

Kent Gray

Julie Gray

218 Brook Forest Circle
Helena, AL 35080

This instrument was prepared by
(Name) First National Bank of Columbiana
(Address) P.O. Box 977, Columbiana, AL 35051

FIRST NATIONAL BANK OF COLUMBIANA
P. O. BOX 977
COLUMBIANA, AL 35051

MORTGAGOR

"I" includes each mortgagor above.

MORTGAGEE

"You" means the mortgagee, its successors and assigns.

REAL ESTATE MORTGAGE: For value received, I, Kent Gray and Julie Gray husband and wife

, mortgage, grant, bargain, sell and convey to you, with power of sale, to secure the payment of the secured debt described below, on November 4, 1994, the real estate described below and rights, easements, appurtenances, rents, leases and existing and future improvements and fixtures (all called the "property").

PROPERTY ADDRESS: Lot 21-A Oak View Lane, Helena, Alabama 35080
(Street) (City) (Zip Code)

LEGAL DESCRIPTION:

Lot 21-A, according to a resurvey of Lot 21, Stonebrook, as recorded in Map Book 17 page 86, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

located in Shelby

County, Alabama

TITLE: I covenant and warrant title to the property, except for

11/08/1994-33441
03:15 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 HCD 43.50

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 is evidenced by (List all instruments and agreements secured by this mortgage and the dates thereof.):

☐

☐ 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 November 4, 2000 If not paid earlier.

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

THOUSAND and NO/100 * * * * * Dollars (\$ 16,000.00), 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.

RIDERS: ☐ Commercial ☒ FNBC Riders

SIGNATURES: By signing below, I agree to the terms and covenants contained in this mortgage (including those on page 2 which are hereby incorporated onto page 1 of this mortgage form) and in any riders described above and signed by me.

X Kent Gray (Seal)
Kent Gray (Seal)

X Julie Gray (Seal)
Julie Gray (Seal)

WITNESSES:

ACKNOWLEDGMENT: STATE OF ALABAMA, Shelby, County ss:

I, the undersigned, a Notary Public in and for said county and in said state, hereby certify that

Kent Gray and Julie Gray, husband and wife

Individual

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

Corporate

whose name(s) as of the _____, a 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 4th day of November, 1994.

My commission expires:

MY COMMISSION EXPIRES NOVEMBER 18, 1995

Donna S. Gannon
(Notary Public)

ALABAMA

COVENANTS

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 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. This mortgage gives you the power of sale, which you may also invoke under the circumstances described in the previous sentence. If you invoke the power of sale, you will give notice of the sale by publication once a week for three successive weeks in some newspaper published in the county in which the property or any portion of it is located. This notice will give the time, place and terms of the sale, and a description of the property. After this notice is given, the property will be sold to the highest bidder at public auction at the front door of the County Courthouse of the county in which the notice of sale was published.

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 successors 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 page 1 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 I have paid the secured debt in full and all underlying agreements have been terminated, this mortgage will become null and void and you will release this mortgage.

FNBC MORTGAGE RIDER
(FORM MD-1-AL)

This FNBC Mortgage Rider is made this 4th day of November, 1994, and is incorporated into and shall be deemed to amend and supplement the Mortgage ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure the Note of Kent Gray and Julie Gray (also included in the term "Borrower") to First National Bank of Columbiana ("Lender") of the same date and covering the property described in the Security Instrument.

ADDITIONAL COVENANTS. In addition to or in substitution for the covenants and agreements made in the Security Instrument, the undersigned and Lender further covenant and agree as follows:

1. **Funds for Taxes and Insurance.** Paragraph 2 entitled "Funds for Taxes and Insurance" is amended by deleting it in its entirety.

2. **Hazard Insurance.** Paragraph 5 entitled "Hazard Insurance" is amended to include the following provision after the fourth sentence:

Furthermore, even if Lender does obtain insurance coverage under this provision, Lender may still treat Borrower's failure to obtain or maintain insurance as a default.

3. **Protection of Lender's Rights in the Property.** Paragraph 7 entitled "Protection of Lender's Rights in the Property" is amended to include the following provision:

Furthermore, even if Lender obtains insurance, pays taxes, or does or pays for other things necessary to protect the value of the Property and Lender's rights in the Property, Lender may still treat Borrower's failure to perform the covenants and agreements contained in the Security Instrument as a default.

