

STATE OF ALABAMA        )

SHELBY COUNTY            )

MORTGAGE

THIS INDENTURE, made and entered into this 20th day of December, 1994 by and between **Covenant Builders, Inc.** hereinafter referred to as Mortgagor, and **A. T. Scott** hereinafter referred to as Mortgagee.

W I T N E S S E T H:

WHEREAS, **Covenant Builders, Inc.** is justly indebted to the Mortgagee in the principal sum of Thirty-six Thousand Five Hundred and 00/100 Dollars (\$36,500.00) in lawful money of the United States, as evidenced by that certain promissory note bearing even date herewith executed by **Covenant Builders, Inc.** in favor of Mortgagee, and to be repaid, in accordance with the terms and conditions as more fully described in said Promissory Note; and

WHEREAS, **Covenant Builders, Inc.** hereby executes this Mortgage for the purpose of securing the payment of said Promissory Note; and

NOW, THEREFORE, Mortgagor, in consideration of the premises, and to secure the payment of said indebtedness and the compliance with all the stipulations herein contained, has bargained and sold, and does hereby grant, bargain, sell, alien, and convey unto Mortgagee, his successors and assigns, the real estate described as follows, lying and being situated in the County of Shelby, State of Alabama, to-wit:

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DOB MCD 80.75

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*Shane, J. Gibson*

The real property described in Exhibit "A" attached hereto, together with an easement for ingress and egress over and across the real property described in Exhibit "B" attached hereto.

Together with all the rights, privileges, tenements, and appurtenances thereunto belonging or in any wise appertaining, all of which shall be deemed realty and conveyed by this Mortgage.

TO HAVE AND TO HOLD the said premises, and every part thereof, unto the Mortgagee, his successors and assigns forever. And the undersigned covenants with the Mortgagee that the undersigned is lawfully seized in fee simple of said premises and has a good right to sell and convey the same as aforesaid; that the said premises is free of all encumbrances except as noted on Exhibit "A" and the undersigned will warrant and forever defend the title to the same unto the Mortgagee, his successors and assigns against the lawful claims of all persons whomsoever.

And for the purpose of further securing the payment of said indebtedness the Mortgagor hereby agrees to pay all taxes, assessments or other liens taking priority over this mortgage, when imposed legally upon said premises, and should default be made in the payment of same, or any part thereof, said Mortgagee, at his option, may pay the same.

The undersigned agrees that no delay or failure of the Mortgagee to exercise any option to declare the maturity of any debt secured by this Mortgage shall be taken or deemed as a waiver of his right to exercise such option, or to declare such forfeiture,

either as to any past or present default, and it is further agreed that no terms or conditions contained in this mortgage can be waived, altered or changed except as evidenced in writing, signed by the undersigned, and by the Mortgagee.

After any default on the part of the Mortgagor, the Mortgagee shall, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this mortgage, be entitled, as a matter of right, to the appointment by any competent court or tribunal, without notice to any party, of a receiver of the rents, issues and profits of said premises, with power to lease and control the said premises, and with such other powers as may be deemed necessary.

UPON CONDITION, HOWEVER, That if Mortgagor pays said Indebtedness and any renewals or extensions thereof secured by this Mortgage and reimburses said Mortgagee for any amount he may have expended in payment of taxes and insurance or other liens, and interest thereon, and shall do and perform all other acts and things herein agreed to be done, this conveyance to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee under the authority of any of the provisions of this Mortgage, or should said indebtedness hereby secured, and any renewals or extension thereof, or any part thereof, or any interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, then, in any one of said events,

all obligations secured hereby shall at once become due at the option of said Mortgagee, and this mortgage be subject to foreclosure and may be foreclosed as now provided by law in case of past due mortgages; and the Mortgagee shall be authorized to take possession of the premises hereby conveyed, and after giving twenty-one days' notice by publication once a week for three consecutive weeks, of the time, place and terms of sale, by publication in some newspaper published in the County wherein said property is located, to sell the same in front of the Courthouse door of the County wherein said property is located, 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; second, to the payment of any amounts that may have been expended, or that may then be necessary to expend, in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, 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 the Mortgagor further agrees that said Mortgagee, his successors and assigns, may bid at any sale had under the terms of this mortgage, and purchase said property, if the highest bidder therefor; and the Mortgagor further agrees to pay a reasonable attorney's fee to said Mortgagee, his successors and assigns, for

the foreclosure of this mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction, said fee to be a debt hereby secured, and the purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money.

