

## **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,

**NOTTINGHAM, LLC**

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

**W. LARRY CLAYTON**

(hereinafter called "Mortgagee", whether one or more), in the sum of **SIX HUNDRED THOUSAND AND NO/100 Dollars (\$600,000.00)**, 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 \$600,000.00; 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 arrangements 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 # 2000-21879

06/30/2000-21879  
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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, 2002.

NOTTINGHAM, LLC

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

THE STATE of ALABAMA )  
SHELBY County )

I, \_\_\_\_\_, a Notary Public in and for said County, in said State, hereby certify that W. LARRY CLAYTON whose name as manager of Nottingham, 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, 2002

Don H. McLaw  
Notary Public  
My Commission Expires: 2/9/2012

## EXHIBIT "A"

### Property Description

#### Parcel I:

A parcel of land situated in the N  $\frac{1}{2}$  of the NW  $\frac{1}{4}$  of Section 5, Township 22 South, Range 2 West, County of Shelby, State of Alabama, and being more particularly described as follows:

Commence at the Northwest corner of the Northeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 5, Township 22 South, Range 2 West, said point also being the point of beginning; thence South 02 degrees, 48 minutes, 37 seconds East a distance of 538.54 feet; thence South 00 degrees, 50 minutes, 34 seconds West a distance of 132.85 feet; thence South 01 degree, 48 minutes, 06 seconds East a distance of 244.30 feet; thence South 01 degree, 46 minutes, 51 seconds East a distance of 202.06 feet; thence North 76 degrees, 18 minutes, 35 seconds West a distance of 597.93 feet; thence North 76 degrees, 09 minutes, 43 seconds West a distance of 158.68 feet to a point lying on the Easterly right-of-way line of Shelby County Road #12 (80 foot R.O.W.); thence South 00 degrees, 38 minutes, 07 seconds East and along said right-of-way line a distance of 66.99 feet (map); thence South 02 degrees, 26 minutes, 36 seconds East and continuing along said right-of-way line a distance of 250.31 feet (250.40 feet map); thence South 87 degrees, 30 minutes, 18 seconds East and leaving said right-of-way line a distance of 373.43 feet; thence South 86 degrees, 20 minutes, 06 seconds East a distance of 356.91 feet; thence South 06 degrees, 52 minutes, 50 seconds East a distance of 40.78 feet; thence South 89 degrees, 48 minutes, 06 seconds East a distance of 509.75 feet; thence South 88 degrees, 19 minutes, 56 seconds East a distance of 601.18 feet; thence South 89 degrees, 00 minutes 23 seconds East a distance of 236.93 feet to the Southeast Corner of the said  $\frac{1}{4}$ - $\frac{1}{4}$  Section; thence North 02 degrees, 13 minutes, 33 seconds West along the East line of said  $\frac{1}{4}$ - $\frac{1}{4}$  Section a distance of 1,322.36 to the Northeast Corner of said  $\frac{1}{4}$ - $\frac{1}{4}$  Section; thence North 88 degrees, 30 minutes, 27 seconds West along the North line of said  $\frac{1}{4}$ - $\frac{1}{4}$  Section a distance of 1,345.37 feet to the Northwest Corner of said  $\frac{1}{4}$ - $\frac{1}{4}$  Section, and the point of beginning.

#### Parcel II:

The West 40 feet of the NE  $\frac{1}{4}$  lying north of County Road #22, of Section 5, Township 22 South, Range 2 West, Shelby County, Alabama; to be used for an easement for ingress and egress.

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