

STATE OF ALABAMA
SHELBY COUNTY

REAL ESTATE MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, that

WHEREAS, the undersigned, James E. Ward, Jr. and April B. Ward (hereinafter, together with their heirs, successors and assigns, referred to as the "Mortgagor"), is justly indebted to Camilla Ann Davis, (herein referred to as the "Mortgagee") in the principal sum of ONE HUNDRED EIGHTY NINE THOUSAND TWO HUNDRED THIRTY NINE AND 27/100 DOLLARS (\$189,239.27), together with interest thereon as provided in the certain Promissory Note (the "Note") dated of even date herewith, which note provides for interest at the Federal Applicable Rate and a final maturity date of the year 2007. It is the intent and agreement of the undersigned that this Mortgage shall secure the indebtedness evidenced by the Note, any and all extensions and renewals and sums advanced thereunder, all interest and other fees and charges on said indebtedness and on any such extensions and renewals and sums advanced thereunder as well as the performance of all obligations under this Real Estate Mortgage (the "Mortgage") as well as the indebtedness or obligations under any other document now or thereafter evidencing, securing or given in connection with the indebtedness evidenced by the Note (any such other documents, the Note, and this Mortgage, are collectively hereinafter referred to as the "Loan Documents"). Hereinafter, the indebtedness evidenced by the Note and any and all extension and renewals and sums advanced thereunder and all interest and other fees and charges on such indebtedness and on any such extensions and renewals as well as any other sums or charges advanced under any of the Loan Documents are referred to as the "Debt".

NOW, THEREFORE, in consideration of the premises and of the sum of Ten Dollars (\$10.00) and other valuable consideration this day cash in hand paid by the Mortgagee to the undersigned, the receipt and sufficiency of which are thereby acknowledged, and to secure the payment of the Debt and each and every installment thereof when due, and also to secure the performance of all terms, conditions and agreements of the Loan Documents the undersigned, James E. Ward, Jr. and April B. Ward (hereinafter, together with their heirs, successors and assigns, sometimes referred to as the "Mortgagor", whether one or more), does hereby grant, bargain, sell and convey, and does pledge, assign, transfer, and set over, unto the Mortgagee, her heirs, successors and assigns, the Mortgagor's

Inst # 1997-31092

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10:56 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE

leasehold interest in the following described real estate and other property lying and being situated in the County of Shelby, State of Alabama (said real estate and other property being hereinafter sometimes called the "Mortgaged Premises"), to-wit:

I

Lot 26, according to the Survey of Greystone, 7th Sector, Phase II, as recorded in Map Book 19, Page 121, in the Probate Office of Shelby County, Alabama.

II

Together with all buildings and improvements now or hereafter situated thereon, and all building materials, equipment, fixtures and fittings as of every kind or character now owned or thereafter acquired by the Mortgagor (or any one or more of them) 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, equipment, 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.

III

ALSO, all of the Mortgagor's right, title and interest as landlord, lessor or as purchaser under any and all existing and hereafter lease, purchase or otherwise acquire the use or possession of any fixtures, equipment, furniture, furnishings of other property of the type described in the preceding paragraph, and all of the Mortgagor's right, title and interest in and to any and all such property and any proceeds therefrom and substitutions or replacements thereof.

IV

ALSO, all and singular the tenements, hereditaments, easements and appurtenances thereunto belonging or in any way appertaining, and the use and benefit of and right to enforce any and all easements, covenants, restrictions and agreements appertaining to or for the use and benefit of the above described real estate.

V

ALSO, all rents, profits, issues, revenues, receipts, avails, issues and profits which shall hereafter be realized, become due or be paid in connection with the operation and use of said real estate, reserving only the right to Mortgagor to collect, utilize and disburse said rents, profits, issues, revenues, receipts,

avails, issues and profits so long as there is no event deemed to be a default under the Mortgage, the underlying Note, or any other instrument or agreement now or hereafter evidencing or securing the indebtedness evidenced by the underlying Note; provided, however, that except by and with the consent in writing of Mortgagee, no such rents, profits, issues or revenues shall at any time be payable, or paid, to Mortgagor for a period of time in excess of thirty days in advance.

VI

ALSO, All judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Mortgaged Premises, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Mortgaged Premises, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets and all payments for the voluntary sale of the Mortgaged Premises, or any part thereof, in lieu of the exercise of the power of eminent domain.

