

THIS INSTRUMENT PREPARED BY:  
 Wayne R. Satterwhite  
 4212 Clairmont Avenue  
 Birmingham, Alabama 35222  
 Telephone (205) 591-3495

STATE OF ALABAMA       )  
 JEFFERSON COUNTY     )

FIRST MORTGAGE

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, the undersigned Pelham Christian Fellowship, an Alabama Religious Corporation (hereinafter referred to as "Mortgagor"), has become justly indebted to Bucon, Inc., d/b/a Butler Construction, a corporation (hereinafter referred to as "Mortgagee"), in the sum of THIRTY-SIX THOUSAND EIGHTY-EIGHT DOLLARS and THIRTY-TWO CENTS (\$36,088.32) evidenced by one promissory note (the "Note" or "said Note") of even date herewith payable to the order of the Mortgagee, with interest thereon according to the terms of the Note, said principal and interest sums being due and payable according to the terms of said Note, with all accrued and unpaid interest thereon, if not paid sooner, shall be due and payable on May 1<sup>st</sup>, 1989. This First Mortgage shall cover all change orders executed from the date hereof.

NOW, THEREFORE, in consideration of the premises, Mortgagor does hereby grant, bargain, sell, assign and convey unto said Mortgagee, its successors and assigns, the real property described in EXHIBIT A attached hereto and incorporated herein as if set out in full and expressly made a part hereof by reference.

All of the hereinabove described real property and improvements situated thereon are hereinafter referred to as "Mortgaged Premises."

TO HAVE AND TO HOLD the same with all rights, title, privileges and appurtenances thereunto belonging or in anywise appertaining unto said Mortgagee, its successors and assigns, forever.

And Mortgagor hereby covenants that Mortgagor is lawfully seized of said property in fee simple, and has a good right to sell and convey the same; that the property is free from all encumbrances, except as set forth in EXHIBIT B attached hereto and made a part hereof, and that Mortgagor and Mortgagor's successors and assigns will forever defend the same unto Mortgagee and its successors and assigns against the claims of all persons whomever.

THIS MORTGAGE IS MADE, however, subject to the following covenants, conditions and agreements:

1. Payment of Indebtedness. Mortgagor shall pay the

Wayne R. Satterwhite  
 Attorney at Law  
 4212 Clairmont Avenue  
 Birmingham, Alabama 35222  
 (205) 591-3495

indebtedness evidenced by said Note and interest thereon when it shall become due, whether in due course or under any condition, covenant, or agreement herein contained; together with other indebtedness which Mortgagor may owe to Mortgagee pursuant to the terms and provisions of the within Mortgage or other instruments or documents evidencing and securing said Note.

2. Cost of Protecting Mortgagee's Lien. Mortgagor shall immediately pay to Mortgagee all sums, including costs, expenses, and reasonable attorney's fee which Mortgagee may expend or otherwise become obligated to pay in any proceedings, legal or otherwise, to prevent the commission of waste, or to which Mortgagee is made a party of its interest in the Mortgaged Premises, or to establish or sustain the lien of this Mortgage, or its priority, or to defend against liens, claims, rights, estates, easements, or restrictions asserting priority to this Mortgage, or in payment, settlement, discharge or release of any asserted lien, claim, right, easement, or restriction made upon the advice of competent counsel that the same is superior to the lien of this Mortgage, either in law or in fact; or to enforce any obligation of or to foreclose this Mortgage, or to recover any sums hereby secured; and for payment of all sums due under this paragraph.

3. Taxes, Liens and Other Charges. Mortgagor shall pay as the same becomes due all taxes and assessments that may be levied or accrue upon said Mortgaged Premises or any part thereof, or upon Mortgagee's interest therein, or upon this Mortgage, or the indebtedness or the evidence of indebtedness secured hereby, and all other charges that may become liens upon the Mortgaged Premises; and shall not permit any lien which might take precedence over this Mortgage to accrue and remain on the Mortgaged Premises, or any part thereof, or on improvements thereon. The failure of the Mortgagor to perform any one or more of the covenants in this paragraph of the within Mortgage shall constitute an event of default hereunder, and this Mortgage shall be subject to foreclosure at the option of the Mortgagee. Mortgagee may, however, at its options pay said taxes, debts, liens and charges and any money which Mortgagee shall have so paid or become obligated to pay shall constitute a debt to Mortgagee additional to the debt specifically secured and shall be secured by this Mortgage, and shall bear interest at the rate of nine (9%) per cent per annum at such time from date paid or incurred; and at the option of Mortgagee, shall be immediately due and payable. Mortgagee shall have no obligation to pay such taxes, assessments, debts, liens or charges.

