

THIS INSTRUMENT PREPARED BY (Name) Twila [redacted] / Central Bank of the South [redacted]  
(Address) 1789 Montgomery Hwy B'ham, Al 35244

STATE OF ALABAMA ) 1007 **EQUITY LINE OF CREDIT MORTGAGE**  
COUNTY OF Shelby ) **(Residential Property)**

NOTICE: This is a Future Advance Mortgage which secures an open-end credit plan which contains provisions allowing for changes in the Annual Percentage Rate applicable to the balance owed under the Account. Increases in the Annual Percentage Rate may result in higher minimum monthly payments and increased finance charges. Decreases in the Annual Percentage Rate may result in lower minimum monthly payments and lower finance charges.

**WORDS USED OFTEN IN THIS DOCUMENT**

- (A) "Mortgage." This document, which is dated January 28, 19 87, will be called the "Mortgage."
- (B) "Borrower." Paul H. Cribbs, Jr. & Cherry S. Cribbs
- (C) "Lender." Central Bank of the South will be called "Lender." Lender is a corporation or association which was formed and which exists under the laws of the State of Alabama or the United States.  
Lender's address is 1789 Montgomery Hwy B'ham, Al 35244
- (D) "Agreement." The "Central Equity Line of Credit Agreement and Disclosure Statement" signed by Borrower and dated January 28, 19 87, as it may be amended, will be called the "Agreement." The Agreement establishes an open-end credit plan (hereinafter called the "Account") which permits Borrower to borrow and repay, and reborrow and repay, amounts from Lender up to a maximum principal amount at any one time outstanding not exceeding the credit limit of \$ 13,000.00. All methods of obtaining credit are collectively referred to as "Advances."
- (E) "Maturity Date." Unless terminated sooner in accordance with the terms of the Agreement, Lender's obligations to make Advances under the Agreement will terminate twenty (20) years from the date of the Agreement. The Agreement permits the Borrower to repay any balance outstanding at the time of termination of the Agreement by making the minimum monthly payment. This Mortgage shall remain valid after the Maturity Date until all sums owing under the Agreement and this Mortgage are paid in full.
- (F) "Property." The property that is described below in the section titled "Description Of The Property" will be called the "Property."

**INTEREST RATE ADJUSTMENTS**

The Agreement provides for an adjustable interest rate which may change monthly. The Monthly Periodic Rate applicable to the Account will be "Central's Prime Lending Rate" in effect on the last business day of the previous calendar month plus 1.50 percentage points (the "Annual Percentage Rate") divided by 12. The Monthly Periodic Rate and Annual Percentage Rate applicable to the Account may vary from billing cycle to billing cycle based on increases and decreases in Central's Prime Lending Rate.

Central's Prime Lending Rate is an internally established variable index rate for computing interest on loans making reference thereto, and is subject to change (increase or decrease) at the discretion of Central. It is understood that Central may from time to time make loans at rates of interest greater or lesser than Central's Prime Lending Rate and loans at rates of interest using indices other than Central's Prime Lending Rate.

The Annual Percentage Rate applicable to the Account will increase if Central's Prime Lending Rate in effect on the last business day of the calendar month increases from one month to the next. Any increase will take effect in the current billing cycle and may result in a higher finance charge and a higher minimum payment amount.

The Annual Percentage Rate applicable to the Account on the date of this Mortgage is 9.00%. The maximum Annual Percentage Rate applicable to the Account shall be 18.00% and the minimum Annual Percentage Rate shall be 8.00%.

**PAYMENT ADJUSTMENTS**

The Agreement provides for minimum monthly payments which will include all amounts advanced in excess of the credit limit and any amounts past due from previous billing cycles plus the largest of (i) 1.6% of the new balance; (ii) \$25 or (iii) the finance charge for the billing cycle.

**FUTURE ADVANCES**

The Account is an open-end credit plan which obligates Lender to make Advances up to the credit limit set forth above. I agree that this Mortgage will remain in effect as long as any amounts are outstanding on the Account, or the Lender has any obligation to make Advances under the Agreement.

**BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY**

I grant, bargain, sell and convey the Property to Lender. This means that, by signing this Mortgage, I am giving Lender the rights that I have in the Property subject to the terms of this Mortgage. The Lender also has those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

- (A) Pay all amounts that I owe Lender under the Agreement, or other evidence of indebtedness arising out of the Agreement or Account;
- (B) Pay, with interest, any amounts that Lender spends under this Mortgage to protect the Property or Lender's rights in the Property;
- (C) Pay any other amounts that I may owe Lender, now or in the future, including any amounts that I become obligated to pay as a result of another loan from Lender or my guaranty of a loan to someone else by Lender (sometimes referred to as "Other Debts"); and
- (D) Keep all of my other promises and agreements under this Mortgage and under the Agreement.

