

MORTGAGE

THIS MORTGAGE is made this 22nd day of March 1982, between the Grantor, Angus R. Skipper and wife, Doris Skipper, Company, Inc. (herein "Borrower"), and the Mortgagee, Engel Mortgage Company, Inc. a corporation organized and existing under the laws of the State of Delaware, whose address is P. O. Box 847, Birmingham, Alabama (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of Fifty-Four Thousand Fifty and no/100 Dollars, which indebtedness is evidenced by Borrower's note dated March 22, 1982 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on November 1, 2006;

To SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby grant and convey to Lender and Lender's successors and assigns, with power of sale, the following described property located in the County of Shelby, State of Alabama:

Lot 19, according to the Survey of Monte Tierra, 1st Addition, as recorded in Map Book 6, Page 91, in the Probate Office of Shelby County, Alabama.

The proceeds of this loan have been applied on the purchase price of the property described herein, conveyed to mortgagors simultaneously herewith.

which has the address of 19 Eddings Lane Montevallo, Alabama 35115 (herein "Property Address");
(State and Zip Code)

TO HAVE AND TO HOLD such property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. **Hazard Insurance.** Borrower 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and

Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

12. **Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15. **Uniform Mortgage; Governing Law; Severability.** This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

17. **Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

18. **Acceleration; Remedies.** Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Borrower 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 Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall mail a copy of a notice of sale to Borrower in the manner provided in paragraph 14 hereof. Lender shall publish the notice of sale once a week for three consecutive weeks in some newspaper

published in... 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 said County. Lender shall deliver to the purchaser Lender's deed conveying the Property so sold. Lender or Lender's 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 reasonable costs and expenses of the sale, including, but not limited to, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Mortgage or (ii) entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured thereby shall remain in full force and effect as if no acceleration had occurred.

20. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account for only those rents actually received.

~~21. **Foreclosure.** Upon acceleration of the sums secured by this Mortgage, Lender shall have the right to foreclose on the Property by sale at public auction at the front door of the County Courthouse of said County. Lender or Lender's 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 reasonable costs and expenses of the sale, including, but not limited to, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.~~

22. **Release.** Upon payment of all sums secured by this Mortgage, this Mortgage shall become null and void, and Lender shall release this Mortgage, without charge to Borrower. Borrower shall pay all costs of recordation, if any.

23. **Waiver of Homestead, Dower and Curtesy.** Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all right of dower and curtesy in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Signed, sealed and delivered
in the presence of:


Angus R. Skipper

(Seal)
—Borrower


Doris Skipper

(Seal)
—Borrower

STATE OF ALABAMA, ... Jefferson ... County ss:

On this... 22nd ... day of... March ..., 1982 ..., I, the undersigned, ...
a Notary Public in and for said county and in said state, hereby certify that... Angus R. Skipper and wife, ...
Doris Skipper ..., whose name(s) ... are ... signed to the
foregoing conveyance, and who ... are ... known to me, acknowledged before me that, being informed of the
contents of the conveyance, they executed the same voluntarily and as their ... act on the day the same
bears date.

Given under my hand and seal of office this the 22nd ... day of... March ..., 1982 ...
My Commission expires:


Notary Public

This instrument was prepared by... Dale Corley, 1933 Montgomery Highway, Birmingham, Alabama

(Space Below This Line Reserved For Lender and Recorder)

CORLEY, MORGUS, DEBUS, BEYER, TUNSTON & BEYERS, ATTORNEYS
1933 MONTGOMERY HIGHWAY
BIRMINGHAM, ALABAMA 35209

CORLEY, MORGUS, DEBUS, BEYER, TUNSTON & BEYERS, ATTORNEYS
1933 MONTGOMERY HIGHWAY
BIRMINGHAM, ALABAMA 35209

RIDER TO WRAP-AROUND MORTGAGE

This Rider is attached to that certain mortgage between Angus R. Skipper & Doris Skipper, as Borrower, whether one or more, and Engel Mortgage Company, Inc., as Lender, executed on the 22nd day of March, 1982 and by this reference made a part thereof. Capitalized terms used in this Rider shall have the meanings accorded to them in said mortgage. Said mortgage, as supplemented by this Rider, is hereinafter called the "Mortgage." Borrower and Lender further covenant and agree as follows:

24. Subordinate to Senior Mortgage. This Mortgage is subject and subordinate to, and shall wrap-around, that certain mortgage held by Mortgage Corporation of the South (the "Senior Mortgagee") dated October 20, 1976, and recorded in Volume Book 359, at page 10, in the Office of the Judge of Probate of Shelby County, Alabama (the "Senior Mortgage"), which secures a note in the original principal amount of \$ 32,900.00 (the "Senior Note"). Borrower represents and warrants to Lender that the outstanding balance of principal and interest under the Senior Note and Senior Mortgage does not exceed \$ 31,104.73, and that the regular monthly payment of principal and interest and any escrow for taxes and insurance premiums thereunder (collectively, the "Required Payments") is now \$ 269.72.

