

After Recording Return to:
Pinnacle Bank
2013 Canyon Road
Vestavia, AL 35216

MORTGAGE

1434 • 2000-17751

05/31/2000-17751
10:13 AM CERTIFIED
DEPUTY COUNTY JUDGE OF PROBATE
138.20
003 MS

BORROWER
OLD SOUTH BUILDERS, INC.

MORTGAGOR
OLD SOUTH BUILDERS, INC.

ADDRESS
100 SOUTHVUE DRIVE
BIRMINGHAM, AL 35244
TELEPHONE NO.

IDENTIFICATION NO.

ADDRESS
100 SOUTHVUE DRIVE
BIRMINGHAM, AL 35244
TELEPHONE NO.

IDENTIFICATION NO.

In consideration of the loan or other credit accommodation specified and any future advances or future Obligations, as defined herein, which may be advanced or incurred, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor grants, warrants, bargains, sells, assigns, conveys, and mortgages to **Pinnacle Bank, 2013 Canyon Road, Vestavia, AL 35216**

("Lender"), its successors and assigns, with power of sale and right of entry and possession all of Mortgagor's present and future estate, right, title and interest in and to the real property described in Schedule A which is attached to this Mortgage and incorporated herein by this reference, together with all present and future improvements, channels, and fixtures; all privileges, hereditaments, and appurtenances; all leases, licenses and other agreements; all rents, issues and profits; all water, well, ditch, reservoir and mineral rights and stocks pertaining to the real property (cumulatively "Property"), until payment in full of all Obligations secured hereby.

Moreover, in further consideration, Mortgagor does, for Mortgagor and Mortgagor's heirs, representatives, successors and assigns, hereby expressly warrant, covenant, and agree with Lender, its successors and assigns as follows:

1. **OBLIGATIONS.** This Mortgage shall secure the payment and performance of all present and future indebtedness, liabilities, obligations and covenants of Borrower or Mortgagor (cumulatively "Obligations") to Lender pursuant to:

(a) this Mortgage and the following promissory notes and other agreements:

INTEREST RATE	PRINCIPAL AMOUNT CREDIT LIMIT	FORWING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
VARIABLE	\$80,000.00	05/25/00	05/25/01		

(b) all other present or future written agreements with Lender which refer specifically to this Mortgage (whether executed for the same or different purposes than the foregoing);

(c) any guaranty of obligations of other parties given to Lender now or hereafter executed which refers to this Mortgage;

(d) future advances, whether obligatory or optional, to the same extent as if made contemporaneously with the execution of this Mortgage, made or extended to or on behalf of Mortgagor or Borrower. Mortgagor agrees that if one of the Obligations is a line of credit, the lien created by this Mortgage shall continue until payment in full of all debt due under the line notwithstanding the fact that from time to time (but before termination of the line) no balance may be outstanding. At no time shall this Mortgage, not including sums advanced to protect the security of this Mortgage, exceed \$ 80,000.00; and

(e) all amendments, extensions, renewals, modifications, replacements or substitutions to any of the foregoing

2. **REPRESENTATIONS, WARRANTIES AND COVENANTS.** Mortgagor represents, warrants and covenants to Lender that

(a) Mortgagor has fee simple marketable title to the Property and shall maintain the Property free of all mortgages, security interests, encumbrances and claims except for this Mortgage and those described in Schedule B which is attached to this Mortgage and incorporated herein by reference, which Mortgagor agrees to pay and perform in a timely manner;

(b) Mortgagor is in compliance in all respects with all applicable federal, state and local laws and regulations, including, without limitation, those relating to "Hazardous Materials", as defined herein, and other environmental matters (the "Environmental Laws"), and neither the federal government nor the state where the Property is located nor any other governmental or quasi governmental entity has filed a lien on the Property, nor are there any governmental, judicial or administrative actions with respect to environmental matters pending, or to the best of the Mortgagor's knowledge, threatened, which involve the Property. Neither Mortgagor nor, to the best of Mortgagor's knowledge, has any other party used, generated, released, discharged, stored, or disposed of any Hazardous Materials, in connection with the Property or transported any Hazardous Materials to or from the Property. Mortgagor shall not commit or permit such actions to be taken in the future. The term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes regulated by any governmental authority including, but not limited to: (i) petroleum; (ii) friable or nonfriable asbestos; (iii) polychlorinated biphenyls; (iv) those substances, materials or wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act or listed pursuant to Section 307 of the Clean Water Act or any amendments or replacements to those statutes; (v) those substances, materials or wastes defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act or any amendments or replacements to that statute; and (vi) those substances, materials or wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, or any amendments or replacements to that statute or any other similar state or federal statute, rule, regulation or ordinance now or hereafter in effect. Mortgagor shall not lease or permit the sublease of the Property to a tenant or subtenant whose operations may result in contamination of the Property with Hazardous Materials or toxic substances;

