

AMERICA'S FIRST FEDERAL CREDIT UNION

1200 4th Avenue North
Birmingham, Alabama 35203

NOTICE: THIS MORTGAGE SECURES AN OPEN-END CREDIT PLAN WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE ANNUAL PERCENTAGE RATE INCREASES IN THE ANNUAL PERCENTAGE RATE MAY RESULT IN AN INCREASED FINANCE CHARGE

THIS IS A FUTURE ADVANCE MORTGAGE AND THE PROCEEDS OF THE OPEN-END CREDIT SECURED BY THIS MORTGAGE WILL BE ADVANCED BY THE MORTGAGEE UNDER THE TERMS OF A CREDIT AGREEMENT BETWEEN THE MORTGAGEE AND THE MORTGAGOR (BORROWER) NAMED HEREIN.

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

ADJUSTABLE-RATE LINE OF CREDIT MORTGAGE

Mortgagee: America's First Federal Credit Union Mortgagee's Address: 1200 4th Avenue North, Birmingham, AL 35203
Mortgagor(s): SAMUEL F. NEUGENT AND SHEILA R. NEUGENT, HUSBAND AND WIFE
Credit Limit \$ 30,000.00 Date Mortgage Executed: 09/12/96 Maturity Date: 09/12/11
County where the Property is Situated: SHELBY SEE PAGE III ("SCHEDULE A") FOR LEGAL DESCRIPTION
First Mortgage Recorded In INST 1996 page 03710 First Mortgage was Assigned In N/A page N/A

THIS INDENTURE is made and entered into on the day stated above as "Date Mortgage Executed", by and between the above stated "Mortgagor(s)" (hereinafter called the "Mortgagor", whether one or more) and the above stated "Mortgagee" whose address is stated above as "Mortgagee Address"

Recitals

A THE SECURED LINE OF CREDIT. The "Mortgagor", (whether one or more) is now or may become in the future justly indebted to the Mortgagee in the maximum principal amount as stated above as "Credit Limit". This indebtedness is evidenced by a certain open-end line of credit established by the Mortgagee for the Mortgagor pursuant to an agreement entitled, "Real Estate Equity Line of Credit Agreement", of even date, (the "Credit Agreement"). The Credit Agreement provides for an open-end credit plan pursuant to which the Borrower may borrow and repay, and reborrow and repay, amounts from the Mortgagee up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit.

B RATE AND PAYMENT CHARGES. The Credit Agreement provides for finance charges to be computed on the unpaid balance outstanding from time to time under the Credit Agreement at an adjustable annual percentage rate. The annual percentage rate may be increased or decreased based on changes in an index.

C MATURITY DATE. If not sooner terminated as set forth therein, the Credit Agreement will terminate on the date stated above as the "Maturity Date", and all sums payable thereunder (principal, interest, expenses and charges) shall become due and payable in full.

Agreement

NOW, THEREFORE, in consideration of the premises and to secure the payment of (a) all advances heretofore or from time to time hereafter made by the Mortgagee to the Borrower under the Credit Agreement, or any extension or renewal thereof, up to a maximum principal amount at any one time outstanding not exceeding the Credit Limit; (b) all finance charges payable from time to time on said advances or any part thereof; (c) all other charges, costs and expenses now or hereafter owing by the Borrower to the Mortgagee pursuant to the Credit Agreement, or any extension or renewal thereof; (d) all other indebtedness, obligations and liabilities now or hereafter owing by the Borrower to the Mortgagee under the Credit Agreement, or any extension or renewal thereof; and (e) all advances by the Mortgagee under the terms of this Mortgage (the aggregate amount of all such items described in (a) through (e) above being hereinafter collectively called "Debt") and the compliance with all the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagee, the following described real estate, situated in the county stated above as the county where the property is situated, such county being within the State of Alabama and described in attached Schedule "A" (said real estate being hereinafter called "Real Estate").

TO HAVE AND TO HOLD the real estate unto the Mortgagee, its successor and assigns forever, together with all the improvements now or hereafter erected on the real estate and all easements, rights, privileges, tenements, appurtenances, rents, royalties, mineral, oil and gas rights, water, water rights and water stock and all fixtures now or hereafter attached to the real estate, all of which, including replacements and additions thereto shall be deemed to be and remain a part of the real estate covered by this Mortgage; and all of the foregoing are hereinafter referred to as "Real Estate" and shall be conveyed by this Mortgage.

