

Purchase Money
MORTGAGE

This MORTGAGE dated October 12, 2012, is made and executed between JaG Investment Strategies, LLC, (referred to as "Borrower") and Sybil Harwell whose address is _____ (referred to below as "Lender").

Whereas, Borrowers agree, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, Borrowers do hereby grant, bargain, sell and convey unto Lender the following described real estate, situated in Shelby County, Alabama, to wit:

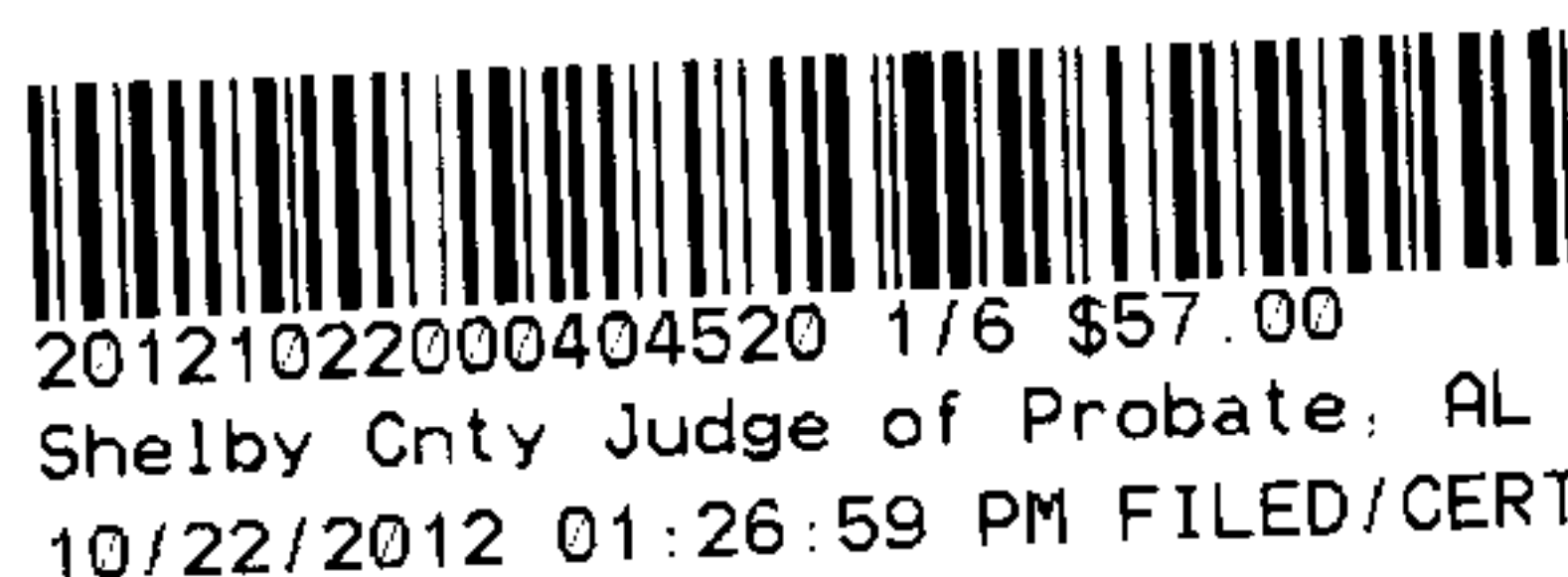
Lot 102, according to a Resurvey of Lots 1 through 64, 89 through 104, and A through C of Applegate Manor, as recorded in Map Book 10, Page 25, in the Probate Office of Shelby County, Alabama; together with all the rights, privileges, easements and appurtenant ownership interest in and to premises previously conveyed by Applegate Realty, Inc., to the Applegate Townhouse Association, Ins., by deed recorded in Probate Office of Shelby County, Alabama, in Real 065 Page 210 and Real 318, Page 135, and as more fully defined in the Declaration of Covenants, Conditions and Restrictions of Applegate Townhouse recorded in the Probate Office of Shelby County, Alabama, in Real 63, Page 634, as amended by Corporation Record 43, Page 711; being situated in Shelby County, Alabama.

Said property is warranted to be free from any encumbrances and against any adverse claims, except as stated above.

TO HAVE AND TO HOLD the above granted property unto the said Lender, Lender's successor, heirs, and assigns forever, and for the purpose of further securing the payment of said indebtedness, the undersigned agree(s) to the following Uniform Covenants:

1. PAYMENT OF PRINCIPAL, INTERST AND LATE CHARGES. Borrowers shall pay when due the interest on the debt of \$20,000.00 as evidenced by the Note bearing the same date and any late charges due under the Note. Payments are deemed received by Lender when received at the location designated in the Note by Lender. The payments secured by this note shall be paid in full on or before September 12, 2017.