(c) All applicable laws and regulations including, without limitation, the Americans with Disabilities Act, 42 U.S.C. 12101 et seq. (and all regulations promulgated thereunder) and all zoning and building laws and regulations relating to the Property by virtue of any federal, state or municipal authority with jurisdiction over the Property, presently are and shall be observed and complied with in all material respects, and all rights, licenses, permits, and certificates of occupancy (including but not limited to zoning variances, special exceptions for nonconforming uses, and final inspection approvals), whether temporary or permanent, which are material to the use and occupancy of the Property, presently are and shall be obtained, preserved and, where necessary, renewed;

(d) Mortgagor has the right and is duly authorized to execute and perform its Obligations under this Mortgage and these actions do not and shall not conflict with the provisions of any statute, regulation, ordinance, rule of law, contract or other agreement which may be binding on Mortgagor at any time;

17. **INSPECTION OF PROPERTY, BOOKS, RECORDS AND REPORTS.** Mortgagor shall allow Lender or its agents to examine and inspect the Property and examine, inspect and make copies of Mortgagor's books and records pertaining to the Property from time to time. Mortgagor shall provide any assistance required by Lender for these purposes. All of the signatures and information contained in Mortgagor's books and records shall be genuine, true, accurate and complete in all respects. Mortgagor shall note the existence of Lender's beneficial interest in its books and records pertaining to the Property. Additionally, Mortgagor shall report, in a form satisfactory to Lender, such information as Lender may request regarding Mortgagor's financial condition or the Property. The information shall be for such periods, shall reflect Mortgagor's records at such times, and shall be rendered with such frequency as Lender may designate. All information furnished by Mortgagor to Lender shall be true, accurate and complete in all respects, and signed by Mortgagor if Lender requests.

18. **STOPPEL CERTIFICATES.** Within ten (10) days after any request by Lender, Mortgagor shall deliver to Lender, or any intended transferee of Lender's rights with respect to the Obligations, a signed and acknowledged statement specifying: (a) the outstanding balance on the Obligations, and (b) whether Mortgagor possesses any claims, defenses, set-offs or counterclaims with respect to the Obligations and, if so, the nature of such claims, defenses, set-offs or counterclaims. Mortgagor will be conclusively bound by any representation that Lender may make to the intended transferee with respect to these matters in the event that Mortgagor fails to provide the requested statement in a timely manner.

19. **EVENTS OF DEFAULT.** An Event of Default will occur under this Mortgage in the event that Mortgagor, Borrower, or any guarantor of the Obligations:

- (a) fails to make any payment under this Obligation, any other document or instrument relating to the foregoing or executed in favor of Lender, or under any other indebtedness to Lender when due;
- (b) fails to perform any obligations or breaches any warranty or covenant to Lender contained in this Mortgage or any other present or future written agreement regarding this or any other indebtedness to Lender;
- (c) provides or causes any false or misleading signature or representation to Lender;
- (d) sells, conveys, or transfers rights in the Property without the prior written approval of Lender;
- (e) seeks to revoke, terminate or otherwise limit its liability under any continuing guaranty;
- (f) has a garnishment, judgment, tax levy, attachment or lien entered or served against any of them or any of their property;
- (g) dies, becomes legally incompetent, is dissolved or terminated, ceases to operate its business, becomes insolvent, makes an assignment for the benefit of creditors, or becomes the subject of any bankruptcy, insolvency or debtor rehabilitation proceeding;
- (h) fails to provide Lender evidence of satisfactory financial condition; or
- (i) has a majority of its outstanding voting securities or other ownership interest sold, transferred or conveyed to any person or entity other than any person or entity that has the majority ownership as of the date of the execution of this Mortgage.

In addition, an Event of Default will occur under the Obligations in the event that:

- (a) the Property is used by anyone to transport or store goods, the possession, transportation, or use of which, is illegal;
- (b) Lender reasonably deems itself insecure or reasonably believes the prospect of payment or performance is impaired due to a significant decline in the value of any of the Property or a material adverse change in Mortgagor's, Borrower's or any guarantor's business or financial condition; or
- (c) any of the Property is destroyed, damaged or lost in any material respect or is subjected to seizure, confiscation, or condemnation.

