

# FUTURE ADVANCE (OPEN-END) MORTGAGE

This instrument was prepared by

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STATE OF ALABAMA )  
SHELBY COUNTY )

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

SHELBY SPRINGS, LLC

(hereinafter called "Mortgagor") is justly indebted, to

W. LARRY CLAYTON

(hereinafter called "Mortgagee", whether one or more), in the sum of **FIVE HUNDRED THOUSAND AND NO/100** Dollars (\$500,000.00), evidenced by that certain Promissory Note of even date herewith, payable as provided therein, which note provides for an open-end credit arrangement under which the Borrower may borrow, repay and reborrow from Mortgagee from time to time so long as the aggregate unpaid balance of such loans outstanding from time to time does not exceed the sum of \$500,000.00; that the Promissory Note is an open-end credit agreement which will continue in effect until terminated by either the Mortgagor or the Mortgagee, so that there is no fixed maturity date of loans made under the credit arrangement contained in the Promissory Note, and that the credit arrangement will continue in effect until terminated, even though from time to time there may be no loan outstanding to the Mortgagor under this credit arrangement.

And Whereas, Mortgagor agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagor,

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate, situated in **Shelby County, State of Alabama**, more particularly described in Exhibit A attached hereto and incorporated herein by reference.

This Mortgage shall continue in full force and effect until the indebtedness (including all future advances) secured by this Mortgage shall have been paid in full, Mortgagee shall have no further obligation to extend any credit to the Mortgagor under the Promissory Note, and Mortgagee shall have executed and delivered to Mortgagor a release or satisfaction of this Mortgage in recordable form, even though from time to time for extended periods of time there may be no indebtedness owed to Mortgagee under this Agreement described above and no other indebtedness hereby secured, it being the intention of the Mortgagor that this Mortgage and the title and mortgaged premises hereby conveyed to Mortgagee shall remain in full force and effect and shall secure all indebtedness described above whether now or hereafter incurred at any time prior to termination of this Mortgage by the means described herein. Mortgagee agrees to execute and deliver to Mortgagor a release or satisfaction of this mortgage within a reasonable time after written demand therefor at any time there is not indebtedness secured by this Mortgage. Upon termination of this Mortgage by the means hereinabove described, the grant and conveyance made herein shall be and become null and void.

Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

Inst # 2000-21878  
06/30/2000-21878  
10:23 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
004 CJ1 766.00

To Have And To Hold the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever, and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee, and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgagee, or assigns, and be at once due and payable.

~~Upon condition, however, that if the said Mortgagee pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagee may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void, but should default be made in the payment of any sum expended by the said Mortgagee or assigns or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty-one days' notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee. Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes or other incumbrances, with interest thereon; Third, to the payment of said indebtedness in full, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the day of sale, and Fourth, the balance, if any, to be turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.~~

IN WITNESS WHEREOF the undersigned W. Larry Clayton, as Manager of Mortgagor, has hereunto set his signature and seal, this 25<sup>th</sup> day of May, 2000.

SHELBY SPRINGS, LLC

BY: W. Larry Clayton (SEAL)  
W. Larry Clayton

THE STATE of ALABAMA )  
SHELBY County )

I, Don A. McNew, a Notary Public in and for said County, in said State, hereby certify that W. LARRY CLAYTON whose name as manager of Shelby Springs, LLC whose name is signed to the foregoing conveyance, and who is known to me acknowledged before me on this day, that being informed of the contents of the conveyance he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 25<sup>th</sup> day of May, 2000

Don A. McNew  
Notary Public  
Commission Expires: 2/9/2002

EXHIBIT A

LEGAL DESCRIPTION

Lots 30 and 31, according to Shelby Spring Farms Camp Winn Sector 1, as recorded in the Office of the Judge of Probate of Shelby County, Alabama in Plat Book 24, Page 133.

Lots 32 through 34, according to Shelby Spring Farms Camp Winn Sector 2, Phase 1, as recorded in the Office of the Judge of Probate of Shelby County, Alabama, in Plat Book 26, Page 6.

29-3-07-0-000-001

29-3-07-0-000-001 and

29-3-08-0-000-002

Subject to Right of Way to Shelby County as recorded in Deed Book 233, Page 801.

Subject to fifteen foot drainage easement as shown on recorded plat of Camp Winn Sector 2, Phase 1.

