

(Name) W. ~~Watson~~ Watson, Esquire

(Address) 425 First Alabama Bank Building, Birmingham, AL 35203

MORTGAGE- LAND TITLE COMPANY OF ALABAMA, Birmingham, Alabama

STATE OF ALABAMA  
COUNTY OF SHELBY

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

COLONIAL PROPERTIES, INC., an Alabama Corporation

(hereinafter called "Mortgagors", whether one or more) are justly indebted, to

WILLIAM M. KNIGHTEN and BARBARA ANN KNIGHTEN

(hereinafter called "Mortgagee", whether one or more), in the sum  
of Five Hundred Five Thousand and No/100 -----Dollars  
(\$ 505,000.00), evidenced by that certain Real Estate Mortgage Note, of even date  
herewith.

And Whereas, Mortgagors agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt  
payment thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagors,

Colonial Properties, Inc.

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described  
real estate, situated in Shelby County, State of Alabama, to-wit:

All of the Real Estate described on EXHIBIT "A" which is attached hereto  
and by this reference incorporated herein for all purposes. (All of such  
Real Estate being sometimes referred to as the "Mortgaged Property".)

This conveyance is subject to 1985 ad valorem taxes due October 1, 1985.

This is a Purchase Money Mortgage. This Purchase Money Mortgage is sub-  
ject to the terms and conditions of the Addendum which is attached hereto  
and by this reference incorporated herein for all purposes.

This conveyance is subject to any mining and mineral rights not owned by  
the Mortgagee and those certain easements created by instruments recorded  
in Real Volume 13, page 426, Real Volume 28, Page 673, and in Real Volume  
28, Page 675 in the Probate Office of Shelby County, Alabama, insofar as  
said instruments grant any rights to any persons or entities whatsoever  
other than the undersigned Mortgagee.

Wm M. Knighten  
4667 Hwy 280  
Bham, AL 35243

Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

To Have And To Hold the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee, or assigns, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagees may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee or assigns, or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty-one days' notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes, or other incumbrances, with interest thereon; Third, to the payment of said indebtedness in full, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the day of sale; and Fourth, the balance, if any, to be turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned Colonial Properties, Inc., an Alabama corporation, has hereunto set its signature and seal, this 9th day of July, 1985.

COLONIAL PROPERTIES, INC. (SEAL)

By: *[Signature]* (SEAL)

Its: *[Signature]* (SEAL)

(SEAL)

THE STATE of

COUNTY }

I, *[Signature]*

, a Notary Public in and for said County, in said State,

hereby certify that

whose name signed to the foregoing conveyance, and who

that being informed of the contents of the conveyance

Given under my hand and official seal this

known to me acknowledged before me on this day,

executed the same voluntarily on the day the same bears date.

day of

, 19

Notary Public.

THE STATE of ALABAMA

SHELBY

COUNTY }

I, John Lauriello

hereby certify that Thomas Lowden

, a Notary Public in and for said County, in said State,

whose name as President

of Colonial Properties, Inc.,

a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me, on this day that, being informed of the contents of such conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 9th

day of July, 1985.

Notary Public

W. CLARK WATSON, ESQUIRE  
425 FIRST ALA. BANK BLDG.  
BIRMINGHAM, AL 35203

Return to:

COLONIAL PROPERTIES, INC.

TO

WILLIAM M. KNIGHTEN

and

BARBARA ANN KNIGHTEN

MORTGAGE DEED

This form furnished by

LAND TITLE COMPANY OF ALABAMA

317 NORTH 20th STREET

BIRMINGHAM, ALABAMA 35203

ADDENDUM TO PURCHASE MONEY MORTGAGE

1. PREPAYMENT. On or after August 1, 1985, privilege is reserved to prepay the unpaid principal of said indebtedness, either in whole or in part, at any time or times, without fee, penalty or prepayment charge. Any partial prepayment shall result in reduced monthly installments beginning on the first (1st) day of the month following the prepayment. The amount of the reduced monthly installments shall be determined by amortizing the monthly repayment of the principal balance then remaining at the rate of interest herein provided over a number of months, which number shall be the difference of one hundred twenty (120) months, and the number of months that the undersigned shall have paid the installments required hereunder prior to such partial prepayment. The amount of the reduced monthly installments shall be payable on the first (1st) day of each and every successive month thereafter (unless further partial prepayments are made) until the date on which a total of fifty-nine (59) installments shall have been paid and on the first (1st) day of the next succeeding month a final installment equal to the entire balance then remaining unpaid shall be due and payable.

