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Post Office Box 530545
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STATE OF ALABAMA }

SHELBY COUNTY }

MORTGAGE DEED

Inst # 1997-05806

02/24/1997-05806
02:14 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 REC 91.50

KNOW ALL MEN BY THESE PRESENTS: That whereas Janice Bergeron (hereinafter "Mortgagor") has become justly indebted to Richard J. Euler and Richard J. Euler, II, of Birmingham, Alabama, (together with their heirs, personal representatives, successors and assigns, hereinafter called "Mortgagees") in the sum of Forty-seven Thousand and No/100 Dollars (\$47,000.00) together with interest thereon, as evidenced by a promissory note of even date herewith.

NOW, THEREFORE, in consideration of the premises and in order to secure the payment of said indebtedness and any renewals or extensions thereof and the interest thereon, and all other indebtedness (including future advances) now or hereafter owed by the Mortgagor to Mortgagees, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, and otherwise secured or not, and to secure compliance with all the covenants and stipulations hereinafter contained, the undersigned Janice Bergeron does hereby assign, grant, bargain, sell and convey unto Mortgagees the following described real property situated in Shelby County, State of Alabama, to wit:

Lot 2-A, according to a Resurvey of Lots One & Two, Block 80, of Dunstan's Map of Calera, Shelby County, Alabama, as recorded in Map Book 20, page 119 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

Together with all rents and other revenues thereof and all rights, privileges, easements, tenements, interest, improvements and appurtenances thereunto belonging or in anywise appertaining, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by Mortgagor in and to all buildings and improvements, storm and screen windows and doors, gas, steam electric, solar and other heating, lighting, ventilating, air-conditioning, refrigerating and cooking apparatus, elevators, plumbing, sprinkling, smoke, fire and intrusion detection devices, and other equipment and fixtures now or hereafter attached or appertaining to said premises, all of which shall be deemed to be real property and conveyed by this mortgage, and all of which real property, equipment and fixtures are sometimes hereinafter called the "mortgaged property" or the "Property."

TO HAVE AND TO HOLD the same and every part thereof unto Mortgagees, their heirs, personal representatives, successors and assigns forever.

And for the aforesaid consideration, and as additional security for all of the indebtedness described above (including future advances), Mortgagor hereby assigns and transfers to Mortgagees, and grants to Mortgagees a security

assigns and transfers to Mortgagees, and grants to Mortgagees a security interest in, all building materials, household appliances, equipment, fixtures and fittings of every kind or character now owned or hereafter acquired by Mortgagor, or any of them, located, whether permanently or temporarily, on the mortgaged property, and all building materials, household appliances, equipment, fixtures and fittings now owned or hereafter acquired by Mortgagor, or any of them, located or stored on any other real property, which are or shall be purchased by Mortgagor, or any of them, for the purpose, or with the intention, of making improvements on the mortgaged property or to the premises located on said property. The personal property herein transferred includes, without limitation, all lumber, bricks, building stones, building blocks, sand, cement, roofing materials, paint, doors, windows, storm doors, storm windows, nails, wires and wiring, hardware, plumbing and plumbing fixtures, heating and air conditioning equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building materials, equipment and appliances of every kind and character used or useful in connection with improvements to real property.

For the purpose of further securing the payment of said indebtedness Mortgagor warrants, covenants and agrees with Mortgagees, their heirs, personal representatives, successors and assigns, as follows:

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

2. The Mortgagor will pay the acknowledged indebtedness according to the terms provided, and understands and agrees that the character and nature of this mortgage instrument are that of a "wraparound" mortgage, and if the Mortgagor pays to the Mortgagees the full amount of the indebtedness evidenced by the above-mentioned mortgage note dated the 19th day of February, 1997, in the principal sum of \$47,000.00, together with all accrued interest as specified, and performs, complies with, and abides by all of the conditions, agreements, and covenants specified in such note and in this mortgage as well, then this mortgage instrument shall cease, terminate, and become null and void.

3. The mortgaged property is subject to the lien of the following described mortgage (the "senior mortgage"):

(a) That certain mortgage, dated December 31, 1993 from Richard J. Euler and Richard J. Euler, II to Central State Bank, filed for record December 9, 1994, recorded in Instrument 1994-41 and corrected in Instrument 1994-36254 in the Probate Office of Shelby County, Alabama, which mortgage had an outstanding balance of \$31,194.38 attributable to the mortgage property as of February 18, 1997.

