1600 Bank for Savings Building Birmingham, Alabama 35203

MORTGAGE

This Mortgage is made this 17 day of August, 19 84, by and between Gary L. Newton an unmarried man ("Mortgagor"), and American Funding Limited ("Mortgagee"), having an office at 1600 Bank for Savings Building City of Birmingham County of Jefferson, State of Alabama.

WITNESSETH:

WHEREAS, Mortgagor is indebted to Mortgagee in the sum of twenty-six thousand eighty & 80/100 Dollars, being the principal amount of this loan including interest, computed in advance from Aug. 22, 19 84, at the rate of 14.75 per centum per annum, as evidenced by that certain promissory note of even date herewith, executed by Mortgagor and delivered to Mortgagee;

NOW, THEREFORE to secure the payment and performance by Mortgagor of all covenants and conditions in the Note and in this Mortgage and in all other instruments securing the Note, and in order to charge the properties, interests and rights hereinafter described with such payment and performance and to secure renewals and extensions thereof, and for and in consideration of the sum of Ten and no/100 Dollars ($10.00), Mortgagor does hereby grant, bargain, sell and convey to Mortgagee the following described real estate situated in Jefferson & Shelby County, State of Alabama, to wit:

see Exhibit A

19840822000178480 Pg 1/3 .00
Shelby Cnty Judge of Probate,AL
08/22/1984 00:00:00 FILED/CERTIFIED

To have and to hold the same together with all improvements and appurtenances thereto, and also all rights of dower, separate estate property, possession and claim whatsoever of Mortgagor to the same in every part and parcel thereof unto Mortgagee in fee simple ("Mortgaged Property").

SUBJECT TO the following "Permitted Liens":

Mortgage from Gary L. Newton to United Federal Savings & Loan Association filed for record March 30, 1979 at 11:33 A.M. and recorded in Real 1740 page 557 in the Probate Office ofJefferson County, add refiled in Volume 390, page 498 in th Probate Office of Shelby County, Alabama

PROVIDED ALWAYS, that if Mortgagor shall pay to Mortgagee the Note at the times and in the manner stipulated therein and in all other instruments securing the Note, including renewals, extensions or modifications thereof, and shall pay when due all other indebtedness secured by this mortgage, and shall keep, perform and observe all of the covenants in this Mortgage and in all other instruments securing the Note to be kept, performed or observed by Mortgagor, then this Mortgage shall cease and be void, but shall otherwise remain in full force and effect.

Mortgagor covenants and agrees with Mortgagee as follows:

1. **Compliance with Note and Mortgage; Warranty of Title.** Mortgagor shall comply with all provisions of the Note, this Mortgage and of every other instrument securing the Note, and will promptly pay to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor under the Note and pursuant to the provisions of this Mortgage and of every other instrument securing the Note. Mortgagor is indefeasibly seized of the Mortgaged Property in fee simple and Mortgagor has lawful authority to convey, mortgage and encumber the same as provided by this Mortgage, and does hereby so warrant.

2. **Payment of Taxes and Liens.** Mortgagor shall pay all the taxes, obligations and encumbrances of every nature now on the Mortgaged Property or that hereafter may be imposed upon this Mortgage or the Mortgaged Property or upon the indebtedness secured hereby, except that Permitted Liens may be discharged in accordance with their terms. All such payments to be made when due and payable according to law before they become delinquent and before any interest attaches or any penalty is incurred. Insofar as any indebtedness is of record (except indebtedness giving rise to Permitted Liens) the same shall be promptly satisfied and evidence of such satisfaction shall be given to Mortgagee.

3. **Insurance.** Mortgagor shall keep the Mortgaged Property and the improvements now existing or hereafter erected on the Mortgaged Property insured as may be required from time to time by Mortgagee against loss by fire, other hazards and contingencies in such amounts and for such periods as may be required by Mortgagee. Mortgagor shall pay promptly, when due, any premiums on such insurance. All insurance shall be carried with companies approved by Mortgagee and the policy and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor and in form acceptable to Mortgagee. In the event of loss, Mortgagor shall give immediate notice by mail to Mortgagee and Mortgagee may make proof of loss if not made promptly by Mortgagor. Each insurance company concerned is hereby authorized and directed to make payments for such loss directly to Mortgagee instead of either to Mortgagor or Mortgagor and Mortgagee jointly. Insurance proceeds or any part thereof may be applied by Mortgagee at its option, after deducting therefrom all its expenses including attorney's fees, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. Mortgagee is hereby authorized, at its option, to settle and compromise any claims, awards, damages, rights of action and proceeds, and any other payment or relief under any insurance policy. In the event of foreclosure of this Mortgage or other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, all right, title, and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee. Mortgagee may at its option require Mortgagor to deposit with Mortgagee on the first day of each month, in addition to making payments of principal and interest, until the Note is fully paid, an amount equal to one-twelfth (1/12) of the yearly premiums for all insurance. Such deposits shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Mortgagee and no interest shall be payable in respect thereof. Upon demand by Mortgagee, Mortgagor shall deliver to Mortgagee such additional monies as are necessary to make up any deficiencies in the amounts necessary to enable Mortgagee to pay such premiums when due. In the event of default under any of the terms, covenants and conditions in the Note, this Mortgage or any other instrument securing the Note to be performed or observed by Mortgagor, Mortgagee may apply to the reduction of the sums secured hereby, in such manner as Mortgagee shall determine, any amount under this paragraph remaining to Mortgagor's credit and any return premium received from cancellation of any insurance policy by Mortgagee upon foreclosure of this Mortgage.