This instrument is intended to constitute both (a) a real estate mortgage governed by and construed in accordance with the laws of the State of Alabama, and (b) a security agreement and financing statement under the Uniform Commercial Code of the State of Alabama. As used in this Mortgage and Security Agreement, the term "Mortgaged Premises" shall be deemed to include all of the Property hereinabove described, whether real, personal or mixed.

The proceeds of the Note have been advanced to finance the acquisition costs of the Mortgaged Premises and accordingly this is a PURCHASE MONEY MORTGAGE AND SECURITY AGREEMENT.

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, her heirs, successors and assigns forever. The Mortgagor covenants with the Mortgagee, her heirs, successors and assigns, that the Mortgagor is lawfully seized in fee simple of the Mortgaged Premises and has a good right to sell and convey the Mortgaged Premises as aforesaid; that the Mortgaged Premises are free of all encumbrances except any and all restrictions, reservations and easements of record affecting the Mortgaged Premises, and that Mortgagor will forever defend the title to the said Mortgaged Premises unto the Mortgagee, her heirs, successors and assigns, against the lawful claims and demands of all persons forever.

BUT, THIS CONVEYANCE IS MADE UPON THE FOLLOWING CONDITIONS: NEVERTHELESS, that is to say: If the Mortgagor shall well and truly pay the Debt and each and every installment thereof when and as due, and fulfill all of the Mortgagor's obligations under the Note, then this conveyance shall become void. But should the Mortgagor fail to pay said Debt, or any installment thereof, at its maturity, or in the event of any Default (as so defined below),

then, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable, and this Mortgage shall 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 Mortgaged Premises and, after giving at least twenty-one days notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the County in which the Mortgaged Premises is located, sell the Mortgaged Premises in front of the Courthouse Door of Shelby County, at public outcry, to the highest bidder for cash, and apply the proceeds of said sale as follows: first, to the expense of advertising, selling and conveying the Mortgaged Premises and foreclosing this Mortgage, including but not limited to a reasonable attorneys fee; second, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, liens or other encumbrances, with interest thereon; third, to the payment in full of the balance of the Debt (it being understood and agreed that the Mortgagee may apply said proceeds to the payment of the principal of the Debt whether then fully matured or not, interest accrued on the Debt to the date of sale, and all other charges then due on or forming a part of the Debt, in such order of application as the Mortgagee may elect); and fourth, the balance, if any to be paid to the party or parties appearing of record to be the owner of the Mortgaged Premises at the time of the sale, after deducting the cost of ascertaining who is the owner. In the event of a sale hereunder, the Mortgagee, or the owner of the Debt and Mortgage, or auctioneer, shall execute to the purchaser, for and in the name of the Mortgagor, a statutory warranty deed to the Mortgaged Premises, and the purchaser shall not be held to inquire as to the application of the proceeds of the sale. The Mortgagor agrees that the Mortgagee may bid at any sale had under the terms of this Mortgage and may purchase the Mortgaged Premises if the highest bidder therefor. At the foreclosure sale the Mortgaged Premises may be offered for sale and sold as a whole without first offering said Mortgaged Premises in any other manner or the Mortgaged Premises may be offered for sale and sold in any other manner the Mortgagee may elect. It is also agreed that in case the Mortgagee, its successors or assigns, elects to foreclose this Mortgage in a court having jurisdiction thereof, Mortgagor will also pay a reasonable attorneys' fee therefor, which fee shall constitute part of the Debt hereby secured.

Any personal property included in this Mortgage and Security Agreement may be sold on the same notice and at the same time and place as the real property, or may be sold at a different time at the Courthouse Door of the County in which the personal property is found or to which it is brought, or at the location of the personal property, at public outcry for cash and at one or more sales after giving notice as herein provided for the sale of real property, or after giving such other or different notice as may be permitted by the Alabama Uniform Commercial Code (and the parties agree that

ten (10) days written notice of sale to the Mortgagor shall satisfy the requirements of the Uniform Commercial Code for reasonable notice); and it shall not be necessary to have such personal property at the place of sale if ponderous or impracticable to move.

