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58-CV-2016-900856.00
CIRCUIT COURT OF
SHELBY COUNTY, ALABAMA
MARY HARRIS, CLERK

IN THE CIRCUIT COURT OF SHELBY COUNTY, ALABAMA

FAIRWAY INDEPENDENT MORTGAGE
CORPORATION,

Plaintiff,

v.

BENJAMIN R. ARRINGTON, II, VALENCIA E.
ARRINGTON, THE SECRETARY OF HOUSING
AND URBAN DEVELOPMENT, REPUBLIC
FINANCE, LLC, AND PORTFOLIO RECOVERY
ASSOCIATES, LLC.

Defendants.

CASE NO.: 58-2016-CV-900856.00

**DEFAULT JUDGMENT AND FINAL ORDER
AS TO PORTFOLIO RECOVERY ASSOCIATES, LLC**

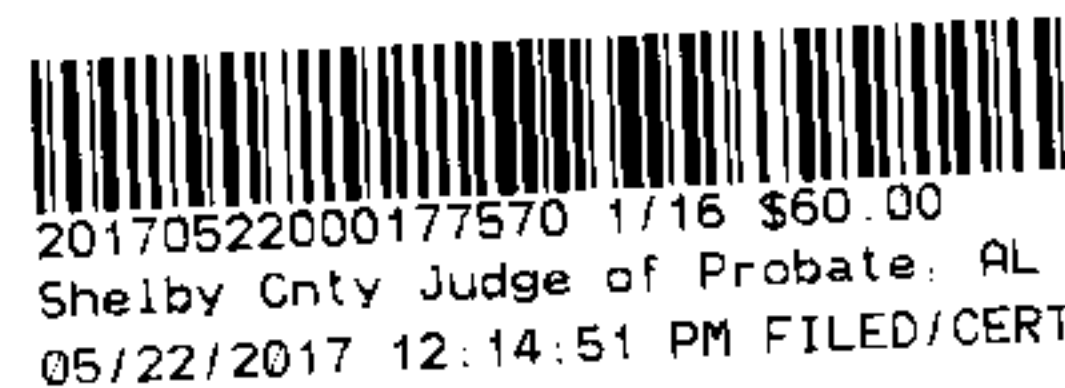
The Motion for Default Judgment against Portfolio Recovery Associates, LLC ("Portfolio Recovery") filed by Fairway Independent Mortgage Corporation (the "Plaintiff") having come before this Court and, after considering said motion and the pleadings of record, the Court makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

The Plaintiff is the holder of a first-priority mortgage encumbering real property located at 104 Patriot Park, Montevallo, Alabama 35115 (the "Property"), which is more particularly described as follows:

LOT 70, ACCORDING TO THE SURVEY OF HERITAGE TRACE PHASE I, SECTOR 1, AS RECORDED IN MAP BOOK 34, PAGE 114, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

On September 21, 2010, Mary Beth Finn a/k/a Mary Beth Robbins and James Finn conveyed the Property to Benjamin R. Arrington, II ("Mr. Arrington") and Valencia E. Arrington



("Ms. Arrington") via Warranty Deed with right of survivorship, which was recorded on September 28, 2010, as Instrument Number 20100928000318380 in the Shelby County, Alabama probate records.

On September 21, 2010, Mr. Arrington and Ms. Arrington obtained a purchase money loan (the "Loan") in the amount of One Hundred Eighty-Seven Thousand Three Hundred Seventy-Six and 00/100 Dollars (\$187,376.00) from Fairway to purchase the Property. On the same date, Mr. Arrington and Ms. Arrington executed a promissory note whereby they promised to repay the Loan (the "Note"). To secure repayment of the Note, Ms. Arrington, on behalf of herself and as attorney in fact for Mr. Arrington, as executed a mortgage dated September 21, 2010 in favor of Mortgage Electronic Registration Systems, Inc., solely as nominee for Fairway (the "First Mortgage"). The First Mortgage was recorded on September 28, 2010 as Instrument Number 20100928000318390 in the Shelby County, Alabama probate records.

