20050824000436060 1/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT

After Recording Return To:

ADLI HIGHWAY 280 E. SUITE 210 ALKMINGHAM, ALABAMA 35242 Loan Number: AL/0206114330

RECORDER'S MEMORANDUM At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction.

MORTGAGE

MIN: 1002238-0206114330-9

DIFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3. 11. 13. 18. 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(N) "Security Instrument" means this document, which is dated JULY 28, 2005

. together

with all Riders to this document.

"Borrower" is CYNDY K THOMPSON, AN UNMARRIED WOMAN

Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is Mortgage Electronic Registration Systems. Inc. MERS is a separate corporation that is acting solicly as a nominee for Lender and Lender's successors and assigns. **MERS is the mortgage under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint. MI 48501-2026, tel. (888) 679-MERS.

(1) "Lender" is HOMETOWN MORTGAGE SERVICES, INC.

Lender is a ALABAMA CORPORATION existing under the laws of ALABAMA

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Lender's address is 5511 HIGHWAY 280 E. SUITE 210, BIRMINGHAM, ALABAMA 35342

(E) "Note" means the promissory note signed by Borrower and dated JULY 28, 2005

The Note states that Borrower owes Lender ONE HUNDRED FIFTY-THREE THOUSAND AND Dollars (U.S. \$153,000.00) plus interest.

Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than AUCHIST 1, 2035.

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

The "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and law charges due under the Mote, and all sums due under this Security Instrument, plus interest.

(H) "Riders" means all Riders to to be executed by Borrower Johee	this Security Instrument that are executed by k box as applicable):	y Borrower. The following Riders are
[Z] Adjustable Rate Rider	Condominium Rider	Second Home Rider
Balloon Rider	X Planned Unit Development Rider	X Other(s) [specify]
1 1-4 Family Rider	Biweekly Payment Rider	PREPAYMENT RIDER, ARELTRALION RIDER
· -	controlling applicable federal, state and local hat have the effect of law) as well as all ap	
1	dues, Fees, and Assessments" means all due	es. fees, assessments and other charge
	the Property by a condominium associatio	n. homeowners association or similar
organization. Ada "Bloctconic Funds Transfer	r" means any transfer of funds, other than a	transaction originated by check, deafe
	h is initiated through an electronic terminal	
	ruct, or authorize a financial institution to o	
•	int-of-sale transfers, accomated teller mach	ine transactions, transfor initiated by
delephone, wire transfers, and autorial "Escrow Items" means thos	omated creamignouse transfers. The items that are described in Section 3.	
	means any compensation, settlement, award	of damages, or proceeds pard by ans
•	proceeds paid under the coverages described	
•	condemnation or other taking of all or any pa	
	representations of, or omissions as to, the vanishing the insurance protecting Lender against the no	
	the regularly scheduled amount due for (i)	
plus (ii) any amounts under Sectio		
	Estate Settlement Procedures Act (12 U.S.C.)	
·	R. Part 3500), as they might be amended from that governs the same subject matter.	•
	ts and restrictions that are imposed in regard	
	as a "federally related mortgage loan" unde	
	orrower" means any party that has taken tit	· · · · · · · · · · · · · · · · · · ·
party has assumed borrower's out	ligations under the Note and/or this Security	onsuument.
TRANSFER OF RIGHTS IN	THE PROPERTY	
and modifications of the Note: this Security Instrument and the conveys to MERS (solely as	s to Lender: (i) the repayment of the and (ii) the performance of Borrower he Note. For this purpose. Borrower nominee for Lender and Lender's success. With power of sale, the following of SHELBY	's covenants and agreements under irrevocably mortgages, grants and coessors and assignmentally to the
SHE LEGAL DESCRIPTION AA.P.N. #: 09-4-17-3-002	ATTACHED HERETO AND MADE A PAR	e of Recording Jurisdiction THEREOF AS EXHIBIT "A".