Mortgagor further agrees as follows:

(1) For the purposes of further securing the payment of the Debt, the Mortgagor agrees to: (a) pay all taxes, assessments, and other liens against the Mortgaged Premises or any part thereof (hereinafter jointly called "Liens") and if default is made in the payment of the Liens, or any part thereof, the Mortgagee, at its option, may pay the same; notwithstanding anything herein to the contrary, Mortgagor reserves the right to contest, in good faith, any such Lien, provided that within thirty (30) days after the date said Lien is filed, Mortgagor posts a bond in form and content and with a surety satisfactory to Mortgagee, which bond guarantees payment and discharge of the Lien in the event Mortgagor is unsuccessful or provided that within said thirty (30) day period Mortgagor provided affirmative title insurance coverage insuring against such Lien and (b) keep the Mortgaged Premises continuously insured, in such manner and with such insurance companies as may be satisfactory to the Mortgagee, against loss by fire, vandalism, malicious mischief and other perils usually covered by a fire insurance policy with standard extended coverage endorsement, with loss, if any, payable to the Mortgagor (rather than jointly to Mortgagee and Mortgagor); such insurance to be in an amount at least equal to ONE HUNDRED EIGHTY NINE THOUSAND TWO HUNDRED THIRTY NINE AND 27/100 DOLLARS (\$189,239.27). The original insurance policy and all replacements therefor shall be delivered to and held by the mortgagee until the Debt is paid in full. The original insurance policy and all replacements therefor must provide that they may not be cancelled or materially modified without the insurer giving at least thirty (30) days prior written notice of such cancellation or modification to the Mortgagee.

(2) The Mortgagor hereby assigns and pledges to the Mortgagee, as further security for the payment of the Debt, each and every policy of insurance now or hereafter in effect which insures the Mortgaged Premises, or any part thereof, together with all the right, title and interest in and to any premiums paid on such hazard insurance, including all rights to return premiums.

(3) Mortgagor does hereby assign and pledge to Mortgagee, all of Mortgagor's interest in and to any and all agreements for use, lease, rental or occupancy of the Mortgaged Premises or any parts thereof situated in and forming a part of the Mortgaged Premises, and all the rents, revenues, receipts, charges, issues and profits now due or which hereafter may become due or received for the use, rental and occupancy of the Mortgaged Premises or any parts thereof, it being the intention and agreement of Mortgagor to

hereby establish an absolute transfer and assignment of said agreements, rents, revenues, receipts, charges, issues and profits, and all the avails thereof, to the Mortgagee, and the Mortgagor does hereby appoint irrevocably the Mortgagee, its true and lawful attorney in its name and stead (with or without taking possession of the aforesaid Mortgaged Premises) to rent, lease or let all or any portion of said Mortgaged Premises to any party or parties at such rental and upon such terms, in its discretion as it may determine, and to collect all of said avails, rents, revenues, receipts, charges, issues and profits arising from or accruing at any time hereafter. Mortgagor agrees that it will not assign any rents, revenues, receipts, charges, issues and profits or the avails thereof to any person or entity other than Mortgagee. Nothing herein contained shall be construed as constituting the Mortgagee a "mortgagee in possession" in the absence of the taking of actual possession of the Mortgaged Premises by the Mortgagee pursuant to the provisions hereof. Although it is the intention of the parties that this assignment shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that the Mortgagee shall not exercise any of the rights and powers conferred upon it in this Paragraph (3) until and unless a Default shall occur hereunder or under any of the Loan Documents which is not cured within any applicable curative period set forth herein or in such Loan Documents.

(4) If the Mortgagor fails to discharge or contest in the manner set forth in paragraph one (1) herein any Liens due within ten (10) days after the date said Lien is filed or fails to keep the Mortgaged Premises insured as specified above, then at the election of the Mortgagee and without notice to any person the Mortgagee may declare the entire Debt due and payable and this Mortgage subject to foreclosure, and this Mortgage may be foreclosed and herein provided; and, regardless of whether the Mortgagee declares the entire Debt due and payable and this Mortgage subject to foreclosure, the Mortgagee may also, but shall not be obligated to, (a) pay all Liens, if the same remain unpaid or uncontested thirty (30) days after the date said Lien is filed or incurred; and (b) insure the Mortgaged Premises for ONE HUNDRED EIGHTY NINE THOUSAND TWO HUNDRED THIRTY NINE AND 27/100 DOLLARS (\$189,239.27) against such risk of loss, for its own benefit. All amounts spent by the Mortgagee for insurance or for the payment of Liens shall become a debt due by the Mortgagor to the Mortgagee and at once payable, without demand upon or notice to the Mortgagor, and shall be secured by the lien of this Mortgagor, and shall bear interest from the date of payment by the Mortgagee until paid at the default rate provided in the Note referred to hereinabove.

(5) In the event of a partial or total destruction of improvements on the Mortgaged Premises by fire or other casualty, the insurance proceeds, less the cost of collecting the same (hereinafter the "Net Proceeds"), shall be applied to repair or reconstruct said improvements.

