

This Instrument Prepared by
Higgins, Biddle, Chester & Trew
Attorneys at Law
P.O. Box 410
Athens, TN 37371-0410

MORTGAGE

State of Alabama
County of Shelby

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, the Undersigned, TIMOTHY M. COTTON and wife, PATTON B. COTTON, (hereinafter called "Mortgagor"), has become justly indebted to FIRST NATIONAL BANK AND TRUST COMPANY, ATHENS, TENNESSEE, (hereinafter called "Mortgagee"), in the sum of Seventy Nine Thousand Four Hundred Dollars and 00/100 (\$79,400.00) due by November 1, 2009, as evidenced by a Variable Interest Rate Promissory Note (hereinafter called "Note"); and

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WHEREAS, the said Mortgagor is desirous of securing the prompt payment of said Note when the same shall fall due.

NOW, THEREFORE, in consideration of said indebtedness, and to secure the payment of the same at maturity, the said TIMOTHY M. COTTON and wife, PATTON B. COTTON, have bargained and sold, and do hereby grant, bargain, sell and convey unto the said FIRST NATIONAL BANK AND TRUST COMPANY, the following described real estate situated in Shelby County and the State of Alabama, to-wit:

LOT 51, according to the Survey of Audubon Forest First Addition as recorded in Map Book 11, Page 22, in the Probate Office of Shelby County, Alabama.

This conveyance is made subject to ad valorem taxes for the current year; all easements, restrictive covenants, reservations and rights of way appearing of record affecting the property.

AND BEING the same property conveyed to Tim Cotton and wife, Patton Cotton, by Johnnie P. Burleson and wife, Rebecca E. Burleson, by Warranty Deed jointly for life with remainder to survivor, dated the 29th day of October, 1993, of record in Deed Book 1993, Pages 37757, in the Register's Office of Shelby County, Alabama, to which reference is here made.

Street Address is: 4784 Sandpiper Lane, Hoover, AL. 35244
Tax Map & Parcel No. 58-10-4-17-0-002-051.

warranted free from all incumbrances and against any adverse claims other than the lien of ad valorem taxes for the current year.

TO HAVE AND TO HOLD the above granted premises unto the said Mortgagee, its successors and assigns forever, and for the purpose of further securing the payment of said Note, Mortgagor does hereby agree to pay all taxes and assessments when imposed legally upon said premises, and should Mortgagor make default in the payment of same, the said Mortgagee, may, and its option, pay off the same; and to further secure said indebtedness first above named, Mortgagor agrees to keep said property insured for at least \$80,000.00, loss, if any, payable to said Mortgagee, as its interest may appear, and if Mortgagor fails to keep said property insured as above specified, then the said Mortgagee, may at its option, insure said property for said sum for its own benefit, the policy, if collected, to be credited on the said indebtedness, less cost of collecting same; all amounts so expended by said mortgagee shall become a debt to said Mortgagee additional to the indebtedness hereby specially secured, and shall be covered by this mortgage and bear interest from date of payment by said Mortgagee

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and be due and payable at the maturity of any of the principal or any interest thereon.

Upon condition, however, That if the said Mortgagor pays said Note, and reimburse said Mortgagee for any amounts it may have expended as taxes, assessments, or other charges and insurance and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sum so expended by Mortgagee, or should Note, or any part thereof, or interest thereon remain unpaid at maturity, or should the interest of said Mortgagee, or of its assigns in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of the said indebtedness shall at once become due and payable, and this mortgage shall be subject to foreclosure as now provided by law in case of past due mortgages, and the said mortgagee, its agents, or assigns, shall be authorized to take possession of the premises hereby conveyed and after giving 21 days' notice, by publication in some newspaper published in Shelby County, and State of Alabama, to sell the same, as a whole or in parcels, in front of the courthouse door, at Shelby 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; and second, to the payment of any amounts that may have been expended or that may then be necessary to expend, in paying insurance, taxes, assessments, or other incumbrances, with interest thereon; and third, to the payment of said note, 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 the day of sale; and fourth, the balance, if any, to be turned over to the Mortgagor, and Mortgagor further agrees that said Mortgagee, its successors and assigns, may bid at said sale, and purchase said property, if the highest bidder therefor, and Mortgagor further agrees to pay a reasonable attorney's fee to said Mortgagee, or its assigns, for the foreclosure of this mortgage in chancery. Should the same be foreclosed said fee to be a part of the debt hereby secured.

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Mortgagors hereby jointly and severally waive any homestead right they might have in the foregoing property under Alabama Code of 1975 Section 6-10-2.

WITNESS our hands and seals this 8th day of November, 1994.

Timothy M. Cotton
TIMOTHY M. COTTON

Patton B. Cotton
PATTON B. COTTON

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, Kathy C. Soltis, a Notary Public in and for Shelby County, Alabama hereby certify that the within named Mortgagors, TIMOTHY M. COTTON and wife, PATTON B. COTTON, whose names are signed to the foregoing Mortgage and both of whom are known to me who acknowledged before me on this day that, being informed of the contents of this Mortgage conveyance, they executed the same voluntarily on the day the same bears date.

TIMOTHY M. COTTON and wife, PATTON B. COTTON, the within named Mortgagors, were further examined as to the waiver of homestead contained in the Mortgage and each of them acknowledged that they signed the same of his/her own free will and accord and without fear, constraints, or threats on the part of the other.

Given under my hand this 8th day of November, 1994.

Kathy C. Soltis
NOTARY PUBLIC

My Commission Expires: July 22, 1997
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