20. **RIGHTS OF LENDER ON EVENT OF DEFAULT.** Upon the occurrence of an Event of Default under this Mortgage, Lender shall be entitled to exercise one or more of the following remedies without notice or demand (except as required by law):

- (a) to declare the Obligations immediately due and payable in full, such acceleration to be automatic and immediate if the Event of Default is a filing under the Bankruptcy Code;
- (b) to collect the outstanding Obligations with or without resorting to judicial process;
- (c) to require Mortgagor to deliver and make available to Lender any personal property or Chancels constituting the Property at a place reasonably convenient to Mortgagor and Lender;
- (d) to enter upon and take possession of the Property without applying for or obtaining the appointment of a receiver and, at Lender's option, to appoint a receiver without bond, without first bringing suit on the Obligations and without otherwise meeting any statutory conditions regarding receivers, it being intended that Lender shall have (his contractual right to appoint a receiver;
- (e) to employ a managing agent of the Property and let the same, in the name of Lender or in the name of Mortgagor, receive the rents, incomes, issues and profits of the Property and apply the same, after payment of all necessary charges and expenses, on account of the Obligations;
- (f) to pay any sums in any form or manner deemed expedient by Lender to protect the security of this Mortgage or to cure any default other than payment of interest or principal on the Obligations;
- (g) to foreclose this Mortgage under the power of sale and in accordance with the requirements of law or by judicial action, at Lender's election;
- (h) to set-off Mortgagor's Obligations against any amounts owed Mortgagor by Lender including, but not limited to, monies, instruments, and deposit accounts maintained with Lender or any currently existing or future affiliate of Lender; and
- (i) to exercise all other rights available to Lender under any other written agreement or applicable law.

If Mortgagor is in default under this Mortgage, this Mortgage shall be subject to foreclosure at Lender's option. Notice of the exercise of such option is expressly waived by Mortgagor, and Lender shall have the right to enter upon and take possession of the Property, and after, or without taking possession of the property, to sell the Property at the front or main door of the courthouse of the county where the Property is located, at public outcry for cash, after first giving notice of the description of the property to be sold and the time, place, and terms of such sale by publication once a week for three consecutive weeks prior to the sale in a newspaper published in the county or counties in which the property to be sold is located. Mortgagor waives any requirement that the Property be sold in separate tracts and agrees that Lender may sell the Property en masse regardless of the number of parcels conveyed by this Mortgage. The power of sale granted to Lender is a continuing power of sale and shall not be fully exercised until all of the Property not previously sold is sold or all of the Obligations are satisfied in full. Upon the payment of the purchase price, Lender or the auctioneer conducting the sale is authorized to execute a deed to the property in Mortgagor's name and deliver the deed to the purchaser at the foreclosure sale. Lender, its successors, assigns, agents or attorneys may bid all or any part of the debt owed and become the purchaser of the property at any sale hereunder.

The proceeds from the sale of the Property shall be applied as follows: first, to the expense of advertising, preparing, selling, and conveying the Property for sale, including reasonable attorney fees incurred by Lender in the foreclosure action or any injunction proceeding, bankruptcy, appeal, or other proceeding challenging the rights of Lender to foreclose this Mortgage or sell any of the Property; second, to the payment of any amounts expended or that may be necessary to expend to pay insurance, taxes, assessments, and other liens and mortgages; third, in full or partial payment of the Obligations in such order as Lender may elect; and fourth, the balance, if any, to be paid in accordance with the requirements of law.