2. SUBSTITUTION OF COLLATERAL. Mortgagee shall release and fully discharge its interest in the real estate described in the Purchase Money Mortgage of even date herewith (hereinafter referred to as the "Mortgage Property") at such time as the Mortgagor shall direct; provided, however, that the Mortgagor shall deposit for and on behalf of the Mortgagee in an escrow account at AmSouth Bank, N.A., or at such other financial institution as may be mutually agreed upon by the Mortgagor and the Mortgagee, a sum of cash equal to or greater than the remaining balance due under the Real Estate Mortgage Note of even date herewith ("Note"). Said escrow account shall be pledged as security for the repayment of the Note, and in the event of default by the Mortgagor under the terms of the Note, the outstanding balance then due on the Note would be paid immediately to the Mortgagee from the funds in said escrow account. All interest earned in the escrow account shall be credited to the Mortgagor, and upon satisfaction of the Note by the Mortgagor, the escrow account will be terminated and the funds on deposit in said escrow account shall be refunded to the Mortgagor. Alternatively, it is further agreed that the Mortgagee will release and fully discharge its interest in the real estate described in the Purchase Money Mortgage of even date herewith at such time as the Mortgagor shall direct; provided, however, that the Mortgagor shall provide to the Mortgagee such other substitute collateral as may be agreed upon by Mortgagor and Mortgagee for the remaining balance due under the Note. The substitution of collateral shall be effected by the Mortgagor's execution and delivery to Mortgagee of a Security Agreement which shall set forth a description and the location of the substitute collateral and a designation of Mortgagee as the secured party thereunder. Contemporaneously with the delivery of the Security Agreement by Mortgagor to Mortgagee, or upon the establishment and funding of an escrow account as previously described, Mortgagee shall execute and deliver to Mortgagor a Full Satisfaction of Recorded Lien in recordable form respecting the Mortgage Property described in the Purchase Money Mortgage of even date herewith.

3. NOTICE OF DEFAULT. Mortgagor shall not be in default hereunder unless after thirty (30) days from written notice to Mortgagor of failure to fully perform any of the terms, agreements and conditions of this Purchase Money Mortgage, Mortgagor fails to cure such default within said thirty (30) days period (or if such default shall reasonably require longer than thirty (30) days to cure, if Mortgagor shall fail to commence to cure the same within said thirty (30) days, and continuously prosecute the curing of the same to completion with due diligence).

4. SATISFACTION OF RECORDED LIEN. Upon complete payment of the Real Estate Mortgage Note secured hereby, Mortgagee shall execute and deliver to Mortgagor a full Satisfaction of Recorded Lien in recordable form.

BOOK 033 PAGE 524

EXHIBIT "A"

PARCEL ONE

Beginning at the S.W. corner of the N.W. 1/4 of the N.E. 1/4, Sec. 36, Tp. 18-S, R-2-W, run north along the west boundary of said 1/4-1/4 a distance of 83.35 ft.; thence, right 45 deg. 06 min. a distance of 63.10 ft.; thence, left 49 deg. 11 min. 30 sec. a distance of 170.55 ft.; thence, right 24 deg. 46 min. a distance of 588.26 ft.; thence left 36 deg. 03 min. a distance of 156.52 ft.; thence, right 37 deg. 27 min. a distance of 135.37 ft.; thence, right 89 deg. 18 min. 30 sec. a distance of 119.33 ft.; thence, left 80 deg. 18 min. along a traverse line which approximates the water's edge of Lake Dixie, said water's edge being the true property line, a distance of 204.08 ft.; thence, right 80 deg. 48 min. and continuing along said traverse line, a distance of 265.33 ft.; thence, left 17 deg. 25 min. a distance of 77.06 ft.; thence, right 5 deg. 11 min. a distance of 65.07 ft.; thence, right 51 deg. 03 min. a distance of 94.44 ft.; thence, right 43 deg. 56 min. a distance of 132.54 ft.; thence, right 18 deg. 31 min. a distance of 230.34 ft.; thence, right 6 deg. 55 min. a distance of 142.56 ft.; thence, left 85 deg. 30 min. a distance of 251.21 ft., which ends the traverse line approximating the water's edge of Lake Dixie, the remaining being the description of the exact property line of the land herein described; thence, right 46 deg. 22 min. a distance of 420.00 ft.; thence, right 91 deg. 07 min. a distance of 271.66 ft.; thence, left 88 deg. 53 min. a distance of 60.01 ft.; thence, right 91 deg. 07 min. a distance of 548.37 ft. to the point of beginning; and