4. No Waiver. No failure of the Mortgagee to exercise any option herein given to declare the maturity of the debt hereby secured shall be taken or construed as a waiver of its right to exercise such option or to declare such maturity by reason of any

past or present default on the part of Mortgagor; and the payment of taxes or other liens, debts, or charges by Mortgagee shall not be taken or construed as a waiver of its right to declare the maturity of the indebtedness hereby secured by reason of the failure of Mortgagor to pay such taxes, debts, liens or other charges; and this Mortgage shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness, or any part thereof, secured hereby.

5. Condition Subsequent. If Mortgagor shall well and truly pay and discharge the indebtedness secured when it shall be due and payable and shall do and perform all acts and agreements to be done and performed by Mortgagor under the terms and provisions of this Mortgage, then this conveyance shall be and become null and void.

6. Default; Acceleration of Maturity. If Mortgagor shall fail to pay or cause to be paid the indebtedness evidenced by said Note and secured thereby or any part thereof, according to the terms thereof, or if Mortgagor shall fail to do or perform any other act or thing herein required, or agreed to be done or performed, or if the interest of Mortgagee in the Mortgaged Premises becomes impaired by reason of the filing of or enforcement of any prior lien or encumbrance thereon, or if mortgagor should become insolvent, or if Mortgagor should file or cause to be filed an insolvency or bankruptcy proceeding in a state or federal court, or if at any time Mortgagor admits its inability to pay the indebtedness secured hereby when it becomes due, or if an involuntary petition in bankruptcy is filed against Mortgagor and same is not dismissed within thirty (30) days after such filing, or if Mortgagor makes an assignment for the benefit of its creditors, then, in any one or more of such events, the whole indebtedness hereby secured shall, at the option of Mortgagee, and without notice, become immediately due and payable and this Mortgage shall be subject to foreclosure; and in any such event, Mortgagee shall have the right and is authorized to enter upon and take possession of the Mortgaged Premises, and, after or without taking possession, to sell the same before the Main Entrance of the Shelby County Courthouse in Columbiana, Alabama, at public outcry for cash, first giving notice of the time, place and terms of said sale in some newspaper published in Shelby County, Alabama; and upon the payment of the purchase money, Mortgagee, or any person conducting said sale for it, is authorized to execute to the purchaser at said sale a deed to the property so purchased, and such purchaser shall not be held to inquire as to the application of the proceeds of such sale. Mortgagee may bid at the sale and purchase the Mortgaged Premises, if the highest bidder therefor. At said foreclosure sale, the Mortgaged Premises may be offered for sale

BOOK 226 PAGE 744

and sold as a whole without first offering it in any other manner, or may be offered for sale and sold in any other manner as Mortgagee may elect. In addition to the remedies provided for herein or those provided by law, the Mortgagee may, at its election, foreclose the within Mortgage by judicial proceedings.

7. Application of Foreclosure Proceeds. The proceeds of a foreclosure sale, judicial or otherwise, shall be applied: first, to the expenses of advertising and selling, including reasonable attorney's fees as provided in said Note; second, to the repayment of any money with interest thereon which Mortgagee may have paid or become liable to pay or to which it may then be necessary to pay for taxes, assessments, or other charges, liens or debts; third, to the payment and satisfaction of the indebtedness hereby specially secured; fourth, the balance, if any, shall be paid to the party or parties appearing of record to be the owner of the Mortgaged Premises at the time of the sale after deducting any expenses of ascertaining who is such owner. If this Mortgage be foreclosed, such reasonable attorney's fees shall be paid out of the proceeds of the sale.

8. Care of Premises. Mortgagor shall not permit nor perform any act which would in any way impair the value of the Mortgaged Premises; shall not demolish or remove any improvement located on the above described land which would impair the value of the premises, including the removal of timber, altering of water courses, or the draining of bodies of water, without the written consent of Mortgagee; and shall neither commit or permit waste of the Mortgaged Premises.

9. Right of Entry. If Mortgagor shall default in payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions thereof, Mortgagee may at its option take immediate possession of the Mortgaged Premises.

