

MORTGAGE

(Participation)

This mortgage made and entered into this ^{ARM} 30 day of Dec 19 94, by and between HENRY L. MOORE and DEBORAH K. MOORE, husband and wife, and SQUAW SUPPLY, INC., a corporation, all of whose address is P.O. Box 360807, Birmingham, AL 35236 (hereinafter referred to as mortgagor) and ALABAMA COMMUNITY DEVELOPMENT CORPORATION (hereinafter referred to as mortgagee), who maintains an office and place of business at #3 Office Park Circle, Suite 300, Birmingham, Alabama 35223

WITNESSETH, that for the consideration hereinafter stated, receipt of which is hereby acknowledged, the mortgagor does hereby mortgage, sell, grant, assign, and convey unto the mortgagee, his successors and assigns, all of the following described property situated and being in the County of Shelby State of Alabama

The property described on Exhibit "A" attached hereto and incorporated herein by this reference.

[Subject to a prior mortgage to First Alabama Bank.]

Together with and including all buildings, all fixtures including but not limited to all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air conditioning apparatus, and elevators (the mortgagor hereby declaring that it is intended that the items herein enumerated shall be deemed to have been permanently installed as part of the realty), and all improvements now or hereafter existing thereon; the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, all rights of redemption, and the rents, issues, and profits of the above described property (provided, however, that the mortgagor shall be entitled to the possession of said property and to collect and retain the rents, issues, and profits until default hereunder). To have and to hold the same unto the mortgagee and the successors in interest of the mortgagee forever in fee simple or such other estate, if any, as is stated herein.

The mortgagor covenants that he is lawfully seized and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and his successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the claims of all persons whomsoever.

This instrument is given to secure the payment of a promissory note dated THIS DATE in the principal sum of \$ 108,000.00 signed by DEBORAH K. MOORE and HENRY L. MOORE, each individually and SQUAW SUPPLY, INC., and which has a maturity date in accordance with its terms during the year. 2014

ARM # 1995-00267

ARM

01/04/1995-00267
01:04 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
009 MCD 190.50

Said promissory note was given to secure a loan in which the Small Business Administration, an agency of the United States of America, has participated. In compliance with section 101.1(d) of the Rules and Regulations of the Small Business Administration [13 C.F.R. 101.1(d)], this instrument is to be construed and enforced in accordance with applicable Federal law.

1. The mortgagor covenants and agrees as follows:

a. He will promptly pay the indebtedness evidenced by said promissory note at the times and in the manner therein provided.

b. He will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefor to the said mortgagee.

c. He will pay such expenses and fees as may be incurred in the protection and maintenance of said property, including the fees of any attorney employed by the mortgagee for the collection of any or all of the indebtedness hereby secured, or foreclosure by mortgagee's sale, or court proceedings, or in any other litigation or proceeding affecting said property. Attorneys' fees reasonably incurred in any other way shall be paid by the mortgagor.

d. For better security of the indebtedness hereby secured, upon the request of the mortgagee, its successors or assigns, he shall execute and deliver a supplemental mortgage or mortgages covering any additions, improvements, or betterments made to the property hereinabove described and all property acquired by it after the date hereof (all in form satisfactory to mortgagee). Furthermore, should mortgagor fail to cure any default in the payment of a prior or inferior encumbrance on the property described by this instrument, mortgagor hereby agrees to permit mortgagee to cure such default, but mortgagee is not obligated to do so; and such advances shall become part of the indebtedness secured by this instrument, subject to the same terms and conditions.

e. The rights created by this conveyance shall remain in full force and effect during any postponement or extension of the time of the payment of the indebtedness evidenced by said promissory note or any part thereof secured hereby.

f. He will continuously maintain hazard insurance, of such type or types and in such amounts as the mortgagee may from time to time require on the improvements now or hereafter on said property, and will pay promptly when due any premiums thereof. All insurance shall be carried in companies acceptable to mortgagee and the policies and renewals thereof shall be held by mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee. In event of loss, mortgagor will give immediate notice in writing to mortgagee, and mortgagee may make proof of loss if not made promptly by mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to mortgagee instead of to mortgagor and mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged or destroyed. In event of foreclosure of this mortgage, or other transfer of title to said property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or mortgagee or, at the option of the mortgagee, may be surrendered for a refund.

