



20191004000365770 1/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

After Recording Return To:
Tyndall Federal Credit Union
3109 Minnesota Ave
Panama City, FL 32405

This Document Prepared By:

Name: _____

Title: _____

Garrett Conner
Digital Docs Inc.
4400 Alpha Road
DALLAS, TX 75244

[Space Above This Line For Recording Data]

MORTGAGE

Loan #: 17590

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 12, 17, 19 and 20. Certain rules regarding the usage of words used in this document are also provided in Section 15.

(A) **"Security Instrument"** means this document, which is dated **September 16, 2019**, together with all Riders to this document.

(B) **"Borrower"** is **Thomas J Kalnoske and Courtney Kalnoske, as husband and wife**. Borrower is the mortgagor under this Security Instrument.

(C) **"Lender"** is **Tyndall Federal Credit Union**. Lender is a **Federal Credit Union** organized and existing under the laws of **THE UNITED STATES OF AMERICA**. Lender's address is **P.O. Box 59760, Panama City, FL 32412**. Lender is the mortgagee under this Security Instrument.

(D) **"Credit Agreement"** means the Home Equity Line of Credit Agreement and Disclosure signed by Borrower and dated **September 16, 2019** which Credit Agreement establishes a revolving line of credit, which obligates Lender to make advances to Borrower so long as Borrower complies with all the terms of the Credit Agreement. Such advances may be made, repaid and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time (excluding any current unpaid interest finance charges but including other fees and charges assessed pursuant to the Credit Agreement) shall not exceed **\$44,800.00**. Borrower has promised to pay this debt in monthly Periodic Payments and to pay the debt in full not later than **October 15, 2039**.

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

(F) **"Loan"** means all amounts owed now or hereafter under the Credit Agreement, plus interest and



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 1 of 10 pages)



20191004000365770 2/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

any other fees or charges however denominated due under the Credit Agreement, and all sums due under this Security Instrument, plus interest.

(G) **"Riders"** means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☒ Planned Unit Development Rider	☒ Other(s) [specify]
☐ 1-4 Family Rider	☐ Biweekly Payment Rider	Deferred Closing Costs Rider

(H) **"Applicable Law"** means all controlling applicable, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) of the jurisdiction in which the Property is located, as well as all applicable final, non-appealable judicial opinions.

(I) **"Community Association Dues, Fees, and Assessments"** means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) **"Electronic Funds Transfer"** means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) **"Escrow Items"** means those items that are described in Section 3.

(L) **"Miscellaneous Proceeds"** means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) **"Periodic Payment"** means the minimum periodic payment due under the terms of the Credit Agreement.

(N) **"RESPA"** means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(O) **"Successor in Interest of Borrower"** means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Credit Agreement and/or this Security Instrument.

(P) **"Mortgage Servicer"** means the last person to whom the Borrower has been instructed by the holder of the Credit Agreement to send payments for the debt secured by this Security Instrument. Lender may be the Mortgage Servicer.



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 2 of 10 pages)

20191004000365770 3/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

TRANSFER OF RIGHTS IN THE PROPERTY

This security Instrument secures to Lender: (i) the repayment of the Loan, and all future advances, renewals, extensions, and modifications of the Credit Agreement, including any future advances made at a time when no indebtedness is currently secured by this Security Instrument; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Credit Agreement. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns with power of sale, the following described property located in the **COUNTY** of **SHELBY**:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of **212 Salisbury Cir Birmingham, Alabama 35242** ("Property Address"):

TOGETHER WITH all Miscellaneous Proceeds, and all improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All proceeds, replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." For purposes of the foregoing grant of a security interest in fixtures, Borrower is the "debtor" and Lender is the "secured party" (as those terms are defined by the Uniform Commercial Code). This Security Instrument shall also function as a "financing statement" filed as a "fixture filing" (as those terms are defined by the Uniform Commercial Code).

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

Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Credit Agreement in accordance with the provisions thereof and any prepayment charges and late charges due under the Credit Agreement. Payments due under the Credit Agreement 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 Credit Agreement or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Credit Agreement 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 Credit Agreement or at such other location as may be designated by Lender in accordance with the notice provisions in Section 14. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights 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



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 3 of 10 pages)



20191004000365770 4/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until 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 Credit Agreement 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 due under the Credit Agreement 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) accrued finance charges; (b) principal; (c) late charges and other fees and charges.

