

M O R T G A G E

THIS MORTGAGE DEED, dated this 23rd day of October, 1985, by and between COLUMBIANA VILLAS, LTD., an Alabama limited partnership, (the "Mortgagor"), and MIDLAND MORTGAGE INVESTMENT CORPORATION, a Florida corporation, having its principal office at 600 Cleveland Street, Suite 1090, Clearwater, Florida 33731 (the "Mortgagee").

W I T N E S S E T H:

THAT for divers good and valuable considerations, and also in consideration of the aggregate sum named in the promissory note hereinafter described, the said Mortgagor does hereby grant, bargain, sell, alien, remise, release, convey and confirm unto the said Mortgagee all that certain land of which the said Mortgagor is now seized and possessed and in actual possession, situate in the County of Shelby and State of Alabama described in Exhibit "A" attached hereto and made a part hereof (the "Property").

Together with all structures and improvements now and hereafter on the Property, and fixtures attached thereto, and all rents, issues, proceeds and profits accruing and to accrue from the Property, all of which are included within the foregoing description and the habendum thereof; also all gas, steam, electric, water and other heating, cooking, refrigerating, lighting, plumbing, ventilating, irrigating and power systems, machines, appliances, fixtures and appurtenances, as are ever furnished by a landlord in letting an unfurnished building similar to the ones herein described and referred to, which now are or may hereafter pertain to, or be used with, in or on the Property, even though they be detached or detachable.

TO HAVE AND TO HOLD the same, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues and profits thereof, and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said Mortgagor in and to the same, and every part thereof, unto the said Mortgagee in fee simple.

And the Mortgagor hereby covenants with the Mortgagee that it is indefeasibly seized of the Property in fee simple; that it has full power and lawful right to convey the same in fee simple as aforesaid; that it shall be lawful for the Mortgagee at all times peaceably and quietly to enter upon, hold, occupy and enjoy the Property, and every part thereof; that the Property is and will remain free from all encumbrances; that Mortgagor will make such further assurances to perfect the fee simple title to the Property in Mortgagee as may be reasonably required, and that Mortgagor does hereby fully warrant the title to the Property, and every part thereof, and will defend the same against the lawful claims of all persons whomsoever.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums due by virtue of that certain promissory note (the "Note"), a copy of which is attached hereto as Exhibit "B" and by reference made a part hereof, and shall duly, promptly and fully perform, discharge, execute, effect, complete and comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Note and of this Mortgage and of the loan agreement of even date between Mortgagor and Mortgagee (the "Loan Agreement"), then this Mortgage and the estate hereby created shall cease and be null and void.

And the Mortgagor covenants and agrees to and with the Mortgagee as follows:

BOOK 046-238

This instrument was prepared by:

DOUGLAS M. WILLIAMSON
of FISHER & SAULS, P.A.
Attorneys

City Center
100 Second Avenue South
Suite 701

P. O. Box 337
St. Petersburg, FL 33731

1. Mortgagor will pay the principal and interest and the various and sundry sums of money payable by virtue of the Note, the Loan Agreement, and this Mortgage promptly on the days the same become due and it will promptly perform and comply with each and every other covenant and agreement in the Note, the Loan Agreement, and Mortgage.

2. Mortgagor will pay the taxes, assessments, levies, liabilities, obligations and encumbrances of every nature and kind now on the Property, or that hereafter may be imposed, suffered, placed, levied or assessed thereon, or that hereafter may be levied or assessed upon this Mortgage or the indebtedness secured hereby, when due and payable according to law, before they become delinquent, and before any interest attaches or any penalty is incurred; and insofar as any thereof is of record, the same shall be promptly satisfied and discharged of record and the original official document evidencing such satisfaction and discharge shall be placed in the hands of Mortgagee within ten days next after payment.

