

This instrument was prepared by

(Name) Wallace, Ellis, Fowler & Head

(Address) Columbiana, AL 35051

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,

Richard S. Schencker, Steven Schencker, and S & S Development, Inc.

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

Harry W. Pearce and Frank T. Pearce

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

of SEVENTY-FIVE THOUSAND AND NO/100

Dollars

(\$ 75,000.00), evidenced by one promissory note of this date in the amount of \$75,000.00, together with interest upon the unpaid portion thereof from date at the rate of nine percent (9%) per annum, payable in monthly installments of interest after date, commencing March 1, 1996, with one-half of the principal due in full on or before one year from date, and the balance due and payable on or before two years from date.

Inst # 1996-03291

01/31/1996-03291
01:52 PM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE

002 HCD 123.50

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,

Richard S. Schencker, Steven Schencker, and S & S Development, Inc.

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:

A tract of land situated in the NW 1/4 of the NE 1/4 of Section 20, Township 19 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the NE corner of the NW 1/4 of the NE 1/4 of Section 20, Township 19 South, Range 1 West and run West along the North boundary of said 1/4 1/4 Section line 350.00 feet to the point of beginning; thence continue along the last described course 383.84 feet to a point on the Easterly right of way line of State Highway No. 280 (as found monumented); thence along said Easterly right of way line the next (3) courses; turn left 76 degrees 03 minutes 40 seconds and run 26.54 feet; thence turn left 45 degrees 16 minutes 55 seconds and run 500.00 feet; thence turn left 30 degrees 56 minutes 05 seconds and run 113.46 feet to a point on the Northerly right of way line of an unnamed public road; thence turn left 59 degrees 02 minutes 40 seconds and run along said Northerly right of way line 36.53 feet; thence turn left 58 degrees 51 minutes 13 seconds and run 486.59 feet to the point of beginning.

According to survey dated December 29, 1995 of Thomas L. Douglas, Registration No. 5344.

MINERALS AND MINING RIGHTS EXCEPTED.

SUBJECT TO THE FOLLOWING:

1. Taxes for the year 1996 and subsequent years.
2. Right of way granted to South Central Bell Telephone Company recorded in Volume 324, page 840 and Volume 321, page 610.
3. Right of way granted to Alabama Gas Co. recorded in Real Volume 68, page 116.
4. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto.
5. Right of way granted to the State of Alabama recorded in Volume 296, page 180.

Mortgagors shall have the right to prepay at any time, all or any part of the above indebtedness, without penalty, by paying such amount of prepayment, plus the accrued interest as of such prepayment date.

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

have hereunto set OUR signatureS and seal, this 30 day of Jan., 1996.

(Richard S. Schencker) (SEAL)

(Steven Schencker) (SEAL)

S. & S. DEVELOPMENT, INC. (SEAL)

By its president (SEAL)

THE STATE of ALABAMA
SHELBY COUNTY }

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Richard S. Schencker and Steven Schencker

whose name S 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 they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 30 day of Jan., 1996.
Lance Bonaker Notary Public.

THE STATE of ALABAMA
SHELBY COUNTY }

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Steven Schencker

whose name as president of S & S Development, Inc. 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 30 day of Jan., 1996.
Lance Bonaker, Notary Public

Return to:

TO

MORTGAGE DEED

Inst # 1996-03291

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01:52 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 123.50

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