

Acct No.: 5642344
Prepared by and return after recording to:
SOUTHTRUST MORTGAGE CORPORATION
210 WILDWOOD PARKWAY, SUITE 100
BIRMINGHAM, ALABAMA 35209

(Space Above This Line For Recording Data)

STATE OF ALABAMA

COUNTY SHELBY

THIS INSTRUMENT CONVEYS A SECURITY INTEREST IN GOODS AND OTHER ITEMS OF PROPERTY WHICH ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED BELOW. THIS INSTRUMENT IS TO BE FILED IN THE REAL PROPERTY RECORDS AS A MORTGAGE AND AS A FINANCING STATEMENT. THE BELOW REFERENCED BORROWER IS THE RECORD OWNER OF THE AFORESAID REAL PROPERTY.

THE NAMES OF THE DEBTOR AND THE SECURED PARTY, THE MAILING ADDRESS OF THE SECURED PARTY FROM WHICH INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED, THE MAILING ADDRESS OF THE DEBTOR AND A STATEMENT INDICATING THE TYPES, OR DESCRIBING THE ITEMS, OF COLLATERAL ARE AS DESCRIBED HEREIN IN COMPLIANCE WITH THE REQUIREMENTS OF ARTICLE 9, SECTION 402 OF THE UNIFORM COMMERCIAL CODE. THIS INSTRUMENT IS INTENDED TO COMPLY WITH THE REQUIREMENTS OF SECTION 7-9-402 OF THE 1975 ALABAMA CODE.

CONSTRUCTION/PERMANENT MORTGAGE, SECURITY
AGREEMENT AND FIXTURE FILING

THIS MORTGAGE ("Security Instrument") is given on NOVEMBER 21, 2000 . The grantor is OLIVER D. KINGSLEY, JR. and wife, Sally Y. Kingsley

("Borrower"). This Security Instrument is given to SOUTHTRUST MORTGAGE CORPORATION, A DELAWARE CORPORATION , which is organized and existing under the laws of , and whose address is 210 WILDWOOD PARKWAY, SUITE 100, BIRMINGHAM, ALABAMA 35209 ("Lender").

This Security Instrument is executed pursuant to the provisions of the CONSTRUCTION LOAN AGREEMENT dated as of the date of this Security Instrument between Lender and Borrower (such Construction Loan Agreement, as it may from time to time be supplemented, modified or amended, being referred to in this Security Instrument as the "Loan Agreement"), the provisions of which are incorporated in this Security Instrument by reference and made a part hereof as though fully set out herein. Borrower owes Lender the principal sum of ONE MILLION AND NO/100-----

Dollars (U.S. \$ 1,000,000.00). 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, 2026 . This Security Instrument is given for the purpose of securing payment and performance of the following (the "Secured Obligations"):

- (a) All present and future indebtedness evidenced by the Note dated the date of this Security Instrument, including principal, interest and all other amounts payable under the terms of the Note;
- (b) All present and future obligations of Borrower under this Security Instrument;
- (c) All present and future obligations of Borrower to Lender under the Loan Agreement;

ALABAMA - Single Family - Construction
(02/06/98) CLMALMTG Alabama M100 Mortgage
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CLAYTON T. SWEENEY, ATTORNEY AT LAW

Inst # 2000-42919

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(d) The payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and

(e) All additional present and future obligations of Borrower to Lender under any other agreement or instrument (whether existing now or in the future) which states that it is, or such obligations are, secured by this Security Instrument; and in each such case as set forth hereinabove as such indebtedness or other obligations may from time to time be supplemented, modified, amended, renewed and extended, whether evidenced by new or additional instruments or documents or resulting in a change in the interest on any indebtedness or otherwise. For this purpose, Borrower does hereby mortgage, grant, bargain, sell and convey to Lender and Lender's successors and assigns, with power of sale, the following described property located in SHELBY County, Alabama:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

which has the address of 252 HIGHLAND VIEW DRIVE, BIRMINGHAM, ALABAMA, 35242

SECURITY AGREEMENT. For valuable consideration, Borrower irrevocably grants, transfers and assigns to Lender a security interest in and to the following property:

(a) All building materials, equipment and fittings of every kind or character now owned or hereafter acquired by Borrower for the purpose of constructing buildings and structures thereon, whether or not such materials, equipment and fittings are located on or adjacent to the mortgaged property or whether in storage or otherwise; such personal property being conveyed and mortgaged includes, without limitation to, all lumber and lumber products, bricks, building stones and building blocks, sand and cement, roofing material, paint, doors, windows, hardware, nails, wires and wiring equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building materials and equipment of every kind and character used or intended for use in connection with said improvements, also all improvements, fixtures and articles of personal property now or hereafter attached to or used or adapted for use in the operation of the mortgaged premises, all of which shall be deemed part of the realty. All of such items of property set forth in this paragraph (a) are sometimes hereinafter referred to as "Tangible Personal Property."

