

STATE OF ALABAMA )  
COUNTY OF SHELBY )

THIS INSTRUMENT PREPARED BY:  
James J. Odom, Jr.  
P.O. Box 11244  
Birmingham, Alabama 35202

MORTGAGE

**KNOW ALL MEN BY THESE PRESENTS, THAT**

**WHEREAS**, the undersigned, Stanley E. DeWitt and wife, Sally W. DeWitt, are justly indebted to Parade Home Builders, Inc. in the sum of Sixty Thousand and No/100 DOLLARS (\$60,000.00) (the Indebtedness) evidenced by a promissory note of even date, and

**WHEREAS**, it is desired by the undersigned to secure the prompt payment of the Indebtedness with interest.

**NOW, THEREFORE**, in consideration of the Indebtedness, and to secure the prompt payment thereof at maturity, the undersigned, Stanley E. DeWitt and wife, Sally W. DeWitt, do hereby grant, bargain, sell and convey unto the said Parade Home Builders, Inc. (hereinafter called Mortgagee) the following described real property (the Property) situated in Shelby County, Alabama, to-wit:

Lot 60, according to the Survey of SOUTHLAKE, FIRST ADDITION, as recorded in Map Book 14, at Page 31, in the Office of the Judge of Probate of Shelby County, Alabama.

**SUBJECT TO:**

1. Current taxes.
2. Building set back line of 50 feet from Southlake Parkway and Natalie Lane as shown by plat.
3. Public utility easements as shown by recorded plat.
4. Transmission Line Permit(s) to Alabama Power Company as shown by instrument recorded in Deed Book 104, Page 213, in Probate Office.
5. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out in Deed Book 259, Page 635, in Probate Office.
6. Restrictions, covenants and conditions as set out in instruments recorded in Misc. Book 2, Page 298; Misc. Book 16, Page 768, and as shown by Map Book 14, Page 31, in Probate Office.
7. Declaration of Protective Covenants of Southlake (Residential) as set out in instrument recorded in Real 160, Page 495, in Probate Office.
8. Notice of Permitted Land Uses as set out in instrument recorded in Real 160, Page 492, in Probate Office.
9. Restrictions, covenants, and conditions as set out in Real 257, Page 3, including restrictions as to ingress and egress by any street than over and upon what is now dedicated and known as Southlake Parkway.
10. Agreement regarding ownership, maintenance and use of lake in Misc. Book 7, Page 771, as to the use of the lake property.
11. Covenant releasing predecessor in title from any liability arising from sinkholes, limestone formations, soil conditions, or any other known or unknown surface or subsurface conditions that may now or hereafter exist or occur or cause damage to subject property, as shown by instrument recorded in Real 257, Page 3, in Probate Office.

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SHELBY COUNTY JUDGE OF PROBATE  
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12. Flood easement in Deed Book 284, Page 881, as set out on survey by Gay & Martin, Inc. dated September 1989.
13. Agreement with Alabama Power Company as to underground cables recorded in Real 290, Page 996, and covenants pertaining thereto recorded in Real 364, Page 395, in Probate Office.
14. Rights of riparian owners in and to the use of lake.
15. Release of damages as set out in instrument recorded as Instrument #1993-41874 and Real 313, Page 676 in Probate Office.
16. Grantor's Disclaimer of Liability for Soil, Underground Conditions, etc. Grantor makes no representations or warranties concerning the condition of the Property or its suitability for construction of a residence, except to the extent expressly and specifically set forth herein. Grantee undertakes the full obligation to investigate and determine all conditions of the Property that are material to Grantee's decision to purchase. Grantee understands and agrees that Grantor shall have no liability for sinkholes, limestone formations, underground mines, or any other surface or sub-surface condition, known or unknown, that may now or hereafter exist or occur or cause damage to person, property, or buildings or be or prevent adequate support for improvements. Grantee does forever release Grantor from all damage arising out of the condition of the soil or for the condition of the surface or sub-surface of the Property, and this release shall constitute a covenant running with the land.
17. Grantor's Right to Construct Residence For Grantee; Option to Repurchase Property. As part of the consideration running to Grantor from Grantee, Grantee agrees within six (6) years from the date hereof to enter into a construction contract with Grantor under which Grantor will construct a residence on the Property in accordance with plans and specifications to be submitted by Grantee ("Construction Contract"). Should Grantee and Grantor fail to enter into a Construction Contract prior to the end of a six-year period from the date hereof, Grantor shall have the right for a period of two years from the end of such six-year period to repurchase the Property at the original purchase price; provided, however, that Grantor agrees hat at any time during the period of six years from date, Grantor will, at Grantee's request, consent to a sale of the Property by Grantee provided that Grantee's transferee accepts the terms of this paragraph and simultaneously enters into a Construction Contract with Grantor. This covenant to enter into a Construction Contract is intended to, and shall, run with the land. Grantor reserves the right, without notice to any purchaser or lot owner in Southlake, First Addition, to change or waive the requirement for a Construction Contract with Grantor, and neither the reservation of this right nor the exercise thereof shall impair Grantor's ability to enforce upon other owners and purchasers in Southlake, First Addition, provisions which are the same or similar to those in this Paragraph.