The Mortgagor covenants with the Mortgagee that the Mortgagor is lawfully seized in fee simple of the Real Estate and has a good right to sell and convey the Real Estate as aforesaid; that the Real Estate is free of all encumbrances, except as stated herein and the Mortgagor will warrant and forever defend the title to the Real Estate unto the Mortgagee against the lawful claims of all persons, except as otherwise herein provided.

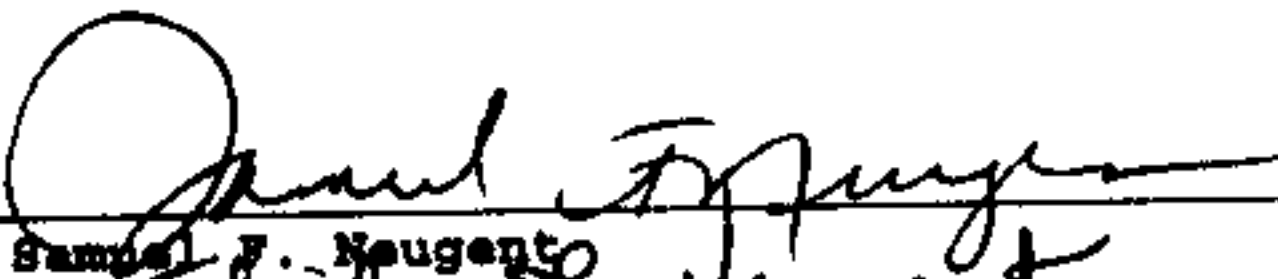
This Mortgage is junior and subordinate to that certain Mortgage if stated above as "First Mortgage". If there is such first mortgage it is recorded in the Probate Office in the County where the property is situated (hereinafter called the "First Mortgage"). It is specifically agreed that in the event default should be made in the payment of principal, interest or any other sums payable under the terms and provisions of the First Mortgage, the Mortgagee shall have the right without notice to anyone, but shall not be obligated, to pay part or all of whatever amounts may be due under the terms of the First Mortgage, and any and all payments so made shall be added to the Debt secured by this Mortgage and the Debt (including all such payments) shall be immediately due and payable, at the option of the Mortgagee, and this Mortgage shall be subject to foreclosure in all respects as provided by law and by the provisions hereof.

The Mortgagor hereby authorizes the holder of any prior mortgage encumbering the Real Estate to disclose to the Mortgagee the following information: (1) the amount of indebtedness secured by such mortgage; (2) the amount of such indebtedness that is unpaid; (3) whether any amount owed on such indebtedness is or has been in arrears; (4) whether there is or has been any default with respect to such mortgage or the indebtedness secured thereby; and (5) any other information regarding such mortgage or the indebtedness secured thereby which the Mortgagee may request from time to time.

CONTINUED ON PAGE II

Mortgagor(s) agree(s) that all of the provisions printed on Page II and Page III are agreed to and accepted by Mortgagor(s) and constitute valid and enforceable provisions of this Mortgage.

IN WITNESS WHEREOF, the undersigned Mortgagor(s) has (have) executed this instrument on the date first written above.


Samuel F. Neugent

(SEAL)


Sheila R. Neugent

(SEAL)

Inst # 1996-30367

(SEAL)

(SEAL)

STATE OF ALABAMA)
COUNTY OF SHELBY)

ACKNOWLEDGEMENT

09/16/1996-30367
08:46 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MCD 14.50

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

SAMUEL F. NEUGENT AND SHEILA R. NEUGENT, HUSBAND AND WIFE

whose name(s) is (are) signed to the foregoing conveyance, and who is (are) known to me, acknowledged before me on this day that, being informed of the contents of said conveyance,

T he Y executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 12TH day of SEPTEMBER 19 96

My commission expires:
04/02/00

NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY: (NAME) Carol J. Jones, America's First Federal Credit Union

(ADDRESS) 1200 4TH Avenue North, Birmingham, Alabama 35203

As further security for the payment of the Debt, the Mortgagor hereby assigns and pledges to the Mortgagee, the following described property rights, claims, rents, profits, issues and revenues