(b) At the request of Lender, Borrower agrees to join Lender in executing one or more financing statements and renewals and amendments thereof, pursuant to the Uniform Commercial Code of Alabama ("UCC") in a form satisfactory to Lender, and will pay the cost of filing the same in all public offices wherever filing is deemed by Lender to be necessary and desirable.

(c) This Security Instrument, to the extent that it grants, transfers and assigns a security interest in, or otherwise deals with items of Personal Property, Tangible and Intangible, shall also be construed as a financing statement, under the UCC, with Borrower as Debtor (with their respective addresses set forth in the loan documents), and with the Lender as Secured Party (with its address as set forth hereinabove).

(d) Lender may exercise any and all of the remedies available to a Secured Party under the UCC, including, but not limited to:

(i) Require Borrower to assemble the Tangible Personal Property or any portion thereof, at a place designated by Lender and reasonably convenient to both parties, and promptly deliver such Tangible Personal Property to Lender, or an agent or representative designated by it. Lender, and its agents and representatives, shall have the right to enter upon any and all of Borrower's premises and property to exercise Lender's rights hereunder;

(ii) Sell or dispose of the Tangible Personal Property at public sale, with or without having the Tangible Personal Property at the place of sale, and upon such terms and in such manner as Lender may determine. Lender may be a purchaser at any such sale;

(iii) Lender shall give Borrower at least ten (10) days prior written notice of the time and place of any public sale of the Tangible Personal Property or other intended disposition thereof. Such notice may be mailed to Borrower at the address set forth in instruments executed by Borrower in connection with this loan.

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 seised 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, and which are set forth as an exception on the title insurance binder issued to Lender in connection with such mortgage loan, and which are acceptable to and approved by Lender ("Approved Encumbrances"). Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any "such Approved 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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may at any time, collect and hold funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 20, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payment. If under paragraph 20 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default if within the curative period set forth in Paragraph 20 herein Borrower has caused the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this Section 7 shall become additional debt of Borrower secured by this 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.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this 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 substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the 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 again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or 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, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned 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 in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums 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 following 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 of the sums 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 the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make 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 extend or 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. 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. 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.

19. 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 19, "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 19, "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:

20. 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 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 20, 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.

21. 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.

22. Waivers. Borrower waives all rights of homestead exemption in the Property.

23. Breach by Borrower under the terms of Loan Agreement.

(a) In the event of default or breach in the terms of said Loan Agreement, such default shall be an event of default entitling the Lender herein to exercise the remedies provided herein, including the right to foreclose the Security Instrument in accordance with the terms hereof.

(b) The Borrower covenants that it will timely and fully perform and satisfy all the terms, covenants and conditions of the Loan Agreement.

(c) The Borrower covenants and agrees that, in accordance with the provisions of the Loan Agreement, all of the funds advanced and to be advanced thereunder have been and will be used exclusively to pay the costs of the construction of certain improvements on the Property (including the balance of acquisition costs, if any, of the Property), and that this instrument constitutes a "Construction Mortgage" within the meaning of the UCC. All advances and indebtedness arising or accruing under the Loan Agreement from time to time, whether or not the total amount thereof may exceed the loan or the face amount of the Note, shall be secured hereby to the same extent as though said Loan Agreement were fully incorporated in this Mortgage. If there shall be any inconsistency between provisions of this Security Instrument and the Loan Agreement or any other loan document, the Lender shall have the option of determining which of such inconsistent provisions shall prevail.

(d) THIS MORTGAGE OR SECURITY INSTRUMENT IS GRANTED TO SECURE FUTURE ADVANCES AND LOANS FROM THE LENDER TO OR FOR THE BENEFIT OF THE BORROWER, OR ITS SUCCESSORS AND ASSIGNS, ON THE MORTGAGED PROPERTY, AS PROVIDED IN THE LOAN AGREEMENT, AND COSTS AND EXPENSES OF ENFORCING THE BORROWER'S OBLIGATIONS UNDER THIS MORTGAGE OR SECURITY INSTRUMENT, THE LOAN DOCUMENTS AND THE LOAN AGREEMENT. ALL ADVANCES, DISBURSEMENTS OR OTHER PAYMENTS REQUIRED BY THE LOAN AGREEMENT ARE OBLIGATORY ADVANCES UP TO THE CREDIT LIMITS ESTABLISHED THEREIN AND SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, HAVE PRIORITY OVER ANY AND ALL MECHANIC'S LIENS AND OTHER LIENS AND ENCUMBRANCES ARISING AFTER THIS MORTGAGE OR SECURITY INSTRUMENT IS RECORDED.