4. The Mortgagor agrees to adhere to, and fully comply with, any and all of the terms, conditions, agreements, and provisions of the senior mortgage, except as to the requirement of making payments of principal and interest on it, and upon compliance with all such terms, conditions, agreements and provisions by the Mortgagor, the Mortgagees agree to pay the installments of principal and interest due under the senior mortgage from time to time as they come due, and in accordance with the terms of such mortgage. Nothing in this mortgage shall require, or be held to require, the holder of the note secured by this instrument to perform any of the terms or provisions of this mortgage which are required to be performed or accomplished by the Mortgagor, except the payment of installments of principal and interest on the senior mortgage, and even then only in accordance with the terms, conditions, agreements and provisions of this mortgage.

5. Notwithstanding provisions to the contrary which may be contained in the aforementioned senior mortgage, the Mortgagor agrees to keep the senior mortgage in full force and effect for its entire term. Also, the Mortgagor further agrees that in the event of any default in the terms, conditions, agreements or provisions of the senior mortgage caused by the Mortgagor, such default shall also constitute and be considered a default under the terms, conditions, agreements and provisions of this mortgage.

6. The Mortgagor grants, transfers, and assigns unto the Mortgagees the entirety of the rents, profits, and issues of the subject premises after this mortgage accruing and becoming due as further security for the payment of the acknowledged indebtedness, and the Mortgagor also grants the Mortgagees the right to enter upon and/or take possession of the mortgaged premises for the purpose of collecting the rents, profits, or issues, and to let the premises or any portion of the same, applying sums received as a result of such letting (after payment of all necessary charges and expenses) toward the account of the indebtedness. This assignment and grant shall remain in full force and effect until this instrument is paid and satisfied in full and constitutes a material part of the consideration for the loan secured by this mortgage.

7. The Mortgagees hereby waive the right to enter upon the mortgaged premises and collect rents, issues, and profits until such time as the Mortgagor defaults in the performance of any of the terms, conditions, agreements, or provisions contained in this instrument. Until such time as the Mortgagor defaults, the Mortgagor maintains the right to collect the above-mentioned rents, issues, and profits, and agrees to use and apply such sums in payment of the installments of principal and interest coming due under this mortgage, as well as in payment of any taxes, charges, or assessments levied upon the subject premises when they become due and payable. Such right of the Mortgagor may be revoked by the Mortgagees, in their sole discretion, upon 3 days written notice properly served but, in any event and without notice of any kind, such right is automatically and immediately revoked upon a default under the note secured hereby or this mortgage.

8. The Mortgagor agrees to pay any and all taxes, charges, or assessments levied upon the mortgaged premises when and as they come due or arise, and in the event of the Mortgagor's default in such payments, the Mortgagees may, in addition to all other remedies set out herein, satisfy and discharge the same and seek reimbursement from the Mortgagor.

9. The Mortgagor agrees to pay any and all costs, charges, or expenses, including reasonable attorney's fees,

which are incurred or paid by the Mortgagees at any time due to the failure of the Mortgagor to perform, adhere to, or comply with, the terms, conditions, agreements, or provisions of the abovementioned mortgage note and/or of this mortgage. If any action or proceeding is commenced to which the Mortgagees are made a party, or in which it becomes necessary and appropriate for the Mortgagees to uphold or defend the rights provided by this mortgage, the Mortgagor agrees to reimburse any and all sums paid, or required to be paid, by the Mortgagees in prosecuting or defending the rights created in this mortgage or by law. Such sums expended by the Mortgagees shall be reimbursable by the Mortgagor in full, including interest computed at the rate of 10.5% per annum, and the interest on such sums shall constitute and be deemed a lien on the mortgaged premises, with priority over any right, title to, interest in, or claim upon, the mortgaged premises which has attached to, or accrued upon, the premises subsequent to the lien of this mortgage, and such sums shall be deemed secured by this instrument.

10. In the event that default under the terms, conditions, agreements, or provisions of this instrument should occur due to any action or inaction of the Mortgagor, then in addition to any rights or remedies otherwise available to the Mortgagees, the Mortgagees may, but are not required or obligated to, make any payments or perform any acts required of the Mortgagor, in any manner or form which is convenient or expedient. Any inaction on the part of the Mortgagees shall not be viewed as, and shall not be held to constitute, a waiver of any right or rights accruing in the Mortgagees as a result of any default on the part of the Mortgagor.