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[Street]

BIRMINGHAM

. Alabama

35242 [Zip Code] ("Property Address"):

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 overed by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property," corrower understands and agrees that MERS holds only legal title to the interests gramed by Borrower in this Security instrument, but, if necessary to comply with law or custom, MERS (as nomined for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not finited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to 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, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and that charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due ander the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid. Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

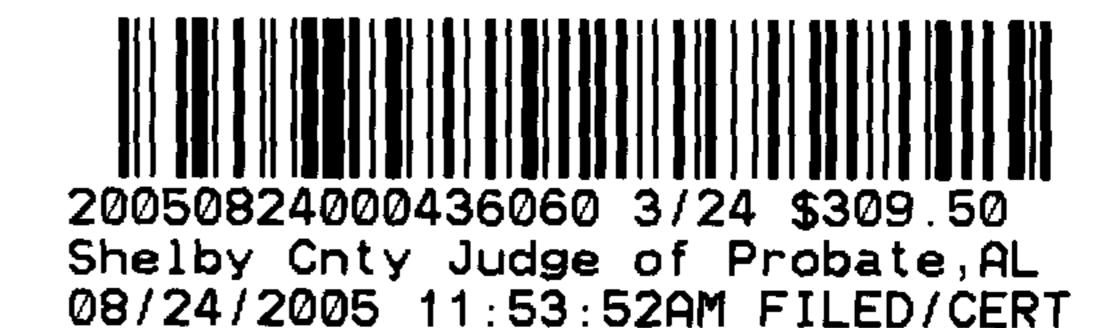
Payments are deemed received by Lender when received at the location designated in the Note of at such other operation as may be designated by Lender in accordance y[it] the notice provisions in Section 15. Lender may return any payment or partial payment of partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without shares of any right hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds multi Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time. Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim, which Borrower might have now or in the future against Lender shall relieve Borrower from making payments and order the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

- 2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.
- If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If

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more than one Periodic Payment is outstanding. Lender may apply any payment received from norrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Nay application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

5. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note: until the Note is paid in full, a sum (the "Funds") to provide for payment of anyone it is a sum (the "Funds") to provide for payment of anyone it. assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the efforeity: (b) leasehold payments or ground rents on the Property, if any: (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan. Lender may require that Community Association Dues. Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower' obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender cumis for any or all Eserow Items at any time. Any such waiver may only be in writing. In the event of such waiver. Porrower shall pay directly, when and where payable, the amounts due for any Escrow tiems for which payment or bunds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipt shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the plants. "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow hems directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item. Lender may exercise its rights under Section 2 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. a sinder must revoke the waiver as to any or all Eserow Items at any time by a notice given in accomiance with Section 15 and upon such revocation. Borrower shall pay to Lender all Funds, and in such amounts, that are then required ander this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future liserow Items or otherwise in accordance with Applicable Law.

the bands shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or emity checkeding Lender, if Lender is an institution whose deposits are so insured) or in any Leocrat Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can 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 as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA. Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, becoder shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary or make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Epon payment in full of all sums secured by this Security Instrument. Lender shair prompay retund to Borrower any Fands held by Lender.

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20050824000436060 4/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT 4. Charges: Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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, but only so lone as Borrower is performing such agreement: (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; 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 can attain priority over this Security Instrument. Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the cropurty insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not fimited 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 teasonably 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.

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. Any amounts disbursed by Lender under this Section 5 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, appear 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 mortgages addon 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.

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 multi-leader 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

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20050824000436060 5/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT 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 order provided for in Section 2.

If Borrower abandons the Property. Lender may the, negotiate and settle any available abandone abandone carrier has 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 Section 22 or otherwise. Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpoint under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of uncarned 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.

- 6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 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.
- 7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Porrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property free deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or testoration is not economically feasible. Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or is a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property. Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause. Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

- 8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process. Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with sometial information in connection with the Loan. Material representations include, but are not limited to representations concerning Borrower's occupancy of the Property as Borrower's principal residence.
- 2. Protection of Lender's Interest in the Property and Rights Under this Security Lastrament. If (a) isorrower fails to perform the covenants and agreements contained in this Security Instrument (b) there is a logal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a fien which may attain priority over this Security Instrument or to enforce laws or regulations), or (e) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a fien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable automosys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its security position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or

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20050824000436060 6/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9. Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 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.

