

STATE OF ALABAMA

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COUNTY OF SHELBY

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PURCHASE MONEY MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, that TIMOTHY M. BOYNE, a single man, whose address is 153 Canyon Trail, Pelham, AL 35124, (hereinafter called "Mortgagor" or "Borrower") in consideration of the sum of Three Hundred Twenty-Three Thousand Dollars and No Cents (\$323,000.00) hereby acknowledged to have been paid to said Mortgagor by HOME BUILDERS FINANCE, INC., d/b/a OWNER BUILDER LOAN SERVICES, a Michigan corporation, hereinafter called "Mortgagee" or "Lender"), which is evidenced by and payable in accordance with that certain Promissory Note of even date herewith executed by Mortgagor and payable to Mortgagee, its successors and assigns, or order, does hereby GRANT, BARGAIN, SELL and CONVEY unto the Mortgagee, its successors and assigns, all of the improvements and my interest in the real property in the County of Shelby, State of Alabama, described as follows:

SEE ATTACHED EXHIBIT A

which has the address of TBD Chelsea Springs Dr. Columbiana, AL 35051, , County of Shelby, State of Alabama ("Property Address");

Together with all and singular the rights, privileges, hereditaments, easements, and appurtenances thereunto belonging or in anywise appertaining; to have and to hold the same forever.

Providing always, and these presents are upon the express condition, that if the mortgagor shall well and truly pay to the Mortgagee the said sum of Three Hundred Twenty-Three Thousand Dollars and No Cents (\$323,000.00), and to secure the payment of which a lien upon the property above described is hereby reserved, as evidenced by the Mortgagor's promissory note bearing even date herewith executed by Mortgagor and payable as follows:

The unpaid principal balance of this Mortgage and all accrued and unpaid interest shall be paid in lawful money of the United States of America. The unpaid balance of this Mortgage, together with the then existing balance of accrued and unpaid interest, shall be due and payable on or before that date (the "Due Date":) that is Nine (9) months from and after the date of the first advance of monies to or on behalf of the undersigned pursuant to this Note ("the First Advance").

The principal balance of this Mortgage outstanding from time to time shall bear interest until and after maturity (whether by acceleration or otherwise) at the rate of Nine and Seventy-Five Hundredths Percent (9.75%) per annum. Accrued interest shall be payable on the last business day of each month until this Mortgage is paid in full. In the case of the First Advance, interest on the First Advance shall be payable on the last business day of the month in which the First Advance is made if the First Advance is made prior to the 16th day of the month, interest on the First Advance is made on or subsequent to the 16th day of the month following the month in which the First Advance is made. If any accrued interest is not paid when due, interest shall accrue on said unpaid interest at the rate of ten (10.00) percent per annum until the earlier of either the payment of said unpaid interest or the maturity of this Mortgage (whether by acceleration or otherwise). Notwithstanding anything to the contrary contained in this Mortgage, at no time shall the interest or late charges payable be greater than the maximum permitted by law.

All payments apply first to the interest due and the balance, if any, shall apply toward principal. Both principal and interest being payable in lawful currency of the United States of America.

Prepayment is allowed at any time without penalty. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Note holder shall otherwise agree in writing.

Please Initial:



If an interest payment or any part of an interest payment is not paid when due, you will be charged interest at the rate of ten (10.00) percent per annum on the overdue payment until the earlier of the payment of the overdue amount or the due date of the principal amount.

If all or any part of the property or an interest therein is sold or transferred by Mortgagor without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of the Mortgagor, or (c) the creation of a purchase money security interest for household appliances, Mortgagee may, at Mortgagee's option, declare all sums secured by this mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagee and that the interest payable on the sums secured by this mortgage shall be at such rate as Mortgagee shall request. If Mortgagee has waived the option to accelerate provided in this paragraph, and if Mortgagor's successor in interest has executed a written assumption agreement accepted in writing by Mortgagees, Mortgagee shall release Mortgagor from all obligations under this mortgage and the Note. If Mortgagee exercises such option to accelerate, Mortgagee shall mail Mortgagor notice of acceleration in accordance with address stated above. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Mortgagor, invoke any remedies permitted herein.