3. Mortgagor will keep the improvements now existing or hereafter erected on the Property insured against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by Mortgagee. All insurance shall be carried in companies approved by Mortgagee and the policies and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In the event of loss, it will give immediate notice by mail to Mortgagee; and Mortgagee 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 Mortgagee instead of the Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by Mortgagee at its option, either to the reduction of the indebtedness hereby secured or the restoration or repair of the property damaged. 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 the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

4. Mortgagor will permit, commit, or suffer no waste, impairment or deterioration of the Property or any part thereof. In the event of breach of this covenant by Mortgagor, the Mortgagee may make such repairs as in its discretion, it may deem necessary for the preservation thereof.

5. Mortgagor will pay all and singular the costs, charges and expenses, including reasonable attorney's fees, costs of abstracts of title and title searches incurred or paid at any time by the Mortgagee because of the failure on the part of the Mortgagor promptly and fully to perform the agreements and covenants of the Note, the Loan Agreement, and this Mortgage, and said costs, charges and expenses shall be immediately due and payable and shall be secured by the lien of this Mortgage, and such expenditures shall draw interest at the Applicable Interest Rate specified in the Note, plus additional interest from the date thereof at the maximum rate allowed by law.

6. That (a) in the event of any breach of this Mortgage or default on the part of the Mortgagor, or (b) in the event any of said sums of money herein referred to be not promptly and fully paid without demand or notice, or (c) in the event the stipulations, agreements, conditions and covenants of the Note, the Loan Agreement, and this Mortgage are not duly, promptly and fully performed, then in either or any such event, the said aggregate sum mentioned in the Note then remaining unpaid, with interest accrued to that time, and all monies secured hereby, shall become due and payable forthwith, or

BOOK 046 PAGE 239

thereafter, at the option of Mortgagee, as fully and completely as if all of the said sums of money were originally stipulated to be paid on such day, anything in said Note or in this Mortgage to the contrary notwithstanding; and thereupon or thereafter, at the option of Mortgagee, without notice or demand, suit at law or in equity may be prosecuted as if all monies secured hereby had matured prior to its institution.

7. (a) If at any time in the discretion of Mortgagee a receivership may be necessary to protect the Property, whether before or after maturity of the indebtedness hereby secured, or at the time of, prior to, or after the institution of suit to collect such indebtedness or to enforce this Mortgage, Mortgagee shall, as a matter of strict right and regardless of the value of the security for the amounts due hereunder or secured hereby or of the solvency of any party bound for the payment of such indebtedness, have the right to the appointment on ex parte application, by any court having jurisdiction, of a receiver to take charge of, manage, preserve, protect and operate the Property and any business or businesses located thereon, complete construction of the improvements pursuant to the Loan Agreement, to collect the rents, issues, profits and income thereof, to make all necessary and needed repairs, and to pay all taxes and assessments against the Property and insurance premiums for insurance thereon, complete construction of the improvements pursuant to the Loan Agreement, and after the payment of the expenses of the receivership, including reasonable attorney's fees to Mortgagee's attorney, and after compensation for management of the Property, to apply the net proceeds in reduction of the indebtedness hereby secured or in such manner as the court shall direct. All expenses shall be secured by the lien of this Mortgage until paid.

(b) The receiver or its agents shall be entitled to enter upon and take possession of any and all of the Property, together with any and all businesses conducted and all business assets used therewith or thereon, or any part or parts thereof, and operate and conduct the business or businesses to the same extent and in the same manner as Mortgagor might lawfully do. The receiver, personally or through its agents or attorneys, may exclude Mortgagor, and its subsidiaries, agents, servants and employees wholly from the mortgaged property, and have, hold, use, operate, manage and control the same and each and every part thereof, and in the name of the Mortgagor, its subsidiaries, or agents, exercise all of their rights and powers and use all of the then existing items of security and collateral, materials, current supplies, stores and assets and, at the expense of the mortgaged property, maintain, restore, insure and keep insured, the properties, equipment and apparatus provided or required for use in connection with such business or businesses, and make all such necessary and proper repairs, renewals and replacements and all such useful alterations, additions, betterments and improvements as receiver may deem judicious.

(c) Such receivership shall, at the option of the Mortgagee, continue until full payment of all sums hereby secured, or until title to the property shall have passed by foreclosure sale under this Mortgage and all redemption and appeal times have expired.

