RECORDATION REQUESTED BY:

SouthTrust Bank, National Association Brook Highland 320 5376 Highway 200 Streetschart, Al. 36242

2000-19058

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE DISKY

FAELS 1868103



MORTGAGE

MAXIMUM LIEN. The Nen of this Mortgage shall not exceed at any one time \$50,000.00.

THIS MORTGAGE duted April 7, 2000, is made and executed between THOMAS R VLACH and RIXJA R VLACH HUSBAND AND WIFE (referred to below as "Grantor") and SouthTrust Bank, National Association, whose eddress is Brook Highland 320, 5378 Highway 280, Simmingham, AL 35242 (referred to below as "Lender").

GRANT OF MORTGAGE. For volumble consideration, Grantor mortgages, grants, bargains, sells and conveys to Lander all of Grantor's right. title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings. improvements and fixtures; all essements, rights of wey, and appurtenences; all water, water rights, watercourses and ditch rights (including stock in utilities with disph or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in SHELBY County, State of Alabama:

SECTOR-PHASE 1. LOT 20 1ST AMENDED PLAT OF GREYSTONE FARMS MILNER'S CRESCENT RECORDED IN MAP BOOK 19, PAGE 140 IN THE PROBARE OFFICE OF SHELBY COUNTY, ALABAMA

The Real Property or its address is commonly known as 4045 MILNERS CRESCENT, BIRMINGHAM, AL 35242.

REVOLVING LINE OF CREDIT. Specifically, in addition to the empurite specified in the indebtedness definition, and without Smitation, this Mortgage secures a revolving line of credit, which obligates Lander to make advances to Borrower so long as Botrower complies with all the terms of the Credit Agreement. Such advances may be made, repeld, and remede from time to time, subject to the limitation that the total outstanding belence enting at any one time, not including finance charges on such belence at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary everages, other charges, and any amounts expended or advanced as provided in either the indubtedness paragraph or this paragraph, shall not exceed the Credit Limit as provided in the Gredit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the betance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided in this Mortgage and any intermediate balance.

Grantor presently assigns to Lander all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security Interest in the Personal Property and Renta

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDESTEDNESS AND (B) PERFORMANCE OF EACH OF GRANTOR'S AGREEMENTS AND CELICATIONS UNDER THE CREDIT AGREEMENT, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grentor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lander's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender: (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property: (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor shout Borrower (Including without limitation the creditworthiness of Borrower).

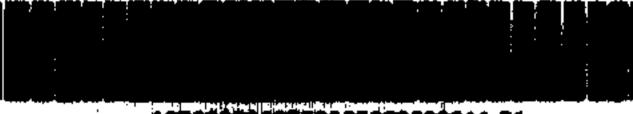
PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lunder all indultradness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may. (1) remain in possession and control of the Property. (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Granter shell maintain the Property in good condition and promptly perform all repairs, replacements, and maintanance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threateried release of any Hazardous Substance by any person on, under, about or from the Property: (2) Grantor has no knowledge of, or reason to believe that there has been, except se previously disclosed to and acknowledged by Lender in writing. (a) any breach or violation of any Environmental Laws. (b) any use, generation, menufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under about or from the Property by any prior owners or occupants of the Property, or (c) any actuel or threatened litigation or claims of any kind by any person relating to such mentars; and (3) Except as previously disclosed to and acknowledged by Lender in writing. (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hezerdous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or triess made by Lander shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lander to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hezardous Bubetances. Granter hereby (1) releases and waives any future claims against Lander for indemnity or contribution in the event Grantor becomes fights for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lander (1) against any and all claims, losses, liabilities, damages, penalties, and expenses which Lander may directly or indirectly sustain or suffer 7 resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release coolaring prior to Grensor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the 🉏



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MORTGAGE (Continued)

striff the authorisation and reconveyance of the flen of this Mortgage and shall not be affected by Lander's acquisition of any fittigerty, whether by fereciseure or otherwise.

