


JOHN C. JONES, AND SPOUSE  
 LESLEY A. JONES  
 179 Linwood Road  
 Sterrett AL 35147 0000  
**MORTGAGOR**  
 "I" includes each mortgagor above.

Forest Park, AL 35203  
 9900007809  
**MORTGAGEE**  
 and the mortgagee, successors and assigns.

**REAL ESTATE MORTGAGE:** For value received, I, JOHN C. JONES and LESLEY A. JONES, mortgagors, hereby have granted and conveyed to you, with power of sale, to secure the payment of the secured debt described below, on February 1, 2006, the real estate described below and all interests therein (hereinafter called the "property").  
**PROPERTY ADDRESS:** 179 LINWOOD RD, Alabama 35147  
 (Street) (Zip Code)

**LEGAL DESCRIPTION:**  
 LOT 456, ACCORDING TO THE SURVEY OF FOREST PARK-4TH SECTOR, 1ST 1/4 SECTION 16, T28N, R10E, S11W, SHELBY COUNTY, ALABAMA, RECORDED IN MAP BOOK 23, PAGE 99 A & B AND INSTRUMENT #1998-3108, PROBATE OFFICE OF SHELBY COUNTY, ALABAMA

  
 20060403000153410 1/3 \$144.05  
 Shelby Cnty Judge of Probate, AL  
 04/03/2006 03:01:05PM FILED/CERT

\*SUBJECT TO AN EXISTING FIRST MORTGAGE\*

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 interest provided for in the promissory note and agreements contained in this mortgage and in any other document incorporated herein. Secured debt includes any amounts I owe you under this mortgage or under any instrument secured by this mortgage, including any extensions and renewals thereof.

The secured debt is evidenced by (List all instruments and agreements secured by this mortgage and the date 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 2/08/06. 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 the principal amount of: EIGHTY FOUR THOUSAND SIX HUNDRED FIFTY AND NO/100 (\$84,650.00), plus interest, plus any disbursements made for the payment of taxes and other expenses on the property, with interest on such disbursements.

**Variable Rate:** The interest rate on the obligation secured by this mortgage shall be the prime rate of the lender at the time of the execution of this mortgage.  
 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  **ARBITRATION**

**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 herein and signed by me.

John C. Jones (Seal) \_\_\_\_\_ (Seal)  
 JOHN C. JONES  
Lesley A. Jones (Seal) \_\_\_\_\_ (Seal)  
 LESLEY A. JONES

**WITNESSES:**  
 \_\_\_\_\_  
 \_\_\_\_\_

**ACKNOWLEDGMENT:** STATE OF ALABAMA, SHELBY County ss:  
 I, THE UNDERSIGNED, a Notary Public for the county of \_\_\_\_\_ in said state, hereby certify that

JOHN C. JONES AND LESLEY A. JONES  
 Individual  whose name(s) IS/ARE signed to the foregoing conveyance, and WARREN known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she/they executed the same voluntarily on the \_\_\_\_\_ day the same bears date.  
 Corporate  whose name(s) as \_\_\_\_\_ a corporation, \_\_\_\_\_ signed to the foregoing conveyance, and \_\_\_\_\_ known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she/they executed the same voluntarily for and as the \_\_\_\_\_ of the said corporation.  
 Given under my hand this the 8th day of February, 2006.  
 My commission expires: 6-30-07  
James Lewis Haynes  
 Notary Public  
**ALABAMA**

COVENANTS

1. **Payments.** I agree to make the 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 the principal of the secured debt (exclusive of interest or principal), second, to interest and then to principal. If partial payments are made 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 the costs of removing any encumbrances on the property when due and will defend title to the property against any claims which could result in a loss of title. You may require me to assign any rights, claims or defenses which I may have against parties who supply labor or materials to improve the property.

3. **Insurance.** I will keep the property insured under policies available to you at my expense and for your benefit. All insurance policies shall include a standard mortgage clause in favor of you, and I will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within your discretion, 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 repair and will make repairs reasonably necessary.

5. **Expenses.** I agree to pay all your reasonable attorneys' fees if I break any covenants in this mortgage or in any obligation secured by this mortgage, either in the trial court or in 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 or break any covenants under this mortgage, any prior mortgage or any obligation secured by this mortgage, you may, at your option, declare the entire secured debt due and demand immediate payment and exercise any other remedy available to you. If you exercise your right of sale, which you may also invoke under the circumstances described in the previous sentence. If you exercise the power of sale, you shall 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 to be sold. If the property is sold, the property will be sold to the highest bidder at public auction at the front door of the County Court House of the county in which the sale was published. \*and

7. **Assignment of Rents and Profits.** I agree to assign to you all 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. In default, you, your agent, or a court appointed receiver may take possession and manage the property and collect the rents. Any rents so collected 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 and principal of the debt.

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

9. **Leaseholds; Condominiums; Easements.** 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 unit in a development, I will perform all of my duties under the covenants, by-laws, or regulations of the condominium or development.

10. **Authority of Mortgagee to Perform Duties.** To perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may employ an agent or contractor at your expense and for your benefit, and you may pay the amount if necessary for performance. If any construction on the property is discontinued or not carried on in a diligent and expeditious 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 prejudice you from exercising any of your other rights under the law or this mortgage.

Any amounts paid by you to protect your security interest in the 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 it at any time after giving me notice beforehand. The notice must state the reasonable cause for your inspection.

12. **Condemnation.** I assign to you the right to recover any claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds shall be applied to the secured debt in accordance with Covenant 1. This assignment is subject to the terms of any prior security agreement.

13. **Waiver.** By exercising any remedy available to you under this mortgage, you agree not to 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 exercise any other remedy in the event a default if it happens again.

14. **Joint and Several Liability; No Release; Parties Bound.** All duties under this mortgage are joint and several. If I co-sign this mortgage but do not co-sign the promissory note, I am bound by the terms of this mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may amend, 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 my obligations under the terms of this mortgage.

The duties and benefits of this mortgage shall bind and benefit me, my heirs, successors and assigns of either or both of us.

15. **Notice.** Unless otherwise required by law, any notice to you 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 have provided. If you 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, you have complied with this covenant.

Any notice shall be deemed to have been given to you if it is given in the manner stated above.

16. **Transfer of the Property or a Beneficial Interest in the Property.** 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 property or mortgage is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law or any state law applicable to this mortgage.

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

\*you and your agent, or agent, shall be bound at said sale and purchase said property for the highest bidder therefore.



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