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| W H SMITH JR & WIFE, KRISTINA C SMITH AND<br>MARVIN CRAIG JOHNSON & WIFE, LESA SMITH JOHNSON<br>PO BOX 823<br>HUNTSVILLE AL 35804-0823<br><b>MORTGAGOR</b><br>"I" includes each mortgagor above. | This instrument was prepared by<br>(Name) <u>LESLIE WELLS KING</u><br>(Address) <u>251 Johnston St., Decatur, AL 35601</u><br>First American Bank, an Alabama<br>Banking Corporation<br>251 Johnston Street<br>Decatur, Alabama 35601<br><b>MORTGAGEE</b><br>"You" means the mortgagee, its successors and assigns. |
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**REAL ESTATE MORTGAGE:** For value received, I, W H SMITH JR & WIFE, KRISTINA C SMITH AND MARVIN CRAIG JOHNSON & WIFE, LESA SMITH JOHNSON mortgage, grant, bargain, sell and convey to you, with power of sale, to secure the payment of the secured debt described below, on August 27, 2001, the real estate described below and all rights, easements, appurtenances, rents, leases and existing and future improvements and fixtures (all called the "property").

**PROPERTY ADDRESS:** 430 CHASE PLANTATION PKWY, BIRMINGHAM, Alabama 35244  
(Street) (City) (Zip Code)

**LEGAL DESCRIPTION:**  
LOT 1, ACCORDING TO A RESURVEY OF LOTS 27 THRU 31, CHASE PLANTATION, 4TH SECTOR, RECORDED IN MAP BOOK 16, PAGE 85, IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA.

Inst # 2001-44401

10/12/2001-44401  
03:32 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
221.15

located in SHELBY County, Alabama.  
**TITLE:** I covenant and warrant title to the property, except for \_\_\_\_\_

**SECURED DEBT:** This mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this mortgage and in any other document incorporated herein. Secured debt, as used in this mortgage, includes any amounts I owe you under this mortgage or under any instrument secured by this mortgage and all modifications, extensions and renewals thereof.

The secured debt is evidenced by (List all instruments and agreements secured by this mortgage and the dates thereof.):  
☒ PROMISSORY NOTE OF EVEN DATE

☐ **Future Advances:** All amounts owed under the above agreement are secured even though not all amounts may yet be advanced. Future advances under the agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

☐ **Revolving credit loan agreement** dated \_\_\_\_\_ . All amounts owed under this agreement are secured even though not all amounts may yet be advanced. Future advances under the agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

The above obligation is due and payable on \_\_\_\_\_ if not paid earlier.  
The total unpaid balance secured by this mortgage at any one time shall not exceed a maximum principal amount of: ONE HUNDRED THIRTY SIX THOUSAND THIRTY FIVE AND 86/100s 136,035.86, plus interest, plus any disbursements made for the payment of taxes, special assessments, or insurance on the property, with interest on such disbursements.

☒ **Variable Rate:** The interest rate on the obligation secured by this mortgage may vary according to the terms of that obligation.  
☒ A copy of the loan agreement containing the terms under which the interest rate may vary is attached to this mortgage and made a part hereof.

**RIDERS:** ☐ Commercial ☐ \_\_\_\_\_

**SIGNATURES:** By signing below, I agree to the terms and covenants contained in this mortgage (including those on page 2 which are hereby incorporated onto page 1 of this mortgage form) and in any riders described above and signed by me.

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| <u>W H Smith Jr</u> (Seal)<br><u>Kristina C Smith</u> (Seal)<br>KRISTINA C SMITH | <u>Marvin Craig Johnson</u> (Seal)<br><u>Lesla Smith Johnson</u> (Seal)<br>LESA SMITH JOHNSON |
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**WITNESSES:**  
Denise Strickler

Iss. by \_\_\_\_\_ Type \_\_\_\_\_ Iss. Date \_\_\_\_\_  
ID # \_\_\_\_\_  
OFFICIAL NOTARY SEAL  
DENISE STRICKLER  
COMMISSION NUMBER  
CC815298  
MY COMMISSION EXPIRES  
MAR 26 2003

