

REAL ESTATE MORTGAGE

STATE OF ALABAMA, County of SHELBY

This Mortgage made and entered into on this the 28TH day of APRIL, 2000, by and between the

undersigned, CLIFTON AND DOROTHY L. SMITH, hereinafter called Mortgagors, and

First Family Financial Services, Inc.

a corporation organized and existing under the laws of the State of Alabama, hereinafter called "Corporation".

WITNESSETH: WHEREAS, Mortgagors are justly indebted to Corporation in the sum of TWENTY-ONE THOUSAND FIVE HUNDRED

NINETY-NINE DOLLARS AND .84/100 Dollars (\$ 21,599.84) together with interest at the rate provided in the loan agreement of even date herewith which is secured by this Mortgage.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the sum of \$1.00 to the Mortgagors, cash in hand paid, the receipt of which is hereby acknowledged and for the purpose of securing the payment of the above-described loan agreement and the payment and performance of all the covenants and agreements hereinafter stated, the Mortgagors do hereby grant, bargain, sell and convey unto Corporation that property situated in the County of SHELBY State of Alabama, described as follows, to wit:

BEGIN AT THE SOUTHWEST CORNER OF THE SW 1/4 OF SW 1/4 OF SECTION 16, TOWNSHIP 21 SOUTH, RANGE 3 WEST AND RUN NORTH ALONG THE WEST LINE OF SAID FORTY ACRES DISTANCE OF 316 FEET; THENCE EAST A DISTANCE OF 315 FEET TO THE POINT OF BEGINNING OF THE PARCELED HEREIN DESCRIBED; THENCE CONTINUE ALONG THE SAME COURSE A DISTANCE OF 103 FEET TO THE SOUTHWEST CORNER OF LOT 33, ACCORDING TO WALEY'S SUBDIVISION OF THE TOWN OF MAYLENE, ALABAMA, AS SHOWN BY MAP RECORDED IN MAP BOOK 3, AT PAGE 75 IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA; THENCE CONTINUE IN AN EASTERLY DIRECTION ALONG THE SOUTH LINE OF SAID LOT 33, A DISTANCE OF 107 FEET TO A POINT WHICH IS THE NORTHWEST CORNER OF A PARCEL HERETOFORE CONVEYED TO GLORIA SMITH, AS SHOWN BY DEED RECORD IN DEED BOOK 221 AT PAGE 136, OFFICE OF THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA; THENCE RUN IN A SOUTHERLY DIRECTION ALONG THE WEST LINE OF SAID FLORIDA SMITH PROPERTY, A DISTANCE OF 210 FEET; THENCE RUN WEST PARALLEL WITH THE SOUTH LINE OF SAID 1/4 1/4 SECTION A DISTANCE OF 210 FEET; THENCE RUN NORTH, PARALLEL WITH THE WEST LINE OF SAID 1/4 1/4 SECTION A DISTANCE OF 210 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT A RIGHT OF WAY EASEMENT OF UNIFORM WIDTH OF SIXTEEN FEET CROSSING THE LOT HEREIN DESCRIBED FROM EAST TO WEST WHICH IS RESERVED BY THE GRANTOR, HER HEIRS AND ASSIGNS, CONNECTING PROPERTY OWNED BY THE GRANTOR ON THE WEST OF THE LOT HEREIN DESCRIBED WITH A PUBLIC ROAD TO THE EAST OF THE LOT HEREIN DESCRIBED, SAID 16 FOOT EASEMENT TO BE LOCATED ALONG THE PRESENT ROAD CROSSING SAID LOT HEREIN DESCRIBED.

LESS AND EXCEPT ANY PORTION CONVEYED TO CLIFTON AND DOROTHY SMITH BY REAL 180 PAGE 636 DESCRIBED AS FOLLOWS; A LOT OR PARCEL OF LAND SITUATED THE SW 1/4 OF THE SW 1/4 OF SECTION 16, TOWNSHIP 21 SOUTH, RANGE 3 WEST; OF THE ABOVE SAID 1/4 1/4 THENCE RUN EAST ALONG THE SOUTH LINE FOR A DISTANCE OF 149.0 FEET TO A POINT OF BEGINNING; THENCE CONTINUE SAME LINE FOR A DISTANCE OF 210.0 FEET TO A POINT THAT IS 210.0 FEET WEST OF THE SOUTHWEST CORNER OF GLORIA SMITH PROPERTY; THENCE RUN NORTHERLY AND PARALLEL TO SAID GLORIA SMITH WEST LINE FOR A DISTANCE OF 210.0 FEET; THENCE RUN EAST AND PARALLEL TO THE SOUTH LINE FOR A DISTANCE OF 90.0 FEET TO A POINT ON THE SOUTH WEST EDGE OF A COUNTY PAVED ROAD; THENCE RUN WEST AND PARALLEL TO THE SOUTH LINE FOR A DISTANCE OF 75.0 FEET; THENCE RUN SOUTH FOR A DISTANCE OF 30.0 FEET; THENCE RUN WEST AND PARALLEL TO THE SOUTH LINE FOR A DISTANCE OF 180.0 FEET; THENCE RUN SOUTH AND PARALLEL TO GLORIA SMITH PROPERTY WEST LINE FOR DISTANCE OF 210.0 FEET TO THE POINT OF BEGINNING. ALL BEING SITUATED IN SHELBY COUNTY, ALABAMA.

