

ALABAMA TELCO CREDIT UNION

STATE OF ALABAMA

JEFFERSON COUNTY

KNOW ALL MEN BY THESE PRESENTS: That whereas,

ROGER D. SPEAR and wife, BONNIE A. SPEAR

(hereinafter called "Mortgagors")

whether one or more) are justly indebted to Alabama Telco Credit Union (hereinafter called "Mortgagee")

in the sum of One Hundred, Nine Thousand & No/100 (\$109,000.00)
(\$ 109,000.00) DOLLARS, evidenced by a Promissory Note of even date;

And whereas, Mortgagor's agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW, THEREFORE, in consideration of the premises, said Mortgagors,

ROGER D. SPEAR and wife, BONNIE A. SPEAR

and all others executing this

mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate,

situated in SHELBY County, State of Alabama, to wit:

Lot 9, Block 3, according to the survey of Havenwood Park, Second Sector, as recorded in Map Book 10, Page 47 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

This mortgage secures future advances.

This mortgage incorporates by reference that certain loan agreement dated September 4, 1987.

Said property is warranted free from all encumbrances and against any adverse claims, except as stated above. TO HAVE AND TO HOLD the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee, may at Mortgagee's option, pay off the same; and to further secure said indebtedness first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, with companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies (or copies thereof), or any renewal of said policy to said Mortgagee; and if undersigned fails to keep said property insured as above specified, or fail to deliver said insurance policies (or copies thereof) to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments, or insurance, shall become a debt to Mortgagee or assigns, additional to the debt hereby specifically secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee or assigns, at the same rate as the debt hereby specifically secured and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness and reimburses said Mortgagee or assigns for any amount Mortgagee's may have expended for taxes, assessments, and insurance, and interest thereon, then this covenant to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee or assigns or should such indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty one (21) days notice, by publishing once a week for three (3) consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or en masse as Mortgagee, agents or assigns deem best, in front of the Courthouse door of said County, (or the division thereof) where said property is located, at public out-cry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes, or other encumbrances, with interest thereon; Third, to the payment of said indebtedness in full, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the day of sale; and Fourth, the balance, if any, to be turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest therefor; and undersigned further agrees to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

Any transfer by sale, gift, devise, operation of law, or otherwise of the fee title interest in all or any portion of the mortgaged premises shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee, without prior notice or the lapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and, upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the note, this mortgage, or otherwise at law.

IN WITNESS WHEREOF, the undersigned

ROGER D. SPEAR and wife, BONNIE A. SPEAR

have hereto set their signatures and seal, this 4th day of September

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ROGER D. SPEAR

BONNIE A. SPEAR

(SEAL)

(SEAL)

STATE OF ALABAMA

JEFFERSON

COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that ROGER D. SPEAR and wife, BONNIE A. SPEAR

whose names are signed to the foregoing conveyance, and who being known to me acknowledged before me on this day, that being informed of the contents of the conveyance they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 4th day of September 1987.

NOTARY PUBLIC

MY COMMISSION EXPIRES APRIL 7, 1991

STATE OF ALABAMA

COUNTY

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

whose name signed to the foregoing conveyance, and who being 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

NOTARY PUBLIC

BOOK 150 PAGE 418

LOAN AGREEMENT

THIS AGREEMENT is made by and between ROGER D. SPEAR & BONNIE A. SPEAR, hereinafter called the "Owner," and ALABAMA TELCO CREDIT UNION, an Alabama corporation, hereinafter called the "Credit Union."

WHEREAS, the Owner desires to construct improvements as shown by building plans, specifications, and other documents delivered to the Credit Union on the property described in this Agreement; and,

WHEREAS, the Credit Union has approved a loan in the amount set out herein pursuant to the Application of the Owner for the construction of such improvements on the subject real property, provided said loan can be secured by a first lien on said real property:

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein together with other good and valuable consideration, the parties agree as follows:

1. This Agreement shall constitute a part of the mortgage instrument securing the subject loan to the Owner as fully and to the same extent as if incorporated therein, and a default under any condition or provision of this Agreement shall constitute a default under the conditions and provisions of said mortgage.

2. The terms and conditions of the aforementioned mortgage and promissory note evidencing the indebtedness incurred by the Owner will govern the payment of interest due and owing the Credit Union by reason of this loan upon the disbursement of funds.

3. The proceeds of the mortgage loan, plus any other funds required in connection with this Agreement, shall be disbursed from time to time by the Credit Union during the progress of construction to the subject improvements for payment of labor performed and materials furnished in connection with said construction. Such disbursements shall be made only on the written approval of the Owner, or his duly authorized agent, except as may hereinafter be set forth; and, such approvals and disbursements shall be made at the times and under the terms and conditions as shall from time to time be designated by the Credit Union.

4. The Owner agrees that all improvements shall be constructed in accordance with the plans, specifications, and other documents referred to herein, and in conformance with any building code requirements.

5. The Owner agrees that the Credit Union shall be under no duty or obligation to disburse any portion of the loan proceeds whenever it is the opinion of the Credit Union that the undisbursed portion of the loan is not sufficient to pay all costs of the subject improvements. In such event the Credit Union shall have the right to demand from the Owner, and the Owner agrees to pay, such additional funds as the Credit Union then deems necessary to pay in full all costs of construction. On written notice by the Credit Union of such demand such additional money shall be paid to the Credit Union within ten (10) days by the Owner.

Signed this 4th day of September, 1987, at Birmingham, Alabama.

OWNER

Roger D. Spear
ROGER D. SPEAR

Bonnie A. Spear
BONNIE A. SPEAR

The undersigned hereby certifies that he is the general contractor for the erection of the above-proposed improvements, and, in consideration of the Credit Union making the aforementioned loan to the Owner, agrees to inform the Credit Union before constructing improvements which are not in accordance with the plans, specifications, and documents described above.

WITNESSES

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

1987 SEP 11 AM 8:49
BY:

Thomas A. [Signature]
JUDGE OF PROBATE

CONTRACTOR

Roger D. Spear

NO TAX COLLECTED

1. Deed Tax \$ _____
2. Mtg. Tax _____
3. Recording Fee 1.50
4. Indexing Fee 1.00
TOTAL 8.50