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 more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower 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 Credit Agreement.

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

3. Funds for Escrow Items. Unless otherwise provided in a separate agreement, Borrower will not be required to pay to Lender funds for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (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 Community Association Dues, Fees, and Assessments, if any ("Escrow Items"). Borrower is therefore obligated to make payments directly for such Escrow Items and to provide receipts, and this obligation shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower fails to pay any Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount.

4. 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 attains priority over 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.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, flood, and any other hazards Lender may specify. 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. Borrower will deliver to Lender upon Lender's request the policies or other proof of insurance. The policies must name Lender as "Mortgagee" and "loss-payee" so that Lender will receive payment on all



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 4 of 10 pages)

insurance claims, to the extent of Lender's interest under this Security Instrument, before Borrower does. Borrower shall immediately notify Lender of cancellation or termination of insurance. Upon request, Borrower shall deliver the policies, certificates, or other evidence of insurance to Lender. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal and cancellation notices.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage for Lender's benefit, at Lender's option and Borrower's expense. 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 rate provided in the Credit Agreement from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

In the event of loss or damage to the Property, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Lender may also sign Borrower's name to any check, draft, or other order for the payment of insurance proceeds in the event of any loss or damage to the Property. If Lender receives payment of a claim, Lender will have the right to choose to use the money either to repair the Property or to reduce the amount owing on the Credit Agreement.

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 Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. If any insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is still obligated to complete such repair or restoration. Borrower will permit Lender to inspect the Property at any reasonable time.

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 material 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.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal 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 lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) 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 lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured 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



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 5 of 10 pages)

20191004000365770 6/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

doors and windows, drain water from pipes, eliminate building or 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 rate set forth in the Credit Agreement 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. If 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. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender subject to the terms of any prior security instrument. If the Property is damaged, and repair or restoration of the Property is economically feasible, the Miscellaneous Proceeds may be applied to repair or restore the Property. If not, the Miscellaneous Proceeds shall be applied in the order provided for in Section 2 for payments accepted and applied by Lender.

11. 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. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments 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.

12. 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 but does not execute the Credit Agreement (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant 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 Credit Agreement without the co-signer's consent.

Subject to the provisions of Section 17, 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 rights 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 19) and benefit the successors and assigns of Lender.

13. 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, court costs, attorneys' fees, filing fees, property inspection and valuation fees, and any other amounts allowed under Applicable Law. 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.

Borrower and Lender understand and believe that the Loan complies with Alabama usury laws; however, if any interest or other fees or charges in connection with the Loan are ever determined to exceed the maximum amount permitted by law, Borrower understands and agrees that (a) the amount of



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 6 of 10 pages)

20191004000365770 7/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

the interest or other fees or sums payable hereunder shall be reduced to the maximum amount permitted by law; and (b) any excess amount previously collected from Borrower which exceeded the maximum amount will be credited against the principal portion of the outstanding balance of the Loan. If the principal portion of the outstanding balance has already been repaid, the excess amount paid will be refunded to Borrower. Borrower's acceptance of any such refund will constitute a waiver of any right of action Borrower may have arising out of such overcharge. If Lender applies the refund to the outstanding balance, the refund will be treated as a partial prepayment.

14. Notices. All notices given by Borrower, Lender, or Mortgage Servicer in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed, postage prepaid 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 shall promptly notify Lender of 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 postage prepaid 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.

15. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal 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 silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Credit Agreement conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Credit Agreement which can be given effect without the conflicting provision.

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 versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

16. Borrower's Copy. Borrower shall be given one copy of the Credit Agreement and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 17, "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.

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 given in accordance with



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 7 of 10 pages)

Section 14 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.

18. 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 earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Credit Agreement 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 such action as Lender may reasonably require to assure that Lender'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. Lender may require that Borrower pay such reinstatement sums and expenses 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. 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 17.

