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**THE STATE OF ALABAMA }
SHELBY COUNTY }**

MORTGAGE

THIS MORTGAGE made and entered into on this 19th day of January, 2005, by and between **Steven M. Dinan and Martha N. Dinan, Husband and Wife**, party of the first part, and **Nicholas J. Peters and Ruth S. Peters**, 3140 Paradise Acres, Hoover, Alabama 35244, party of the second part,

WITNESSETH, THAT WHEREAS, parties of the first part are justly indebted to party of the second part in the sum of SEVENTY THOUSAND AND NO/100 DOLLARS (U.S. \$70,000.00), evidenced by one or more promissory notes, payable at 3140 Paradise Acres, Hoover, Alabama 35244. The balance of the said indebtedness with all interest thereon matures and is payable on the 15th day of February, 2015.

NOW, THEREFORE IN CONSIDERATION of said indebtedness and in order to secure the same, and any other indebtedness or obligation of parties of the first part, or either of them, to party of the second part, whether as principal debtor, endorser, guarantor, or otherwise, whether now existing or hereafter incurred, parties of the first part do hereby grant, bargain, sell, and convey unto party of the second part the following described property, to wit:

(See attached Exhibit "A" for legal description)

Note: Mortgage was prepared without the benefit of a title search, utilizing a legal description provided by the Borrowers and Lenders.

which has the address of 2473 Valleydale Road, Birmingham, Alabama 35244.

TO HAVE AND TO HOLD, together with all and singular the rights, tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, unto party of the second part, its successors or assigns, in fee simple.

And parties of the first part, for themselves, their heirs, successors and assigns, do hereby covenant with party of the second part that they are lawfully seized in fee of the said premises; that they have a good right to sell and convey the same; that said premises are free from encumbrance, except for encumbrances of record; and that they warrant and will forever defend the title to said premises against the lawful claims and demands of all parties whomsoever.

This conveyance is upon condition, however, that if parties of the first part shall pay and discharge the indebtedness hereby secured and each installment thereof as the same matures and shall perform each and every covenant herein contained, then this conveyance shall become null and void. But if said parties of the first part should make default in the payment of said indebtedness, or any installment thereof, or the interest thereon, or should they fail to keep any covenant in this mortgage contained, or should they be adjudicated bankrupt, or should the interest or party of the second part in said property become endangered by reason of the enforcement of any other lien or encumbrance thereon, or should a receiver be appointed for parties of the first part, then, in any such event, at the election of party of the second part the entire indebtedness secured hereby shall become immediately due and payable, whether due by the terms hereof or not; and party of the second part, its 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 courthouse door of the county in which said property is located, after giving notice of the time, place and terms of sale by publication once a week for three successive weeks in a newspaper published in said county or by giving notice in any other manner authorized by law.


And said party of the second part is authorized, in case of sale under the power herein contained, to execute a conveyance to the purchaser, conveying all the right and claim of said parties of the first part in and to said premises, either at law or in equity. And said party of the second part may purchase said property at any sale hereunder and acquire title thereto as a stranger, and in case of a purchase by party of the second part, said party of the second part, or any person authorized by it in writing, shall have the power to convey all the right, title and interest of parties of the first part in and to said premises by a deed to the party of the second part.

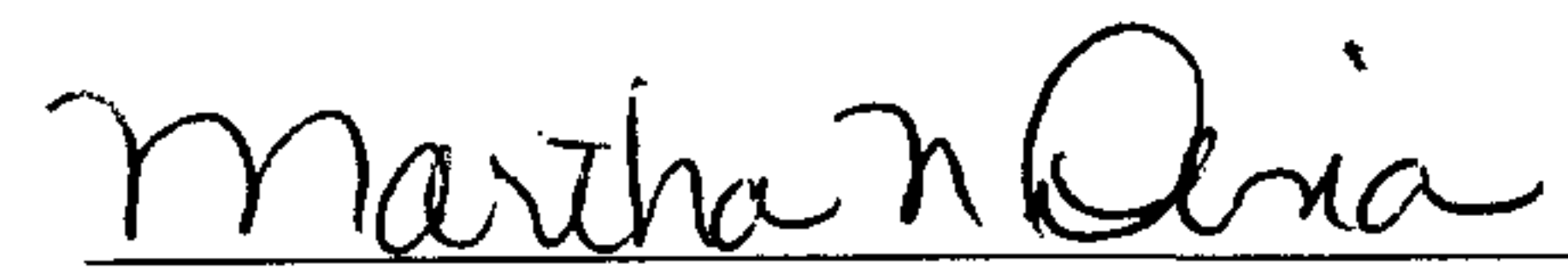
Out of the proceeds of sale party of the second part shall pay, first the costs of advertising, selling, and conveying said property, together with a reasonable attorney's fee of not less than ten percent of the amount of indebtedness then due; secondly, the amount of indebtedness due and owing to party of the second part hereby secured, together with the interest thereon, and any taxes, insurance premiums, or other charges that party of the second part may have paid as herein provided; and lastly, the surplus, if any, shall be paid over to parties of the first part, their heirs or assigns.

