

OFFICE OF RESIDENTIAL CARE FACILITIES ADDENDUM  
(Alabama)

HUD Project Number:

Project Name:

The title of the Security Instrument is modified as follows: HEALTHCARE, MORTGAGE, ASSIGNMENT OF LEASES, RENTS AND REVENUE AND SECURITY AGREEMENT

The wording in the left-hand corner of the title page is changed from "Recording requested by:" to "This instrument was prepared by (Name) \_\_\_\_\_ (Address) \_\_\_\_\_."

The following sections are inserted into the Security Instrument and made a part thereof:

**The Alternative B Mortgage Granting Clause is hereby deleted and replaced with the following:**

Borrower, in consideration of the Indebtedness and the security interest created by this Security Instrument, irrevocably mortgages, grants, bargains, sells, conveys and assigns to Lender and Lender's successors and assigns, with power of sale, the Mortgaged Property, including the Land located in \_\_\_\_\_ County, State of \_\_\_\_\_ and described in Exhibit A attached to and incorporated in this Security Instrument, to have and to hold the Mortgaged Property unto Lender and Lender's successors and assigns.

**43. ACCELERATION; REMEDIES.** The following additional Alabama provisions pertain to the power of sale granted in the Security Instrument:

Borrower acknowledges that the power of sale granted in this Security Instrument may be exercised or directed by Lender pursuant to Ala. Code § 35-10-1 to -71(1975). Borrower acknowledges that the power of sale granted in this Security Instrument may be exercised by Lender without prior judicial hearing. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including but not limited to attorney's fees, costs of documentary evidence, abstracts and title reports. Pursuant to the provisions of Ala. Code § 35-10-1 to -71 (1975) if Lender invokes the power of sale:

(a) Lender shall mail a copy of a notice of sale to Borrower in the manner provided in Section 31. Whether or not possession of the Mortgaged Property is taken, Lender may sell the Mortgaged Property or any part thereof pursuant to the power of sale which is hereby given to Lender, at public outcry, to the highest bidder for cash, at the front or main door of the courthouse of the county in which the Mortgaged Property to be sold is located, either in person or by auctioneer, after first giving notice by publication once a week for three (3) successive weeks of the time, place and terms of such sale, together with a description of the property to be sold, in a newspaper published in said county. If there is property to be sold in more than one (1) county, publication shall be made in all counties where the land to be sold is located, but if no newspaper is published in any such county, the notice shall be published in a newspaper published in an adjoining county for three (3) successive weeks. The sale shall be held between the hours of 11:00 a.m. and 4:00 p.m. on the day designated in the notice for the exercise of the

power of sale hereunder. Lender may postpone sale of all or any part of the Mortgaged Property by public announcement at the time and place of any previously scheduled sale and by republication in the same manner provided above of notice announcing the new sale date. (Ala. Code § 6-8-69 (1975)) Lender may bid at any sale held under this Security Instrument and may purchase the Mortgaged Property, or any part thereof, if Lender is the highest bidder therefore;

(b) Except as set forth above, Lender shall have the authority to determine the terms of the sale. Borrower hereby waives any requirements of a separate sale, and all or any part of the Mortgaged Property may be offered for sale, at one (1) or more sales, in lots or in parcels or “en masse” and in such order as Lender may determine;

(c) Lender or any person conducting the sale for Lender is authorized to execute to the purchaser at said sale a deed or such other appropriate conveyance document to the Mortgaged Property so purchased conveying the Mortgaged Property so sold without any covenant or warranty, express or implied, and shall deliver the same to said purchaser within a reasonable time after the sale. The recitals in such deed or document shall be prima facie evidence of the truth of the statements made in those recitals; and

(d) Borrower covenants and agrees that the proceeds of any sale shall be applied as determined by Lender unless otherwise required by applicable law.

## **50. STATE LAW REQUIREMENTS:**

**FUTURE ADVANCES.** This Security Instrument creates and provides for a security interest in after-acquired collateral and future advances within the meaning of Ala. Code § 7-9A-204 (1975).

**WAIVER OF EXEMPTIONS.** Borrower waives all rights of exemptions as to personal property and all rights of exemptions under the Constitution and Laws of Alabama.

**DEFEASANCE.** If the Borrower shall well and truly pay and discharge the indebtedness hereby secured as it shall become due and payable and shall do and perform all acts and agreements to be done and performed by the Borrower under the terms and provisions of this Mortgage, then this conveyance shall be and become null and void. (Ala. Code § 35-10-26 (1975))

**CONSTRUCTION MORTGAGE [IF APPLICABLE].** This Security Instrument is a construction mortgage within the meaning of Ala. Code § 7-9A-334(h) (1975), and secures an obligation incurred for the construction of an improvement on land.

**WAIVER OF TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER AND LENDER (BY ITS ACCEPTANCE HEREOF) (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS SECURITY INSTRUMENT OR THE RELATIONSHIP BETWEEN THE PARTIES AS BORROWER AND LENDER THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF TRIAL BY JURY IS SEPARATELY GIVE BY EACH OF BORROWER AND LENDER, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.**

**THE SECURITY INSTRUMENT SHALL BE PREPARED TO CONFORM TO THE REQUIREMENTS OF THE LOCAL FILING JURISDICTION IN WHICH THE DOCUMENT IS TO BE RECORDED AND FILED.**