(6) The Mortgagee is hereby authorized to defend on behalf of, and in the name of, and at the cost of the Mortgagor, any suits or other legal actions, (a) brought to condemn all or part of the Mortgaged Premises; (b) brought to challenge the lien of this Mortgage; or (c) which might affect or impair the lien or priority of this Mortgage or the lien or priority of any of the other Loan Documents. Mortgagee is further authorized on behalf of, and in the name of, the Mortgagor to execute and deliver valid acquittances for, and appeal from, any judgments or awards of condemnation or other litigation or legal actions involving the Mortgaged Premises.

(7) The Mortgagor agrees to take good care of the Mortgaged Premises and all improvements located thereon and not to commit or permit any waste thereon, and at all times to maintain such improvements in as good condition as they now are, or as they may be put, reasonable wear and tear excepted.

(8) If all or any part of the Mortgaged Premises or any interest therein is sold, leased or transferred by the Mortgagor without the Mortgagee's prior written consent (which consent may be granted or withheld in the Mortgagee's sole, absolute and uncontrolled discretion), excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage; (b) the replacing with like or comparable personal property of any fixtures, machinery or equipment; Mortgagee may, at its option, declare all of the sums secured by this Mortgage to be immediately due and payable.

(9) A Default shall have occurred or be deemed to have occurred and be deemed a Default hereunder if: (a) the Mortgagor shall fail to pay in full all or any part of the Debt and each installment thereof when due; (b) the Mortgagor shall fail to discharge or contest, in the manner set forth in Paragraph (1), any Lien within thirty (30) days after the date said Lien is filed; (c) the Mortgagor shall fail to keep the Mortgaged Premises insured as provided for above; (d) the Mortgagor shall fail to reimburse Mortgagee for any sums advanced hereunder within thirty (30) days after Mortgagee gives Mortgagor written notice of such advance; (e) the Mortgagor shall fail duly to observe and perform any other covenant, condition or agreement of this Mortgage, or the other Loan Documents and the same remains uncured within thirty (30) days after Mortgagee gives Mortgagor notice of the same; (f) any material warranties or representations made or agreed to be made in any of the Loan Documents shall be breached by the Mortgagor or shall prove to be false or misleading; (g) the interest of the Mortgagee in the Mortgaged Premises or any part thereof becomes endangered by reason of the enforcement of any other lien or encumbrance thereon which Mortgagor shall fail to discharge or contest in the manner set forth in Paragraph 1 within thirty (30) days; (h) any lien for labor or materials, taxes, judgment or otherwise shall be filed against the Mortgaged Premises or any part thereof and the same remains unsatisfied, or uncontested in the

manner set forth in Paragraph (1) herein, for a period of thirty (30) days; (i) a levy shall be made under any process on, or a receiver be appointed for, the Mortgaged Premises or any part thereof; (j) Mortgagor shall commit any act of bankruptcy; (k) Mortgagor shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor or such partner under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; (l) Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or such other obligor or guarantor of all the rents, revenues, issues, earnings, profits or income thereof; (m) Mortgagor shall make any general assignment for the benefit of creditors; (n) a transfer of all or any part of the Mortgaged Premises as set forth in Paragraph 8 or a violation of any other warranty, covenant or agreement set forth in this Mortgage; or (o) if there occurs or exists any other event so deemed to be a default under the Note or any other of the Loan Documents.

(10) Mortgagor agrees it shall not alter, modify, or renovate the property or improvements situated thereon so long as there are any amounts owing on the Note, except to the extent set forth herein, without the written consent of Mortgagee.

(11) The Mortgagor shall not deposit, store, dispose, bury, discharge, spill, allow uncontrolled loss, seepage or filtration of any "Hazardous Materials" at, upon, under or within the Mortgaged Premises and shall not cause or permit to occur or exist, any condition which might cause such discharge, spill or filtration of any such Hazardous Materials, at, upon, under or within the Mortgaged Premises. As used herein, the term "Hazardous Materials" shall mean (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901, et seq.), as amended from time to time, and regulations promulgated thereunder ("RCRA"); (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601, et seq.), as amended from time to time, and regulations promulgated thereunder ("CERCLA"); (iii) asbestos, polychlorinated biphenyls or other substances specifically regulated under the Toxic Substances Control Act (15 U.S.C. §2601, et seq.), as amended from time to time, and regulations promulgated thereunder ("TSCA"); (iv) storage tanks, whether or not underground and whether empty, filled or partially filled with any substance, (v) oil, petroleum products, and their by-products; (vi) any substance the presence of which on the Mortgaged Premises is prohibited by any Governmental Authority; and (vii) any other substance which by any Governmental Authority requires special handling or notification of any Governmental Authority in its collection, storage, treatment, or disposal.

