

STATE OF ALABAMA)
COUNTY OF Shelby)

MORTGAGE AND SECURITY AGREEMENT
("Mortgage")

This document is also a financing statement filed as a fixture filing pursuant to Ala. Code § 7-9-402(6) (1975), and should be indexed in the index of financing statements under the names of Mortgagor, as debtor, and Mortgagee, as secured party.

☐ (Check box if applicable) This Mortgage is a "construction mortgage" within the meaning of such term in Ala. Code § 7-9-313(1)(c) (1975) and Ala. Code § 7-9-313(6) (1975).

KNOW ALL MEN BY THESE PRESENTS: That whereas

Robert B. Hughes III and wife, Paula K. Hughes

have become justly indebted to **FIRST ALABAMA BANK**, an Alabama banking corporation, whose address is 100 7th Street South, Post Office Box 1378, Clanton, Al. 35046 (the "Mortgagee"), in the principal sum of Eleven Thousand Five Hundred Dollars no/100 (\$ 11,500.00) Dollars, together with interest thereon, as evidenced by one or more promissory notes, guaranties or other documents delivered to, or letters of credit issued by, Mortgagee;

NOW, THEREFORE, in consideration of the premises and in order to secure the payment of said indebtedness (including any future advances) and any renewal or extensions thereof and any other indebtedness now or hereafter owed by any of the above-named to Mortgagee, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, or otherwise secured or not (except a principal dwelling shall not secure any such other indebtedness incurred for personal, family, or household purposes unless a right of rescission has been given or the transaction is otherwise exempt from federal regulations applicable to consumer credit), and to secure compliance with all of the covenants and stipulations hereinafter contained,

Robert B. Hughes III and wife, Paula K. Hughes

(whether one or more, the "Mortgagor") does hereby grant, bargain, sell and convey unto Mortgagee the real property situated in Shelby County, State of Alabama, that is described below or in an attachment or exhibit hereto:

Lot 29, according to the amended Map of Shoal Creek Highlands, Second Sector, as recorded in Map Book 16, Page 41 in the Probate Office of Shelby County, Alabama. Situated in Shelby County, Alabama.

Paula Hughes and Paula K. Hughes are one and the same person.

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SHELBY COUNTY JUDGE OF PROBATE
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Together with all rents and other revenues thereof and all rights, privileges, easements, tenements, interests, improvements and appurtenances thereunto belonging or in any wise appertaining, including any after-acquired title and easements (collectively, the "Property"), also together with all rights, title and interests now or hereafter owned by Mortgagor in and to all buildings and improvements, mobile homes and other prefabricated structures, windows, doors, heating, lighting, ventilating, air conditioning, refrigerating and cooking apparatus, elevators, plumbing, sprinkling systems, detection devices and other equipment and fixtures now or hereafter attached or appertaining to the Property (collectively, the "Improvements").

TO HAVE AND TO HOLD the same and every part thereof unto Mortgagee, its successors and assigns forever.

And for the consideration aforesaid, and as additional security for all of the indebtedness described above (including any future advances), Mortgagor hereby assigns and transfers to Mortgagee, and grants to Mortgagee a security interest in, all building materials, equipment, fixtures and fittings of every kind or character that improve or are intended to improve the Property, including, without limitation, all lumber, bricks, building blocks, sand, cement, roofing materials, paint, doors, windows, nails, wiring, hardware, plumbing and plumbing fixtures, heating and air conditioning equipment, electrical and gas equipment, piping, decorative fixtures, and in general all building materials, equipment and appliances of every kind and character, wherever located or stored, and whether now owned or hereafter acquired by Mortgagor (collectively, the "Personal Property"); provided, however, that for any consumer credit obligation secured hereby, Mortgagee waives any non-purchase money security interest in "household goods" as defined in federal regulations applicable to unfair or deceptive credit contract provisions and further waives any security interest in "consumer goods" purchased more than twenty (20) days after Mortgagee gives value. The Property, the Improvements and the Personal Property are hereinafter collectively called the "Mortgaged Property."