A parcel of land situated in the South 1/2 of Section 6, the East 1/2 and the NW 1/4 of Section 7, and the NW 1/4 of the NW 1/4 of Section 8, all in Township 22 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Begin at the most northerly corner of Lot 30 according to SHELBY SPRING FARMS CAMP WINN SECTOR 1, as recorded in the Office of the Judge of Probate of Shelby County, Alabama in Plat Book 24, Page 133; thence S 58deg-21'-42" W a distance of 716.54' to a point lying on the Northeasterly R.O.W. line of Shelby County Highway No. 42, said point also being on a curve to the right having a radius of 6188.85', a central angle of 6deg-32'-34" and subtended by a chord which bears N 31deg-35'-11" W, a chord distance of 706.34'; thence along the arc of said curve, and said R.O.W. line a distance of 706.73' to a point lying on the Northwesterly line of a 100' Alabama Power Company Easement; thence N 54deg-05'-02" E, leaving said R.O.W. line and along said Easement line a distance of 956.65'; thence N 52deg-21'-04" W, and leaving said Easement line a distance of 1034.65'; thence S 32deg-13'-52" W a distance of 569.26' to a point lying on the Northeasterly R.O.W. line of Shelby County Highway No. 42, said point also being the beginning of a curve to the left having a radius of 1949.86', a central angle of 26deg-07'-47" and subtended by a chord which bears N 38deg-36'-02" W, a chord distance of 881.55'; thence along the arc of said curve, and said R.O.W. line a distance of 889.23'; thence N 51deg-39'-56" W, along said R.O.W. line a distance of 21.51' to its intersection with the southeasterly line of a 100' wide Norfolk Southern Railroad R.O.W.; thence N 36deg-50'-07" E, along said Railroad R.O.W. line a distance of 300.00'; thence leaving said Railroad R.O.W. S 53deg-09'-52" E a distance of 523.77'; thence N 37deg-51'-58" E a distance of 616.37'; thence N 43deg-04'-21" E a distance of 1070.52'; thence N 30deg-29'-26" E a distance of 455.50'; thence N 50deg-57'-28" E a distance of 15.73'; thence S 45deg-44'-50" E a distance of 3271.38'; thence S 15deg-44'-26" W a distance of 48.33'; thence N 88deg-27'-25" W a distance of 310.53'; thence N 58deg-28'-28" W a distance of 131.30'; thence S 34deg-50'-48" W a distance of 279.29'; thence S 44deg-22'-30" W a distance of 415.97' to the beginning of the center-line of a 15' Easement; thence S 24deg-46'-03" W, along said center-line a distance of 603.54'; thence S 67deg-37'-39" W, along said center-line a distance of 188.29'; thence S 48deg-27'-27" W, along said center-line a distance of 105.01'; thence S 10deg-01'-24" E, and leaving said center-line a distance of 86.41'; thence S 66deg-01'-12" E a distance of 207.94' to a point lying on the Northwesterly R.O.W. line of Shelby Spring Farms, said point also lying on a curve to the left having a radius of 530.00', a central angle of 15deg-43'-30", and subtended by a chord which bears S 16deg-07'-03" W and a chord distance of 145.00'; thence along the arc of said curve and along said R.O.W. line a distance of 145.46' to the beginning of a curve to the right having a radius of 25.00', a central angle of 84deg-18'-46" and subtended by a chord which bears S 50deg-24'-40" W and a chord distance of 33.56'; thence along the arc of said curve a distance of 36.79' to a point lying on the northerly R.O.W. line of Camp Winn Lane; thence N 87deg-25'-57" W and along said R.O.W. line a distance of 62.44' to the beginning of a curve to the right having a radius of 220.00', a central angle of 17deg-00'-18" and subtended by a chord which bears N 78deg-55'-48" W and a chord distance of 65.05'; thence along the arc of said curve and along said R.O.W. line a distance of 65.29'; thence S 19deg-34'-21" W and leaving said R.O.W. line a distance of 60.00' to a point lying on the southerly R.O.W. line of said Camp Winn Lane; thence continue last described course, and leaving said R.O.W. line, a distance of 407.17'; thence S 66deg-02'-32" W a distance of 428.13'; thence N 22deg-00'-23" W a distance of 556.16'; thence N 22deg-41'-39" W a distance of 286.31'; thence N 22deg-06'-49" W a distance of 410.84' to the Point of Beginning. Said Parcel contains 178.93 acres, more or less.

29-3-06-0-000-005

29-3-07-0-000-001

Subject to Right of Way easement to Gulf States Paper Company as recorded in Instrument No. 1998-08297.

Subject to Right of Way to Shelby County as recorded in Deed Book 233, Page 801.

Subject to Right of Way to Alabama Power Company as recorded in Deed Book 177, Page 501; Deed Book 161, Page 124 and Deed Book 172, Page 133.

Subject to One Hundred foot right of way to Southern Railroad.

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