Grantee and Grantor agree to resolve all disputes arising under this instrument through arbitration under the rules of the American Arbitration Association. The arbitrator shall be empowered to award attorney's fees and expenses to the prevailing party.

The proceeds of this loan have been applied toward the purchase price of the property described above conveyed to mortgagors simultaneously herewith.

The Property is warranted free from all encumbrances and against any adverse claims.

**TO HAVE AND TO HOLD** the above granted premises unto the Mortgagee forever; and for the purpose of further securing the payment of the Indebtedness, the undersigned, agrees to pay all taxes, or assessments, when legally imposed upon the Property, and should default be made in the payment of taxes or assessments, the Mortgagee has the option of paying off them; and to further secure the Indebtedness, the undersigned agrees to keep the improvements on the real estate insured against loss or damage by fire, lightning and tornado for the reasonable insurable value thereof in companies satisfactory to the Mortgagee, with loss, if any, payable to the Mortgagee, as the interest of the Mortgagee may appear, and promptly to deliver the policies, or any renewals of the policies, to the Mortgagee; and if undersigned fail to keep the Property insured as above specified, or fail to deliver the insurance policies to the Mortgagee then the Mortgagee has the option of insuring the Property for the reasonable insurable value for the benefit of the Mortgagee, the policy, if collected, to be credited on the Indebtedness, less cost of collecting same; all amounts so expended by the Mortgagee for taxes, assessments or insurance, shall become a debt to the Mortgagee, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from the date of payment by the Mortgagee, and be at once due and payable.

Upon condition, however, that if the Mortgagor pays the Indebtedness, and reimburses the Mortgagee for any amounts Mortgagee may have expended for taxes, assessments and insurance, and the interest thereon, then this conveyance to be null and void, but should default be made in the payment of any sum expended by the Mortgagee, or should the Indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of the Mortgagee in the Property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, or if any statement of lien is filed under the Statutes of Alabama relating to the liens of mechanics and materialmen without regard to 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, then in any one of said events, the whole of the 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 Mortgagee shall be authorized to take possession of the premises hereby conveyed and with or without first taking possession, after giving twenty-one days' notice by publishing once a week for three consecutive weeks, the time, place and terms of sale, in some newspaper published in Shelby County, Alabama, to sell the same in lots or parcels, or en masse, as Mortgagee may deem best, in front of the Court House door in Shelby County, at public outcry, 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 be necessary then to expend in paying insurance, taxes, or other encumbrances, with interest thereon; third, to the payment of the Indebtedness in full, whether or not it shall have fully matured, at the date of the sale, but no interest shall be collected beyond the day of

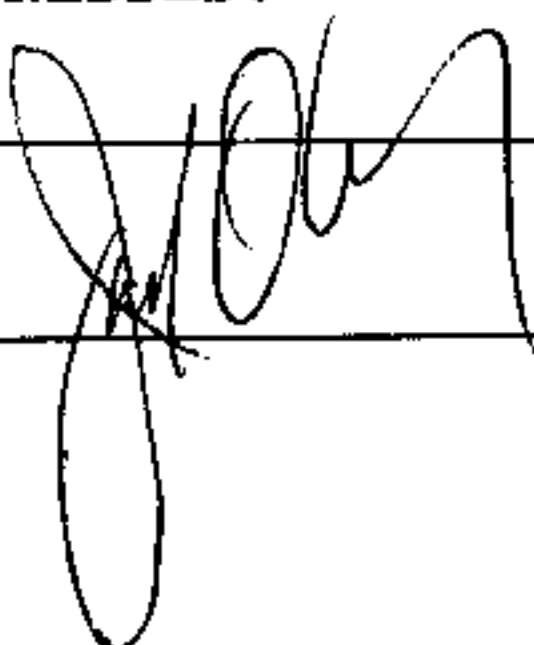
sale; and fourth, the remainder, if any, to be turned over to the Mortgagor; and the undersigned, further agree that the Mortgagee may bid at said sale and purchase the Property, if the highest bidder therefor, as though a stranger hereto, and the person acting as auctioneer at such sale is hereby authorized and empowered to execute a deed to the purchaser thereof in the name of the Mortgagor by such auctioneer as agent, or attorney in fact; and undersigned further agree to pay a reasonable attorney's fee to the Mortgagee for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereto secured.

It is expressly understood that the word "Mortgagee" wherever used in this mortgage refers to the person named as grantee in the granting clause herein.

Any estate or interest herein conveyed to the Mortgagee, or any right or power granted to the Mortgagee in or by this mortgage, is hereby expressly conveyed and granted to the heirs, and agents, and assigns of the Mortgagee.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this the 17th day of February, 1994.

WITNESSES:

  
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Stanley E. DeWitt

  
Sally W. DeWitt

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Stanley E. DeWitt and wife, Sally W. DeWitt, whose names are signed to the foregoing conveyance and who are 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 17th day of February, 1994.

  
Notary Public

My commission expires: \_\_\_\_\_