

Chase Manhattan Mortgage Corporation
3415 Vision Drive
Columbus, Ohio 43219
Prepared by Christy Messer
Re # 1946200051
FHA Case No. 011-4765834-703

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SUBORDINATE MORTGAGE

This SUBORDINATE MORTGAGE ("Security Instrument") is given on October 15, 2002.

The Mortgagor (s) are Edward Scott Yancey and Edward Yancey whose address is 400 East Milgray Lane, Calera, Alabama 35040 (Borrower).

This Security Instrument is given to the Secretary of Housing and Urban Development, and whose address is P.O. Box 23699 Washington D.C., 20026(Lender). Borrower owes Lender the principal sum of SIX THOUSAND EIGHT HUNDRED FIFTY TWO DOLLARS AND 56/100 (U.S. \$6,852.56).

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 July 01, 2031.

This 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:

LOT 33, ACCORDING TO THE SURVEY OF SOUTHERN HILLS, SECTOR 6, PHASE II, AS RECORDED IN MAP BOOK 18, PAGE 79 IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA, BEING SITUATED IN SHELBY COUNTY, ALABAMA.

PARCEL NO.: 28-3-05-0-001-016-065

which has the address of 400 East Milgray Lane, Calera, Alabama 35040, ("Property Address");

TOGETHER WITH all the improvement now or hereafter erected on the property, an 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 forgoing 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 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.

When Recorded Mail to:

First American Title Company

3355 Michelson Way, Suite 250

Irvine, CA 92612

Attn: Amna Durrani

1381453

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; Forbearance by Lender Not a Waiver.** Extension of the 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, forbearance 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.** 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")(12U.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.

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

Witnesses:

Sheila J. Dennis
Witness Signature

Sheila J. Dennis
Printed Name of Witness

Edward Scott Yancey (Seal)
Edward Scott Yancey

Wade Dennis
Witness Signature

Wade Dennis
Printed Name of Witness

Sheila J. Dennis
Witness Signature

Sheila J. Dennis
Printed Name of Witness

Edward Yancey (Seal)
Edward Yancey

Wade Dennis
Witness Signature

Wade Dennis
Printed Name of Witness

_____{Space Below This Line for Acknowledgement}_____

STATE OF Alabama, COUNTY OF Shelby SS:

I, Ophelia Ann Clark-Sheffield a Notary Public of the county of
Shelby, State of Alabama, do hereby certify that Edward Scott Yancey
personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 23rd day of October, 2002.
My Commission Expires: 6/11/03

Ophelia Ann Clark-Sheffield
Notary Public

STATE OF Alabama, COUNTY OF Shelby SS:

I, Ophelia Ann Clark-Sheffield a Notary Public of the county of
Shelby, State of Alabama, do hereby certify that Edward Yancey
personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 23rd day of October, 2002.
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