11. That Mortgagor will pay all taxes, assessments, or other liens taking priority over this mortgage when imposed upon the mortgaged property, and should default be made in the payment of the same, or any part thereof, Mortgagees may pay the same (but Mortgagees are not obligated to do so). 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 constituent documents. Should Mortgagor default in any of such obligations, Mortgagees may perform Mortgagor's obligations (but Mortgagees are not obligated to do so).

12. That Mortgagor will keep the buildings on the mortgaged property continuously insured in such amounts, in such manner and with such companies as may be satisfactory to Mortgagees against loss by fire (including so-called extended coverage), wind and such other hazards (including flood and water damage) as Mortgagees may specify from time to time, with loss, if any payable to Mortgagees, and will deposit with Mortgagees policies of such insurance or, at Mortgagees' election, certificate thereof, and will pay the premiums therefor as paid for by Mortgagor or through an existing policy. Mortgagees may, for reasonable cause refuse to accept any policy of insurance obtained by Mortgagor. Mortgagor shall give immediate notice in writing to Mortgagees of any loss or damage to the mortgaged property from any cause whatever. If Mortgagor fails to keep said property insured as above specified, Mortgagees may insure said property (but Mortgagees are not obligated to do so) for its insurable value against loss by fire, wind and other hazards for the benefit of Mortgagor and Mortgagees, or for the benefit of Mortgagees alone, at Mortgagees' election. The proceeds of such insurance shall be paid by the insurer to Mortgagees, which is hereby granted full power to settle and compromise claims under all policies, to endorse in the name of Mortgagor any check or draft representing the proceeds of any such insurance, and to demand, receive and give receipt for all sums becoming due thereunder. Said insurance proceeds, if collected, may be credited on the indebtedness secured by this mortgage, less costs of collection, thereunder. Said insurance proceeds, if collected, may be credited on the indebtedness secured by this mortgage, less costs of collection, or may be used in repairing or reconstructing the premises on the mortgaged property, at Mortgagees' election. Any application of the insurance proceeds to repairing or reconstructing premises on the mortgaged property shall not extend or postpone the due date of any installment payments of the indebtedness hereby secured or reduce the amount of such installments.

13. That commencing upon written request by Mortgagees and continuing until the indebtedness secured hereby is paid in full, Mortgagor will pay to Mortgagees concurrently with, and on the due dates of, payments on the indebtedness hereby secured a sum equal to the ground rents, if any, next due on the mortgaged property, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus water rents, fire district charges, taxes and assessments next due on the mortgaged property (all as estimated by Mortgagees), less any sums already paid to Mortgagees therefor, divided by the number of months or other payment periods to elapse before one month or payment period prior to the date when such ground rents, premiums, water rents, fire district charges, taxes and assessments will become due, such sums to be held by Mortgagees in trust, to pay said ground rents, premiums, water rents, fire district charges, taxes and assessments. All payments mentioned in the preceding sentence and the payments to be made on the indebtedness secured hereby shall be added together and the aggregate amount thereof shall be paid by Mortgagor each month or other payment period in a single payment to be applied by Mortgagees to the following items in the order set forth: (a) ground rents, taxes, water rents, fire district charges, assessments, fire and other hazard insurance premiums; (b) interest on the indebtedness secured hereby; and (c) the balance, if any, shall be applied toward the payment of the sum hereby secured. Any deficiency in the amount of such aggregate monthly or other periodic payments shall constitute a default under this mortgage. Any excess funds accumulated under this paragraph after payment of the items herein mentioned shall be credited in calculating the monthly or other periodic payments of the same nature required hereunder in the subsequent year; but if the actual amount of any such item shall exceed the estimate therefor, Mortgagor shall without demand forthwith make good the deficiency. Failure by Mortgagor to do so before the due date of such item shall be a default hereunder. If the mortgaged property is sold under foreclosure or is otherwise acquired by Mortgagees after default, any remaining balance of the accumulations under this paragraph shall be credited to the principal of the secured indebtedness as of the date of the foreclosure sale or as of the date the property is otherwise acquired.