TO HAVE AND TO HOLD the above described property, together with all and singular, the rights, privileges, tenements, appurtenances and improvements unto said Corporation, its successors and assigns forever. And Mortgagors do hereby warrant, covenant, and represent unto Corporation, its successors and assigns, that they are lawfully seized of the above described property in fee, have a good and lawful right to sell and convey said property, and shall forever defend the title to said property against the lawful claims and demands of all persons whomsoever, and that said real property is free and clear from all encumbrances except

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SHELBY COUNTY JUDGE OF PROBATE

NOTARY PUBLIC \$5.00

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Mortgagors warrant and covenant that all payments, conditions and provisions made and provided for in any prior encumbrances and/or other liens prior hereto, hereinafter collectively called "prior liens," shall be performed promptly when due, but if Mortgagors suffer or permit default under any prior lien, then such shall constitute a default hereunder and Corporation may, at its option and without notice, declare the indebtedness secured hereunder immediately due and payable, whether due according to its face or not, and commence proceedings for the sale of the above described property in accordance with the provisions herein made. If default is suffered or permitted under any prior lien, then Corporation may cure such default by making such payments, or performing otherwise as the holder of the prior lien may permit, or Corporation may purchase or pay in full such prior lien, and all sums so expended by Corporation, shall be secured hereunder or under such prior lien instruments, provided however, such payment, performance and/or purchase of the prior lien by Corporation shall not for the purpose of this instrument be construed as satisfying the defaults of Mortgagors under said prior lien.

Included in this conveyance is all heating, plumbing, air conditioning, lighting fixtures, doors, windows, screens, storm windows or sashes, shades, and other fixtures now attached to or used in connection with the property described above

Unless prohibited under state law, as additional security, Mortgagor hereby gives to and confers upon Mortgagee the right, power, and authority, during the continuance of this mortgage agreement, to collect the rents, issues, and profits of said property, reserving unto Mortgagor the right, prior to any default by Mortgagor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Mortgagee, upon giving written notification to the Mortgagor or his successors, etc., may either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name, sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less allowable expenses of collection of such rents, issues and profits, and the application thereof aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

Mortgagors promise to pay all taxes and assessments now or hereafter levied on the above described property promptly when due

Unless otherwise agreed herein, Mortgagors promise to procure, maintain, keep in force and pay for, insurance on all improvements now or hereafter erected on the above described real estate, insuring same against loss or damage by fire, windstorm, and other casualties normally insured against, in such sums, with such insurers, and in an amount approved by the Corporation, as further security for the said mortgage debt, and said insurance policy or policies, with mortgage clause in favor of, and in form satisfactory to, the Corporation, and delivered to said Corporation, with all premiums thereon paid in full. If Mortgagors fail to provide insurance, they hereby authorize Corporation to insure or renew insurance on said property in a sum not exceeding the amount of Mortgagors' indebtedness for a period not exceeding the term of such indebtedness and to charge Mortgagors with the premium thereon, or to add such premium to Mortgagors' indebtedness. If Corporation elects to waive such insurance Mortgagors agree to be fully responsible for damage or loss resulting from any cause whatsoever. Mortgagors agree that any sums advanced or expended by Corporation for the protection or reservation of the property shall be repaid upon demand and if not so paid shall be secured hereby. In the event of loss or damage to the property, it is agreed that the amount of loss or damage recoverable under said policy or policies of insurance shall be paid to the Corporation and Corporation is hereby empowered in the name of Mortgagors to give full acquittal for the amount paid and such amount shall be credited to the installments to become due on the loan agreement in inverse order, that is, satisfying the final maturing installments first and if there be an excess, such excess shall be paid by Corporation to Mortgagors; but in the event such payments are not sufficient to satisfy in full the debt secured hereby, such payment shall not relieve the Mortgagors of making the regular monthly installments as same become due. Provided, however insurance on improvements shall not be required unless the value thereof is \$300.00 or more and the amount financed, exclusive of insurance charges, is \$300.00 or more.

