

REAL ESTATE MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Mortgagors (last name first):

REYNOLDS, HOWARD K.

REYNOLDS, DONNAE D.

1536 FAIRWAY VIEW DRIVE

HOOVER, ALABAMA 35244

City State Zip

Mortgagee:

THE BANK

17 NORTH 20TH STREET

BIRMINGHAM, ALABAMA 35203

City State Zip

THE STATE OF ALABAMA)

SHELBY

County)

2 0 0 0 6 3 / 2 1 1 9

This instrument was prepared by:

JON M. TURNER, JR., NAJJAR DENABURG, PC

2125 MORRIS AVENUE

BIRMINGHAM, ALABAMA 35203

KNOW ALL MEN BY THESE PRESENTS: That whereas

CAMERON HOMES, L.L.C.

ha S become justly indebted to THE BANK

with offices in BIRMINGHAM

hereinafter called "Mortgagee") in the sum of SIXTY FIVE THOUSAND AND NO/100 *****

Dollars (\$65,000.00)

together with interest thereon, as evidenced by a promissory note or notes of even date herewith.

[Complete the following if term of note(s) is more than 20 years] The final scheduled maturity date of such note(s) is

Inst # 2000-45347

12/29/2000-45347

08:40 AM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE

004 MMB 21.00

NOW, THEREFORE, in consideration of the indebtedness described above and other valuable consideration to the undersigned, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment and performance of the indebtedness described above, any extensions, renewals, modifications and increases thereof and substitutions therefor and all interest thereon, all sums advanced by Mortgagee pursuant to the terms of this mortgage, and all other indebtedness (including future loans and advances) now or hereafter owed to Mortgagee by any of the above-named or by any of the undersigned, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, and otherwise secured or not (all of the foregoing being sometimes referred to collectively in this mortgage as the "secured indebtedness"), and to secure compliance with all the covenants and stipulations hereinafter contained, the undersigned

HOWARD K. REYNOLDS AND DONNAE D. REYNOLDS, HUSBAND AND WIFE

(whether one or more, hereinafter called "Mortgagors") do hereby grant, bargain, sell, convey, assign, grant a security interest in, transfer and warrant unto Mortgagee the following described real property situated in SHELBY County, State of Alabama, viz:

LOT 1521, ACCORDING TO THE SURVEY OF RIVERCHASE COUNTRY CLUB, 8TH ADDITION, AS RECORDED IN MAP BOOK 23, PAGE 78, IN THE PROBATE OFFICE OF JEFFERSON COUNTY, ALABAMA, BESSEMER DIVISION AND ALSO RECORDED IN MAP BOOK 10, PAGE 52, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

together with all present and future leases and subleases thereof and of any part thereof, all rents, profits, royalties, and other income and revenues thereof and all rights, privileges, easements, tenements, interests, improvements and appurtenances thereunto belonging or in anywise appertaining thereto, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by Mortgagors in and to all buildings and improvements, storm and screen windows and doors, gas, steam, electric, solar and other heating, lighting, ventilating, air-conditioning, refrigerating and cooking apparatus, elevators, plumbing, sprinklers, smoke, fire and intrusion detection devices, trees, shrubs and flowers, and other equipment and fixtures now or hereafter attached or appertaining to said premises, all of which shall be deemed to be real property and conveyed by this mortgage (all of the foregoing real property, equipment, and fixtures being sometimes hereinafter called the "mortgaged property");

And together with all building materials, household appliances, equipment, fixtures and fittings of every kind or character now owned or hereafter acquired by Mortgagors, or any of them, located, whether permanently or temporarily, on the mortgaged property or on any other real property, which are or shall be purchased by Mortgagors, or any of them, for the purpose, or with the intention, of making improvements on the mortgaged property or to the premises located on said property. The personal property herein transferred includes, without limitation, all lumber, bricks, building stones, building blocks, sand, cement, steel, roofing materials, paint, doors, windows, storm doors, storm windows, glass, nails, wires and wiring, hardware, plumbing and plumbing fixtures, heating, ventilating and air conditioning equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, trees, shrubs and flowers, and in general all building materials, equipment, appliances and plants of every kind and character used or useful in connection with improvements to real property, provided, that to the extent the personal property described above consists of "household goods", as that term is defined in 12 C.F.R. Section 227.12(d), Mortgagee's security interest in those household goods is limited to a purchase money security interest; and provided further, that if the mortgaged property includes the principal dwelling of any Mortgagor who is an individual, and if the securing by this mortgage of any particular other or future indebtedness would give rise to a right of rescission under 15 U.S.C. Section 1635 or the regulations promulgated thereunder, such other or future indebtedness will be secured by this mortgage only if all required notices of the right of rescission were timely and properly given.

