

MORTGAGE

MORTGAGEE:
AVCO FINANCIAL SERVICES
OF ALABAMA INC
430 GREENSPRINGS HWY SUITE 16
BIRMINGHAM, ALABAMA

MORTGAGOR(S): 444707060 THIS INSTRUMENT WAS PREPARED BY MORTGAGEE

SHELIA H. AUSTIN, AN UNMARRIED WOMAN

Inst # 1997-40798

State of Alabama

Mortgagor hereby conveys to Mortgagee, the following described real estate in the County of SHELBY

LOT 97, ACCORDING TO THE SURVEY OF DEARING DOWNS, SIXTH ADDITION, PHASE 2,
AS RECORDED IN MAP BOOK 11, PAGE 31, SITUATED IN THE TOWN OF HELENA,
SHELBY COUNTY, ALABAMA. AS RE-RECORDED IN MAP BOOK 11, PAGE 80.

12/16/1997-40798
08:48 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
001 MCD 16.75

TOGETHER WITH all buildings and improvements now or hereafter erected thereon, all of which shall be subject to the lien hereof, and the hereditaments and appurtenances pertaining to the property, all of which is referred to hereinafter as the "premises"

Mortgagor also assigns to Mortgagee all rents, of said premises, granting the right to collect and use the same, with or without taking possession of the premises, during any default hereunder, and during such default authorizing Mortgagee to enter upon said premises and/or collect and enforce the same without regard to adequacy of any security for the indebtedness hereby secured by any lawful means including appointment of a receiver in the name of any party hereto, and to apply the same less costs and expenses of operation and collection, including reasonable attorney's fees as provided herein upon the indebtedness secured hereby.

FOR THE PURPOSE OF SECURING: (1) Performance of each agreement of mortgagor contained herein; (2) Payment of the principal sum with interest, as provided in a Promissory Note dated 12/11/97, whose final payment is due on 01/01/01 or as extended or rescheduled by the parties hereto, herewith executed by Mortgagor and payable to the order of Mortgagee to which Promissory Note reference is hereby made; (3) Payment of any additional advances, not in a principal sum in excess of \$ 5476.20, with interest thereon as may hereafter be loaned by Mortgagee or the then holder of this Mortgage to Mortgagor; (4) The payment of any money with interest thereon that may be advanced by the Mortgagee to third parties where the amounts are advanced to protect the security in accordance with the covenants of this Mortgage

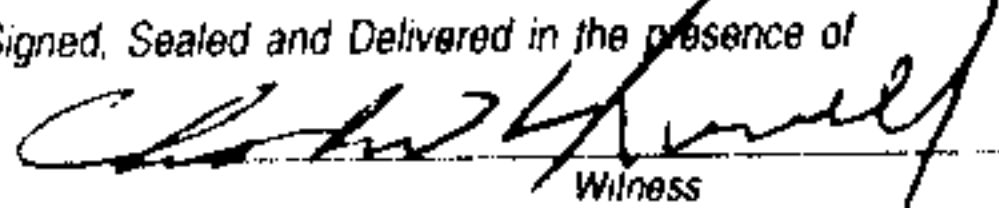
All payments made by Mortgagor on the obligation secured by this Mortgage shall be applied in the following order. FIRST To the payment of taxes and assessments that may be levied against said premises, insurance premiums, repairs, and all other charges and expenses agreed to be paid by the Mortgagor. SECOND To the payment of said note in the manner set forth in said Note.

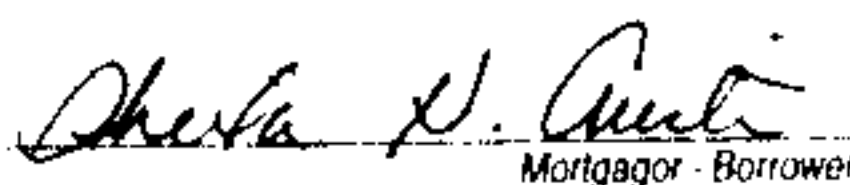
TO PROTECT THE SECURITY THEREOF, MORTGAGOR COVENANTS AND AGREES: (1) To keep said premises insured against fire and such other casualties as the Mortgagee may require, to the full value of all improvements for the protection of Mortgagee in such manner, in such amounts, and in such companies as mortgagee may from time to time approve, and to keep the policies thereof properly endorsed, on deposit with Mortgagee, and that loss proceeds (less expenses of collection) shall, at Mortgagee's option, be applied on said indebtedness, whether due or not, on the first day of said improvements. In events of loss Mortgagor will give immediate notice by mail to the Mortgagee who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of Mortgagor. (2) To pay all taxes and special assessments of any kind that have been or may be levied upon said premises. (3) To keep said premises free from all prior liens except the existing first mortgage, if any. (4) To pay when due any prior lien or Mortgage on this property, and notwithstanding any right or option granted by any prior lien or by any prior lienholder to permit the principal balance of such prior lien to increase, not to permit the principal balance of such prior lien to increase above the balance existing thereon at the time of the making of this Mortgage until this Mortgage shall have been paid in full. (5) In the event of default by Mortgagor under Paragraphs (1), (3) or (4) above, Mortgage, at its option (whether electing to declare the whole indebtedness secured hereby due and collectible or not), may ratify the insurance above provided for the payment of reasonable premiums and charges therefor, (b) pay all said taxes and assessments without determining the validity thereof, and (c) pay such liens and all such disbursements, with interest thereon, at the time of payment at the highest rate allowed by law, and such disbursements shall be deemed a part of the indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor to Mortgagee. (6) To keep the premises in good condition and repair, not to commit or suffer any waste or any use of said premises contrary to restrictions of record or contrary to any ordinances or regulations of proper public authority, and to permit Mortgagee to enter at all reasonable times for the purpose of inspecting the premises, not to remove or demolish any building thereon, and to complete within One Hundred Eighty (180) days or restore promptly and in a good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due, all claims for labor performed and material furnished therefor. (7) That the time of payment of the indebtedness hereby secured, or of any portion thereof, may be extended or renewed at any time, and portions of the premises herein described may, without notice, be released from the lien hereof, without releasing or affecting the personal liability of any person or corporate entity for the payment of said indebtedness or the lien of this instrument upon the remainder of said premises for the full amount of said indebtedness then remaining unpaid, and no change in the ownership of said premises shall release, reduce or otherwise affect any such personal liability on the lien hereby created.