In the event of a sale hereunder, the Mortgagee, or owner of the debt and mortgage, or auctioneer, shall execute to the purchaser for and in the name of the undersigned a good and sufficient deed to the property sold.

Plural or singular words used herein to designate the Mortgagor, shall be construed to refer to the maker or makers of this mortgage, whether one or more persons, or a corporation; and all covenants and agreements herein made by the Mortgagor shall bind the heirs, personal representatives, successors and assigns of the Mortgagor, and every option, right and privilege herein reserved or secured to the Mortgagee, shall inure to the benefit of his successors and assigns.

IN TESTIMONY WHEREOF, the Mortgagor has hereunto set his hand and seal, on this the day of and year first above written.

**MORTGAGOR:**

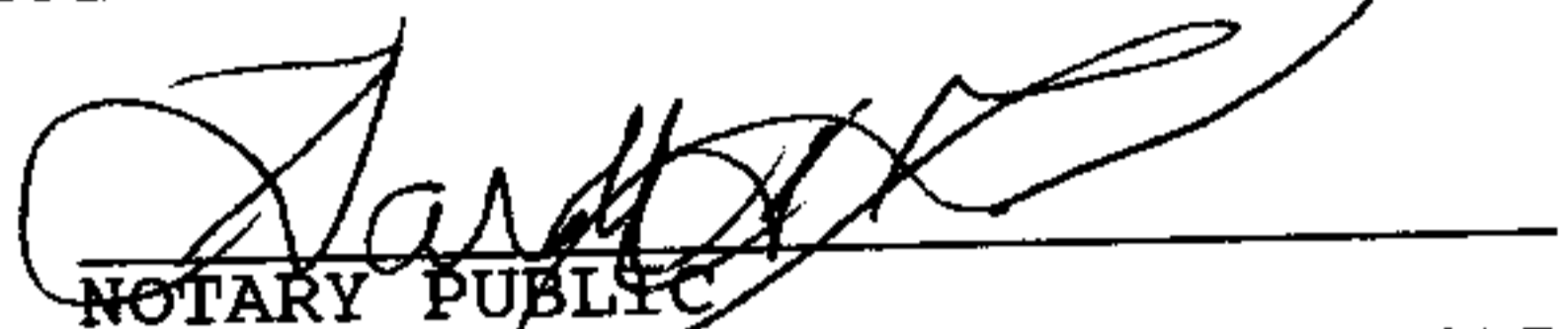
COVENANT BUILDERS, INC.

By: Henry Williams  
Its Pres

STATE OF ALABAMA       )  
JEFFERSON COUNTY       )

I, the undersigned, a Notary Public in and for said County and State, hereby certify that GARY WILKINS whose name as President of Covenant Builders, Inc., is signed to the foregoing Mortgage and who is known to me, acknowledged before me on this day that being duly informed of the contents of said Mortgage, he, in his capacity and with full authority, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 13th day of December, 1994.

