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This document prepared by:

Quicken Loans Inc.
20555 Victor Parkway
Livonia, MI 48152

Record and Return To:
Sharyn Labby
Quicken Loans Inc.
20555 Victor Parkway
Livonia, MI 48152

MIN 100039046922244773(Space Above This Line for Recording Data) 4692224477p

# MORTGAGE

**WORDS USED OFTEN IN THIS DOCUMENT:**

(A) **Security Instrument.** This document, which is dated July 22, 2005 , will be called the "Security Instrument."

(B) **Borrower.** Louis J. Lovoy, Jr. and Debra H. Lovoy, husband and wife

residing at 1321 14th Street , Pleasent Grove, AL 35127 sometimes will be called "Borrower" and sometimes simply "I" or "me." Borrower is the Grantor under this Security Instrument.

(C) **Lender.** Quicken Loans Inc. will be called "Lender." Lender is a corporation that exists under the laws of the State of Michigan. Lender is the Grantee under this Security Instrument. Lender's address is 20555 Victor Parkway, Livonia, MI 48152 .

(D) **MERS.** "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the mortgagee under this Security Instrument.** MERS exists 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.

(E) **Note.** The Home Equity Line Agreement, Disclosure Statement and Note signed by Borrower and dated July 22, 2005 will be called the "Note." The Note provides for loan advances to be made by the Lender to the Borrower from time to time, and for a period not to exceed 10 years (the "Draw Period"), during which loan advances may be repaid and reborrowed up to an amount not to exceed the sum of US $34,700.00 . The Note also provides that after the Draw Period terminates, the then outstanding balance must be repaid within 20 years.

(F) **Property.** The Property that is described below in the section titled "Description of the Property," will be called the "Property."

(G) **Sums Secured.** The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "Sums Secured."

**BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY:**

I mortgage, warrant, grant and convey the Property, with power of sale, to MERS (solely as nominee for Lender and Lender's successors and assigns) and its successors and assigns subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving the Lender those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

(A) Pay all the amounts that I owe Lender as stated in the Note;

(B) Pay, with interest, any amounts that Lender spends under Paragraph 6 of this Security Instrument to protect the value of the Property and Lender's rights in the Property; or

(C) Keep all of my other promises and agreements under this Security Instrument.



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I understand and agree that MERS holds only legal title to the rights granted by me in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successor and assigns) has the right:

(A) to exercise any or all of those rights, including, but not limited to, the right to foreclose and sell the Property; and

(B) to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

**DESCRIPTION OF THE PROPERTY:**
I give MERS (solely as nominee for Lender and Lender's successors and assigns) rights in the Property described in (A) through (I) below:

(A) The Property which is located at 253 Chadwick Ln, Helena, AL 35080

This Property is in Shelby County. It has the following legal description:
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.
SUBJECT TO COVENANTS OF RECORD.

(B) All buildings and other improvements that are located on the Property described in Subparagraph (A) of this Paragraph;

(C) All easements, rights and appurtenances attached to the Property that I have as owner of the Property described in Subparagraph (A) of this Paragraph;

(D) All rents or royalties from the Property described in Subparagraph (A) of this Paragraph;

(E) All mineral, oil and gas rights and profits, water rights and stock that are part of the Property described in Subparagraph (A) of this Paragraph;

(F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in Subparagraph (A) of this Paragraph;

(G) All fixtures that are now or in the future will be on the Property described in Subparagraphs (A) and (B) of this Paragraph;

(H) All of the rights and Property described in Subparagraphs (B) through (G) of this Paragraph that I acquire in the future; and

(I) All replacements of or additions to the Property described in Subparagraphs (B) through (H) of this Paragraph.

**BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY:**
I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

**PLAIN LANGUAGE SECURITY INSTRUMENT:**
This Security Instrument contains uniform promises and agreements that are used in real property security instruments all over the country. It also contains non-uniform promises and agreements that vary, to a limited extent, in different parts of the country. My promises and agreements are stated in "plain language."