If this Security Instrument is on a leasehold. Borrower shall comply with all the provisions of the lease. It Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage hasmance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such ansurance and Borrower was required to make separately designated payments toward the premiums for Mortgage insurance. 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 selected by Lender. If substantially equivalent Mortgage misurance coverage is not available. Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable. notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or carnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance. Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until ender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements. Lender, any purchaser of the Note, another insurer, any reinsurer, any other emity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed leaptive reinsurance." Further:

- (a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.
- (b) Any such agreements will not affect the rights Borrower has if any with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds 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 Miscellaneous Proceeds until Lender has had an apportunity 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 pay for the repairs and restoration in a single disbursement 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 Miscellaneous Proceeds. Lender shall not be required to pay Borrower aminterest or carnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security tandament, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous 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.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the property immediately before the partial taking, destruction, or loss in value is equal to or greater man the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unters Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the tair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous 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 Opposing Party (a) defined in the next sentence) offers to make an award to 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 Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's indigment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or trefter under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. 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 Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to 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 any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation. Lender's acceptance of

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20050824000436060 8/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT paraments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument only to mortgage, this trument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, that and convey the co-signer'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 can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's right, and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan 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 (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be having. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower's change of address, then Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by tederal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such sitence shall not be constitued as a prohibition against agreement by contract. 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.

ALABAMA Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS Form 3001 01/01 Page 9 of 13

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20050824000436060 9/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice sersu; and (c) the word "may" gives sole discretion without any obligation to take any action.

- 17. Porrower's Copy. Borrower shall be given one copy of the Note and of this accuracy instrument
- 18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18. "Interest in the Property," means any legal or beneficial interest in the Property, including, but not limited to those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the nuclear of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred for if Borrower is not; natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent. Funder may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

- period of not less than 30 days from the date the notice is given in accordance with Section 15 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 of demand on isorrower.
- 19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions. Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the entire entire of five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; the such other period as Applicable Law might specify for the termination of Borrower's right to reinstates or colentry of a indemocni enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which the a would be due under this Security Instrument and the Note as if no acceleration had occurred: (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes on a action as Lender may reasonably require to assure that Lendur's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. is ender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms. as selected by Lender: (a) eash: (b) money order; (c) certified check, bank check, treasurer's check or cashier's check provided any such check is drawn upon an institution whose deposits are insured by a rederia agency, association or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.
- 20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer annelated as a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which is its state the name and address of the new Loan Servicer, the address to which payments should be made and and and other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and there are the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigam or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirement of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the global analysis action. If Applicable Law provides a time period which must chapte before certain action.

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20050824000436060 10/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity of an acceleration given provisions of this Section 20.

24. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes 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; (b) "Environmental Law" means federal tows and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; co "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone elected do, anything affecting the Property (a) that is in violation of any Environmental Law. (b) which creates and Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. 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 (including, but not limited to, bazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, tawsuit or outer 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. (b) any Environmental Condition, including but not finited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, 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. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

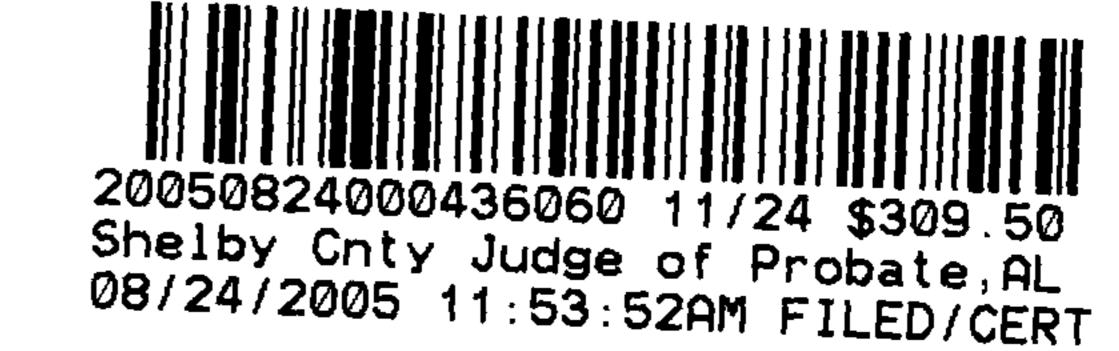
MON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. 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 Section 18 onless 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 reinstate after acceleration and 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 an expenses incurred in pursuing the remedies provided in this Section 22, 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 Section 15. 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:

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(b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons regally entities to it.