**ACKNOWLEDGMENT:** STATE OF ALABAMA, MADISON  
I, THE UNDERSIGNED, a Notary Public in and for said county of MADISON, Alabama, County ss: hereby certify that

W H SMITH JR, KRISTINA C SMITH, MARVIN CRAIG JOHNSON & LESA  
whose name(s) IS/ARE signed to the foregoing conveyance, and who IS/ARE known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, HE/SHE executed the same voluntarily on the day the same bears date.  
whose name(s) as \_\_\_\_\_ of the \_\_\_\_\_  
a corporation, \_\_\_\_\_ 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 \_\_\_\_\_, as such officer and with full authority, executed the same voluntarily for and as the \_\_\_\_\_ of said corporation.  
Given under my hand this the 27th day of August, 2001  
My commission expires: \_\_\_\_\_

Denise Strickler  
(Notary Public)  
1-4-04  
ALABAMA

## COVENANTS

**1. Payments.** I agree to make all payments on the secured debt when due. Unless we agree otherwise, any payments you receive from me or for my benefit will be applied first to any amounts I owe you on the secured debt (exclusive of interest or principal), second, to interest and then to principal. If partial prepayment of the secured debt occurs for any reason, it will not reduce or excuse any scheduled payment until the secured debt is paid in full.

**2. Claims against Title.** I will pay all taxes, assessments, liens and encumbrances on the property when due and will defend title to the property against any claims which would impair the lien of this mortgage. You may require me to assign any rights, claims or defenses which I may have against parties who supply labor or materials to improve or maintain the property.

**3. Insurance.** I will keep the property insured under terms acceptable to you at my expense and for your benefit. All insurance policies shall include a standard mortgage clause in favor of you. You will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within your discretion, to either the restoration or repair of the damaged property or to the secured debt. If you require mortgage insurance, I agree to maintain such insurance for as long as you require.

**4. Property.** I will keep the property in good condition and make all repairs reasonably necessary.

**5. Expenses.** I agree to pay all your expenses, including reasonable attorneys' fees if I break any covenants in this mortgage or in any obligation secured by this mortgage. Attorneys' fees include those awarded by an appellate court. I will pay these amounts to you as provided in Covenant 10 of this mortgage.

**6. Default and Acceleration.** If I fail to make any payment when due or break any covenants under this mortgage, any prior mortgage or any obligation secured by this mortgage, you may accelerate the maturity of the secured debt and demand immediate payment and exercise any other remedy available to you. This mortgage gives you the power of sale, which you may also invoke under the circumstances described in the previous sentence. If you invoke the power of sale, you will give notice of the sale by publication once a week for three successive weeks in some newspaper published in the county in which the property or any portion of it is located. This notice will give the time, place and terms of the sale, and a description of the property. After this notice is given, the property will be sold to the highest bidder at public auction at the front door of the County Courthouse of the county in which the notice of sale was published. \*and

**7. Assignment of Rents and Profits.** I assign to you the rents and profits of the property. Unless we have agreed otherwise in writing, I may collect and retain the rents as long as I am not in default. If I default, you, your agent, or a court appointed receiver may take possession and manage the property and collect the rents. Any rents you collect shall be applied first to the costs of managing the property, including court costs and attorneys' fees, commissions to rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided in Covenant 1.

**8. Waiver of Homestead.** I hereby waive all right of homestead exemption in the property.

**9. Leaseholds; Condominiums; Planned Unit Developments.** I agree to comply with the provisions of any lease if this mortgage is on a leasehold. If this mortgage is on a unit in a condominium or a planned unit development, I will perform all of my duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

**10. Authority of Mortgagee to Perform for Mortgagor.** If I fail to perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may sign my name or pay any amount if necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever is necessary to protect your security interest in the property. This may include completing the construction.

Your failure to perform will not preclude you from exercising any of your other rights under the law or this mortgage.

Any amounts paid by you to protect your security interest will be secured by this mortgage. Such amounts will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect on the secured debt.

**11. Inspection.** You may enter the property to inspect if you give me notice beforehand. The notice must state the reasonable cause for your inspection.