4. **Transfer of the Property or a Beneficial Interest in Borrower.** Paragraph 17 entitled "Transfer of the Property or a Beneficial Interest in Borrower" is amended by deleting the second paragraph thereof and substituting the following therefor:

Lender may exercise this option without notice to Borrower.

5. **Borrower's Right to Reinstate.** Paragraph 18 entitled "Borrower's Right to Reinstate" is amended by deleting it in its entirety.

6. **Acceleration; Remedies.** Paragraph 21 entitled "Acceleration; Remedies" is amended by deleting the first paragraph thereof and substituting the following therefor:

Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument or the Note (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default(s); (b) a date, not less than 10 days from the date the notice is given or mailed to Borrower, by which the default must be cured, if it is a default which is capable of being cured; and (c)(i) if it is a default capable of being cured, that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property, or (ii) if it is a default not capable of being cured, that acceleration of the sums secured by this Security Instrument has occurred and that failure to pay all such sums before the date specified in the notice may result in sale of the Property. If the conditions in the notice are not satisfied, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited

to, reasonable attorneys' fees and costs of title evidence.

7. Future Advances. Borrower may ask Lender to make one or more future advances, or to extend or renew the Note. Any future advances, extensions or renewals and all debts, costs and fees associated with them will be secured by this Security Instrument. Neither Borrower nor Lender will have to execute any additional agreements or mortgages to secure such additional advances unless requested by Lender.

8. Security Agreement. This Security Instrument constitutes a security agreement under the Uniform Commercial Code and creates a security interest in the personal property included in the Property. Borrower shall execute, deliver, file, and refile any financing statements or other security agreements that Lender may require from time to time to confirm and perfect the lien of this Security Instrument with respect to that Property and shall pay all costs of filing. Without limiting the foregoing, Borrower irrevocably appoints Lender attorney-in-fact for Borrower to execute, deliver and file such writings for and on behalf of Borrower.

PARAGRAPH 9 COMMERCIAL LOANS ONLY

9. Submission to Jurisdiction; Waiver of Jury Trial. If the indebtedness evidenced by the Note secured by this Security Instrument is for commercial or business purposes, Borrower irrevocably submits to the jurisdiction of each state court sitting in Shelby County, Alabama, or each federal court sitting in Jefferson County, Alabama, over any suit, action, or proceeding arising out of or relating to any transaction, grievance, or claim under this Security Instrument, the Note, or the other loan documents. Borrower further waives any objection that Borrower may now or hereafter have based on improper venue, lack of jurisdiction, or inconvenience of forum in any action brought in any of the courts described above. Borrower hereby waives all rights to a trial by jury in any suit, action, or proceeding set out above. This waiver is knowingly, voluntarily and intentionally being entered into and is part of the consideration and inducement of the parties entering into this Security Instrument and the making of the Note.

PARAGRAPH 10 FOR JUNIOR MORTGAGES ONLY

10. Prior Mortgages. (Complete if applicable.) The Mortgage is junior and subordinate to a prior mortgage, lien, or other security instrument recorded in Book , page , or Instrument No. in the Probate Office of County, Alabama. Borrower shall perform all of Borrower's obligations under such mortgage or security instrument, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage.

Borrower hereby authorizes the holder of a prior mortgage or other security instrument encumbering the Property to disclose the Lender the following information: (1) the amount of indebtedness secured by such mortgage or other security instrument; (2) the amount of such indebtedness that is unpaid; (3) whether any amount owed on such indebtedness is or has been in arrears; (4) whether there is or has been any default with respect to such mortgage or other security instrument, or the indebtedness secured thereby; and (5) any other information regarding such mortgage or other security instrument, or the indebtedness secured thereby, which Lender may request from time to time. Borrower expressly agrees that if default should be made in the payment of principal, interest, or any other sum payable under the terms and provisions of any prior mortgage or other security instrument, or if any other event of default (or event which upon the giving of notice or lapse of time, or both, would constitute an event of default) should occur thereunder, Lender may, but shall not be obligated to, cure such default, without notice to anyone, by paying whatever amounts may be due, or taking whatever other actions may be required under the

terms of such prior mortgage or other security instrument so as to put the same in good standing.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this FNBC Mortgage Rider.

Kent Gray
Kent Gray

Julie Gray
Julie Gray

Inst # 1994-33441

11/08/1994-33441
03:15 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 MCD 43.50