

STATE OF ALABAMA)

SHELBY COUNTY )

## **PURCHASE MONEY MORTGAGE**

This indenture is made and entered into this 22nd day of October, 1997, by and between MCWHORTER PROPERTIES - HOOVER, L.L.C. (the "Mortgagor"), and MEDPLEX LAND ASSOCIATES (the "Mortgagee").

## Recitals

A. The Mortgagor is justly indebted to the Mortgagee in the principal amount of Two Hundred Forty-Two Thousand and Nine Hundred Ninety-One and 29/10 Dollars (\$242, 991.29), as evidenced by that certain subordinated purchase money note of even date herewith, which is payable in accordance with its terms (the "Note").

B. In order to secure the Note, and in order to induce the Mortgagee to extend credit to the Mortgagor on the strength of the security provided by this mortgage, and to secure the performance of all of the covenants of Mortgagor made hereunder including, without limitation, the Additional Covenants referred to below, the Mortgagor has agreed to execute and deliver this mortgage and convey the property described herein to the Mortgagee as hereinafter set forth.

#### Agreement

NOW, THEREFORE, in consideration of the Recitals, and to secure the payment of the debt evidenced by the Note and any and all extensions and renewals thereof, or of any part thereof (the aggregate amount of such debt, including any extensions and renewals is hereinafter collectively called "Debt") and the compliance with all of the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagee, the real estate which is situated in Shelby, County, Alabama, and described on Exhibit A attached hereto and made a part hereof (said real estate being hereinafter called the "Real Estate").

Together with all the rights, privileges, tenements, improvements, appurtenances and fixtures appertaining to the Real Estate, all of which shall be deemed Real Estate and conveyed by this mortgage.

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10/29/1997-35217 09:59 AM CERTIFIED SHELBY COUNTY JUDGE OF PROBATE 007 NCD 390.00 To have and to hold the Real Estate unto the Mortgagee, its successors and assigns forever. The Mortgagor covenants with the Mortgagee that the Mortgagor is lawfully seized in fee simple of the Real Estate and has a good right to sell and convey the Real Estate as aforesaid; that the Real Estate is free of all encumbrances, except for the matters described on Exhibit B attached hereto and made a part hereof (collectively the "Permitted Encumbrances"), and the Mortgagor will warrant and forever defend the title to the Real Estate unto the Mortgagee, against the lawful claims of all persons, except those claiming under Permitted Encumbrances.

The Note which is secured by this Mortgage has been delivered in payment of the purchase price for the real estate and of certain additional sums payable by the Mortgagor to the Mortgagee in connection with the purchase and sale of the Real Estate under that certain Agreement for Purchase and Sale of Real Property dated September 12, 1997 between the Mortgagee and Southlake Properties, an Alabama general partnership ("Southlake"), as assigned to and assumed by the Mortgagor pursuant to Assignment of Real Estate Contract dated as of October 1, 1997 and amended by First Amendment dated as of October 20, 1997 (collectively the "Agreement"). Under the Agreement, the Real Estate has been conveyed by the Mortgagee to the Mortgagor solely to provide access to a tract of approximately 15 acres (the "Development Site") which Mortgagor intends to acquire from Southlake for purposes of developing a retail facility (the "Store") which is to be leased to, occupied and operated by Lowe's Home Centers, Inc. ("Lowe's"). In this connection, and as a material inducement to the Mortgagee's sale of the Real Estate to the Mortgagor and to Mortgagee's acceptance of the Note and this Mortgage, the Mortgagor hereby covenants and agrees with the Mortgagee to perform all of the following (collectively the "Additional Covenants") on or before November 30, 1997:

- 1. To acquire the Development Site from Southlake;
- 2. To enter into a binding lease with Lowe's, having a minimum term of twenty (20) years, providing for the construction of the Store;
- 3. To Provide evidence to the Mortgagee, through delivery to the Mortgagee of a recorded deed from Southlake, and a fully executed lease with Lowe's that such acquisition and lease have been completed; and

4. To pay to Medplex, Inc. and Medplex Two, Inc. certain sums (in the aggregate amount of \$557,008.71) under the Agreement.

For the purpose of further securing the payment of the Debt, the Mortgagor agrees to: (1) pay promptly when due all taxes, assessments, and other liens taking priority over this mortgage (hereinafter jointly called "Liens"), and if default is made in the payment of the Liens, or any part thereof, the Mortgagee, at its option, may pay the same, in which event the amounts so paid shall be added to the principal indebtedness under the Note.

The Mortgagor hereby assigns and pledges to the Mortgagee the following described property, rights, claims, rents, profits, issues and revenues:

- 1. all rents, profits, issues, and revenues of the Real Estate from time to time accruing, whether under leases or tenancies now existing or hereafter created; and
- 2. all judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Real Estate, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments made for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of the power of eminent domain.

The Mortgagor agrees to take good care of the Real Estate and not to commit or permit any waste thereon.

After default on the part of the Mortgagor, the Mortgagee shall be entitled to the appointment by any competent court, without notice to any party, of a receiver for the rents, issues and profits of the Real Estate, with power to lease and control the Real Estate, and with such other powers as may be deemed necessary.