  
\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: 8/21/95

[NOTARY SEAL]

This Instrument Was Prepared By:

Harold H. Goings  
Spain, Gillon, Grooms, Blan & Nettles  
2117 Second Avenue North  
Birmingham, Alabama 35203

EXHIBIT "A"

TRACT 17

STATE OF ALABAMA  
SHELBY COUNTY

A tract of land situated in Section 6, Township 19 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Begin at the Southeast Corner of the NE 1/4 of the SE 1/4 of said Section 6 and run in a northerly direction along the East Line thereof for a distance of 147.40 feet; thence turn an angle to the left of 90 degrees 33 minutes 00 seconds and run in a westerly direction for a distance of 225.00 feet; thence turn an angle to the right of 19 degrees 15 minutes 23 seconds and run in a northwesterly direction for a distance of 95.37 feet to a point on the Easterly Right-of-Way Line of a Proposed 50 foot wide road to be known as Bridge Drive; said point being on a curve to the right having a radius of 55.00 feet and a central angle of 41 degrees 52 minutes 13 seconds; thence turn an angle to the left of 105 degrees 29 minutes 59 seconds to the tangent of said curve and run in a southwesterly direction along the arc of said curve and along the Southeasterly Right-of-Way Line of Proposed Bridge Drive for a distance of 40.19 feet; thence turn an angle to the left of 90 degrees 00 minutes 00 seconds from the tangent of said curve and leaving said Southeasterly Right-of-Way Line of Proposed Bridge Drive run in a southeasterly direction for a distance of 200.24 feet, more or less, to a point on the South Line of the NE 1/4 of the SE 1/4; thence turn an angle to the left of 45 degrees 37 minutes 38 seconds and run in an easterly direction for a distance of 190.00 feet, more or less, to the Point of Beginning. Said tract of land contains 40,270.53 square feet.

EXHIBIT "B"

PROPOSED 50' ROAD - BRIDGE DRIVE

STATE OF ALABAMA  
SHELBY COUNTY

A tract of land situated in Section 6, Township 19 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the Southeast Corner of the NE 1/4 of the SE 1/4 of said Section 6 and run in a westerly direction along the South Line thereof for a distance of 2242.52 feet, more or less, to a point on the Southeasterly Right-of-Way Line of Alabama Highway No. 119 (Cahaba Valley Road); thence turn an angle to the right of 120 degrees 08 minutes 00 seconds and run in a northeasterly direction along said Southeasterly Right-of-Way Line for a distance of 34.64 feet to the Point of Beginning of the Proposed 50 foot wide road herein described; thence continue along last described course for a distance of 138.75 feet to a point on a curve to the left having a radius of 35.00 feet and a central angle of 120 degrees 08 minutes 00 seconds; thence leaving the Southeasterly Right-of-Way of Alabama Highway No. 119 turn 180 degrees 00 minutes 00 seconds to the tangent of said curve and run in a southeasterly direction along the arc of said curve for a distance of 73.39 feet to the end of said curve; thence run in an easterly direction tangent to the end of said curve for a distance of 1553.45 to the beginning of a curve to the left having a radius of 200.00 feet and a central angle of 45 degrees 00 minutes 00 seconds; thence run in a northeasterly direction along the arc of said curve for a distance of 157.08 feet to the end of said curve and the beginning of a curve to the left having a radius of 25.00 feet and a central angle of 51 degrees 19 minutes 04 seconds; thence run in a northeasterly to northerly direction along the arc of said curve for a distance of 22.39 feet to the end of said curve and the beginning of a curve to the right having a radius of 55.00 feet and a central angle of 282 degrees 38 minutes 08 seconds; thence run in a northeasterly to southwesterly direction along the arc of said curve for a distance of 271.31 feet to the end of said curve and the beginning of a curve to the left having a radius of 25.00 feet and a central angle of 51 degrees 19 minutes 04 seconds; thence run in a southwesterly direction along the arc of said curve for a distance of 22.39 feet to end of said curve and the beginning of a curve to the right having a radius of 250.00 feet and a central angle of 45 degrees 00 minutes 00 seconds; thence run in a southwesterly direction along the arc of said curve for a distance of 196.35 feet to the end of said curve; thence run in a westerly direction tangent to the end of said curve for a distance of 1623.11 feet to the beginning of a curve to the left having a radius of 35.00 feet and a central angle of 59 degrees 52 minutes 00 seconds; thence run in a southwesterly direction along the arc of said curve for a distance of 38.57 feet, more or less, to the Point of Beginning. Said road contains 101,205.57 square feet.

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