Gierror shall not cause, conduct or parmit any nulsance nor commit, permit, or suffer any etripping of or waste on or to my portion of the Property. Without Bigiting the generality of the foregoing, Grentor will not remove, or grant to any other **neve, any timber, minerale lincluding off and ges), doef, diey, ecorie, soll, gravel or rock products without Lender's prior**

E at Suppose that. Grantor shall not demolish or remove any knorovements from the Real Property without Lender's prior written tt. As a somilition to the removel of any improvements, Lander may require Grantor to make arrangements satisfactory to Lander to realises such improvements with improvements of at least equal value.

Lender's Milite to Briter. Lender and Lander's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lander's Interests and to Inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Castallance with Governmental Reculrements. Granter shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grentor may contest in good faith any such lew, ordinance, or requistion and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lander in writing prior to doing so and so long se. In Lander's sole opinion, Lander's interests in the Property are not jeoperdized. Lander may require Granton to post adequate security or a surety bond, reasonably satisfactory to Lander, to protect Lander's interest.

Duty to Protect. Grantor agrees neither to abendon nor leave unettended the Property. Grantor shall do all other acts, in eddition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE 36 SALE - CONSIDER BY LIMIDER. Lander may, at Lander's option, declare immediately due and payable all sums secured by this Mortgate upon the sale or trensfer, without Lander's prior written concent, of all or any part of the Real Property, or any interest in the Real Property: A "cale or transfer" means the conveyance of fless Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed. leasehold interest with a term greater then three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lander If such exercise is prohibited by federal law or by Alabama law.

TAXES AND LIBRE. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grentor shall pay when due land in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer pervice charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or meterial furnished to the Property. Granter shall maintain the Property free of any liens having priority over or equal to the interest of Lander under this Mortagae, expect for those liens specifically agreed to in writing by Lander, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contact. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pey, so long as Lender's interest in the Property is not isoperdized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (18) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filling. secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lander in an amount sufficient to dispheres the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreologure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lander as an additional obliges under any surety bond. furnished in the contest proceedings.

Evidence of Povment. Grantor shall upon demand furnish to Lander satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriets governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (3.5) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any machanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or meterials. Grantor will upon request of Lender furnish to Lender advance assurances estisfactory to Lender that Grantor. can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Melaterance of Incurance. Grantor shall produce and maintain policies of fire incurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application. of any coincurance clause, and with a standard mortgages clause in favor of Lander. Policies shall be written by such insurance companies. and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of doverage from each insurer containing a stipulation that opverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender. and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that poverage in favor of Lander will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Faderal Flood insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazerd area, for the full unpeid principal balance of the loan and any prior liens on the property securing the loan, up to the meximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lander, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or demage to the Property. Lender may make proof of loss if Grantor falls to do so within fifteen (16) days of the casualty. Whether or not Lander's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lienaffecting the Property, or the restoration and repair of the Property. If Lander elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the demagned or destroyed improvements in a manner satisfactory to Lander. Lender shall, upon satisfactory proof of such expenditure, pay or reliaburee Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been idiabureed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shell be used first to pay amount owing to Lender under this Mortage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after perment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appoint.

Unexpired incurance at Sale. Any unexpired incurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sele or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

LENDER'S EXPENDITURES. If Grantor falls. (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims. (B) to provide any required insurance on the Property, or (C) to make repairs to the Property then Lender may do so. If any action or proceeding is commenced that would materially affect Lander's interests in the Property, then Lander on Grantor's behalf may, but is not required to, take any action that Lander believes to be appropriate to protect Lander's interests. All expenses incurred or paid by Lander for such purposes will then beer interest at the rate charged under the Credit Agreement, or the maximum rate permitted by law, whichever is less. from the data incurred or paid by Lander to the data of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Credit Agreement and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Credit Agreement; or (C) be treated as a balloon payment which will be due and payable at the Credit Agreement's meturity. The Property also will ascure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of any default. Any such action by Lender shall not be construed as curing the default so 🔏 🖔 as to ber Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens



MORTGAGE

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Select to the enception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the selection of all paragraph. In the question or proceeding is commenced that questions Grantor's title or the interest of Lander will defend to participate in the proceeding and to be represented in the proceeding by counsel of Lander's own choice, and Grantor will deliver, or cause to be delivered, to Lander such instruments as Lander may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws. ordinances, and regulations of governmental authorities.

