

STATE OF ALABAMA

TALLADEGA COUNTY

This instrument prepared by:

Nelson G. Conover  
307 East Street South  
Talladega, AL 35160

THIS INDENTURE, made and entered into on this the 31<sup>st</sup> day of July, 2002, by and between **B & D Properties a Partnership consisting of Donald E. Watts and wife, Betty Watts** hereinafter called Mortgagors (whether singular or plural); and **The First National Bank of Talladega**, Talladega, Alabama, a banking corporation, hereinafter called the Mortgagee;

WITNESSETH: That, whereas, **B & D Properties a Partnership consisting of Donald E. Watts and wife, Betty Watts** is/are justly indebted to the Mortgagee in the principal sum of **\$250,000.00** dollars, which indebtedness is evidence by Mortgagors' or other debtor's note of even date herewith, providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on the 31<sup>st</sup> day of July, 2022; EXCEPT HOWEVER, in the event, by Mortgagee's consent and agreement, the balance due and payable on said final payment date should be refinanced by adjustment of maturity date, interest rate or monthly payment amount, it is distinctly understood and agrees by the parties hereto that this mortgage will continue to secure such indebtedness until the balance thereof, with all interest thereon, has been fully paid in accordance with any agreements entered into between the parties before final payment of this indebtedness. The parties anticipate the possibility that the final payment or principal and interest, by subsequent adjustments, will be **20** years from date, which, for the present purpose of the parties hereto shall be considered the final maturity date for the purpose of the Statute of Limitations.

NOW, THEREFORE, to secure the prompt payment of the above indebtedness, and any other indebtedness now or hereafter owing by Mortgagor's to Mortgagee, whether or not related to the above mentioned note, without limitation as to amount, whenever advanced, and whenever due, before the full payment and satisfaction of record of this mortgage (all or any portion of which shall be included in any reference herein to (the indebtedness hereby secured), the Mortgagors do hereby grant, sell, and convey unto Mortgagee the following described property, located in **Talladega**

County, Alabama, (unless otherwise set forth), to-wit:

**See Exhibit "A" attached hereto.**

TO HAVE AND TO HOLD, together with all and singular the rights, tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining unto the Mortgagee, and the Mortgagee's successors and assigns, in fee simple.

Further, the Mortgagors do hereby covenant with the Mortgagee that the Mortgagors are lawfully seized in fee of said premises; that the Mortgagors have a good right to sell and convey the same; that said premises are free from encumbrances; and that the Mortgagors warrant, and will forever defend, the title to said premises against the lawful claims and demands of all persons whomsoever.

THIS MORTGAGE is made, however, subject to the following covenants, conditions and agreements, that is to say:

