

# **MORTGAGE DEED — CONSTRUCTION LOAN WITH FUTURE ADVANCES**

STATE OF ALABAMA        )

COUNT OF   SHELBY        )

KNOW ALL MEN BY THESE PRESENTS, that whereas *LM* Leo Paul Semes and Wife, Jill K. Meyer (hereinafter referred to as "Mortgagors") have become justly indebted to ALABAMA FEDERAL SAVINGS AND LOAN ASSOCIATION, a Corporation, organized and existing under the laws of the United States of America (hereinafter referred to as "Mortgagee"), in the principal sum of One hundred twenty thousand and no/100

(\$ 120,000.00 ) Dollars, as evidenced by negotiable note of even date herewith;

NOW, THEREFORE, in consideration of the premises and in order to secure the prompt payment of any and all sums, principal, interest, including any and all additional advances and any renewals or extensions of the same and any other sums, now or hereafter due or owing by Mortgagors to Mortgagee under the terms of this Mortgage, (hereinafter referred to as "Indebtedness"), in compliance with all the stipulations hereinafter contained, the Mortgagors do hereby grant, bargain, sell and convey to the Mortgagee the following described real estate, situated in the County of Shelby, State of Alabama, viz:

Lot 9, according to the survey of Mountain Ridge Estates, 1st Sector, as recorded in Map Book 7 page 100 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama. Mineral and mining rights excepted.

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which has the address of 3210 Mountain Ridge, Birmingham, Alabama 35243  
(Street, City, Zip Code)

together with all rights, contracts, privileges, easements, tenements, interests, improvements and appurtenances thereunto belonging or in any wise appertaining, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by the Mortgagors in and to all structures, buildings, fixtures, and improvements, all building permits, surveys, plans, specifications, materials, lumber, brick, electrical, plumbing, heating and air-conditioning equipment and fixtures, roofing, paint, doors, windows, hardware, stoves, ranges, refrigerators, wherever located, and all other materials, equipment, and chattels and things of every kind and character now or at any time hereafter located on the above described premises (hereinafter referred to as "mortgaged property"), for use or usable in the construction of the improvements on the mortgaged property, attached or appertaining to the mortgaged property, shall be deemed realty and conveyed to the Mortgagee.

*Courtney J. Mason*

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This Mortgage is a Future Advance Mortgage and the indebtedness in the principal amount of the Note hereby secured is to be advanced to the Mortgagors in keeping with the terms of the Loan Agreement between the Mortgagors and the Mortgagee.

TO HAVE AND TO HOLD the same and every part thereof unto the Mortgagee, its successors and assigns forever.

And for the purpose of further securing full, timely and complete payment of said indebtedness and performance of each and every obligation, covenant and term hereof, the Mortgagors covenant and agree as follows:

1. That they are lawfully seized in fee and possessed of the mortgaged property and have a good right to convey the same as aforesaid, that they will warrant and forever defend the title against the lawful claims of all persons whomsoever, and that the mortgaged property is free and clear of all encumbrances, easements and restrictions not herein specifically mentioned.

2. That they will pay all taxes, assessments, or other liens taking priority over this mortgage when imposed legally upon the mortgaged property and should default be made in the payment of same, or any part thereof, the Mortgagee may pay the same.

3. That they will keep the mortgaged property continuously insured in such amounts, in such manner and in such companies as may be satisfactory to the Mortgagee against loss by fire and such other hazards as Mortgagee may specify, with loss, if any, payable to said Mortgagee, and will deposit with Mortgagee policies for such insurance and will pay premiums therefore as the same becomes due. Mortgagors shall give immediate notice in writing to Mortgagee of any loss or damages to the mortgaged property caused by any casualty. If Mortgagors fail to keep the mortgaged property insured as above specified, the Mortgagee may insure said property for its insurable value against loss by fire and other hazards for benefit of the Mortgagee. The proceeds of such insurance shall be paid by insurer to Mortgagee which is hereby granted full power to settle and compromise claims under all policies and to demand, receive and receipt for all sums becoming due thereunder; said proceeds, if collected, to be credited on the indebtedness secured by this mortgage, less cost of collecting the same, or to be used in repairing or reconstructing the premises as the Mortgagee may elect; all amounts so expended by said Mortgagee for insurance or for the payment of taxes, assessments or any other prior liens shall become a debt due the Mortgagee, additional to the indebtedness and at once payable without demand upon or notice to any person, and shall be secured by the lien of this mortgage and shall bear interest at the highest legal rate from date of payment by the Mortgagee and at the election of the Mortgagee and without notice to any person, the Mortgagee may declare the indebtedness secured by this mortgage due and payable and this mortgage subject to foreclosure and same be foreclosed as hereinafter provided.

4. To take good care of the mortgaged property and not to commit or permit any waste thereon, and to keep the same repaired and at all times to maintain the same in as good condition as it now is, reasonable wear and tear alone excepted.

5. That no delay or failure of the Mortgagee to exercise any option to declare the maturity of any debt secured by this mortgage shall be taken or deemed as a waiver of the maturity of any debt secured by this mortgage shall be taken or deemed as a waiver of the right to exercise such option or to declare such forfeiture either as to past or present default on the part of the Mortgagors, and that the procurement of insurance or payment of taxes by the Mortgagee shall not be taken or deemed as a waiver of the 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, it being agreed that no terms or conditions contained in this mortgage can be waived, altered, or changed except as evidenced in writing signed by the Mortgagors and by the Mortgagee.

