

This instrument was prepared by:

William R. Justice
P. O. Box 1144,
Columbiana, Alabama 35051

WRAPAROUND MORTGAGE

STATE OF ALABAMA
COUNTY OF SHELBY

KNOW ALL MEN BY THESE PRESENTS:

That Whereas, Mason D. Barrett and Ammie D. Barrett, husband and wife, (hereinafter called "Mortgagor", whether one or more) are justly indebted to James N. Carroll and Betty L. Carroll, (hereinafter called "Mortgagee", whether one or more), in the sum of Two Hundred Sixty-six Thousand Nine Hundred and no/100 Dollars (\$266,900.00), evidenced by a Wraparound Note executed simultaneously herewith;

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

NOW THEREFORE, in consideration of the premises, Mortgagor and all others executing this mortgage do hereby grant, bargain, sell and convey unto Mortgagee the following described real estate, situated in Shelby County, State of Alabama, to wit:

Lot 12, in Block 2, according to the Survey of A Resurvey of Fernwood - Third Sector, as recorded in Map Book 7, Page 80, in the Probate Office of Shelby County, Alabama

Said property is encumbered by, and this Wraparound Mortgage is subordinate to, a certain first mortgage executed by Mortgagee to Mortgage Portfolio Services, Inc., dated April 27, 1998, and recorded as Instrument #1998-25218 in the Probate Office of Shelby County, Alabama, assigned to U.S. Bank National Association by instrument recorded as Instrument #1998-48352 in the Probate Office of Shelby County, Alabama; and a certain second mortgage executed by Mortgagee to National Bank of Commerce of Birmingham, dated July 14, 1998, and recorded as Instrument #1998-30317 in the Probate Office of Shelby County, Alabama (the "Senior Mortgages").

Said property is warranted free from all encumbrances and against any adverse claims, except as stated above. This is a purchase money mortgage.

It is understood and agreed that the installment payments under the Wraparound Note encompass, and are intended to discharge, amounts due under the Senior Mortgages. The Mortgagor and Mortgagee shall have the following rights and duties with respect to repayment of the Senior Mortgages:

(a) On receipt of each installment of the Wraparound Note from the Mortgagor, the Mortgagee shall pay each installment on the underlying indebtedness as they become due and payable and shall

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submit evidence of the payment to the Mortgagor. If the payments due and payable on the underlying indebtedness are not paid when due and evidence of the payment is not furnished, the Mortgagor shall have the right, but shall not be obligated, to make payments on the underlying indebtedness as they become due and payable. At the Mortgagor's election, the Mortgagor may continue to pay the full amount of the installments on the Wraparound Note and make written demand on the Mortgagee for reimbursement of any payments so made. If the Mortgagee fails to reimburse the Mortgagor within ten days after receipt of a demand, the Mortgagor shall have the right to declare the Wraparound Note and this Mortgage to be null and void. In the event of any such declaration by the Mortgagor, the Mortgagee agrees to return the Wraparound Note to the Mortgagor and to execute, acknowledge, and deliver a release of this Mortgage.

(b) The Mortgagee agrees that on receipt of any notice of default given by any holder of the underlying indebtedness pursuant to that indebtedness, or pursuant to the liens securing that indebtedness, the Mortgagee shall immediately send to the Mortgagor a copy of the notice.

(c) It is agreed that the Mortgagee shall have the right to prepay or refinance the underlying indebtedness.

(d) With the sole exception of the payments of principal and interest due under the Senior Mortgages, the Mortgagee is not responsible for any of the obligations under the Senior Mortgages. The obligation to make these payments shall be solely for the benefit of the Mortgagor under this Wraparound Mortgage and shall not inure to the benefit of, and shall not be enforceable by, any third person. Mortgagor shall maintain hazard insurance on the premises naming Mortgagee as insureds.

(e) The Mortgagor agrees to comply with all of the terms, covenants, and conditions of the Senior Mortgages, other than the payment of the monthly installments due under the Mortgage, which shall be the obligation of the Mortgagee.

The following shall constitute Events of Default:

(a) The failure of the Mortgagor to pay any installment of principal and interest in accordance with the Wraparound Note.

(b) The failure of the Mortgagor to pay any other sum required to be paid in the Wraparound Note or in this Mortgage when the sum is due.


(c) The failure of the Mortgagor to perform any covenant or agreement in the Wraparound Note or this Mortgage.

(d) The occurrence of any event that constitutes a default under the Senior Mortgages, except the payment of installments that are the obligation of the Mortgagee. In the event of a default as described above, the Mortgagee may, at Mortgagee's option, perform the obligation, condition, or covenant, and the expense of performance shall immediately be due and payable from the Mortgagor to the Mortgagee and shall be secured by the Wraparound Mortgage.

To Have And To Hold the above granted property unto Mortgagee and Mortgagee's successors, heirs, and assigns forever; upon condition, however, that if Mortgagor pays said indebtedness, then this conveyance to be null and void. Provided, however, on the occurrence of any one or more Events of Default, the entire unpaid balance of the principal, the accrued interest, and any other sums secured by the Wraparound Mortgage, shall, at the option of the Mortgagee, become immediately due and payable and this mortgage is subject to foreclosure as now provided by law in case of past due mortgages, and Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving three weeks

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 encumbrances, 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 Mortgagor, and Mortgagor further agrees that 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 Mortgagee or assigns, for the foreclosure of this mortgage, should the same be foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned have hereunto set their signatures and seals, this 24th day of November, 2000.