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4. **Condemnation.** If the Mortgageed Property or any part thereof shall be damaged or taken through condemnation (which term when used herein shall include any damage or taking by any governmental authority or any other authority authorized by the laws of the State of Alabama or the United States of America to so damage or take, and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness and other sums secured hereby shall, at the option of Mortgagee, become immediately due and payable. Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of any damage or taking through condemnation and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights of action and proceeds, and any other payments or relief, and the right thereto, are hereby assigned by Mortgagor to Mortgagee and Mortgagee after deducting therefrom all its expenses including attorney's fees may release any monies so received by it without affecting the lien of this Mortgage or may apply the same, in such manner as Mortgagee shall determine, to the reduction of the sums secured hereby and to any prepayment charge provided in the Note, this Mortgage or any other instrument securing the Note. Any balance of such monies then remaining shall be paid to Mortgagor. Mortgagor agrees to execute such further assignments or any compensations, awards, damages, claims, rights of action and proceeds as Mortgagee may require.

5. **Care of Mortgaged Property.** Mortgagor shall not remove or demolish any building or other property forming a part of the Mortgaged Property without the written consent of Mortgagee. Mortgagor shall not permit, commit, or suffer any waste, impairment or deterioration of the Mortgaged Property or any part thereof, and shall keep the same and improvements thereon in good condition and repair. Mortgagor shall notify Mortgagee in writing within five (5) days of any damage, or impairment of the Mortgaged Property. Mortgagee may, at Mortgagee's discretion, have the Mortgaged Property inspected at any time and Mortgagor shall pay all costs incurred by Mortgagee in executing such inspection.

6. **Mortgagee's Right to Make Certain Payments.** In the event Mortgagor fails to pay or discharge the taxes, liabilities, or encumbrances, or fails to keep the Mortgaged Property insured or to deliver the policies, premiums paid, or fails to repair the Mortgaged Property as herein agreed, Mortgagee may at its option pay or discharge the taxes, liabilities, and encumbrances or any part thereof, to procure and pay for such insurance or to make and pay for such repairs. Mortgagee shall have no obligation on its part to determine the validity or necessity of any payment thereof and any such payment shall not waive or affect any option, lien equity or right of Mortgagee under or by virture of this Mortgage. The full amount of each and every such payment shall be immediately due and payable and shall bear interest from the date thereof until paid at the rate of 14.75 per annum, simple interest, and together with such interest, shall be secured by the lien of this Mortgage. Nothing herein contained shall be construed as requiring Mortgagee to advance or expend monies for any of the purposes mentioned in this paragraph.

7. **Payment of Expenses.** Mortgagor shall pay all the costs, charges and expenses, including reasonable attorney's fees, disbursements and cost of abstracts of title, incurred or paid at any time by Mortgagee due to the failure on the part of Mortgagor promptly and fully to perform, comply with and abide by each and every stipulation, agreement, condition and covenant of the Note and this Mortgage. Such costs, charges and expenses, shall be immediately due and payable, whether or not there be notice, demand, attempt to collect or suit pending, and shall bear interest at the rate of 14.75 per annum, simple interest, until paid. All such costs, charges and expenses so incurred or paid, together with such interest, shall be secured by the lien of this Mortgage and any other instrument securing the Note.

8. **Additional Documents.** At all times this Mortgage is in effect, upon Mortgagee's request, Mortgagor shall make, execute and deliver or cause to be made, executed and delivered to Mortgagee and, where appropriate, shall cause to be recorded or filed and thereafter to be re-recorded or refiled at such time and in such places as shall be deemed desirable by Mortgagee any and all such further mortgages, instruments of further assurance, certificates and other documents as Mortgagee may consider necessary or desirable in order to effectuate, complete, enlarge, perfect, or to continue and preserve the obligations of Mortgagor under the Note and this Mortgage and all other instruments securing the Note, and the lien of this Mortgage as a first and prior lien upon all the Mortgaged Property, subject only to Permitted Liens. Upon any failure by Mortgagor to do so, Mortgagee may make, execute, record, file, re-record or refile any and all such mortgages, instruments, certificates and documents for and in the name of Mortgagor. Mortgagor hereby irrevocably appoints Mortgagee agent and attorney-in-fact of Mortgagor to do all things necessary to effectuate or assure compliance with this paragraph.

