

X

Inst # 2002-17840
04/17/2002-17840
12:51 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
009 MSB 201.95

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MORTGAGE

FHA CASE NO.

011:4917217

THIS MORTGAGE ("Security Instrument") is given on April 15, 2002
The grantor is Amanda Maria Sipper, an unmarried woman

("Borrower"). This Security Instrument is given to

Liberty Mortgage Corporation
which is organized and existing under the laws of State of Alabama, and whose address is
200 Williamsburg Office Park, Birmingham, Alabama 35216

One Hundred Eleven Thousand, Two Hundred Forty-Four and no/100-----
Dollars (U.S. \$ 111,244.00). 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
May 1, 2032. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced
by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with
interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of
Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby
mortgage, grant and convey to Lender and Lender's successors and assigns, with power of sale, the following described
property located in Shelby County, Alabama:

Lot 109, according to the Survey of Summerchase, Phase I, as recorded in
Map Book 23, Page 7, in the Probate Office of Shelby County, Alabama.

The proceeds of this loan have been applied on the purchase price of the
property described herein, conveyed to mortgagor/s simultaneously herewith.

which has the address of 104 Spring Street, Calera,
[Street]

[City]

Alabama 35040
[Zip Code]

("Property Address");

FHA ALABAMA MORTGAGE

ITEM 6584 (9606A)

(Page 1 of 6 pages)

6/96
GREATLAND ■
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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. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any 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, Interest and Late Charge. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. Monthly Payment of Taxes, Insurance, and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 *et seq.* and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

FIRST, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

SECOND, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

THIRD, to interest due under the Note;

FOURTH, to amortization of the principal of the Note; and

FIFTH, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. 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 (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. 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 the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. 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 place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other 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, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the Note rate, and at the option of Lender shall be immediately due and payable.

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 the 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.

8. **Fees.** Lender may collect fees and charges authorized by the Secretary.

9. **Grounds for Acceleration of Debt.**

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j - 3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property, but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within

from the date hereof, Lender may, at its option require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. **Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. **Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time of 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 9(b). 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. 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 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.

14. 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.

15. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. 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 Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "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 16, "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:

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender 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 18, 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 13. 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.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this paragraph 18 or applicable law.

19. **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.

20. **Waivers.** Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

21. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants 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)].

☐ Condominium Rider

☐ Graduated Payment Rider

☐ Growing Equity Rider

☐ Planned Unit Development Rider

☒ Other [Specify]

Interest Rate Buydown Addendum to Mortgage
FHA Tax-Exempt Financing Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in pages 1 through 6 of this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

(Seal) Amanda Maria Sipper (Seal)
-Borrower Amanda Maria Sipper -Borrower

(Seal) _____ (Seal)
-Borrower -Borrower

(Seal) _____ (Seal)
-Borrower -Borrower

Witness:

Witness:

STATE OF ALABAMA, Jefferson

County ss:

On this 15th day of April, 2002, I,

the undersigned

a Notary Public in and for said county and in said state, hereby certify that

Amanda Maria Sipper

_____, whose name is _____ is signed to the foregoing conveyance, and who is known to me, acknowledged before me that, being informed of the contents of the conveyance, she executed the same voluntarily and as her act on the day the same bears date.

Given under my hand and official seal of office this the 15th day of April, 2002.

My Commission expires: 4/21/04

William H. Halbrooks Notary Public

This instrument was prepared by William H. Halbrooks, #1 Independence Plaza, Suite 704, Birmingham, Alabama 35209

**2001 Series A (6.33%)
INTEREST RATE BUYDOWN ADDENDUM TO MORTGAGE**

This Buydown Agreement ("Agreement"), made and entered into this 15th day of April, 2002 by and between Amanda Marie Sipper ("Borrower"), and Liberty Mortgage Corporation ("Lender").