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**UNIFORM COVENANTS**

I promise and I agree with Lender as follows:

**1. BORROWER'S PROMISE TO PAY:** I will pay to Lender on time principal and interest due under the Note and all late charges and other charges due under the Note.

**2. APPLICATION OF BORROWER'S PAYMENTS:** Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraph 1 above in the following order and for the following purposes: First, to finance charges under the Note; next, to all other fees and charges due; and last, to principal.

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**3. BORROWER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS:** I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property.

Any claims, demand or charge that is made against the Property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation, but only so long as I continue paying the obligation in accordance with my written agreement; (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up, but only during the lawsuit; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien that is not permissible under one of these three exceptions, Lender may give Borrower a notice identifying the superior lien. Borrower shall pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**4. BORROWER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE:** I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premium and renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then the Lender may do so.

The amount paid by the insurance company is called the "proceeds." The proceeds will be used to repair or to restore the damaged Property unless: (A) it is not economically feasible to make the repairs or restoration; (B) the use of the proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (C) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Security Instrument. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may collect the proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property under Paragraph 18 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the Sums Secured immediately before the Property is acquired by Lender or sold.

**5. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL ANY LEASE OBLIGATIONS:** I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the Property, I will fulfill my obligations under my lease. I also agree that, if I acquire the fee title to the Property, my lease interest and the fee title will not merge unless Lender agrees to the merger in writing.

**6. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY; MORTGAGE INSURANCE:** If (A) I do not keep my promises and agreements made in this Security Instrument; or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or

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regulations), Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property . Lender's actions may include appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Lender may, but is not required to, give me notice before Lender takes any of these actions. Although Lender may take action under this Paragraph 6, Lender does not have to do so.

I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 6. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this Paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to applicable law. In addition to the above, Lender shall have a right (but not an obligation) to make payments on any prior mortgage and demand that such sums be paid to it immediately with interest at the Note rate.

**7. LENDER'S RIGHT TO INSPECT THE PROPERTY:** Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before or at the time an inspection is made, Lender must give me notice stating a reasonable purpose for the inspection.

**8. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY:** A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the Sums Secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by the following fraction: (A) the total amount of the Sums Secured immediately before the taking, divided by (B) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any monthly payments under the Note and under Paragraph 1 above. However, Lender and I may agree in writing to those delays or changes.

**9. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS:** (A) Borrower's Obligations - Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Security Instrument, even if Lender is requested to do so.

(B) Lender's Rights - Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 18 below to demand that I make immediate payment in full of the amount that I owe to Lender under the Note and under this Security Instrument.

**10. OBLIGATIONS OF BORROWER AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS:** Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

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If more than one person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (A) that person is signing this Security Instrument; (B) that person is not personally obligated to pay the Sums Secured; and (C) that person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights or to modify or make any accommodations with regard to the terms of this Security Instrument or the Note without that person's consent.

**11. LOAN CHARGES:** If the loan secured by this Security Instrument 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 permitted limits: (A) any such loan charges 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 under the Note.

**12. LEGISLATION AFFECTING LENDER'S RIGHTS:** If a change in applicable law would make any provision of the Note or this Security Instrument unenforceable, Lender may require immediate payment in full of all Sums Secured by this Security Instrument.

**13. NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT:** Any notice that must be given to me under this Security Instrument will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice will be addressed to me at the address stated in the section above titled "Description of the Property." A notice will be given to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Security Instrument will be given by mailing it to Lender's address stated in Paragraph (C) of the section above titled "Words Used often in this Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph 13 or of applicable law.

**14. LAW THAT GOVERNS THIS SECURITY INSTRUMENT:** This Security Instrument is governed by federal law and the law that applies in the place where the Property is located. If any term of this Security Instrument or of the Note conflicts with the law, all other terms of this Security Instrument and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Security Instrument and of the Note which conflict with the law can be separated from the remaining terms and the remaining terms will still be enforced.

