

STATE OF ALABAMA
COUNTY OF SHELBY

SECOND MORTGAGE

THIS INDENTURE, made and entered into by and between
Julia Cherney McDermott, an unmarried woman, (hereinafter
called "Mortgagor") and Paul R. Cherney and Muriel D. Cherney,
husband and wife, (hereinafter called "Mortgagee")

W I T N E S S E T H :

WHEREAS, Mortgagor is indebted to Mortgagee for money
loaned by Mortgagee to Mortgagor in the principal sum of
^{PEC + MDL} Six Thousand Two Hundred Fifty and No/100 ^{PEC + MDL} (\$6,250.00) Dollars
as evidenced by one or more notes executed by Mortgagor to
Mortgagee contemporaneously with the execution and delivery of
these presents:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the
Mortgagor for and in consideration of the premises, and in
order to secure the payment of the indebtedness secured hereby
does, hereby, subject as hereinafter provided, GRANT, BARGAIN,
SELL AND CONVEY unto the Mortgagee the real property in the
County of Shelby, State of Alabama, more particularly described
as:

An undivided one-half 1/2 interest in and to
Condominium Unit No. 165 of Cambrian Wood
Condominium, a condominium according to the
Declaration of Condominium Ownership of Cambrian
Wood Condominium recorded in Book 12, beginning
at page 87, and amended by Misc. Book 13, Page 2;
Misc. Book 13, Page 4 and Misc. Book 13, Page 344
in the office of the Judge of Probate of Shelby
County, Alabama.

Together with an undivided .00556125 interest
appurtenant to said unit in the common elements
as set forth in Exhibit "C" of said Declaration,
and together with all of its appurtenances
according to the Declaration.

This conveyance is subject to a prior mortgage given by
Julie Grace McDermott and George John McDermott covering said

Paul R. Cherney
174 Lenox Rd.
Mobile Ala. 36608

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property, which is hereinafter sometimes referred to as the "First Mortgage."

Together with all and singular the rights, members, privileges, hereditaments, easements and appurtenances thereunto belonging or in anywise appertaining; TO HAVE AND TO HOLD the same forever.

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This Mortgage shall secure the following: Repayment of such principal sum as aforesaid and, the principal and interest (if any) under any and all extensions or renewals of the promissory note or notes herein referred to, or any part thereof (all of which are hereinafter referred to as the Note, whether one or more); any sums which may hereafter be advanced by Mortgagee under the terms hereof on account of the failure of Mortgagor to comply with the covenants or agreements of this Mortgage or to perform the Mortgagor's duties hereunder; the payment and performance of all obligations of Mortgagor under the First Mortgage; and the payment and performance of any other obligations and liabilities of Mortgagor to Mortgagee whether now existing or hereafter incurred including, but without limiting the foregoing, any such liability or obligation as guarantor, surety, endorser, and whether contingent or otherwise. The term "indebtedness secured hereby" as used in this Mortgage, shall mean and include the Note and all of the foregoing referred to in this paragraph.

Providing always, and these presents are upon the express condition, that if the Mortgagor shall well and truly pay to the Mortgagee the said sum of ^{PRL + MDC} Six Thousand Two Hundred Fifty and No/100 ^{PRL + MDC} (\$6,250.00) Dollars according to the tenor and effect of the Note bearing even date herewith and payable to the Mortgagee at 174 Fenwick Road, Mobile, Alabama 36609 and shall pay all other indebtedness secured hereby and shall perform all the covenants and agreements herein contained, then these presents shall be void; otherwise, they shall remain in full force and effect.

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Upon default in the payment of the Note or any installment of principal due under the terms thereof or any indebtedness secured hereby or upon default by the Mortgagor in the performance of any of the covenants and agreements contained herein or in the Note or upon default by the Mortgagor in the performance of any of the covenants and agreements contained in the First Mortgage or in the performance of any other covenant, agreement or obligation with Mortgagee, the Mortgagee may declare the entire indebtedness secured hereby immediately due and payable, and the Mortgagor hereby vests the Mortgagee with full power and authority, upon the happening of any such default, to sell the property conveyed hereby at public outcry at the front entrance of the Court House of the County in which said property is located, for cash to the highest bidder, after first giving thirty (30) days notice of the time, place and terms of sale, together with a description of the property to be sold, by publication once a week for three (3) consecutive weeks, in a newspaper published in said County; to make proper conveyance to the purchaser in the name of the Mortgagor; and the proceeds of said sale to apply, first, to the payment of the costs of said sale, including a reasonable attorney's fee; second, to the payment of the amount of any indebtedness secured hereby together with the unpaid interest thereon to the date of sale, and any amount that may be due the Mortgagee by virtue of any of the special liens herein declared; and third, the balance, if any, to be paid over to the said Mortgagor.

No failure of the Mortgagee to exercise any option herein given to declare the maturity of any or all of the indebtedness secured hereby shall be taken or construed as a waiver of Mortgagee's right to exercise such option or to declare such maturity by reason of any past, present or future default on the part of the Mortgagor; and the procurement of insurance or the payment of taxes or other liens, debts, or charges by the Mortgagee shall not be taken or construed as a waiver of its

right to declare the maturity of any or all of the indebtedness secured hereby by reason of the failure of the Mortgagor to procure such insurance or to pay such taxes, debts, liens, or charges.

And except as herein provided, the Mortgagor hereby covenants with the Mortgagee that the Mortgagor is seized of an indefeasible estate in fee simple in and to the above described property, is in the peaceable possession thereof, and has a good and lawful right to mortgage and convey the same; that said property is free from all encumbrances except as herein provided; and the Mortgagor hereby warrants and will forever defend the title to said property unto the Mortgagee, against the lawful claims of all persons whomsoever.

