

This instrument was prepared by
Patsy Hasley as an employee of RegionsMortgage, Inc., 605 South Perry
Street, Montgomery, AL 36104
Please return to above address when recorded.

FHA Case No.
011-4513500-703


20021205000605630 Pg 1/3 18.00
Shelby Cnty Judge of Probate, AL
12/05/2002 08:35:00 FILED/CERTIFIED

RMI# 010001659

-----[Space above this line for Recording Data]-----

SUBORDINATE MORTGAGE

THIS SUBORDINATE MORTGAGE ("Security Instrument") is given on **July 3, 2002**. The Mortgagor(s) is **Wayne R. Key Jr., 4559 Highway 18, Montevallo, AL 35115** ("Borrower"). This Security Instrument is given to the Secretary of Housing and Urban Development, and whose address is 451 Seventh Street, SW., Washington, DC 10410 ("Lender"). Borrower owes Lender the principal sum **Two Thousand Seven Hundred Forty Two Dollars and Fifty Five Cents (U.S. \$2,742.55)**. This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not paid earlier, due and payable on **August 1, 2029**. The Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, 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, warrant, grant and convey to the Lender, with power of sale the following described property located in **Shelby County, Alabama**:

Commence at the Northeast corner of fractional Section 12, Township 24 North, Range 12 East, Shelby County, Alabama and run South 2° 05' East for 648 feet; thence South 95° 25' West for 316.6 feet; thence South 2° West for 495 feet; thence South 5° 20' East for 274 feet; thence South 3° 25' East for 210.0 feet; thence South 11° 5' West for 222.3 feet; said point being on the Easterly right of way line of Alabama Highway No. 155 and being in a curve to the right with a radius of 5779.58 feet; thence South 48° 55' East along said right of way for a chord distance of 348.0 feet to a point of intersection with the Northerly right of way line of Shelby County Road No. 18; thence left 110° 21' 49" from tangent and run Northeasterly 241.50 feet to a point of curve to the right; said curve having a central angle of 1° 40' and a radius of 1185.92 feet; thence along arc of said curve for a distance of 34.50 feet to point of beginning; thence left 157° 21' 44" to tangent and run Northwesterly for 36.9 feet; thence right 69° 03' 24" and run Northwesterly for 99.46 feet; thence right 6° 00' 49" and run Northwesterly for 212.22 feet to the Southerly right of way line of a public road; thence right 153° 43' 42" to chord and run Southeasterly along chord for 176.43 feet; thence right 12° 07' 25" to chord and run Southeasterly for 159.8 feet; thence right 98° 13' 09" and run Southwesterly 71.30 feet to point of beginning.

which has the address of **4559 Highway, Montevallo, Alabama 35115**, ("Property Address");

TOGETHER WITH all the improvements now and 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 seized 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 or 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.

Borrower and Lender covenant agree as follows:

UNIFORM COVENANTS

1. Payment of Principal. Borrower shall pay when due the principal of the debt evidenced by the Note.

2. Borrower Not Released; Forebearance By Lender Not a Waiver. Extension of time of payment 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 successor 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.

3. 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. 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 term of this Security Instrument or the Note without that Borrower's consent.

4. 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: **Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street, SW, Washington, DC 10410 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.