19. Sale of Credit Agreement; Change of Mortgage Servicer; Notice of Grievance. The Credit Agreement or a partial interest in the Credit Agreement (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 Credit Agreement and this Security Instrument and performs other mortgage loan servicing obligations under the Credit Agreement, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Credit Agreement. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Credit Agreement is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Credit Agreement, 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 Credit Agreement purchaser unless otherwise provided by the Credit Agreement purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant 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 (other than any failure by Borrower to make any payment as and when due under the Credit Agreement), until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 14) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action 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 17 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 19.



* 1 7 5 9 0 *

HELOC Mortgage - AL

Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *

(page 8 of 10 pages)



20191004000365770 9/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any federal or state law that relates to health, safety, or environmental protection ("Environmental Law"). 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. As used in this paragraph, hazardous substances are those substances defined as toxic or hazardous substances 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.

21. Time of Essence. Time is of the essence in each covenant in this Security Instrument.

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 17 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 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 all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence, as permitted by Applicable Law.

If Lender invokes the power of sale, Lender shall give a copy of a notice to Borrower in the manner provided in Section 14. 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; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Release. The Secured Debt includes a revolving line of credit. Although the Secured Debt may be reduced to a zero balance, it is the intention of Borrower and Lender that this Security Instrument secure the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit and any intermediate balance, and this Security Instrument will remain in effect until released. Upon termination of the line of credit and full 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.



* 1 7 5 9 0 *
HELOC Mortgage - AL
Mortgage Cadence Document Center © 2158 02/19



* M C M O R T D O T *
(page 9 of 10 pages)

20191004000365770 10/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

[Signature] 9/16/19 Isabel Bnull 9-16-19
Witness Date Witness Date

Thomas J Kalnoske (Seal)
Borrower - Thomas J Kalnoske
Courtney Kalnoske (Seal)
Courtney Kalnoske is signing
solely for the purpose of consenting
to the encumbrance of the described
Property.

[Space Below This Line for Acknowledgement]

