

STATE OF ALABAMA)
JEFFERSON COUNTY) MORTGAGE

Know All Men by These Presents, that whereas the undersigned THEODORE W. SCHNEIDER and wife SETSUKO O. SCHNEIDER (hereinafter known as "Mortgagor") who are justly indebted to HUGH A. COTTINGHAM, JR. and JUNE B. COTTINGHAM (hereinafter known as "Mortgagee") in the sum of Seventy five thousand and no/100's Dollars (\$75,000.00) evidenced by their promissory note in the same amount and dated the same day of this mortgage and whereas it is desired by the undersigned to secure the prompt payment of said indebtedness with interest when the same falls due, or before if desired to be paid off early.

Now Therefore in consideration of the said indebtedness, and to secure the prompt payment of the same at maturity, the undersigned, mortgagors do, or does, hereby grant, bargain, sell and convey unto the said mortgagee, the following described real property situated in Shelby County, Alabama, to wit:

Lot 13, according to the survey of Mallard Pointe, First Addition as recorded in Map Book 11 page 86 in the Probate Office of Shelby County, Alabama.

This mortgage is not assumeable except with the written consent of the mortgagee.

To Have and To Hold the above granted premises unto the said Mortgagee forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as the interest of said Mortgagee has the option of insuring said property for said sum for the benefit of said Mortgagee, 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, additional to the debt hereby specially secured, and shall be covered by this mortgage, and bear interest from the date of payment by said Mortgagee, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee for any amounts Mortgagee 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 sum expended by the said Mortgagee, or should said indebtedness hereby secured, or if any statement of lien is filed under the Statutes of Alabama relating to the liens of mechanics and materialmen without regard to form and contents of such statement and without regard to the existence or non-existence of the debt or any part thereof or of the lien on which such statement is based, 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 law in case of past due mortgages, and the said Mortgagee 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, in some newspaper published in said County and State, to sell the same in lots or parcels, or en masse, as Mortgagee may deem best, in front of the Court House door in said County, at public outcry, to the highest bidder for cash and apply the proceeds of said 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 be necessary then to expended 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

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the day of sale; and Fourth, the remainder, if any, to be turned over to the said Mortgagor; and the undersigned, further agree that said Mortgagee may bid at said sale and purchase said property, if the highest bidder therefor, as though a stranger hereto, and the person acting as auctioneer at such sale is hereby authorized and empowered to execute a deed to the purchaser thereof in the name of the Mortgagee for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereto secured.

The Mortgagors will provide proof to the Mortgagee annually that both taxes and insurance in the amount of the principal balance have been paid.

Any estate or interest herein conveyed to said Mortgagee, or any right or power granted to said Mortgagee in or by this mortgage is hereby expressly conveyed and granted to the heirs, and agents, and assigns, of said Mortgagee, or to the successors and agents and assigns of said Mortgagee.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this the 10th day of MARCH 1993.

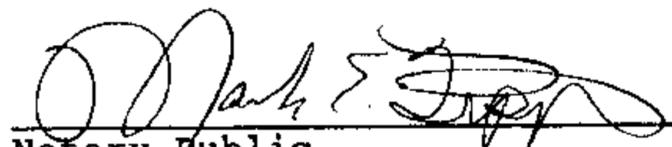

SETSUKO O. SCHNEIDER


THEODORE W. SCHNEIDER

State of Alabama)
Jefferson County)

On this 10th day of MARCH, 1993, I, the undersigned, a Notary Public in and for said state and county hereby certify that THEODORE W. SCHNEIDER and SETSUKO O. SCHNEIDER whose names are signed to the foregoing conveyance and who are known to me, acknowledged before me that, being informed of the contents of the conveyance, they executed the same voluntarily as their act on the day the same bears date.

Given under my hand and seal of office this the 10th day of March 1993.


Notary Public

My commission expires 7-23-1993.

Prepared by: MARK E. TIPPINS, Attorney at Law 14 Office Park
Circle; Suite 105; Birmingham, Alabama 35223 870-4343

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12:40 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
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