2. TAXES; LIENS. Borrowers shall pay all taxes, assessments, charges, fines and impositions, attributable to the Property which can attain priority over this Security Instrument. Borrowers shall promptly discharge any lien which has priority over this Security Instrument unless Borrowers: (a) agree in writing to the payment of the obligation secured by the lien in a manner acceptable to the Lender; (b) contest the lien in good faith by, or defend against enforcement of the lien in, legal proceedings which in Lender's sole and absolute opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such



proceedings are concluded. If Lender determines that any part of the Property is subject to identifying the lien and within 10 days of the date that notice is given, borrower shall satisfy the lien or take one or more of the actions set forth in this section.

3. **PROPERTY INSURANCE.** Borrowers shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which the Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that the Lender requires. If Borrowers fail to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrowers' expense.

In the event of loss, Borrowers shall give prompt notice to the insurance carrier and Lender. Unless Lender and Borrowers otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to the restoration of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Upon Lender's request, Borrowers shall provide Lender with a written copy of the certificate of coverage of said insurance. Borrowers further agree to provide Lender with written copies of all updated certificates of coverage of said insurance within thirty (30) days of renewing said insurance for each year during the life of the Note and/or Mortgage.

4. **PRESERVATION AND MAINTENANCE OF PROPERTY.** Borrowers shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Borrowers shall maintain the Property in marketable condition and preserve its value. Borrowers shall promptly comply with all laws, ordinances and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property.

5. **EVENTS OF DEFAULT.** Each of the following, at Lender's sole and absolute option, shall constitute an Event of Default under this Mortgage:

A. **Payment Default.** Borrowers fail to make any payment when due and under the indebtedness.

B. **Default on Other Payments.** Failure of Borrowers within the time required by this Mortgage to make any other payment necessary to prevent filing of or to effect discharge of any lien.

C. **Other Defaults.** Borrowers fail to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition

contained in any other Related Documents which reflect an agreement between Lender and Borrowers.

D. False Statements. Any warranty, representation or statement made or furnished to Lender by Borrowers or on Borrowers' behalf, or made by Guarantor, or any other guarantor, endorser, surety, or accommodation party, under this Mortgage or the related documents in connection with the obtaining of the indebtedness evidenced by the Note or any security document directly or indirectly securing repayment of the Note is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

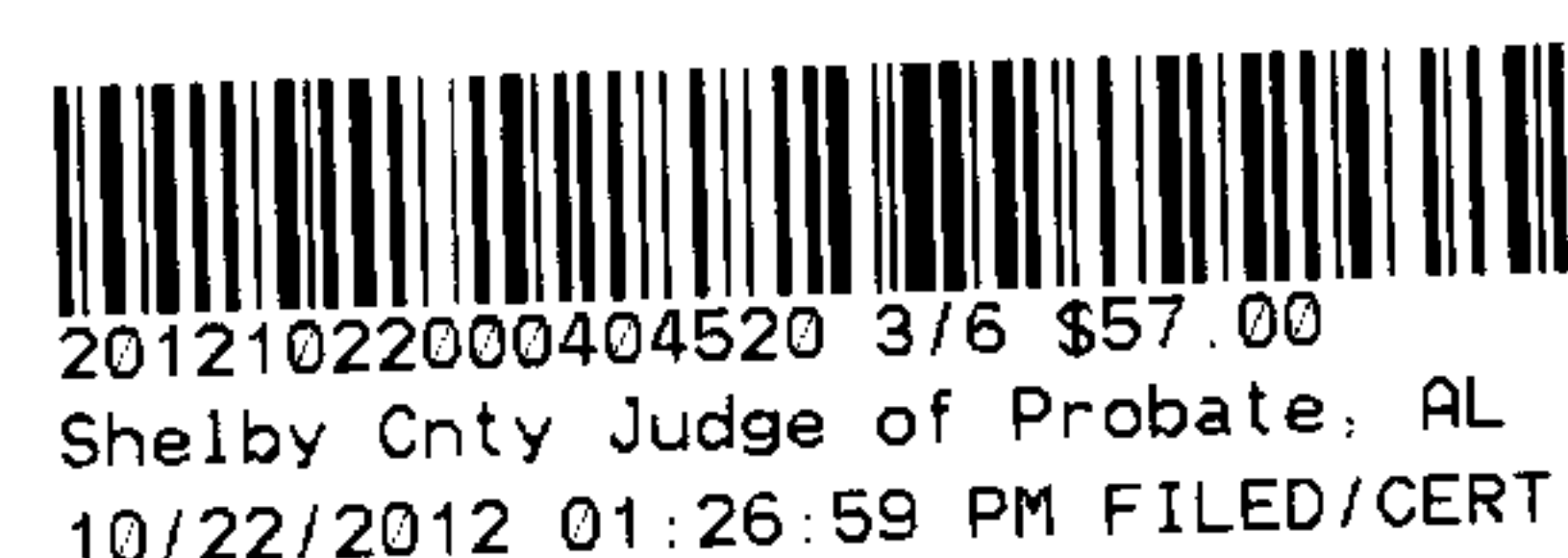
E. Default in Favor of Third Parties. Should Borrowers default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrowers' property or Borrowers' ability to repay the indebtedness or Borrowers' ability to perform Borrowers' obligations under this Mortgage or any related documents.