State of Alabama

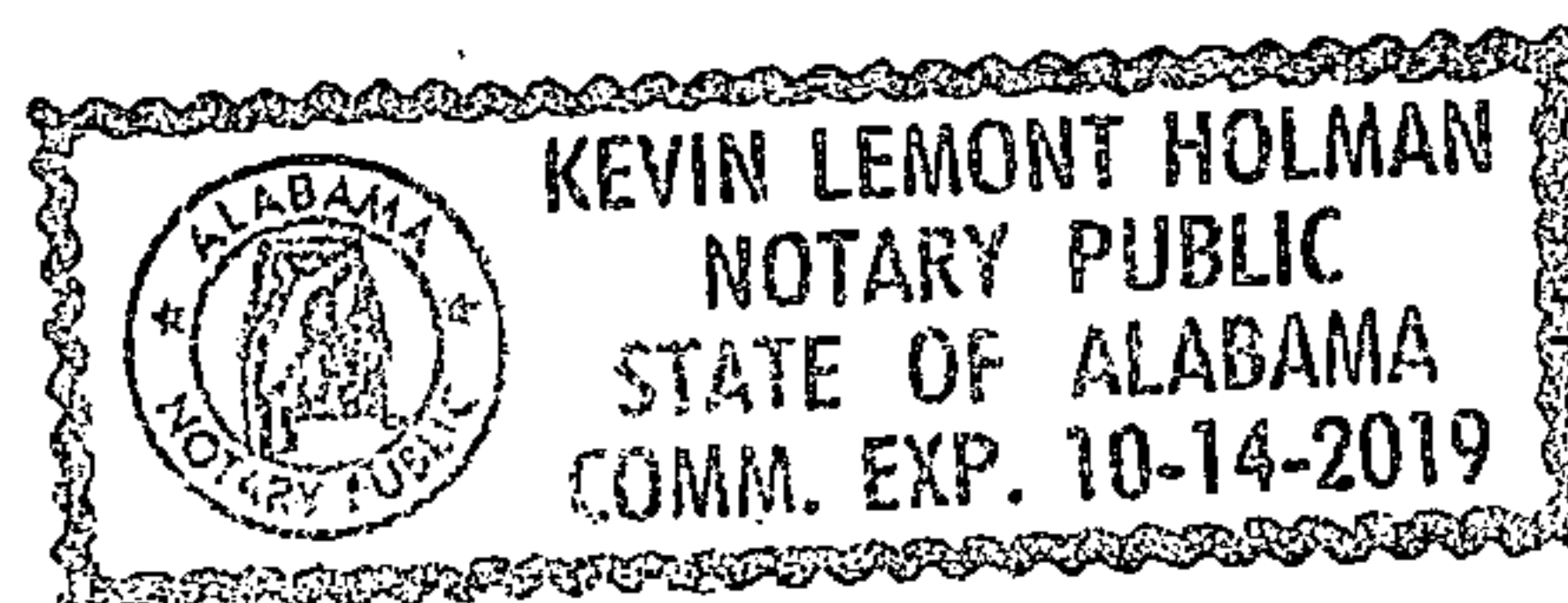
County Shelby

I KEVIN LEMONT HOLMAN hereby certify that Thomas J Kalnoske
Courtney Kalnoske

whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that being informed of the contents of the conveyance, he executed the same voluntarily on the day the same bears date. Given under my hand this

16th day of Sept, A. D. 2019

[Signature]
(signature of officer)
My commission expires: _____



Origination Company: **Tyndall Federal Credit Union**
NMLSR ID: **597599**
Originator: **Norma Leaman**
NMLSR ID: **689031**



HELOC Mortgage - AL
Mortgage Cadence Document Center © 2158 02/19



(page 10 of 10 pages)



20191004000365770 11/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

Loan #: 17590

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this **16th** day of **September, 2019**, 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 Credit Agreement to **Tyndall Federal Credit Union** (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

212 Salisbury Cir, Birmingham, AL 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 THE COVENANTS, CONDITIONS AND RESTRICTIONS FILED OF RECORD THAT AFFECT THE PROPERTY (the "Declaration"). The Property is a part of a planned unit development known as:

Highland Lakes
[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.

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 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



* 1 7 5 9 0 *
HELOC MULTISTATE Planned Unit Development Rider
Mortgage Cadence Document Center © 2616 04/17



* M C P U D R D R *

(page 1 of 3 pages)



20191004000365770 12/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

"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 Lender of the yearly premium installments for property insurance coverage 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.

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 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.

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.

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 Credit Agreement rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.



* 1 7 5 9 0 *
HELOC MULTISTATE Planned Unit Development Rider
Mortgage Cadence Document Center © 2616 04/17