10. Waiver of Exemption. Mortgagor waives all rights of exemption pertaining to real or personal property as to any indebtedness secured or that may be secured by this Mortgage; and Mortgagor waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the Mortgaged Premises be set off against any part of the indebtedness secured hereby. Any promise made by Mortgagor herein to pay money may be enforced by suit at law, and the security of this Mortgage shall not be waived thereby, and as to such debts, Mortgagor waives all rights of exemption under the law and agrees to pay reasonable attorney's fees for the collection thereof.

11. Estoppel. No delay or failure of Mortgagee to exercise any option herein given or reserved shall constitute a waiver of such option, or estop Mortgagee from afterwards exercising same, or any other option at any time and the payment or contracting to

pay by Mortgagee of anything Mortgagor has herein agreed to pay shall not constitute a waiver of the default of Mortgagor in failing to make payment in full on the date said payment becomes due, and shall not estop Mortgagee from foreclosing this Mortgage on account of such failure of Mortgagor.

12. Mortgagor's Obligation to Reimburse Mortgagee. If Mortgagee shall at any time be made a party to any legal action or proceeding affecting or questioning the title or possession of, or the priority of this Mortgage on the Mortgaged Premises, Mortgagor agrees to pay all loss, damage, costs, fees, claims, liabilities, or expenses of any kind, including a reasonable attorney's fees incurred by Mortgagee in such legal action or proceeding, and this Mortgage shall secure payment thereof.

13. No Sale, or Further Encumbrance Without Mortgagee's Consent. Mortgagor shall not, without Mortgagee's prior written consent, which may be withheld reasonably or unreasonable, sell, transfer, convey, pledge, encumber, grant a security interest in, or otherwise hypothecate or dispose of the Mortgaged Premises or any interest therein, whether or not as collateral, security or for any other obligation of Mortgagor. Mortgagor shall not cause or permit any junior lien, encumbrance, or mortgage to be placed on the Mortgaged Premises or any other security granted to Mortgagee under any other document or instrument.

14. No Obligation to Marshall Assets - Subrogation. Notice is hereby given that no holder of any mortgage, or other encumbrance affecting all or part of the Mortgaged Premises which is inferior or may become inferior to this Mortgage shall have any right to require Mortgagee to marshall assets. Mortgagee shall be subrogated to the claims, liens and mortgages of all parties whose claims, liens or mortgages are discharged or paid from and with the proceeds of the loan secured hereby.

15. Compliance With All Laws and Regulations. Mortgagor, its successors and assigns, shall comply with and not violate any law, statute, ordinance, rule or regulation enacted or enforceable by any governmental entity or subdivision thereof, having jurisdiction over the Mortgaged Premises, or Mortgagor.

16. Further Assurances. Mortgagor, its successors and assigns, will at all times on request of Mortgagee, its successors and assigns, execute, do and perform all such assurances, deeds and things, as may be deemed reasonably necessary or advisable by Mortgagee to carry out the intention of the First Mortgage and other documents and instruments.

17. No Oral Changes. This First Mortgage and other documents and instruments may not be amended, changed, modified or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of any amendment, change, modification or



termination is sought.

18. Captions. The captions in this First Mortgage are inserted only as a matter of convenience and for reference, and are not and shall not be deemed to be a part hereof.

19. Severability. If any provision of this First Mortgage or any other documents or instruments or the application thereof to any person, legal entity or circumstance shall be invalid or unenforceable to any extent, the remainder of this First Mortgage and all other instruments and documents and the application of such provisions to other persons, legal entities or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

20. Applicable Law. This First Mortgage is intended as a contract and conveyance under and shall be construed and enforced in accordance with the laws of the State of Alabama, on the date hereof.

21. Title. Mortgagor warrants and represents unto Mortgagee that the title to the Mortgaged Premises is vested in Mortgagor, Pelham Christian Fellowship, and that Mortgagor is duly authorized and empowered to execute and deliver to Mortgagee within First Mortgage and all other documents and instruments.

22. This Mortgage Governs. This First Mortgage, the Note secured hereby and all other loan instruments and documents of even date herewith states the entire agreement between the Mortgagor and Mortgagee and merges in this First Mortgage, the Note and all other loan instruments and documents, all statements, representations and covenants heretofore made, and any agreements not incorporated herein and in the Note and other loan instruments and documents are void and of no force and effect.

23. Time is of the Essence. Time, whenever, wherever and however used in this First Mortgage and all other loan instruments and documents shall be of the essence.

24. Entity. The Mortgagor is the one and the same entity as which is named in that certain Certificate of Incorporation dated August 3, 1984 and recorded in Incorporation Book 26, Pages 199-209 in the Office of the Judge of Probate of Shelby County, Alabama.