21. **SECURITY INTEREST UNDER THE UNIFORM COMMERCIAL CODE.** This Mortgage shall be considered a financing statement and a fixture filing pursuant to the provisions of the Uniform Commercial Code (as adopted by the state where the Property is located) covering fixtures, chattels, and articles of personal property now owned or hereafter attached to or to be used in connection with the Property together with any and all replacements thereof and additions thereto (the "Chattels"), and Mortgagor hereby grants Lender a security interest in such Chattels. The debt is the Mortgage described above. The secured party is the Lender described above. Upon demand, Mortgagor shall make, execute and deliver such security agreements (as such term is defined in said Uniform Commercial Code) as Lender at any time may deem necessary or proper or require to grant to Lender a perfected security interest in the Chattels, and upon Mortgagor's failure to do so, Lender is authorized to sign any such agreement as the agent of Mortgagor. Mortgagor hereby authorizes Lender to file financing statements (as such term is defined in said Uniform Commercial Code) with respect to the Chattels, at any time, without the signature of Mortgagor. Mortgagor will, however, at any time upon request of Lender, sign such financing statements. Mortgagor will pay all filing fees and taxes for the filing of such financing statements and for the refiling thereof at the times required, in the opinion of Lender, by said Uniform Commercial Code. If the lien of this Mortgage is subject to any security agreement covering the Chattels, then in the event of any default under this Mortgage, all the right, title and interest of Mortgagor in and to any and all of the Chattels is hereby assigned to Lender, together with the benefit of any deposits or payments now or hereafter made thereof by Mortgagor or the predecessors or successors in title of Mortgagor in the Property.

22. **REIMBURSEMENT OF AMOUNTS EXPENDED BY LENDER.** Lender, at Lender's option, may expend funds (including attorneys' fees and legal expenses) to perform any act required to be taken by Mortgagor or to exercise any right or remedy of Lender under this Mortgage. Upon demand, Mortgagor shall immediately reimburse Lender for all such amounts expended by Lender together with interest thereon at the lower of the highest rate described in any Obligation or the highest rate allowed by law from the date of payment until the date of reimbursement. These sums shall be included in the definition of Obligations herein and shall be secured by the beneficial interest granted herein. If the Obligations are paid after the beginning of publication of notice of sale, as herein provided, or in the event Lender shall, at its sole option, permit Mortgagor to pay any part of the Obligations after the beginning of publication of notice of sale, as herein provided, then, Mortgagor shall pay on demand all expenses incurred by Lender in connection with said publication, including reasonable attorneys' fees, and this Mortgage shall be security for all such expenses and fees.

23. **APPLICATION OF PAYMENTS.** All payments made by or on behalf of Mortgagor may be applied against the amounts paid by Lender (including attorneys' fees and legal expenses) in connection with the exercise of its rights or remedies described in this Mortgage and then to the payment of the remaining Obligations in whatever order Lender chooses.

24. **POWER OF ATTORNEY.** Mortgagor hereby appoints Lender as its attorney-in-fact to endorse Mortgagor's name on all instruments and other documents pertaining to the Obligations or the Mortgage. In addition, Lender shall be entitled, but not required, to perform any action or execute any document required to be taken or executed by Mortgagor under this Mortgage. Lender's performance of such action or execution of such documents shall not relieve Mortgagor from any Obligation or cure any default under this Mortgage. All powers of attorney described in this Mortgage are coupled with an interest and are irrevocable.

25. **SUBROGATION OF LENDER.** Lender shall be subrogated to the rights of the holder of any previous lien, security interest or encumbrance discharged with funds advanced by Lender regardless of whether these liens, security interests or other encumbrances have been released of record.