(e) It is not contemplated that partial releases of this Security Instrument will be given, but if any partial release is so given by the Lender, it shall not affect the lien of this Security Instrument on the remainder of the Mortgage Property encumbered hereby.

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
☒ Planned Unit Development Rider
☒ Other LEGAL ATTACHED

☐ Condominium Rider
☐ 1-4 Family Rider

☐ Balloon Rider
☐ Second Home Rider
☒ CONST/PERM LN RDR

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.

Signed, sealed and delivered in the presence of:



(Seal)
Borrower

Sally Y. Kingsley (Seal)
Sally Y. Kingsley Borrower

Borrower

(Seal)
Borrower

Borrower

(Seal)
Borrower

(Space Below This Line For Acknowledgement)

STATE OF ALABAMA)
COUNTY OF Jefferson)
ss

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____

Oliver D. Kingsley, Jr.

whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 8th day of December, 2000 .

[Signature]
Notary Public

My Commission expires: 6/5/03

STATE OF ALABAMA)
COUNTY OF Jefferson)
ss

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____

Sally Y. Kingsley

whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 8th day of December, 2000 .

[Signature]
Notary Public

My Commission expires: 6/5/03

STATE OF ALABAMA)
COUNTY OF _____)
ss

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____

whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this _____ day of _____

Notary Public

My Commission expires: _____

STATE OF ALABAMA)
COUNTY OF _____)
ss

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____

whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this _____ day of _____

Notary Public

My Commission expires: _____

EXHIBIT A
LEGAL DESCRIPTION

Lot 607, according to the Amended Map of Highland Lakes, 6th Sector, an Eddleman Community, as recorded in Map Book 23, Page 153 A & B, 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 and amended in Inst. No. 1996-17543 in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subidivsn, 6th Sector, recorded as Instrument # 1998-12385 in the Probate Office of Shelby County, Alabama.

ADK
D.K.

ADJUSTABLE RATE/INDEX CONVERSION OPTION RIDER

THIS ADJUSTABLE RATE/INDEX CONVERSION OPTION RIDER is made this 21st day of NOVEMBER, 2000, and is incorporated 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 Adjustable Rate Note (the "Note") to SOUTHTRUST MORTGAGE CORPORATION, A DELAWARE CORPORATION

(the "Lender") of the same date and covering the property described in the Security Instrument and located at: 252 HIGHLAND VIEW DRIVE, BIRMINGHAM, ALABAMA, 35242

(Property Address)

THE NOTE CONTAINS PROVISIONS (i) ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT; (ii) LIMITING THE MAXIMUM RATE THE BORROWER MUST PAY; AND (iii) ALLOWING THE BORROWER AN OPTION TO CONVERT FROM THE CURRENT INDEX TO A NEW INDEX AND MARGIN.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the 1st day of FEBRUARY, 2002, and on the first day of every month thereafter. Each date on which my adjustable rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for one-month dollar deposits in the London market based on quotations of major banks, as published in The Wall Street Journal "Money Rates" table. The most recent Index figure available as of the date 25 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 which 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 ONE AND FIVE/EIGHTHS----- percentage points (1.625 %) to the Current Index. The Note Holder will then round this figure 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.

(i) **Interest-Only Period.** The "interest-only period" is the period from the date of this Note through NOVEMBER 30, 2011. For the interest-only period, after calculating my new interest rate as provided above, the Note Holder will then determine the amount of the monthly payment that would be sufficient to pay the interest which accrues on the unpaid principal of my loan. The result of this calculation will be the new amount of my monthly payment.

(ii) **Amortization Period.** The "amortization period" is the period after the interest-only period. For the amortization period, after calculating my new interest rate as provided above, 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) Limit on Interest Rate Changes

My interest rate will never be greater than 14.250 %.

(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 any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

B. INDEX CONVERSION OPTION

The Note provides for the Borrower's option to convert from the existing Index to a new index and margin, subject to certain conditions. The provisions set forth in the Note are as follows:

5. INDEX CONVERSION OPTION

I have an Index Conversion Option that I can exercise unless I am in default or this Section 5 will not permit me to do so. The "Index Conversion Option" is my option to convert the Index and margin to a new index and margin in accordance with the terms of Section 5(A) below.

