

WHEN RECORDED MAIL TO:
EQUIPRIME, INC.
120 OXMOOR BLVD, SUITE A
BIRMINGHAM, ALABAMA
35209
Loan Number 0804966083

MORTGAGE

THIS MORTGAGE is made this 27th day of MARCH, 2001
between the Grantor, ROBERT D. THOMAS AND MARIBETH G. THOMAS MARRIED

(herein "Borrower"),

and the Mortgagee, EQUIPRIME, INC.

a corporation organized and existing under the laws of ALABAMA
whose address is 120 OXMOOR BLVD, SUITE A
BIRMINGHAM, ALABAMA 35209

(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 71,000.00
which indebtedness is evidenced by Borrower's note dated MARCH 27, 2001
and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the
balance of the indebtedness, if not sooner paid, due and payable on APRIL 2, 2021

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note with interest thereon; the payment
of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the
performance of the covenants and agreements of Borrower herein contained. Borrower does hereby grant and convey to
Lender and Lender's successors and assigns with power of sale, the following described property located in the County of
SHELBY, State of Alabama:
LOT 7, ACCORDING TO THE SURVEY OF MILL SPRINGS ESTATES, AMENDED 1ST
SECTOR, AS RECORDED IN MAP BOOK 24, PAGE 116, IN THE PROBATE OFFICE OF
SHELBY COUNTY, ALABAMA.

THIS SECURITY INSTRUMENT IS SUBORDINATE TO AN EXISTING FIRST LIEN(S) OF
RECORD.

which has the address of 504 MILL SPRINGS ROAD, BIRMINGHAM

Alabama

35244

[Zip Code]

(herein "Property Address");

[City]

TO HAVE AND TO HOLD such 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, rights, appurtenances and rents, all of which
shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said
property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to 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. Borrower
covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject
to encumbrances of record.

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

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings 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 the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

5. **Hazard 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and 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, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. 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 Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. 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 Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

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 Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. Acceleration; Remedies. Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable 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 reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall mail a copy of a notice of sale to Borrower in the manner provided in paragraph 12 hereof. Lender shall publish the notice of sale once a week for three consecutive weeks in some 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 said County. Lender shall deliver to the purchaser Lender's deed conveying the Property so sold. Lender or Lender's 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 reasonable costs and expenses of the sale, including, but not limited to, reasonable attorneys' fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in the Mortgage or (ii) entry of a judgment enforcing the Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.



19. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder. Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

20. Release. Upon payment of all sums secured by this Mortgage, this Mortgage shall become null and void and Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

21. Waiver of Homestead, Dower and Curtesy. Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all right of dower and curtesy in the Property.


REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed and acknowledges receipt of pages 1 through 4 of this Mortgage.

Signed, sealed and delivered in the presence of:


ROBERT D. THOMAS (Seal)
-Borrower


MARIBETH G. THOMAS (Seal)
-Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower


_____(Seal)
-Borrower

_____(Seal)
-Borrower

STATE OF ALABAMA, SHELBY County ss:
On this 27th day of March, 2001, I,
B. Christopher Battles
a Notary Public in and for said county and in said state, hereby certify that
Robert D. Thomas and Maribeth G. Thomas, Married

whose name(s) are signed to the foregoing conveyance, and who are known to me, acknowledged before me that, being informed of the contents of the conveyance, they executed the same voluntarily and as their act on the day the same bears date.
Given under my hand and seal of office this the 27th day of March, 2001

My Commission expires: 2-25-2005



Notary Public

This instrument was prepared by
Brown and Battles, LLC
3150 Hwy 52 West
Pelham, AL 35124



**ADDENDUM TO MORTGAGE/DEED OF TRUST/
DEED TO SECURE DEBT/SECURITY DEED**

This ADDENDUM TO MORTGAGE/DEED OF TRUST/DEED TO SECURE DEBT/SECURITY DEED (also known as "Security Instrument") is made this 27th day of MARCH, 2001, and is incorporated into and amends the Security Instrument of the same date given by the undersigned (the "Borrower") to secure Borrower's Note (the "Note") to EQUIPRIME, INC.

(the "Lender")
of the same date and covering the Property described in the Security Instrument and located at:

504 MILL SPRINGS ROAD, BIRMINGHAM, ALABAMA 35244
(Property Address)

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

1. If the Security Instrument is a Second Mortgage Fannie Mae/Freddie Mac Uniform Instrument, then the provision entitled, "**Payment of Principal and Interest**" is amended to include prepayment charges as provided in any Prepayment Rider executed in connection with the Note.
2. The provision of the Security Instrument entitled, "**Application of Borrower's Payments and Insurance Proceeds**" or alternatively "**Application of Payments or Proceeds**," is deleted except for the last paragraph, and the application of payments is governed by the Addendum to Fannie Mae Note.
3. Unless prohibited by applicable law, the provision of the Security Instrument entitled, "**Acceleration; Remedies**" or alternatively "**Lender's Rights if Borrower Fails to Keep Promises and Agreements**," is supplemented by adding the following provisions:

"Additionally, Lender may require immediate payment in full of the entire amount remaining unpaid under the Note and this Security Instrument, if:

(1) On application of Lender, two or more insurance companies licensed to do business in the State in which the Property is located, refuse to issue policies insuring the buildings and improvements on the Property; or

(2) Borrower fails to make any payment required by a senior mortgage, deed of trust, deed to secure debt or other security instrument encumbering or affecting the Property or fails to keep any other promise or agreement in any senior mortgage, deed of trust, deed to secure debt or other security instrument encumbering or affecting the Property; or

(3) Borrower allows the Property to be used in connection with any illegal activity."