If I keep the promises and agreements listed in (A) through (D) above and Lender's obligation to make Advances under the Agreement has terminated, this Mortgage and the transfer of my rights in the Property will become void and will end.

**LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS**

If I fail to keep any of the promises and agreements made in this Mortgage or in the Agreement, Lender may require that I pay immediately the entire amount then remaining unpaid under the Agreement and under this Mortgage. Lender may do this without making any further demand for payment. This requirement will be called "Immediate Payment in Full."

If I fail to make Immediate Payment in Full, Lender may sell the Property at a public auction. The public auction will be held at the front door of the courthouse in the county where the Property is located. The Lender or its attorney, agent or representative (the "auctioneer") may sell the Property in lots or parcels or as one unit as it sees fit at this public auction. The Property will be sold to the highest bidder, or if purchased by Lender, for credit against the balance due from Borrower.

Notice of the time, place and terms of sale will be given to the public by publishing the notice with a description of the Property once a week for three (3) consecutive weeks in a newspaper of general circulation in the county where the sale will be held. The Lender or auctioneer shall have the power and authority to convey by deed or other instrument all of my rights in the Property to the buyer (who may be the Lender) at the public auction, and use the money received to pay the following amounts:

- (1) all expenses of the sale, including advertising and selling costs and attorney's and auctioneer's fees;
- (2) all amounts that I owe Lender under the Agreement and under this Mortgage; and
- (3) any surplus, that amount remaining after paying (1) and (2), will be paid to the Borrower or as may be required by law.

If the money received from the public sale does not pay all of the expenses and amounts I owe Lender under the Agreement and this Mortgage, I will promptly pay all amounts remaining due after the sale, plus interest at the rate stated in the Agreement. The Lender may buy the Property or any part or interest in the Property at the public auction.

**DESCRIPTION OF THE PROPERTY**

The Property is described in (A) through (J) below:

(A) The property which is located at County Road 52 Helena, Al 35080 ADDRESS

This property is in Shelby County in the State of Alabama. It has the following legal description:

See attached Schedule A:

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[If the property is a condominium, the following must be completed:] This property is part of a condominium project known as \_\_\_\_\_ (called the "Condominium Project"). This property includes my unit and all of my rights in the common elements of the Condominium Project;

- (B) All buildings and other improvements that are located on the property described in paragraph (A) of this section;
- (C) All rights in other property that I have as owner of the property described in paragraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the property";
- (D) All rents or royalties from the property described in paragraphs (A) and (B) of this section;
- (E) All mineral, oil and gas rights and profits, water rights and water stock that are part of the property described in paragraph (A) of this section;
- (F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the property described in paragraph (A) of this section;
- (G) All fixtures that are now or in the future will be on the property described in paragraphs (A) and (B) of this section, and all replacements of and additions to those fixtures, except for those fixtures, replacements or additions that under the law are "consumer goods" and that I acquire more than twenty (20) days after the date of the Agreement;
- (H) All of the rights and property described in paragraphs (A) through (F) of this section that I acquire in the future;
- (I) All replacements of or additions to the property described in paragraphs (B) through (F) and paragraph (H) of this section; and
- (J) All judgments, awards and settlements arising because the property described in paragraphs (A) through (I) of this section has been condemned or damaged in whole or in part (including proceeds of insurance); provided, however, that any sum received by Lender will be applied to any amounts which I owe under the Agreement.

**BORROWER'S RIGHTS TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY**

I promise that except for the "exceptions" listed in the description of the Property: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

I promise and I agree with Lender as follows:

**1. BORROWER'S PROMISE TO PAY AMOUNTS ADVANCED UNDER THE AGREEMENT AND FINANCE CHARGES, AND TO FULFILL OTHER PAYMENT OBLIGATIONS**

I will promptly pay to Lender when due: all amounts advanced under the Agreement; late charges and other charges as stated in the Agreement; any amounts expended by Lender under this Mortgage; and all Other Debts.

**2. LENDER'S APPLICATION OF BORROWER'S PAYMENTS**

Unless the law requires or Lender chooses otherwise, Lender will apply each of my payments under the Agreement and under Paragraph 1 above in the following order and for the following purposes:

- (A) First to pay finance charges then due under the Agreement; and
- (B) Next, to late and other charges, if any; and
- (C) Next, to Lender's costs and expenses, if any; and
- (D) Next, to pay any Advances made under the Agreement or payments made under this Mortgage.

**3. BORROWER'S OBLIGATION TO PAY CHARGES AND ASSESSMENTS AND TO SATISFY CLAIMS AGAINST THE PROPERTY**

I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Mortgage. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will do this by making payments, when they are due, directly to the persons entitled to them. (In this Mortgage, the word "person" means any person, organization, governmental authority, or other party.) Upon request, I will give Lender a receipt which shows that I have made these payments.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Mortgage. However, this Mortgage does not require me to satisfy a superior lien if: (a) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (b) I, in good faith, argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up.

