

STATE OF ALABAMA)
JEFFERSON COUNTY)

MORTGAGE AND SECURITY AGREEMENT

This Indenture is made and entered into this 7 day of May, 1993; by and between SUSAN S. SCHEIN and husband, LONNIE SCHEIN (hereinafter called "Mortgagor", whether one or more) and GENERAL MOTORS ACCEPTANCE CORPORATION (hereinafter called "Mortgagee").

Whereas, the Mortgagor is justly indebted to the Mortgagee in the principal sum of One Million Four Hundred Eight Five Thousand and no/100 DOLLARS (\$1,485,000.00), as evidenced by a promissory note of even date herewith, which note bears interest as provided therein (hereinafter called "Note").

Now, therefore, in consideration of the premises, and to secure the payment of the debt evidenced by the Note and any and all additional debts now or hereafter owing by the Mortgagor or any Obligor as defined herein to the Mortgagee, and any and all extensions and renewals of any of said debts, or of any part thereof, and all interest payable on all of said debts and on all such extensions and renewals (the aggregate amount of such debts and the interest thereon, including all such extensions and renewals and the interest thereon, is hereinafter collectively called "Debt") and the compliance with all the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagee, the following described real estate, situated in Shelby County, Alabama (said real estate being hereinafter called "Real Estate") (the real Estate shall be hereinafter sometimes called the "Property"):

REAL ESTATE

Real Estate described in Exhibit "A" attached hereto and incorporated herein by reference.

This is a Purchase Money Mortgage given to secure the purchase price of the Real Estate described in Exhibit "A" conveyed to Mortgagors simultaneously herewith.

To have and to hold the Property unto the Mortgagee, its successors and assigns forever.

1. Warranties of Title. The Mortgagor covenants with the Mortgagee that the Mortgagor is lawfully seized in fee simple of the Real Estate and has a good right to sell and convey the Real Estate as aforesaid; that the Real Estate is free of all encumbrances, unless otherwise provided hereinbefore; and that the Mortgagor will warrant and forever defend the title to the Real Estate unto the Mortgagee against the lawful claims of all persons.

2. Covenants to Pay Liens and Maintain Insurance. For the purpose of further securing the payment of the Debt, the Mortgagor agrees to: (a) pay

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all taxes, assessments, and other liens taking priority over this mortgage and security agreement (hereinafter jointly called "Liens"), and if default is made in the payment of the Liens, or any part thereof, the Mortgagee, at its option, may pay the same; (b) keep the Property continuously insured, in such manner and with such companies as may be satisfactory to the Mortgagee, against loss by fire, vandalism and malicious mischief and other perils usually covered by a fire insurance policy with standard extended coverage endorsement, with loss, if any, payable to the Mortgagee, as its interest may appear; such insurance to be in an amount at least equal to the full insurable value of the improvements located on the Real Estate unless the Mortgagee agrees in writing that such insurance may be in a lesser amount. The original insurance policy and all replacements or certified copies thereof, shall be delivered to, and held by, the Mortgagee until the Debt is paid in full. The original insurance policy and all replacements therefor must provide that they may not be canceled without the insurer giving at least fifteen days prior written notice of such cancellation to the Mortgagee.

3. Assignment of Insurance Policies, etc. The Mortgagor hereby assigns and pledges to the Mortgagee, as further security for the payment of the Debt, each and every policy of hazard insurance now or hereafter in effect which insures the improvements on the Real Estate, or any part thereof, together with all right, title and interest of the Mortgagor in and to each and every such policy, including, but not limited to, all the Mortgagor's right, title and interest in and to any premiums paid on each such policy, including all rights to return premiums. If the Mortgagor fails to keep the Property insured as specified above then, at the election of the Mortgagee and without notice to any person, the Mortgagee may declare the entire Debt due and payable and this mortgage subject to foreclosure, the Mortgagee may, but shall not be obligated to, insure the Property for its full insurable value (or for such lesser amount as the Mortgagee may wish) against such risks of loss and for its own benefit. The proceeds from such insurance (less the costs of collecting the same), if collected, shall be credited against the Debt, or, at the election of the Mortgagee, such proceeds may be used to purchase additional Personal Property, to replace Personal Property which has been damaged or destroyed and to repair or reconstruct the improvements located on the Real Estate. All amounts spent by the Mortgagee for insurance or for the payment of Liens shall become a debt due by the Mortgagor to the Mortgagee and at once payable, without demand upon, or notice to, the Mortgagor, and shall be secured by the lien of this mortgage, and shall bear interest at the rate of 8% per annum from the date of payment by the Mortgagee until paid by the Mortgagor.

4. Assignment of Rents, Condemnation Proceeds, etc. As further security for the payment of the Debt, the Mortgagor hereby assigns and pledges to the Mortgagee the following described property, rights, claims, rents, profits, issues and revenues:

a. all rents, profits, issues, and revenues of the Real Estate from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving to the Mortgagor, so long as the Mortgagor is not in default hereunder, the right to receive and retain such rents,

profits, issues and revenues;

b. all judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Real Estate, or any part thereof, or any improvements thereon, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of the power of eminent domain.

