

M O R T G A G E

THIS MORTGAGE DEED, dated this 30th day of *MARCH*, 1987, by and between MONTEVALLO VILLAS, LTD., an Alabama limited partnership (the "Mortgagor"), and MIDLAND MORTGAGE INVESTMENT CORPORATION, a Florida corporation, having its principal office at 601 Cleveland Street, Suite 930, Clearwater, Florida 33515 (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.

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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:

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 387
St. Petersburg, FL 33731

C. Michael Benson
120 South Ross St.
Auburn, AL 36802

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. If a default be made in payment of any installment of principal or interest of said Note or any part thereof when due, or in the event of any breach of this Mortgage or default on the part of Mortgagor, or 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, or in payment, when due, of any other sum secured hereby,

(a) All of the indebtedness secured hereby shall become and be immediately due and payable at the option of Mortgagee, the Mortgagee shall have the right and is hereby authorized to enter upon and take possession of said property,

and, after or without taking such possession, to sell the same before the county courthouse door in the county in which the above-described premises or a part thereof is situated, at public outcry, for cash, after first giving 21 days' notice of the time, place and terms of such sale, by publication once a week for three successive weeks, immediately prior to said sale, in some newspaper published in the County in which the above-described premises or a part thereof is situated, all in compliance with the laws of Alabama, and upon the payment of the purchase money shall execute to the purchaser at such sale a deed to the property so purchased. The proceeds of said sale Mortgagee shall apply first to the expenses incurred hereunder, including a reasonable attorneys' fee for such services as may be necessary for the collection of said indebtedness and the foreclosure of this mortgage; then to the payment of whatever sum or sums Mortgagee may have paid or become liable to pay in carrying out the terms and stipulations of this mortgage, together with interest thereon; and, finally, to the payment and satisfaction of said note. The balance (if any) shall be paid over to Mortgagor. In the event of a sale under the power contained herein Mortgagee may purchase said property at such sale, and in that case the auctioneer is hereby authorized and empowered to execute a deed to the purchaser in the name and on behalf of Mortgagor herein, or

(b) This Mortgage may be foreclosed by suit in equity, in which case a reasonable attorneys' fee shall, among other expenses and costs, be first allowed and paid out of the proceeds of the sale of said property.

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:

Pamela Lyn Jones

Norma J. Weldon

MONTEVALLO VILLAS, LTD.,
an Alabama limited partnership

By:

John T. Huff, Jr.

By:

Ray L. Huff

"General Partners"

MORTGAGOR

STATE OF ALABAMA

COUNTY OF LEE

I, Pamela Lyn Jones, a Notary Public in and
for the State of Alabama at Large, hereby certify that JOHN T.
HUFF, JR., whose name as General Partner of MONTEVALLO
VILLAS, LTD., an Alabama limited partnership, 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 the
instrument, he, as such officer 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 30th
day of March, 1987.

Pamela Lyn Jones
Notary Public State of Alabama

My Commission Expires: 11-20-88

STATE OF ALABAMA

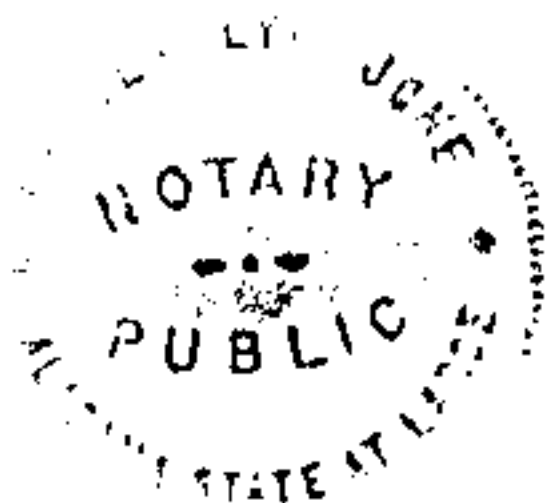
COUNTY OF LEE

I, Pamela Lyn Jones, a Notary Public in and
for the State of Alabama at Large, hereby certify that RAY L.
HUFF, whose name as General Partner of MONTEVALLO VILLAS, LTD, an
Alabama limited partnership, 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 the instrument, he,
as such officer 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 30th
day of March, 1987.

Pamela Lyn Jones
Notary Public State of Alabama

My Commission Expires: 11-20-88



A parcel of land located in the Northwest Quarter of the Southeast Quarter of Section 3, Township 24 North, Range 12 East, described as follows:

Commence at the Southeast corner of Lot 9, Fancher Subdivision, as recorded in Plat Book 4, Page 31, in the Probate Office of Shelby County, Alabama; thence run South and along the prolongation of the East boundary of said Lot 9, a distance of 199.51 feet; thence turn a deflection angle of 89 degrees 37 minutes 25 seconds to the right, and run a distance of 40.00 feet; thence turn a deflection angle of 89 degrees 37 minutes 25 seconds to the left and run a distance of 519.44 feet to the point of beginning; thence turn a deflection angle of 90 degrees 28 minutes 26 seconds to the right and run a distance of 584.45 feet to the East margin of Gardner Street; thence turn a deflection angle of 90 degrees 34 minutes 46 seconds to the left and run South along the East margin of Gardner Street, a distance of 330.00 feet; thence turn a deflection angle of 78 degrees 09 minutes 03 seconds to the left and run a distance of 386.60 feet; thence turn a deflection angle of 74 degrees 36 minutes 11 seconds to the left and run a distance of 450.00 feet to the point of beginning. Situated in the NW 1/4 of the SE 1/4, Section 3, Township 24 North, Range 12 East, Shelby County, Alabama.

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EXHIBIT "A"

PROMISSORY NOTE

\$1,140,000.00

, 1987

FOR VALUE RECEIVED, the undersigned, MONTEVALLO 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 601 Cleveland Street, Suite 930, 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 \$1,140,000.00, with interest on the principal balance outstanding from time to time from the date of this note, at the rate of 9 3/4% 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 (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 unmatured, 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 unmatured 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 MONTEVALLO 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; and RAY L. HUFF; 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:

MONTEVALLO 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: Ray L. Huff
Ray L. Huff

Ray L. Huff (SEAL)
Ray L. Huff

"General Partners"

"MAKER"

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

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

(Corporate Seal)

1. Land Tax	\$	
2. Mig. Tax		1710.00
3. Recording Fee		20.00
4. Indexing Fee		1.00
TOTAL		1731.00

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

1987 MAR 30 PM 2:45

Thomas A. Shumaker, Jr.
JUDGE OF PROBATE