

STATE OF ALABAMA )  
COUNTY OF Jefferson )

866  
REAL PROPERTY MORTGAGE

LENDER: Citicorp Homeowners, Inc.

KNOW ALL MEN BY THESE PRESENTS, That:

WHEREAS, the undersigned borrower(s) (hereinafter called "Mortgagors") have become justly indebted to the company named hereinabove as "Lender" (hereinafter called the "Mortgagee"), for outstanding balances up to the principal amount of \$261,750.00 as evidenced by a Homeowners Credit Line Agreement and Disclosure Statement (hereinafter called "Agreement"), executed by Mortgagors of even date herewith, together with interest thereon and payable as set forth in the Agreement; and

WHEREAS, Mortgagors are desirous of securing the prompt payment of the indebtedness referred to in the Agreement as and when the same falls due;

NOW, THEREFORE, in consideration of said indebtedness, and to secure the prompt payment of same when due, together with any and all other indebtedness now owing as well as any indebtedness that may be hereafter incurred before payment is made of the debt evidenced hereon, the said Mortgagors, have bargained and sold, and do hereby grant, bargain, sell and convey unto the said Mortgagee the following described real estate situated in Shelby County and State of Alabama.

to-wit:  
Lot 509, according to the map and survey of Riverchase Country Club, 12th Addition Residential Subdivision, as recorded in Map Book 8, Page 140, in the Probate Office of Shelby County, Alabama.

Situated in Shelby County, Alabama.

warranted free from all encumbrances and against any adverse claims other than the lien of ad valorem taxes for the current tax year and a mortgage in favor of NONE (if none, so state)

TO HAVE AND TO HOLD, the above granted premises unto said Mortgagee, and its assigns forever, and for the purpose of further securing the payment of said indebtedness, and any other indebtedness owing by said Mortgagors to the Mortgagee before the full payment of this Mortgage, Mortgagors agree that this Mortgage is made subject to the following covenants, conditions and agreements:

1. Mortgagors agree to keep said premises and the improvements thereon in good condition and repair, and to pay all assessments that may be levied or accrued 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, and to neither permit nor perform any act which would in any way impair the value of the security given by this instrument.

2. The Mortgagors agree to pay all taxes that may be assessed upon said property or upon the Mortgagee's interest therein or upon this Mortgage or the moneys secured hereby, any law to the contrary notwithstanding.

3. The Mortgagors agree to keep any and all improvements now on said property or that may hereafter be placed thereon insured against fire and such other hazards as the Mortgagee may require, in companies satisfactory to the Mortgagee, in such amounts and for such periods of time as the Mortgagee may require, loss, if any, payable to the Mortgagee as Mortgagee's interest may appear under terms of a clause satisfactory to Mortgagee without contributions, and to deposit said insurance policies with the Mortgagee. In case of loss and payment by an insurance company, the proceeds of all such insurance policies shall be applied, at the Mortgagee's election, on the indebtedness secured hereby or in rebuilding or restoring the property.

4. If the Mortgagors fail to keep the improvements in good repair, or 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 fail to pay immediately and discharge any and all liens, debts or charges which might become liens superior to the lien of this Mortgage, or fail to pay the items hereafter provided in Paragraph 7 or provided in any prior Mortgage acknowledged herein, the Mortgagee may, at its option, repair or insure said property or pay said taxes, assessments, debts, liens or charges, or any items secured hereby, 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 also secured by this Mortgage, shall bear interest at the rate set forth in the Agreement from date paid or incurred, and shall be immediately due and payable if the Mortgagee elects to declare it so.

5. No failure of the Mortgagee to exercise any option herein given to declare the maturity of the debt 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 Mortgagors; 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 the indebtedness hereby secured by reason of the failure of the Mortgagors to procure such insurance or to pay such taxes, debts, liens, or charges.

6. All expenses incurred by the Mortgagee, including attorney's fees, in compromising, adjusting, or defending against its claims or encumbrances sought to be fixed upon the property hereby conveyed, whether such claims or encumbrances be valid or not, shall become a part of the debt hereby secured.

7. The undersigned Mortgagors agree to pay a reasonable attorney's fee to Mortgagee, in the event Mortgagee employs an attorney to collect any of the items secured or that may be secured by the terms of this Mortgage.