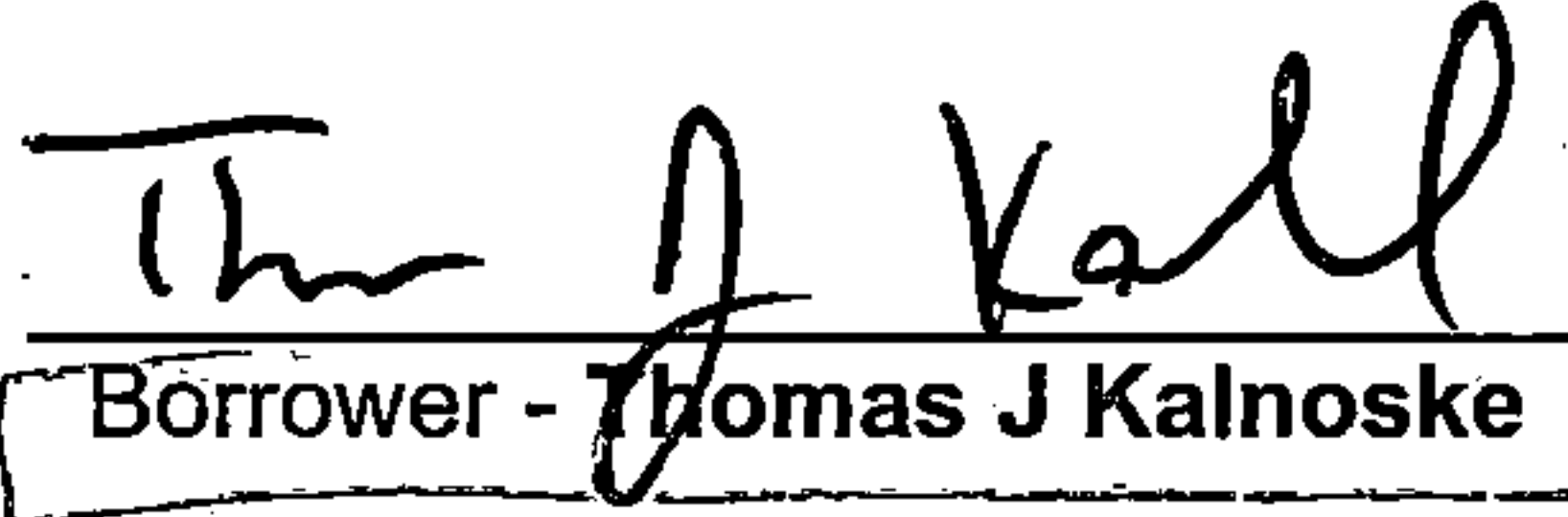
* M C P U D R D R *

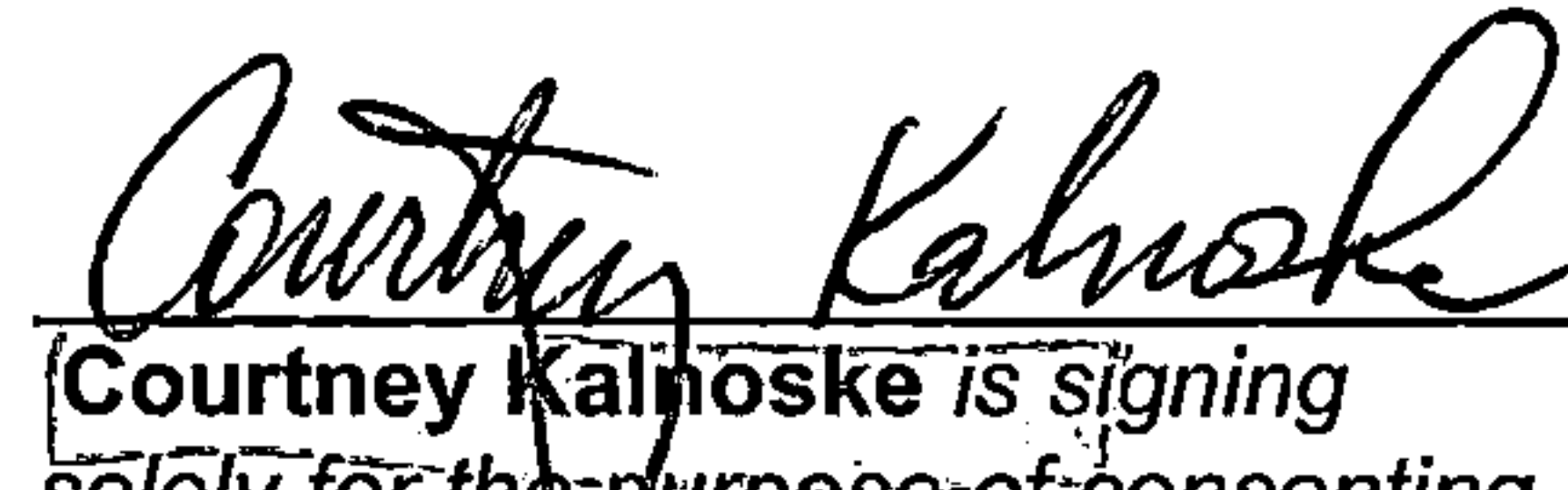
(page 2 of 3 pages)



20191004000365770 13/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

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

 (Seal)
Borrower - **Thomas J Kalnoske**

 (Seal)
Courtney Kalnoske is signing
solely for the purpose of consenting
to the encumbrance of the described
Property.