26. **PARTIAL RELEASE.** Lender may release its interest in a portion of the Property by executing and recording one or more partial releases without affecting its interest in the remaining portion of the Property. Nothing herein shall be deemed to obligate Lender to release any of its interest in the Property (except as required under Paragraph 34), nor shall Lender be obligated to release any part of the Property if Mortgagor is in default under this Mortgage.
27. **MODIFICATION AND WAIVER.** The modification or waiver of any of Mortgagor's Obligations or Lender's rights under this Mortgage must be contained in a writing signed by Lender. Lender may perform any of Borrower's or Mortgagor's Obligations, delay or fail to exercise any of its rights or accept payments from Mortgagor or anyone other than Mortgagor without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Mortgagor's Obligations under this Mortgage shall not be affected if Lender, amends, compromises, exchanges, fails to exercise, impairs or releases any of the Obligations belonging to any Mortgagor, Borrower or third party or any of its rights against any Mortgagor, Borrower or third party or any of the Property. Lender's failure to insist upon strict performance of any of the Obligations shall not be deemed a waiver, and Lender shall have the right at any time thereafter to insist upon strict performance.
28. **SUCCESSORS AND ASSIGNS.** This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees and devisees.
29. **NOTICE.** Except as otherwise required by law, any notice or other communication to be provided under this Mortgage shall be in writing and sent to the parties at the addresses described in this Mortgage or such other address as the parties may designate in writing from time to time. Any such notice so given and sent by first class mail, postage prepaid, shall be deemed given the earlier of three (3) days after such notice is sent or when received by the person to whom such notice is being given.
30. **SEVERABILITY.** Whenever possible, each provision of this Mortgage shall be interpreted so as to be effective and valid under applicable state law. If any provision of this Mortgage violates the law or is unenforceable, the rest of the Mortgage shall remain valid.
31. **APPLICABLE LAW.** This Mortgage shall be governed by the laws of the state where the Property is located. Unless applicable law provides otherwise, Mortgagor consents to the jurisdiction of any court selected by Lender, in its sole discretion, located in that state.
32. **MISCELLANEOUS.** Mortgagor and Lender agree that time is of the essence. Mortgagor waives presentment, demand for payment, notice of dishonor and protest except as required by law. All references to Mortgagor in this Mortgage shall include all persons signing below. If there is more than one Mortgagor, their Obligations shall be joint and several. This Mortgage represents the complete integrated understanding between Mortgagor and Lender pertaining to the terms and conditions hereof.
33. **SATISFACTION.** Upon the payment of all of the Obligations, including all future advances and all sums advanced by Lender pursuant to this Mortgage, this Mortgage shall be void and Lender will mail or deliver to Mortgagor a written satisfaction in recordable form. Until such time, this Mortgage shall remain in full force and effect.
- If this Mortgage secures an open end or revolving line of credit which provides for future advances, satisfaction of the Obligations shall not occur until there is no outstanding indebtedness under any of the Obligations secured by this Mortgage and no commitment or agreement by Lender to make advances or otherwise give value under any agreement evidencing the Obligations. Upon written request to satisfy this Mortgage signed by Mortgagor and all other persons who have a right to require Lender to extend value, and provided there is no outstanding Obligation at that time, Lender will cause this Mortgage to be satisfied in accordance with law. After the written request for satisfaction, neither Mortgagor nor any other person shall have any right to request or demand that Lender extend value under this Mortgage or any other agreements as Lender shall be released from all commitments to extend value thereunder. Until the request to satisfy this Mortgage is duly signed and delivered to Lender, this Mortgage shall continue in full force and effect.
- Mortgagor shall pay any costs of recordation of the satisfaction.
34. **JURY TRIAL WAIVER.** MORTGAGOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY CIVIL ACTION ARISING OUT OF, OR BASED UPON, THIS MORTGAGE.
35. **ADDITIONAL TERMS.**

Mortgagor acknowledges that Mortgagor has read, understands, and agrees to the terms and conditions of this Mortgage, and acknowledges receipt of an exact copy of it.

Dated this 25th day of May, 2000

MORTGAGOR: OLD SOUTH BUILDERS, INC.

BY: 
TOMMY MAYSON
PRESIDENT
MORTGAGOR

MORTGAGOR: OLD SOUTH BUILDERS, INC.

BY: 
GEORGE E. GREGORY
VICE PRESIDENT
MORTGAGOR

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

State of Alabama)

County of _____)

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

whose name(s) is/are signed to the foregoing instrument and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they/he/she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this _____ day of _____

(Notarial Seal)

Notary Public

State of Alabama)

County of _____)

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

whose name(s) is/are signed to the foregoing instrument and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they/he/she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this _____ day of _____

(Notarial Seal)

Notary Public

State of Alabama)

County of Jefferson)

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

whose name(s) is/are signed to the foregoing instrument, and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they/he/she, as such President and Vice President of Old South Builders, Inc. Corporate and with full authority, executed the same voluntarily for and as the act of said Officer

Given under my hand and official seal this 25th day of February

(Notarial Seal)

Notary Public

State of Alabama)

County of _____)

COMMON EXPIRES FEBRUARY 3, 2001

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

whose name(s) is/are signed to the foregoing instrument, and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they/he/she, as such and with full authority, executed the same voluntarily for and as the act of said

Given under my hand and official seal this _____ day of _____

(Notarial Seal)

Notary Public

SCHEDULE A

The following described real property located in the County of SHELBY, State of Alabama
LOT 139, ACCORDING TO THE SURVEY OF CAMDEN COVE SECTOR 1, AS RECORDED IN MAP BOOK 25, PAGE 33 A, B & C, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

SCHEDULE B

Inst # 2000-17751

05/31/2000-17751
10:13 AM CERTIFIED

THIS DOCUMENT WAS PREPARED BY: PINKACLE BANK

AFTER RECORDING RETURN TO LENDER AT ITS ADDRESS DESCRIBED ABOVE BY COUNTY JUDGE OF PROBATE

005 100 130.50