**12. Condemnation.** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in Covenant 1. This assignment is subject to the terms of any prior security agreement.

**13. Waiver.** By exercising any remedy available to you, you do not give up your rights to later use any other remedy. By not exercising any remedy, if I default, you do not waive your right to later consider the event a default if it happens again.

**14. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** All duties under this mortgage are joint and several. If I co-sign this mortgage but do not co-sign the underlying debt I do so only to mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or the secured debt without my consent. Such a change will not release me from the terms of this mortgage.

The duties and benefits of this mortgage shall bind and benefit the successors and assigns of either or both of us.

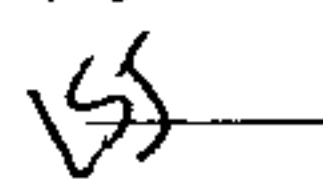
**15. Notice.** Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by certified mail addressed to me at the Property Address or any other address that I tell you. I will give any notice to you by certified mail to your address on page 1 of this mortgage, or to any other address which you have designated.

Any notice shall be deemed to have been given to either of us when given in the manner stated above.

**16. Transfer of the Property or a Beneficial Interest in the Mortgagor.** If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment if the mortgagor is not a natural person and a beneficial interest in the mortgagor is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law as of the date of this mortgage.

**17. Release.** When I have paid the secured debt in full and all underlying agreements have been terminated, this mortgage will become null and void and you will release this mortgage.

\*you and your agents or assigns, may bid at said sale and purchase said property if the highest bidder therefore.





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| <b>First American Bank</b><br>401 Meridian Street<br>Huntsville, AL 35801<br><b>LENDER'S NAME AND ADDRESS</b><br>"You" means the Lender, its successors and assigns. | <b>W H SMITH JR</b><br><b>KRISTINA C SMITH</b><br><b>LESA SMITH JOHNSON</b><br><b>PO BOX 823</b><br><b>HUNTSVILLE AL 35804-0823</b><br><b>BORROWER'S NAME AND ADDRESS</b><br>"I" includes each Borrower above, jointly and severally. | <b>Loan Number</b> 20576011<br><b>Date</b> August 27, 2001<br><b>Maturity Date</b> August 27, 2002<br><b>Loan Amount \$</b> 136,035.86<br><b>Renewal Of</b><br>053/LWK SS# |
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**TERMS FOLLOWING A** ☐ **APPLY ONLY IF CHECKED**

**NOTE** - For value received, I promise to pay to you, or your order, at your address above, the principal sum of: ONE HUNDRED THIRTY SIX THOUSAND THIRTY FIVE AND 86/100 Dollars \$ 136,035.86  
plus interest from August 27, 2001 at the rate of 6.500 % per year until index rate changes  
**ADDITIONAL FINANCE CHARGES** - ☐ I agree to pay a refundable interest surcharge fee of \$                      ☒ I agree to pay a processing fee of \$ 100.00  
The processing fee is ☐ refundable. ☒ nonrefundable. Fees will be ☒ paid in cash. ☐ paid pro rata over the term of the loan. ☐ withheld from the proceeds.  
(Fees withheld from the proceeds are included in the principal sum.)  
☒ **VARIABLE RATE** - The rate above may change so as always to be .000% PLUS the following index rate:  
FIRST AMERICAN BANK BASE RATE

                     . The interest rate may not change more than                      % each                       
The annual interest rate in effect on this note will not at any time be more than 12.750 % or less than 6.000 %. The interest rate in effect on this note may change (as often as) each day (assuming there is a change in the base rate) and an increase in the interest rate will cause an increase in ☒ the amount of each scheduled payment. ☐ the amount due at maturity. ☐ the number of payments.