Mortgagor shall indemnify and hold harmless Mortgagee and any agent of Mortgagee, against and from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges and expenses, of any nature whatsoever suffered or incurred by Mortgagee, under or on account of Mortgagor's violation of or failure to comply with this Paragraph 11, including the assertion of any lien by any governmental authority in enforcement of the Hazardous Waste Laws referenced in the above paragraph, with respect to any such discharge, spill or filtration or threat of discharge, spill or filtration of Hazardous Materials, any cost of removal or remedial action incurred in connection therewith or any other environmental matters affecting the Mortgaged Premises. This indemnity shall survive the payment in full of the Note and release of this Mortgage but shall terminate in the year 2007.

(12) The Mortgagor further specifically waives all exemptions which the Mortgagor has, or to which the Mortgagor may be entitled under the Constitution and laws of the State of Alabama in regard to the collection of the Debt hereby secured.

(13) 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 officers.

(14) After default on the part of the Mortgagor, the Mortgagee, upon bill filed or other proper legal proceeding being commenced for the foreclosure of the Mortgage, shall be entitled to the appointment by any competent court, without notice to any party, of a receiver for the rents, issues, revenues and profits of the Mortgaged Premises, with power to lease and control the Mortgaged Premises, and with such other powers as may be deemed necessary.

(15) The Mortgagor agrees to pay all costs, including reasonable attorneys' fees, incurred by the Mortgagee in collecting or securing or attempting to collect or secure the Debt, or any part thereof, or in defending or attempting to defend the priority of this Mortgage against any lien or encumbrance on the Mortgaged Premises, and also all costs (including reasonable attorneys fees) incurred in 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. The full amount of such costs incurred by the Mortgagee shall be a part of the Debt and shall be secured by this Mortgage. 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 the owner of the Debt and Mortgage, or auctioneer, is hereby

authorized and empowered to execute to the purchaser, for and in the name of the Mortgagor, a statutory warranty deed to the real estate.

(16) The addresses of the Mortgagor and Mortgagee for the purpose of any notices required or permitted hereunder, and the address from which information concerning the security interest granted herein may be obtained from the Mortgagee as secured party, are as follows:

If to Mortgagor:

James E. Ward
April B. Ward
6104 Rosemont Court
Birmingham, Alabama 35242

If to Mortgagee:

✓ Camilla Ann Davis
3517 Shandwick Place
Birmingham, Alabama 35242

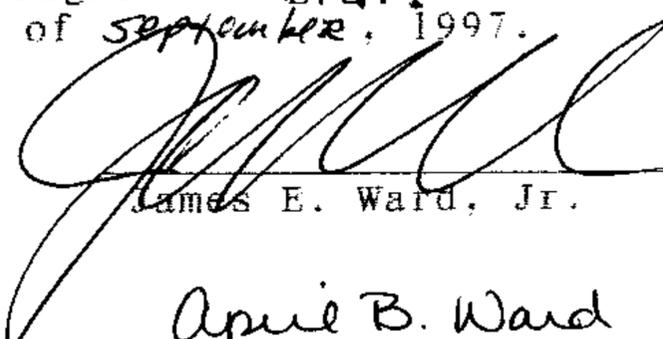
Any notice shall be deemed received one day from depositing same with an overnight service or express mail service.

(17) Plural or singular words used herein to designate the undersigned shall be construed to refer to the undersigned Mortgagor, whether one or more natural persons, corporations, associations, partnerships or other entities. 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 the Mortgagee's successors and assigns. All covenants, warranties, obligations and agreements of the Mortgagor hereunder shall be joint and several.

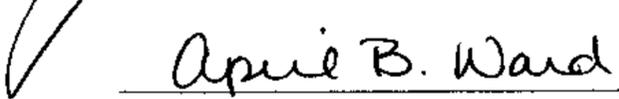
(18) If fulfillment of any provision of this Mortgage or of the Note secured hereby, now or at the time performance of said provision is due, shall transcend or exceed the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or prospectively would operate to make this Mortgage or any provision hereof void, illegal or unenforceable, then such void, illegal or unenforceable provision or part thereof only, shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall

remain operative and in full force and effect.

IN WITNESS WHEREOF, the undersigned Mortgagor has herunto set his hand and seal this the 25 day of September, 1997.



James E. Ward, Jr. L.S.