Said mortgage and note payable to the Mortgagee, HOME BUILDERS FINANCE, INC., d/b/a Owner Builder Loan Services, a Michigan Corporation, its successors and assigns, at the following address: 2035 Hogback Road, Ann Arbor, Michigan 48105 or at Mortgagee's designation, and if the Mortgagor, shall perform all the covenants and agreements herein contained, then these presents shall be void; otherwise, they shall remain in full force and effect.

Upon default in the payment of any installment of principal or interest on said note or upon default in the performance of any of the covenants and agreements herein contained, the Mortgagee may declare the entire indebtedness immediately due and payable, and the Mortgagor hereby vest the Mortgagee with full power and authority, after the happening of any such default, to sell said property at public outcry at the front door of the Courthouse of Shelby County, for cash to the highest bidder, after first giving thirty days notice of the time, place and terms of sale, together with a description of the property to be sold, by publication once a week for three consecutive weeks, in a newspaper published in said County; to make proper conveyance to the purchaser in the name of the Mortgagor; and the proceeds of said sale to apply, first, to the payment of the costs of said sale, including a reasonable attorney's fee; second, to the payment of the amount of said principal indebtedness, whether due or not, together with the unpaid interest thereon to the date of sale, and any amount that may be due the Mortgagee by virtue of any of the special liens herein declared; and third, the balance, if any, to pay over to the said Mortgagor.

And except as herein provided, the Mortgagor hereby covenant with the Mortgagee and with the successors and assigns of the Mortgagee that the Mortgagor is seized of an indefeasible estate in fee simple in and to the above described property; is in the peaceable possession thereof, and has a good and lawful right to mortgage and convey the same; that said property is free from all encumbrances except as herein provided, and that the Mortgagor hereby warrants and will forever defend the title to said property unto Mortgagee, and unto the successors and assigns of the Mortgagee, against the lawful claims of all persons whomsoever.

The conveyance of the above described property and all warranties of the Mortgagor hereunder (whether express or statutory) are made subject to the lien of taxes hereafter falling due.

And the Mortgagor further expressly agrees and covenants:

- 1. To pay when due any and the installments of principal and interest thereon, when they respectively fall due;
- 2. To pay promptly all taxes, assessments, liens or other charges which may be, or become, effective against said property regardless of whether or not the same may be excepted from the warranties hereinabove, together with all penalties, costs, and other expenses incurred, or which may accrue, in connection therewith;
- 3. To keep any buildings or other improvements now or which may hereafter be erected upon said property in good repair and insured against fire and lightning and against hazards covered by the form of insurance contract generally known as "extended coverage", and also the form of coverage known as "all physical loss" if required by the Mortgagee, by policies issued by good and solvent insurance companies approved by the Mortgagee, which policies shall be deposited with the Mortgagee and shall provide that loss, if any, shall be payable to the Mortgagee as the Mortgagee's interest may

Please Initial:

appear, such policies to be in such amounts, not exceeding the insurable value of the said buildings or other improvements, as may be required by the Mortgagee;

- 4. That if the Mortgagee shall, upon the happening of any default hereunder, resort to litigation for the recovery of the sums secured hereby, or employ an attorney to collect said sums or to foreclose this Mortgage under the power of sale herein or by bill in equity, the Mortgagor will pay all reasonable costs, expenses, and attorney's fees thus incurred; and said costs, expenses, and attorney's fees, and any other sum or sums due the Mortgagee by virtue of any of the special liens herein declared, may be included in any judgment or decree rendered in connection with said litigation;
- 5. That if the Mortgagor fails to perform any of the duties herein specified, the Mortgagee may perform or remedy the same, and for any sums expended by the Mortgagee in this behalf the Mortgagee shall have an additional lien, secured by these presents, on said property;
- 6. That in the event of any dispute or litigation arising over the title to, or possession of, said property the Mortgagee may prosecute or defend said litigation, and for any sum or sums expended by the Mortgagee in this behalf, the Mortgagee shall have an additional lien, secured by these presents, on said property;
- 7. That at any sale under the powers herein the Mortgagee may bid for and purchase said property like a stranger hereto, and in event the Mortgagee should become the purchaser at said sale, either the auctioneer conducting the sale or the Mortgagee may execute a deed to the Mortgagee in the name of the Mortgagor;
- 8. That the word "mortgagee" wherever herein used, shall include all mortgagees herein named, and their respective successors and assigns, and the word "mortgagor" wherever herein used, shall include all mortgagors herein named, and their respective heirs, executors, administrators, successors and assigns. The masculine pronoun, wherever herein used, shall mean and include the appropriate feminine or neuter pronoun. Wherever herein used the singular number shall include the plural, and the plural number shall include the singular.

