WHEN RECORDED MAIL TO:

AmSouth Bank
Attn: Laura Banks
P.O. Box 830721
Birmingham, AL 35283

Inst # 2000-36896

10/24/2000-36896
09:50 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 CJ1 66.50

RECORDER'S MEMORANDUM
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction.

[illegible] USE ONLY

MORTGAGE

THIS MORTGAGE IS DATED NOVEMBER 10 [illegible] JOHN A. [illegible] and DANA [illegible] JACOBS, HUSBAND AND WIFE, whose address is [illegible] (referred to below as "Grantor"); and AmSouth Bank, whose address is 22[illegible] Pelham Parkway, Pelham, AL [illegible] (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender 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 easements, rights of way, [illegible] (including stock in utilities with ditch 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, located in [illegible] County, State of Alabama (the "Real Property"):

LOT 105, ACCORDING TO THE SURVEY OF [illegible] SOUTH, 2ND SECTOR, AS RECORDED IN MAP BOOK 6, PAGE 12, IN THE PROBATE OFFICE [illegible]

The Real Property or its address is commonly known as [illegible]

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all 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 Rents.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Credit Agreement. The words "Credit Agreement" [illegible] November 10, 1998, between Lender and Grantor **with a credit limit of $27,000.00**, [illegible] modifications of, refinancings of, consolidations of, and substitutions for the Credit Agreement.

Existing Indebtedness. The words "Existing Indebtedness" [illegible] section of this Mortgage.

Grantor. The word "Grantor" means JOHN A. JACOBS and [illegible] this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

Improvements. The word "Improvements" means and includes without limitation 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 expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage together with interest on such amounts as provided in this Mortgage, and any and all other present or future, direct or contingent liabilities or indebtedness of any person who signs the Credit Agreement [illegible] classified as secured or unsecured, except that [illegible] the Federal Truth-in-Lending Act if, at the time such debt is [illegible] with respect to such debt shall not have been made. **Specifically, without limitation [illegible] which obligates Lender to make advances to Grantor so long as Grantor complies with the terms of the Credit Agreement. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in [illegible] not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided above and any intermediate balance. The [illegible] of this Mortgage shall not exceed at any one time $27,000.00**

Lender. The word "Lender" means AmSouth Bank, its successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Personal Property. 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 affixed 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 property, interests and rights described above in the "Grant of Mortgage" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, 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.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

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

Possession and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Hazardous Substances. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Mortgage shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Property by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) 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 hazardous waste or substance on, under, about or from the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. 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 tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender 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 hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer 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 of a hazardous waste or substance on the properties. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor 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. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition 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 ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; 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 than 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 Real Property interest. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Alabama law.

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

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service 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 material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, 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 Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure 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 Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate 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 (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory 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.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance 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 coinsurance clause, and with a standard mortgagee clause in favor of Lender. 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 coverage from each insurer containing a stipulation that coverage 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 coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become 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 Federal Flood Insurance for the full unpaid principal balance of the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse 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 disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, 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 payment in full of the Indebtedness, such proceeds shall be paid to Grantor.

Unexpired Insurance at Sale. Any un[illegible] covered by this Mortgage at any trustee's sale or oth[illegible] Property.

Compliance with Existing Indebtedness. During the [illegible] compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on [illegible] the provisions [illegible] this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the [illegible] Existing Indebtedness.

EXPENDITURES BY LENDER. If Grantor fails to comply [illegible] this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any [illegible] interests in the Property, Lender on Grantor's behalf may, but shall not be [illegible] as appropriate. Any amount that Lender expends in so doing will bear interest at the rate [illegible] Lender to the date of repayment by Grantor. All such expenses, at Lender[illegible] the credit line and be apportioned among and be payable [illegible] applicable insurance policy or (ii) the remaining term of the Credit [illegible] able at the Credit Agreement's maturity. This Mortgage also will secure [illegible] for in this paragraph shall be in addition to any other rights or any remedies to which [illegible] shall not be construed as curing the default so as to bar Lender from [illegible]

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 and encumbrances other than those set forth in the Real Property [illegible] in any title insurance policy, title report, or final title opinion issued in [illegible] this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph [illegible] Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. [illegible] party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to [illegible] 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.

EXISTING INDEBTEDNESS. The following provisions concerning [illegible] Mortgage.

