THIS INSTRUMENT PREPARED BY:

Name: James F. Burford, III
Address: 1318 Alford Avenue, Suite 101
Birmingham, Alabama 35226

Inst # 1998-29933

08/05/1998-29933
12:06 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MEL 613.50

MORTGAGE

STATE OF ALABAMA)
SHELBY COUNTY)

KNOW ALL MEN BY THESE PRESENTS, that whereas the undersigned RANDALL H. GOGGANS, A MARRIED MAN is/are justly indebted to JOHN C. HEARN in the sum of FOUR HUNDRED THOUSAND AND NO/100 DOLLARS ($400,000.00) evidenced by promissory note bearing even date herewith and whereas it is desired by the undersigned to secure the prompt payment of said indebtedness with interest when the same falls due,

NOW, THEREFORE, in consideration of the said indebtedness, and to secure the prompt payment of the same at maturity, the undersigned, RANDALL H. GOGGANS do, or does, hereby grant, bargain, sell and convey unto the said JOHN C. HEARN (hereinafter called Mortgagee) the following described real property situated in SHELBY County, Alabama, to-wit:

See Exhibit A attached hereto and incorporated by reference herein for legal description.

The Property conveyed herein is not the homestead of the Mortgagor or his spouse.

All unpaid principal and interest shall be at once due and payable upon the sale of the entire Property described herein. This sentence is not intended to be in conflict with the RELEASE PROVISION hereinafter set out.

RELEASE PROVISION: Mortgagee shall release portions of the property described on Exhibit A (the Property) from the lien of this Mortgage as follows: (a) upon receipt of $5,400.00 per acre by Mortgagee for any property located in the Southwest Quarter of the Northeast Quarter of Section 16, Township 20 South, Range 2 West, Shelby County, Alabama which is South of Highway 11; and (b) there are two houses located on the Property. Mortgagor shall be entitled to demolish the Northern most house without regard to this Mortgage or the Note secured hereby (the Note). The Southern most house plus one acre of land and access easement (collectively the House) shall be released from the lien of this Mortgage upon receipt of $50,000.00 by Mortgagee; (c) Upon receipt of $5,700 per acre by Mortgagee for any portion of the Property located North of Highway 11 (excluding the House).

Released parcels under paragraphs a and c above may be less than one acre. Payment for releases of portions of the Property less than one acre shall be prorated according to the release amounts set out above. All release payments shall be applied to the Note, first to accrued interest with the balance to principal. The location of parcels to be released shall be in the sole discretion of Mortgagor, however, no acreage may be released in a manner which will leave any unreleased acreage landlocked.

Mortgagee shall be entitled to sever timber from the Property without payment toward the sums due under the Note.

Said property is warranted free from all encumbrances and against any adverse claims.

TO HAVE AND TO HOLD the above granted premises unto the said Mortgagee forever; and for the purpose of further securing the payment of said indebtedness, the undersigned, agrees to pay all taxes, or assessments, when legally imposed upon said premises, and should default be made in the payment of same, said Mortgagee has the option of paying off the same; and to further secure said indebtedness, the undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgage, as the interest of said Mortgagee may appear, and promptly to deliver said polices, or any renewals of said polices, or any renewals of said polices, to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance polices to said Mortgagee then said Mortgagee has the option of insuring property for said sum for the benefit of said Mortgagee, 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, additional to the debt hereby specially secured, and shall be covered by the mortgage, and bear interest from the date of payment by said Mortgage, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee for any amounts Mortgagee may have expended for taxes, assessments and insurance, and the interest, thereon, then this conveyance to be null and void, but should default be made in payment of any sum expended by the said Mortgagee, 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 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, or if any statement of lien is filed under the Statutes of Alabama relating to Liens of mechanics and materialmen without regard to form and contents of such statement and without regard to the existence or non-existence of the debt or any part thereof or of the lien on which such statement is based, 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 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, in some newspaper published in said County and State, to sell the same in lots or parcels, on en masse, as Mortgagee may deem best, in front of the Courthouse door in said County, at public outcry, to the highest bidder for cash and apply the proceeds of said sale, First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to payment of any amounts that may have been expended, or that it may necessary then to expended in paying insurance, taxes, or other encumbrances, with interest thereon; Third, to 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 remainder, if any, to be turned over to the said Mortgagor; and the undersigned, further agree that said Mortgagee may bid at said sale and purchase said property, if the highest bidder therefor, as through a stranger hereto, and the person acting as auctioneer at such sale is hereby authorized and empowered to execute a deed to the purchaser thereof in the name of the Mortgagor by such auctioneer as agent, or attorney in fact, and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereto secured.