But this covenant is upon this condition: That if Mortgagors pay or cause to be paid to Corporation the loan agreement above described, and shall keep and perform as required of Mortgagors hereunder, then this covenant shall be void.

But if Mortgagors fail to pay promptly when due any part of said loan agreement, or fail to pay said taxes or fail to pay for and keep in force insurance as agreed or fail to promptly pay and keep current any prior lien, or fail to perform any other covenant hereof, or if all or part of the property is sold or transferred by Mortgagors without Corporation's prior written consent, then or in any of these events, Corporation is hereby authorized to declare the entire indebtedness secured hereunder, immediately due and payable without notice or demand, and take possession of the property above described (or without taking such possession), and after giving three (3) weeks' notice of the time, place and terms of sale by advertisement once a week successively in some newspaper published in the county wherein the land lies, may sell the same at public auction to the highest bidder for cash in front of the court house door of said county, and may execute title to the purchaser or purchasers and devote the proceeds of said sale to the payment of the indebtedness secured, and if there be proceeds remaining after satisfying in full said debt, same shall be paid to Mortgagors or their order.

In the event of a sale under the power conferred by this Mortgage, Corporation shall have the right and it is hereby authorized to purchase said property at such sale. In the event the above described property is sold under this Mortgage, the auctioneer making such sale or the Probate Judge of said County and State wherein the land lies, is hereby empowered and directed to make and execute a deed to the purchasers of same and the Mortgagors herein covenant and warrant the title so made against the lawful claims and demands of all persons whomsoever

In the event any prior lien is foreclosed and such foreclosure proceedings bring an amount sufficient to pay in full said prior lien and there remains an excess sum payable to Mortgagors, then Mortgagors do hereby assign their interest in and to said fund to Corporation and the holder of said excess fund is hereby authorized and directed to pay same directly over to Corporation without including the name of Mortgagors in said payment and a receipt by Corporation shall be as binding on Mortgagors as if Mortgagors had signed same themselves and Mortgagors further relieve the party paying said sum to Corporation, of the necessity of seeing to the application of said payment.

In the event of sale of the property above described under and by virtue of this instrument, Mortgagors and all persons holding under them shall be and become the tenants at will of the purchaser of the property hereunder, from and after the execution and delivery of a deed to such purchaser, with said tenants to be terminated at the option of said purchaser without notice, and Mortgagors and all persons holding under or through Mortgagors removed by proper court proceedings.

In the event the premises or any part thereof are taken under the power of eminent domain, the entire award shall be paid to Corporation and credited to the installments to become due on said loan agreement in inverse order, that is, satisfying the final maturing installments first, and the Corporation is hereby empowered in the name of the Mortgagors, or their assigns, to receive and give acquittance for any such award or judgment whether it be joint or several.

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It is specifically agreed that time is of the essence of this contract and that no delay in enforcing any obligation hereunder or of the obligations secured hereby shall at any time hereafter be held to be a waiver of the terms hereof or of any of the instruments secured hereby.

If less than two join in the execution hereof as mortgagors, or may be of the feminine sex, the pronouns and related words herein shall be read as if written in singular or feminine respectively.

The covenants herein contained shall bind, and the benefits and advantages inured to, the respective heirs, successors and assigns of the parties named.

The parties have on this date entered into a separate Arbitration Agreement, the terms of which are incorporated herein and made a part hereof by reference.

IN WITNESS WHEREOF, the said mortgagors have hereunto set their hands and seals this the day and date first above written.


CLIFTON L. SMITH SR.

(SEAL)


DOROTHY L. SMITH

(SEAL)

STATE OF ALABAMA

County of SHELBY

I, the undersigned authority, a Notary Public in and for said County and State aforesaid, hereby certify that

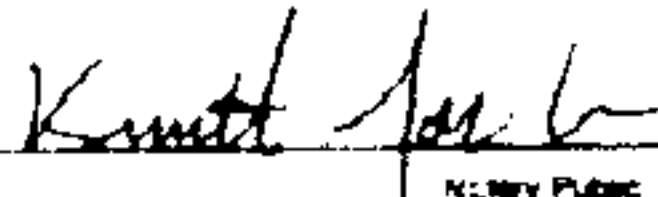
Clifton L. Smith Sr. + Dorothy L. Smith

whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day that, being informed on the contents of the conveyance, they executed the same voluntarily on the date the same bears date.

Given under my hand and official seal this 28th day of April

My commission expires

8/15/00


Notary Public

STATE OF ALABAMA

County of _____

I, the undersigned authority, a Notary Public in and for said County and State aforesaid, hereby certify that

_____, whose name as _____ of the

_____, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this date that, being informed of the contents of the 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 _____ day of _____

My commission expires _____

Notary Public