The conveyance of the above described property and all covenants and warranties of the Mortgagor hereunder (whether express, implied or statutory) are made subject to the lien of taxes hereafter falling due, (and to the following):

1. A prior mortgage on record against said property.
2. All restrictive covenants and easements affecting said property.

And the Mortgagor further expressly agrees and covenants:

1. To pay when due any and all indebtedness secured hereby and in all respects to fully comply with all of the terms and provisions hereof;

2. To pay promptly all taxes, assessments, liens or other charges which may be, or become, effective against said property regardless of whether or not the same may be excepted from the warranties herein, together with all penalties, costs, and other expenses incurred, or which may accrue, in connection therewith;

3. To keep any buildings or other improvements now or which may hereafter be erected upon said property in good repair and insured against fire and lightning and against hazards covered by the form of insurance contract generally

known as "extended coverage," and also the form of coverage known as "all physical loss" if required by the Mortgagee, by policies issued by good and solvent insurance companies approved by the Mortgagee; which policies shall provide that loss, if any, shall be payable to the Mortgagee as the Mortgagee's interest may appear, such policies to be in such amounts, not exceeding the insurable value of the said buildings or other improvements, as may be required by the Mortgagee;

4. That the Mortgagor shall commit, permit or suffer no waste, impairment or deterioration of said property or any part thereof and shall permit nothing to be done to said property that may in any way weaken or impair the value thereof;

5. That if the Mortgagee shall, upon the happening of any default hereunder, resort to litigation for the recovery of the sums secured hereby, or employ an attorney to collect said sums or to foreclose this mortgage under the power of sale herein or by court proceedings, the Mortgagor will pay all reasonable costs, expenses, and attorney's fees thus incurred; and said costs, expenses, and attorney's fees, and any other sum or sums due the Mortgagee by virtue of any of the special liens herein declared, shall be considered as an indebtedness secured hereby and may be included in any judgment or decree rendered in connection with said litigation;

6. That if the Mortgagor fails to perform any of the duties herein specified, the Mortgagee may (but shall have no duty to) perform or remedy the same, and for any sums expended by the Mortgagee in this behalf the Mortgagee shall have an additional lien, secured by these presents, on said property;

7. If the Mortgagor shall default in the payment of any of the indebtedness secured hereby, or in the performance of any of the terms or conditions herein, all the rents, income and profits from the property conveyed hereby are hereby transferred, assigned, set over, and conveyed to the Mortgagee,

and the Mortgagee may proceed to collect the rent, income, and profits from such premises upon such default, either with or without the appointment of a receiver; but the Mortgagee shall not thereby become bound by the terms of any lease then existing on such premises by electing to collect the rents thereunder, but may at any time terminate the same. Any rents, income, and profits collected by the Mortgagee prior to foreclosure of this mortgage, less the cost of collecting the same, including any real estate commission or attorney's fee incurred, shall be credited first, on any advances made hereunder with interest thereon, then upon the interest, and the remainder, if any, upon the principal of the indebtedness secured hereby;

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8. That in the event of any dispute or litigation arising over the title to, or possession of, said property the Mortgagee may take part therein and prosecute or defend said litigation, and for any sum or sums expended by the Mortgagee in this behalf, including but not limited to reasonable attorney's fees, the Mortgagee shall have an additional lien, secured by these presents, on said property;

9. That Mortgagee shall not be required to sell the real property conveyed hereby in separate parcels or lots, but, at any foreclosure sale hereunder, may sell all of such real property as a whole;

10. That any personal property conveyed hereby may be sold separately or at the same time and place as the real property conveyed hereby, without moving such personal property to the place of sale;

11. That at any sale under the powers herein the Mortgagee may bid for and purchase said property like a stranger hereto, and in the event the Mortgagee should become the purchaser at said sale, either the auctioneer conducting the sale or the Mortgagee may execute a deed to the Mortgagee in the name of the Mortgagor as attorney in fact for Mortgagor;

12. That if any provisions hereof should be held unenforceable or void, then Mortgagor and Mortgagee hereby intend and represent that such provision shall be deemed separable from the remaining provisions and shall in no way affect the validity of this Mortgage;

13. That the word "Mortgagor" wherever herein used, shall include all mortgagors herein named, and their respective heirs, executors, administrators, successors and assigns, and the word "Mortgagee" wherever herein used, shall include the mortgagees herein named, and its successors and assigns. The masculine pronoun, wherever herein used, shall mean and include the appropriate feminine or neuter pronoun. Wherever herein used the singular number shall include the plural, and the plural number shall include the singular.

IN WITNESS WHEREOF, Mortgagor has hereunto set her hand and seal on this the 11 day of May, 1984.

Julia Cherney McDermott
Julia Cherney McDermott

STATE OF ALABAMA
COUNTY OF Shelby

I, the undersigned, a Notary Public in and for said State and County, hereby certify that Julia Cherney McDermott, whose name is signed to the foregoing mortgage, and who is known to me, acknowledged before me on this date that, being informed of the contents of the mortgage, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11th day of May, 1984

Carolyn C. Jeff
Notary Public

My Commission Expires August 18, 1986

STATE OF ALA. SHELBY CO.

I CERTIFY THIS
INSTRUMENT WAS FILED

1984 MAY 11 PM 12:18

Thomas A. Henderson, Jr.
JUDGE OF PROBATE

Mortgagees' Address:

174 Fenwick Road

Mobile, Alabama 36608

Notice is given as required by Alabama law that this instrument was prepared by Charles R. Mixon, Jr., Attorney, Eighth Floor, Merchants National Bank Building Annex, Mobile, Alabama, 36602.