Survival of President. All promises, agreements, and atstements Grantor has made in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature and shall remain in full force and effect until such time as Sorrower's Indebtedness is paid in full.

COMPRIMENTION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Precedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lander in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lander shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lander such instruments and documentation as may be requested by Lander from time to time to participation.

Application of Not Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or publishes in New of condemnetion, Lender may at its election require that all or any portion of the net proceeds of the given be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable quests, expenses, and attorneys' fees incurred by Lender in connection with the condemnetion.

IMPOSITION OF TAXES, PEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes fees and charges are a part of this Mortgage:

Current Texas, Feels and Charges. Upon request by Lander, Grantor shall execute such documents in addition to this Mortgage and take whetever other action is requested by Lander to perfect and continue Lander's lien on the Real Property. Grantor shall reimburse Lander for all taxes, as described below, together with all experiess incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary exemps, and other charges for recording or registering this Mortgage.

Taxes. The following shell constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtadness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtadness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Credit Agreement; and (4) a specific tax on all or any portion of the Indebtadness or on payments of principal and interest made by Borrower.

Subsequent Times. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either. (1) pays the tax before it becomes delinquent, or. (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT: FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures or other personal property, and Lander shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Beauty Interest. Upon request by Lender, Grantor shell execute financing statements and take whetever other action is requested by Lender to perfect and continue Lender's accurity interest in the Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shell reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shell assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (sech as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES: ATTORNEY-M-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lander, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lander or to Lander's designes, and when requested by Lander, cause to be filled, recorded, reflied, or rerecorded, as the case may be, at such times and in such offices and places as Lander may deem appropriate, any and all such mortgages, deeds of trust, ascurity deeds, security agreements, financing attenments, continuation attenments, instruments of further assurance, certificates, and other documents as may, in the sole spinion of Lander, be necessary or desirable in order to effectuats, complete, perfect, continue, or preserve. (1). Berrower's and Grantor's obligations under the Cradit Agreement, this Mortgage, and the Related Documents, and (2) the liene and assurity interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor Unless prohibited by lew or Lander agrees to the contrary in writing, Grantor shell reimburse Lander for all costs and expenses incurred in connection with the metters referred to in this paragraph.

Atterney-in-Fact. If Grantor fells to do any of the things returned to in the preceding paragraph, Lender may do so for end in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filling, recording, and doing all other things as may be necessary or desirable. In Lander's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower pays all the Indebtedness when due, terminetes the credit line account by notifying Lender as provided in the Credit Agreement, and otherwise performs all the obligations imposed upon Grantor under this Mortgage. Lender shall execute and deliver to Grantor a suitable setisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lander's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination les as determined by Lander from time to time.

EVENTS OF DEFAULT. Grantor will be in default under this Mortgage if any of the following happen:

- (1) Grantor commits fraud or makes a material misrepresentation at any time in connection with the Credit Agreement. This can include, for example, a false statement about Borrower's or Grantor's income, assets. Habilities, or any other aspects of Borrower's or Grantor's financial condition.
 - (2) Borrower does not meet the repayment terms of the Credit Agreement.
- (3) Grantor's action or inection adversely affects the colleteral or Lander's rights in the colleteral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funde or the dwelling for prohibited purposes.

RIGHTS AND RESERVES ON DIFFAULT. Upon the occurrence of an Event of Default and at any time thereefter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

its and remedies, in addition to any other rights or remedies provided by law:

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MORTGAGE

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s, Leader shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately ng only properyment penalty which Grantor would be required to pay.

tigo all or any part of the Personal Property. Lender shall have all the rights and remedies of a secured serty

Lander shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents. into past due and unpeld, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In mes of this right, Lender may require any senset or other user of the Property to make payments of sent or use less directly to If the Rents are adleased by Lender, then Grantor Interocebly designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Granter and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lander in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand exteted. Lander may exercise its rights under this subpersoraph either in person, by agent, or through a receiver.

Appaint Resolver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to bollect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall extent whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lander shall not disqualify a person from serving as a receiver.