- 23. Release. Upon payment of all sums secured by this Security Instrument. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.
- 24. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

PEFFORE YOU SIGN IT. WHOMPSON	(ALA CODE 5-19-6)	THOROUGHLY READ THE	CONTRACT (Seal, -Borrower
	-Borrower		-Borrowe
	(Seal) -Borrower		-Borronc:
Witness:		Witness:	

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Jefferson

the undersigned

Allenie of willeger

a Notary Public in and for said County in said State (or for said State at Earge), hereby certify the

whose name(s) is/are signed to the foregoing Security Instrument, and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Security Instrument, he/she/they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal of office this

28thday of

July, 2005

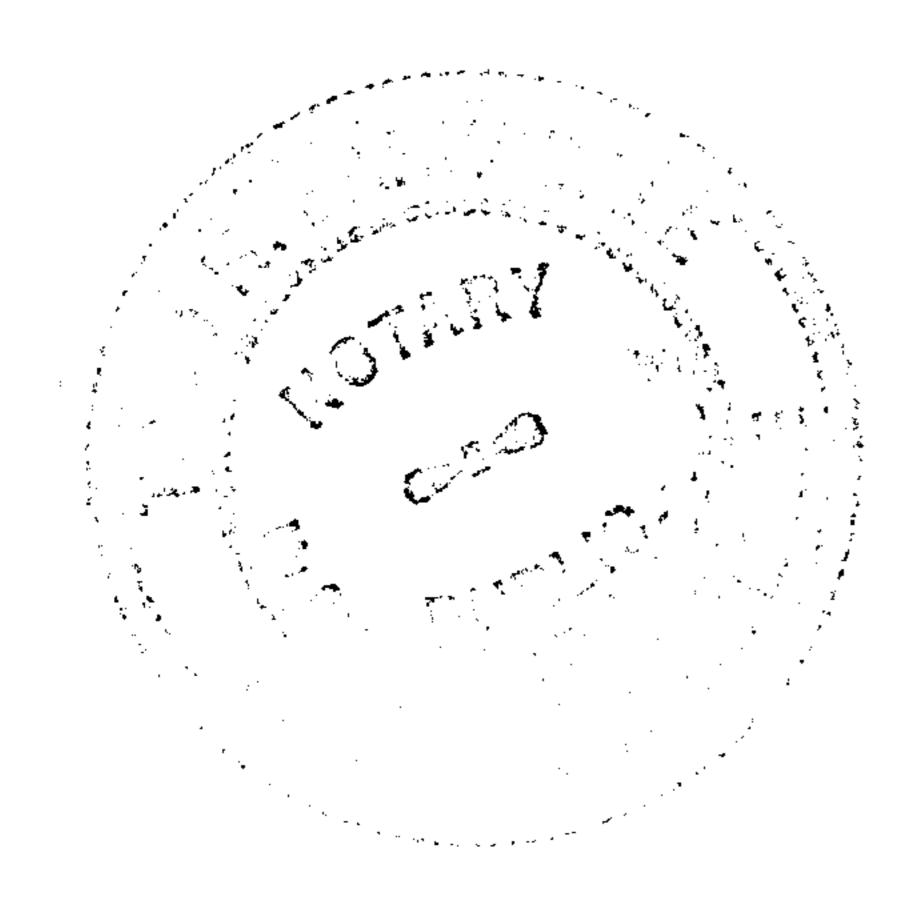
Notary Public

(Seal)

My commission expires:

02/20/09

This hisriment was prepared by:



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ADJUSTABLE RATE RIDER

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*) - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 28th day of JULY, 2005 and is incorporated into and shall be deemed to amend and supplement the Mortgage. Deed of Trust, or Scenrity Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to HOMETOWN MORTGAGE SERVICES, LNC., AN ALABAMA CORPORATION

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

237 REACH WAY, BIRMINGHAM, ALABAMA 35242

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

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 an initial interest rate of 8.950 %. 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 AUGUST, 2008 and on that day every 6th month thereafter. Each date on which my interest 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 six month U.S. dollar-denominated deposits in the London market "IABOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first musiness day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

MULTISTATE ADJUSTABLE RATE RIDER-LIBOR SIX-MONTH INDEX
(AS PUBLISHED IN THE WALL STREET JOURNAL)

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(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding ETGHT AND 000/1000 percentage points (8.000 %) to the Current Index. The Note Holder will then round the result of this addition 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.

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) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 11.950 % or less than 8.950 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than TWO AND 000/1000

percentage points (2.000%) from the rate of interest have been paying for the preceding 6 months. My interest rate will never be greater than 14.950%. My interest rate will never be less than 8.950%.

(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 to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18. "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent. Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan

MULTISTATE ADJUSTABLE RATE RIDER--LIBOR SIX-MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL)

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20050824000436060 15/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law. Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full. Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 50 days from the date the notice is given in accordance with Section 15 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.