8. As long as any of the indebtedness hereby secured shall remain unpaid, the Mortgagors will neither commit nor permit waste to be committed on the premises hereby conveyed; and upon the commission of any waste thereon the Mortgagee may, at its option, declare the entire indebtedness hereby secured to be at once due and payable. Nor will the Mortgagors remove or demolish any of the improvements on the premises hereby conveyed so long as any of the indebtedness hereby secured shall remain unpaid.

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9. Mortgagors also agree to make payment to Mortgagee, in addition to the indebtedness evidenced by said Agreement, of any and all renewals or extensions of said Agreement for any part thereof, whether endorsed thereon or by separate instruments. Mortgagors further agree to make payment to Mortgagee of any and all other sum or sums heretofore or hereafter advanced by Mortgagee to or for the account of the Mortgagors (or any one of them) for any and all other present or future, direct or contingent liabilities of Mortgagors (or any one of them) of any nature whatsoever owing to Mortgagee; and for the performance by Mortgagors of all provisions of this Mortgage, the said Agreement, and for the performance of all other mortgages, security agreements and/or other instruments or documents of Mortgagors (or any one of them) and held by Mortgagee.

10. Mortgagors do hereby also agree and understand that the indebtedness hereby secured is their personal obligation and that the Mortgagee's decision to grant the indebtedness to Mortgagors was based upon the Mortgagee's expectation that the Mortgagors would personally pay all sums hereby secured and perform all provisions herein, and that the real estate described above would remain under Mortgagors personal use and care.

UPON CONDITION, HOWEVER, That if said Mortgagors pay said indebtedness along with other loans and advances to the Mortgagors by Mortgagee and reimburse said Mortgagee for any amounts it may have expended as insurance, taxes, assessments or other charges and interest thereon, then this conveyance shall be null and void; but should default be made in the payment of any sum so expended by the said Mortgagee, or should said indebtedness or any part thereof, or interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee, or its assigns, in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, or should all or any part of said property, or any interest, legal or equitable, therein be sold or transferred by Mortgagors, without Mortgagee's prior written consent, then in any one of said events the whole of the said indebtedness shall, at the option of Mortgagee, at once become due and payable, and this Mortgage shall be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, its agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and, with or without taking possession, after giving twenty-one (21) days' notice, by publication once a week for three consecutive weeks of the time, place and terms of sale, by publication in some newspaper published in the county wherein said property is situated, collect any rent, income and profits of the premises with or without the appointment of a receiver, to sell the premises hereby conveyed, as a whole or in parcels, in front of the courthouse door, of said County (or the division thereof) at public outcry, to the highest bidder for cash, and apply the resulting net income as follows: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; and, second, to the payment of any amounts that may have been expended or that may then be necessary to expend, in paying insurance, taxes, assessments, or other encumbrances, with interest thereon; and, 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 Mortgagors; and Mortgagors further agree that said Mortgagee, its agents and assigns, may bid at said sale, and purchase said property, if the highest bidder therefor; and they further agree to pay a reasonable attorney's fee to said Mortgagee, or its assigns, for the foreclosure of this Mortgage in chancery, should the same be foreclosed, said fee to be a part of the debt hereby secured. In the event of a sale hereunder, the Mortgagee, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the undersigned a good and sufficient deed to the property sold.

WITNESS our hands and seals this 9th day of August, 19 85.

WITNESS: Judith Turner

x M. E. Padgett (SEAL)

WITNESS: Lisa Randall

x Lanette L. Padgett (SEAL)

#### ACKNOWLEDGEMENT

STATE OF ALABAMA )  
COUNTY OF Jefferson )

I, the undersigned, a Notary Public, hereby certify that M. E. Padgett and wife, Lanette L. Padgett, 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 the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and seal of office this 9th day of August, A.D. 1985.

[Signature]  
Notary Public

My Commission Expires: 2-13-86

STATE OF ALABAMA  
I CERTIFY THIS  
INSTRUMENT IS VALID

1985 AUG 15 AM 10:30

[Signature]  
JUL 11 1985

#### RECORDING FEES

Mortgage Tax	\$ <u>392.70</u>
Deed Tax	_____
Mineral Tax	_____
Recording Fee	<u>\$ 00</u>
Index Fee	<u>1.00</u>
TOTAL	\$ <u>398.70</u>

Return To:

AMERICAN TITLE INSURANCE CO.  
2119 3rd AVENUE NORTH  
BIRMINGHAM, ALABAMA 35203