

This instrument was prepared by

(Name) James R. Moncus, Jr.

1313 Alford Ave.

(Address) Birmingham, Al. 35216

MORTGAGE- STEWART TITLE OF BIRMINGHAM, INC, Birmingham, Alabama

STATE OF ALABAMA

COUNTY Shelby

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

Floor Fashions, Inc., an Alabama corporation

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

William R. Watkins and his wife Stella H. Watkins

(hereinafter called "Mortgagee", whether one or more), in the sum

of Seventy-five thousand and no/100

Dollars

(\$ 75,000.00) evidenced by a real estate mortgage note which was executed simultaneously herewith

Inst # 1997-34731

10/27/1997-34731
08:37 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MCB 126.00

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,

Floor Fashions, Inc., an Alabama corporation

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:

See attached Exhibit A for legal description incorporated herein for all purposes.

Mineral and mining rights excepted.

Subject to: All easements, restrictions and rights of way of record.

This is a purchase money mortgage.

Mortgagor herein agrees to furnish Mortgagee with proof of payment of annual ad valorem taxes and homeowners insurance.

There will be a \$35.00 late penalty if payment is not received within ten (10) days of the due date.

Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

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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 less, 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 Mortgagee 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 authorized 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 Floor Fashions, Inc., an Alabama corporation have hereunto set its signature and seal, this 2 day of October, 19 97

FLOOR FASHIONS, INC. (SEAL)

by: *Randall L. Yessick* (SEAL)

Randall L. Yessick, President (SEAL)

(SEAL)

THE STATE of

COUNTY

I, _____, a Notary Public in and for said County, in said State, hereby certify that _____, whose name signed to the foregoing conveyance, and who known to me acknowledged before me on this day, that being informed of the contents of the conveyance executed the same voluntarily on the day the same bears date. Given under my hand and official seal this _____ day of _____, 19 _____, Notary Public.

THE STATE of Alabama

Jefferson

COUNTY

I, the undersigned _____, a Notary Public in and for said County, in said State, hereby certify that Randall L. Yessick, whose name as President of Floor Fashions, Inc. 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 2 day of October, 19 97, Notary Public

James M. Mancus, Jr.
 Returns to: H. 97-251
 TO

MORTGAGE DEED

This form furnished by

STEWART TITLE OF BIRMINGHAM, INC.
 SUITE 950, FARLEY BUILDING
 1929 NORTH 3RD AVENUE
 BIRMINGHAM, ALABAMA 35203
 (205) 324-6683

EXHIBIT A

Part of Lot 11, Valleydale Estates, as recorded in Map Book 4, Page 90 in the Probate Office of Shelby County, Alabama, more particularly described as follows:

Parcel I: Begin at the NE corner of Lot 11, Valleydale Estates, as recorded in Map Book 4, page 90 in the Judge of Probate Office of Shelby County, at Columbiana, Alabama; thence run South along the East line of Lot 11, a distance of 293.18 feet; thence turn an angle of 132 degrees 50 minutes to the right and run a distance of 199.33 feet to the East line of Valleydale Road; thence turn an angle of 90 degrees 00 minutes to the right and along said Valleydale Road, a distance of 215 feet; to the point of beginning.

Parcel II: Commence at the North corner of Lot 11, of Valleydale Estates, recorded in Map Book 4, Page 90 in the Probate Office of Shelby County, South along the east line of said lot for a distance of 293.18 feet to the point of beginning; right 132 degrees 50 minutes in a northwesterly direction for a distance of 199.33 feet to the right of way of Valleydale Road (Helena Road); also known as State Highway 261; left in a Southwesterly direction along the right of way of said highway 5.00 feet; left 89 degrees 30 minutes in a Southeasterly direction 204 feet to the East line of Lot 11; North along the East line of said Lot 10.00 feet to the point of beginning.

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