RECITALS

- A. Whereas the Borrower has made application to the Lender for a mortgage loan ("Loan") to be evidenced by a note ("Note") and secured by a first mortgage ("Security Instrument"); and
- B. Whereas the Lender has agreed to make the Loan to the Borrower subject to the temporary buydown interest rate reduction plan described in this Agreement, whereby funds are provided by the Alabama Housing Finance Authority ("AHFA") to the Lender to be held and disbursed in accordance with the terms of this Agreement.

NOW WHEREAS, to induce the Lender to make the Loan to be evidenced by the Note and Security Instrument, the parties hereto agree as follows:

1. The Lender, its successors and assigns, will receive \$ 2,510.40 from the AHFA the total amount of buydown funds ("Buydown Funds") set forth in the schedule in paragraph 2 below ("Buydown Schedule").
2. The Buydown Schedule below sets forth the financial terms of the buydown interest rate reduction plan, including the source and application of Buydown Funds. In addition to the amounts shown for principal and interest, the Borrower's total monthly payment will include an amount for taxes, hazard insurance and, if applicable, other required escrow deposits.

<u>Year</u>	<u>Monthly Payment Number</u>	<u>Effective Buydown Interest Rate</u>	<u>Monthly P & I Payment At Note Rate (6.33%)</u>	<u>Monthly P & I Payment Made By Borrower</u>	<u>Monthly Buydown Funds</u>	<u>Annual Buydown Funds</u>
(1)	01-12	4.33%	\$ <u>690.75</u>	- \$ <u>552.48</u>	= \$ <u>138.27</u>	X 12 = \$ <u>1,659.24</u>
(2)	13-24	5.33%	\$ <u>690.75</u>	- \$ <u>619.82</u>	= \$ <u>70.93</u>	X 12 = \$ <u>851.16</u>

3. The Lender will deposit the Buydown Funds in a non-interest bearing account in a financial institution whose accounts are insured by the FDIC. The Buydown Funds may be commingled with other deposits made by or on behalf of other parties under other buydown interest rate reduction plans.
4. The Lender agrees that it will apply the Buydown Funds as shown in the Buydown Schedule in paragraph 2 above under the column "Monthly Buydown Funds" to the amount of interest due for the scheduled monthly Note payment upon payment by the Borrower of the sum shown under the column "Monthly P & I Payment Made By Borrower". The benefit of the Buydown Funds will not be reflected in the Note nor shall the Note of Security Instrument be modified in any way whatsoever by this Agreement.
5. The entire monthly installment of principal and interest on the Note must be paid by the Borrower for the remainder of the term of the Loan beginning with the first monthly payment due after the Buydown Funds have been exhausted. However, if for any reason the Buydown Funds are not available, the Borrower shall remain liable for the full monthly payments of principal and interest due under the Note, unless otherwise provided by law.

6. The borrower acknowledges that the sole purpose of the Buydown Funds is for use by the Lender, its successors and assigns, to apply toward payment of the amount of interest due for the scheduled monthly installments under the terms of the Note over and above the monthly payment being made by the Borrower, as described in the Buydown Schedule in paragraph 2. The Buydown Funds cannot be used to pay any past due installment payments that are to be paid under the terms of the Note and this Agreement or to reinstate the Loan or otherwise cure any default of the Borrower on which the institution of foreclosure proceedings is based.
7. In the event the Borrower prepays the outstanding principal amount of the Loan in its entirety before the buydown Funds have been exhausted, the unused portion of the Buydown Funds shall be returned to the AHFA.
8. If the property securing the Note indebtedness is sold pursuant to a non-judicial foreclosure proceeding or pursuant to a judgement enforcing the Security Instrument, the unused portion of the Buydown Funds shall be returned to the AHFA.
9. Owner shall maintain the Property as single family owner-occupied residential property for residential purposes only, until the expiration of a 60-month Affordability Period. The affordability period will begin on the date of the purchase of the property. The Borrower agrees to notify the AHFA in writing, of any changes in the occupancy status of the property. The affordability period shall be terminated upon purchase of the property in foreclosure or deed in lieu of foreclosure or upon assignment of an FHA insured loan to HUD; provided, however, that the affordability period shall be reinstated in all respects if the owner of record to such termination event obtains ownership of the property at any time during the remainder of the initial affordability period.
10. The property will meet all applicable local codes and zoning ordinances in effect and applicable to the property and Borrower expressly authorizes inspection of the property by AHFA or AHFA's agent prior to or following the purchase of the property for a period not to exceed 60 months.
11. Borrower agrees that the property may not be sold, transferred or title to the property conveyed during the 60 month Affordability Period except to a borrower whose income is equal to or less than 80% of the area median income for a purchase price not to exceed 95% of the area median purchase price.
12. The AHFA is a third party beneficiary to the Agreement.
13. The Agreement shall be construed in accordance with the laws of the State of Alabama.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of the date first written above.

