

STATE OF ALABAMA,
SHELBY COUNTY.

*
* REAL ESTATE MORTGAGE
*

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Know all men by these Presents, That whereas, the undersigned W. Eugene Rutledge and wife, Sherry C. Rutledge are justly indebted to Farmers & Merchants Bank, a corporation, Centre, Alabama, in the sum of Ten Thousand and No/100 (\$10,000.00) Dollars, due by one promissory note being of even date with this instrument and being due and payable on the 30th day of October, 1989, together with interest thereon, and whereas, the said W. Eugene Rutledge and wife Sherry C. Rutledge are desirous of securing the prompt payment of said note when same falls due along with all other indebtedness due by Mortgagors to Mortgagee: Now therefore, in consideration of said indebtedness, and to secure the prompt payment of said note at maturity, and (a) any and all indebtedness of Mortgagors to Mortgagee, now or hereafter existing or incurred, whether as principal, surety, endorser, guarantor or otherwise, and whether due or not, including any and all advances and payments made to or on behalf of Mortgagors; and (b) any and all advances made to or on behalf of Mortgagors and/or any subsequent purchaser to repair, maintain or preserve said property, or to complete improvements on said property, and any and all expenses incident to the collection of said advances, the said W. Eugene Rutledge and wife, Sherry C. Rutledge have bargained and sold, and we do hereby grant, bargain, sell and convey unto the said Farmers & Merchants Bank, a corporation, Centre, Alabama, the following described real estate situated in Shelby County, the State of Alabama, to-wit:

Lot 3 of the Heatherwood Subdivision, 3rd Sector, as recorded in map Book 8 at page 29A and B in the Probate Office of Shelby County, Alabama.

This mortgage is second and subordinate to a prior mortgage executed by mortgagors to The Life Insurance Company of Alabama, which prior mortgage is dated May 1, 1989, and recorded in Book _____ at page _____ in the Probate Office of Shelby County, Alabama.

All said lands being warranted free from all encumbrances and against any adverse claims.

TO HAVE AND TO HOLD the above granted premises unto the said Farmers & Merchants Bank, a corporation, Centre, Alabama, its successors and assigns forever. And for the purpose of further securing the payment of said note and said other indebtedness, we do hereby agree to pay all taxes or assessments when imposed legally upon said premises, and should we make default in the payment of said, the said Farmers & Merchants Bank, a corporation, Centre, Alabama, may at its option, pay off the same; and to further secure said indebtedness first above named we agree to keep said property insured for at least its insurable value, loss, if any, payable to said Farmers & Merchants Bank, a corporation, Centre, Alabama, as its interest may appear; and if we fail to keep said property insured as above specified, then the said Farmers & Merchants Bank, a corporation, Centre, Alabama, may, at its option, insure said property for said sum for its own benefit, the policy, if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Farmers & Merchants Bank, a corporation, Centre, Alabama, shall become a debt to it additional to the indebtedness hereby specifically secured, and shall be offered by this mortgage, and bear interest from date of payment by said Farmers & Merchants Bank, a corporation, Centre, Alabama, and be due and payable at the maturity of the indebtedness hereby secured.

Upon condition, however, that if said W. Eugene Rutledge and wife, Sherry C. Rutledge pay said note and said other indebtedness and reimburse said Farmers & Merchants Bank, a corporation, Centre, Alabama, for any amounts it may have expended as taxes and insurance and interest thereon, then this conveyance is to be null and void; but should default be

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Farmers & Merchants Bank
P.O. Box 220
35910

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made in the payment of any sum expended by the said Farmers & Merchants Bank, a corporation, Centre, Alabama, or should said note, or any part thereof, or the interest thereon, or any other of said indebtedness remain unpaid at maturity, or should the interest of said Farmers & Merchants Bank, a corporation, Centre, Alabama, or its assigns, in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events the whole of said indebtedness shall at once become due and payable; and this mortgage be subject to foreclosure, as now provided by law in case of past due mortgages, and the said Farmers & Merchants Bank, a corporation, Centre, Alabama, its agents and assigns, shall be authorized to take possession of the premises hereby conveyed, and after giving thirty days' notice by publication once a week for three successive weeks of the time, place and terms of sale by publication in some newspaper published at Columbiana in said County and State, to sell the same in front of the Courthouse door of said County, at public outcry to the highest bidder, for cash, and to apply the proceeds of said sale, first, to the expense of advertising, selling, and conveying, including a reasonable attorney's fee; second, in the payment of any amounts that may have been expended, or that may then be necessary to expend in paying insurance, taxes, or other incumbrances, with interest thereon; third, to the payment of said note in full, whether the same shall or shall not have fully matured at the date of said sale; fourth, the payment of all other indebtedness due by Mortgagors to Mortgagee but n interest shall be collected beyond the day of sale; and fifth, the balance, if any, to be turned over to the said W. Eugene Rutledge and wife Sherry C. Rutledge. And we further agree that said Farmers & Merchants Bank, a corporation, Centre, Alabama, its agents and assigns, may bid at said sale and purchase said property, if the highest bidder therefor, and further agree to pay a reasonable attorney's fee to said Farmers & Merchants Bank, a corporation, Centre, Alabama, or its assigns for the foreclosure of this mortgage in Court, should the same be so foreclosed, said fee to be part of the debt hereby secured.

Witness our hands and seals this 1st day of May 1989.

W. Eugene Rutledge (L.S.)
Sherry C. Rutledge (L.S.)

STATE OF ALABAMA, JEFFERSON COUNTY.

I, Sharon M. Kilgore, a Notary Public in and for said County and State, hereby certify that W. Eugene Rutledge and wife, Sherry C. Rutledge 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 this 1st day of May, 1989.

Sharon M. Kilgore
NOTARY PUBLIC

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

89 MAY -3 PM 1:13

Thomas A. [unclear]
JUDGE OF PROBATE

THIS INSTRUMENT PREPARED BY
AL SHUMAKER
ATTORNEY AT LAW
CENTRE, ALABAMA

1. Doc. Tax \$ _____
2. Mig. Tax 15.00
3. Recording Fee 5.00
4. Indexing Fee 2.00
TOTAL 22.00