

REAL ESTATE MORTGAGE**THE STATE OF ALABAMA***This instrument was prepared by:***SPEAKS & SPEAKS****P. O. DRAWER 1918****CLANTON, AL. 35045****CHILTON****County****KNOW ALL MEN BY THESE PRESENTS: That whereas L & M Homes, Inc.**

has S become justly indebted to The Peoples Savings Bank, with offices in Clanton, Alabama, (together with its successors and assigns, hereinafter called "Mortgagee"), in the principal sum of Seventy Thousand and No/100 Dollars (\$ 70,000.00) together with interest thereon, as evidenced by a promissory note or notes, dated 8-18-86, and due and payable as follows:

in one lump sum, due and payable August 18, 1987

NOW, THEREFORE, in consideration of the premises and of the sum of Ten Dollars (\$10.00) this day cash in hand paid by Mortgagee to the undersigned, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of said indebtedness and any renewals or extensions thereof and the interest thereon, and all other indebtedness (including Future Advances) now or hereafter owed by any of the undersigned to Mortgagee, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, and otherwise secured or not, and to secure compliance with all the covenants and stipulations hereinafter contained, the undersigned L & M Homes, Inc.

(whether one or more, hereinafter called the

"Mortgagors") do hereby grant, bargain, sell and convey unto the said Mortgagee the following described real estate situated in Shelby County, State of Alabama, viz:

Lot 73, according to survey of OAK RIDGE, FIRST SECTOR, as recorded in Map Book 9, Page 176, in the Probate Office of Shelby County, Alabama. Situated in Shelby County, Alabama.

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THE PEOPLES SAVINGS BANK**P. O. BOX 269****CLANTON, ALABAMA****35045**

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And for the purpose of further securing the payment of said indebtedness the Mortgagors warrant, covenant and agree with mortgagee, its successors and assigns, as follows:

2. That they will pay all taxes, assessments, or other liens taking priority over this mortgage when imposed legally upon said mortgaged property, and should default be made in the payment of same, or any part thereof, said Mortgagee may pay the same (but Mortgagee is not obligated to do so).

4. That all amounts so expended by Mortgagee for insurance or for the payment of taxes or assessments or to discharge prior liens shall become a debt due Mortgagee, shall be at once payable without demand upon or notice to any person, shall bear interest at the rate of interest payable on the principal sum of the note described above or, if no such rate of interest is specified or if the rate specified would be unlawful, at the rate of 8% per annum from date of payment by Mortgagee, and such debt and the interest thereon shall be secured by the lien of this mortgage; and upon failure of Mortgagors to reimburse Mortgagee for all amounts so expended, at the election of the Mortgagee and with or without notice to any person, Mortgagee may declare the entire indebtedness secured by this mortgage due and payable and this mortgage subject to foreclosure and the same may be foreclosed as hereinafter provided.

6. That no delay or failure of Mortgagee to exercise any option to declare the maturity of any debt secured by this mortgage shall be taken or deemed as a waiver of the right to exercise such option or to declare such forfeiture either as to past or present defaults on the part of said Mortgagors, and that the procurement of insurance or payment of taxes or other liens or assessments by Mortgagee shall not be taken or deemed as a waiver of the right to declare the maturity of the indebtedness hereby secured by reason of the failure of Mortgagors to procure such insurance or to pay such taxes, liens, or assessments, it being agreed that no terms or conditions contained in this mortgage can be waived, altered, or changed except as evidenced in writing signed by Mortgagors and by Mortgagee.

8. That after any default on the part of Mortgagors, Mortgagee shall be entitled as a matter of right to the appointment without notice to any party, of a receiver of the rents, issues and profits of said premises, with power to lease and control the said premises and with such other powers as may be deemed necessary, and that a reasonable attorney's fee not exceeding 15 percent of the unpaid debt after default shall, among other expenses and costs, be fixed, allowed and paid out of such rents, issues and profits or out of the proceeds of the sale of said mortgaged property.

10. That the debt or debts hereby secured shall at once become due and payable and this mortgage subject to foreclosure as herein provided at the option of the holder hereof when and if any statement of lien is filed under the statutes of Alabama relating to liens of mechanics and materialmen, without regard to the form and contents of such statement and without regard to the existence or non-existence of the debt, or any part thereof, or of the lien on which such statement is based.