Beginning at the S.E. corner of the N.E. 1/4 of the N.W. 1/4, Section 36, Tp. 18-S, R-2-W, run north along the east boundary of said 1/4-1/4 a distance of 83.35 ft.; thence, right 45 deg. 06 min. a distance of 63.10 ft.; thence, left 49 deg. 11 min. 30 sec. a distance of 170.55 ft.; thence, left 155 deg. 14 min. along the centerline of a road easement having a width of 30 feet on each side of the center-line, a distance of 61.00 ft. to the point of tangency of a curve to the left; thence, left along the arc of the curve having a radius of 880.67 ft. a distance of 199.15 ft. through an angle of 12 deg. 57 min. 23 sec.; thence, continue along the projected tangent to the aforementioned curve a distance of 47.12 ft. to the South boundary of said 1/4-1/4 section; thence, left 95 deg. 39 min. 01 sec. along said south boundary a distance of 44.10 ft. to the point of beginning subject to the easement created by instrument recorded in Real Volume 13, Page 426, in the Probate Office, Shelby County, Alabama; together with all and singular, the rights and appurtenances pertaining to said real estate, including any right, title and interest that Grantors may have in and to adjacent streets, alleys, bodies of water, rights-of-way, oil, gas and other minerals which Grantors may own on or under said real estate and all rights and appurtenances pertaining thereto.

PARCEL TWO

A roadway easement for ingress, egress and the installation of utilities sixty (60) feet in width, being thirty (30) feet on each side of a center line described as follows:

From the SE corner of the NE 1/4 of the NW 1/4, Sec. 36, Township 18 South, Range 2 West, Shelby



County, Alabama, Run West along the South Boundary of said 1/4-1/4 a distance of 44.10 ft. to the point of beginning; thence, 30 feet each side of a line described as: From the said 1/4-1/4 line, turn an angle to the right of 95°-39'07" and go 47.13.; thence right along the arc of a curve with a radius of 280.67 ft. a distance of 199.15 ft.; thence, along the tangent line to said curve a distance of 570.51 ft., thence, along a curve to the left with a radius of 242.04 ft. a distance of 152.29 ft.; thence, along the arc of a curve to the right with a radius of 232.35 ft. a distance of 42.38 ft. said point being the end of this easement.

Said easement was originally created by an instrument recorded at Real Volume 13, Page 426, in the Office of the Judge of Probate of Shelby County, Alabama.

### PARCEL THREE

A roadway easement for ingress, egress and the installation of utilities sixty (60) feet in width, being thirty (30) feet on each side of a center line described as follows:

From the N.W. corner of the N.W. 1/4, of the N.E. 1/4, Section 36, T-18-S, R-2-W, run south along the west boundary of said 1/4-1/4 a distance of 370.01 ft.; thence, left 88°-01'-30" a distance of 212.71 ft. to the point of beginning, said point on the centerline of a road, said centerline being a curve to the right with a radius of 232.35 ft.; thence, turn left 97°-53'-56" to the tangent of said curve and follow the arc of the curve a distance of 109.49 feet to the point of tangency of said curve; thence, continue along the projection of said tangent a distance of 56.61 feet.

Said easement was originally created by an instrument recorded at Real Volume 28, Page 673, in the Office of the Judge of Probate of Shelby County, Alabama.

BOOK 033 PAGE 526

STATE OF ALABAMA  
I CERTIFY THIS  
INSTRUMENT WAS FILED

1985 JUL -9 PM 4: 14

*Thomas W. Thompson, Jr.*  
JUDGE OF PROBATE

### RECORDING FEES

Mortgage Tax	\$ <u>757.50</u>
Deed Tax	_____
Mineral Tax	_____
Recording Fee	<u>15.00</u>
Index Fee	<u>1.00</u>
TOTAL	\$ <u>773.50</u>