IN WITNESS WHEREOF, Mortgagor, Pelham Christian Fellowship, has caused this First Mortgage to be executed by its Trustees or approved Signatories, who are thereunto duly authorized on this the 1st day of February, 1989.

RCB

BY: Richard C. Bishop (Seal)  
RICHARD C. BISHOP, PASTOR

BY: Richard C. Bishop (Seal)  
Its: SECRETARY

BY: Mary K Bishop (Seal)  
Its: W. Pres.

BY: \_\_\_\_\_ (Seal)  
Its: \_\_\_\_\_

STATE OF ALABAMA     )  
JEFFERSON COUNTY    )

I, the undersigned authority, a Notary Public in and for said county and state, hereby certify that Richard C. Bishop, Mary K. Bishop and Richard C. Bishop JR., whose names as Trustees or authorized Signatories for Pelham Christian Fellowship, an Alabama Religious Corporation, are signed to the foregoing conveyance and who are known to me, acknowledged before me on this day that, being duly informed of the contents of the conveyance, they as Trustees or appointed Signatories, and with full authority, executed the same voluntarily for and as the act of the corporation.

Given under my hand and seal this 1<sup>st</sup> day of February, 1989.

[Signature]  
Notary Public

My Commission expires: 4-6-1992

BOOK 226 PAGE 748

EXHIBIT A

Said described real estate located and situated in Shelby County, Alabama, to-wit:

The N 1/2 of the E 1/2 of the SE 1/4 of the SW 1/4 of Section 12, Township 21 South, Range 3 West, as recorded at Book 253, Page 900 in the Office of the Judge of Probate, Shelby County, Alabama.

BOOK 226 PAGE 749



EXHIBIT B

None known to Mortgagor.

BOOK 226 PAGE 750

STATE OF ALABAMA     )  
SHELBY COUNTY         )

RESOLUTION

The following Resolution was presented, read and adopted by the Board of Trustees of Pelham Christian Fellowship, Inc., an Alabama religious corporation on the 12th day of February, 1989.

WHEREAS, the entire membership of the Board of Trustees of Pelham Christian Fellowship, Inc., consisting of three persons, all of whom have signed below, who were present at said meeting, have voted in favor of the Resolution; and

WHEREAS, the Board of Trustees was given due and proper notice of the time, place and purpose of the meeting.

BE IT RESOLVED that Pelham Christian Fellowship, Inc. is indebted to Bucon, Inc., d/b/a Butler Construction, a corporation, in the sum of Thirty-six thousand eighty-eight dollars and thirty-two cents (\$36,088.32) with interest in the amount of one (1%) per cent per month on unpaid invoiced progress payments for labor, material and profit incident to the site preparation and construction of a church building and appurtenances, located on Church Street in Pelham, Alabama.

BE IT FURTHER RESOLVED that Richard C. Bishop, pastor of Pelham Christian Fellowship, Inc., is hereby authorized, empowered and directed to execute and deliver for and on behalf of Pelham Christian Fellowship, Inc. to Bucon, Inc., d/b/a Butler Construction, a corporation, a Note in the above amount with interest at one (1%) per cent per month on unpaid invoiced progress payments in form, substance and terms satisfactory and acceptable to Bucon, Inc. Said signatory is further authorized, empowered and

directed to execute and deliver to Bucon, Inc. a First Mortgage securing said Note in form, substance and terms satisfactory to Bucon, Inc. on the following described real estate located and situated in Shelby County, Alabama, to-wit:

The N $\frac{1}{2}$  of the E $\frac{1}{2}$  of the SE $\frac{1}{4}$  of the SW $\frac{1}{4}$  of Section 12, Township 21 South, Range 3 West, as recorded at Book 253, Page 900 in the Office of the Judge of Probate, Shelby County, Alabama.

Attested to:

BY Richard C. Bishop  
Secretary

Richard C. Bishop  
Board Member

Mary K. Bishop  
Board Member

Richard C. Bishop  
Board Member

BOOK 226 PAGE 752

STATE OF ALABAMA )  
SHELBY COUNTY )

Before me, the undersigned Notary Public, in and for said State and County, personally appeared Richard C. Bishop, Mary K. Bishop, and Richard C. Bishop, Jr., comprising all of the members of the Board of Trustees of Pelham Christian Fellowship, Inc. (one of whom, Richard C. Bishop Jr., who also serves as Secretary to Pelham Christian Fellowship, Inc., an Alabama religious corporation), who all being first duly sworn, doth depose and state that the notice of time, place and purpose of meeting wherein the above Resolutions were adopted, was given in accordance with the by-laws governing said church; and that the foregoing Resolutions are true and correct in all respects and are in accordance with the correct minutes of Pelham Christian Fellowship, Inc.