8. The Property may not be transferred, assigned or conveyed without the prior written approval of Mortgagee or its assigns. Any such transfer, assignment or conveyance without the written consent of the Mortgagee shall constitute a default in the performance of the obligations of Mortgagor under the terms of this Mortgage, the Note, and the Loan Agreement.

9. In no event shall interest, or charges in the nature of interest, accrue or be payable on said Note or this Mortgage in excess of the highest legal rate for the time such indebtedness shall be outstanding and unpaid and if by any reason, interest, or charges in the nature of interest, in excess of such highest legal rate shall at any time be paid, any such excess shall constitute and be treated as a payment on principal hereof and shall operate to reduce such principal by that amount.

10. If the Mortgagor defaults in any of the covenants or agreements contained herein or in the Note, then the Mortgagee may perform the same, and all such expenditures made by the Mortgagee, including a reasonable attorney's fee in so doing shall draw interest at the Applicable Interest Rate contained in the Note, plus additional interest from the date thereof at the maximum rate allowed by law, and shall be repayable immediately and without demand, and all such expenditures shall be secured by the lien of this Mortgage.

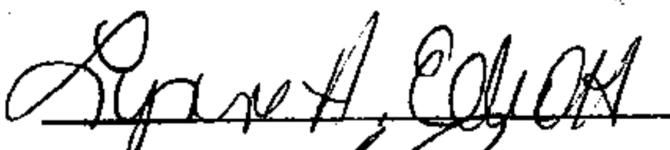
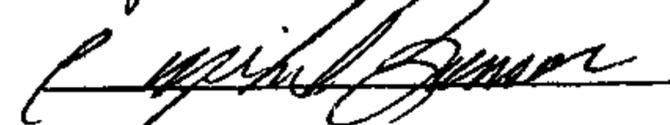
11. In the event the Property or any part thereof is taken under power of eminent domain, the entire proceeds of the award shall be paid direct to Mortgagee and shall be applied on the indebtedness hereby secured in whatever manner Mortgagee may deem advisable.

12. The principal indebtedness secured hereby is to be disbursed in accordance with the terms of the Loan Agreement, and the terms, provisions and conditions of the Loan Agreement are by this reference made a part hereof. The Mortgagor agrees to fully, duly and promptly discharge each and every of its agreements contained in the Loan Agreement and comply with and perform all of the provisions and contingencies thereof. A default under the provisions of the Loan Agreement shall constitute a default under the terms of this Mortgage. The lien of this Mortgage upon the Property secures the payment of all sums payable to Mortgagee and the performance of all covenants and agreements of Mortgagor under the terms of the Loan Agreement. Nothing herein or in the Loan Agreement shall obligate the Mortgagee to construct or pay for any constructions or improvements on the Property.

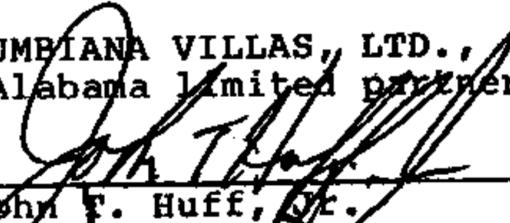
THE COVENANTS AND AGREEMENTS herein and in said promissory Mortgage Note contained herein shall bind, and the benefits and advantages shall inure to, the respective heirs, legal representatives, grantees, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. This Mortgage and the Note evidencing the indebtedness secured hereby constitute an Alabama contract and shall be construed according to the laws of said State.

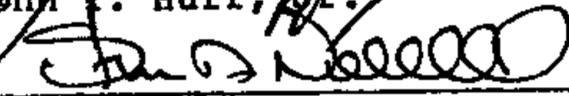
IN WITNESS WHEREOF, Mortgagor has signed this instrument the day and year first above written.

Witnesses:

COLUMBIANA VILLAS, LTD.,
an Alabama limited partnership

By 
John F. Huff, Jr.