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

(Seal) -Borrower	Mondo (Seal) YNDY K THOMPSON -Borrower
(Seal) -Borrower	-Borrower
-Borrower	(Seal) -Borrower

MULTISTATE ADJUSTABLE RATE RIDER--LIBOR SIX-MONTH INDEX
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Loan Number: AL/0206114330

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT	DEVELOPMENT RIDER	is made thi		city of
JULY, 2005	. and is incorpe	orated into and	I shall be deemed to	•
supplement the Mortgage. Dee	ed of Trust, or Security Deed	(the "Security	Instrument") of the	same date
given by the undersigned (the	"Borrower") to secure Borrow	ver's Note to	HOMETOWN	
MORTGAGE SERVICES,	INC., AN ALABAM.	A CORPOR.	ATION	
the "Lender") of the same date	and covering the Property desc	cribed in the Se	ecurity Instrument and	d located ar:

237 REACH WAY, 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 OF RECORD

(the "Declaration"). The Property is a part of a planned unit development known as

MARROWS REACH

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent cuttivowning or managing the common areas and facilities of the PUD (the "Owners Association,") and the uses. In inefits 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 of 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 lowe or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due all discount assessments imposed pursuant to the Constituent Documents.
- B. Property 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 London and which provides insurance coverage in the amounts (including deductible levels), for the periods, and 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, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Londer of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

MULTISTATE PUD RIDER-Single Family Familia Mac/Freddie Mac UNIFORM INSTRUMENT Form 3150-1/01

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20050824000436060 17/24 \$309.50 Shelby Cnty Judge of Probate, AL 08/24/2005 11:53:52AM FILED/CERT What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a toss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are increby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, 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 torm, and 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 Section 11.
- 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 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.

Page 2 of 3

MULTISTATE PUD RIDER-Single Family
Tannie Mac/Freddie Mac UNIFORM INSTRUMENT
Form 3150-1/01

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MULTISTATE PUD RIDER--Single Family
Fannie Mac/Freddie Mac UNIFORM INSTRUMENT

Form 3150 1/01

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Loan Number AL/0206114330

ARBITRATION RIDER

THIS RIDER is made this 28th day of JULY, 2005 and is incorporated into and shall be deemed to amend and supplement the Mortgage. Deed of Tract or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note (the "Note") to HOMETOWN MORTGAGE SERVICES, INC., AN ALABAMA CORPORATION (the "Lender") of the same date and encumbering the property described in the Security Instrument and located at:

237 REACH WAY, BIRMINGHAM, ALABAMA (Property Address)

As used in this Rider the term "Lender" includes Lender's successors and assigns and the company servicing the Note on Lender's behalf (the "Servicer").

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

ARBITRATION OF DISPUTES. All disputes, claims, or controversies arising from or related to the loan evidenced by the Note (the "Loan"), including statutory claims, shall be resolved by binding arbitration, and not by court action, except as provided under "Exclusions from Arbitration" below. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act (9 U.S.C. §§ 1-14). In any arbitration hereunder, the arbitrator shall be appointed by, and the arbitration conducted pursuant to the rules of procedure of, any one of the following arbitration service providers as shall be selected by the party initiating such arbitration: National Aronration Forum. American Arbitration Association, or JAMS/Endispute. However, if any law applicable to the Loan requires mortgage lenders to engage, or would otherwise impose enhanced regulatory restrictions on mortgage loans that to not engage, any particular arbitration service provider, the parties agree to engage such specified provider. Any arbitration hearing shall be conducted within the Federal judicial district in which the Property is located, or within such other or more limited area as required by any applicable law. The arbitrator shall set forth in the award findings of fact and conclusions of law supporting the decision which must be based on applicable law and supported by substantial evidence presented in the proceeding. Judgment upon the award may be entered by any court of competent jurisdiction. An displace sange can arbitration under this agreement shall be arbitrated individually, and shall not be subject to being joined or combined in any proceeding with any claims of any persons or class of persons other than Borrower or Lender.

FEES OF ARBITRATOR. In any arbitration that pertains solely to the Loan initiated by Borrower, Borrower shall not be required to pay more than \$125 in initial filing fees to the arbitrator. The Lender shall pay any balance of such initial fees. In addition, the Lender shall pay all other fees and costs of the arbitrator for the first eight (8) hours of arbitration of any such case. The arbitrator's costs and fees for services in excess of eight (8) hours shall be the responsibility of the losing party in the arbitration. In no event, however, shall either party be responsible for any fees or expenses of any of the other party's attorneys, witnesses, or consultants, nor any other expenses for which such other party reasonably would have been expected to be liable had such other party initiated a suit in the courts of the jurisdiction in which the Borrower resides regarding a similar dispute.