**PAYMENT** - I will pay this note as follows:  
(a) ☒ Interest due: Monthly beginning 9/27/01  
Principal due: 8/27/02  
(b) ☐ This note has                      payments. The first payment will be in the amount of \$                      and will be due                       
                     . A payment of \$                      will be due on the                      day of each                       
thereafter. The final payment of the entire unpaid balance of principal and interest will be due                     

**INTEREST** - Interest accrues on a 360 day basis.  
☐ **MINIMUM INTEREST CHARGE** - I agree to pay a minimum interest charge of \$                      if I pay this loan off before you have earned that much in interest.  
☒ **LATE CHARGE** - I agree to pay a late charge on the portion of any payment made more than 10 days after it is due equal to 5% of late payment, maximum \$100.00  
**POST-MATURITY INTEREST** - Interest will accrue after maturity on the unpaid balance of this note on the same basis as interest accrues before maturity, unless a specific post-maturity interest rate is agreed to in the next sentence.  
☒ Interest will accrue at the rate of \* % per year on the balance of this note not paid at maturity, including maturity by acceleration.  
**THE PURPOSE OF THIS LOAN IS** -                     

**REFINANCE PROPERTY**

**SECURITY** - You have certain rights that may affect my property as explained on page 3. This loan ☒ is ☐ is not further secured.  
(a) ☒ This loan is secured by MORTGAGE, dated 8/27/01  
(b) ☒ Security Agreement - I give you a security interest in the Property described below. The rights I am giving you in this Property and the obligations this agreement secures are defined on page 3 of this agreement.  
1ST MTG RE 430 CHASE PLANTATION PKWY BIRMINGHAM AL

This Property will be used for PERSONAL purposes.  
\* the highest rate permitted by law

| ANNUAL PERCENTAGE RATE<br>The cost of my credit as a yearly rate. | FINANCE CHARGE<br>The dollar amount the credit will cost me. | AMOUNT FINANCED<br>The amount of credit provided to me or on my behalf. | TOTAL OF PAYMENTS<br>The amount I will have paid when I have made all scheduled payments. | I have the right to receive at this time an itemization of the Amount Financed.<br>YES - I want an itemization.<br>NO I do not want an itemization.<br>"e" means an estimate. |
|---|--|---|---|---|
| 6.669 %   | \$ 9,065.14  | \$ 135,935.86   | \$ 145,001.00   | X YES - I want an itemization.  |
| My Payment Schedule will be:                                      |  |   |   |   |
| Number of Payments  | Amount of Payments   | When Payments Are Due   |   |   |
| 11  | \$ 747.09  | Monthly beginning 9/27/01   |   |   |
| 1   | \$ 136,783.01  | due 8/27/02   |   | \$ 266.40 Filing Fees   |
|   | \$   |   |   | \$ Nonfiling Insurance  |
|   | \$   |   |   |   |

☐ This note has a demand feature. ☐ This note is payable on demand and all disclosures are based on an assumed maturity of one year.  
☒ **Variable Rate** (Check one) ☐ My loan contains a variable rate feature. Disclosures about the variable rate feature have been provided to me earlier.  
☒ The annual percentage rate may increase during the term of this transaction if FIRST AMERICAN BANK BASE RATE INCREASES  
Any increase will take the form of a larger scheduled int pymt and a larger final pymt due at maturity.  
If the rate increases by 1.000 % in immediately, the amount of each payment will increase to 878.56. The rate may not increase more often than once a day, and may not increase more than                      % each                     . The rate will not go above 12.750 %.  
**Security** - I am giving a security interest in: ☒ (brief description of other property) REAL ESTATE  
☐ the goods or property being purchased.  
☒ collateral securing other loans with you may also secure this loan.  
☒ my deposit accounts and other rights to the payment of money from you.  
☒ **Late Charge** - I will be charged a late charge on the portion of any payment made more than 10 days after it is due equal to 5% of late payment, maximum \$100.00  
☐ **Required Deposit** - The annual percentage rate does not take into account my required deposit.  
**Prepayment** - If I pay off this note early, I ☐ may ☒ will not have to pay a penalty.  
☐ If I pay off this note early, I may be entitled to a refund of part of the interest surcharge.  
☒ If I pay off this note early, I ☐ may ☒ will not be entitled to a refund of part of the processing fee.  
☐ **Assumption** - Someone buying the property securing this obligation cannot assume the responsibility of the original terms.  
I can see my contract documents for any additional information about nonpayment, default, any required repayment benefits, scheduled date, and prepayment refunds and penalties.