Judicial Ferestagure. Lender may obtain a judicial decree forectoring Grantor's interest in all or any part of the Property.

Nonhalistal Bale. Lender will be authorized to take possession of the Property and, with or without taking such possession, after giving notice of the time, place and terms of sale, together with a description of the Property to be sold, by publication once a week for three (3) suppositive weeks in some newspaper published in the county or counties in which the Real Property to be sold is located, to sell the Property for such part or parts thereof as Lender may from time to time elect to sell) in front of the front or main door of the courthouse of the county in which the Property to be sold, or a substantial and material part thereof, is located, at public outcry, to the highest bidder for cash. If there is Real Property to be sold under this Mortgage in more than one county, publication shall be made in all counties where the Real Property to be sold is located. If no newspaper is published in any county in which any Real Property to be sold is located, the notice shall be published in a newspaper published in an adjoining county for three (3) successive weeks. The sale shall be held between the hours of 11:00 s.m. and 4:00 p.m. on the day designated for the exercise of the power of sale under this Mortgage. Lender may bid at any sale had under the terms of this Mortgage and may purchase the Property if the highest bidder therefore. Grantor hereby waives any and all rights to have the Property marshalled. In exercising Lander's rights and remedies, Lander will be free to sell all or any part of the Property together or separately, in one sale or by separate sales.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tempticy at Suffereines. If Granter remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenent at sufferance of Lander or the purchaser of the Property and shall, at Lander's option, either (1) pay a resconable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Credit Agreement or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Sorrower and Grantor hereby waives any and all right to have the property merehalisd. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lander shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lander will give Grantor researchable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other injended disposition of the Personal Property is to be made. Researable notice shall mean notice given at least ten (10) days before the time of the sale or disposition.

Election of Remedies. An election by Lander to choose any one remedy will not ber Lander from using any other remedy. If Lander decides to spend maney or to perform any of Grantor's obligations under this Mortgage, after Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in default and to exercise Lender's remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as ettorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all resconsble expenses Lender Incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Credit Agreement rate from the date of the expenditure until repeid. Expenses covered by this peragraph include, without limitation, however subject to any limits under applicable law, Lender's researchie attorneys' fees and Lender's legal expenses, whether or not there is a lewault, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacata any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foresiseure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. If this Mortgage is subject to Section 5-19-10, Code of Alabama 975, as amended, any reasonable attorneys' fees provided for in this Mortgage shall not exceed fifteen percent (15%) of the unpeid debt after default and referral to an attorney who is not Lender's salaried employee.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shell be effective when actually delivered, when actually received by telefaceimile (unless otherwise required by law), when deposited with a netionally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgags shall be sent to Lander's address, as shown near the beginning of this Mortgage Any person may change his or her address for notices under this Mortgage by giving formal written notice to the other person or persons. specifying that the purpose of the notice is to change the person's address. For notice purposes, Grantor agrees to keep Lander informed at all times of Grantor's current address. Unless otherwise provided or required by lew, if there is more than one Grantor, any notice given by Lander to any Brantor is deemed to be notice given to all Grantors. It will be Grantor's responsibility to tell the others of the notice from Lander.

ADDITIONAL PROVISIONS CONCERNING PAYMENT OF TAXES AND LIENS. If Grantor fails to pay promptly when due all taxes, payroli taxes special taxes, assessments, water charges and sewer charges, flens and encumbrances at any time levied or placed on the Property. Lander may pay such charge (but Lander will not be obligated to pay any such charge), and Grantor will reimburse Lander the amount of those charges. upon Lender's request, or, if Lender elects, Lender may add those charges to the unpeid balance of the principal sum, and such charges will bear interest at the rate provided in the Credit Agreement until peld.

ADDITIONAL PROVISION CONCERNING LENDER'S RIGHT TO ENTER. Grantor agrees that Lander's entry upon such Real Property for these purposes will not be a trespess on the Real Property and that Lender's repossession of the Property after default will not be a trespess to, or a conversion of, the Property. If Lander should repossess the Property or any part of it or any of my personal property which is not a part of the Property when I am not in default, I agree that Lander's Hability to me will be limited solely to the fair rental value of such Property while it was in Landar's possession.

