

STATE OF ALABAMA

COUNTY OF SHELBY

1994-A
MORTGAGE

This indenture is made and entered into this 27 day of August, 1986, by and between Thomas A. Snyder and Patsy Lou Snyder, husband and wife (hereinafter called "Mortgagors," whether one or more) and United Companies Financial Corporation a Louisiana corporation (hereinafter called "Mortgagee").

WHEREAS Mortgagors are justly indebted to Mortgagee in the principal sum of Three Hundred Thousand Dollars (\$ 300,000.00) (the "Loan") as evidenced by that certain promissory note of even date herewith, which bears interest as provided therein, which is payable in accordance with its terms, and which has a final maturity date of September 1, 2001 (the "Note").

NOW, THEREFORE, in consideration of the premises and the payment of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to each Mortgagor, the receipt whereof is hereby acknowledged and in order to secure the payment of any and all indebtedness evidenced by the Note, and any and all extensions and renewals thereof, or of any part thereof, and all interest payable on all of said debt and on any and all such extensions and renewals, together with all attorneys' fees, costs, charges and other sums that Mortgagee may advance for the payment of insurance premiums, taxes assessments or for the protection and preservation of this mortgage as authorized herein (the aggregate amount of such debt, interest thereon, including any extensions and renewals and interest on any such extensions and renewals together with all attorney's fees, costs, charges and other sums advanced by the Mortgagee under the terms hereof, is hereinafter collectively called "Debt"), and the compliance by Mortgagor with all the covenants, agreements and stipulations herein contained, Mortgagors do hereby grant, bargain, sell and convey unto Mortgagee the following described real estate situated in Shelby County, Alabama (said real estate being hereinafter sometimes referred to as the "Real Estate"):

Lot 1, according to the Map and survey of Collin's Addition to Valleydale as recorded in Map Book 7, Page 154 in the office of the Judge of Probate of Shelby County, Alabama.

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Together with all the rights, privileges, tenements, appurtenances and fixtures appertaining to the Real Estate all of which shall be deemed Real Estate and shall be conveyed by this mortgage.

To have and to hold the Real Estate unto the Mortgagee, its successors and assigns forever. The Mortgagors covenant with the Mortgagee that the Mortgagors are lawfully seized in fee simple of the Real Estate and have a good right to sell and convey the Real Estate as aforesaid; that the Real Estate is free of all encumbrances, unless otherwise set forth above, and that the Mortgagors will warrant and forever defend the title to the Real Estate unto the Mortgagee against the lawful claims of all persons.

As further security for payment of the Debt, Mortgagors hereby transfer, set over, pledge and assign to Mortgagee all rents, incomes, issues and profits of the Real Estate from time to time accruing, including without limitation tenant deposits and deposits held by Mortgagee, by Mortgagors and/or by third persons, whether under leases or tenancies now existing or hereafter created, with the right to receive and receipt therefor and apply the same to the payment in whole or in part of any part of the Debt, either before or after any default hereunder, and Mortgagee may demand, sue for and recover any such payments, but shall not be required to do so. It is understood and agreed that any tenant, lessee or other person, its heirs, successors and assigns, from whom is due such payment(s) is hereby authorized and directed to make such payments to Mortgagee upon receipt of written notice from Mortgagee or Mortgagors to do so and to continue making such payment(s) to Mortgagee until notified in writing by Mortgagee to discontinue doing so. Mortgagee, however, by accepting and exercising this assignment, does not assume any of the obligations of Mortgagors under any such lease or rental contract.

Mortgagors further assign and pledge to Mortgagee any and all judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Real Estate, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of the power of eminent domain. Mortgagee is hereby authorized on behalf of, and in the name of Mortgagors to execute and deliver valid acquittances for, and appeal from, any such judgments or awards. Mortgagee may apply all such sums so received, or any part thereof, after the payment of all Mortgagee's expenses in connection with any proceeding or transaction described in this paragraph, including court costs and attorneys' fees, on the Debt in such manner as Mortgagee elects, or, at Mortgagee's option, the entire amount, or any part thereof, so received may be released or may be used to rebuild, repair or restore any or all of the improvements located on the Real Estate.