To HAVE AND TO HOLD the same and every part thereof unto Mortgagee, its successors and assigns forever.

For the purpose of further securing the payment of all of the secured indebtedness Mortgagors represent, warrant, covenant and agree with Mortgagee, its successors and assigns, as follows:

1. That they are lawfully seized in fee and possessed of the mortgaged property except as otherwise expressly stated herein, they have a good right to convey the same as aforesaid, they will warrant and forever defend the title of Mortgagee to the mortgaged premises against the lawful claims of all persons whomsoever, and the mortgaged property is free and clear of all encumbrances, easements and restrictions not herein specifically mentioned.
2. That they will pay when due all taxes, assessments, and other liens or mortgages taking priority over this mortgage. If Mortgagors' interest in the mortgaged property or any part thereof is other than a freehold estate, Mortgagors agree to pay all rents and perform all covenants due to be paid and performed under the lease or other agreement whereby such interest is created exactly when due, to maintain such lease or agreement in full force and effect in accordance with its terms, and not to attempt to amend or terminate the lease or agreement without Mortgagee's prior written consent. If the mortgaged property or any part thereof is a unit in a condominium or a planned unit development, Mortgagors shall pay and perform all of Mortgagors' obligations under the declaration or covenants creating or covering the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and all constituent documents.
3. That they will keep the buildings and other improvements now or hereafter located on the mortgaged property and all building materials, appliances, equipment, fixtures and fittings now or hereafter located on the mortgaged property and the other personal property described above continuously insured against loss or damage, including loss by fire (including so-called extended coverage), wind and such other hazards (including flood and water damage) as Mortgagee may specify from time to time, and including builder's risk coverage if this is a construction mortgage, with loss, if any, payable to Mortgagee under a standard mortgagee's clause providing at least 30 days notice to Mortgagee before cancellation or lapse of such insurance, and will deposit with Mortgagee policies of such insurance or, at Mortgagee's election, certificates thereof, and will pay the premiums therefor as the same become due. Mortgagors may provide such insurance through an existing policy or a policy or policies independently obtained and paid for by Mortgagors. Mortgagee may, for reasonable cause, refuse to accept any policy of insurance offered or obtained by Mortgagors. Mortgagors shall give immediate notice in writing to Mortgagee of any loss or damage to the mortgaged property from any cause whatever. If Mortgagors fail to keep said property insured as above specified, Mortgagee may insure said property for its insurable value or the unpaid balance of the secured indebtedness against loss by fire, wind and other hazards for the benefit of Mortgagors and Mortgagee or for the benefit of Mortgagee alone, at Mortgagee's election. The proceeds of all insurance on the mortgaged property and the other personal property described above shall be paid by the insurer to Mortgagee, which is hereby granted full power to settle and compromise claims under all policies, to endorse in the name of Mortgagors any check or draft representing the proceeds of any such insurance, and to demand, receive and give receipt for all sums becoming due thereunder. Insurance proceeds collected by or paid to Mortgagee may be credited on the indebtedness secured by this mortgage, less costs of collection, or may be used in repairing or reconstructing the improvements on the mortgaged property, at Mortgagee's election. No crediting of insurance proceeds to the secured indebtedness and no application of insurance proceeds to repairing or reconstructing improvements on the mortgaged property shall extend or postpone the due date of any scheduled payments of the secured indebtedness or reduce the amount of such payments. In the event of a dispute with any insurer regarding coverage, the amount of any loss, or the like, Mortgagee may bring an action or join in any action against the insurer, at Mortgagee's election. If Mortgagee elects not to bring an action or to join in any action and Mortgagors elect to pursue any claim or action against the insurer, Mortgagors agree to do so solely at their expense, and Mortgagors waive any right to require Mortgagee to join in the claim or action or to charge Mortgagee with any part of the expenses of the claim or action even if Mortgagee benefits from it.
4. That commencing upon written request by Mortgagee and continuing until the secured indebtedness is paid in full, Mortgagors will pay to Mortgagee concurrently with, and on the due dates of, payments on the secured indebtedness a sum equal to the ground rents, if any, next due on the mortgaged property, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus water rents, fire district charges, taxes and assessments next due on the mortgaged property (all as estimated by Mortgagee), less any sums already paid to Mortgagee therefor, divided by the number of months or other payment periods to elapse before one month or payment period prior to the date when such ground rents, premiums, water rents, fire district charges, taxes and assessments will become due, such sums to be held by Mortgagee to pay said ground rents, premiums, water rents, fire district charges, taxes and assessments. All amounts mentioned in the preceding sentence and the amounts scheduled to be paid on the secured indebtedness shall be added together and the aggregate amount thereof shall be paid by Mortgagors each month or other payment period in a single payment to be applied by Mortgagee to the following items in the order set forth: (a) ground rents, taxes, water rents, fire district charges, assessments, fire and other hazard insurance premiums; (b) interest on the secured indebtedness; and (c) the balance, if any, shall be applied toward the payment of the principal sum of the secured indebtedness. Any excess funds accumulated under this paragraph after payment of the items herein mentioned shall be credited in calculating the monthly or other periodic payments of the same nature required hereunder in the subsequent year; but if the actual amount of any such item shall exceed the estimate therefor, Mortgagors shall forthwith pay the deficiency upon demand. If the mortgaged property is sold under foreclosure or is otherwise acquired by Mortgagee after default, any remaining balance of the accumulations under this paragraph shall be credited to the principal of the secured indebtedness as of the date of the foreclosure sale or as of the date the property is otherwise acquired.
5. That they will take good care of the mortgaged property and the personal property described above and will not commit or permit any waste thereon or thereof, and they will keep the same repaired and at all times will maintain the same in as good condition as it now is, reasonable wear and tear alone excepted. If Mortgagors fail to make repairs to the mortgaged property, Mortgagee may make such repairs at Mortgagors' expense. Mortgagee, its agents and employees, may enter the mortgaged property and any improvements thereon at any reasonable time for the purpose of inspecting or repairing such improvements.