(A) Index Conversion Option

The Index Conversion Option can only be exercised during the twenty-one (21) day interval beginning with the forty-fifth day immediately prior to my twelfth (12th) Change Date and continuing until and including the twenty-fifth day prior to my twelfth (12th) Change Date and for identical twenty-one (21) day interval occurring each six (6) month anniversary thereafter until and including the interval beginning forty-five (45) days before my sixtieth (60th) Change Date. I may exercise the Index Conversion Option only one time. I can exercise the Index Conversion Option by notifying the Lender of my election to change indices no later than the twenty-fifth (25th) day prior to the next Change Date. My new index and margin after the conversion will be effective on the Index Conversion Date. The "Index Conversion Date" is the next Change Date following my timely notification to the Lender that I am exercising the Index Conversion Option.

My new index used to calculate my interest rate will be either (i) for Margin Option 1, the highest prime rate published in The Wall Street Journal "Money Rates" table, (ii) for Margin Option 2, the average of interbank offered rates for one-month dollar deposits in the London market based on quotations of major banks as published in The Wall Street Journal "Money Rates" table, or (iii) for Margin Option 3, the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one (1) year, as made available by the Federal Reserve Board in publication H.15. My new index will be the most recent index available as of the date forty-five days prior to the applicable Change Date (the "Index Determination Date"). My margin to be added or subtracted, as the case may be, to the new index will depend on the margin option selected on the Index Determination Date, as follows:

Margin
Option 1
minus -0.250 %

Margin
Option 2
plus 1.625 %

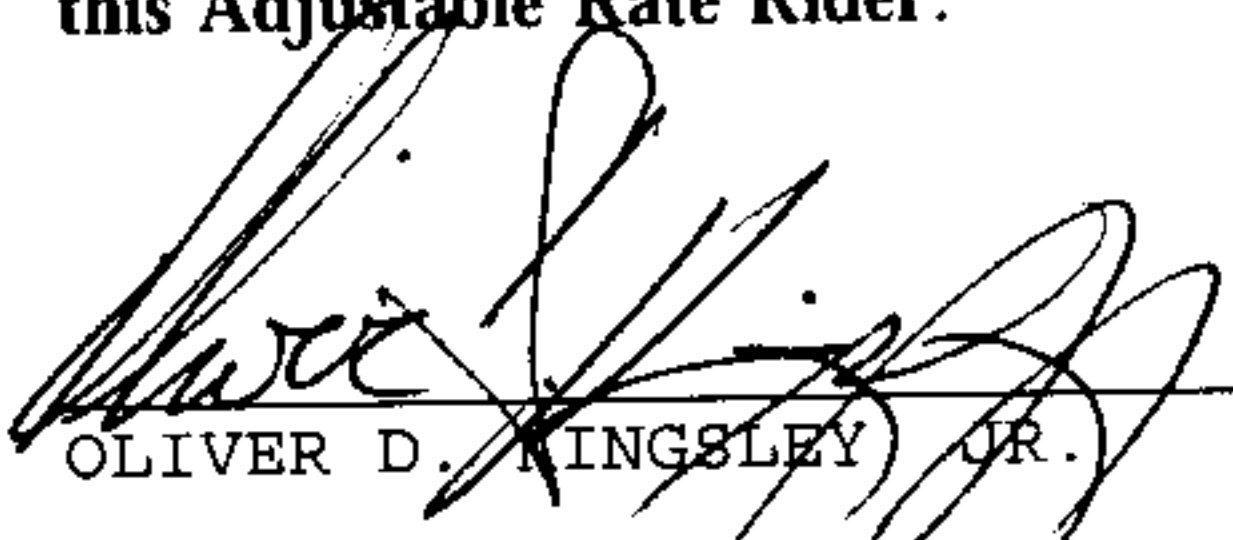
Margin
Option 3
plus 2.125 %

My interest rate will be calculated by adding the index and margin rounded to the nearest one-eighth of one percentage point.

(B) Conditions to Exercising Index Conversion Option


If I want to exercise the Index Conversion Option, I must first meet certain conditions. Those conditions are that: (i) I must still be the owner of the property subject to the Security Instrument (as defined in the Note); (ii) I cannot have been late on any of the 12 scheduled monthly payments immediately preceding the date on which I give notice of my election to exercise my Index Conversion Option; (iii) I cannot have been more than 30 days late on any of my scheduled monthly payments; (iv) I must give the Lender notice that I want to exercise my Index Conversion Option; (v) I must not be in default under the Note or the Security Instrument; (vi) by a date no later than 15 days prior to the Index Conversion Date, I must pay the Lender a conversion fee of U.S. \$500 and I must sign and give the Lender any documents the Lender requires to effect the conversion.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.