It is further understood and agreed that as additional security for the payment of the Debt, Thomas A. Snyder shall carry insurance on his life with an insurance company suitable to Mortgagee, in an amount not less than \$100,000 until the full and final payment of the Debt, and that he shall assign and deliver such policy or policies of life insurance to Mortgagee for its own benefit as the original holder of the Note, and, in the event of the assignment of the Note, for the pro rata benefit of any subsequent holder of the

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Note; and that in the event of the death of

Thomas A. Snyder

or of his failure to pay any premium which may become due on such policy or policies of life insurance when and as same shall become due, the Debt shall at the option of the Mortgagee at once become due and payable. * (P. 3)
Mortgagors, and each of them, hereby declare that it does hereby specially covenant and agree to the faithful fulfillment of the following stipulations in favor of Mortgagee, to-wit:

FIRST: Mortgagors agree to observe and abide by all lawful rules and regulations of legally constituted authorities from time to time in force and effect relating to the Real Estate.

SECOND: Mortgagors shall not abandon the Real Estate.

THIRD: Mortgagee shall, at all reasonable times, have access to and the right to inspect the Real Estate.

FOURTH: The Real Estate shall remain mortgaged and hypothecated until the full and final payment of the Debt, Mortgagor hereby binding themselves, their heirs, successors and assigns, not to make any conveyance, transfer or sale of the Real Estate, or any part thereof, until full and final payment of the Debt unless Mortgagee expressly consents to such sale, transfer or conveyance in writing, the granting or refusal of such consent being entirely within the discretion of Mortgagee. Mortgagors hereby agree that, should the Real Estate, or any part thereof, be sold or transferred without the prior written consent of Mortgagee, either with or without the assumption of the Debt, such sale or transfer shall constitute a breach of this mortgage and the obligations herein set forth, and the Debt shall, at the option of Mortgagee, immediately become due and payable, anything contained herein as in the Note to the contrary notwithstanding, and it shall be lawful for Mortgagee to proceed with enforcement of this mortgage as set forth below. In the event the Real Estate, or any part thereof, be sold and/or ownership thereof transferred to one or more third parties, Mortgagee may require the payment by Mortgagors or by the assuming purchaser(s) of an assumption fee as prescribed by Mortgagee and/or may increase the rate of interest provided for in the Note.

FIFTH: In case Mortgagors should become insolvent and apply to a bankruptcy court to be adjudicated a bankrupt, or proceedings be instituted against any of them, to put any of them in involuntary bankruptcy, or should proceedings be taken against any of them, looking to the appointment of a receiver, trustee, custodian or liquidator, or should any one of them make an assignment for the benefit of creditors, or if an order be issued by any Court for the appointment of a receiver or receivers for any or all of them, or for the Real Estate, or any part thereof, or for the sequestration, seizure or attachment of the Real Estate, or any part thereof, or should there be created or exist or suffered to be created or exist any other lien or charges superior in rank to the lien and mortgage herein granted (other than liens or charges previously agreed to in writing by Mortgagee), then and in any of such events the Debt shall, at the option of Mortgagee, immediately become due and payable, anything to the contrary herein or in the Note notwithstanding. Any failure on the part of Mortgagee to exercise the option to declare the Debt due and payable shall not constitute a waiver of the right to exercise such option at any other time.

SIXTH: Mortgagors shall keep and maintain at all times at such place as Mortgagee may approve in writing, complete and accurate books of account and records adequate to reflect correctly the results of the operation of the Real Estate and copies of all written contracts, leases and other instruments which affect the Real Estate. Such books, records, contracts, leases and other instruments shall be subject to examination and inspection at any reasonable time by Mortgagee. Upon Mortgagee's request, Mortgagors shall furnish to Mortgagee, within ninety (90) days after the end of each fiscal year of Mortgagors, a balance sheet, a statement of income and expenses of the Real Estate, a financial statement of each Mortgagor, and a statement of changes in financial position, each in reasonable detail and certified by Mortgagors and, if Mortgagee shall require, by an independent certified public accountant selected by Mortgagors and satisfactory to Mortgagee. Mortgagors shall furnish, together with the above-described financial statements and at any other time upon Mortgagee's request, a rent schedule for the Real Estate, certified by Mortgagors, showing the name of each tenant, and for each tenant, the space occupied, the lease expiration date, the rent payable and the rent paid.