25. Performance of Senior Mortgage by Borrower. Borrower agrees to comply with all the terms and conditions of the Senior Mortgage and the Senior Note, except for the provisions directing the payment of the Required Payments to the Senior Mortgagee. Borrower agrees to take no action that could cause the Senior Mortgagee to accelerate the indebtedness secured by the Senior Mortgage.

BOOK 419 PAGE 424

26. Cross Default. In the event any default shall occur on the part of Borrower under any one or more of the provisions of the Senior Mortgage, such default shall constitute a default under this Mortgage.

27. Required Payments, Effect of Default, etc. Lender agrees to make the Required Payments due under the Senior Mortgage and Senior Note prior to the expiration of the applicable grace periods set forth therein, so long as there is no default on Borrower's part under the Senior Mortgage or this Mortgage; provided, however, Lender may, but shall not be obligated to, make the Required Payments regardless of any such default. Borrower agrees to notify the Senior Mortgagee that the Senior Mortgagee is authorized to accept any and all payments on the Senior Mortgage and Senior Note directly from Lender.

28. Notices. Borrower agrees to request the Senior Mortgagee to direct a copy of any and all notices given by the Senior Mortgagee under the Senior Mortgage or Senior Note directly to Lender. Borrower shall promptly furnish to Lender copies of all notices and other communications, including, but not limited to, notices of default, which the Borrower receives with regard to the Senior Note or the Property, the Senior Mortgage or any other liens thereon. Lender agrees to provide Borrower with notices of any default Lender receives from the Senior Mortgagee in order to provide Borrower with the opportunity to cure said default.

29. Borrower's Right To Cure. If Lender shall default in making any Required Payment, Borrower shall have the right to advance funds necessary to cure such default, and in such instance, Borrower shall receive credit against all monies so paid on behalf of Lender on payments due under this Mortgage.

BOOK 419 PAGE 426

30. Lender's Right To Cure. Lender is authorized, but not obligated, in the event of Borrower's default, without notice to or demand upon Borrower, and without releasing Borrower from any obligation hereof, to make any payment or perform any act under the Senior Mortgage that is required or permitted of Borrower, including, but not limited to, partial or full prepayment, payment of principal, interest and escrows, discharge, compromise or settlement of the Senior Mortgage or any other lien, charge or encumbrance, and redemption from sale or forfeiture or contest of any tax lien or assessment. Without limiting the generality of the foregoing, Borrower agrees that, upon receipt by Lender of any written notice of default by Borrower under the Senior Mortgage, Lender may rely thereon and take any action it deems necessary to cure such default, even though the existence of such default or the nature thereof may be questioned or denied by the Borrower or by any party on behalf of the Borrower. Borrower hereby expressly grants to Lender, and agrees that Lender shall have, the absolute and immediate right to enter upon the Property or any part thereof to such extent and as often as Lender, in its sole discretion, deems necessary or desirable in order to prevent or cure any such default by Borrower. Lender may pay and expend such sums of money as Lender in its sole discretion deems necessary for any such purpose, may pay expenses, employ counsel and pay reasonable attorney's fees. All monies so expended, including, but not limited to, any monies advanced by Lender to protect the Property and the lien of this Mortgage, shall be additional indebtedness secured by this Mortgage and shall bear interest at the rate of interest set forth in the Note or the highest rate allowed by law, whichever is lesser.

31. Prepayments. Borrower covenants and agrees not to exercise any right or privilege of prepayment in whole or in part of the Senior Mortgage and further covenants and agrees not to enter into any agreement with the holder of the Senior Mortgage modifying or amending any of the provisions dealing with payment of principal or interest thereunder without the express, prior written consent of Lender. Prepayment in whole or in part of the debt secured by this Mortgage is prohibited without the express, prior written consent of Lender.

32. Reduction of Balances. In the event the unpaid principal balance of the Senior Mortgage shall be reduced by the application by the Senior Mortgagee of condemnation or insurance proceeds in reduction thereof, or by prepayments of the indebtedness secured by the Senior Mortgage and this Mortgage, so that Lender's obligation hereunder to pay to the Senior Mortgagee the unpaid principal balance of the indebtedness is similarly reduced, then and in such event, Lender agrees that Borrower's obligation to pay the total indebtedness to Lender hereunder shall be likewise reduced by an equivalent amount; such equivalent amount to be deducted from the payments to be made by Borrower to Lender hereunder, in the inverse order of their maturity.