ARBITRATION RIDER SAX FORM R301 (12/11/99)

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EXCLUSION FROM ARBITRATION. This agreement shall not limit the right of Lender to (a) accelerate or require immediate payment in full of the secured indebtedness or exercise the other Remedies described in this Security Instrument before, during, or after any arbitration, including the right to foreclose against or sell the Property: (b) exercise the rights set forth in the Uniform Covenant labeled "Protection of Lenders' Rights in the Property" contained in this Security Instrument, or (c) exercise of the right under the ecous of this Security Instrument to require payment in full of the indeby the angle of the Property or a beneficial interest therein. Should Borrower appear in and contest any judicial proceeding initiated by Lender under this Exclusion, or initiate any judicial proceeding to chancing any action authorized by this Exclusion, without asserting any counterclaim or seeking affirmative relief against Lender, then upon request of Borrower such judicial proceedings shall be stayed or dismissed, and the matter shall proceed to arbitration in accordance with the section paidled "Arbitration of pisputes". Any dispute may could otherwise have been asserted as a counterclaim or grounds for relief in such a judicial proceeding shall be resolved solely in accordance with the section entitled "Arbitration of Disputes".

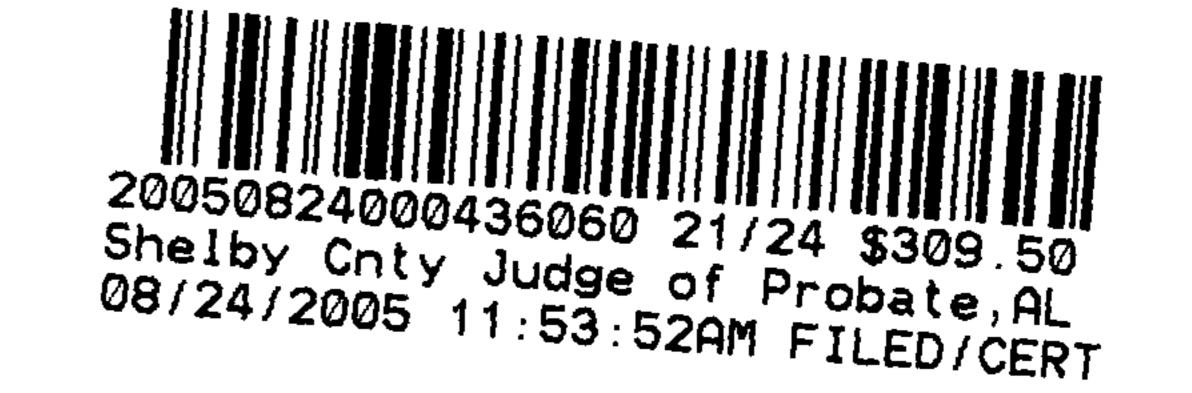
No provision of this agreement shall limit the right of Borrower to exercise Borrower's rights under the Uniform Covenant labeled "Borrower's Right to Reinstate".

NOTICE: BY SIGNING THIS ARBITRATION RIDER YOU ARE AGREED OF THAT I AND DISPUTE ARISING OUT OF THE MATTERS DESCRIBED IN THE 'ARBITRATION OF DISPUTES' SECTION ABOVE DECIDED EXCLUSIVELY BY ARBITRATION, AND YOU ARE GIVEN OF ANY RIGHTS YOU MIGHT HAVE TO LITIGATE DISPUTES IN A COURT OR JURY TRIAL. DISCOVERY AN ARBITRATION PROCEEDINGS MAY BE LIMITED BY THE RULES OF PROCESS AS RECEIVED. SELECTED ARBITRATION SERVICE PROVIDER.

THIS IS A VOLUNTARY ARBITRATION AGREEMENT. IF YOU DECLINE TO SIGN THIS ARBITRATION AGREEMENT. LENDER WILL NOT REFUSE TO COMPLETE THE LOAN TRANSACTION BECAUSE OF YOUR DECISION.

BY SIGNING BELOW. Borrower accepts and agrees to the provisions contained in this Rider.