4. Unless prohibited by applicable law, in addition to the provisions in Section 3 above, if the Security Instrument is a Second Mortgage Fannie Mae/Freddie Mac Uniform Instrument the provision entitled **"Acceleration; Remedies"** or alternatively **"Lender's Rights if Borrower Fails to Keep Promises and Agreements"** is supplemented by adding the following:

"Lender may require immediate payment in full of the entire amount remaining unpaid under the Note and this Security Instrument, if any representation made or information given to Lender by Borrower in connection with Borrower's application for the loan evidenced by the Note is false or misleading in any material respect."

5. For a loan secured by Iowa real property:

- (a) The following sentence is added to the end of the provision of the Security Instrument entitled, **"Release,"**:

"Borrower shall pay any recordation and/or official costs in connection with this mortgage."

- (b) The following provision is added to the Security Instrument:

"NOTICE TO BORROWER. I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS MORTGAGE, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS MORTGAGED PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS MORTGAGE."

- (c) Unless otherwise preempted by applicable federal law, the prepayment penalty provisions are deleted in their entirety.

- (d) If this loan is subject to the provisions of the Iowa Consumer Credit Code, attorney's fees provisions are deleted in their entirety.

6. The provision of the Security Instrument entitled, **"Transfer of the Property or a Beneficial Interest in Borrower,"** is amended by changing the notice of default or acceleration to be at least **60 days** if the loan is secured by a secondary lien on real property in the State of Connecticut and at least **35 days** if the loan is secured by a lien on real property in the State of Oklahoma.
7. Language is added to the Montana Security Instrument after the provision entitled, **"Area of Property,"** as follows:

"26. Waiver of Homestead Provision.

The Property governed by this Security Instrument is not exempt from execution as a homestead under Montana Code Annotated Section 70-32-202."

8. For a loan secured by Ohio real property, the following language is added after the legal description section of the Security Instrument:

"This mortgage is given upon the statutory condition. "Statutory Condition" is defined in Section 5302.14 of the Revised Code and provides generally that if Borrower pays the indebtedness and performs the other obligations secured by this mortgage, pays all taxes and assessments, maintains insurance against fire and other hazards and does not commit or permit waste, then this mortgage will become null and void."

9. For a loan secured by South Carolina real property:

If the Security Instrument is Form 3841 the provision entitled, **"Waiver of Right of Appraisal,"** is deleted.

10. The provision of the Security Instrument entitled, **"Law That Governs This Security Instrument/Mortgage"** or alternatively **"Governing Law; Severability; Rules of Construction,"** is amended by deleting the first sentence and replacing it with the following language:

"This Security Instrument shall be governed by federal law and, to the extent not inconsistent with or more restrictive than federal law or regulation governing Lender, the laws of the jurisdiction in which the Property is located."

11. If the Security Instrument is a second or junior priority Security Instrument, then a provision is added to the Security Instrument as follows:

"WAIVER OF RIGHT TO INCREASE PRIOR MORTGAGE/DEED OF TRUST. Borrower hereby waives Borrower's rights if any, to increase any senior deed of trust, mortgage or other security instrument on the Property under any provision contained therein governing optional future advances, and, to the extent permitted by law, waives Borrower's rights under any law which provides for an increase of said prior deed of trust, mortgage, deed to secure debt or other security instrument to pay for repairs, improvements, replacements, taxes, municipal liens, assessments or other charges on the Property. If, notwithstanding the foregoing waiver, such funds are advanced to or on behalf of Borrower, whether voluntarily or involuntarily, Borrower agrees that Lender, at its option, may accelerate the indebtedness secured hereby."

12. A provision is added to the Security Instrument as follows:

"Borrower hereby acknowledges receipt, without charge, of a true copy of the Security Instrument."

13. **Escrow Waiver** ☒

If the box above has been checked, Lender waives the requirement for Borrower to make payment to Lender for the escrow items referred to in the paragraph of the Security Instrument entitled, "**Funds for Escrow Items**" or alternatively "**Funds/Monthly Payments for Taxes and Insurance.**" Borrower shall pay these obligations on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph, and receipts evidencing such payment.

14. **Force Placed Insurance**

If the Security Instrument is a Second Mortgage Fannie Mae/Freddie Mac Uniform Instrument, the Security Instrument is supplemented as follows:

"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, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Additionally, such insurance may be purchased through an insurance agency or company affiliated with Lender, which agency or company may earn a commission or other fees paid by the insurer. The costs may be more than the cost of insurance that Borrower may be able to obtain directly because Lender will be purchasing insurance under a general policy that does not consider Borrower's individual insurance situation. Any amounts disbursed by Lender under this forced placed insurance provision shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee regardless of whether such policy is established before, on, or after the date of this Security Instrument.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly.

Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. 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 the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the following order: advances under the Security Instrument and interest thereon, accrued interest under the Note, principal due under the Note, and any other outstanding obligations due under the Note or the Security Instrument.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under the provision of the Security Instrument entitled, "**Acceleration; Remedies**" or alternatively "**Lender's Rights if Borrower Fails to Keep Promises and Agreements**" or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due."

19. If the Security Instrument is assigned or transferred, all or a portion of this Addendum may be voided at the option of the assignee or transferee. The subject matter of any terms and provisions of this Addendum which are voided will be governed by the original terms of the Security Instrument.

Robert D. Thomas 3-27-01
Borrower Date
ROBERT D. THOMAS

Borrower Date

Borrower Date

Maribeth G. Thomas 3-27-01
Borrower Date
MARIBETH G. THOMAS

Borrower Date

Borrower Date

MULTISTATE ADDENDUM TO 1ST/2ND
Fannie Mae/Freddie Mac SECURITY INSTRUMENT
GENERIC (12/22/00)

Document Systems, Inc. (800) 649-1362

Inst # 2001-12902

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