USE AND REPAIR OF COLLATERAL. Grantor agrees not to sell, give, otherwise transfer, lease or rent the Property to any person, and not to abuse, waste, or destroy the Property. Grantor agrees not to use the Property in violation of any statute or ordinance or of any policy of insurance covering the Property. .

REMOVAL OF NON-COLLATERAL PERSONAL PROPERTY. If Grantor is in default under this Mortgage, Grantor agrees immediately to remove from the Property all of Grantor's personal property which is not part of the Property. If Grantor falls to remove Grantor's personal property from the Property and Lender forecloses on the Property and Grantor's personal property which is contained in it or brillt. Grantor will not hold Lender responsible in any way for taking Grantor's personal property, and Lender may hold Grantor's personal property until Grantor colmes to claim it. Lander will not be obligated to hold such personal property for Grantor or to return it to Grantor or to compensate Grantor for it in any way unless Grantor notifies Lander of Grantor's claim that Lander has taken personal property which is not part of the Property and furnish A

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MORTGAGE

(Continued)

section of the present property taken within 48 hours efter Lander takes possession of the personal property. Grantor agrees to pay any

Asserting the process of the sale of lease of the sale of lease or other Asserting as a deal applied the employ destructive as a deal applied the employ destructive as a credit applied the employ destructive as a credit against the amount Grantor ower Lander under the Credit against the amount Grantor ower Lander under the Credit of the Property either any extensive the deposition of the Property will be paid to Grantor or to the person Agreement and electron deals against the negative deals are applicable law or agreement. Grantor will be entitled to recover the Property at any time before Lander their actions their applicable law or agreement. Grantor ower Lander under the Credit Agreement and all sums selfs or leases their deals appeared of it by paying Lander the full amount Grantor ower Lander under the Credit Agreement and all sums selfs or leases their agreement Lander has with Grantor which is secured by the Property, plus all expenses tiricluding attorneys' face as their disc tander any other agreement Lander has with Grantor which is secured by the Property, plus all expenses tiricluding attorneys' face as provided in the paragraph titled "Atterneys' Face; Expenses" of the Mortgage) Lander has incurred in repossessing and foreclosing the Property preparing it for sale or lease, storing it, and preparing for the sale or lease.

MISCELLARIZOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Attransments. What is written in this Mortgage and in the Related Documents is Grantor's entire agreement with Lender concerning the metters covered by this Mortgage. To be effective, any change or amendment to this Mortgage must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

Arbitration. Borrower and Grantor and Lender agree that all disputes, claims and controversies between us whether individual, joint, or class in nature, arising from this Mortgage or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Pulse of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Property shall constitute a welver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, dispose of any Property shall constitute a welver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, dispose, and time tender of any claim of a tracelver; or exercising order; involving a power of sale under any deed of trust or mortgage, obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, intelluding taking or obtaining a writ of attachment or imposition of a receiver; or exercise of any rights relating to personal code. Any disputes, claims, or opticipated concerning the lawfulness or reasonablesses of any act, or exercise of any right, concerning any Property, including any claims, or restricted personal property and the serbitrated, provided however that no arbitrator terescind, reform, or otherwise modify any agreement relating to the Property, shall see be arbitrated, provided however that no arbitrator any serior that right is the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having juriediction. Northing in this Mortgage shall precise any party from seeking equitable relief from a court of commercial puriediction. The statute of limitations, estopped, welver, laches, and almiter doctrines which would otherwise be applicable in any action brought by a party shall be applicable in any erbitration provision, interpretation, and enforcement of this larbitration provi

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by and interpreted in accordance with federal law and the tows of the State of Alabama.
This Mortgage has been accepted by Lander in the State of Alabama.

Chaice of Venue. If there is a lewsuit, Grantor agrees upon Lander's request to submit to the jurisdiction of the courts of Shalby County.
State of Alabama.

Jelist and Several Liability. All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Mortgage.