And for the purpose of further securing the payment of said indebtedness Mortgagor warrants, covenants and agrees with Mortgagee, its successors and assigns as follows:

1. Mortgagor is lawfully seized in fee simple and possessed of the Mortgaged Property and has a good right to convey the same as aforesaid. The Mortgaged Property is free and clear of all encumbrances, easements, and restrictions not herein specifically mentioned. Mortgagor will warrant and forever defend the title to the Mortgaged Property against the claims of all persons whomsoever.

2. Mortgagor shall pay all taxes and assessments upon the Mortgaged Property, as well as all other liens or mortgages taking priority over this Mortgage. If the Mortgaged Property or any part thereof is a unit in a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor's obligations under the declaration or covenants creating or covering the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and any related documents.

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contamination of any property or natural resources arising in connection with Hazardous Materials, irrespective of whether activities were or will be undertaken in compliance with Environmental Laws or other applicable laws, regulations, codes and ordinances. Mortgagor shall not place any underground storage tanks or aboveground storage tanks on the Mortgaged Property without the prior written consent of Mortgagee. Mortgagor covenants and agrees to provide Mortgagee with a copy of any and all correspondence, plans, specifications, reports, filings, and other documents relating to the Mortgaged Property submitted by Mortgagor to any federal or state environmental agency, or any other governmental agency having regulatory control over the Mortgaged Property, and further covenants and agrees to provide Mortgagee with notice and a copy of any and all environmental inspections and test results conducted in, on, or under the Mortgaged Property. Any action taken by Mortgagee pursuant hereto shall be solely for Mortgagee's benefit.

13. All the covenants and agreements of Mortgagor herein contained shall extend to and bind its or their heirs, executors, administrators, successors and assigns, and such covenants and agreements and all options, rights, privileges and powers herein given, granted or secured to Mortgagee shall inure to the benefit of the successors or assigns of Mortgagee. The representations, warranties, covenants, indemnities, and other obligations of Mortgagor contained herein shall survive the satisfaction of this Mortgage and shall remain in full force and effect thereafter. The provisions of this Mortgage and any documents evidencing the indebtedness secured hereby are severable, and the invalidity or enforceability of any provision of this Mortgage or of any of said documents shall not affect the validity and enforceability of the other provisions of this Mortgage or of said documents. The remedies provided to Mortgagee herein are cumulative with the rights and remedies of Mortgagee at law and in equity, and such rights and remedies may be exercised concurrently or consecutively. Time is of the essence with respect to every covenant contained in this Mortgage.

14. This Mortgage is and shall be deemed a security agreement as defined in the Alabama Uniform Commercial Code for purposes of the Personal Property described herein. Mortgagor agrees to execute and deliver on demand such other security agreements, financing statements and other documents as Mortgagee may reasonably request in order to perfect its security interest or to impose the lien hereof more specifically upon any of the Personal Property. On demand, Mortgagor will promptly pay all costs and expenses of filing financing statements, continuation statements, partial releases, and termination statements deemed necessary or appropriate by Mortgagee to establish and maintain the validity, perfection and priority of the security interest of Mortgagee hereby granted, or any modification thereof, and all costs and expenses of any record searches reasonably required by Mortgagee. A copy of this Mortgage may be filed as a financing statement in any public office.

15. The indebtedness hereby secured shall at once become due and payable and this Mortgage subject to foreclosure as herein provided at the option of Mortgagee when and if any statement of lien is filed under the statutes of Alabama relating to liens of mechanics and materialmen, without regard to the form and contents of such statement and without regard to the existence or non-existence of the debt or any part thereof or to the lien on which such statement is based, provided that said statement of lien is not otherwise satisfied by Mortgagor or bonded to the satisfaction of Mortgagee within three (3) business days after the date of filing.

UPON CONDITION, HOWEVER, that if any and all indebtedness hereby secured (which in addition to the principal sum set forth above with interest thereon shall include renewals and extensions thereof and all future advances, payment of taxes and insurance, the satisfaction of prior encumbrances, and any other indebtedness owed to Mortgagee before the satisfaction of this Mortgage) is fully paid as it shall become due and payable, and Mortgagor does and performs all covenants and stipulations by it or them herein agreed to be done according to the tenor and effect hereof, then and in that event only, this conveyance and the security interest herein granted shall be and become null and void.