Mr. Arrington and Ms. Arrington also obtained a second loan in the amount of Five Thousand Six Hundred Ninety-Seven and 00/100 Dollars (\$5,697.00) (the "Second Loan") from Fairway. To evidence this indebtedness, Ms. Arrington executed a rate commitment form dated September 14, 2010. Ms. Arrington, on behalf of herself and as attorney in fact for Mr. Arrington, executed a second mortgage to secure repayment of the Second Loan (the "Second Mortgage"). However, by mistake, the Second Mortgage was lost during the closing and was not recorded in the Shelby County, Alabama probate records.

Ms. Arrington, on behalf of herself and as attorney in fact for Mr. Arrington, executed a corrective purchase money mortgage dated September 21, 2010, in the amount of Five Thousand Six Hundred Ninety-Seven and 00/100 Dollars (\$5,697.00) in favor of Mortgage Electronic Registration Systems, Inc. as nominee for Fairway (the "Corrective Mortgage"). The Corrective

Mortgage was recorded on October 15, 2010, as Instrument Number 20101015000345830 in the Shelby County, Alabama probate records.

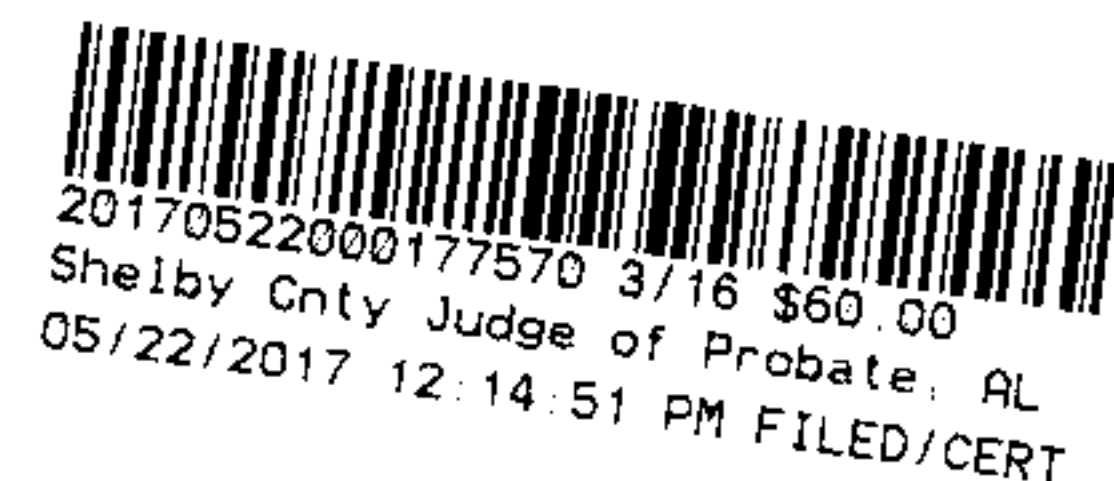
The Corrective Mortgage was intended to change the maturity date for repayment of the Second Loan from October 1, 2020, to October 1, 2040; however, the Corrective Mortgage mistakenly references the First Mortgage. As a result, the loan amount for the First Mortgage was incorrectly and effectively changed to the amount of the Second Mortgage.

On September 26, 2013, Republic Finance obtained a judgment against Ms. Arrington in the amount of Six Thousand One Hundred Seventy-Eight and 40/100 (\$6,178.40), which was recorded on November 22, 2013, as Instrument Number 20131122000458990 in the Shelby County, Alabama probate records.

On January 12, 2015, Mr. Arrington and Ms. Arrington executed a Loan Modification for the unpaid principal balance of One Hundred Thousand Forty-Four Nine Hundred Eighty-Nine and 26/100 (\$144,989.26) pertaining to the First Mortgage (the "First Loan Modification"). The First Loan Modification was recorded as Instrument Number 20150306000070250 in the Shelby County, Alabama probate records.

Also on January 12, 2015, Mr. Arrington and Ms. Arrington executed a Subordinate Mortgage in favor of HUD for the amount of Forty-Nine Thousand Nine Hundred Sixty-One and 23/100 (\$49,961.23), which was recorded on March 6, 2015 as Instrument Number 20150306000070260 in the Shelby County, Alabama probate records (the "HUD Mortgage").

On January 13, 2015, Portfolio Recovery Associates obtained a judgment against Ms. Arrington in the amount of One Thousand Seventy-Four and 78/100 (\$1,074.78), which was recorded on March 23, 2015 as Instrument Number 20150323000091390 in the Shelby County, Alabama probate records.