5. 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

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

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

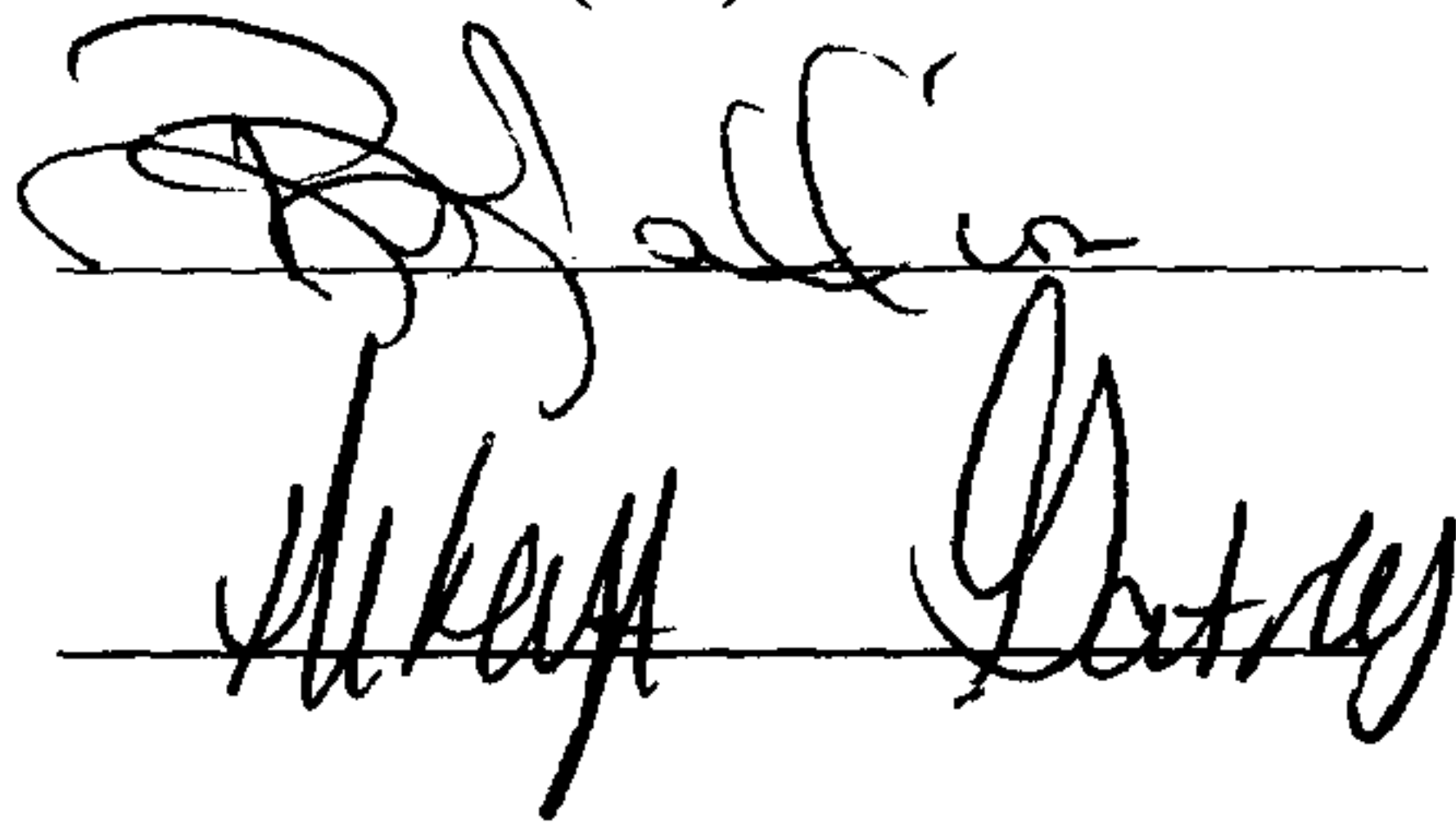
7. Acceleration; Remedies. [See instructions for state specific language]

