This instrument was prepared by

(Name) WALLACE, ELLIS, FOWLER & HEAD, ATTORNEYS AT LAW

(Address) COLUMBIANA, ALABAMA 35051

Form 1-1-22 Rev. 1-66

MORTGAGE—LAWYERS TITLE INSURANCE CORPORATION, Birmingham, Alabama

Inst # 1997-24512

STATE OF ALABAMA
COUNTY OF SHELBY } KNOW ALL MEN BY THESE PRESENTS: That Whereas,

Celeste Nunnally and/husband, David P. Gray

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

William B. Hahn, Jr. and wife, Katherine Jane Hahn

(hereinafter called "Mortgagee", whether one or more), in the sum of NINE THOUSAND FOUR HUNDRED AND NO/100 ———— Dollars ($ 9,400.00), evidenced by one Promissory Note of this date in the amount of $9,400.00, together with interest upon the unpaid portion thereof from date at the rate of 8% per annum for three years, with interest payments due annually on the anniversary date of the signing of the Note, i.e., August 4, 1998, August 4, 1999, and August 4, 2000, and the principal amount being due and payable on August 4, 2000, until said sum is paid in full.

08/05/1997-24512
08:15 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 25.10

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,

Celeste Nunnally and David P. Gray

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:

Parcel I

Begin at the NW corner of said 1/4 1/4 Section located in the NE 1/4 of the NE 1/4 of Section 7, Township 22 South, Range 2 West, and proceed Eastward along the North boundary of same 351.27 feet to the intersection with the Southeast margin of a paved highway for the point of beginning of said tract; thence continue in the same straight line 500.0 feet; thence at an angle of 122 deg. 48 min. to the right for a distance of 461.61 feet; thence at an angle of 101 deg. 29 min. to the right for a distance of 450 feet; thence at an angle of 90 deg. 00 min. to the right for a distance of 103.7 feet to the point of beginning. Said tract situated in the NE 1/4 of the NE 1/4 of Section 7, Township 22 South, Range 2 West, Shelby County, Alabama.

SUBJECT TO:

1. General and special taxes or assessments for 1997 and subsequent years not yet due and payable
2. Transmission line permits to Alabama Power Company as shown by instruments recorded in Deed Book 126, page 165; Deed Book 213, page 421 (Parcel II) and Deed Book 246 page 863 (Parcel I) in Probate Office.
3. Right(s)-of-Way(s) granted to Shelby County by instrument(s) recorded in Deed Book 200, page 481 in Probate Office.
4. Easement(s) to Water Works Board of Town of Calera as shown by instrument recorded in Deed Book 186, page 24 in Probate Office.
6. Mineral and Mining rights not owned by the grantors.

In the event the interest payments or principal sum are not paid within 90 days after the specified payment dates, the mortgage shall be in default. In such case, the mortgagee shall give written notification to the mortgagor of the default, the mortgagor shall vacate the premises, and the mortgagee shall take possessison of the property for purposes of foreclosing as provided herein.

Mortgagors shall have the right to prepay, at any time, all or any part of said above indebtedness, without penalty, by paying such amount of prepayment, plus 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 authorised 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

Celeste Nunnally and David P. Gray

have hereunto set their signatures and seal, this 04 day of August 19 97

Celeste Nunnally .....(SEAL)
Celeste Nunnally

David P. Gray .....(SEAL)
David P. Gray

.....(SEAL)

.....(SEAL)

THE STATE of ALABAMA
SHELBY COUNTY

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Celeste Nunnally and David P. Gray

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 the same bears date.

Given under my hand and official seal this 04 day of August 04, 19 97

Notary Public.

THE STATE of
COUNTY

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

whose name as of
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 day of , 19

....., Notary Public

Return to:

TO

MORTGAGE DEED

Inst # 1997-24512

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08:15 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 25.10

THIS FORM FROM
Lawyers Title Insurance Corporation
Title Guarantee Division
TITLE INSURANCE — ABSTRACTS
Birmingham, Alabama