6. That they will well and truly pay and discharge any indebtedness hereby secured as it shall become due and payable including any future sums advanced by the Mortgagee, the note or notes above described, any renewals or extensions thereof, and any other notes or obligations of Mortgagors to Mortgagee whether now or thereafter incurred.

7. That after any default on the part of the Mortgagors, in the payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions hereof, the Mortgagee may at its option take immediate possession of the mortgaged property and proceed to collect the rent, income, and profits for the mortgaged property, either with or without the appointment of a receiver. Any rents, income, and profits collected by the Mortgagee, prior to foreclosure of this indebtedness, less the cost of collecting the same, including any real estate commission or attorney's fees incurred, shall be credited on the advance with interest thereon, or in reduction of any indebtedness, including interest thereon, hereby secured in such manner or proportion as Mortgagee may elect.

8. That all the covenants and agreements of the Mortgagors herein contained shall extend to and bind their heirs, executors, administrators, successors and assigns, and that such covenants and agreements all options, rights, privileges and powers herein given, granted or secured to the Mortgagee shall inure to the benefit of the successors or assigns of the Mortgagee.

9. That the indebtedness hereby secured shall at once become due and payable and this mortgage subject to foreclosure as herein provided at the option of the holder hereof when and if any statement of lien is filed under the statutes of Alabama relating to liens of mechanics and materialmen, without regard to the form and contents of such statement and without regard to the existence or non-existence of the debt or any part thereof, or of the lien on which such statement is based.

10. The principal amount is being advanced to the Mortgagors by the Mortgagee in accordance with a Loan Agreement dated the date hereof ("Loan Agreement"). Notwithstanding anything to the contrary contained in this mortgage or in the note or notes secured hereby, or in any other instrument securing the loan evidenced by said note or notes, the Mortgagee may at its option declare the entire indebtedness secured hereby, and all interest thereon and all advances by the Mortgagee hereunder, immediately due and payable in the event of a breach by the Mortgagors of any covenant contained in this mortgage, the note or notes secured hereby, or in the Loan Agreement, which the Loan Agreement is, by reference thereto, herein incorporated to the same extent and effect as though said Loan Agreement were set forth herein in full.

11. Plural or singular words used herein to designate the undersigned Mortgagors shall be construed to refer to the maker or makers of this mortgage, whether one or more persons or a corporation.

UPON CONDITION, HOWEVER, that if the Mortgagors shall well and truly pay and discharge the indebtedness hereby secured as it shall become due and payable and shall in all things do and perform all acts and agreements by them herein agreed to be done according to the tenor and effect hereof, then and in that event only this conveyance shall be and become null and void; but should default be made in the payment of the indebtedness hereby secured or any renewals or extensions thereof or any part thereof or should any interest thereon remain unpaid at maturity, or should default be made

In the repayment of any sum expended by the Mortgagee under the authority of any of the provisions of this mortgage, or should the Mortgagors breach the Loan Agreement, or should the interest of the Mortgagee in the mortgaged property become endangered by reason of the endorsement of any prior lien or encumbrance thereon so as to endanger the indebtedness hereby secured, or should a petition to condemn any part of the mortgaged property be filed by any authority having power of eminent domain, or should any law, either federal or state, be passed imposing or authorizing the imposition of a specific tax upon this mortgage or the indebtedness hereby secured, or permitting or authorizing the deduction of any such tax from the principal or interest secured by this mortgage or by virtue of which any tax or assessment upon the mortgaged property shall be charged against the owner of this mortgage or should at any time any of the stipulations contained in this mortgage be declared invalid or inoperative by any court of competent jurisdiction or should the Mortgagors fail to do and perform any other act or thing herein required or agreed to be done, then in any of said events the whole of the indebtedness hereby secured, or any portion or part of same may not at said date have been paid, with interest thereon, shall at once become due and payable and this mortgage subject to foreclosure at the option of the Mortgagee, notice of the exercise of such option being hereby expressly waived; and the Mortgagee shall have the right to enter upon and take possession of the mortgaged property hereby conveyed and after or without taking such possession to sell the same in front of the Courthouse door of the County wherein the mortgaged property is situated, or a part thereof is situated; if the mortgaged property is situated in Jefferson County, Alabama, the sale will be conducted at the door of the Courthouse of Jefferson County, Alabama, in Birmingham, Twenty-first Street entrance, 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 City, 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; 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 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 Mortgagors or to whomsoever then appears of record to be the owner of said property. The Mortgagee may bid and become the purchaser of the mortgaged property at any foreclosure sale thereunder.

IN WITNESS WHEREOF, the Mortgagors have caused these presents to be executed on this the 18th day of July, 1986.

WITNESS

Leo Paul Semes  
Leo Paul Semes

(SEAL)

Jill K. Meyer  
Jill K. Meyer

(SEAL)

(SEAL)

STATE OF ALABAMA  
I CERTIFY THIS  
INSTRUMENT WAS FILED

1986 JUL 23 AM 8:29

Thomas W. Cunningham, Jr.  
JUL 23 1986

1. Deed Tax \$             
2. Mtg. Tax 180.00  
3. Recording Fee 7.50  
4. Indexing Fee 1.00  
TOTAL 188.50

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, in and for said County in said State, hereby certify that Leo Paul Semes and wife, Jill K. Meyer, 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 OFFICIAL SEAL THIS THE 18th day of July, 1986.

[Signature]  
NOTARY PUBLIC

My commission expires: My Commission Expires April 9, 1987