Sworn to and subscribed before me on this the 15<sup>th</sup> day of February, 1989.

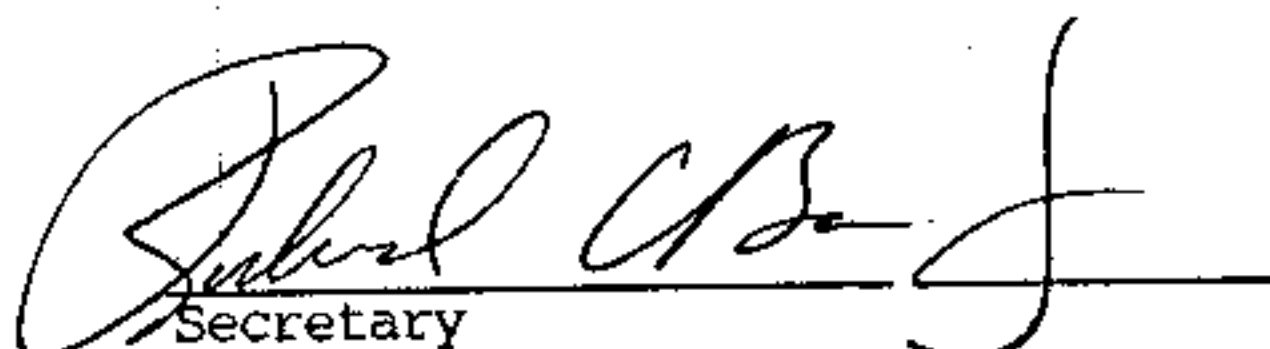
[Signature]  
Notary Public

My Commission expires: April 6, 1992

STATE OF ALABAMA     )  
SHELBY COUNTY        )

NOTICE OF MEETING

Notice is hereby made to members of the Board of Trustees that a meeting of the Board will take place on February 12, 1989, upon the completion of the regular morning worship service at the church building for the purpose of discussing the granting of a Note and Mortgage in the amount of \$36,088.32 to Bucon, Inc. for the final draw on monies owed to Bucon, Inc. for the building of the church building located at Court Street in Pelham, Alabama.

  
Secretary

BOOK 226 PAGE 753

STATE OF ALABAMA     )  
SHELBY COUNTY        )

MINUTES OF MEETING OF BOARD OF TRUSTEES


A meeting of the Board of Trustees was held on February 12, 1989, at the church of Pelham Christian Fellowship, Inc. in Pelham, Alabama.

It was determined a quorum was present and, in fact, all members of the Board of Trustees, namely Richard C. Bishop, Mary K. Bishop, and Richard C. Bishop, Jr. were present.

The chairman called the meeting to order and presented to the Board a Note and Mortgage form as well as a prepared Corporation Resolution form for consideration by the Board. After full discussion, the motion was called to a vote and the Board unanimously voted and approved the execution of the Note and Mortgage on behalf of the pastor, Richard C. Bishop.

There being no further business to come before the meeting, said meeting was adjourned upon motion duly made.

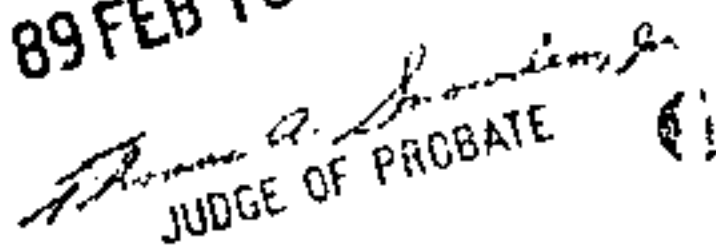
  
Secretary

  
President, Pastor

BOOK 226 PAGE 754

STATE OF ALA. SHELBY  
I CERTIFY THIS  
INSTRUMENT WAS FILED

89 FEB 16 AM 8:45

  
JUDGE OF PROBATE

1. Deed Tax	\$	
2. Mtg. Tax		54.15
3. Recording Fee		32.50
4. Indexing Fee		1.00
TOTAL		87.65