No Waiver by Lender. Grentor understands Lender will not give up any of Lender's rights under this Mortgage unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lander does agree writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Mortgage in writing to give up one of Lender's rights, that does not mean that Grantor will not have to get Lender's consent Grantor also understands that if Lander does consent to a request, that does not mean that Grantor will not have to get Lender's requests. again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests. that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

Severability. If a court finds that any provision of this Mortgage is not valid or should not be enforced, that fact by itself will not mean that the rest of this Mortgage will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Mortgage even if a provision of this Mortgage may be found to be invalid or unanforceable.

Merger. There shall be no merger of the interset or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Walver of Homesteed Exemption. Grantor hereby releases and walves all rights and benefits of the homesteed exemption laws of the State of Alabama as to all indebtedness secured by this Mortgage.

DEFINETIONS. The following words shall have the following meanings when used in this Mortgage:

Sorrower. The word "Borrower" means THOMAS R VLACH, and all other persons and entities signing the Credit Agreement.

Credit Agreement. The words "Credit Agreement" mean the credit agreement dated April 7, 2000, in the original principal amount of \$50,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promiseory note or agreement.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Superfund Amandmental and Comprehensive Act of 1980, as amended, 42 U.S.C. Section 9801, et seq. ("CERCLA"), the Superfund Amandmental end Comprehensive Environmental Response, relating to the Superfund Amandmental Response, relating to the Superfund Amand

Event of Default. The words "Event of Default" mean any of the Events of Default set forth in this Mortgage in the Events of Default section of this Mortgage.

Grantor. The word "Grantor" means THOMAS R VLACH and RIXJA R VLACH.

Hexardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical chemical or infectious characteristics, may cause or poss a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous improperly used, treated, atored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or Substances" are used in their very broadest sense and include without limitation any and all hazardous includes, without limitation, petroleum waste as defined by or flated under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" meens all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

indebtedness. The word "indebtedness" means all principal and interest payable under the Credit Agreement and any amounts expanded in advanced by Lender to discharge obligations of Grantor or expanses incurred by Truetee or Lender to enforce obligations of Grantor or advanced by Lender to discharge obligations of Grantor under this Moragage, together with interest on such amounts as provided in this Moragage; and that the Credit Agreement will continue in effect until terminated by either the Grantor or the Lender in accordance with the terms of the Credit Agreement, or until fifteen [15] years effect until terminated by either the Grantor or the Lender in accordance with the terms of the Credit Agreement, or until fifteen [15] years

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MORTGAGE

(Continued) trains the date, whithever occurs first, even though from time to time there may be no loans outstanding to the Grantor under the Credit . The west "Lunder" means SouthTrust Sent, National Association, its successors and assigns. The words "successors or sesigns" my pullion for company that acquires any interest in the Credit Agreement. The word "Mortgage" means this Mortgage between Grantor and Lender. Personal Preparty. "The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affected to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property. Property. The word "Property" means collectively the Real Property and the Personal Property. Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage. Related Decuments. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments. agreements and documents, whether now or hereafter extetting, executed in connection with the Indebtedness. Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property. EACH CHANTON ACKNOWLEDGES HAVEIG READ ALL THE PROVISIONS OF THIS MONTGAGE, AND EACH GRANTON AGREES TO ITS THRONG MONTGAGE IS GIVEN UNDER SHAL AND IT IS INTENDED THAT THIS MONTGAGE IS AND SHALL CONSTITUTE AND HAVE THE BITTECT OF A SCALED WISTRUSIUM ACCORDING TO LAW. GRANTON:

This Mortgoes proposed by

mine: COMME STOVES , Lean Precessor LH/9600250662 Address: 224 Geodule Creet Drive 9th Floor Chy. State. 22: Streeteghern, AL 35200

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA 1 22 COUNTY OF SHELBY

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that THOMAS R YLACH ; RIXLIA R VLACH , whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said Mortgage, they executed the same voluntarily on the day the same bears dute. Given under my hand and official seel this

My commission expires 8-24-2002

NOTE TO PROBATE JUDGE

This Mortgage secures open-and or revolving indebtedness with residential resi property or interests; therefore, under Bostlen 40-22-2(1)b. env one time.

SouthTrust Bank, National Association

Inst # 2000-19058

06/07/2000-19059 GRIGE PH CERTIFIED. WELDY COURTY JUSCE OF PROPER