SHOULD DEFAULT be made in the payment of any indebtedness hereby secured or any renewals or extensions thereof or any part thereof, or should any interest thereon remain unpaid at maturity, or should default be made in the repayment of any sum expended by Mortgagee under the authority of any of the provisions of this Mortgage, or should the interest of Mortgagee in the Mortgaged Property become endangered by reason of the enforcement of any lien or encumbrance thereon, or should a petition to condemn any part of the Mortgaged Property be filed by any authority, person or entity having power of eminent domain, or should any law, either federal or state, be passed imposing or authorizing the imposition of a specific tax upon this Mortgage or the indebtedness 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 Property shall be charged against the owner of this Mortgage, or should at any time any of the stipulations and covenants contained in this Mortgage or in any documents evidencing the indebtedness secured hereby be declared invalid or unenforceable by any court of competent jurisdiction, or should Mortgagor fail to do and perform any other act or thing herein required or agreed to be done, THEN in any of said events the whole of the indebtedness hereby secured, or any portion or part thereof which may at said date not have been paid, with interest thereon, shall at once become due and payable and this Mortgage subject to foreclosure at the option of Mortgagee, notice of the exercise of such option being hereby expressly waived by Mortgagor, and Mortgagee shall have the right to enter upon and take possession of the Property and Improvements and after or without taking such possession to sell the same before the County Court House door considered the front or main door to the County Court House in the county or division of the county where the Property, or any substantial part of the Property, is located, at public outcry for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three successive weeks prior to said sale in some newspaper published in said county; and upon the payment of the purchase price, Mortgagee, or owner of the indebtedness and this Mortgage, or auctioneer at said sale, is authorized to execute to the purchaser for and in the name of Mortgagor a good and sufficient deed to the Property and Improvements, or any part thereof, sold.

Upon the occurrence of any event that would subject this Mortgage to foreclosure, Mortgagee shall have the rights and remedies of a secured party after default by its debtor under the Alabama Uniform Commercial Code, including, without limitation, the right to take possession of any of the Personal Property and to sell the same at one or more public or private sales, at the election of Mortgagee. At Mortgagee's request, Mortgagor agrees to assemble the Personal Property and to make the same available to Mortgagee at such place as Mortgagee shall reasonably designate. Mortgagor agrees that notice of the time and place of any public sale or of the time after which any private sale or other intended disposition of the Personal Property, or of any part thereof, will be held shall be sufficient if delivered to Mortgagor or mailed to Mortgagor at the address set forth herein or such other address as Mortgagor shall have furnished to Mortgagee in writing for the purpose, not less than seven days before the date of such sale or other intended disposition of the Personal Property.

Mortgagee shall apply the proceeds of any sale or sales under this Mortgage as follows: First, to the expense of advertising, selling and conveying (including a reasonable attorney's fee incurred by Mortgagee in connection therewith or in connection with any proceeding whatsoever, whether bankruptcy or otherwise, seeking to enjoin or stay the foreclosure of this Mortgage, or otherwise challenging the right of Mortgagee to foreclose this Mortgage); second, to the payment of any amounts that may have been expended or that may be appropriate to expend in paying insurance, taxes, assessments, and other liens and other mortgages, and in making repairs to the Mortgaged Property or any portion thereof, together with interest thereon; third, to the payment of the indebtedness hereby secured and late charges and interest thereon in such order as Mortgagee may elect, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of sale; and fourth, the balance, if any, to be paid over to Mortgagor or to whomever then appears of record to be the owner of any of Mortgagor's interest in the Mortgaged Property, including without limitation, any subordinate lienholder. Mortgagee may bid and become the purchaser of the Mortgaged Property at any foreclosure sale hereunder. Mortgagor hereby waives any requirement that the Property and Improvements be sold in separate tracts and agrees that Mortgagee, in its sole discretion, may sell the Property and Improvements en masse regardless of the number of parcels hereby conveyed.

IN WITNESS WHEREOF, Mortgagor has hereunto set his, her or their hand(s) and seal(s), or has caused this Mortgage to be executed by its or their duly authorized officer or representative, this 26th day of June, 19 96.

This document was prepared by:

Lisa Winslett/Secretary

First Alabama Bank

Thorsby, Al. 35171

MORTGAGOR:

(Individual)

(Individual)

(Corporate or Other)

By

Its

(SEAL)

(SEAL)