The Recording Privilege Tax or other applicable taxes and recording fees should be calculated on $ 13,600.00 the principal amount of this loan (Net Loan).

9. Event of Default. Any one of the following shall constitute an event of default:

(a) Failure by Mortgagor to pay, as and when due and payable, any installments of principal or interest due under the Note, or any deposits for taxes and assessments or insurance premiums due hereunder, or any other sums to be paid by Mortgagor hereunder or under any other instrument securing the Note.

(b) Failure by Mortgagor to duly keep, perform and observe any other covenant, condition or agreement in the Note, this Mortgage, any other instrument securing the Note or any other instrument collateral to the Note or executed in connection with the sums secured hereby for a period of 10 days after Mortgagee gives written notice specifying the breach.

(c) If either Mortgagor or any guarantor or endorser of the Note: (i) files a voluntary petition in bankruptcy, or (ii) is adjudicated a bankrupt or insolvent; or (iii) files any petition or answer seeking or acquiescing in any relief for itself under any law relating to bankruptcy, insolvency or other relief for debtors, or (iv) seeks or consents to or acquiesces in the appointment of any trustee, receiver, master or liquidator of itself or of all or any substantial part of the Mortgaged Property, or (v) makes any general assignment for the benefit of creditors, or (vi) makes any admission in writing of its inability to pay its debts generally as they become due; or (vii) a court of competent jurisdiction enters an order, judgement or decree approving a petition filed against Mortgagor or any guarantor or endorser of the Note, seeking any relief under any present or future federal, state, or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, which order, judgment or decree remains unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive from the date of entry thereof; or (viii) any trustee, receiver or liquidator of Mortgagor of all or any substantial part of the Mortgaged Property is appointed without the prior written consent of Mortgagee, which appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive.

(d) Any breach of any warranty or material untruth of any representation of Mortgagor contained in the Note, this Mortgage or any other instrument securing the Note.

10. **Acceleration.** If an event of default shall have occurred, Mortgagee may declare the unpaid balance of the Note, including earned interest, and all other sums secured hereby, to be due and payable immediately. Upon such declaration such unpaid balance and other sums shall immediately be due and payable without demand or notice.

11. **Remedies after Default.** Upon an event of default, Mortgagee may proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy to: (a) enforce payment of the Note or the performance of any term hereof or any other right; (b) foreclose this Mortgage and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property Under the Judgement or decree of a Court or courts of competent jurisdiction; (c) collect all rents, issues, profits, revenue, income and other benefits from the Mortgaged Property; (d) appoint a receiver to enter upon and take possession of the Mortgaged Property and to collect all rents, issues, profits, revenue, income and other benefits thereof and apply the same as a court may direct and such receiver shall have all rights and powers permitted under law; and (e) pursue any other remedy available to it including, but not limited to taking possession of the Mortgaged Property without notice or hearing to Mortgagor. Mortgagee shall take action either by such proceedings or by the exercise of its power with respect to entry or taking possession, or both, as Mortgagee may determine. The Mortgagee shall have the right to enter upon and take possession of the property hereby conveyed and after or without taking such possession to sell the same before the Court House door of the County (or the division thereof) where said property is located, at public outcry for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale in some newspaper published in said County, and upon the payment of the purchase money the Mortgagee, or owner of the debt and mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagors a good and sufficient deed to the property sold; the Mortgagee shall apply the proceeds of said sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee not exceeding 15 percent of the unpaid debt after default; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of sale; and fourth, the balance, if any, to be paid over to the said Mortgagors or to whomsoever then appears of record to be the owner of Mortgagors' interest in said property. The Mortgagee may bid and become the purchaser of the mortgaged property at any foreclosure sale hereunder.

12. **No Waiver.** No delay or omission of Mortgagee or of any holder of the Note to exercise any right, power or remedy accruing upon any event of default shall exhaust or impair any such right, power or remedy or shall be construed to waive any event of default or to constitute acquiescence therein.

13. **Non-Exclusive Remedies.** No right, power or remedy conferred upon or reserved to Mortgagee by the Note, this Mortgage or any other instrument securing the Note is exclusive of any other right, power and remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Note or any other instrument securing the Note, now or hereafter existing at law, in equity or by statute.