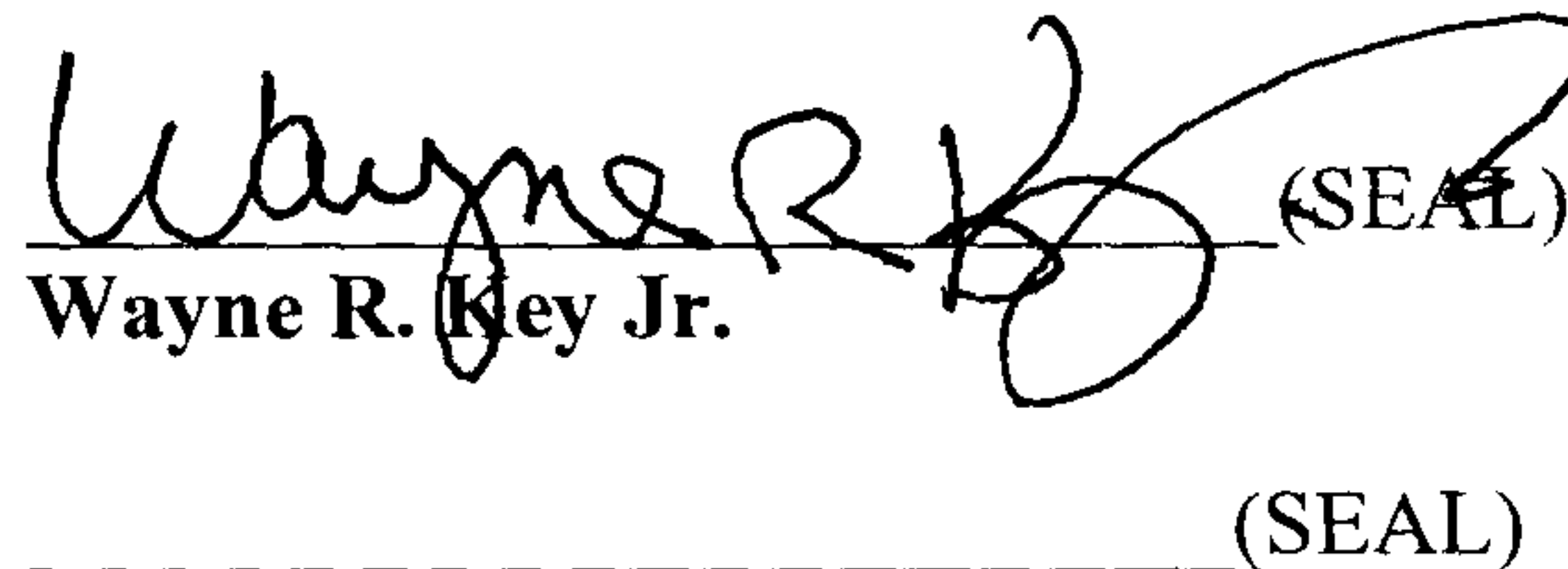
[The following language is mandatory in all cases.] If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under the Paragraph 7 of the Subordinate Note, the Secretary may invoke the nonjudicial power of sale provided in the 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 or applicable law.

[Add any state-specific paragraphs in accordance with attached instructions and the current edition of HUD Handbook 4165.1, Chapter 4.]

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

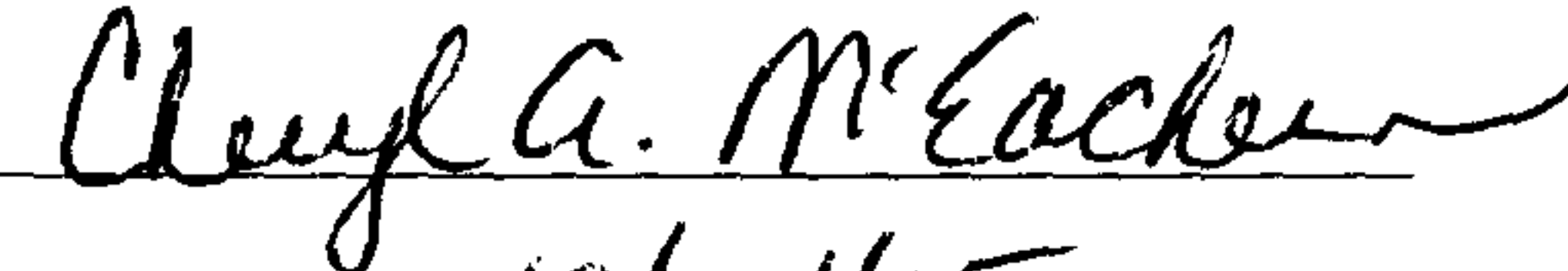
Witness(es):




Wayne R. Key Jr. (SEAL)
_____(SEAL)

State of Alabama
County of Shelby

On this 17th day of July, 2002, before by appeared to me personally known to be **Wayne R. Key Jr.**, the person(s) described in and who executed the foregoing instrument as Borrower(s) and acknowledged that they executed the same as their free act and deed.

Notary Public 
My commission expires: 10/24/05

-----[Space Below This Line for Acknowledgment]-----