g. He will keep all buildings and other improvements on said property in good repair and condition; will permit, commit, or suffer no waste, impairment, deterioration of said property or any part thereof; in the event of failure of the mortgagor to keep the buildings on said premises and those erected on said premises, or improvements thereon, in good repair, the mortgagee may make such repairs as in its discretion it may deem necessary for the proper preservation thereof; and the full amount of each and every such payment shall be immediately due and payable; and shall be secured by the lien of this mortgage.

h. He will not voluntarily create or permit to be created against the property subject to this mortgage any lien or liens inferior or superior to the lien of this mortgage without the written consent of the mortgagee; and further, that he will keep and maintain the same free from the claim of all persons supplying labor or materials for construction of any and all buildings or improvements now being erected or to be erected on said premises.

i. He will not rent or assign any part of the rent of said mortgaged property or demolish, or remove, or substantially alter any building without the written consent of the mortgagee.

j. All awards of damages in connection with any condemnation for public use of or injury to any of the property subject to this mortgage are hereby assigned and shall be paid to mortgagee, who may apply the same to payment of the installments last due under said note, and mortgagee is hereby authorized, in the name of the mortgagor, to execute and deliver valid acquittances thereof and to appeal from any such award.

k. The mortgagee shall have the right to inspect the mortgaged premises at any reasonable time.

2. Default in any of the covenants or conditions of this instrument or of the note or loan agreement secured hereby shall terminate the mortgagor's right to possession, use, and enjoyment of the property, at the option of the mortgagee or his assigns (it being agreed that the mortgagor shall have such right until default). Upon any such default, the mortgagee shall become the owner of all of the rents and profits accruing after default as security for the indebtedness secured hereby, with the right to enter upon said property for the purpose of collecting such rents and profits. This instrument shall operate as an assignment of any rentals on said property to that extent.

3. The mortgagor covenants and agrees that if he shall fail to pay said indebtedness or any part thereof when due, or shall fail to perform any covenant or agreement of this instrument or the promissory note secured hereby, the entire indebtedness hereby secured shall immediately become due, payable, and collectible without notice, at the option of the mortgagee or assigns, regardless of maturity, and the mortgagee or his assigns may before or after entry sell said property without appraisal (the mortgagor having waived and assigned to the mortgagee all rights of appraisal):

(I) at judicial sale pursuant to the provisions of 28 U.S.C. 2001 (a); or

(II) at the option of the mortgagee, either by auction or by solicitation of sealed bids, for the highest and best bid complying with the terms of sale and manner of payment specified in the published notice of sale, first giving four weeks' notice of the time, terms, and place of such sale, by advertisement not less than once during each of said four weeks in a newspaper published or distributed in the county in which said property is situated, all other notice being hereby waived by the mortgagor (and said mortgagee, or any person on behalf of said mortgagee, may bid with the unpaid indebtedness evidenced by said note). Said sale shall be held at or on the property to be sold or at the Federal, county, or city courthouse for the county in which the property is located. The mortgagee is hereby authorized to execute for and on behalf of the mortgagor and to deliver to the purchaser at such sale a sufficient conveyance of said property, which conveyance shall contain recitals as to the happening of the default upon which the execution of the power of sale herein granted depends; and the said mortgagor hereby constitutes and appoints the mortgagee or any agent or attorney of the mortgagee, the agent and attorney in fact of said mortgagor to make such recitals and to execute said conveyance and hereby covenants and agrees that the recitals so made shall be effectual to bar all equity or right of redemption, homestead, dower, and all other exemptions of the mortgagor, all of which are hereby expressly waived and conveyed to the mortgagee; or

(III) take any other appropriate action pursuant to state or Federal statute either in state or Federal court or otherwise for the disposition of the property.

In the event of a sale as hereinbefore provided, the mortgagor or any persons in possession under the mortgagor shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to the remedies for collection of said indebtedness provided by law.

4. The proceeds of any sale of said property in accordance with the preceding paragraphs shall be applied first to pay the costs and expenses of said sale, the expenses incurred by the mortgagee for the purpose of protecting or maintaining said property, and reasonable attorneys' fees; secondly, to pay the indebtedness secured hereby; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.