SEVENTH: Mortgagors shall keep all of the Real Estate constantly insured, as may be required from time to time by Mortgagee, against loss by fire and such other hazards, casualties and contingencies, including, but not limited to, flood and/or war damage insurance, whenever, in the opinion of Mortgagee, such protection is necessary. All such insurance shall be in such amounts and in such manner as may be required by Mortgagee, and all shall be in forms acceptable to and in companies satisfactory to Mortgagee, and with noncontributory loss payable clauses attached to all policies in favor of and in form satisfactory to Mortgagee. Mortgagors shall deliver all original policies to Mortgagee, with satisfactory evidence of the payment of the premiums thereon, and all renewals thereof shall be delivered to Mortgagee at least thirty (30) days in advance of the expiration date of the existing policy or policies.

In the event Mortgagors should, for any reason whatsoever, fail to keep all of the Real Estate so insured or said policies so payable to Mortgagee, or fail to deliver to Mortgagee, as aforesaid, the original policies of insurance and the renewals thereof, then Mortgagee, if it so elects, may itself have insurance effected in such amounts and with such companies as Mortgagee may deem proper (including single interest insurance on the Real Estate protecting only Mortgagee), and may pay the premiums therefor, and any premiums so paid, together with interest thereon, as provided herein, shall be deemed part of the Debt and shall be secured by this mortgage.

Should Mortgagee or Mortgagors, by reason of any such insurance, receive any sum or sums of money for any damage to or loss of any Real Estate from any policy(ies) of insurance insuring against such damage or loss then, at the option of Mortgagee and in such manner as Mortgagee may determine, such amount may be: (a) applied by Mortgagee toward the payment of the Debt, or (b) paid over, either in whole or in part, and under such conditions as Mortgagee may determine, to Mortgagors to enable Mortgagors to repair, restore or replace said property or for any other purpose or object satisfactory to Mortgagee, all without prejudice, and without affecting the lien of this mortgage on the Real Estate or in the proceeds of such insurance for the full amount secured hereby, as such lien existed prior to such damage or loss or payment of insurance proceeds.

Mortgagee shall not be responsible for the solvency of any company issuing any insurance policy, whether or not selected or approved by it, or for the collection of any amount due under any such policy, and shall be responsible and accountable only for such money as may be actually received by it.

EIGHTH: Mortgagors shall pay and discharge promptly when due, all taxes, local and special assessments and governmental charges and utility charges of every description which shall from time to time be imposed, assessed or levied upon the Real Estate, or any part thereof, so that the priority of this mortgage shall at all times be maintained and preserved, and shall furnish to Mortgagee evidence of the payment of such taxes, local and special assessments, and governmental charges and utility charges.

In the event Mortgagors should, for any reason, fail to pay and discharge promptly any such taxes, local assessments, utility charges or governmental charges when due, then Mortgagor shall be authorized but not obligated to pay such amounts, with full subrogation to all rights of taxing authorities by reason of such payment, and the amounts so paid, together with interest thereon at the rate of interest provided for in the Note, shall be deemed part of the Debt and shall be secured by this mortgage.

Mortgagors shall pay to Mortgagee, to the extent requested by Mortgagee, on each monthly payment date, such amounts as Mortgagee from time to time estimates as necessary to create and maintain a reserve fund from which to pay, before the same become due, all taxes, assessments, liens and charges on or against the Real Estate, and premiums for insurance herein covenanted to be furnished by Mortgagors. Payments from said reserve fund for the purposes listed above may be made by Mortgagee at its discretion even though subsequent owners of the Real Estate may benefit thereby. Nothing contained herein shall cause Mortgagee to be deemed a trustee of said funds, and no interest shall be earned by Mortgagors on account of any deposit or deposits made in such reserve fund. Said deposits need not be kept separate and apart from any other funds of Mortgagee. If such amounts received from Mortgagors are insufficient to pay said premiums of insurance, taxes, assessments and other liens and charges, Mortgagee shall notify Mortgagors of the shortage whereupon Mortgagors shall immediately deposit the amount of such deficit with Mortgagee. Mortgagee may elect, but shall not be required, to advance any needed funds and any funds so advanced shall become part of the Debt secured hereby, together with interest thereon from the date of such advance at the rate of interest provided for in the Note. If Mortgagors be in default under this mortgage or the Note or under the terms of any other security instrument or other instrument executed in connection with the Loan, Mortgagee, at its option, may instead apply such amounts to the Debt in such priority as it may desire. The amount of any existing credit in the reserve account established hereunder at the time of any transfer of the Real Estate shall, without assignment thereof, inure to the benefit of the successor owner of the Real Estate, and shall be applied under and subject to all of the provisions hereof. Upon payment in full of the Debt, the amount of any unused credit shall be paid over to the then owner of record of the Real Estate.