IT IS MUTUALLY AGREED THAT (1) If the Mortgagor shall fail to pay said Promissory Note, or upon default in performance of any agreement hereunder, then all sums owing by the Mortgagor to the Mortgagee under this Mortgage or under the Promissory Note secured hereby shall immediately become due and payable at the option of the Mortgagee in the application of the Mortgagee to the court, or any other person who may be entitled to the monies due thereon, and after any one of said events this mortgage will be subject to foreclosure as now provided by law in case of past due mortgage, 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 (20) 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 otherwise, as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, for 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, if the amount financed was more than \$300.00, a reasonable attorney's fee not to exceed 10% of the unpaid balance. Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying a balance, taxes, or other amounts, or in any other way, on the property. Third, to the payment of the then balance 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 due on the balance of the day of sale, and Fourth, the balance, if any, to be turned over to said Mortgagor. (2) Mortgagor agrees to surrender possession of the hereinafore described premises to the Mortgagee at the time of sale, immediately after such sale. (3) In the event said premises are sold by Mortgagee, Mortgagor, if a signer on the note, shall be liable for any deficiency remaining after sale of the premises, and application of the proceeds of said sale to the indebtedness secured and to the expenses of conducting said sale. (4) At any time and from time to time, without affecting the liability of any party to the payment of the indebtedness secured hereby and without releasing the interest of any party joining in this Mortgage may (a) consent to the making of any map or plat of said property, (b) grant any easement or creating any restriction thereon, (c) join in any subordination or other agreement affecting this Mortgage or the lien or charge thereon, (d) grant any extension or renewal of the terms of this loan, (e) release without warranty, all or any part of said property. Mortgagor agrees to pay a reasonable fee to Mortgagee for any of the services mentioned in this paragraph, and that no part of said property or any part thereof be taken or damaged by reason of any public improvements or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner. Mortgagee shall be entitled to all compensation, awards, and other payments or relief therefor. All such compensation, awards, damages, rights of action and proceeds are hereby assigned to Mortgagee who may, after deducting therefrom all its expenses, including attorney's fees, as provided for on the reverse side, apply the same as provided above for insurance less proceeds. (6) Mortgagee shall be subrogated to the lien of any and all prior encumbrances, liens or charges paid and discharged from the proceeds of the loan hereby secured. (7) Whenever by the terms of this instrument or of said Promissory Note, Mortgagee is given any option, such option may be exercised when the right accrues or at any time thereafter, and no acceptance by Mortgagee of payment of indebtedness in default shall constitute a waiver of any default then existing and continuing or thereafter accruing. (8) If Mortgagor shall pay said note at the time in the manner aforesaid and shall abide by, comply with, and duly perform all the covenants and agreements herein, then this conveyance shall be null and void and Mortgagee will, within the statutory period after written demand therefor by Mortgagee, execute a release of said property. (9) Notwithstanding anything in this Mortgage or the Promissory Note secured hereby to the contrary, neither this Mortgage nor said Promissory Note shall be deemed to impose on the Mortgagor any obligation of payment, except to the extent that the same may be legally enforceable, and any provision to the contrary shall be of no force or effect. (10) Except as provided to the contrary herein, all Mortgagors shall be jointly and severally liable for fulfillment of their covenants and agreements herein contained. (11) If any of the undersigned is a married person, he represents and warrants that this instrument has been executed in his behalf, and for his sole and separate use and benefit and that he has not executed the same as surety for another, but that he is the Borrower hereunder. (12) With respect to the real property conveyed by this Mortgage, each of us, whether Principal, Surety, Guarantor, Endorser, or other party hereto, hereby waives and renounces, each for himself and family, any and all homestead or exemption rights except as to garnishment either of us have under or by virtue of the Constitution or Laws of any State, or of the United States, as against this debt or any renewal thereof.

IN WITNESS WHEREOF the Mortgagors, have hereunto set her signature and seal, this 11 day of Dec 19 97

Signed, Sealed and Delivered in the presence of


Witness


Mortgagor - Borrower

(SEAL)

Witness

Mortgagor - Borrower

(SEAL)

THE STATE OF ALABAMA

County Jefferson

Charles L. Russell

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

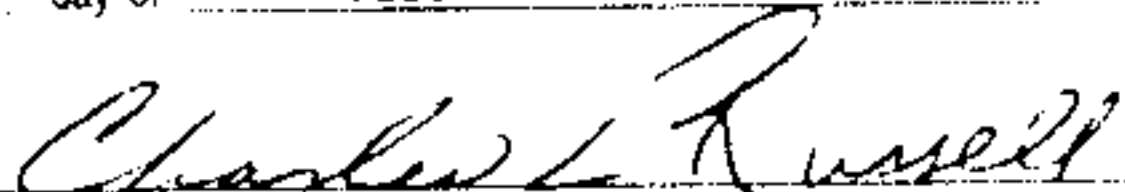
Shelia H. Austin

and

whose name 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 the conveyance executed the same voluntarily on the day the same bears date

Given under my hand and official seal this 11th day of December 19 97


Notary Public

ORIGINAL