

MORTGAGE

THE STATE OF ALABAMA

SHELBY COUNTY.

KNOW ALL MEN BY THESE PRESENTS:

That whereas the undersigned FRANK J. PELC AND WIFE, JACQUELINE D. PELC, of the City of ALABASTER, County of SHELBY and State of ALABAMA, party of the first part (hereinafter called the Mortgagor), has become justly indebted unto REAL ESTATE FINANCING, INC.

ALABAMA, a corporation organized and existing under the laws of ALABAMA, party of the second part (hereinafter called the Mortgagee), in the full sum of FIFTY TWO THOUSAND NINE HUNDRED AND NO/100TH Dollars (\$ 52,900.00).

money lent and advanced, with interest at the rate of ELEVEN AND NO/100TH per centum (11.00 %)

per annum until paid, for which amount the Mortgagor has signed and delivered unto the said Mortgagee a certain promissory note bearing even date with these presents, the said principal and interest to be payable at the office of REAL ESTATE FINANCING, INC. in MONTGOMERY, ALABAMA

, or at such other place as the holder may designate in writing, in monthly installments of FIVE HUNDRED FOUR AND 14/100TH

Dollars (\$ 504.14), commencing on the first day of SEPTEMBER, 19 85, and on the first day of each month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of AUGUST, 2015

WHEREAS the said Mortgagor is desirous of securing the prompt payment of said note and the several installments of principal, interest, and monthly payments hereinafter provided for, and any additional indebtedness accruing to the Mortgagee on account of any future payments, advances, or expenditures made by the Mortgagee as hereinafter provided:

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar (\$1) to the undersigned Mortgagor FRANK J. PELC AND WIFE, JACQUELINE D. PELC

in hand paid by the Mortgagee, the receipt whereof is hereby acknowledged, and for the purpose of securing the prompt payment of said indebtedness as it becomes due the said FRANK J. PELC AND WIFE, JACQUELINE D. PELC do hereby grant, bargain, sell, and convey unto the said Mortgagee the following described real property situated in SHELBY County, Alabama, to wit:

Lot 4, Block 2, according to the survey of Meadowlark, as recorded in Map Book 7 page 98, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

The proceeds of this loan have been applied on the purchase price of the herein described property.

Including range, dishwasher, wall to wall carpeting and vent fan. together with the hereditaments and appurtenances thereunto belonging, and also together with all equipment and fixtures for heating and lighting now or hereafter installed therein by the Mortgagor.

TO HAVE AND TO HOLD the same with all the rights, privileges, and appurtenances thereunto belonging or in anywise appertaining unto the said Mortgagee and assigns of the Mortgagee forever.

And the Mortgagor hereby covenants that they are seized of said real property in fee simple, and have a good right to sell and convey the same; that the property is free from all encumbrances and that the Mortgagor, and Mortgagor's heirs, executors, administrators, next-of-kin, and assigns will forever defend the same unto the Mortgagee and assigns against the claims of all persons whomsoever;

THIS MORTGAGE IS MADE, however, subject to the following covenants, conditions, and agreements, that is to say:

1. That the Mortgagor will promptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times and in the manner therein provided. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment.

2. Together with an in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each month until said note is fully paid, the following sums:

Courtney Mason

(a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes, and special assessments; and

(b) All payments mentioned in the preceding subsection of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (I) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
- (II) interest on the note secured hereby; and
- (III) amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. If the total of the payments made by the Mortgagor under (a) of paragraph 2 preceding shall exceed the amount of the payments actually made by the Mortgagee for ground rents, taxes, assessments and insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Mortgagor, shall be credited on the subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under (a) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes, assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor will pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor any balance remaining in the funds accumulated under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby or if the Mortgagee acquired the property otherwise after default, the Mortgagee shall apply, at the time of commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (a) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under said note.