6. That upon failure of Mortgagors to perform any covenant herein made, Mortgagee shall have the right and power, at its election, to perform such act on behalf of Mortgagors, but Mortgagee shall have no duty to perform such act or to give notice of its intention not to perform, whether or not it has performed or given notice of its intention not to perform on one or more previous occasions. All amounts expended by Mortgagee for insurance or for the payment of taxes or assessments or to discharge liens or mortgages on the mortgaged property or other obligations of Mortgagors or to make repairs to the mortgaged property or any improvements thereon shall become a debt due Mortgagee, shall be payable at once without demand upon or notice to any person, shall bear interest at the rate of interest payable on the principal sum of the note described above, or if no such rate of interest is specified in the note or if the rate specified would be unlawful, at the rate of 8% per annum from the date of payment by Mortgagee until date paid by Mortgagors, and such debt and the interest thereon shall be secured by this mortgage. Upon failure of Mortgagors to reimburse Mortgagee for all amounts so expended, at the election of Mortgagee and with or without notice to any person, Mortgagee may declare the entire secured indebtedness to be due and payable and may foreclose this mortgage as hereinafter provided or as provided by law.
7. That no delay or failure of Mortgagee to exercise any option to declare the maturity of any debt secured by this mortgage shall be deemed a waiver of the right to exercise such option or to declare such forfeiture either as to past, present or future defaults on the part of Mortgagors, and that the procurement of insurance or payment of taxes or other liens or assessments or performance of other obligations of Mortgagors by Mortgagee shall not constitute or be deemed to be a waiver of the right to accelerate the maturity of the secured indebtedness by reason of the failure of Mortgagors to procure such insurance or to pay such taxes, liens, or assessments or perform such other obligations, it being agreed by Mortgagors that no terms or conditions contained in this mortgage can be waived, altered or changed except by a writing signed by Mortgagee.
8. That those Mortgagors who are obligated to pay the secured indebtedness will well and truly pay and discharge such indebtedness as it shall become due and payable, including the note or notes described above, and any extensions, renewals or increase thereof, and any other notes or obligations of such Mortgagors to Mortgagee, whether now or hereafter incurred, provided that, notwithstanding any provision of this mortgage to the contrary, those Mortgagors who are not obligors on any of the secured indebtedness make the conveyances, grants, representations and warranties herein made by Mortgagors, but are not personally obligated to pay any sum of money or perform any affirmative act under this mortgage.
9. That whether or not default has been made in the payment of any of the secured indebtedness or in the performance of any of the terms or conditions of this mortgage, Mortgagee may give notice of the assignment of rents, royalties, income and profits herein made and may proceed to collect the rents, royalties, income and profits from the mortgaged property, either with or without the appointment of a receiver, at Mortgagee's election (to which appointment Mortgagors hereby consent). Prior to any such notification by Mortgagee, Mortgagors shall have a limited license, terminable at will by Mortgagee, to collect such rents and other payments and to apply the same in whole or in part to the payment of the secured indebtedness as and when due. Any rents, royalties, income and profits collected by Mortgagee prior to foreclosure of this mortgage, less the costs of collecting the same, including any real estate or property management commissions and attorney's fees incurred, shall be credited first to advances made by Mortgagee pursuant to the terms of this mortgage and the interest thereon, then to interest due on the secured indebtedness, and the remainder, if any, shall be held as cash collateral for the secured indebtedness or applied toward the payment of the principal sum of the secured indebtedness, at Mortgagee's election.
10. That, unless Mortgagee's written consent has been obtained in advance, (a) they will not cause or allow possession of the mortgaged property to be in any other person or entity to the exclusion of Mortgagors, (b) they will not cut, remove, sell or contract to sell any standing timber from the mortgaged property, and (c) they will not sell, assign, transfer, convey, lease, or sublet all or any part of the mortgaged property or any oil, gas or mineral rights or other interest therein, excluding only (i) the creation of a lien or encumbrance expressly subordinate to this mortgage, (ii) the creation of a purchase money security interest for household appliances, or (iii) a transfer by devise, descent or by operation of law upon the death of a joint tenant. Mortgagee may condition its consent to any such transfer of possession of, or an interest in, the mortgaged property upon the obligors' or transferee's agreeing to pay a greater rate of interest on all or any part of the secured indebtedness or to adjust the payment schedule of all or any part of the secured indebtedness, and upon Mortgagee's approval of the creditworthiness of the transferee and the transferee's payment to Mortgagee of a reasonable transfer or assumption fee.
11. That, except as otherwise expressly disclosed by Mortgagors to Mortgagee in writing on the date of this mortgage, no Hazardous Substance (as defined below) has been spilled, released, discharged, or disposed of on or under the mortgaged property by Mortgagors or, to the best of Mortgagors' knowledge, by any third party or any predecessor in interest or title to Mortgagors; no underground storage tanks, whether in use or not in use, are located in, on or under any part of the mortgaged property; Mortgagors and the mortgaged property are in compliance with all applicable local, state and federal environmental laws and regulations, and Mortgagors will at all times cause the mortgaged property to continue to be in compliance therewith; no notice has been received by Mortgagor from any governmental authority or any individual or entity claiming violation of any environmental protection law or regulation, or demanding compliance with any environmental protection law or regulation, or demanding payment, indemnity, or contribution for any environmental damage or injury to natural resources, relating in any way to the mortgaged property, and Mortgagors will notify Mortgagee promptly in writing if any such notice is hereafter received by Mortgagors; and any Hazardous Substance used or produced in Mortgagors' business will be used, produced, stored, and disposed of in strict compliance with all applicable environmental laws and regulations. Mortgagors will notify Mortgagee immediately if any Hazardous Substance is spilled, released or discovered on or under the mortgaged property, and Mortgagors will take or cause to be taken such remedial action and work as may be necessary to be performed on the mortgaged property in order to remedy such spilled, released or discovered Hazardous Substance and to obtain a certificate of remediation or other certificate of compliance from all applicable governmental authorities. Upon Mortgagee's request, Mortgagors will promptly obtain, at Mortgagors' expense, and deliver to Mortgagee an environmental inspection report or update of a previous report, in form acceptable to Mortgagee, prepared by a competent

