

This instrument was prepared by:

(Name) DOUGLAS L. KEY, ATTORNEY AT LAW(Address) 2100 11th Avenue NorthB'ham, AL 35234**MORTGAGE****STATE OF ALABAMA****SHELBY COUNTY } KNOW ALL MEN BY THESE PRESENTS: That Whereas,**

Michael Edward McGaughy, Sr., an unmarried man,
(hereinafter called "Mortgagors", whether one or more) are justly indebted to

APCO EMPLOYEES CREDIT UNION

(hereinafter called "Mortgagee", whether one or more), in the sum
of Twenty One Thousand and no/100----- Dollars
(\$ 21,000.00), evidenced by one promissory installment note bearing even date
herewith with interest at the rate of 10.8 percent per annum from date
and payable in 179 monthly installments of \$236.14 each, and one final
installment of \$211.95, the first installment being due and payable on
December 23, 1988, after date hereof, and one such remaining installment
shall be due on the same day of month thereafter until the entire indebted-
ness evidenced hereby shall have been fully paid.

And Whereas, Mortgagors agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment
thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagors,

Michael Edward McGaughy, Sr., an unmarried man,

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real
estate, situated in Shelby County, State of Alabama, to wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION.

THIS IS A FIRST MORTGAGE.

NON ASSUMPTION AND TRANSFER CLAUSE:

If all or any part of the property or an interest therein is sold or
transferred by Borrower(s) without Lender's prior written consent, Lender
may, at Lender's option, declare all the sums secured by this mortgage to
be immediately due and payable and subject to any remedies as outlined
herein.

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Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

To Have and Hold the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire; lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee, or assigns, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagees may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sums expended by the said Mortgagee or assigns, or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by the law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty-one days' notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the 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 it may then be necessary to expend, in paying insurance, taxes, or other incumbrances, with interest thereon; Third, to the payment of said indebtedness in full, 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 turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents, or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned Michael Edward McGaughy, Sr., an unmarried man,

have hereunto set his signature

and seal, this 23rd day of November, 1988.

Michael Edward McGaughy, Sr.
MICHAEL EDWARD MCGAUGHY, SR.

(SEAL)

(SEAL)

(SEAL)

(SEAL)

THE STATE of ALABAMA
JEFFERSON

COUNTY }

I, the undersigned

, a Notary Public in and for said County, in said state,

hereby certify that Michael Edward McGaughy, Sr., an unmarried man,

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 23rd day of November, 1988

Phonix H. Hunter

Notary Public

THE STATE of

COUNTY }

I,

a Notary Public in and for said county, in said State,

hereby certify that

whose name as _____ of _____, a corporation, is signed to the foregoing conveyance, and who is known to me acknowledged before me on this day, that being informed of the contents of such conveyance, 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 _____ day of _____, 19 _____

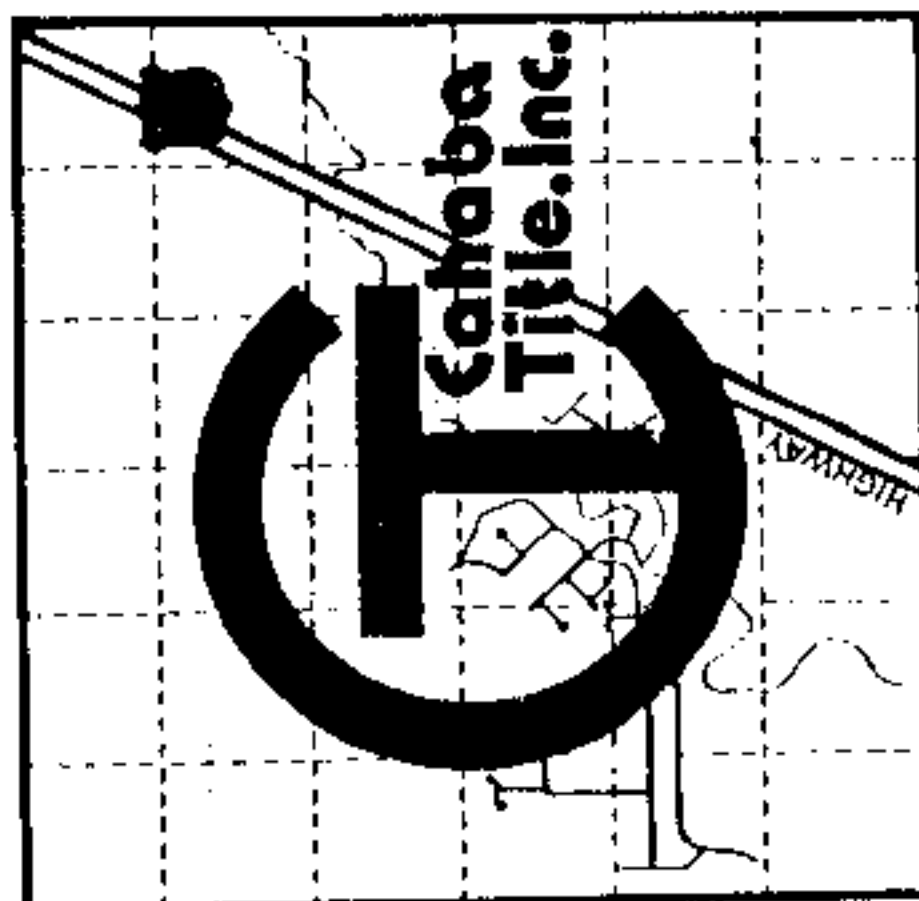
Notary Public

Return to:

TO

MORTGAGE

STATE OF ALABAMA
COUNTY OF



Recording Fee \$
Deed Tax \$

This form furnished by

Cahaba Title, Inc.

RIVERCHASE OFFICE
2068 Valleydale Road
Birmingham, Alabama 35244
Phone (205) 988-5600

EASTERN OFFICE
213 Gadsden Highway, Suite 227
Birmingham, Alabama 35235
(205) 833-1571

EXHIBIT A

A part of the SW 1/4 of NE 1/4 of Section 3, Township 24, Range 12 East, more particularly described as follows: Beginning at a point where the Eastern boundary of said SW 1/4 of NE 1/4 intersects with the Southern boundary of the Montevallo-Calera Highway right of way, this point being 650.12 feet North of the Southeast corner of said forty; thence run in a westerly direction along the South right of way line of said Highway 150 feet to the point of beginning of the lot herein described; thence continue in a westerly direction along said highway right of way 100 feet; thence in a southerly direction parallel with the East line of said forty 175 feet; thence in an easterly direction parallel with south right of way line of said highway 100 feet; thence in a northerly direction parallel with East line of said forty 175 feet to the point of beginning; being situated in Shelby County, Alabama.

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

88 NOV 28 AM 9:58

Thomas C. J. J. J.
JUDGE OF PROBATE

1. Dead Tax	\$	
2. Mtg. Tax		<i>Exempt</i>
3. Recording Fee		<u>7.50</u>
4. Indexing Fee		<u>1.00</u>
TOTAL		<u>8.50</u>