THIS INSTRUMENT PREPARED BY:

20060303000101320 1/3 $246.20
Shelby Cnty Judge of Probate, AL
03/03/2006 12:42:14PM FILED/CERT

Name: James F. Burford, III
Address: 1318 Alford Avenue, Suite 101
Birmingham, Alabama 35226

MORTGAGE

TITLE NOT EXAMINED BY PREPARER

STATE OF ALABAMA)
SHELBY COUNTY)

KNOW ALL MEN BY THESE PRESENTS, that whereas the undersigned Brantley Homes, Inc. is/are justly indebted to Holcombe Home Center, Inc. in the sum of One Hundred Fifty-Two Thousand Eight Hundred and 00/100 Dollars ($152,800.00) evidenced by promissory note bearing even date herewith with a maturity date of August 31, 2006 and whereas it is desired by the undersigned to secure the prompt payment of said indebtedness with interest when the same falls due,

NOW, THEREFORE, in consideration of the said indebtedness, and to secure the prompt payment of the same at maturity, the undersigned, Brantley Homes, Inc do, or does, hereby grant, bargain, sell and convey unto the said Holcombe Home Center, Inc. (hereinafter called Mortgagee) the following described real property situated in Shelby County, Alabama, to-wit:

Lot 65, final plat of Nottingham, Phase 2, as recorded in Map Book 31, Page 62, Probate Office of Shelby County, Alabama (Lot 65); and,
Lot 138, final plat of Wild Timber, Phase 1, as recorded in Map Book 31, Page 59, Probate Office of Shelby County, Alabama (Lot 138); and
Lot 14, final plat of Wood Ridge, as recorded in Map Book 30, Page 7, Probate Office of Shelby County, Alabama (Lot 14).

This mortgage is subject to first mortgages of record.

RELEASE PROVISION: Mortgagee shall release from the lien of this mortgage Lot 65 upon payment of $50,000.00; Lot 138 upon payment of $60,000.00 and Lot 14 upon payment of $50,000.00.

Said property is warranted free from all encumbrances and against any adverse claims except taxes and first mortgages.

TO HAVE AND TO HOLD the above granted premises unto the said Mortgagee forever; and for the purpose of further securing the payment of said indebtedness, the undersigned, agrees to pay all taxes, or assessments, when legally imposed upon said premises, and should default be made in the payment of same, said Mortgagee has the option of paying off the same; and to further secure said indebtedness, the undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgage, as the interest of said Mortgagee may appear, and promptly to deliver said polices, or any renewals of said polices, or any renewals of said polices, to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance polices to said Mortgagee then said Mortgagee has the option of insuring property for said sum for the benefit of said Mortgagee, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee, additional to the debt hereby specially secured, and shall be covered by the mortgage, and bear interest from the date of payment by said Mortgage, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee for any amounts Mortgagee may have expended for taxes, assessments and insurance, and the interest, thereon, then this conveyance to be null and void, but should default be made in payment of any sum expended by the said Mortgagee, or should said indebtedness hereby secured, or any part thereof, or the interest thereon remain unpaid at maturity, or should the interest of said Mortgagee in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, or if any statement of lien is filed under the Statutes of Alabama relating to Liens of mechanics and materialmen without regard to form and contents of such statement and

without regard to the existence or non-existence of the debt or any part thereof or of the lien on which such statement is based, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee shall be authorized to take possession of the premises hereby conveyed and with or without first taking possession, after giving twenty-one days notice by publishing once a week for three consecutive weeks, the time, place and terms of sale, in some newspaper published in said County and State, to sell the same in lots or parcels, on en masse, as Mortgagee may deem best, in front of the Courthouse door in said County, at public outcry, to the highest bidder for cash and apply the proceeds of said sale, First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to payment of any amounts that may have been expended, or that it may necessary then to expended in paying insurance, taxes, or other encumbrances, with interest thereon; Third, to payment of said indebtedness in full, whether the same shall or shall not have fully matured, at the date of said sale, but no interest shall be collected beyond the day of sale; and Fourth, the remainder, if any, to be turned over to the said Mortgagor; and the undersigned, further agree that said Mortgagee may bid at said sale and purchase said property, if the highest bidder therefor, as through a stranger hereto, and the person acting as auctioneer at such sale is hereby authorized and empowered to execute a deed to the purchaser thereof in the name of the Mortgagor by such auctioneer as agent, or attorney in fact, and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereto secured.