Origination Company: **Tyndall Federal Credit Union**
NMLSR ID: **597599**
Originator: **Norma Leaman**
NMLSR ID: **689031**



* 1 7 5 9 0 *
HELOC MULTISTATE Planned Unit Development Rider
Mortgage Cadence Document Center © 2616 04/17



* M C P U D R D R *
(page 3 of 3 pages)



20191004000365770 14/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

DEFERRED CLOSING COSTS RIDER

Loan Number: **17590**

Date: **September 16, 2019**

Borrower(s): **Thomas J Kalnoske**

THIS DEFERRED CLOSING COSTS RIDER (the "Rider") is made this **16th** day of **September, 2019**, 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 repayment of Borrower's promissory note (the "Note") to **Tyndall Federal Credit Union** ("Lender") of the same date and covering the Property described in the Security Instrument and located at:

212 Salisbury Cir, Birmingham, AL 35242
[Property Address]

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

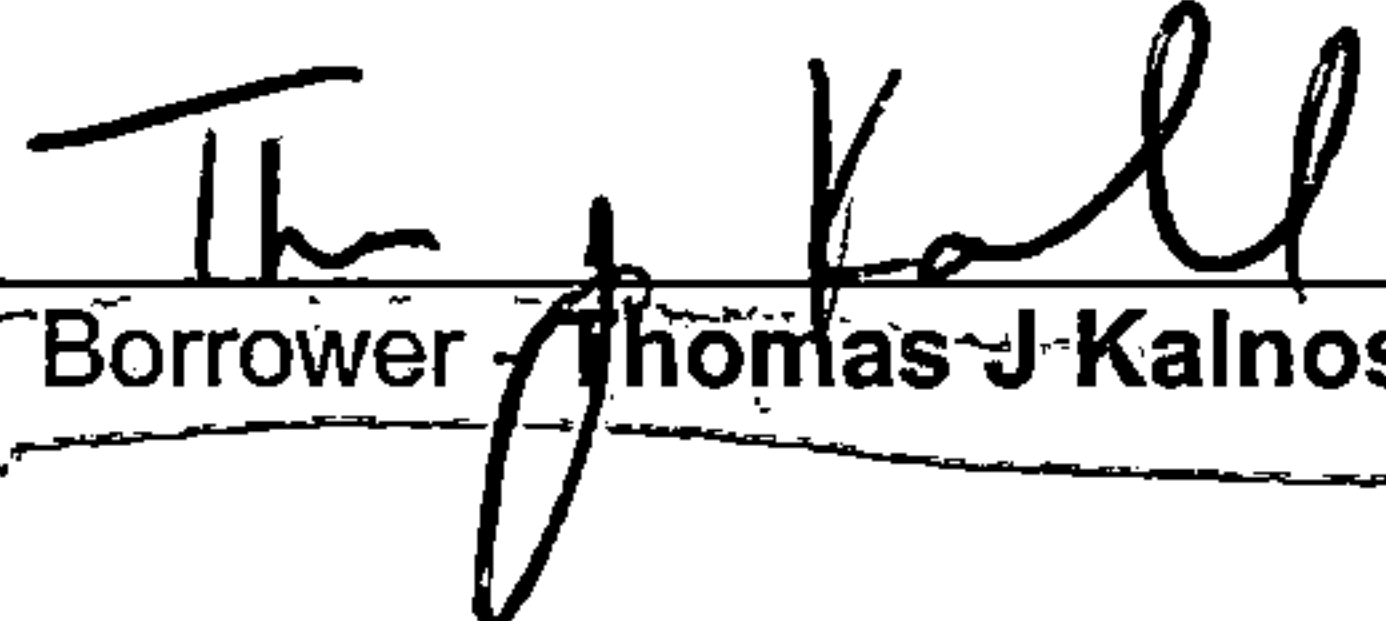
1. Borrower acknowledges that Lender has deferred collection of **\$247.00** (the "Deferred Closing Costs") from Borrower in connection with the origination of the loan or account evidenced by the Note.
2. If the Borrower fails to keep a minimum daily balance of at least \$5,000 during each of the initial 12 months of the loan, or if within 36 months of the date of this Addendum Borrower pays the balance owing under the Note in full, Borrower agrees to pay Lender **\$247.00** to reimburse Lender for the Deferred Closing Costs, which amount shall be added to the principal balance owed under the Note.