April B. Ward L.S.

STATE OF ALABAMA
SHELBY COUNTY

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared James E. Ward, Jr. and April B. Ward whose names are signed to the foregoing instrument and who is known to me, who acknowledged before me on this day that, being informed of the contents of said instrument, he executed and delivered same for the purposes and consideration therein expressed.

GIVEN under my hand and official seal this 25 day of September 1997.

 7-11-2001

NOTARY PUBLIC

SELLER'S AFFIDAVIT AND INDEMNITY

STATE OF ALABAMA)
COUNTY OF SHELBY)

I (we), William J. Acton of WILLIAM J. ACTON CONSTRUCTION, INC., being first duly sworn, on oath depose and state that I/we own the following property:

Lot 26, according to the Survey of Greystone, 7th Sector, Phase II, as recorded in Map Book 19, Page 121, in the Probate Office of Shelby County, Alabama.

Together with the nonexclusive easement to use the private roadways, Common Areas and Hugh Daniel Drive, all as more particularly described in the Greystone Residential Declaration of Covenants, Conditions and Restrictions dated November 6, 1990 and recorded in Real 317 Page 260 in the Probate Office of Shelby County, Alabama and all amendments thereto.

I/We own the property now being sold and, during all the time that I/we owned the property, my enjoyment thereof has been peaceable and undisturbed and the title to said property has never been disputed to my knowledge, nor do I know of any facts by reason of which the title to, or possession of, said property might be disputed or be reason of which any claim to any of said property might be asserted adversely to me/us, and more particularly:

1. No party other than the Seller(s) is in possession of all or any portion of the premises above described under any unrecorded leases, tenancy at will or otherwise.
2. The Seller(s) during the time of ownership of the premises above described has conveyed no portion of the premises nor done any act or allowed any act to be done which has changed or could change the boundaries of the premises.
3. The Seller(s) has allowed no encroachments on the premises above described by any adjoining land owners nor has the undersigned encroached upon any property of adjoining land owners.
4. The Seller(s) has/have allowed no easements, rights of way, continuous driveway usage, drain, sewer, water, gas or oil pipeline or other rights of passage to others over the premises above described and has/have no knowledge of such adverse rights.
5. The Seller(s), at present, and for a period of six months past, has/have caused no construction, erection, alteration or repairs of any structures or improvements on the premises above cited to be done, nor has/have contracted for any material to be delivered to the premises for which charges therefor remain unpaid.
6. The Seller(s) has/have no knowledge of any highways, abandoned roads, lanes, cemetery or family burial grounds, springs, streams, rivers, ponds, lakes, bays or tidal waters bordering or running through said premises.
7. The undersigned has no knowledge of any due taxes or special assessments.
8. There are no unpaid fire dues or library dues or municipal assessments due for the above cited premises.
9. The undersigned has not allowed and knows of no violation of any covenants, restrictions, agreements, conditions or zoning ordinances affecting the premises.
10. That there are no pending suits, proceedings, judgments, bankruptcies, liens or executions against said owner either in the aforesaid county or any other county in the aforesaid state.

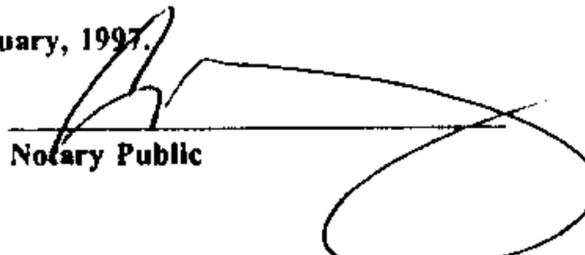
This affidavit is given to induce CHICAGO TITLE INSURANCE COMPANY, to issue its title insurance policy or policies without exception to claims of materialmen's and laborers' liens, survey matters, special assessments and rights of parties in possession, and as an inducement therefor, said affiant agrees to indemnify and hold CHICAGO TITLE INSURANCE COMPANY harmless of and from any and all loss, cost, damage and expense of every kind, including attorneys' fees, which said CHICAGO TITLE INSURANCE COMPANY shall or may suffer or incur or become liable for under its said policy or policies now to be issued, or any reissue, renewal or extension thereof, directly or indirectly, as a result of any misrepresentation herewith.

WILLIAM J. ACTON CONSTRUCTION, INC.

by William J. Acton
William J. Acton, President

State of ALABAMA)
County of JEFFERSON)

Sworn to and subscribed before me, this 15th day of January, 1997.


Notary Public

My Commission expires: 5/29/99