**Condominium Assessments**

If the Property includes a unit in a Condominium Project, I will promptly pay when they are due all assessments imposed by the owners association or other organization that governs the Condominium Project. That association or organization will be called the "Owners Association."

**4. BORROWER'S OBLIGATION TO OBTAIN AND TO KEEP HAZARD INSURANCE ON THE PROPERTY**

**(A) Generally**

I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies, and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. Lender may not require me to obtain an amount of coverage that is more than the value of all buildings and other improvements on the Property.

I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. All of the insurance policies and renewals of those policies must include what is known as a "standard mortgagee clause" to protect Lender. The form of all policies and the form of all renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals.

I will pay the premiums on the insurance policies by paying the insurance company directly when the premium payments are due. If Lender requires, I will promptly give Lender all receipts of paid premiums and all renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds." The proceeds will be used to reduce the amount that I owe to Lender under the Agreement and this Mortgage, unless Lender and I have agreed to use the proceeds for repairs, restoration or otherwise.

The Lender has the authority to settle any claim for insurance benefits and to collect the proceeds. Lender then may use the proceeds to reduce the amount that I owe to Lender under the Agreement and under this Mortgage or to repair or restore the Property as Lender may see fit.

If any proceeds are used to reduce the amount that I owe to Lender under the Agreement, that use will not delay the due date or change the amount of any of my monthly payments under the Agreement and this Mortgage. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property by purchase at foreclosure sale, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender will belong to Lender. However, Lender's rights in those proceeds will not be greater than the amount that I owe to Lender under the Agreement and under this Mortgage.

**(B) Agreements that Apply to Condominiums**

(i) If the Property includes a unit in a Condominium Project, the Owners Association may maintain a hazard insurance policy which covers the entire Condominium Project. That policy will be called the "master policy." So long as the master policy remains in effect and meets the requirements stated in this Paragraph 4: (a) my obligation to obtain and to keep hazard insurance on the Property is satisfied; and (b) if there is a conflict, concerning the use of proceeds, between (1) the terms of this Paragraph 4, and (2) the law or the terms of the declaration, by-laws, regulations or other documents creating or governing the Condominium Project, then that law or the terms of those documents will govern the use of proceeds. I will promptly give Lender notice if the master policy is interrupted or terminated. During any time that the master policy is not in effect, the terms of (a) and (b) of this subparagraph 4(B) (i) will not apply.

(ii) If the Property includes a unit in a Condominium Project, it is possible that proceeds will be paid to me instead of being used to repair or to restore the Property. I give Lender my rights to those proceeds. All of the proceeds described in this subparagraph 4(B) (ii) will be paid to Lender and will be used to reduce the amount that I owe to Lender under the Agreement and under this Mortgage. If any of those proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Agreement.



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Schedule A:

Begin at the S.W. Corner of the SE $\frac{1}{4}$  of the SW $\frac{1}{2}$  of Section 15, Township-20-South, Range-3-West and run northerly for 576.16 feet to a R.O.W. marker south of County Road No. 52, then turn an angle of 11 degrees 25 minutes 17 seconds to the right and run northeasterly for 69.49 feet to a point on the north R.O.W. of County Road 52, then turn an angle of 88 degrees 08 minutes 35 seconds to the right and run southeasterly for 229.42 feet to the point of beginning, said point being on the north R.O.W. of said road, then turn an angle of 98 degrees 17 minutes 34 seconds to the left and run northerly for 250.23 feet, then turn an angle of 93 degrees 51 minutes 04 seconds to the right and run southeasterly for 101.80 feet, then turn an angle of 2 degrees 11 minutes 46 seconds to the right and run southeasterly for 55.65 feet to an existing iron, then turn an angle of 90 degrees 51 minutes 12 seconds to the right and run southwesterly for 249.94 feet to a point on the north R.O.W. of County Road 52, said R.O.W. being in a curve concave northeasterly and having a radius of 2824.59 feet, then turn an angle to the right and run northwesterly along said R.O.W. and through a central angle of 2 degrees 34 minutes 58 seconds for 127.33 feet back to the point of beginning (angle to 127.32 foot chord of 87 degrees 52 minutes 24 seconds).

The above described parcel contains .818 acres.

... AND TO HOLD TO THE SAID GRANTEE for and during their joint lives and upon the death of either of them

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

1987 FEB 12 PM 12:09

*Thomas A. Swanson, Jr.*  
JUDGE OF PROBATE

1. Used Tax	\$	_____
2. Mfg. Tax		<u>19.50</u>
3. Recording Fee		<u>10.00</u>
4. Indexing Fee		<u>1.00</u>
TOTAL		<u>30.50</u>