Upon condition, however, that if the Mortgagor pays the Debt (which Debt includes the indebtedness evidenced by the Note and any and all extensions and renewals thereof, or any part thereof, and all interest on said indebtedness and on any and all such extensions and renewals) and reimburses the Mortgagee for any amounts the Mortgagee has paid in payment of Liens and interest thereon, faithfully and timely

perform discharge each of the Mortgagor's covenants hereunder, including, without limitation, the Additional Covenants, and fulfills all of its obligations under this mortgage, this conveyance shall be null and void.

The Mortgagor shall be in default under this mortgage upon the happening of any of the following events or conditions (referred to herein individually as an "Event of Default"):

- (a) an "Event of Default", as such term is defined under the Note;
- (b) failure or refusal, of Mortgagor, to fully perform each and every one of the Additional Covenants on or before November 30, 1997, time being of the essence;
- (c) in the event that the Real Estate, or any right or interest therein, shall be sold or conveyed, voluntarily, or involuntarily by operation of law, or otherwise, or in the event that any ownership interest, financial rights, governance rights, or other interests in the Mortgagor shall be assigned, pledged, or otherwise transferred in any way; or
- (d) default in the due observance or performance of any covenant, condition or agreement on the part of Mortgagor to be observed or performed pursuant to the terms of this Mortgage which is not cured within ten (10) days after notice from Mortgagee to Mortgagor.

Upon the occurrence of an Event of Default hereunder, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable and this mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past-due mortgages; and the Mortgagee shall be authorized to take possession of the Real Estate and, after giving at least twenty-one days notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the county in which the Real Estate is located, to sell the Real Estate in front of the courthouse door of said county, at public outcry, to the highest bidder for cash, and to apply the proceeds of said sale as follows: first, to the expense of advertising, selling and conveying the Real Estate foreclosing this mortgage, including a reasonable attorney's fee; second, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, Liens or other encumbrances, with interest thereon; third, to the payment in full of the balance of the Debt whether the same shall or shall not have fully matured at the date of said sale; fourth, to pay, discharge or perform mortgagor's covenants hereunder including, without limitation, the Additional Covenants; and, fifth, the balance, if any, to be paid to the party or parties appearing of record to be entitled to such balance, after deducting the cost of ascertaining who is such owner. The Mortgagor agrees that the Mortgagee may bid at any sale had under the terms of this mortgage and may purchase the Real Estate if the highest bidder therefor. At the foreclosure sale the Real Estate may be offered for sale and sold as a whole without first offering it in any other manner or it may be offered for sale and sold in any other manner the Mortgagee may elect.

The Mortgagor agrees to pay all costs, including reasonable attorney's fees incurred by the Mortgagee in enforcing or seeking to enforce the Mortgagor's obligations and covenants hereunder. collecting or securing or attempting to collect or secure the Debt, hereunder and/or any part thereof, or in defending or attempting to defend the priority of this mortgage against any lien or encumbrance on the Real Estate, and/or all costs incurred in the foreclosure of this mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Mortgagee shall be a part of the Debt and shall be secured by this mortgage. The purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money. In the event of a sale hereunder, the Mortgagee, or the owner of the Debt and mortgage, or auctioneer, shall execute to the purchaser, for and in the name of the Mortgagor, a statutory warranty deed to the Real Estate.

The Mortgagor's obligations under this instrument are nonrecourse in nature, and are to be satisfied only by the Real Estate and the rents, income and proceeds thereof; and Mortgagee shall have no claim for damages against Mortgagor, or any of its members, as a result of breach of this Mortgage or any covenants contained herein nor any claim for deficiency arising from a foreclosure action or a default under this Mortgage.

Plural or singular words used herein to designate the undersigned shall be construed to refer to the maker or makers of this mortgage, whether one or more natural persons, corporations, associations, partnerships or other entities. All covenants and

agreements herein made by the undersigned shall bind the successors and assigns of the undersigned; and every option, right and privilege herein reserved or secured to the Mortgagee shall inure to the benefit of the Mortgagee's successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused this mortgage to be executed by its duly authorized officer as of the date first written above.

MCWHORTER PROPERTIES-HOOVER, L.L.C

3v:

its: Manager

Date:  $\frac{10/22/97}{2}$ 

### STATE OF ALABAMA )

# COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that <u>Landon (Mounter</u>, whose name as <u>Manager</u> of MCWHORTER PROPERTIES-HOOVER, L.L.C., a limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents thereof, he, as such <u>Manager</u> and with full authority, executed the same voluntarily for and as the act of said limited liability company.

GIVEN under my hand and official seal this 22nd day of October, 1997.

Notary Public

My Commission Expires:

"My Notary commission expires 5/17/98"

This instrument prepared by:

William R. Sylvester, Esq.
WALSTON, WELLS, ANDERSON & BAINS, LLP
505 20th Street, North, Suite 500
P.O. Box 830642
Birmingham, Alabama 35283-0642
Telephone: (205) 251-9600

Telephone: (205) 251-9600 Telecopier: (205) 251-0700

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