5. In the event said property is sold at a judicial foreclosure sale or pursuant to the power of sale hereinabove granted, and the proceeds are not sufficient to pay the total indebtedness secured by this instrument and evidenced by said promissory note, the mortgagee will be entitled to a deficiency judgment for the amount of the *deficiency without regard to appraisal*.

6. In the event the mortgagor fails to pay any Federal, state, or local tax assessment, income tax or other tax lien, charge, fee, or other expense charged against the property the mortgagee is hereby authorized at his option to pay the same. Any sums so paid by the mortgagee shall be added to and become a part of the principal amount of the indebtedness evidenced by said note, subject to the same terms and conditions. If the mortgagor shall pay and discharge the indebtedness evidenced by said promissory note, and shall pay such sums and shall discharge all taxes and liens and the costs, fees, and expenses of making, enforcing, and executing this mortgage, then this mortgage shall be canceled and surrendered.

7. The covenants herein contained shall bind and the benefits and advantages shall inure to the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

8. No waiver of any covenant herein or of the obligation secured hereby shall at any time thereafter be held to be a waiver of the terms hereof or of the note secured hereby.

9. A judicial decree, order, or judgment holding any provision or portion of this instrument invalid or unenforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this instrument.

10. Any written notice to be issued to the mortgagor pursuant to the provisions of this instrument shall be addressed to the mortgagor at 197 Cahaba Park Circle, Pelham, Alabama 35124 and any written notice to be issued to the mortgagee shall be addressed to the mortgagee at #3 Office Park Circle, Suite 300, Birmingham, Alabama 35223

IN WITNESS WHEREOF, the mortgagor has executed this instrument and the mortgagee has accepted delivery of this instrument as of the day and year aforesaid.

Henry L. Moore
HENRY L. MOORE

Deborah K. Moore
DEBORAH K. MOORE

SQUAW SUPPLY, INC.

By: Deborah K. Moore
Deborah K. Moore (Its President)

Executed and delivered in the presence of the following witnesses:

Attest: Henry L. Moore
Henry L. Moore (Its Secretary)

STATE OF ALABAMA)
JEFFERSON COUNTY) (Add Appropriate Acknowledgment)

I, the undersigned Notary Public, in and for said County, in said State, hereby certify that Deborah K. Moore, whose name as President of SQUAW SUPPLY, INC., a corporation, is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said agreement, she as such officer, and with authority, executed the same voluntarily, as an act of said corporation.

Given under my hand and official seal, this the 30 day of Dec., 1994.

Karen
NOTARY PUBLIC
My Commission Expires: 2/25/98

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Deborah K. Moore and Henry L. Moore, 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 official seal, this the 30 day of Dec., 1994.

Karen
NOTARY PUBLIC
My Commission Expires: 2/25/98

MORTGAGE

MOORE, Henry L. and
MOORE, Deborah K. and
SQUAW SUPPLY, INC.

TO

ALABAMA COMMUNITY
DEVELOPMENT CORPORATION

RECORDING DATA

RETURN TO: & Prepared By:

Name ... Karen F. Bean
Engel Hairston & Johanson
Address . P.O. Box 370027
Birmingham, Alabama 35237

EXHIBIT "A"

TO

MORTGAGE
ASSIGNMENT OF LEASE
ASSIGNMENT OF LEASE AND RENTS
HAZARDOUS SUBSTANCE INDEMNIFICATION AND WARRANTY AGREEMENT

BORROWER: Deborah K. Moore and Henry L. Moore, each
individually and Squaw Supply, Inc.

LENDER: Alabama Community Development Corporation

Part of Block 1 of Cahaba Valley Park North as recorded in Map Book 13, page 140, in the Office of the Judge of Probate of Shelby County, Alabama, situated in Section 31, Township 19 South, Range 2 West, and being more particularly described as follows:

Commence at the centerline point of curve station 28 + 99.46 of Cahaba Valley Parkway; thence turn an angle to the left of 90 deg. 00 min. 00 sec. and run Southerly for 30.00 feet to the South right of way line of said Cahaba Valley Parkway; thence 90 deg. 00 min. 00 sec. right to become tangent to a curve to the right, said curve having a radius of 189.32 feet and subtending a central angle of 26 deg. 42 min. 29 sec.; thence run Northwesterly along the arc of said curve and along said right of way line for 88.25 feet to the end of said curve and to the point of beginning of the property herein described, said point also being the Northwest corner of the D.L. Acton site; thence from the tangent of said curve turn 116 deg. 42 min. 29 sec. left and run South along the West property line of said D.L. Acton Site for 245.23 feet to the Southwest corner of said D.L. Acton Site; thence 90 deg. 00 min. 00 sec. right and run West along the South line of said Block 1 for 300.00 feet; thence 132 deg. 54 min. 12 sec. right and run Northeasterly for 376.35 feet to a point on the Southerly right of way line of said Cahaba Valley Parkway; thence 90 deg. 00 min. 00 sec. right to become tangent to a curve to the left, said curve having a radius of 189.32 feet and subtending a central angle of 16 deg. 11 min. 42 sec.; thence run Southeasterly along the arc of said curve and along said right of way line for 53.51 feet to the point of beginning; being situated in Shelby County, Alabama.

STATE OF ALABAMA
COUNTY OF SHELBY

ASSIGNMENT OF LEASE AND RENTS BY LESSOR

KNOW ALL MEN BY THESE PRESENTS that DEBORAH K. MOORE and HENRY L. MOORE (hereinafter called the Assignor), in consideration of ONE AND NO/100 DOLLAR (\$1.00) paid by ALABAMA COMMUNITY DEVELOPMENT CORPORATION (hereinafter called Assignee) and to induce the Assignee to make a loan to Assignor does hereby assign unto the Assignee the following leases;

- (1) Lease (hereinafter "Lease Agreement") between Assignor as Lessor and SQUAW SUPPLY, INC., as Lessee, on the property described on Exhibit "A" attached hereto and incorporated herein by this reference.
- (2) Any and all other leases, be they verbal or written, by and between Assignor as Lessor and any individual or entity as Lessee on or concerning the property described on Exhibit "A" attached hereto and incorporated herein by this reference.

Together with any and all options to purchase, modifications, extensions, and renewals thereof and together with all rights to the possession thereof.

Also, together with any and all other leases now existing or hereafter made during the term of this Assignment for the whole or any part of the above-described leased premises, and any modification, extension or renewal thereof.

1. **RENTAL PAYMENTS.** It is expressly understood and agreed by the Assignor and the Assignee hereof that said Assignor reserves and is entitled to the possession of said leased premises and to retain, use, and enjoy the same unless and until the Assignor defaults in the performance of the terms and conditions of its agreements to the Assignee.

In the Event of Default by the Assignor in the performance of any of the terms and conditions of said Agreement with the Assignee, or this Assignment, the Assignor hereby authorizes the Assignee, at its option, to enter and take possession of the leased premises and to exercise all of the rights and privileges of the Assignor under the terms of the lease assigned. If the Assignee shall exercise such option and the Assignor shall thereafter remedy such default, of which fact

judgment of the Assignee shall be conclusive, the Assignor and Assignee shall be restored to their respective rights and estates as if no default had occurred. Said option may be exercised by said Assignee as often as any such default occurs, and a failure to exercise said option shall not impair the future rights of the Assignee hereunder. Upon payment in full of all indebtedness secured hereby, as evidenced by the records of the Assignee, the assignment shall be null, void, and of no effect.

2. **WARRANTY.** Assignor warrants that title to all property subject to the Lease Agreement is in Assignor; that Assignor is the lawful owner of the entire Lessor's interest in the Lease Agreement; that the Lease Agreement is genuine; that Lessee has full capacity to contract; that Assignor has the right to make this Assignment; that full title and right to receive all rents and other sums due or to become due under the Lease Agreements are vested in Assignee by this Assignment; that no rentals payments have been made nor will be made thirty (30) days prior to the date such payments are due under the Lease Agreement; and that the rental property and rental payments and other sums are free from liens, encumbrances, claims, and set-offs of every kind whatsoever, and that, as of the date of this Assignment, the Lease Agreement is not in default.

3. **POWER OF ATTORNEY.** Assignor appoints Assignee its true, lawful, and irrevocable attorney to demand, receive, and enforce payment, to give receipts, releases, and satisfactions, and to sue, either in the name of Assignor or in the name of Assignee, for all rents and sums payable under the Lease Agreement.