**15. BORROWER'S COPY:** I will be given one conformed copy of the Note and of this Security Instrument.

**16. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED:** Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may require immediate payment in full if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person. However, Lender shall not require immediate payment in full if this is prohibited by federal law on the date of this Security Instrument.

**17. BORROWER'S RIGHT TO HAVE LENDER'S ENFORCEMENT OF THIS SECURITY INSTRUMENT DISCONTINUED:** Even if Lender has required immediate payment in full, I may have the right to have enforcement of this Security Instrument discontinued. I will have this right at any time before sale of the Property under any power of sale granted by this Security Instrument or at any time before a judgment has been entered enforcing this Security Instrument if I meet the following conditions:

(A) I pay to Lender the full amount that would have been due under this Security Instrument and the Note if Lender had not required immediate payment in full;

(B) I correct my failure to keep any of my other promises or agreements made in this Security Instrument;

(C) I pay all of Lender's reasonable expenses in enforcing this Security Instrument including, for example, reasonable attorneys' fees; and

(D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property, Lender's rights under this Security Instrument, and my obligations under the Note and under this Security Instrument continue unchanged.

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If I fulfill all four of these conditions, then the Note and this Security Instrument will remain in full effect as if immediate payment in full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required immediate payment in full under Paragraphs 12 or 16 above.

## NON - UNIFORM COVENANTS

I also promise and agree with Lender as follows:

**18. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS: Lender shall give notice to me prior to acceleration following my breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Paragraphs 12 or 16 unless 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 me, 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 me of my right to have Lender's enforcement of this Security Instrument discontinued after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense I may have 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 all expenses incurred in pursuing the remedies provided in this Paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.**

**If Lender invokes the power of sale, Lender shall give a copy of a notice to me in the manner provided in Paragraph 13. Lender shall publish the notice of sale once a week for three consecutive weeks in a newspaper published in** Shelby **County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the front door of the County Courthouse of this County. Lender shall deliver to the purchaser Lender's deed conveying the Property. Lender or its designee may purchase the Property at any sale. I covenant and agree that the proceeds of the sale shall be applied in the following order: (A) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (B) to all Sums Secured by this Security Instrument; and (C) any excess to the person or persons legally entitled to it.**

**19. LENDER'S OBLIGATION TO DISCHARGE THIS SECURITY INSTRUMENT:** Upon payment of all Sums Secured by this Security Instrument, Lender shall release this Security Instrument. I shall pay any recordation costs. Lender may charge me 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.

**20. WAIVERS:** I waive all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

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**Request for Notice of Default and Foreclosure**
**Under Superior Mortgages and Deeds of Trust**

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

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BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 7 of this Security Instrument and in any rider(s) signed by me and recorded with it.

Louis J. Lovoy, Jr. 07/22/2005
Louis J. Lovoy, Jr. Borrower

Debra H. Lovoy 07/22/2005
Debra H. Lovoy Borrower

Borrower

Borrower

STATE OF ALABAMA }
} ss:
COUNTY OF Shelby }

On the 22nd day of July, in the year 2005, before me, the undersigned, a notary public in and for said state, personally appeared Louis J. Lovoy, Jr. and Debra H. Lovoy, husband and wife

personally known to me or proved to me on the basis of satisfactory evidence, to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual or the person upon behalf of which the individual(s) acted, executed the agreement.

My Commission Expires: 12/08/05

Notary Public Shelby County, Alabama
F Wayne Keith

OFFICIAL SEAL
F. WAYNE KEITH
NOTARY PUBLIC – ALABAMA
STATE AT LARGE
My Comm. Expires 12-8-2005

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EXHIBIT "A"

Lot 15, according to the Survey of Chadwick Sector 4 as recorded in Map Book 20, Page 38, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

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