14. That Mortgagor will take good care of the mortgaged property and the personal property described above and will not commit or permit any waste thereon or thereof, and they will keep the same repaired and at all times will maintain the same in as good condition as it now is, reasonable wear and tear alone excepted. If Mortgagor fails to make repairs to the mortgaged property, Mortgagees may make such repairs at Mortgagor's expense (but Mortgagees are not obligated to do so). Mortgagees, their agents and employees, may enter the mortgaged property and any improvements thereon at any reasonable time for the purpose of inspection or repairing such improvements.

15. That all amounts expended by Mortgagees for insurance or for the payment of taxes or assessments or to discharge liens on the mortgaged property or other obligations of Mortgagor or to make repairs to the mortgaged property or any improvement thereon shall become a debt due Mortgagees, shall be payable at once without demand upon or notice to any person, shall bear interest at the rate of interest payable on the principal sum of the note described above, or if no such rate of interest is specified in the note or if the rate specified would be unlawful, at the rate of 8% per annum from the date of payment by Mortgagees, and such debt and the interest thereon shall be secured by this mortgage. Upon failure of Mortgagor to reimburse Mortgagees for all amounts so expended, at the election of Mortgagees and with or without notice to any person, Mortgagees may declare the entire indebtedness secured by this mortgage due and payable and may foreclose this mortgage as hereinafter provided or as provided by law.

16. That no delay or failure of Mortgagees to exercise any option to declare the maturity of any debt secured by this mortgage shall be taken or deemed as a waiver of the right to exercise such option or to declare such forfeiture either as to past or present defaults on the part of Mortgagor, and that the procurement of insurance or payment of taxes or other liens or assessments or obligations by Mortgagees shall not be taken or deemed as a waiver

of the right to accelerate the maturity of the indebtedness hereby secured by reason of the failure of Mortgagor to procure such insurance or to pay such taxes, liens, assessments or obligations, it being agreed by Mortgagor that no terms or conditions contained in this mortgage can be waived, altered or changed except by a writing signed by Mortgagees.

17. That Mortgagor, who is obligated to pay the indebtedness hereby secured, will well and truly pay and discharge such indebtedness as it shall become due and payable, including the note or notes described above, any renewals or extensions thereof, and any other notes or obligations of such Mortgagor to Mortgagees, whether now or hereafter incurred.

18. That if default shall be made in the payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions of this mortgage, Mortgagees may proceed to collect the rent, income and profits from the mortgaged property, either with or without the appointment of a receiver (to which appointment Mortgagor hereby consent) and Mortgagees may notify the lessees or other payors thereof to make payments directly to Mortgagees. Any rents, income and profits collected by Mortgagees prior to foreclosure of this mortgage, less the costs of collecting the same, including any real estate or property management commissions and attorney's fees incurred, shall be credited first to advances made by Mortgagees and the interest thereon, then to interest due on the indebtedness hereby secured, and the remainder, if any, shall be applied toward the payment of the principal sum hereby secured.

19. That (a) if possession of the mortgaged property is allowed to remain in any other person or entity to the exclusion of Mortgagor for a period of one year or more, or (b) if all or any part of the mortgaged property or any interest therein is sold, assigned, transferred or conveyed by Mortgagor, or any of them, without Mortgagees' prior written consent, excluding only (i) the creation of a lien or encumbrance expressly subordinate to this mortgage, (ii) the creation of a purchase money security interest for household appliances, (iii) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (iv) the grant of any leasehold interest of one year or less (including all mandatory or optional renewal periods) not containing an option to purchase, (c) if any Mortgagor is a corporation, and any owner of 5% or more of the voting stock of such corporation sells or otherwise transfers 5% or more of the voting stock of such corporation to any other person or entity, (d) if any Mortgagor is a general partnership, and any partner thereof dies or withdraws from the partnership, or (e) if any Mortgagor is a limited partnership, and any general partner thereof dies, withdraws, or is replaced by the limited partners, then in any such event Mortgagees may, at Mortgagees' option, declare all indebtedness secured by this mortgage to be due and payable immediately with or without notice to Mortgagor. Mortgagees may condition their consent to any such transfer of possession of, or an interest in, the mortgaged property upon the transferee's agreeing to pay a greater rate of interest on all or any part of the indebtedness secured by this mortgage or to adjust the payment schedule of all or any part of the indebtedness secured by this mortgage, upon Mortgagees' approval of the creditworthiness of the transferee, and upon the transferee's payment to Mortgagees of a reasonable transfer or assumption fee. Upon breach by Mortgagor, or any of them, of the covenants herein contained, Mortgagees may, at their election, proceed to foreclose this mortgage as hereinafter provided or as provided by law.

