

STATE OF ALABAMA

\*

SHELBY COUNTY

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### ADJUSTABLE RATE MORTGAGE PROVIDING FOR FUTURE ADVANCES

THIS INDENTURE, made and entered into on this the 19th day of October, 1994, by and between **BRUCE DOROUGH and wife, DEBBIE S. DOROUGH**, hereinafter called Mortgagor (whether singular or plural); and **MONSANTO OF ANNISTON EMPLOYEES CREDIT UNION**, hereinafter called Mortgagee (whether singular or plural);

W I T N E S S E T H :

THAT WHEREAS, the said Bruce Dorough and wife, Debbie S. Dorough, may become or are now justly indebted to Mortgagee in the sum of Sixty Thousand and No/100 (\$60,000.00) DOLLARS\*, which bears interest from date at the rate of Eight and one-quarter (8.25%) per cent per annum\* and which is evidenced by one promissory note of even date herewith, due and payable as follows:

\* This Mortgage is given to secure an Adjustable Rate Note and Credit Agreement ("the Note") of even date herewith. The Note contains provisions allowing for changes in the initial interest rate of Eight and one-quarter (8.25%) percent. In addition, the Note provides for a line of credit of up to the face amount of this Mortgage so that future advances of principal may cause the principal owed hereunder to fluctuate, but the principal balance owed shall never exceed Sixty Thousand and No/100 (\$60,000.00) Dollars. The last possible date for Mortgagor (Maker) to request an advance under the Note secured by this Mortgage is November 1, 2014.

NOW, THEREFORE, IN CONSIDERATION of said indebtedness and in order to secure the same, Mortgagor does hereby grant, bargain, sell and convey unto Mortgagee the following described property, to-wit:

Lot 3, Block 1, according to the survey of Summer Place, First Sector, as recorded in Map Book 17, Page 57, in the Probate Office of Shelby County, Alabama.

This mortgage is second and subordinate to that certain mortgage in favor of Monsanto of Anniston Employees Credit Union for \$70,000.00 executed of even date herewith and filed of record simultaneously herewith.

TO HAVE AND TO HOLD this property, together with all and singular the improvements, now or hereafter erected on the property and all rights, easements, rents, tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, unto Mortgagee, and Mortgagee's heirs or successors and assigns, in fee simple. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property".

And Mortgagor does hereby covenant with Mortgagee that Mortgagor is lawfully seized in fee of said premises; that Mortgagor has a good right to sell and convey the same; that said premises are free from encumbrance; and that Mortgagor warrants, and will forever defend the title to and the possession of said premises against the lawful claims and demands of all persons whomsoever.

This conveyance is upon condition, however, that, if Mortgagor shall pay and discharge the indebtedness hereby secured as the same matures and shall perform the covenants herein contained, then this conveyance shall become null and void. If, however, default is made in the payment of any part of the indebtedness hereby secured or in the payment of the interest thereof, or if default is made in

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the payment of any installment due on any prior lien, mortgage or encumbrance, or if any covenant in this mortgage is not kept, or if Mortgagor be adjudicated a bankrupt, (the term "Mortgagor" as used in this sentence has reference singularly, as well as jointly, to all parties who execute this mortgage), then, at the election of Mortgagee, the entire indebtedness secured hereby shall become immediately due and payable, whether due by the terms hereof or not, and failure to declare the entire indebtedness due in case of default shall not operate as a waiver of the right to declare the entire indebtedness due in the event of any subsequent default; and Mortgagee, Mortgagee's agent or attorney, is hereby authorized to take possession of the property hereby conveyed, and with or without possession thereof to sell said property at public outcry to the highest bidder, for cash, before the door of the Courthouse of Shelby County, Alabama, after giving notice of the time, place, and terms of sale by publication once a week for three successive weeks in some newspaper published in said County or by posting notice at two public places in said County.

In case of sale under the power herein contained, Mortgagee or any person authorized in writing by Mortgagee shall have power to execute a conveyance to the purchaser, conveying all the right, title interest, and claim of Mortgagor in and to said premises, either at law or in equity. Mortgagee may purchase said property at any sale hereunder and acquire title hereto as could a stranger.

Out of the proceeds of sale Mortgagee shall pay, first, the costs of advertising, selling, and conveying said property, together with a reasonable attorney's fee, secondly, the amount of the indebtedness due and owing to Mortgagee hereby secured, together with the interest thereon, and any taxes, insurance premiums, or other charges that Mortgagee may have paid as herein provided; and lastly, the surplus, if any, shall be paid to Mortgagor, or Mortgagor's heirs or assigns.

If all or any part of the Property or an interest therein is sold or transferred by Mortgagor without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage. (b) the creation of a purchase money security interest for household appliances. (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagee and that the interest payable on the sums secured by this Mortgage shall be at such rate as Mortgagee shall request.

If Mortgagee exercises such option to accelerate, Mortgagee shall mail Mortgagor notice of acceleration. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Mortgagor, invoke any remedies available to Mortgagee including, but not limited to, the remedies permitted by this instrument.

Mortgagor covenants that Mortgagor will pay all taxes and assessments which may lawfully be levied against the premises, and will deposit receipts therefor with Mortgagee, and that Mortgagor will insure and keep insured the improvements thereon against loss by fire and tornado for not less than the indebtedness hereby secured in some company acceptable to Mortgagee, with loss payable to Mortgagee as Mortgagee's interest may appear, and will deposit with Mortgagee the policies evidencing such insurance, and that Mortgagor will protect said premises from waste and keep the same in good condition and repair; and in case of the failure of Mortgagor to pay said taxes or assessments before the same, or any

part thereof, become delinquent, or in case of failure to insure or keep insured the improvements on said property, or in case of failure to protect said premises from waste and keep the same in good condition and repair, Mortgagee may, at Mortgagee's option, either pay said taxes and assessments and purchase said insurance and protect said premises from waste and keep same in good condition and repair, or any of them, and the amount of taxes, assessments, insurance premiums, repairs, and other expenditures, or any of them, as paid shall be secured by this conveyance as fully and to the same extent and under the same conditions as the indebtedness hereinabove described, or Mortgagee may, at Mortgagee's election, proceed to foreclose this mortgage, as is hereinabove provided.

IN WITNESS WHEREOF, Mortgagor has hereto set Mortgagor's hand and seal, on this, the day and year herein first above written.

  
BRUCE DOROUGH

  
DEBBIE S. DOROUGH

STATE OF ALABAMA

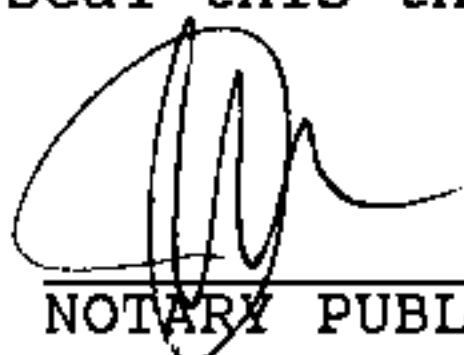
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CALHOUN COUNTY

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I, the undersigned, a Notary Public in and for said State and County, hereby certify that BRUCE DOROUGH and wife, DEBBIE S. DOROUGH, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of this instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 19TH day of OCTOBER, 1994.

  
NOTARY PUBLIC

MY COMMISSION EXPIRES 4-25-95

This instrument prepared by:

WILSON, PUMROY & TURNER

1431 Leighton Avenue - P. O. Box 2333  
Anniston, Alabama 36201  
(205) 236-4222

Inst # 1994-32100

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SHELBY COUNTY JUDGE OF PROBATE  
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