On January 14, 2015, Mr. Arrington and Ms. Arrington executed a Loan Modification for the unpaid principal balance of Four Thousand Eight Hundred Ninety-Eight and 61/100 Dollars (\$4,898.61) regarding the Corrective Mortgage (the "Second Loan Modification"). The Second Loan Modification was recorded as Instrument Number 20150319000085760 in the Shelby County, Alabama probate records. The Second Loan Modification was intended to amend the Second Mortgage, but reference the recording information for the Corrective Mortgage by mistake.

On August 6, 2015, the First Mortgage and the Corrective Mortgage were last assigned to the Plaintiff by virtue of the Corporate Assignment of Mortgage, which was recorded on August 19, 2015, as Instrument Number 20150819000288310 in the Shelby County, Alabama probate records.

On October 17, 2016, the Plaintiff filed its Complaint for Reformation, Declaratory Judgment, and Equitable Relief (the "Complaint"). On November 1, 2016, the Montgomery County Sheriff served Portfolio Recovery's registered agent, CSC Lawyers Incorporating Servicing, Inc., at 150 South Perry Street, Montgomery, Alabama 36104, as evidenced by the Return of Service filed with this Court on November 10, 2016. More than thirty (30) days has passed since the Plaintiff perfected service as to Portfolio Recovery. To date, Portfolio Recovery has failed to file an answer or other defensive pleading.

CONCLUSIONS OF LAW

By virtue of failing to answer the Plaintiff's Complaint within thirty (30) days of service being perfected, Defendant Portfolio Recovery Associates, LLC is hereby in default as a matter of law, and the Plaintiff is entitled to judgment in its favor.

WHEREFORE, IT IS HEREBY ORDERED AND ADJUDGED that the Second Mortgage, dated September 21, 2010, securing a loan in the amount of \$5,697.00 and attached hereto as Exhibit "A", is hereby established upon the probate records for Shelby County, Alabama;


WHEREFORE, IT IS FURTHER ORDERED AND ADJUDGED that the Second Mortgage, thus established, is hereby reformed to the extent necessary to reflect that it was executed by Ms. Arrington and Mr. Arrington;


WHEREFORE, IT IS FURTHER ORDERED AND ADJUDGED that the Corrective Mortgage, recorded as Instrument Number 20101015000345830 in Shelby County, Alabama probate records, is hereby declared void and of no effect;

WHEREFORE, IT IS FURTHER ORDERED AND ADJUDGED that the Second Loan Modification, recorded as Instrument Number 2015031900008570 in the Shelby County, Alabama probate records, is hereby reformed by removing the recording references to the Corrective Mortgage, and to reflect that it is modifying the Second Mortgage; and

WHEREFORE, IT IS FURTHER ORDERED AND ADJUDGED that the First Mortgage, recorded as Instrument Number 20100928000318390 in the Shelby County, Alabama probate records and as modified by the First Loan Modification recorded as Instrument Number 20150306000070250 in the Shelby County, Alabama probate records, is hereby declared to be a valid, enforceable, first-priority security interest in the entire Property.

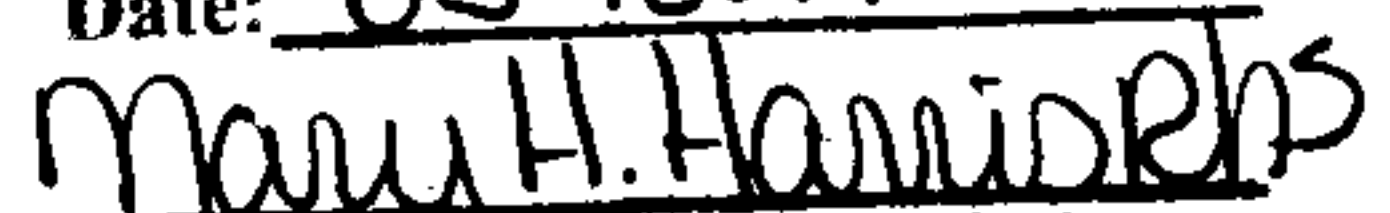
SO ORDERED, this 13TH day of JANUARY, 2017.


