

GARY STEPHENS d/b/a STEPHENS
BUILT HOMES
MORTGAGOR
"I" includes each mortgagor shown above.

This instrument was prepared by
(Name) Mac Moncus, Corley, Moncus and Ward
(Address) 2100-A Southbridge Parkway, Suite 635
Birmingham, Alabama 35209
BANK OF ALABAMA
1209 DECATUR HIGHWAY
POST OFFICE BOX 340
FULTONDALE, ALADAMA 35068
MORTGAGEE
"You" means the mortgagee, its successors and assigns

REAL ESTATE MORTGAGE: For value received, I, GARY STEPHENS d/b/a STEPHENS BUILT HOMES, mortgage, grant, bargain, sell and convey to you, with power of sale, to secure the payment of the secured debt described below, on August 20, 1993, the real estate described below and all rights, easements, appurtenances, rents, leases and existing and future improvements and fixtures (all called the "property").

PROPERTY ADDRESS: County Road 450, Westover, Alabama 35078
(Street) (City) (Zip Code)

LEGAL DESCRIPTION:

SEE ATTACHED EXHIBIT "A" FOR COMPLETE LEGAL DESCRIPTION

Gary Stephens is a married man.
The property described in Exhibit "A" is not the
homestead of Gary Stephens.

B.S.

located in Shelby County, Alabama.

TITLE: I covenant and warrant title to the property, except for none

SECURED DEBT: This mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this mortgage and in any other document incorporated herein. Secured debt, as used in this mortgage, includes any amounts I owe you under this mortgage or under any instrument secured by this mortgage and all modifications, extensions and renewals thereof.

The secured debt outstanding on the date of this Mortgage is evidenced by (List all instruments and agreements secured by this mortgage and the dates thereof):

☒ Promissory Note and Construction Loan Agreement executed
simultaneously herewith

☒ Future Advances: All amounts owed under the above agreement are secured even though not all amounts may yet be advanced. Future advances under the agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

☐ Revolving credit loan agreement dated . All amounts owed under this agreement are secured even though not all amounts may yet be advanced. Future advances under the agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

The above obligation is due and payable on if not paid earlier.

The total unpaid balance secured by this mortgage at any one time shall not exceed a maximum principal amount of:

One Hundred, Thirty-five Thousand and no/100----- Dollars (\$ 135,000.00), plus interest, plus any disbursements made for the payment of taxes, special assessments, or insurance on the property, with interest on such disbursements.

☒ Variable Rate: The interest rate on the obligation secured by this mortgage may vary according to the terms of that obligation.

☐ A copy of the loan agreement containing the terms under which the interest rate may vary is attached to this mortgage and made a part hereof.

☐ Commercial ☐ Home Equity

By signing below, I agree to the terms and covenants contained on both pages of this mortgage and in any riders described above signed by

(Seal)

(Seal)

GARY STEPHENS d/b/a STEPHENS BUILT HOMES (Seal)

ACKNOWLEDGMENT: STATE OF ALABAMA, JEFFERSON County
I, the undersigned, a Notary Public in and for said county and in said state, hereby certify that
GARY STEPHENS

Individual

whose name(s) is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he executed the same voluntarily on the date the same bears date.

Corporate

whose name(s) as of the corporation, signed to the foregoing conveyance and who known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 20th day of August, 1993
My commission expires:

My Commission Expires: 12/28/95 ALABAMA

Inst # 1993-25328

08/24/1993
08:24 AM
SHELBY COUNTY JUDGE OF PROBATE
216.00
RIDER 1
SIGNED
08/24/1993
08:24 AM
SHELBY COUNTY JUDGE OF PROBATE
216.00
RIDER 1
SIGNED

1. **Payments.** I Agree to make all payments on the secured debt when due. Unless we agree otherwise, any payments you receive from me or for my benefit will be applied first to any amounts I owe you on the secured debt (exclusive of interest or principal), second, to interest and then to principal. If partial prepayment of the secured debt occurs for any reason, it will not reduce or excuse any scheduled payment until the secured debt is paid in full.

2. **Claims against Title.** I will pay all taxes, assessments, liens and encumbrances on the property when due and will defend title to the property against any claims which would impair the lien of this mortgage. You may require me to assign any rights, claims or defenses which I may have against parties who supply labor or materials to improve or maintain the property.

3. **Insurance.** I will keep the property insured under the terms acceptable to you at my expense and for your benefit. All insurance policies shall include a standard mortgage clause in favor of you. You will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within your discretion, to either the restoration or repair of the damaged property or to the secured debt. If you require mortgage insurance, I agree to maintain such insurance for as long as you require.

4. **Property.** I will keep the property in good condition and make all repairs reasonably necessary.

5. **Expenses.** I agree to pay all your expenses, including reasonable attorneys' fees if I break any covenants in this mortgage or in any obligation secured by this mortgage. Attorneys' fees include those awarded by an appellate court. I will pay these amounts to you as provided in Covenant 10 of this mortgage.