Parties of the first part covenant that they will pay all taxes and assessments that may be levied against said property, and that they will insure, and will keep insured, the improvements thereon against loss by fire, windstorm and such other perils as may be required or designated by party of the second part, in insurance companies that are acceptable to party of the second part, for their reasonable insurable value and in no event less than the amount of the indebtedness secured by this mortgage. The original policies evidencing said insurance shall be delivered to and kept by party of the second part and shall contain loss clauses acceptable to party of the second part, providing for payment in the event of loss to party of the second part as its interest may appear; and in case of the failure of parties of the first part to pay taxes or assessments before the same, or any part thereof, become delinquent, or in case of failure to insure the improvements on said property, party of the second part may, at its option, either pay said taxes and assessments and procure said insurance; and the amount of taxes, assessments or insurance premiums as paid shall be secured by this conveyance as fully and to the same extent and under the same conditions as the indebtedness herein above described; or party of the second part may, at its election, proceed to foreclose this mortgage.

Parties of the first part covenant and agree that until all of the indebtedness secured hereby is paid in full, they will not sell, convey, mortgage or otherwise alienate said property, and will not create or suffer any other lien or encumbrance to be created against same, other than taxes and assessments lawfully levied by governmental authorities, without the written consent of party of the second part.

IN WITNESS WHEREOF, parties of the first part have hereto set their hands and seals, on this the 19th day of January, 2005.

_____(L.S.) _____(L.S.)
Steven M. Dinan - Borrower

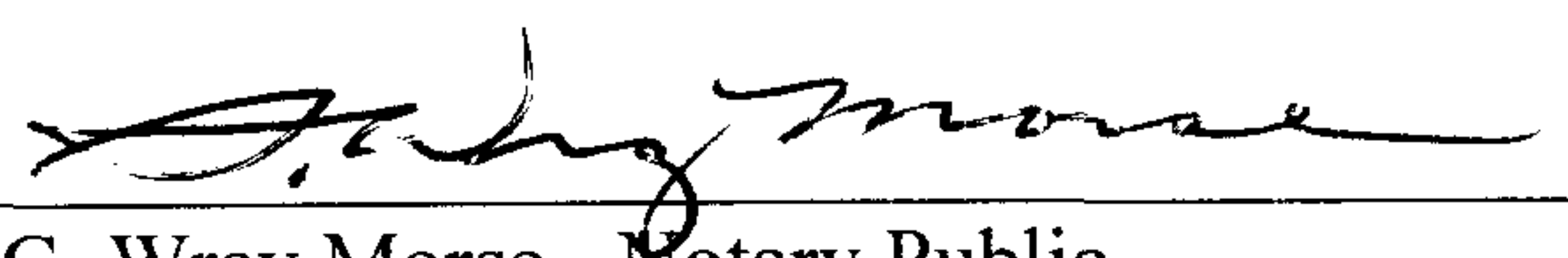
_____(L.S.) _____(L.S.)
Martha N. Dinan - Borrower

_____[Space Below This Line For Acknowledgment]_____

THE STATE OF ALABAMA
SHELBY COUNTY

I, G. Wray Morse, a Notary Public in and for said State and County, hereby certify that Steven M. Dinan and Martha N. Dinan, Husband and Wife, 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 the instrument, they executed the same voluntarily, on the day the same bears date.

Given under my hand and seal on this the 19th day of January, 2005.



G. Wray Morse - Notary Public
My commission expires: September 10, 2008

This instrument was prepared by:
CLOSING SERVICES, INC.
1920 Valleydale Road
Birmingham, Alabama 35244

EXHIBIT "A"

A tract of land situated in the SE 1/4 of the SW 1/4 of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, and more particularly described as follows:

Begin at the Southwest corner of said 1/4-1/4 section; thence run North 43 deg. 08 min. 13 sec. East for 85.30 feet; thence run North 74 deg. 07 min. 24 sec. East for 241.19 feet thence run North 44 deg. 13 min. 53 sec. West for 75.74 feet; thence run North 44 deg. 10 min. 15 sec. West for 48.56 feet; thence run North 76 deg. 51 min. 00 sec. West for 21.36 feet to a point on the Southeast right of way line of Valleydale Road; thence run South 39 deg. 46 min. 19 sec. West along said right of way line for 13.93 feet; thence run South 39 deg. 43 min. 28 sec. West along said right of way line for 275.00 feet; thence run North 88 deg. 57 min. 13 sec. East for 1.82 feet to the point of beginning; being situated in Shelby County, Alabama.

NOTE: Lot 1-A, according to a Resurvey of Lot 1, Davis Addition to Valleydale as recorded in Map Book 22 page 147 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama, is a portion of the said acreage description above.

This conveyance is made subject to any and all restrictions, reservations, covenants, easements, and rights-of-way, if any, heretofore imposed of record affecting said property and municipal zoning ordinances now or hereafter becoming applicable, and taxes or assessments now or hereafter becoming due against said property.