33. Lender Not Obligated. Nothing contained in this Mortgage shall require Lender to perform any of the terms or provisions of the Senior Mortgage or the Senior Note, except for the Required Payments specifically provided for herein, and Borrower hereby expressly releases and holds Lender harmless from any liability to perform any of the other terms and provisions of the Senior Mortgage, the Senior Note, or any other documents relating thereto.

BOOK 419 PAGE 427

34. Subrogation. Borrower grants to Lender a lien on the Property equal in priority to the Senior Mortgage lien, as to all Required Payments or any other payments made to the Senior Mortgagee under the Senior Mortgage or the Senior Note, so that all such payments made to the Senior Mortgagee by Lender shall have priority over any intervening liens. To the extent possible, Borrower subrogates Lender to all rights, powers, privileges and liens granted to the Senior Mortgagee under the terms of the Senior Mortgage, and unless Lender consents in writing, Borrower further agrees that the Senior Mortgage shall remain in existence for the term of this Mortgage to secure further the indebtedness evidenced by the Note and all other sums secured, or that hereafter may become secured, hereunder. Contemporaneously herewith the parties hereto have executed a subrogation agreement to which reference is hereby made for all of the terms and provisions thereof.

35. Leases and Rents. Borrower assigns to the Lender all interests in any leases and rents on the Property, this assignment being subject to any assignment of leases and rents previously made by Borrower to the Senior Mortgagee; provided, however, that Lender agrees not to exercise any rights under such assignment until after the occurrence of a default under this Mortgage or the Senior Mortgage.

36. Conflicting or Inconsistent Provisions. If any of the provisions contained in this Rider should conflict with, or be inconsistent with, any of the provisions contained in the remainder of this Mortgage, the provisions of this Rider shall be controlling to the extent of such inconsistency. If any of the typewritten portions of this Mortgage should conflict with, or be inconsistent with, any of the provisions contained in the printed portion of this Mortgage, such typewritten portions shall be

controlling to the extent of such conflict or inconsistency.

37. Third Parties, etc. Nothing contained in the Note or in this Mortgage shall be construed to create any rights in favor of any third party, including without limitation the Senior Mortgagee, or to supersede or affect in any way the liability, if any, of Borrower under the Senior Note, the Senior Mortgage or any other document executed in connection with, or as security for, the Senior Note.

38. Interest on Funds Held by Lender. Notwithstanding any provision to the contrary contained herein, interest shall not be payable by Lender upon any sums deposited with, and/or held in trust by, Lender pursuant to the provisions hereof.

39. Preservation of Rights under Senior Mortgage. Borrower agrees that Borrower will not surrender any of Borrower's rights under the Senior Mortgage and will not, without the prior written consent of Lender, consent to any modification, change or any alteration or amendment of the Senior Mortgage or the Senior Note and any other obligations secured thereby, either orally or in writing, and no release or forbearance of any of Borrower's obligations under the Senior Mortgage, whether pursuant to the Senior Mortgage or otherwise, shall release Borrower from any of Borrower's obligations under this Mortgage.



40. Miscellaneous Rights of Lender under Senior Mortgage and Senior Note. Borrower hereby irrevocably designates Lender its agent and attorney-in-fact to perform or observe on behalf of Borrower any covenant or condition which Borrower fails to perform or observe under the Senior Mortgage or Senior Note within any applicable grace period specified therein. Any advances made by

BOOK 419 PAGE 423

BOOK 410 PAGE 430

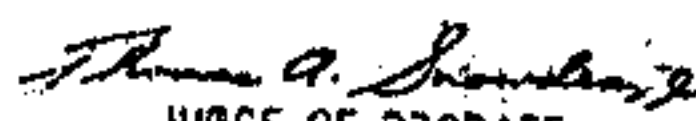
Lender in connection with any action authorized by any provision contained in this Mortgage shall be repaid by Borrower on demand, with interest at the rate of interest set forth in the Note or at the highest rate of interest allowed by law, whichever is lesser, and the amount so advanced, with such interest, shall be a lien upon the Property and shall be secured by this Mortgage. The performance or observance of such covenant or condition by Lender shall not prevent Borrower's failure so to perform or observe from constituting a default hereunder.

41. Increase in Senior Debt. Borrower agrees not to obtain or seek to obtain any future advance under the Senior Mortgage, and Borrower further agrees not to do anything, or permit or suffer anything to be done or left undone, which would increase or result in any increase in the indebtedness or other sums secured by any prior mortgage to which this Mortgage may be subject, including, but not limited to, the indebtedness evidenced by the Senior Note and any other indebtedness secured by the Senior Mortgage.

 (SEAL)
Angus R. Skipper
 (SEAL)
Doris Skipper

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

1982 MAR 31 AM 8:45


JUDGE OF PROBATE
mtg. 81.15
Recd. 16.50
Incl. 1.00
98.65