It is expressly understood that the word "Mortgagee" wherever used in this mortgage refers to the person, or to the persons, or to the corporation named as a grantee or grantees in the granting clause herein.

Any estate or interest herein conveyed to said Mortgagee, or any right or power granted to said Mortgagee in or by this mortgage is hereby expressly conveyed and granted to the heirs, and agents, and assigns, of said Mortgagee, or to the successor and agents and assigns of said Mortgagee, if a corporation.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this the 10 day of Feby, 2006.

CAUTION: YOU MUST THOROUGHLY READ THIS CONTRACT BEFORE SIGNING IT.

Brantley Homes, Inc.

By: Bill Brantley

Bill Brantley, President

This document is approved as to content.

SEE LETTER OF CONSENT

Authorized Representative of Merrill Lynch

20060303000101320 2/3 $246.20
Shelby Cnty Judge of Probate, AL
03/03/2006 12:42:14PM FILED/CERT

State of Alabama)

Corporate Acknowledgment

County of ALABAMA)

I, the undersigned, JAMES F. BURKHOTT, a Notary Public in and for said County in said State, hereby certify that Bill Brantley as President of Brantley Homes, Inc., 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 10 day of Feby, 2006.

Notary Public
My Commission Expires: 3-1-06

C:\MyFiles\Jim\Brantley Homes, Inc.; Holcombe\Mortgage.Shelby.doc

20060303000101320 3/3 $246.20
Shelby Cnty Judge of Probate,AL
03/03/2006 12:42:14PM FILED/CERT

REAL ESTATE MORTGAGE NOTE

$152,800.00 Birmingham Alabama February 6, 2006

The undersigned, for value received, promise to pay to the order of Holcombe Home Center, Inc. the sum of One Hundred Fifty-Two Thousand Eight Hundred and 00/100 Dollars, together with interest upon the unpaid portion thereof from date at the rate of 12 percent per annum, in one payment of all unpaid Principal and Interest payable on August 31, 2006 until such sum is paid in full, payable at direction of note holder Birmingham, Alabama, or at such other place or places as the owner or holder hereof may from time to time designate. All payments shall be applied first to interest on the unpaid balance of principal, and the balance to principal.

This note is secured by mortgages on real estate located in Shelby and Chilton Counties, Alabama, executed to the payee herein. In the event of default under the terms of said mortgages, that certain Promissory Note from Bill Brantley, Rhonda Brantley and Brantley Homes, Inc. in the amount of $100,000 bearing even date herewith, or in the event the payment required under this note is not timely made, the holder hereof shall have the right and option to declare the entire indebtedness secured hereby to be at once due and payable.

Each maker and endorser hereby waives all right of exemption under the Constitution and Laws of Alabama, and agrees to pay the cost of collection, including a reasonable attorney's fee, if this obligation is not paid at maturity.

Demand, protest and notice of protest, and all requirements necessary to hold them liable, are hereby waived by each and every maker and endorser of this note.

This note may be paid in whole or in part without penalty.

This note is given, executed and delivered under the seal of the undersigned.

CAUTION: YOU MUST THOROUGHLY READ THIS CONTRACT BEFORE SIGNING IT.

Brantley Homes, Inc.

By: Bill Brantley
Bill Brantley, President

This document is approved as to content.

SEE LETTER OF CONSENT
Authorized Representative of Merrill Lynch

C:\MyFiles\Jim\Brantley Homes, Inc.; Holcombe\MORTGAGE.NOT.doc