COREY B. MOORE
SHELBY COUNTY CIRCUIT COURT JUDGE


20170522000177570 5/16 \$60.00
Shelby Cnty Judge of Probate, AL
05/22/2017 12:14:51 PM FILED/CERT

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Certified a true and correct copy
Date: 05-12-17


Mary H. Harris, Circuit Clerk
Shelby County, Alabama

Copies to:

Jessica Keir
Rubin Lublin, LLC
3145 Avalon Ridge Place, Suite 100
Peachtree Corners, GA 30071

Benjamin R. Arrington, II
104 Patriot Park
Montevallo, AL 35115

Valencia E. Arrington
104 Patriot Park
Montevallo, AL 35115


Republic Finance, LLC
c/o Capital Corporate Services, Inc.
150 South Perry St.
Montgomery, AL 36104

Portfolio Recovery Associates, LLC
c/o CSC Lawyers Incorporating Servicing, Inc.
150 South Perry St.
Montgomery, AL 36104

The Secretary of Housing and Urban Development
c/o the United States Attorney's Office
Civil Filing Clerk
Northern District of Alabama
Hugo L. Black United States Courthouse
1729 5th Avenue North
Birmingham, AL 35203

The Secretary of Housing and Urban Development
c/o the Attorney General of the United States
950 Pennsylvania Ave. NW
Washington D.C. 20530

The Secretary of Housing and Urban Development
451 Seventh Street SW
Washington D.C. 20410


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Shelby Cnty Judge of Probate: AL
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ALL OR PART OF THE PURCHASE PRICE OF THE PROPERTY IS PAID FOR
WITH THE MONEY LOANED.



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Shelby Cnty Judge of Probate, AL
05/22/2017 12:14:51 PM FILED/CERT

PURCHASE MONEY
MORTGAGE

MIN 100392491660003598



THIS MORTGAGE is made this 21ST day SEPTEMBER, 2010, between the Grantor,
VALENTIA E. ARINGTON and BENJAMIN R. ARINGTON, II, WIFE AND HUSBAND

(herein "Borrower"), and the Mortgagee, Mortgage Electronic Registration Systems, Inc. ("MERS"), (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns). MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2028, Flint, MI 48501-2028, tel. (888) 678-MERS.
RAILWAY INDEPENDENT MORTGAGE CORPORATION

("Lender") is organized and existing under the laws of THE STATE OF TEXAS, and has an address of 5850 TOWN & COUNTRY BOULEVARD, SUITE 601, FRIEDRICH, TX 75034

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$5,697.00, which indebtedness is evidenced by Borrower's note dated SEPTEMBER 21, 2010 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on OCTOBER 01, 2040;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, with power of sale, the following described property located in the County of SHELLEY, State of Alabama:

LOT 70, ACCORDING TO THE SURVEY OF HERITAGE TRACE PHASE 1, SECTOR 1, AS RECORDED IN MAP BOOK 34, PAGE 114, IN THE OFFICE OF THE JUDGE OF SHELBY COUNTY, ALABAMA. SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD. MINERAL AND MINING RIGHTS EXCEPTED, NOT OWNED BY GRANTOR.

which has the address of 104 PACRIOT PARK
MONTREALLO (City), Alabama 35115 (ZIP Code) ("Property Address");

TO HAVE AND TO HOLD such property unto MERS (solely as nominee for Lender and Lender's successors and assigns), and to the successors and assigns of MERS, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Mortgage; but, if necessary to comply with law or custom, MERS, (as nominee for Lender and Lender's successors and assigns), has the right to exercise any or all of those interest, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or canceling this Mortgage.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and

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ALABAMA - SECOND MORTGAGE - 1/30 - FNMA/FHLMC UNIFORM INSTRUMENT WITH MERS

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MPS Mortgage Solutions, Inc.

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Form 3801
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reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. **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 Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify

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Form 3801

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amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements hereto contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 10 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only in mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law in this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

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

17. **Acceleration; Remedies.** Except as provided in paragraph 10 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of 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 nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable 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 reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall mail a copy of a notice of sale to Borrower in the manner provided in paragraph 12 hereof. Lender shall publish the notice of sale once a week for three consecutive weeks in some 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 said County. Lender shall deliver to the purchaser Lender's deed conveying the Property so sold. Lender or Lender's 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 reasonable costs and expenses of the sale, including, but not limited to, reasonable attorneys' fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.

18. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in the Mortgage or (ii) entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

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Initials: _____

Form 3801

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NEW LOAN



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19. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

20. **Release.** Upon payment of all sums secured by this Mortgage, this Mortgage shall become null and void and Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

21. **Waiver of Homestead, Dower and Curtesy.** Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all right of dower and curtesy in the Property.

22. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

(Check applicable box(es))

- ☒ Subordination Rider
☒ Planned Unit Development Rider
☐ Condominium Rider

**REQUEST FOR NOTICE OF DEFAULT
 AND FORECLOSURE UNDER SUPERIOR
 MORTGAGES OR DEEDS OF TRUST**

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

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Signed, sealed and delivered in the presence of

 VALENCIA E. ARRINGTON (Seal)
 -Borrower

 BENJAMIN R. ARRINGTON, II (Seal)
 -Borrower

 (Seal)
 -Borrower

 (Seal)
 -Borrower

 (Seal)
 -Borrower

 (Seal)
 -Borrower

 (Seal)
 -Borrower

 (Seal)
 -Borrower



20170522000177570 10/16 \$60.00
 Shelby Cnty Judge of Probate, AL
 05/22/2017 12:14:51 PM FILED/CERT

STATE OF ALABAMA, _____ County: _____

On this _____ day of SEPTEMBER, 2010, I, _____
 a Notary Public in and for said county and in said state, hereby certify that
 VALENTIA E. ARRINGTON AND BENJAMIN R. ARRINGTON, II

whose name(s) is/are signed to the foregoing conveyance, and who is/are known to me, acknowledged before me that, being
 informed of the contents of the conveyance, he/she/they executed the same voluntarily and as his/her/their act on the day the
 same bears date.

Given under my hand and seal of office this _____ day of SEPTEMBER, 2010.

My Commission Expires: _____

 Notary Public

This instrument was prepared by
 DENNIS P. SCHWARTZ
 SCHWARTZ & ASSOCIATES
 1446 HERITAGE DRIVE
 MCKINNEY, TEXAS 75069
 972-562-1966

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PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this **21ST** day of **SEPTEMBER**, 2010, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **FAIRWAY INDEPENDENT MORTGAGE CORPORATION**

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

104 PATRIOT PARK, MONTEVALLO, ALABAMA 35115
[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 **DECLARATIONS, COVENANTS, CONDITIONS & RESTRICTIONS RECORDED IN SHELLEY COUNTY, ALABAMA**

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

HERITAGE TRACE PHASE 1, SECTOR 1
[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits 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-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

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MULTISTATE PUD RIDER - Single Family/Second Mortgage
Page 1 of 3

3/99

207R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291

Initials: _____



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B. Hazard 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 Lender 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 Uniform Covenant 2 for the monthly payment to Lender of the yearly premium installments for hazard insurance on the Property; and (ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

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 hazard insurance coverage provided by the master or blanket policy.


In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby 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 form, amount, 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 Uniform Covenant 9.

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 substantial destruction by fire or other casualty or 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.

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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.

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

_____ VALENCIA E. ARINGTON	(Seal) -Borrower	_____ BENJAMIN R. ARINGTON, II	(Seal) -Borrower
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_____ -Borrower	(Seal)	_____ -Borrower	(Seal)
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_____ -Borrower	(Seal)	_____ -Borrower	(Seal)
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_____ -Borrower	(Seal)	_____ -Borrower	(Seal)
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SUBORDINATION RIDER

THIS SUBORDINATION RIDER is made this 21ST day of ~~SEPTEMBER~~ 2010 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to

FAIRWAY INDEPENDENT MORTGAGE CORPORATION

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

104 PATRIOT PARK, MONTEVALLO, ALABAMA 35115

(Property Address)

The lien of this Security Instrument is subject, junior and subordinate to that certain Security Instrument dated ~~SEPTEMBER~~ 21, 2010 to

FAIRWAY INDEPENDENT MORTGAGE CORP.

recorded in Real Property Records, **SHELBY**

ALABAMA

, securing a certain Promissory Note, of even date therewith in the original principal amount of \$ 187,376.00 executed by

VALENCIA E. ARRINGTON AND BENJAMIN R. ARRINGTON, II, WIFE AND HUSBAND

and payable to the order of

FAIRWAY INDEPENDENT MORTGAGE CORP.

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JSUBR (05/01)

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

_____(Seal)
VALENCIA E. ARRINGTON -Borrower

_____(Seal)
BENJAMIN R. ARRINGTON, II -Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

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JSUBR (05/01)

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