

## EXHIBIT "A" NOTE

Inst # 2000-30291

09/05/2000-30291  
07:52 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
006 MMS 22.00

Space Above This Line For Recording Date

ADJUSTABLE RATE ~~LOAN~~ MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT, made this 22nd day of AUGUST, 2000, by and between  
EDWARD L. CATES, HUSBAND AND WIFE,  
, CAROL S. CATES

called "MORTGAGOR" and SOUTHTRUST MORTGAGE CORPORATION, hereinafter called "MORTGAGEE".

## RECITALS:

A. "MORTGAGEE is the owner and holder of that certain Mortgage, Deed of Trust or Deed to Secure Debt, ("the Security Instrument"), dated JANUARY 6, 2000 made by the MORTGAGOR to MORTGAGEE, recorded in Book 2000 page(s) 1228 Public Record of SHELBY County, State of ALABAMA securing a debt evidenced by a NOTE dated JANUARY 6, 2000, in the original amount of \$ 242,000.00 which Security Instrument encumbers property more particularly described in said Security Instrument.

B. MORTGAGOR, the owner in fee simple of all of the property subject to the Security Instrument, has requested MORTGAGEE to modify Note and Security Instrument, and the parties have mutually agreed to modify the terms thereof in the manner hereinafter appearing.

"NOW, THEREFORE, in consideration of the mutual promise and agreements exchanged, the parties hereto agree as following, notwithstanding anything to the contrary contained in the Note, Security Instrument or any Rider thereto."

1. As of this date the unpaid principal balance of the NOTE is \$ 212,000.00 and the interest has been paid to AUGUST 22, 2000.

2. The terms of the NOTE are modified in accordance with the terms and provisions which provide:

Principal and interest of said Note shall be payable in consecutive monthly installments to be One Thousand Four Hundred Seventy Two and 22/100

Dollars (\$ 1,472.22 ) due on the first day of each month beginning OCTOBER 1, 2000.

If on FEBRUARY 1, 2030 ( the "Maturity Date") I still owe amounts under this Note, I will pay those amounts in full on that date.

3. Nothing herein invalidates or shall impair or release any covenants, agreements or stipulations in the Note, Security Instrument and/ or Rider(s) and the same, except as herein modified, shall continue in full force and effect, and the undersigned further covenant and agree to perform and comply with and abide by each of the covenants, agreements, conditions and stipulations of the Note, Security Instrument and/ or Rider, which are not inconsistent herewith. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument and/ or Rider(s), including, but not limited to the payment of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under Security Instrument.

4. All MORTGAGEE'S rights against all parties, including but not limited to all parties secondarily liable, are hereby reserved.

5. This Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators and assigns, or successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto the day and year first above written.

Edward L. Cates  
EDWARD L. CATES Mortgage

Carol S. Cates  
CAROL S. CATES Mortgage

SOUTHTRUST MORTGAGE CORP.

Witness: Mary B. Leopard  
MARY B. LEOPARD  
Witness: Rosaline Craig  
ROSALINE CRAIG

By: Nick Lore  
Its: REGIONAL VICE PRESIDENT

STATE OF ALABAMA )  
Jefferson  
COUNTY OF ~~SHELBY~~ )

The foregoing instrument was acknowledged before me this 22nd day of AUGUST 2000, by  
Edward L. Cates and Carol S. Cates  
who produced \_\_\_\_\_  
(who is personally known to me) and who did (did not) take an oath.

SEAL

Clayton T. Sweeney  
Notary  
Printed Name of Notary  
Serial Number, if any  
6/5/03  
Commission Expiration Date

STATE OF ALABAMA )  
COUNTY OF SHELBY )

The foregoing instrument was acknowledged before me this 22nd day of AUGUST 2000, by \_\_\_\_\_, and \_\_\_\_\_, as \_\_\_\_\_ the laws of the State of \_\_\_\_\_, on its behalf. The foregoing officers who are personally known to me and did not take an oath.

SEAL

Terri W. Glass  
Notary  
Printed Name of Notary  
Serial Number, if any  
9-25-02  
Commission Expiration Date

# FIXED/ADJUSTABLE RATE NOTE

(1 Year Treasury Index - Rate Caps)

THIS NOTE PROVIDES FOR A CHANGE IN MY FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

JANUARY 6, 2000

[Date]

BIRMINGHAM

[City]

ALABAMA

[State]

446 CONROY CIRCLE, STERRETT, ALABAMA 35147-

[Property Address]

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 212,000.00 (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is SOUTHTRUST MORTGAGE CORPORATION. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

## 2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will pay interest at a yearly rate of 7.375 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on OCTOBER 1, 2000.

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on

FEBRUARY 1, 2030

, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at SOUTHTRUST MORTGAGE CORPORATION

210 WILDWOOD PARKWAY, BIRMINGHAM, ALABAMA 35209

or at a different place if required by the Note Holder.

### (B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 1,472.22. This amount may change.

### (C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

## 4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

### (A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of FEBRUARY, 2005, and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date."

### (B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.



**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and Three Quarters percentage points ( 2.75%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 9.375 % or less than 5.375 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 12.375 %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of the change in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, any information required by law to be given me and also the telephone number of a person who will answer any question I may have regarding the notice.

**5. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

I may make a full prepayment or partial prepayments without paying any prepayment charge. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial prepayment may reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

**6. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**7. BORROWER'S FAILURE TO PAY AS REQUIRED**

**(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of principal that has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is delivered or mailed to me.

**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

**8. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3 (A) above or at a different address if I am given a notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**11. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

**(A) UNTIL MY INITIAL FIXED INTEREST RATE CHANGES TO AN ADJUSTABLE INTEREST RATE UNDER THE TERMS STATED IN SECTION 4 ABOVE, UNIFORM COVENANT 17 OF THE SECURITY INSTRUMENT IS DESCRIBED AS FOLLOWS:**

**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.



(B) WHEN MY INITIAL FIXED INTEREST RATE CHANGES TO AN ADJUSTABLE INTEREST RATE UNDER THE TERMS STATED IN SECTION 4 ABOVE, UNIFORM COVENANT 17 OF THE SECURITY INSTRUMENT DESCRIBED IN SECTION 11(A) ABOVE SHALL THEN CEASE TO BE IN EFFECT, AND UNIFORM COVENANT 17 OF THE SECURITY INSTRUMENT SHALL INSTEAD BE DESCRIBED AS FOLLOWS:

**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. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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.

Inst # 2000-30291

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

 (Seal)  
EDWARD L. CATES  
Social Security Number [REDACTED] -Borrower

\_\_\_\_ (Seal)  
\_\_\_\_ -Borrower  
Social Security Number \_\_\_\_\_

\_\_\_\_ (Seal)  
\_\_\_\_ -Borrower  
Social Security Number \_\_\_\_\_

\_\_\_\_ (Seal)  
\_\_\_\_ -Borrower  
Social Security Number \_\_\_\_\_

[Sign Original Only]

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SHELBY COUNTY JUDGE OF PROBATE

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