By 
Steven D. Norell

General Partners

MORTGAGOR

046 241

STATE OF ALABAMA

COUNTY OF LEE

I, Lynne Ann Elliott, a Notary Public in and for State of Alabama at Large, hereby certify that JOHN T. HUFF, JR., and STEVEN D. NORRELL, whose names as General Partners of COLUMBIANA VILLAS, LTD., an Alabama limited partnership, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such partners and with full authority, executed the same voluntarily for and as the act of said partnership.

Given Under my hand and official seal on this
the 23rd day of October, 1985

Lynne Ann Elliott
Notary Public - State of Alabama

My Commission Expires:

LYNNE ANN ELLIOTT, NOTARY PUBLIC
LEE COUNTY, STATE OF ALABAMA
MY COMMISSION EXPIRES AUG. 21, 1989

LYNNE ANN ELLIOTT, NOTARY PUBLIC
LEE COUNTY, STATE OF ALABAMA
MY COMMISSION EXPIRES AUG. 21, 1989

BOOK 046 PAGE 212
NOTARY PUBLIC
LEE COUNTY, ALABAMA

Commence at the Southwest corner of Section 24, Township 21 South, Range 1 West; thence proceed in a northerly direction along the west boundary of said section for a distance of 1745.66 feet to the point of intersection with the northwest Right-of-Way line of State Highway 25 Columbiana by-Pass; thence turn an angle of 63 degrees 09 minutes 20 seconds to the right and run in a northeasterly direction along said northwest R.O.W. line of Highway 25 by-Pass, for a distance of 204.33 feet to a point; thence turn an angle of 11 degrees 18 minutes 36 seconds to the left and continue along said R.O.W. for a distance of 50.99 feet to a concrete R.O.W. monument; thence turn an angle of 11 degrees 18 minutes 36 seconds to the right and continue along said R.O.W. for a distance of 103.77 feet to the point of beginning of the parcel of land herein described; thence continue along said R.O.W. for a distance of 196.23 feet to a concrete R.O.W. marker; thence turn an angle of 30 degrees 57 minutes 52 seconds to the right and continue along said R.O.W. for a distance of 58.31 feet to a concrete R.O.W. marker; thence turn an angle of 30 degrees 57 minutes 52 seconds to the left and continue along said R.O.W. for a distance of 130.87 feet to a point; thence turn an angle of 63 degrees 09 minutes 20 seconds to the left and proceed in a northerly direction for a distance of 428.93 feet to a point; thence turn an angle of 90 degrees to the left and proceed in a westerly direction for a distance of 350.00 feet to a point; thence turn an angle of 90 degrees to the left and proceed in a southerly direction for a distance of 572.45 feet to the point of beginning. Said parcel of land is lying in the NW 1/4 of SW 1/4, Section 24, Township 21 South, Range 1 West; Situated in Shelby County, Alabama.

BOOK 046 PAGE 243

EXHIBIT "A"

PROMISSORY NOTE

October 23 , 1985

\$1,197,000.00

FOR VALUE RECEIVED, the undersigned, COLUMBIANA VILLAS, LTD., an Alabama limited partnership, promises and agrees to pay to the order of MIDLAND MORTGAGE INVESTMENT CORPORATION, a Florida corporation, at its principal office at 600 Cleveland Street, Suite 1090, Clearwater, Florida 33515, or at such other place or places as it or the holders hereof may from time to time hereafter designate in writing, the principal sum of \$1,197,000.00, with interest on the principal balance outstanding from time to time from the date of this note, at the rate of 10% per annum (hereinafter referred to as the "Applicable Interest Rate"). Interest shall be calculated on the basis of a 360-day year and paid for all days on which interest is due on any part or all of the principal amount outstanding.

Notwithstanding the above, and notwithstanding anything to the contrary herein or in any of the documents securing this loan, in no event shall the Applicable Interest Rate or charges in the nature of interest, payable on this note be in excess of the highest legal rate for the time such indebtedness shall be outstanding unpaid under the laws of the State of Alabama and if, for any reason, interest or charges in the nature of interest, in excess of such highest legal rate be paid at any time, any such excess shall constitute and shall be treated as payments on principal and shall operate to reduce the principal balance by that amount.