2. All judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Real Estate, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments made for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of the power of eminent domain, shall be paid to the Mortgagee. The Mortgagee is hereby authorized on behalf of and in the name of the Mortgagor to execute and deliver valid acquittances for, or appeal from, any such judgments or awards. The Mortgagee may apply all such sums received, or any part thereof, after the payment of all the Mortgagee's expenses incurred in connection with any proceeding or transaction described in this subparagraph 2, including court costs and attorney's fees, on the Debt in such manner as the Mortgagee elects, or, at the Mortgagee's option, the entire amount or any part thereof so received may be released or may be used to rebuild, repair or restore any or all of the improvements located on the Real Estate.

The Mortgagor agrees to keep the Real Estate and all Improvements located thereon in good repair and further agrees not to commit waste or permit impairment or deterioration of the Real Estate, and at all times to maintain such improvements in as good condition as they are, reasonable wear and tear excepted.

The Mortgagor agrees that no delay or failure of the Mortgagee to exercise any option to declare the Debt due and payable shall be deemed a waiver of the Mortgagee's right to exercise such option, either as to any past or present default, and it is agreed that no terms or conditions contained in this Mortgage may be waived, altered or changed except by a written instrument signed by the Mortgagor and signed on behalf of the Mortgagee by one of its duly authorized representatives.

UPON CONDITION, HOWEVER, that if the Mortgagor (1) ceases to be actually delivered to Mortgagee a writing, signed by each Mortgagor and all other persons who have a right to require the Mortgagee to make advances, incur obligations or otherwise give value, in which it is requested that this Mortgage be satisfied and in which it is agreed that no further request or demand will be made under the Credit

Mortgageor waives all rights of homestead exemption in the Real Estate and relinquishes all rights of curtesy and dower in the Real Estate

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Page III
"SCHEDULE A"

This legal description is to be a part of that mortgage executed by the undersigned mortgagors,
SAMUEL F. NEUGENT AND SHEILA R. NEUGENT, HUSBAND AND WIFE
in favor of America's First Federal Credit Union on the date this same bears date and is hereby incorporated therein.

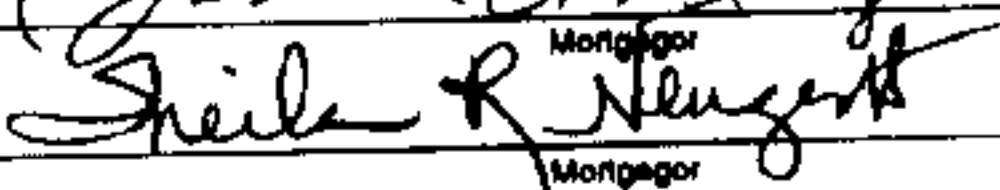
Lot 1, Block 3, according to the Survey of Cedar Cove, Phase I, as recorded in Map Book 9, Page 53 in the Probate Office of Shelby County, Alabama, LESS and EXCEPT that part of Lot 1, Block 3, described in Real Volume 42, Page 875 in Probate Office.

LESS AND EXCEPT a portion of said Lot 1, previously deeded to Lot 2, Block 3, of Cedar Cove, Phase I, being more particularly described as follows: Begin at the most Southeast corner of Lot 2, Block 3, of said Cedar Cove, Phase I; thence run Northwesterly along the Easterly line of said Lot 2 a distance of 370.74 feet to the Easterly right of way line of Cedar Cove Lane (this being the Southwest corner of said Lot 1 and the Northeast corner of said Lot 2), said right of way line being in a curve to the left running Northeasterly having a radius of 110.0 feet and an interior angle of 2 degrees 22 minutes 08 seconds; thence from the last described course turn right 90 degrees 00 minutes to the tangent of said curve and run Northeasterly along said right of way line an arc distance of 4.55 feet; thence from the tangent of the last described curve, turn right 93 degrees 04 minutes 19 seconds and run Southeasterly to the most Southeast corner of said Lots 1 and 2, Block 3, this being the point of beginning.

Inst # 1996-30367

09/16/1996-30367
08:46 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MCD 14.50



Mortgagor


Mortgagor

Date:

9-12-96

Date:

9-12-96

Date:

Date:

Mortgagor

Mortgagor