Cemux Mondo	De 1/28/3	5		
CYNDY K THOMPSON	Date	Borrower		
Borrower	Date	Borrower		1):((*)
Borrower	Date	Borrower		Date
ARBITRATION RIDER SAX FORM R301 (12/11/99)	Page 1		DocMagic C	docmagic, com



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PREPAYMENT RIDER

Loan No.: AL/0206114330

Date. JULY 28, 2005

Borrower(s): CYNDY K THOMPSON

FOR VALUE RECEIVED, the undersigned ("Borrower") agree(s) that the following provisions shall be incorporated into and shall be deemed to amend and supplement the Mortgage. Deed of Trust or Security Deed of even date herewith (the "Security Instrument") executed by Borrower, as trustor or mortgagor, in favor of HOMETOWN MORTGAGE SERVICES, INC., AN ALABAMA ("Lender").

"Note") executed by Borrower in favor of Lender. To the extent that the provisions of this Prepayment Rider (the "Rider") are inconsistent with the provisions of the Security Instrument and/or the Note, the provisions of this Rider shall prevail over and shall supersede any such inconsistent provisions of the Security Instrument and/or the Note.

Section 4 of the Note is amended to read in its entirety as follows:

"BORROWER'S RIGHT TO PREPAY; PREPAYMENT CHARGE

Thave the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment. I will tell the Note Holder in writing that I am doing so. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes.

If within THIRTY SIX (36) months from the date of execution of the Security Instrument I make a full or partial prepayment(s). I will pay a prepayment charge in an amount equal to a percentage of the principal so prepaid in accordance with the following schedule:

If paid during the first year from date hereof. FIVE percent (5.000%) of the portion of such prepayment equal to the principal amount so prepaid.

It paid during the second year from date hereof. THREE percent (3.000%) of the portion of such prepayment equal to the principal amount so prepaid.

If paid during the third year from date hereof. ONE percent (1.900%) of the portion of such prepayment equal to the pricipal amount so prepaid.

If paid during the fourth year from date hereof, N/A percent (N/A%) of the portion of such prepayment equal to the principal amount so prepaid.

If paid during the fifth year from the date hereof, N/A per

percent (N/A %)

PRIPAYMENT RIDER

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of the portion of such	prepayment equal	to the principal absorbant		
IN WITNESS WHEREOF, B	orrower has execute	d the Rider on the	day of	
ander The	MM 64/28/	65		
Borrower TYNDY K THOMPSON	Date	Borrower		Date
BOTTONCT	Date	Borrower		Dage

Date

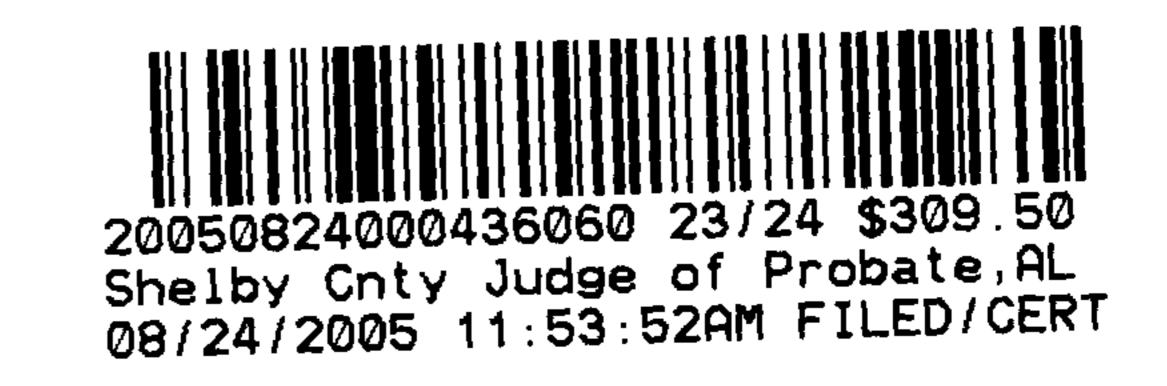
Borrower

PRIDAYMENT RIDER

BOTTONET

больный 88 день, Inc. (80)) (649-1362)

Page 2 of 2



Loan Number: AL/0206114330

Date: JULY 28, 2005

Property Address: 237 REACH WAY, BIRMINGHAM, ALABAMA 35242

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 35, according to the Amended Plat of Final record Plat of Narrows Reach, as recorded In Map Book 27, Pages 11A and 11b, in the Probate Office of Shelby County, Alabama.

A.E.N. # : 09-4-17-3-002-013.000

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