F. Breach of Other Agreement. Any breach by Borrowers under the terms of any other agreement between Borrowers and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrowers to Lender, whether existing now or later.

G. Adverse Change. A material adverse change occurs in Borrowers' financial condition, or Lender reasonably believes the prospect of payment or performance of the indebtedness is impaired.

6. RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's sole and absolute option, may exercise the following remedy, in addition to any other rights or remedies provided by law:

A. Accelerate Payment. In the event of default by the Borrowers, Lender shall give notice to Borrowers prior to acceleration following Borrowers' breach of any covenant or agreement in this Security Instrument. This notice shall specify the: (a) the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date notice is given to Borrowers by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform the Borrowers of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrowers to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its sole and absolute option may require immediate payment in full of all sums secured by this Security Instrument with further demand and may invoke the power of sale and any other remedies permitted by Applicable Law.



B. Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge as reasonable attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of Lender's interest or the enforcement of Lender's rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date expenditure until repaid. Expenses covered by this paragraph include without limitation, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post judgment collection services, the cost of searching records, obtaining title reports, surveyor's reports and appraisal fees and title insurance.

C. Notices. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by tele-facsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may changes its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrowers agree to keep Lender informed at all times of Borrowers' current address.

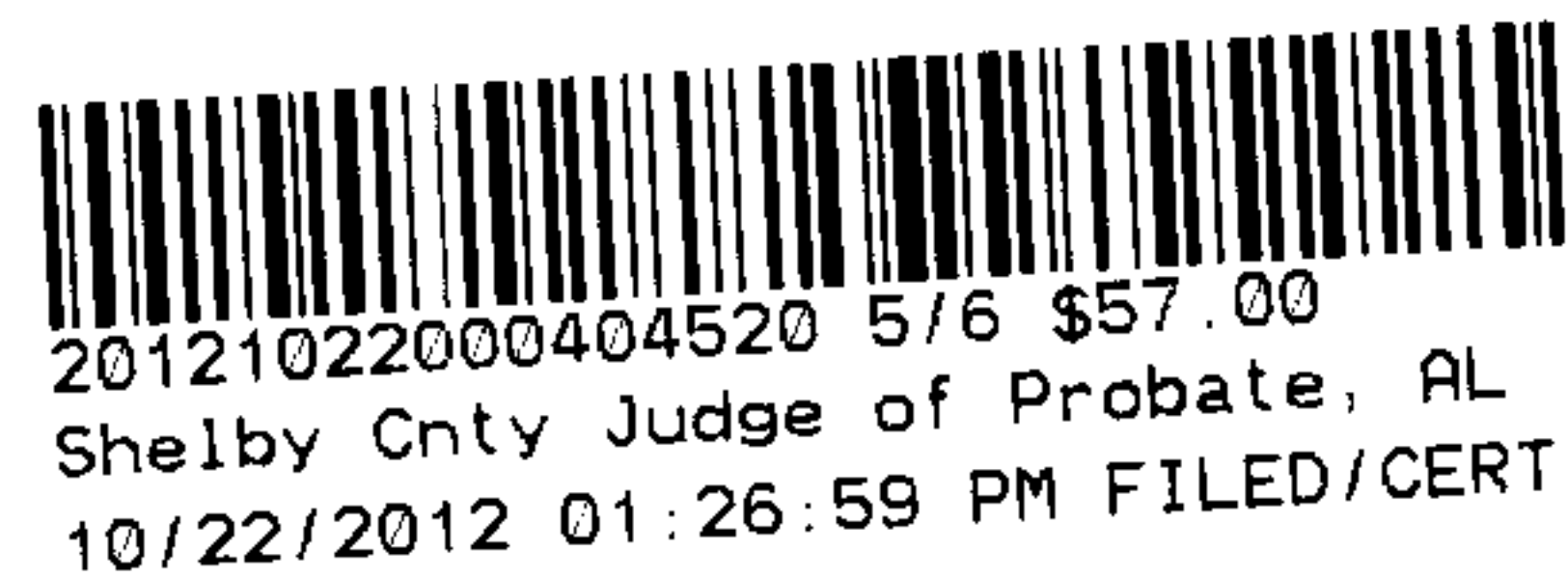
D. Joint and Several Liability. Borrowers understand and agree that Borrowers' obligations shall be joint and several. Borrowers shall not transfer Borrowers' rights and/or obligations to any successor-in-interest without receiving prior written approval from Lender.