It is expressly understood that the word "Mortgagee" wherever used in this mortgage refers to the person, or to the persons, or to the corporation named as a grantee or grantees in the granting clause herein.

Any estate or interest herein conveyed to said Mortgagee, or any right or power granted to said Mortgagee in or by this mortgage is hereby expressly conveyed and granted to the heirs, and agents, and assigns, of said Mortgagee, or to the successor and agents and assigns of said Mortgagee, if a corporation.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this the 3 day of August, 1998.

CAUTION: YOU MUST THOROUGHLY READ THIS CONTRACT BEFORE SIGNING IT.

Randall H. Goggans

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, JAMES F. BURFORD, III, a Notary Public in and for said County in said State, hereby certify that RANDALL H. GOGGANS 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 HE executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 3 day of August, 1998.

Notary Public
My Commission Expires: 3-1-2002

Lawyers Title

Insurance Corporation
NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

SCHEDULE A - Paragraph 4
Commitment No.: 32077
Continuation

The West 1/2 of the Northeast 1/4 of Section 16, Township 20 South, Range 2 West, Shelby County, Alabama, described as follows: Commence at the Northeast corner of said Section 16, and run Westerly along the North line of Section 16 a distance of 1314.47 feet to the Northeast corner of the West 1/2 of the Northeast 1/4 of said Section 16 and the point of beginning of the tract of land herein described; thence continue running Westerly along the North line of said Section 16 a distance of 1314.47 feet to the Northwest corner of said West 1/2 of the Northeast 1/4 of Section 16; thence turn 90 degrees 52 minutes 41 seconds left and run Southerly along the West line of said 1/2-1/4 section 2634.00 feet to the Southwest corner of said 1/2-1/4 section; thence turn 89 degrees 51 minutes 11 seconds left and run Easterly along the South line of said 1/2-1/4 section 1312.99 feet to the Southeast corner of said 1/2-1/4 section; thence turn 90 degrees 07 minutes 05 seconds left and run Northerly 2617.23 feet to the point of beginning.

LESS AND EXCEPT: A part of said West 1/2 of the Northeast 1/4 of Section 16, Township 20 South, Range 2 West, Shelby County, Alabama, recorded in Book 039, Page 275, in the Probate Office of Shelby County, Alabama, described as follows: Begin at the Northeast corner of the Southwest 1/4 of he Northeast 1/4 of said Section 16; thence run Southerly along the East line of said 1/4-1/4 section 280.56 feet; thence turn 155 degrees 42 minutes 16 seconds right and run Northwesterly 212.30 feet to a point on the Southeast right of way line of Shelby County Highway No. 11; thence turn 68 degrees 16 minutes 46 seconds (deed 69 degrees 23 minutes 24 seconds) right and run Northeasterly along said Highway right of way 126.83 feet (deed 123.32 feet) to the East line of the Northwest 1/4 of the Northeast 1/4 of said Section; thence turn 136 degrees 00 minutes 58 seconds (deed 89 degrees 27 minutes 31 seconds) right and run Southerly along said 1/4-1/4 Section for 5.82 feet (deed 7.0 feet) to the point of beginning.

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This commitment is not valid unless the insuring Schedules A and B are attached.