Authorized agent for Mortgagee

THE STATE OF ALABAMA,

INDIVIDUAL ACKNOWLEDGMENT

JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that
HOWARD K. REYNOLDS AND DONNAE D. REYNOLDS, HUSBAND AND WIFE
whose name 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, the Y executed the same voluntarily on the day the same bears date.
Given under my hand and official seal this 16TH day of NOVEMBER XX9 2000

(Notarial Seal)

Notary Public
05/03/02

THE STATE OF ALABAMA,

INDIVIDUAL ACKNOWLEDGMENT

COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that
whose name signed to the foregoing conveyance and who 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 day of , 19

(Notarial Seal)

Notary Public

THE STATE OF ALABAMA,

12/29/2000-45347
08:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 MMB 21.00

CORPORATE ACKNOWLEDGMENT

COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that
whose name as President
of the , a corporation, 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, as
such officer and with full authority, executed the same voluntarily for and as the act of said corporation.
Given under my hand and official seal this day of , 19

(Notarial Seal)

Notary Public

THE STATE OF ALABAMA,

PARTNERSHIP ACKNOWLEDGMENT

COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that
(general) (limited) partnership, is signed to the
informed of the contents of the conveyance, act of said partnership.
Given under my hand and official seal this

(Notarial Seal)

State of Alabama - Jefferson County
I certify this instrument filed on:
2000 DEC 06 P.M. 14:20
Recorded and \$ 97.50 Mtg. Tax
and \$ Deed Tax and Fee Amt.
\$ 12.00 Total \$ 109.50
GEORGE R. REYNOLDS, Judge of Probate
200063/2119 BESS

Notary Public

AFTER RECORDING
PLEASE RETURN
TO

REAL ESTATE
MORTGAGE,
SECURITY AGREEMENT
AND
FINANCING STATEMENT

THE STATE OF ALABAMA,

COUNTY

Office of the Judge of Probate.

I hereby certify that the within mortgage was filed in this

office for record on the

day of , 19

at o'clock M., and duly recorded in

Volume , at page

, and examined.

Judge of Probate.