OLIVER D. KINGSLEY JR. (Seal)
Borrower

(Seal)
Borrower



Sally Y. Kingsley (Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

WHEN RECORDED MAIL TO:

SOUTHTRUST MORTGAGE CORPORATION

210 WILDWOOD PARKWAY, SUITE 100

BIRMINGHAM, ALABAMA 35209

Loan No. 5642344

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PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 21st day of NOVEMBER 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 SOUTHTRUST MORTGAGE CORPORATION, A DELAWARE CORPORATION (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

252 HIGHLAND VIEW DRIVE, BIRMINGHAM, ALABAMA 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 Covenants, Conditions and Restrictions (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 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 with 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 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;

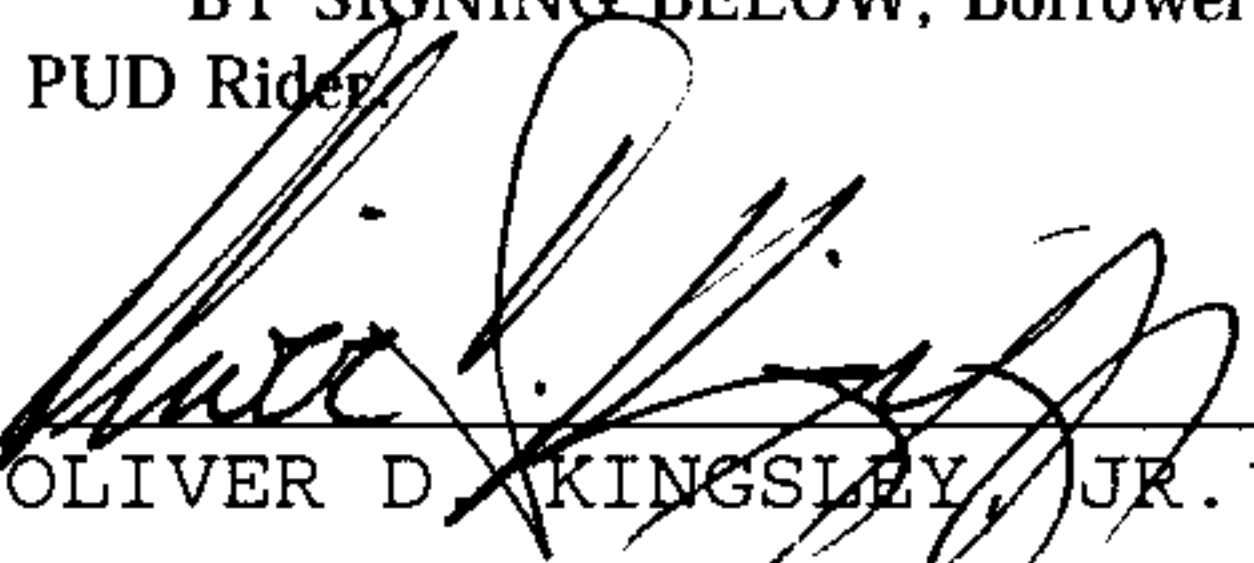
(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

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

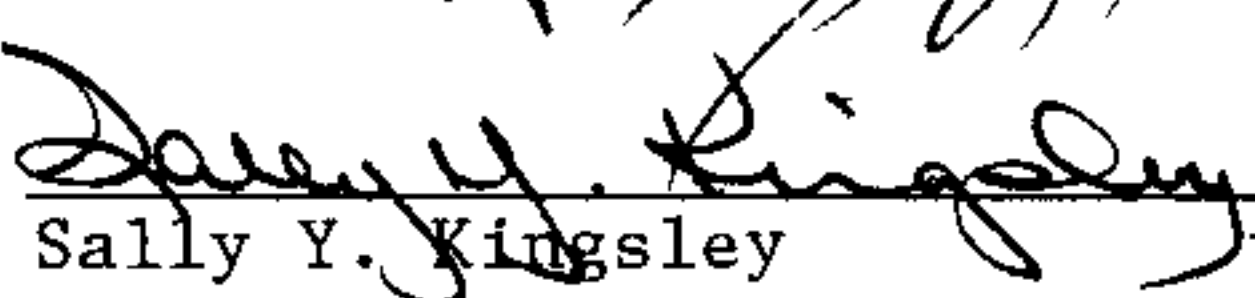
(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

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.


OLIVER D. KINGSLEY, JR. -Borrower

_____-Borrower


Sally Y. Kingsley -Borrower

_____-Borrower

_____-Borrower

_____-Borrower

Inst. # 2000-42919

12/14/2000-42919
09:19 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
015 CJI 1558.00