7. If Lender invokes the power of sale, Lender shall give a copy of a notice to Borrower in the manner provided in Paragraph 6 C. Lender shall publish the notice of sale once a week for three consecutive weeks in a newspaper published in BIBB County, Alabama, and SHELBY County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the front door of the County Courthouse of this County. Lender shall deliver to the purchaser Lender's deed conveying the Property. Lender or its designee may purchase the Property at any sale. Borrower covenants and agrees that the proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.



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8. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.
9. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.
10. Lender May Assign and/or Transfer. Borrower agrees that Lender may assign and/or transfer this Security Instrument and the rights herein to another Lender.
11. Deed in Lieu of Foreclosure. If Borrower has breached any covenant or agreement in this Security Instrument, and following of Borrower's breach of any covenant or agreement in this Security Instrument, Borrower agrees that Lender may accept a Deed in Lieu of Foreclosure as an alternative to any available foreclosure proceeding or remedy available to Lender. A signed and executed Deed in Lieu of Foreclosure shall transfer to the Lender all right, title and interest of the Borrower in the mortgaged property under this Security Instrument, including but not limited to all rights of redemption, statutory or equitable.
12. Borrower shall not encumber the mortgage property under this Security Instrument with any other type of loan, obligation or debt without the prior written consent of Lender.
13. Severability. Each provision of this Security Instrument shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Security Instrument which are valid.



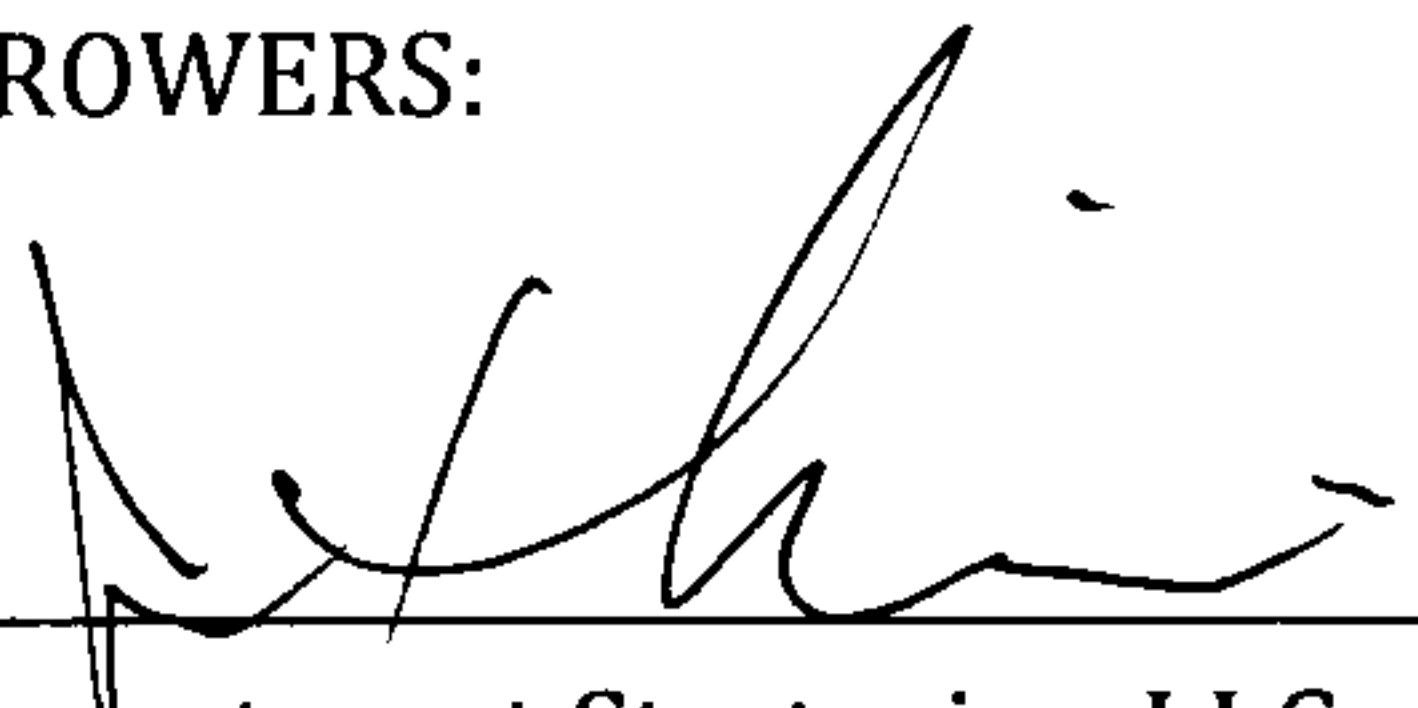
BORROWERS ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE AND AGREE TO ITS TERMS.