4. If the Mortgagee shall be made a party to any suit involving the title to the property hereby conveyed and employs an attorney to represent it therein, or if the Mortgagee employs an attorney to assist in settling or removing any cloud on the title to the property hereby conveyed that purports to be superior to the lien of this mortgage in any respect, the Mortgagor will pay to the Mortgagee, when the same becomes due, such attorney's fee as may be reasonable for such services, and if such fee is paid or incurred by the Mortgagee the same shall be secured by the lien of this mortgage in addition to the indebtedness specially secured hereby and shall bear interest from the date it is paid or incurred and shall be at once due and payable.

5. So long as any of the indebtedness secured hereby shall remain unpaid, in whole or in part, the Mortgagor agrees to keep said premises and the improvements thereon in good condition, and to pay all assessments that may be levied or accrue upon said property, and all other charges that may become liens upon said premises, and not to permit any lien, which might take precedence over the lien of this mortgage, to accrue and remain on said premises, or any part thereof, or on the improvements thereon.

6. The Mortgagor agrees to pay all taxes and assessments that may be assessed upon said property and all taxes except income taxes that may be assessed upon the Mortgagee's interest thereon or upon this mortgage or the moneys secured hereby, any law to the contrary notwithstanding. Upon any violation of this undertaking, or the passage of any law imposing upon the Mortgagee the payment of any part of the taxes aforesaid, or upon the rendition by any court of last resort of a decision that the undertaking to pay the taxes as aforesaid is legally inoperative, then, in any such event, the debt hereby secured shall at the Mortgagee's option become immediately due and payable; without deduction, any law heretofore or hereafter enacted to the contrary notwithstanding.

7. That he will keep the improvements now existing or hereafter erected on the mortgaged property, insured as may be required from time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums on such insurance provision for payment of which has not been made hereinbefore. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In 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 the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

8. If the Mortgagor fails to insure said property as hereinabove provided, or to pay all or any part of the taxes or assessments levied, accrued, or assessed upon or against said property or the indebtedness secured hereby, or any interest of the Mortgagee in either, or fails to pay immediately and discharge any and all liens, debts, and/or charges which might become liens superior to the lien of this mortgage, the Mortgagee may, at its option, insure said property and/or pay said taxes, assessments, debts, liens, and/or charges, and any money which the Mortgagee shall have so paid or become obligated to pay shall constitute a debt to the Mortgagee additional to the debt hereby specially secured, shall be secured by this mortgage, shall bear legal interest from date paid or incurred, and, at the option of the Mortgagee shall be immediately due and payable.

9. No failure of the Mortgagee to exercise any option herein given to declare the maturity of the debts hereby secured shall be taken or construed as a waiver of its right to exercise such option or to declare such maturity by reason of any past or present 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

Given under OUR hand S and seal S this the 31ST day of JULY, 1985

(SEAL)

FRANK J. PELC

(SEAL)

(SEAL)

JACQUELINE D. PELC

(SEAL)

STATE OF ALABAMA,

SHELBY

COUNTY,

I, THE UNDERSIGNED

, a notary public in and for said county, in
said State, hereby certify that

FRANK J. PELC AND WIFE, JACQUELINE D. PELC

whose names ARE signed to the foregoing conveyance, and who ARE known to
me, acknowledged before me on this day that, being informed of the contents of this conveyance, THEY
executed the same voluntarily on the day the same bears date.

GIVEN under my hand and official seal this 31ST day of JULY

This instrument was prepared by:

(Name) COURTNEY H. MASON, JR. (Address) P. O. BOX 360187, BIRMINGHAM, AL 35236-0187

STATE OF ALABAMA

COUNTY OF

SS

I, _____ Judge of Probate Court of said County, do hereby certify that the foregoing
conveyance was filed for registration in this office on the _____ day of _____, 19____,
and was recorded in Vol. _____, Record of Deeds,
pages _____ on the _____ day of _____, 19____ at
_____ o'clock _____ M.

Judge of Probate

Fee _____

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

1985 AUG -2 AM 11: 04

JUDGE OF PROBATE

RECORDING FEES

Mortgage Tax	\$ <u>79.35</u>
Deed Tax	_____
Mineral Tax	_____
Recording Fee	<u>10.00</u>
Index Fee	<u>1.00</u>
TOTAL	\$ <u>90.35</u>

LIBER 036 PAGE 401