Inst # 1996-14093

FUTURE ADVANCE MORTGAGE

STATE OF ALABAMA)
COUNTY OF SHELBY)

THIS INDENTURE, made and entered into this the 29th day of April, 1996, by and between Joseph R Molay, Jr. and wife, Rosalie L. Molay, party of the first part, hereinafter referred to as Mortgagor, and First Federal Bank, a Federal Savings Bank, party of the second part, hereinafter referred to as Mortgagee,

WITNESSETH:

WHEREAS, the said Joseph R. Molay, Jr. and wife, Rosalie L. Molay, is justly indebted to the party of the second part in the principal sum of Two Hundred Thousand and no/100ths Dollars as evidenced by note bearing even date herewith, payable on demand, bearing interest as provided in said note. (This is a FUTURE ADVANCE MORTGAGE, and the said $200,000.00 indebtedness shall be advanced by mortgagee to mortgagor in accordance with a construction loan agreement of even date herewith, the terms of which agreement are made a part of this mortgage.) In addition to the said $200,000.00 principal amount with interest, this mortgage shall also secure any and all other additional indebtedness now or hereafter owing by mortgagor to mortgagee.

NOW, THEREFORE, the parties of the first part, in consideration of the premises, and to secure the payment of said indebtedness and the compliance with all the stipulations herein contained, have bargained and sold, and do hereby grant, bargain, sell, alien, and convey unto the party of the second part, its successors and assigns, the following described real estate, lying and being situated in the town of _____, County of Shelby, State of Alabama, to-wit:

Lot 1131, according to the Survey of Brook Highland, 11th Sector, Phase I, an Eddleman Community, as recorded in Map Book 19 page 68, in the Probate Office of Shelby County, Alabama. Mineral and mining rights excepted.

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TOGETHER WITH all buildings materials, equipments, fixtures and fittings of every kind or character now owned or hereafter acquired by the mortgagor for the purpose of or used or useful in connection with the improvements located or to be located on the hereinabove described real estate, whether such materials, equipments, fixtures and fittings are actually located on or adjacent to said real estate or not, and whether in storage or otherwise, wheresoever the same may be located. The personal property herein conveyed and mortgaged shall include, without limitation, all lumber and lumber products, bricks, building stones and building blocks, sand and cement, roofing material, paint, doors, window, hardware, nails, wires and wiring, plumbing and plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building material and equipment of every kind and character used or useful in connection with said improvements, Together with all the rights, privileges, tenements, and appurtenances thereunto belonging or in any wise appertaining, including screen windows and doors, gas, steam, electric and other heating, lighting and cooking apparatus, elevators, ice boxes, plumbing and other fixtures appertaining to the said premises, 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 mortgage, its 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 are free of all encumbrances and the undersigned will warrant and forever defend the title to the same unto the mortgagee, its successors and assigns, against the lawful claims of all persons whomsoever.

And for the purpose of further securing the payment of said indebtedness, the undersigned 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 its option, may pay the same, and to further

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secure said indebtedness first above named, and every portion thereof, the undersigned agree to keep said property continuously insured in such manner and in such companies as may be satisfactory to the mortgagee, for at least $200,000.00 against loss by fire, and against loss by tornado, with loss, if any, payable to said mortgagee, as its interest may appear, and if the undersigned fails to keep said property insured as above specified, then the mortgagee may, at its option, insure said property for its insurable value against loss by fire and tornado, for its own benefit, the proceeds from such insurance, if collected to be credited on the indebtedness secured by this mortgage, less cost of collecting same, or, at the election of the mortgagee, may be used in repairing or reconstruction the premises; all amounts so expended by said mortgagee for insurance, or for the payment of taxes, assessments, or any other prior liens, shall become a debt due and at once payable, without demand upon or notice to any person, to said mortgagee, additional to the indebtedness hereby specially secured, and shall be secured by the lien of this mortgage, and shall bear interest from date of payment by said mortgagee, and at the election of the mortgagee, and without notice to any person, the mortgagee may declare the entire indebtedness secured by this mortgage due and payable, and this mortgage subject to foreclosure, and same may be foreclosed, as hereinafter provided,

The undersigned agrees to take good care of the premises above described, and not to commit or permit any waste thereon, and to keep the same repaired, and at all times to maintain the same in as good condition as they now are, reasonable wear and tear alone excepted.

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 its 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, by an officer thereof.

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, which power to lease and control the said premises, and with such other powers as may be deemed necessary.

UPON CONDITION, HOWEVER, That if the mortgagor pays said note and any renewals or extensions thereof, and all other indebtedness secured by this mortgage, and reimburses said mortgagee for any amount it may have expended in payment of taxes and insurance or other lines, 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 extensions 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 thereof, so as to endanger the debt hereby secured, or should any law, either Federal or State, be passed imposing or authorizing the imposition of any specific tax upon this mortgage or the debt hereby secured, or permitting or authorizing the deduction of any such tax from the principal or interest secured by this mortgage, or by virtue of which any tax or assessment upon the mortgaged premises shall be chargeable against the owner of said mortgage, or should at any time any of the stipulations contained in this mortgage be declared invalid or inoperative by any court of competent jurisdiction, then, in any one of said events, the whole of the indebtedness hereby secured, or any portion or part of same as may not at said date have been paid, with interest thereof, shall at once become due and payable 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 day's 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

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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 thereof; third, to the payment in full of the principal indebtedness and interest thereof, 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.

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And the undersigned further agrees that said mortgagee, its successors, or assigns, may bid at any sale had under the terms of this mortgage, and purchase said property, if the highest bidder therefor, and the undersigned further agree to pay a reasonable attorney's fee to said mortgagee, its successors or 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 part of the 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.

The undersigned agrees that the debt hereby secured shall at once become due and payable and this mortgage subject to foreclosure as herein provided, at the option of the holder hereof, when and if any statement of lien is filed under the statutes of Alabama relating to the liens of mechanics and materialmen, without regard to form and contents of such statement, and without regard to the existence or non-existence of the debt, or any part thereof, or of the lien, on which such statement is based.

Plural or singular words used herein to designate the undersigned, the party of the first part, 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 undersigned shall bind the heirs, personal representatives, successors and assigns of the undersigned, and every option, right and privilege herein reserved or secured to the mortgagee, shall inure to the benefit of its successors and assigns.

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The said indebtedness of $200,000.00 which is secured hereby is being advanced by mortgage to mortgagor in accordance with a construction loan agreement of even date herewith, the terms of which agreement are incorporated as a part hereof. In contract or agreement between mortgagor and mortgagee, such default shall be an event of default entitling the mortgagee herein to foreclose this mortgage in accordance with the terms hereof.

IN WITNESS WHEREOF, Joseph R. Molay, Jr. and wife, Rosalie L. Molay, have hereunto set their signatures on this the 29th day of April, 1996.

Joseph R. Molay, Jr.

Rosalie L. Molay

State of Alabama)
County of Shelby)

I, the undersigned, hereby certify that Joseph R. Molay, Jr. and wife, Rosalie L. Molay whose names are 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 of same bears date.

GIVEN UNDER MY HAND THIS 29TH DAY OF APRIL, 1996.

My Commission Expires: 2-20-99

Notary Public

PEGGY I. MURPHREE
MY COMMISSION EXPIRES
2/20/99