THIS MORTGAGE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MORTGAGE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.


BY SIGNING BELOW, Borrowers accept and agree to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrowers and recorded with it.

October 12, 2012

BORROWERS:



JaG Investment Strategies, LLC



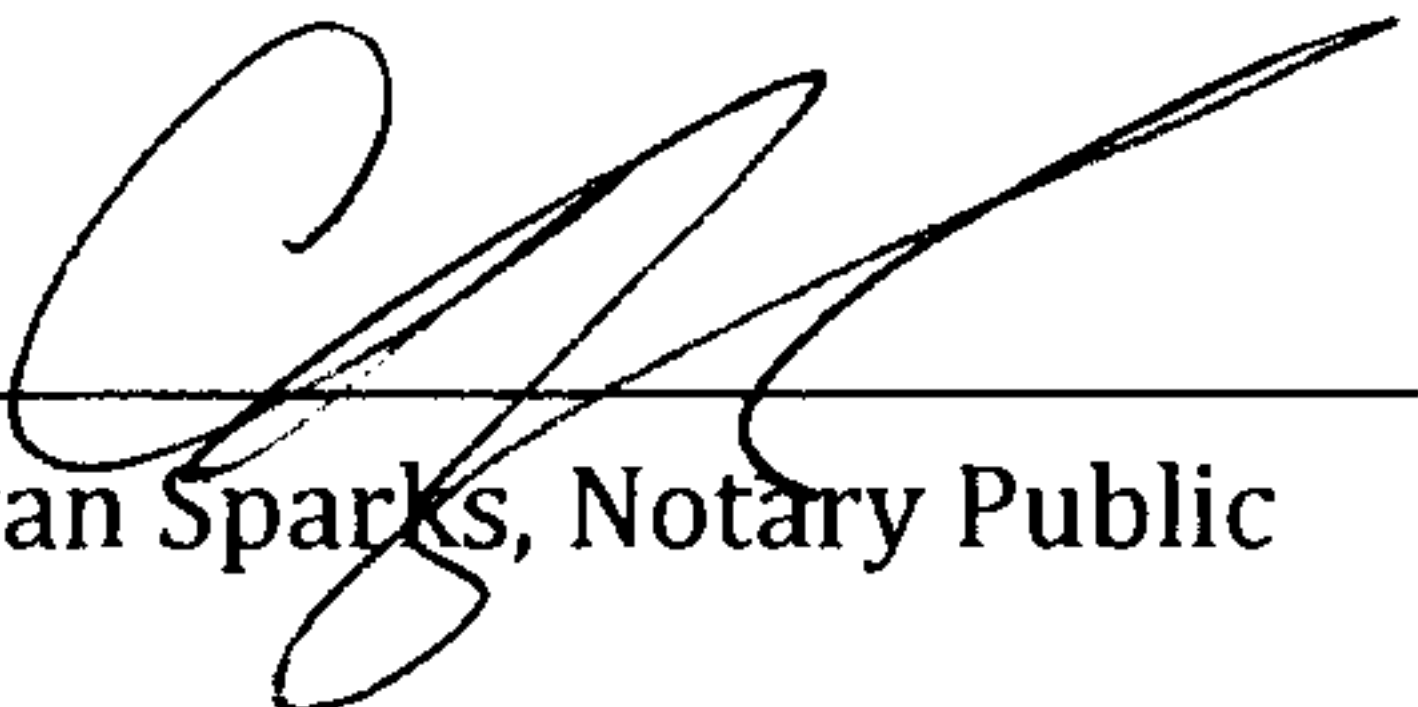
Witness

Witness

STATE OF ALABAMA)
COUNTY OF SHELBY)


I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that JaG Investment Strategies, LLC, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Mortgage, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 12th day of October, 2012.



C. Ryan Sparks, Notary Public

My Commission Expires: December 14, 2015


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