The Mortgagee is hereby authorized on behalf of, and in the name of, the Mortgagor to execute and deliver valid acquittance for, and appeal from, any judgments or awards described in subparagraph 4(b) above. The Mortgagee may apply all such sums so received, or any part thereof, after the payment of all the Mortgagee's expenses in connection with any proceeding or transaction described in said subparagraph 4(b), including court costs and attorneys' fees, on the Debt in such manner as the Mortgagee elects, or, at the Mortgagee's option, the entire amount, or any part thereof, so received may be released or may be used to rebuild, repair or restore any or all of the improvements located on the Real Estate.

5. Covenant Against Waste. The Mortgagor agrees to take good care of the Real Estate and all improvements located thereon and not to commit or permit any waste thereon, and at all times to maintain such improvements in as good condition as they now are, reasonable wear and tear excepted.

6. Covenant Against Sale or Transfer of the Real Estate. Notwithstanding any other provision of this mortgage or the Note, if the Real Estate, or any part thereof, or any interest therein, is sold, conveyed or transferred, without the Mortgagee's prior written consent, the Mortgagee may, at its sole option: (a) declare the Debt immediately due and payable in full; or (b) require the payment, after the date of such sale, conveyance or transfer, of a higher rate of interest on the unpaid principal portion of the Debt as a condition to not exercising such option to accelerate the Debt, whether such rights be exercised by the Mortgagee to obtain a higher rate of interest on the Debt or to protect the security of this mortgage.

7. Non-Waiver. The Mortgagor agrees that no delay or failure of the Mortgagee to exercise any option to declare the Debt due and payable shall be deemed a waiver of the Mortgagee's right to exercise such option, either as to any past or present default, and it is agreed that no terms or conditions contained in this mortgage may be waived, altered or changed except by a written instrument signed by the Mortgagor and signed on behalf of the Mortgagee by one of its officers.

8. Appointment of Receiver. After default under this mortgage or the Note on the part of the Mortgagor, the Mortgagee, upon bill filed or other proper legal proceeding being commenced for the foreclosure of this mortgage, shall be entitled to the appointment by any competent court, without notice to any party, of a receiver for the rents, issues, revenues

and profits of the Real Estate, with power to lease and control the Real Estate, and with such other powers as may be deemed necessary.

9. Defeasance and Default. This mortgage is made upon the condition that if the Mortgagor pays the Debt (which Debt includes the debt evidenced by the Note and any and all additional debts now or hereafter owing by the Mortgagor to the Mortgagee, and any and all extensions and renewals of any of said debts, or of any part thereof, and all interest payable on all of said debts and on all such extensions and renewals) and reimburses the Mortgagee for any amounts the Mortgagee has paid in respect of Liens or insurance premiums, and interest thereon, and fulfills all of its other obligations under this mortgage, this conveyance shall be null and void. But the Mortgagor shall be deemed in default hereunder if: (1) any warranty or representation made in this mortgage is breached or proves false in any material respect; (2) default is made in the due performance of any covenant or agreement of the Mortgagor under this mortgage; (3) default is made in the payment to the Mortgagee of any sum paid by the Mortgagee under the authority of any provision of this mortgage; (4) the Debt, or any part thereof, remains unpaid at maturity; (5) the interest of the Mortgagee in any of the Property becomes endangered by reason of the enforcement of any prior lien or encumbrance thereon; (6) if any lien, statement of lien or suit to enforce a lien is filed against any of the Collateral and Borrowers fail to have such lien satisfied or suit dismissed or to secure the payment of the amount claimed by such lien, statement of lien or suit by a bond, letter of credit or other security satisfactory to Mortgagee, within ten days of the date: (a) such lien or statement of lien is filed in the office of the Judge of Probate of the county in which the Real Estate is located; or (b) such suit is filed in court; (7) any law is passed imposing, or authorizing the imposition of, any specific tax upon this mortgage or the Debt or permitting or authorizing the deduction of any such tax from the principal of, or interest on, the Debt, or by virtue of which any tax, lien or assessment upon the Property shall be chargeable against the owner of this mortgage; (8) any of the stipulations contained in this mortgage is declared invalid or inoperative by any court of competent jurisdiction; (9) Mortgagor, or any maker, endorser, surety or guarantor of any of the Debt (hereinafter collectively called the "Obligors" and individually an "Obligor") fails to pay such Obligor's debts to General Motors Acceptance Corporation as they become due, or if a receiver, trustee, liquidator, or other custodian is appointed for any Obligor or for any of the property of any Obligor, or if a petition in bankruptcy (whether for liquidation, reorganization, arrangement, wage-earner's plan or otherwise) is filed by or against any Obligor, or if any Obligor applies for the benefits of, or takes advantage of, any law for the relief of debtors, or enters into an arrangement or composition with, or makes an assignment for the benefit of creditors; (10) Mortgagors, or any Obligor commits or allows an "Event of Default" under the provisions of the Loan Agreement executed May 7, 1993 by Mortgagors; then upon the happening of any one or more of said events of default, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable and this mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past-due mortgages and security agreements; and the Mortgagee shall be authorized to:

a. Take possession of the Real Estate and, after giving at least twenty-one days notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the county in which the Real Estate is located, to sell the Real Estate 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 as follows: first, to the expense of advertising, selling and conveying the Real Estate and foreclosing this mortgage, including a reasonable attorney's fee; second, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, Liens or other encumbrances, with interest thereon; third, to the payment in full of the balance of the Debt 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 the sale; and fourth, the balance, if any, to be paid to the party or parties appearing of record to be the owner of the Real Estate at the time of the sale, after deducting the cost of ascertaining who is such owner. The Mortgagor agrees that the Mortgagee may bid at any sale had under the terms of this mortgage and may purchase the Real Estate if the highest bidder therefor. At the foreclosure sale the Real Estate may be offered for sale and sold as a whole without first offering it in any other manner or it may be offered for sale and sold in any other manner the Mortgagee may elect; and

b. In the event of a sale hereunder, the Mortgagee, or the owner of the Debt and this Mortgage, or auctioneer, shall execute to the Purchaser, for and in the name of the Mortgagor, a statutory warranty deed to the Real Estate. The Real Estate shall be sold "as is" and without any warranty, express or implied, as to its condition.

10. Collection Costs. The Mortgagor agrees to pay all costs, including reasonable attorney's fees, incurred by the Mortgagee in collecting or securing, or attempting to collect or secure, the Debt, or any part thereof, or in defending or attempting to defend the priority of this mortgage against any lien or encumbrance on the Real Estate, unless this mortgage is herein expressly made subject to any such lien or encumbrance; and/or all costs incurred in the foreclosure of this mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Mortgagee shall be a part of the Debt and shall be secured by this mortgage.

11. Waiver of Appraisement Laws. Mortgagor waives, to the fullest extent permitted by law, the benefit of all laws now existing or hereafter enacted providing for (i) any appraisement before sale of any portion of the Property (commonly known as appraisement laws), or (ii) any extension of time for the enforcement of the collection of the Debt or any creation or extension of a period of redemption from any sale made in collecting the Debt (commonly known as stay laws and redemption laws).


12. Construction of Mortgage. This mortgage may be construed as a mortgage, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more

of them, in order to fully effectuate the lien hereof and the security interest created hereby and the purposes and agreements herein set forth. Plural or singular words used herein to designate the undersigned shall be construed to refer to the maker or makers of this instrument, whether one or more natural persons, corporations, associations, partnerships or other entities.

13. Successors and Assigns. All covenants and agreements herein made by the undersigned shall bind the undersigned and their heirs, personal representatives, successors and assigns of the undersigned; and every option, right and privilege herein reserved or secured to the Mortgagee, shall inure to the benefit of the Mortgagee's successors and assigns.

IN WITNESS WHEREOF, the undersigned Mortgagor has (have) executed this instrument on the date first written above.


SUSAN S. SCHEIN


LONNIE SCHEIN

THIS INSTRUMENT PREPARED BY:

**ALAN D. LEVINE
LEVINE & LEVINE
POST OFFICE BOX 13187
BIRMINGHAM, ALABAMA 35202-3187**

ACKNOWLEDGMENT FOR INDIVIDUALS

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that SUSAN S. SCHEIN and husband, LONNIE SCHEIN, whose names are signed to foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 7th day of May, 1993.


Notary Public

AFFIX SEAL

EXHIBIT A

A part of the NE 1/4 of the NW 1/4 and the NW 1/4 of the NW 1/4 of Section 24, Township 20 South, Range 3 West, of the Huntsville Principal Meridian, Shelby County, Alabama and being more particularly described as follows:

Commence at the Northwest corner of Section 24, Township 20 South, Range 3 West, H.P.M., Shelby County, Alabama and run thence Easterly along the North line of said Section a distance of 969.58 feet to an existing steel corner set on the Easterly right of way line of U.S. Highway No. 31 and the point of beginning of the property being described; thence continue along last described course a distance of 702.31 feet to an existing steel corner, thence turn a deflection angle of 106° 26' 00" to the right and run Southwesterly a distance of 190.51 feet to an existing steel corner, thence turn a deflection angle of 6° 59' 10" to the left and run a distance of 369.30 feet to an existing steel pin, thence turn a deflection angle of 69° 00' 18" to the right and run a distance of 37.50 feet to an existing corner, thence turn a deflection angle of 69° 00' 18" to the left and run Southwesterly a distance of 74.13 feet to an existing corner in or near the centerline of a chert based road serving a Pelham Water Storage Tank, thence turn a deflection angle of 69° 00' 18" to the right and run west southwesterly along the approximate centerline of said chert road a distance of 408.93 feet to an existing corner set on the same said Easterly right of way line of U.S. Highway No. 31 in a curve to the left having a central angle of 4° 49' 24" and a radius of 3,877.97, thence run Northwesterly along the arc of said right of way line an arc distance of 326.46 feet to the P.T. of said curve, thence continue along the tangent of said curve and along the same said right of way line of same said Highway No. 31 a tangent distance of 396.65 feet to the point of beginning.

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