NINTH: Mortgagors shall maintain, preserve and keep at all times all of the Real Estate in thorough repair and good working order and condition, and from time to time to make all needful repairs, renewals, additions, betterments and improvements thereon and thereto so that the security of this mortgage shall at no time become impaired; provided, however, that Mortgagors shall make no repairs, additions or alterations to the Real Estate or allow any work to be done thereon whereby any lien or charge could result against the Real Estate without previously obtaining the written consent of Mortgagee. Upon any failure to maintain the Real Estate, Mortgagee, at its option, may cause reasonable maintenance work to be performed at the cost of Mortgagors. Any amounts so advanced by Mortgagee for such maintenance work, together with interest at the rate provided for in the Note from the date of such advance, shall be deemed part of the Debt and shall be secured by this mortgage.

Mortgagors do hereby authorize Mortgagee, to expend any sums necessary, limited only as hereinafter set forth, for the purpose of payment of insurance premiums, taxes and assessments, necessary repairs and expenses of whatever kind deemed necessary by Mortgagee for the full protection and preservation of this mortgage. Any amount so incurred, advanced or paid plus interest thereon at the rate provided for in the Note shall, from the date of such advance or payment, be deemed part of the Debt and shall be secured by this mortgage, but nothing herein contained shall be construed as making such advances or payments obligatory upon Mortgagee or as making Mortgagee liable for any loss, damage or injury to the Real Estate resulting from the nonpayment thereof.

All such advances or payments made by Mortgagee under the terms hereof shall bear interest at the rate per annum of five percent (5.0%) in excess of the rate of interest set forth in the Note from the date of such advance or payment until paid, and shall be payable on demand.

Mortgagee may, at any time, without notice to anyone, release any part of the Real Estate from the lien of this mortgage, or grant an extension or deferment of time for the discharge of any obligation hereunder or under the Note, or release any one of the parties bound under the Note from any and all of its or their obligations thereunder without affecting the personal liability of any other party then bound for the payment of the full indebtedness due thereunder or hereunder, or for any other obligations thereunder or hereunder.

Upon condition, however, that if Mortgagors pay the Debt (which Debt includes any and all indebtedness evidenced by the Note, and any and all extensions and renewals thereof, or of any part thereof, and all interest payable on all of said debt and on any and all such extensions and renewals, together with all attorneys' fees, costs, charges and other sums that Mortgagee may advance for the payment of insurance premiums, taxes, assessments, for the protection and preservation of this mortgage or otherwise under the terms hereof) and fulfill all of their obligations under this mortgage, this conveyance shall be null and void. But if Mortgagors or any of them shall default in any of their obligations under the Note, under this mortgage or under the terms of any security instrument or other instrument executed in connection with the Loan; then, upon the happening of any one or more of said events, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable and this mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past-due mortgages; and the Mortgagee shall be authorized to take possession of the Real Estate and, after giving at least twenty-one days notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the county in which the Real Estate is located, to sell the Real Estate in front of the courthouse door of said county, at public outcry, to the highest bidder for cash, and to apply the proceeds of said sale as follows: first, to the expense of advertising, selling and conveying the Real Estate and foreclosing this mortgage, including a reasonable attorneys' fee; second, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, liens or other encumbrances, with interest thereon; third, to the payment in full of the balance of the Debt 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 paid to the party or parties appearing of record to be the owner of the Real Estate at the time of the sale, after deducting the cost of ascertaining who is such owner. Mortgagors agree that Mortgagee may bid at any sale had under the terms of this mortgage and may purchase the Real Estate if the highest bidder therefor. At the foreclosure sale the Real Estate may be offered for sale and sold as a whole without first offering it in any other manner or it may be offered for sale and sold in any other manner Mortgagee may elect.

Mortgagors agree to pay all costs, including reasonable attorneys' fees, incurred by Mortgagee in collecting or securing or attempting to collect or secure the Debt, or any part thereof, or in defending or attempting to defend the priority of this mortgage against any lien or encumbrance on the Real Estate, unless this mortgage is herein expressly made subject to any such lien or encumbrance; and/or all costs incurred in the foreclosure of this mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by Mortgagee shall be a part of the Debt and shall be secured by this mortgage. The purchasers at any such sale shall be under no obligation to see to the proper application of the purchase money. In the event of a sale hereunder, Mortgagee, as the owner of the Debt and mortgage, or auctioneer, shall execute to the purchaser, for and in the name of Mortgagors, a statutory warranty deed to the Real Estate.

Whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

It is expressly agreed that any and all stipulations, agreements and covenants by Mortgagors in favor of Mortgagee herein contained, and all rights, powers and privileges herein conferred on Mortgagee by any of the provisions hereof shall inure to and be for the benefit of and may be exercised by Mortgagee, its heirs, administrators, executors, successors and assigns. All covenants and agreements herein contained to be observed or performed by Mortgagors shall be binding upon Mortgagors and upon Mortgagors' heirs, administrators, executors, successors and assigns, as well as upon any person, firm or corporation hereafter acquiring title to the Real Estate, or any part thereof, by, through or under Mortgagors, and the word "Mortgagors", unless the context otherwise requires, shall also mean and include the heirs, administrators, executors, successors and assigns of Mortgagors, and any other person, firm or corporation acquiring title to any of the Real Estate, by, through or under Mortgagor.

Mortgagors waive any and all homestead exemptions as regards the Real Estate to which any of them may be entitled under the Constitution and laws of the State of Alabama.

Any forbearance by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy at any other time or under similar or dissimilar circumstances. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this mortgage.

The Note, this mortgage and all matters relating to or pertaining to the Loan shall be governed by the laws of the State of Alabama.

IN WITNESS WHEREOF, the undersigned Mortgagors have executed this instrument on the day and year first above written.

**CAUTION—IT IS IMPORTANT THAT YOU
THOROUGHLY READ THE CONTRACT
BEFORE YOU SIGN IT.**

WITNESSES:

MORTGAGOR:

Thomas A. Snyder (SEAL)

Thomas A. Snyder

Patsy Lou Snyder (SEAL)

Patsy Lou Snyder

By: _____

Its: _____

This instrument was prepared by:

Kathleen A. Collier, Esq.

Maynard, Cooper, Frierson & Gale, P.C.

Twelfth Floor, Watts Building

Birmingham, Alabama 35203

* In the event of the death of Thomas A. Snyder, proceeds from any life insurance policy assigned to the Mortgagee as additional security for the Debt will be first applied to the outstanding Debt and the balance, if any, will be paid to the beneficiary designated by Thomas A. Snyder.

[INDIVIDUAL(S) ACKNOWLEDGMENT]

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, Lucy Merrill, a Notary Public in and for said County in said State, hereby certify that Thomas A. Snyder and Patsy Lou Snyder, whose name(s) ~~is~~ (are) signed to the foregoing instrument, and who ~~is~~ (are) known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date..

Given under my hand and official seal this 27th day of August, 19 86.

Notary Public

MY COMMISSION EXPIRES APRIL 25, 1990

AFFIX SEAL

My commission expires: _____

[CORPORATE ACKNOWLEDGMENT]

STATE OF _____)
_____ COUNTY)

I, _____, a Notary Public in and for said County in said State, hereby certify _____, whose name as _____ of _____, a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, 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 _____ day of _____, 19 _____.

AFFIX SEAL

2. 450.00
3. Recording Fee 10.00
4. Indexing Fee 1.00
TOTAL 461.00

Notary Public
STATE OF ALA. SEAL BY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1986 AUG 27 PM 1:27

JUDGE OF PROBATE

My commission expires: _____

Please Return To:
KATHLEEN A. COLLIER
Maynard, Cooper,
Frierson & Gale, P.C.
12th Floor Watts Building
Birmingham, Alabama 35203
(205) 252-2889

[PARTNERSHIP ACKNOWLEDGMENT]

STATE OF _____)
_____ COUNTY)

I, _____, a Notary Public in and for said county in said State, hereby certify that _____, whose name(s) as general partner(s) of _____, (general) (limited) partnership, is signed to the foregoing instrument and who is (are) known to me, acknowledged before me on this day that, being informed of the contents of said instrument, _____, as such partner(s) and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this _____ day of _____, 19 _____.

Notary Public

AFFIX SEAL

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My commission expires: _____

Please Return To:
KATHLEEN A. COLLIER
Maynard, Cooper,
Frierson & Gale, P.C.
12th Floor Watts Building
Birmingham, Alabama 35203
(205) 252-2889