1. This conveyance is upon the condition that, if the Mortgagors shall pay and discharge the indebtedness hereby secured as the same matures, and shall pay and discharge any other indebtedness or indebtedness now or hereafter owing to the Mortgagee by said mortgagors, whether or not related to the above mentioned note, without limitations as to amount, whenever advanced, and whenever due, (all or any portion of which shall be included in any reference herein to "the indebtedness hereby secured"), and shall in all things do and perform all other acts and agreements by Mortgagors herein agreed to be done, then, and in that event only, this mortgage shall be and become null and void.
2. It is understood between the Mortgagors and the Mortgagee that said Mortgagee may, in its discretion, make additional advances under and by virtue of the terms of this mortgage and to be secured by this mortgage; without limitation as to the provisions of Paragraph #1 hereinabove. Mortgagors further agree that if said Mortgagors should procure additional money or become indebted otherwise to the said Mortgagee, its successors or assigns, in excess of the principal amount herein stated before the payment hereof Mortgagors expressly agree that such debt shall be and the same is hereby a part of this mortgage debt with all the rights, power and authority as to the collection and foreclosure herein expressed.
3. Furthermore, if the said Mortgagors should make default in the payment of any part of the indebtedness hereby secured or in the payment of the interest thereon, or should fail to keep any covenant in this mortgage contained or should be adjudicated bankrupt, or if the improvements on said premises are damaged as to make the insurance thereon, or any part of said insurance, payable, then, in the election of the Mortgagee, the entire indebtedness secured hereby shall become immediately due and payable; and failure to declare the entire indebtedness due in case of default shall not operate as a waiver of the right to declare the entire indebtedness due in the event of any subsequent default; and the Mortgagee, the Mortgagee's agent or attorney, is hereby authorized to take possession of the property hereby conveyed, and with or without possession thereof, to sell said property at public outcry to the highest bidder, for cash, before the south door of the courthouse of Talladega County, Alabama, after giving notice of the time, place and terms of sale by publication once a week for three successive weeks in some newspaper published in said county or by posting notice at three public places in said county.
4. In case of sale under the power herein contained, the Mortgagee or any person authorized in writing by the Mortgagee shall have power to execute a conveyance to the purchaser, conveying all the right, title, interest and claim of the Mortgagors in and to said premises, either at law or in equity. The Mortgagee may purchase said property at any sale hereunder and acquire title thereto as could a stranger. Out of the proceeds of sale, the Mortgagee shall pay, first, the costs of advertising, selling and conveying said property, together with a reasonable attorney's fee; secondly, the amount of the indebtedness due and owing to the Mortgagee hereby secured, together with the interest thereon, and any taxes, insurance premiums or other charges that the Mortgagee may have paid as herein provided; and, lastly, the surplus, if any, shall be paid to the Mortgagors, or the Mortgagors' heirs or assigns.
5. The Mortgagors covenant that the Mortgagors will pay all taxes and assessments which may lawfully levied against the premises, and will deposit receipts thereof with the Mortgagee, and that the Mortgagors will insure, and keep insured the improvements thereon against loss by fire and tornado for not less than the indebtedness hereby secured, in some company acceptable to the Mortgagee, with loss payable to the Mortgagee as the Mortgagee's interest may appear, and will deposit with the Mortgagee the policies evidencing such insurance, and that the Mortgagors will protect said premises from waste and keep the same in good condition and repair; and in case of the failure of the Mortgagors to pay said taxes or assessments before the same, or any part thereof, become delinquent, or in case of failure to insure to keep insured in said amount the improvements on said property, or in case of failure to protect said premises from waste and keep the same in good condition and repair, the Mortgagee may, at the Mortgagee's option, either pay said taxes and assessments and purchase said insurance and protect said premises from waste and keep same in good condition and repair, or any of them, and the amount of taxes, assessments, insurance premiums, repairs and other expenditures, or any of them, as paid shall be secured by this conveyance as fully and to the same extent and under the same conditions as the indebtedness hereinabove

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described or the Mortgagee may, at the Mortgagee's election, proceed to foreclose this mortgage, as is hereinabove provided.

6. This mortgage shall become due and payable forthwith at the option of the Mortgagee if the Mortgagors shall convey away said premises or if the title thereto shall become vested in any other person or persons in any manner whatsoever.
7. It is understood and agreed that in the event any payment is ten (10) days or more past due, a late charge of five percent (5%) of that payment may be charged, subject to a minimum late charge of fifty cents (\$.50).
8. Mortgagors agree and stipulate that, as against the collection of the indebtedness hereby secured, the same Mortgagors do hereby waive all rights of exemptions, both as to homestead and personal property, under the Constitution and laws of the State of Alabama, or of any other state, or of the United States.

IN WITNESS WHEREOF, the Mortgagors have hereto set their hands and seals, on this the day and year herein first above written.

~~B & D Properties, a Partnership consisting of~~

Donald E. Watts (L.S.) \_\_\_\_\_ (L.S.)

Betty Watts (L.S.) \_\_\_\_\_ (L.S.)

STATE OF ALABAMA

TALLADEGA COUNTY

I, the undersigned authority, in and for said County, in said State, hereby certify that **B & D Properties, a Partnership consisting of Donald E. Watts and wife, Betty Watts** Whose names are signed to the foregoing conveyance, and who are known to me (or made known tome) 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 seal this the 31<sup>st</sup> day of July, 2002.

April M. Pope  
Notary Public

MY COMMISSION EXPIRES 5-03-2005

EXHIBIT "A"

A tract of land situated in the Northwest quarter of the Northwest quarter of Section 25, T-18-S, R-2-E, Shelby County, Alabama, more particularly described as follows: Begin at an iron pin found locally accepted to be the southeast corner of said northwest quarter of the northwest quarter of Section 25 T-18-S, R-2-E, and run thence S83 degrees 30'58"W, along an old barbed wire fence line a distance of 446.22 feet to the easterly right of way line of U. S. Highway 231; thence N31 degrees 47'49"E, along said right of way a distance of 443.09 feet to a concrete right of way monument found; thence N32 degrees 09'36"E, along said right of way a distance of 364.52 feet to a 2 inch iron pipe found; thence S01 degrees 25'53"E, a distance of 634.00 feet back to the point of beginning.

B&D Properties, a Partnership



Donald E. Watts



Betty Watts