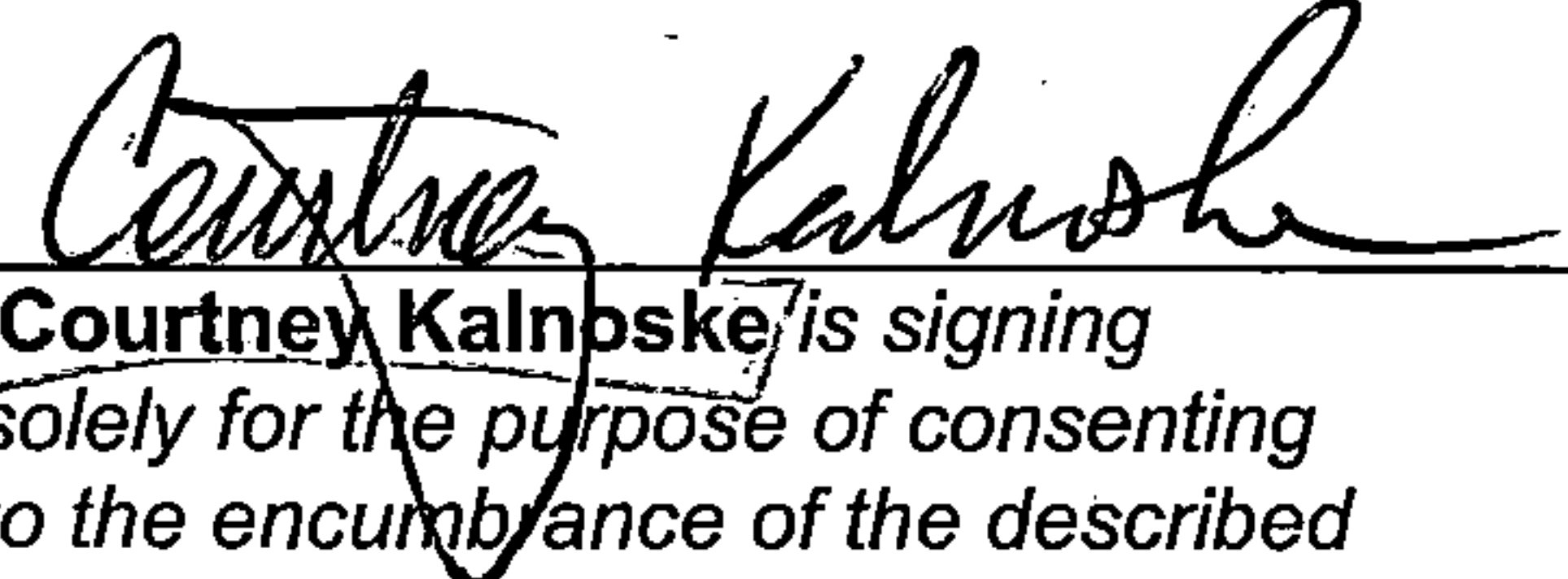




20191004000365770 15/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

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

 (Seal)
Borrower Thomas J Kalnoske

 (Seal)
Courtney Kalnoske is signing
solely for the purpose of consenting
to the encumbrance of the described
Property.

Origination Company: **Tyndall Federal Credit Union**
NMLSR ID: **597599**
Originator: **Norma Leaman**
NMLSR ID: **689031**



20191004000365770 16/16 \$68.00
Shelby Cnty Judge of Probate, AL
10/04/2019 12:09:57 PM FILED/CERT

EXHIBIT A

LOT 2114 ACCORDING TO THE MAP OF HIGHLAND LAKES 21ST SECTOR AN
EDDLEMAN COMMUNITY AS RECORDED IN MAP BOOK 30 PAGE 6 A AND B IN THE
PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

TOGETHER WITH NONEXCLUSIVE EASEMENT TO USE THE PRIVATE ROADWAYS
COMMON AREA ALL AS MORE PARTICULARLY DESCRIBED IN THE DECLARATION
OF EASEMENTS AND MASTER PROTECTIVE COVENANTS FOR HIGHLAND LAKES A
RESIDENTIAL SUBDIVISION AS RECORDED IN INST. #1999-07111 AND AMENDED IN
INST. 1996-17543 AN FURTHER AMENDED IN INST. #1999-31095 IN THE PROBATE
OFFICE OF SHELBY COUNTY ALABAMA A DN THE DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS FRO HIGHLAND LAKES A RESIDENTIAL
SUBDIVISION 21ST SECTOR AS RECORDED IN INST. NO. 20020716000332740 IN
THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

