

1457

STATE OF ALABAMA )

COUNTY OF SHELBY )

RELEASE OF MORTGAGE AND SUBSTITUTION OF SECURITY

This Release of Mortgage and Substitution of Security made this 9th day of October, 1989 by and between UNION STATE BANK (herein "Bank") and APPLGATE REALTY, INC. (herein "Applegate").

**RECITALS**

WHEREAS, Applegate is the fee owner of Lot 18, Applegate Townhomes, which is more particularly described on Exhibit "A" attached hereto and incorporated by reference herein ("Lot 18"); and

WHEREAS, Bank holds a mortgage (herein the "Mortgage") securing a note (herein the "Note") which Mortgage encumbers in a first lien status Lots 97, 101, 102 and 103, Applegate Townhomes, said Mortgage being recorded in Book 143, Page 157, Office of the Judge of Probate, Shelby County, Alabama, the Note being in the original principal amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) and both the Note and Mortgage being dated July 24, 1987; and

WHEREAS, Applegate is desirous of releasing Lot 97 from the Note and the lien of the Mortgage and substituting in its place Lot 18 and thereby leaving the Mortgage and Note intact with the exception of the substitution of Lot 18 for Lot 97; and

WHEREAS, Bank has agreed to release the Note and Mortgage as they apply to Lot 97 so long as the Note and Mortgage apply to

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Lot 18 as a first lien together with Lots 101, 102 and 103 as originally set out in the Mortgage.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. Bank hereby releases Lot 97 in full from the lien of the Mortgage as recorded in Real 143, Page 157, Probate Office of Shelby County, Alabama and fully discharges Lot 97 from the Note.

2. In consideration of the Note, and in order to secure the same, and any other indebtedness or obligation of Applegate to Bank, whether as principal debtor, endorser, guarantor or otherwise, whether now existing or hereafter incurred, Applegate hereby grants, bargains, sells and conveys to Bank Lot 18 as described on Exhibit "A" attached hereto and incorporated by reference herein.

TO HAVE AND TO HOLD, together with all and singular the rights, tenements, hereditaments and appurtenances thereunder belonging or in anywise appertaining, unto Bank, its successors or assigns, in fee simple, upon the exact terms and conditions of the Note and the Mortgage. And Applegate, for itself, its successors and assigns, does hereby covenant with Bank that it is lawfully seized in fee of the said premises, that it has a good right to sell and convey the same; that the said premises are free from encumbrance; and that it warrants and will forever defend the title to said premises against the lawful claims and demands of all persons whomsoever.

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3. The parties acknowledge that the express purpose of this document is to simply substitute Lot 18 for Lot 97 as the same relates to the Mortgage and the Note and hereafter, the Mortgage and Note shall not apply to Lot 97 but shall apply to Lot 18, together with Lots 101, 102 and 103 and further that all terms and conditions and provisions of the Mortgage as originally written and the Note as originally written (and as they exist on this date) shall (in addition to applying to Lots 101, 102 and 103) apply to Lot 18.

IN WITNESS WHEREOF, the parties hereunto have set their hands and seals this 9th day of October, 1989.

UNION STATE BANK

BY:

ITS: Rex V. Alexander President

APPLGATE REALTY, INC.

BY:

ITS: Randall H. Hor President

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that Rex V. Alexander, whose name as Executive Vice President of Union State Bank, a state corporation, 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand this 9th day of October, 1989.

Dina P. Gaffian  
Notary Public

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that Lawrence H. Goggin, whose name as \_\_\_\_\_ President of Applegate Realty, Inc., a corporation, 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand this 9th day of October, 1989.

J. T. By  
Notary Public

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EXHIBIT "A"

Lot 18, according to the Resurvey of Lots 1 through 64, 89 through 104, and A through C, of Applegate Townhomes, as recorded in Map Book 10 page 25 in the Probate Office of Shelby County, Alabama, together with all rights, privileges, easements, and appurtenant ownership interest in and to the premises previously conveyed by Applegate Realty, Inc. to Applegate Townhouse Association, Inc., by deed recorded in Real 65 page 201 in the Probate Office of Shelby County, Alabama, and more fully defined in the Declaration of Covenants, Conditions, and Restrictions of Applegate Townhouse, recorded in Real 63 page 634 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

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

90 AUG 27 AM 9:35

*Thomas W. Lawrence*  
JUDGE OF PROBATE

|       |       |
|-------|-------|
| 1.    |       |
| 2.    |       |
| 3.    |       |
| 4.    |       |
| 5.    | 12.50 |
| 6.    | 3.00  |
| Total | 1.00  |
|       | 16.50 |