Mason D. Barrett



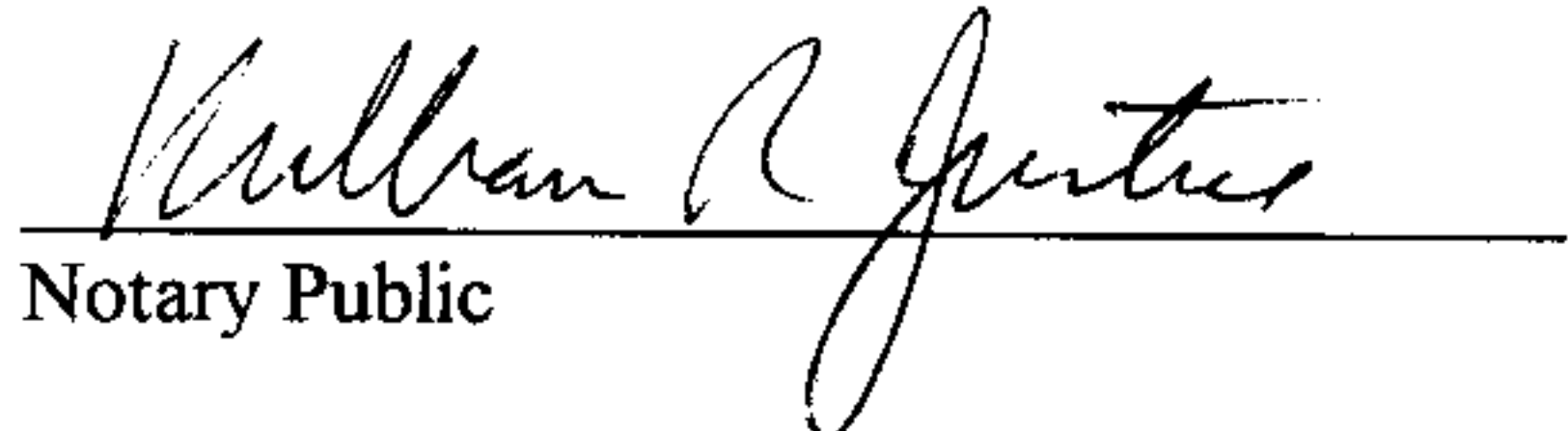
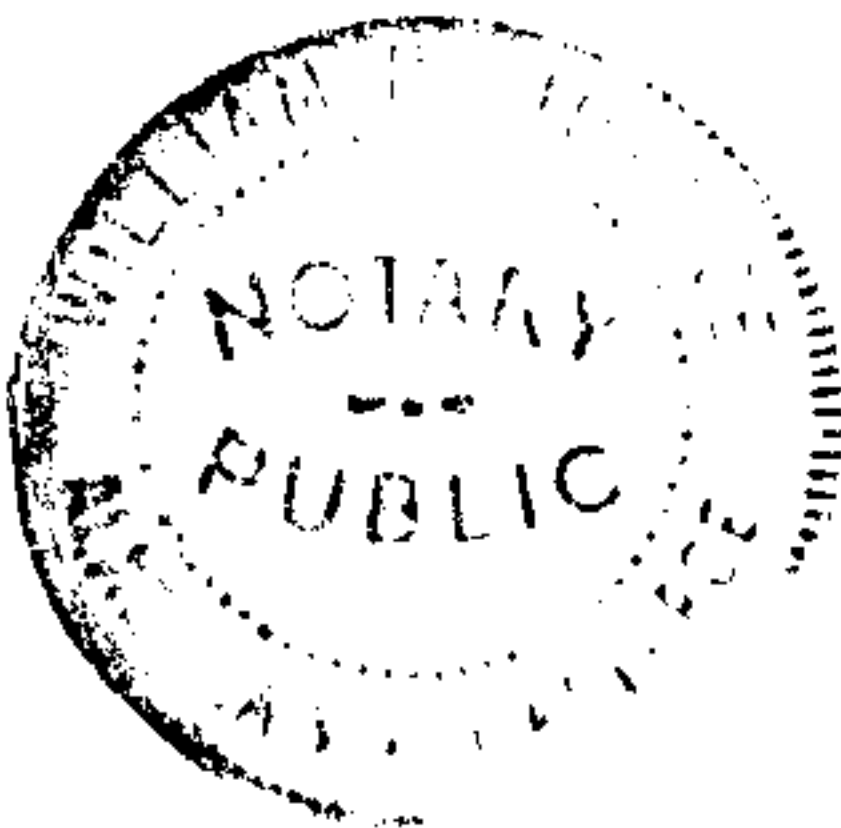
Ammie D. Barrett

STATE OF ALABAMA
COUNTY OF SHELBY

General Acknowledgment

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Mason D. Barrett and Ammie D. Barrett, husband and wife, whose names are signed to the foregoing conveyance, and who are known to me acknowledged before me on this day, that being informed of the contents of the conveyance they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 24th day of November, 2000.



Notary Public

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