12. That the provisions of this mortgage and of the note or notes secured hereby are severable, and that the invalidity or unenforceability of any provision of this mortgage or of any such note or notes shall not affect the validity and enforceability of the other provisions of this mortgage or of such note or notes.

UPON CONDITION, HOWEVER, that if Mortgagors shall well and truly pay and discharge all the indebtedness hereby secured (including future advances) as the same shall become due and payable and shall in all things do and perform all acts and agreement by them herein agreed to be done according to the tenor and effect hereof, then and in that event only this conveyance shall be and become null and void; but should default be made in the payment of any indebtedness hereby secured or any renewals or extensions thereof or any part or installment thereof or should any interest thereon remain unpaid at maturity, or should default be made in the repayment of any sum expended by said Mortgagee under the authority of any of the provisions of this mortgage or should the interest of said Mortgagee in said property become endangered by reason of the enforcement of any lien or encumbrance thereon so as to endanger the debt(s) hereby secured, or should a petition to condemn any part of the mortgaged property be filed by any authority having power of eminent domain, or should Mortgagors sell or transfer the mortgaged property, or any part thereof without first having obtained the written consent of Mortgagee, or should Mortgagors fail to do and perform any other act or thing herein required or agreed to be done, then in any of said events the whole of the indebtedness hereby secured, or any portion or part of same which may not at said date have been paid, with interest thereon, shall at once become due and payable and this mortgage subject to foreclosure at the option of Mortgagee, notice of the exercise of such option being hereby expressly waived; and Mortgagee shall have the right to enter upon and take possession of the property hereby conveyed and after or without taking such possession to sell the same before the Court House door of the County (or the division thereof) where said property, or a substantial part of said property, is located, at public outcry for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale in some newspaper published in said County, and upon the payment of the purchase money Mortgagee or auctioneer is authorized to execute to the purchaser a good and sufficient deed to the property sold. Mortgagee shall apply the proceeds of said sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee not exceeding 15 percent of the unpaid debt after default if the original amount financed exceeded \$300; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment of the indebtedness hereby secured and interest thereon; whether the same shall or shall not have fully matured at the date of said sale; and fourth, the balance, if any, to be paid over to Mortgagors or to whomsoever then appears of record to be the owner of Mortgagors' interest in said property. Mortgagee may bid and become the purchaser of the mortgaged property at any foreclosure sale hereunder. Mortgagors hereby waive any requirement that the mortgaged property be sold in separate tracts and agree that Mortgagee may, at its option, sell said property en masse regardless of the number of parcels hereby conveyed.

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IN WITNESS WHEREOF the undersigned ha 8 hereunto set his hand(s) and seal(s) or has caused this instrument to be executed by its officer(s) thereunto duly authorized, this 18 day of August, 1986

BY: L. & M. HOMES, INC. (SEAL)
Herman Leo Miskelly (SEAL)
PRESIDENT

ATTEST:

By HERMAN LEO MISKELLY
Its PRESIDENT

(Corporate Seal)

THE STATE OF ALABAMA,

INDIVIDUAL ACKNOWLEDGMENT

_____ COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____

whose name _____ signed to the foregoing conveyance and who _____ known to me, acknowledged before me on this day that,

being informed of the contents of the conveyance., _____ executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this _____ day of _____, 19____

(Notarial Seal)

Notary Public

THE STATE OF ALABAMA,

INDIVIDUAL ACKNOWLEDGMENT

_____ COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____

whose name _____ signed to the foregoing conveyance and who _____ known to me, acknowledged before me on this day that,

being informed of the contents of the conveyance., _____ executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this _____ day of _____, 19____

(Notarial Seal)

Notary Public

THE STATE OF ALABAMA,

CORPORATE ACKNOWLEDGEMENT

CHILTON _____ COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Herman Leo Miskelly

whose name as _____ President

of the L & M Homes, Inc., a corporation, is signed to the fore-

going conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, _____ he,

as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 18 day of August, 1986

(Notarial Seal)

Francis W. Sparks

Notary Public

MY COMMISSION EXPIRES: 8-8-87

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1986 SEP 10 AM 11:03

Francis W. Sparks
JUDGE PROBATE

1. Deed Tax \$ _____
2. Mtg. Tax 105.00
3. Recording Fee 10.00
4. Indexing Fee 1.00
TOTAL 116.00