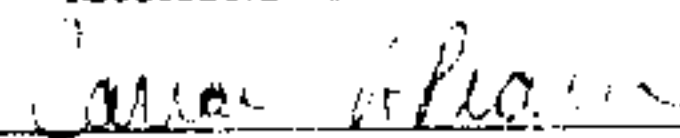
(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the 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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this PUD Rider.


RAYMOND PEARCE

(Seal)
Borrower


CARRON A. PEARCE

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

EXHIBIT "A"

Lot 702, according to the Survey of Highland Lakes, 7th Sector, an Eddleman Community, as recorded in Map Book 20, page 58 A, B & C, in the Probate Office of Shelby County, Alabama.

Together with nonexclusive easement to use the private roadways, Common Area all as more particularly described in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, recorded as Instrument #1994-07111, in the Probate Office of Shelby County, Alabama and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 7th Sector, recorded as Instrument #1995-28389, in the Probate Office of Shelby County, Alabama (which, together with all amendments thereto, is hereinafter collectively referred to as, the "Declaration").

Inst # 2000-03519

**02/03/2000-03519
12:56 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 CJ1 168.50**