14. **Successors and Assigns Bound.** Whenever one of the parties hereto is named or referred to herein, the heirs, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of Mortgagor or Mortgagee, shall bind and inure to the benefits of their respective heirs, successors and assigns, whether or not so expressed.

15. **Miscellaneous.** In the event that any of the covenants, agreements, terms or provisions contained in the Note, this Mortgage or any other instrument securing the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note and any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby.

16. **Attorney's Fees.** The term "attorney's fees" as used in this Mortgage includes any and all legal fees of whatever nature including, but not limited to, fees resulting from any appeal of an interlocutory order or final judgement or any other appellate proceeding arising out of any litigation.

17. **No Transfer.** It is understood and agreed by Mortgagor that as part of the inducement to Mortgagee to make the loan evidenced by the Note, Mortgagee has considered and relied on the credit worthiness and reliability of Mortgagor. Mortgagor covenants and agrees not to sell, convey, transfer, lease or further encumber any interest in or any part of the Mortgaged Property without the prior written consent of Mortgagee, and any such sale, conveyance, transfer, lease or encumbrance made without Mortgagee's prior written consent shall be void. If any person should obtain an interest in all or any part of the Mortgaged Property pursuant to the execution or enforcement of any lien, security interest or other right, whether superior, equal or subordinate to this Mortgage or the lien hereof, such event shall be deemed to be a transfer by Mortgagor and an event of default hereunder.

18. **Assumption.** Should Mortgagor sell, transfer, or convey, or contract to sell, transfer or convey the Mortgaged Property, or any portion thereof or interest therein, then at the option of Mortgagee, the unpaid balance of the Note, including earned interest, and all other sums secured hereby, shall forthwith become due and payable although the time of maturity as expressed in the Note shall not have arrived. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions. In the event that the Mortgagee, or its assignees, elects to permit an assumption of the obligation under the terms of the Mortgage herein, such assumption shall be first conditioned upon the assuming party or parties being reasonably satisfactory to the Mortgagee based upon the same standards used by the Mortgagee in processing loan applications from prospective borrowers at the time of the proposed assumption; and further conditioned upon the proposed assuming party or parties consenting to an increase in the rate of interest charged on the obligation secured by the Mortgage to be consistent with the rate of interest then being charged by the Mortgagee to borrowers.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument the day and year above first written.

Signed, sealed and delivered in the presence of:

Witness	Signature	(Seal)
_______________	Gary L. Newton	(Seal)
_______________	_______________	(Seal)
_______________	_______________	(Seal)

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STATE OF ALABAMA

Jefferson COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Gary L. Newton whose name he signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, has executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17th day of August, 19 84

Notary Public

AFL-Ala.-2/81

EXHIBIT A

Unit 15-2 in Windhover, a Condominium located at Old Rocky Ridge Road, Jefferson County, Alabama, as established by Declaration of Condominium, recorded on July 23, 1975, in Real Volume 1197, page 689, in the Probate Office of Jefferson County, Alabama, and in Misc. Book 12, page 1, in the Probate Office of Shelby County, Alabama, as amended by Amendments of Declaration of Condominium recorded in Real Volume 1200, page 637, in Real Volume 1385, page 91, in Real Volume 1388, page 152, in Real Volume 1564, page 374, in Real Volume 1573, page 594, in Real Volume 1632, page 85 and in Real Volume 1632, page 93, in the Probate Office of Jefferson County, Alabama, and in Misc. Book 12, page 196, in Misc. Book 18, page 28, in Misc. Book 18, page 163, in Misc. Book 24, page 465, in Misc. Book 24, page 468, in Misc. Book 26, page 329, and in Misc. Book 26, page 337, in the Probate Office of Shelby County, Alabama; together with an undivided interest in the common elements of Windhover, a Condominium, as set out in Exhibit "B" attached to said Declaration of Condominium, as it may have been or may hereafter be amended pursuant to said Declaration; said unit being more particularly detailed in the plans and drawings of said Condominium as recorded in Map Book 107, page 26, in the Probate Office of Jefferson County, Alabama, and in Map Book 6, page 52, in the Probate Office of Shelby County, Alabama, as amended by revised or supplemental plans recorded in Map Book 107, page 32, in Map Book 111, page 34, in Map Book 115, page 5, in Map Book 116, page 76, and in Map Book 116, page 77, in the Probate Office of Jefferson County, Alabama, and in Map Book 6, page 55, in Map Book 6, page 133, in Map Book 7, page 41, in Map Book 7, page 81 and in Map Book 7, page 82, in the Probate Office of Shelby County, Alabama.

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STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
Tax Pd. in Jeff. Co.
1984 AUG 22 PM 3:25

[signature]
JUDGE OF PROBATE

Rec. 7.50
1.00
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