This note shall be paid as follows, to-wit:

(a) Interest on the principal balance then outstanding at the above Applicable Interest Rate shall be paid monthly commencing on the first day of the first month following the date hereof, and continuing on the first day of each month thereafter until the Maturity Date.

(b) The entire principal balance of the loan outstanding and any interest accrued but unpaid shall be due and payable on August 22, 1986 (the "Maturity Date").

If default be made in the payment of the whole or any part of the note when due, whether principal or interest, or in the performance of any of the terms, agreements, covenants or conditions contained in the Loan Agreement of even date or in the Mortgage given as security for the payment hereof then or at any time thereafter during the continuance of any such default, the entire principal of this note remaining at that time unmaturred, together with the accrued interest thereon, shall at the election of the legal holder hereof and without notice of such election and without demand or presentment become immediately due and payable at the place of payment aforesaid, anything contained herein or in the Mortgage or in the Loan Agreement described to the contrary notwithstanding. Any overdue principal balance, together with any overdue installment of interest, shall after the due date bear interest at the maximum rate allowed by law.

If any default be made as hereinabove set forth, the failure of the holder hereof promptly to exercise its option to declare the indebtedness remaining unmaturred hereunder to be immediately due and payable shall not constitute a waiver of such right while such default continues, nor a waiver of such right, in connection with any future default on the part of the undersigned.

If suit be brought to collect this note or any part thereof, the undersigned hereby expressly agrees to pay all costs and expenses incurred by the holder hereof in the collection of the indebtedness evidenced by this note, including a reasonable attorney's fee for any collection work, litigation or appeals incident thereto.

The makers, endorsers and guarantors hereof, and all other parties who may become liable for all or any part of this obligation, severally waive presentment for payment, protest, and notice of protest and of non-payment, and hereby expressly consent to any number of renewals or extensions of the time of payment thereof. Any such renewals or extensions may be made without notice to any of said parties and without affecting their liability and said parties shall not be released from their liability hereon by reason of any forbearance or extension of time granted to the undersigned or any subsequent owner or owners of the property mortgaged as security for this obligation, with or without notice to or the consent of any of said parties.

This Note is made pursuant to a certain Loan Agreement of even date between COLUMBIANA VILLAS, LTD., an Alabama limited partnership, Borrower, and MIDLAND MORTGAGE INVESTMENT CORPORATION, a Florida corporation, Lender, and JOHN T. HUFF, JR., and PATRICIA M. HUFF, his wife, STEVEN D. NORRELL, married, and HUFF & ASSOCIATES CONSTRUCTION COMPANY, INC., an Alabama corporation, Guarantors, and is secured by a Mortgage of even date on real estate situated in the County of Shelby, State of Alabama, the terms, conditions, agreements, covenants and obligations of each of which are expressly incorporated herein in accordance with the laws of the State of Alabama.

Guarantors:

COLUMBIANA VILLAS, LTD., an Alabama limited partnership

John T. Huff, Jr. (SEAL)
John T. Huff, Jr.

By: John T. Huff, Jr.
John T. Huff, Jr.

Patricia M. Huff (SEAL)
Patricia M. Huff

By: Steven D. Norrell
Steven D. Norrell

Steven D. Norrell (SEAL)
Steven D. Norrell

General Partners

HUFF & ASSOCIATES CONSTRUCTION COMPANY, INC., an Alabama corporation

By: John T. Huff, Jr.
President

Attest: _____

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
400 - 012951
1985 OCT 24 PM 2:16

Thomas A. Anderson, Jr.
JUDGE OF PROBATE

RECORDING FEES

Mortgage Tax	\$ <u>1795.50</u>
Deed Tax	_____
Mineral Tax	_____
Recording Fee	<u>20.00</u>
Index Fee	<u>1.00</u>
TOTAL	\$ <u>1816.50</u>

BOOK 046 PAGE 245