20. That all the covenants and agreements of Mortgagor herein contained shall extend to and bind her heirs, executors, administrators, successors and assigns, and that such covenants and agreements and all options, rights, privileges and powers herein given, granted or secured to Mortgagees shall inure to the benefit of their respective heirs, executors, administrators, successors and assigns.

21. That the provisions of this mortgage and the note or notes secured hereby are severable, and that the invalidity or unenforceability of any provision of this mortgage or of any such note or notes shall not affect the validity and enforceability of the other provisions of this mortgage or of such note or notes. The remedies provided to Mortgagees herein are cumulative with the rights and remedies of Mortgagees at law and in equity, and such rights and remedies may be exercised concurrently or consecutively. This mortgage and the note secured hereby shall be governed by and construed in accordance with the laws of the State of Alabama. A carbon or photostatic copy of this mortgage may be filed as a financing statement in any public office.

UPON CONDITION, HOWEVER, that if Mortgagor shall well and truly pay and discharge all the indebtedness hereby secured (including extensions and renewals of the original indebtedness and all future advances) as the same shall become due and payable and shall in all things do and perform all acts and agreements by Mortgagor herein agreed to be done according to the tenor and effect thereof, then and in that event only this conveyance and the security interest herein granted shall be and become null and void; but 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 Mortgagees under the authority of any provision of this mortgage, or should the interest of Mortgagees in the mortgaged property or any of the personal property described above 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 state or federal, 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 covenants contained in this mortgage or in any note or other evidence of 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 Mortgagees, notice of the exercise of such option being hereby expressly waived by Mortgagor, and Mortgagees shall have the right to enter upon and take possession of the mortgaged property and after or without taking such possession to sell the same before the Court House door of the County (or the division thereof) where said property, or any substantial part of said 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 consecutive weeks prior to said sale in some newspaper published in said County; and upon the payment of the purchase price, Mortgagees or the auctioneer at said sale is authorized to execute the purchaser for and in the name of Mortgagor a good and sufficient deed to the property sold. And upon the occurrence of any such event, Mortgagees 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 property herein transferred which is personal property and to sell the same at one or more public or private sales, at the election of Mortgagees. At Mortgagees' request, Mortgagor agrees to assemble such property and to make the same available to Mortgagees at such place as Mortgagees 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 said property, or of any part thereof, will be held shall be sufficient if delivered to Mortgagor or mailed to Mortgagor at the address for the mortgaged property, or such other address as Mortgagor shall have furnished to Mortgagees in writing for that purpose, not less than three days before the date of such sale or other intended disposition of said property. Mortgagees shall apply the proceeds of said sale or sales under this mortgage as follows: First, to the expenses of advertising, selling and conveying, including a reasonable attorneys' fee (including, without limitation, attorneys' fees incurred by Mortgagees in connection with any proceeding seeking to enjoin the foreclosure of this mortgage, related to bankruptcy or otherwise challenging the right of Mortgagees to foreclose this mortgage); 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 thereon; third, to the payment of the indebtedness hereby secured and interest thereon in such order as Mortgagees may elect, whether such debts shall or shall not have fully matured at the date of said sale; and fourth, the balance, if any, to be paid over to Mortgagor or to whomsoever then appears of record to be the owner of Mortgagor's interest in said property. Mortgagees may bid and become the purchaser of the mortgaged property at any foreclosure sale hereunder. Mortgagor hereby waives any requirement that the mortgaged property be sold in separate tracts and agrees that Mortgagees may, at their option, sell said property en masse regardless of the number of parcels hereby conveyed.

IN WITNESS WHEREOF, Mortgagor, Janice Bergeron, has hereunto set Mortgagor's signature and seal this 19th day of February, 1997.

 (SEAL)
Janice Bergeron, Mortgagor

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said county, in said State, hereby certify that Janice Bergeron, whose name was 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, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 19th day of February, 1997.

[SEAL]

Catherine L. Scott
NOTARY PUBLIC

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