Amanda Maria Sipper
Amanda Maria Sipper - Borrower

- Borrower

Lender: _____

By: _____
Lender's Authorized Signatory

Name and Title

ALABAMA HOUSING FINANCING AUTHORITY
Single-Family Mortgage Revenue Bond Program
FHA TAX-EXEMPT FINANCING RIDER

THIS TAX-EXEMPT FINANCING RIDER is incorporated into and shall be deemed to amend and supplement the mortgage of the same date given by the undersigned ("Borrower" or "Mortgagor") to ("Lender" or "Mortgagee") and covering the property described in the Mortgage and located at 104 Spring Street, Calera, AL 35040. In addition to the covenants and agreements made in the Mortgage, Mortgagor and Lender further covenant and agree as follows:

Lender, or such of its successors or assigns as may be separate instrument assume responsibility for assuring compliance by the Mortgagor with the provisions of this Tax Exempt Financing Rider, may require immediate payment in full of all sums secured by this Mortgage if:

- (a) All or part of the property described in the Mortgage is sold or otherwise transferred (other than by devise, descent or operation of law) by Mortgagor to a purchaser or other transferee:
 - (i) Who cannot reasonably be expected to occupy the property as a principal residence within a reasonable time after the sale or transfer, all as provided in Section 143(c) and (i)(2) of the Internal Revenue Code; or
 - (ii) Who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, all as provided in section 143(d) and (i)(2) of the Internal Revenue Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143(d)(1); or
 - (iii) At an acquisition cost which is greater than 90 percent of the average area purchase price (greater than 110 percent for targeted area residences), all as provided in Section 143(e) and (i)(2) of the Internal Revenue Code; or
 - (iv) Who has a gross family income in excess of 115% of the applicable median family income (140% of the applicable median family income for a purchaser or transferee of a residence in a target area), except that 100% and 120% shall be substituted for 115% and 140%, respectively, if the purchaser or other transferee has a family of fewer than 3 individuals, all as provided in Sections 143(f) and (i)(2) of the Internal Revenue Code; or
- (b) Mortgagor fails to occupy the property described in the Mortgage without prior written consent of Lender or its successors or assigns described at the beginning of this Tax Exempt Financing Rider, or
- (c) Mortgagor omits or misrepresents a fact that is material, including without limitation, with respect to the provisions of Section 143 of the Internal Revenue Code in an application for the loan secured by this Mortgage.

References are to the 1986 Internal Revenue code in effect on the date of execution of the Mortgage and are deemed to include the implementing regulations.

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and provisions in this Tax-Exempt Financing Rider.

IN WITNESS WHEREOF, the Mortgagor has executed this Tax-Exempt Financing Rider and Addendum on this 15th day of April, 2002.

Signature: Amanda Maria Sipper Signature: _____

Amanda Maria Sipper

State of Alabama, County of Jefferson

I, the undersigned, a notary public in and for said county, in said state, hereby certify that Amanda Maria Sipper signed the foregoing Rider and known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Rider, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of April, 2002.

(Seal)

Notary Public

William H. Halbrooks

My Commission expires: 4/21/04

Inst # 2002-17940

04/17/2002-17940
12:51 PM CERTIFIED
SHFLBY COUNTY JUDGE OF PROBATE
003 HSB 201.95