Existing Lien. The lien of this Mortgage securing [illegible] expressly covenants and agrees to pay, or see to the payment [illegible] default on such indebtedness, any default under the instruments evidencing such indebtedness [illegible]

No Modification. Grantor shall not enter into any agreement [illegible] or other security agreement which has priority over this Mortgage by which [illegible] prior written consent of Lender. Grantor shall neither request nor accept [illegible] the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation [illegible] Mortgage:

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property [illegible] payment of all reasonable costs, expenses, and attorneys' fees incurred [illegible]

Proceedings. If any proceeding in condemnation is filed, [illegible] Grantor shall promptly take such steps as may be necessary to defend the action [illegible] proceeding, but Lender 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 Lender such instruments [illegible] to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. [illegible] governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall [illegible] in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes [illegible] all or any part of the Indebtedness secured by this Mortgage; (b) a [illegible] is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; [illegible] against the Lender or the holder of the Credit Agreement; and (d) a specific [illegible] payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies [illegible] Mortgage, this event shall have the same effect as an Event of Default (as defined below) [illegible] Event of Default as provided below unless Grantor either (a) pays the tax before it becomes delinquent, or [illegible] contests the tax as provided above in the Taxes and Liens section and deposits with Lender [illegible] satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions [illegible] 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 Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall [illegible] other action is requested by Lender to perfect and continue Lender's security interest [illegible] recording this Mortgage in the real property records, Lender may, at any time and [illegible] copies or reproductions of this Mortgage as a financing statement [illegible] perfecting or continuing this security interest. Upon default, Grantor shall [illegible] and at a place reasonably convenient to Grantor and Lender and make it available [illegible] written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) [illegible] security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following [illegible] part of this Mortgage.

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and [illegible] to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such [illegible] any and all such mortgages, deeds of trust, security deeds, security agreements [illegible] assurance, certificates, and other documents as may, in the sole [illegible] complete, perfect, continue, or preserve (a) the obligations of Grantor under the Credit Agreement, this Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender [illegible] expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor [illegible] attorney-in-fact for the purpose of making, executing, delivering, filing, recording, [illegible] things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. [illegible] all advances secured by this Mortgage, when due, terminates [illegible] otherwise performs all the obligations imposed upon Grantor under this Mortgage, [illegible] suitable satisfaction of this Mortgage and suitable statements of termination [illegible] the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, [illegible] Lender from time to time.

DEFAULT. Each of the following [illegible] event of default ("Event of Default") under this Mortgage: (a) Grantor commits fraud or [illegible] in connection with the credit line account. This can include, for example, a false statement [illegible] Grantor's financial condition. (b) Grantor does not meet the repayment terms of [illegible] action adversely affects the collateral for the credit line account or Lender's rights in the collateral. [illegible] to maintain required insurance, waste or destructive use of the dwelling, [illegible] the dwelling, creation of a lien on the dwelling without Lender's permission, [illegible] the dwelling for prohibited purposes.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are [illegible] attorney-in-fact to endorse instruments received in payment [illegible]. Payments by tenants or other users to Lender in [illegible] the payments are made, whether or not any proper grounds for the demand existed. [illegible] either in person, by agent, or through a receiver.

Appoint Receiver. 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 collect 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 exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

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

Nonjudicial Sale. [illegible] Property and, with or without taking such possession, after giving [illegible] the Property to be sold, by publication once a week for three (3) [illegible] the Real Property to be sold is located, to sell the Property [illegible] in front of the front or main door of the courthouse of the county in which the Property [illegible] is located, at public outcry, to the highest bidder for cash. If there is Real Property [illegible] than one county, publication shall be made in all counties where the Real Property to be sold is located. [illegible] any county in which any Real Property to be sold is located, the notice shall [illegible] three (3) successive weeks. The sale shall be held between the hours of 11:00 a.m. and 4:00 p.m. [illegible] of the power of sale under this Mortgage. Lender may bid at any sale [illegible] the highest bidder therefore. Grantor hereby waives any and all rights to have [illegible] Lender shall be free to sell all or any part of the Property together [illegible].

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application [illegible] rights provided in this section.

Tenancy at Sufferance. [illegible] the Property is sold as provided above or Lender otherwise becomes entitled to possession [illegible] Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property [illegible] rental for the use of the Property, or (b) vacate the Property immediately [illegible] 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. [illegible] Grantor hereby waives any and all right to have the property marshalled. In exercising its rights [illegible] all or any part of the Property together or separately, in one sale or by separate sales. [illegible] portion of the Property.

Notice of Sale. Lender shall give [illegible] public sale of the Personal Property or of the time after which any private sale [illegible] Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before [illegible].

Waiver; Election of Remedies. A waiver by any party [illegible] provision of this Mortgage shall not constitute a waiver of or prejudice the party's rights [illegible] that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Mortgage after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage.

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 attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender 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 from the date of expenditure until repaid at the rate provided for in the Credit Agreement. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure 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. [illegible] attorneys' fees to Lender in connection with closing, amending or modifying the loan. In addition, if this Mortgage is subject to Section 5-19-10, Code of Alabama 1975, as amended, any attorneys' fees provided for in this Mortgage shall not exceed [illegible] debt after default and referral to an attorney who is not a salaried employee of the Lender.

NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing, [illegible] (unless otherwise required by law), and shall be effective when actually delivered, or when [illegible] courier, or, if mailed, shall be deemed effective when deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

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

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Alabama. This Mortgage shall be governed by and construed in accordance with the laws of the State of Alabama.

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.

Merger. There shall be no merger of the interest 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.

Multiple Parties. All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Mortgage.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the 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.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Alabama as to all Indebtedness secured by this Mortgage.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

ARBITRATION. Any controversy, claim, dispute or issue related to or arising from (A) the interpretation, negotiation, execution, assignment, administration, repayment, modification, or extension of this Agreement or the loan (B) any charge or cost incurred under this Agreement or the loan (C) the collection of any amounts due under this Agreement or any assignment thereof (D) any alleged tort related to or arising out of this Agreement or the loan or (E) any breach of any provision of this Agreement, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA Rules"). Any disagreement as to whether a particular dispute or claim is subject to arbitration under this paragraph shall be decided by arbitration in accordance with the provisions of this paragraph. Commencement of litigation by any person entitled to demand arbitration under this paragraph shall not waive any right that person has to demand arbitration with respect to any counterclaim or other claim that may be made against that person, whether in, relating to, or arising out of such litigation, or otherwise. The Expedited Procedures of the AAA Rules shall apply in any dispute where the aggregate of all claims and the aggregate of all counterclaims each is in an amount less than $50,000. Judgement upon the award rendered by any arbitrator in any such arbitration may be entered in any Court having jurisdiction thereof. Any demand for arbitration under this document shall be made no later than the date when any judicial action upon the same matter would be barred under any applicable statute of limitations. Any dispute as to whether the statue of limitations bars the arbitration of such matter shall be decided by arbitration in accordance with the provisions of this paragraph. The locale of any arbitration proceedings under this document shall be in the county where this document was executed or such other location as is mutually acceptable to all parties. We and you shall each pay one half of the filing fees imposed by the AAA for commencing an arbitration proceeding. The arbitrator(s) in any such proceeding shall establish such reasonable procedures as may be necessary for the reasonable exchange of information between parties prior to such arbitration. Any arbitration under this paragraph shall be on an individual basis between the parties to this Agreement or their assignees only and shall not be commenced as a member or representative of, or on behalf of, a class of persons, it being the intent of the parties that there shall be no class action arbitration under this Agreement. This Agreement evidences a "transaction involving commerce" under the Federal Arbitration Act. WITH RESPECT TO DISPUTES SUBMITTED TO ARBITRATION, ALL RIGHTS TO A TRIAL BY JURY ARE HEREBY EXPRESSLY WAIVED.

Notwithstanding the preceding paragraph or the existence of arbitration rights under this Agreement, each party may (1) foreclose against any real or personal property collateral by the exercise of any power of sale under any applicable mortgage, deed of trust or security agreement or under applicable law; (2) exercise any self help remedies such as set off or repossession; or (3) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment, or appointment of a receiver from a court having jurisdiction, before, during or after the pendency of any arbitration proceedings. This arbitration provision shall not be interpreted to require that any such remedies be stayed, abated or otherwise suspended pending any arbitration or request for arbitration. The exercise of a remedy, shall not waive the right of either party to resort to arbitration.

DEFENSE COSTS. In addition to the costs and expenses I have agreed to pay above, I will pay all costs and expenses incurred by Lender arising out of or relating to any steps or actions Lender takes to defend any unsuccessful claim, allegation or counterclaim I may make against Lender. Such costs and expenses shall include, without limitation, attorneys' fees and costs.

TERM OF CREDIT AGREEMENT. Unless sooner terminated or extended by the terms hereof, this Credit Agreement shall terminate and expire 20 years from the date of this Mortgage.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

CAUTION -- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

GRANTOR:

X [signature]
JOHN A. JACOBS

X [signature]
DANA C. JACOBS

This Mortgage prepared by:

Name: [illegible]
Address: P.O. Box [illegible]
City, State, ZIP: Birmingham, AL [illegible]

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Alabama)
) ss
COUNTY OF Shelby)

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that **JOHN A. JACOBS and DANA C. JACOBS**, 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 date.

Given under my hand and official seal this 10 day of Nov, 1999.

Phyllis Ingram
Notary Public

My commission expires [illegible]

NOTE TO PROBATE JUDGE

This Mortgage secures open-end or revolving indebtedness with residential real property or interests; therefore, under Section 40-22-2(1)b, Code of Alabama 1975, as amended, the mortgage filing privilege tax on this Mortgage should not exceed $.15 for each $100 (or fraction thereof) of the credit limit of $27,000.00 provided for herein, which is the maximum principal indebtedness to be secured by this Mortgage at any one time.

AmSouth Bank
By: Connie Tolbert
Its: Asst. Branch Manager

Inst # 2000-36896

10/24/2000-36896
09:50 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 CJ1 66.50