6. **Default and Acceleration.** If I fail to make any payment when due or break any covenants under this mortgage, any prior mortgage or any obligation secured by this mortgage, you may accelerate the maturity of the secured debt and demand immediate payment and exercise any other remedy available to you. In the event that the indebtedness owing hereunder shall not be paid upon demand following any acceleration or maturity, then this mortgage shall be subject to foreclosure at your option, with notice to me of your exercise of such option being hereby expressly waived. In that event, you shall have the right to enter upon and take possession of the property and after or without taking such possession to sell the same, between the hours of 11:00 a.m. and 4:00 p.m. on the day designated for the exercise of the power to sell the property, before the courthouse door of the county (or division thereof) where the property, or any substantial part of the property, is located, at public outcry for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale in some newspaper published in said county. If the property is located in more than one county, a similar publication will be made in all counties where the property is located. Upon payment to you of the purchase price at such foreclosure, you are authorized to execute to the purchaser for and in our names a good and sufficient deed to the property sold. You agree to apply the proceeds of any such sale or sales under this mortgage as follows: (a) to the expenses of the sale, including, but not limited to, reasonable attorney's fees; (b) to the payment of any amounts that may have been expended or may be necessary to expend in paying insurance, taxes and other encumbrances; (c) to the payment of the secured debt hereby secured; and (d) the balance, if any, will be paid over to us or to whomsoever shall be legally entitled to it. You may bid and become the purchaser of the property at any foreclosure sale hereunder. Under this Mortgage, you are granted a "power to sell" and a "power of sale" (as those quoted terms are used in Article 1A of Title 35 of the Code of Alabama).

7. **Assignment of Rents and Profits.** I assign to you the rents and profits of the property. Unless we have agreed otherwise in writing, I may collect and retain the rents as long as I am not in default. If I default, you, your agent, or a court appointed receiver may take possession and manage the property and collect the rents. Any rents you collect shall be applied first to the costs of managing the property, including court costs and attorneys' fees, commissions to rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided in Covenant 1.

8. **Waiver of Homestead.** I hereby waive all right of homestead exemption in the property.

9. **Leaseholds; Condominiums; Planned Unit Developments.** I agree to comply with the provisions of any lease if this mortgage is on a leasehold. If this mortgage is on a unit in a condominium or a planned unit development, I will perform all of my duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

10. **Authority of Mortgagee to Perform for Mortgagor.** If I fail to perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may sign my name or pay any amount if necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever is necessary to protect your security interest in the property. This may include completing the construction.

Your failure to perform will not preclude you from exercising any of your other rights under the law or this mortgage.

Any amounts paid by you to protect your security interest will be secured by this mortgage. Such amounts will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect on the secured debt.

11. **Inspection.** You may enter the property to inspect if you give me notice beforehand. The notice must state the reasonable cause for your inspection.

12. **Condemnation.** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in Covenant 1. This assignment is subject to the terms of any prior security agreement.

13. **Waiver.** By exercising any remedy available to you, you do not give up your rights to later use any other remedy. By not exercising any remedy, if I default, you do not waive your right to later consider the event a default if it happens again.

14. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** All duties under this mortgage are joint and several. If I co-sign this mortgage but do not co-sign the underlying debt I do so only to mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or the secured debt without my consent. Such a change will not release me from the terms of this mortgage.

The duties and benefits of this mortgage shall bind and benefit the successor and assigns of either or both of us.

15. **Notice.** Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by certified mail addressed to me at the Property Address or any other address that I tell you. I will give any notice to you by certified mail to your address on the front side of this mortgage, or to any other address which you have designated.

Any notice shall be deemed to have been given to either of us when given in the manner stated above.

16. **Transfer of the Property or a Beneficial Interest in the Mortgagor.** If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment if the mortgagor is not a natural person and a beneficial interest in the mortgagor is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law as of the date of this mortgage.

17. **Release.** When there shall occur the "payment or satisfaction of the real property mortgage debt" (as such term is defined in § 35-10-26 of the Code of Alabama), and all underlying agreements have been terminated, this mortgage will become null and void and you will release this mortgage.

G. S.

Exhibit "A"

Lot 3, according to the Survey of Blue Horizon First Sector, as recorded in Map Book 14, page 106, in the Probate Office of Shelby County, Alabama. LESS AND EXCEPT the following described part of said Lot 3; Beginning at the Northeast corner of said Lot 3, run in a Westerly direction along the North line of said Lot 3, for a distance of 212.11 feet to an existing iron pin, being the Northwest corner of said Lot 3; thence turn an angle to the left of 91° 55' 05" and run in a southerly direction along the west line of said Lot 3, for a distance of 78.25 feet to an existing iron pin; thence turn an angle to the left of 90° 16' 35" and run in an Easterly direction for a distance of 212.70 feet to an existing iron pin, being on the East line of said Lot 3; thence turn an angle to the left of 90° 18' 03" and run in a northerly direction along the East line of said Lot 3 for a distance of 70.12 feet, more or less, to the point of beginning.

Gary Stephens d/b/a Stephens Built Homes
GARY STEPHENS d/b/a
STEPHENS BUILT HOMES

Inst # 1993-25328

08/24/1993-25328
08:24 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MCD 216.00

RECORDED
INDEXED
SERIALIZED
FILED
AUG 24 1993
SHELBY COUNTY, ALA.
CLERK OF THE COURT