IN WITNESS WHEREOF, the Mortgagor has hereunto set his hand and seal on January 20, 2006.

Tunk Be	(Seal)
TIMOTHY M. BOYNE	
	(Seal)

STATE OF ALABAMA

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COUNTY OF JEFFERSON

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I, the undersigned authority, a Notary Public in and for said State and County, do hereby certify that TIMOTHY M. BOYNE and , a single man, whose name 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 said conveyance, he executed the same on the day the same bears date.

Given under my hand and seal on January 20, 2006.

(SEAL)

NOTARY PUBLIC, STATE AT LARGE

My Commission Expires: 6

This instrument was prepared by:
Home Builders Finance, Inc. d/b/a Owner Builder Loan Services
2035 Hogback Road
Ann Arbor, Michigan 48105

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Please Initial:

200601200000033700 4/4 \$504.50 Shelby Cnty Judge of Probate, AL 01/20/2006 02:17:36PM FILED/CERT

EXHIBIT A LEGAL DESCRIPTION

From a railroad rail at the Southeast corner of the NW 1/4 of the NE 1/4 of Section 26, Township 20 South, Range 1 West, run thence West along the South boundary of said NW 1/4 of the NE 1/4 for a distance of 1334.22 feet to a 1" rebar at the Southwest corner of said NW 1/4 of the NE 1/4; thence turn 91 degrees 05 minutes 02 seconds right and run 489.75 feet along the West boundary of said NW 1/4 of NE 1/4 to a 1/2" rebar, being the POINT OF BEGINNING of the parcel hereby conveyed; thence turn 88 degrees 54 minutes 59 seconds right and run 1334.69 feet to a 1/2" rebar on the east boundary of said NW 1/4 of NE 1/4, said point being 833.71 feet South of a 1/3" rebar at the Northeast corner of said NW 1/4 of NE 1/4; thence turn 88 degrees 71 minutes 38 seconds to the left and run 833.71 feet along the East boundary of said NW 1/4 of NE 1/4 to the Northeast corner of the NW 1/4 of NE 1/4; thence run Westerly 1334.69 feet more or less along the North boundary of said 1/4-1/4 to the Northwest corner of said 1/4-1/4; thence run South along the West line of said 1/4-1/4 a distance of 832.89 feet to the POINT OF BEGINNING; being situated in Shelby County, Alabama.

Also a 60 foot Non-exclusive Easement for ingress, egress and utilities described as follows:

From a railroad rail at the SE corner of the NW 1/4 of NE 1/4 of Section 26, Township 20 South, Range 1 West, being the point of beginning of the centerline of herein described 60 foot easement for ingress, egress and utilities, said point begin in the center of a 100 foot radius cul-de-sac, run thence North along the East boundary of said NW 1/4-NE 1/4 and said easement centerline a distance of 1323.46 feet to a 1/2" rebar at the NE corner of said NW 1/4-NE 1/4; thence turn 91 degrees 10 minutes 25 seconds left and run 953.04 feet along the North boundary of said NW 1/4-NE 1/4 and easement centerline to the P.C. of a curve concave right, having a delta angle of 08 degrees 34 minutes 23 seconds and tangents of 100.00 feet; thence turn 04 degrees 17 minutes 12 seconds right and run a chord distance of 199.44 feet to the P.T.; thence turn 04 degrees 17 minutes 12 seconds right and run 511.75 feet along said easement centerline to the P.C. of a curve concave left, having a delta angle of 20 degrees 39 minutes 57 seconds and tangents of 100.00 feet; thence turn 10 degrees 19 minutes 59 seconds left and run a chord distance of 196.76 feet to the P.T.; thence turn 10 degrees 19 minutes 59 seconds left and run 300.84 feet along said easement centerline to a point; thence turn 11 degrees 32 minutes 19 seconds right and run 341.21 feet along said easement centerline to a point; thence turn 16 degrees 32 minutes 13 seconds left and run 210.74 feet along said easement centerline to a point; thence turn 17 degrees 40 minutes 19 seconds right and run 632.39 feet along said easement centerline to a point of termination on the Easterly boundary of Shelby County Road #47 (80 foot R.O.W.)