

This instrument was prepared by:

(Name) DOUGLAS L. KEY, ATTORNEY

(Address) 2100 11th Avenue North

Birmingham, AL 35234

MORTGAGE

STATE OF ALABAMA

SHELBY COUNTY } KNOW ALL MEN BY THESE PRESENTS: That Whereas,

David W. Smith and wife, Leanne W. Smith
(hereinafter called "Mortgagors", whether one or more) are justly indebted to
RAILROAD FEDERAL CREDIT UNION

(hereinafter called "Mortgagee", whether one or more), in the sum
of Twenty Five Thousand and no/100----- Dollars
(\$25,000.00), evidenced by one promissory installment note bearing even date
herewith with interest at the rate of 12.0 percent per annum from date
and payable in 239 semi-monthly installments of \$183.65 each, and one final
installment of \$184.22, the first installment being due and payable on
January 16, 1989, after date hereof, and one such remaining installment
shall be due every fifteen (15) days 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,

David W. Smith and wife, Leanne W. Smith

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:

Commence at the SE corner of Section 16, Township 22 South, Range 1 West,
and run West along the South line thereof 1103.57 feet to the West
right-of-way line of Shelby County Highway #86; thence 117 degrees
29 minutes 14 seconds right and run North along said line 1017.89
feet to the North and Westerly right-of-way lines of said County
Highway and Louisville and Nashville Railroad, and the Point of
Beginning, thence continue along last described course 290.15 feet
to the South right-of-way line of Shelby County Highway #42; thence
100 degrees 32 minutes 23 seconds left and run along said right-of-
way line 466.86 feet; thence 88 degrees 27 minutes 17 seconds left
and run 378.44 feet to the North right-of-way line of said railroad;
thence 98 degrees 32 minutes 20 seconds left and run 479.51 feet to the
Point of Beginning. According to the survey of Thomas E. Simmons, LS
#12945, dated November 18, 1988.

Situated in Shelby County, Alabama.

THIS IS A PURCHASE MONEY 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.

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

To Have and to 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 David W. Smith and wife, Leanne W. Smith

have hereunto set their signature S and seal, this 22nd day of December, 19 88

1. Deed Tax \$
2. Mtg. Tax Exempt
3. Recording Fee 500
4. Indexing Fee 100

DAVID W. SMITH (SEAL)
LEANNE W. SMITH (SEAL)

TOTAL

600

THE STATE of ALABAMA
JEFFERSON COUNTY }

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that David W. Smith and wife, Leanne W. Smith,

whose name 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 22nd day of December, 19 88.

Alaine D. Hughes Notary Public

THE STATE of COUNTY }

STATE OF ALA. SHERIFF
I CERTIFY THIS
INSTRUMENT WAS FILED
89 JAN -9 PM 2:31

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.

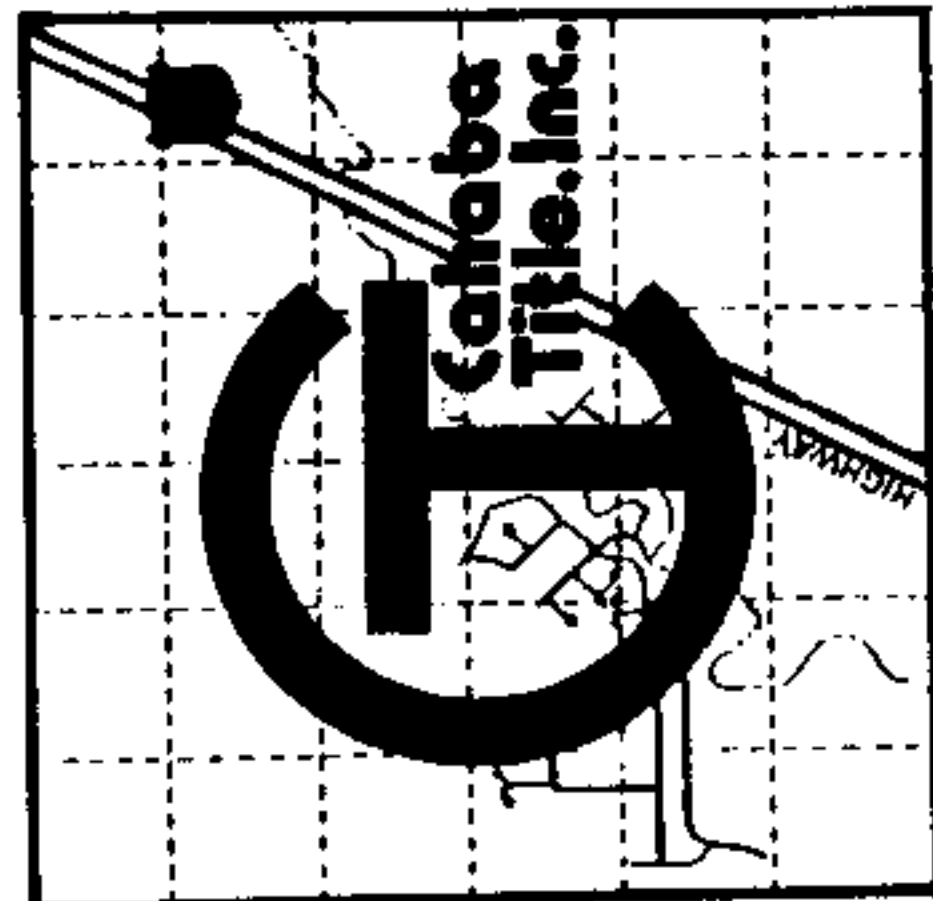
Given under my hand and official seal this day of 19 Notary Public

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