

This instrument was prepared by

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Form 1-1-22 Rev. 1-66

MORTGAGE-LAWYERS TITLE INSURANCE CORPORATION, Birmingham, Alabama

STATE OF ALABAMA

COUNTY OF SHELBY

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

Stewart Gragg, a single man

(hereinafter called "Mortgagors", whether one or more) are justly indebted, to

Jeff D. Falkner, Jr.

(hereinafter called "Mortgagee", whether one or more), in the sum

of Fifty-Two Thousand and no/100-----Dollars (\$ 52,000.00-->, evidenced by a real estate mortgage note of even date.

Inst # 1995-03809

02/10/1995-03809  
03:59 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
002 HCD 89.00

And Whereas, Mortgagors agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagors,

Stewart Gragg, a single man

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate, situated in Shelby County, State of Alabama, to-wit:

Lots 13 and 14, according to the unrecorded map of Paradise Point Marina, Lease Lots, being more particularly described as follows:  
Commence at the NE corner of the SE 1/4 of SW 1/4, Section 36, Township 21 South, Range 1 East, Shelby County, Alabama, and run South along the East line of said 1/4-1/4 Section a distance of 375 feet to a point; thence turn right and run West a distance of 175 feet to the point of beginning; thence continue West a distance of 153 feet to the SW corner of said Lot 14; thence run in a Northeasterly direction a distance of 224 feet to the NW corner of said Lot 13; thence run East along the North line of said Lot 13 a distance of 125 feet to the NE corner of same, being a point on the West line of Lot 10 of said unrecorded map; thence run South along the West lines of Lots 10, 9, and 8, a distance of 220 feet, more or less, to the point of beginning.

This is a wrap around mortgage. There are existing first and seconds mortgages from Jeff D. Falkner to First National Bank of Columbiana, recorded in Real Record 372, Page 726, and Instrument #1992-27413, in the Probate Office of Shelby County, Alabama. The mortgagee herein, Jeff D. Falkner, Jr., is responsible for making all payments under the first and seconds mortgages to First National Bank of Columbiana. In the event the first and second mortgage becomes delinquent, mortgagors herein have the right to make the first and second mortgage payments directly to First National Bank of Columbiana and receive credit for the amount of said payment toward the mortgage payment due under the promissory note of even date herewith, secured by this wrap-around mortgage. In the event the first mortgage is called or foreclosure proceedings are initiated by First National Bank of Columbiana, mortgagors herein have the right to pay, redeem or take any other action in said first and second mortgages and shall receive full credit on this mortgage for the amount of payments made and any necessary and/or reasonable expenses incurred.

Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

To Have And To Hold the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee; as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee, or assigns, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagees may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee or assigns, or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or 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 said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty-one days' notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the 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 it may then be necessary to expend, in paying insurance, taxes, or other incumbrances, with interest thereon; Third, to the payment of said indebtedness 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 said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned

Stewart Gragg, a single man

have hereunto set his signature and seal, this

8th day of February, 1995.

Stewart Gragg (SEAL) (SEAL) (SEAL) (SEAL)

THE STATE of ALABAMA SHELBY COUNTY

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Stewart Gragg, a single man

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

Given under my hand and official seal this 8th day of February, 1995.

Notary Public (Signature)

THE STATE of COUNTY

I, a Notary Public in and for said County, in said State, hereby certify that

whose name as of a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me, on this day that, being informed of the contents of such 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 and official seal, this the day of, 19

Notary Public

Return to:

TO

MORTGAGE DEED

Inst # 1995-03809

02/10/1995-03809 03:59 PM CERTIFIED SHELBY COUNTY JUDGE OF PROBATE 002 MCD 69.00

THIS FORM FROM Lawyers Title Insurance Corporation Title Guarantee Division TITLE INSURANCE - ABSTRACTS Birmingham, Alabama