4. **CONSENT.** Assignor consents that, without further notice and without releasing the liability of Assignor, Assignee may, at Assignee's discretion, give grace or indulgence in the collection of all rents and sums due or to become due under the Lease Agreement and grant extensions of time for the payment of the same before, at, or after maturity.

5. **OBLIGATIONS OF ASSIGNOR.** Assignee does not assume any of the Lessor's obligations under the Lease Agreement, and Assignor agrees: (a) to keep and perform all obligations of the Lessor under the Lease Agreement and to save Assignee harmless from the consequences of any failure to do so; and (b) to preserve the property subject to the Lease Agreement free and clear of liens and encumbrances, except to or with the consent of Assignee.

6. **NOTICE OF ASSIGNMENT AND PAYMENTS AFTER NOTICE OR DEFAULT.** Assignor agrees that Assignor will not assign any other interest in the Lease or Lease Agreement; that notice of this Assignment may be given to at any time at Assignee's option; and that upon such notice or a default hereunder, all payment under the Lease Agreement shall be made to Assignee, and if any are made to

Assignor, Assignor will hold such payment in trust for Assignee and promptly transmit such payment to Assignee in the same form as it is received by Assignor except that Assignor will endorse instruments which are payable to Assignor.

7. DURATION. This Assignment is irrevocable and shall remain in full force and effect until and unless there is payment in full of all obligations secured by it or it is released by Assignee.

WITNESS its hand and seal this 30 day of Dec., 1994.

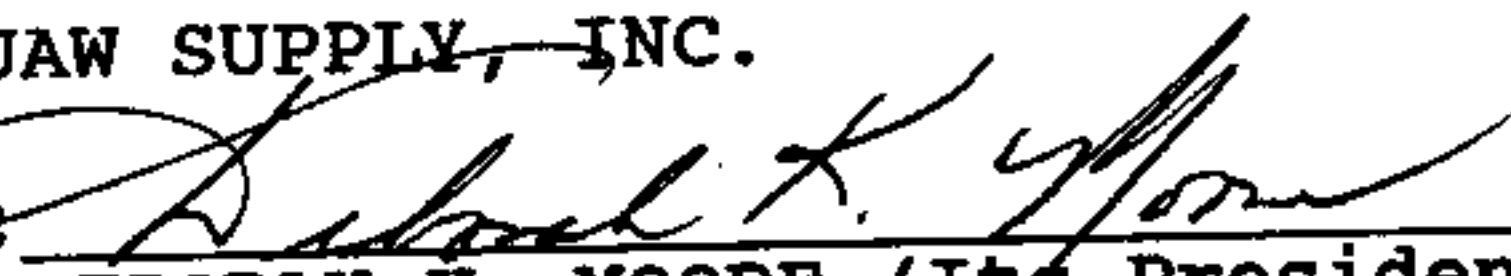

DEBORAH K. MOORE


HENRY L. MOORE

ACKNOWLEDGED AND AGREED TO
BY LESSEE:

SQUAW SUPPLY, INC.

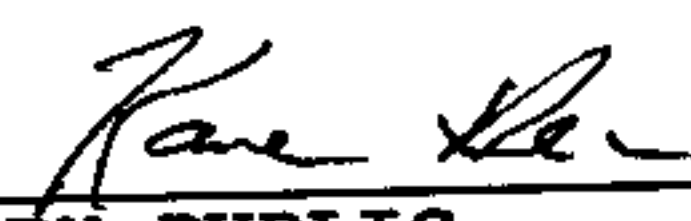
BY:


DEBORAH K. MOORE (Its President)

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that DEBORAH K. MOORE and HENRY L. MOORE, 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 official seal, this the 30 day of Dec., 1994.


NOTARY PUBLIC

My Commission Expires: 2/25/97

THIS INSTRUMENT PREPARED BY:

Karen F. Bean
ENGEL, HAIRSTON & JOHANSON, P.C.
P.O. Box 370027
Birmingham, Alabama 35237
(205) 328-4600

EXHIBIT "A"

TO

MORTGAGE
ASSIGNMENT OF LEASE
ASSIGNMENT OF LEASE AND RENTS
HAZARDOUS SUBSTANCE INDEMNIFICATION AND WARRANTY AGREEMENT

BORROWER: Deborah K. Moore and Henry L. Moore, each
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