

This instrument was prepared by:

William R. Justice
P. O. Box 587, Columbiana, Alabama 35051


20061013000507640 1/3 \$429.50
Shelby Cnty Judge of Probate, AL
10/13/2006 08:17:17AM FILED/CERT

MORTGAGE

STATE OF ALABAMA
SHELBY COUNTY

KNOW ALL MEN BY THESE PRESENTS:

That Whereas, Weldon Enterprises, L.L.C., an Alabama limited liability company, (hereinafter called "Mortgagor", whether one or more) is justly indebted to Gary Smith, (hereinafter called "Mortgagee," whether one or more), in the sum of Two Hundred Seventy-five Thousand and no/100 Dollars (\$275,000.00), evidenced by a promissory note executed simultaneously herewith;

And Whereas, Mortgagor agreed, in incurring said indebtedness, and any extensions and renewals thereof, that this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, Mortgagor, Weldon Enterprises, L.L.C., and all others executing this mortgage do hereby grant, bargain, sell and convey unto Mortgagee the following described real estate, situated in Shelby County, State of Alabama, to wit:

Commence at the NW corner of Section 14, Township 19 South, Range 2 East; thence run East along the North line of said section for 622.28 feet to the East line of Alabama Highway 25; thence turn right 108 degrees 58 minutes 38 seconds and run southerly along the easterly right of way of Alabama Highway 25 for 50.12 feet to the point of beginning; thence continue along the last described course for 222.50 feet; thence turn left 89 degrees 44 minutes 36 seconds and go 100.00 feet; thence turn right 90 degrees 29 minutes 50 seconds and run 7.61 feet; thence turn left 55 degrees 47 minutes 00 seconds and run 94.52 feet; thence turn left 89 degrees 45 minutes 52 seconds and run 67.00 feet; thence turn left 71 degrees 34 minutes 08 seconds and run 105.75 feet; thence turn right 47 degrees 07 minutes 00 seconds and run 60.00 feet; thence turn left 90 degrees 00 minutes 00 seconds and run 71.09 feet; thence turn right 87 degrees 14 minutes 36 seconds and run 87.23 feet; thence turn left 90 degrees 21 minutes 03 seconds and run 80.00 feet to the point of beginning. According to the survey of Bobby Ray, Sr., dated September 4, 2006. Situated in Shelby County, Alabama.

This is a purchase money second mortgage. This mortgage is subordinate to a purchase money first mortgage executed this date by Mortgagor to UPS Capital Business Credit in the amount of \$777,000.00.

Said property is warranted free from all encumbrances and against any adverse claims, except as stated above.

To Have And To Hold the above granted property unto Mortgagee and Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, Mortgagor agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to Mortgagee, with loss, if any, payable to

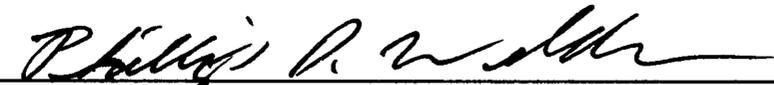
W R J

Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to Mortgagee; and if Mortgagor fails to keep said property insured as above specified, or fails to deliver said insurance policies to Mortgagee, then Mortgagee, or assigns, may at Mortgagee's option declare the indebtedness secured hereby to be due and payable at once or insure said property for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by Mortgagee for taxes, assessments or insurance, shall become a debt to Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by Mortgagee, or assigns, and be at once due and payable. If Mortgagee elects not to make such payment, then the failure of Mortgagor to pay for such taxes, assessments or insurance may be treated by Mortgagee as a default under this Mortgage.

Upon condition, however, that if Mortgagor pays said indebtedness, and reimburses Mortgagee or assigns for any amounts Mortgagee may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sum expended by Mortgagee or assigns, or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage is subject to foreclosure as now provided by law in case of past due mortgages, and Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving three weeks notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof), where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes, or other encumbrances, with interest thereon; Third, to the 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 balance, if any, to be turned over to Mortgagor, and Mortgagor further agrees that Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to Mortgagee or assigns, for the foreclosure of this mortgage, should the same be foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned Mortgagor by and through its member, Phillip D. Weldon, has or have hereunto set its signature(s) and seal(s), this 10th day of October, 2006.

Weldon Enterprises, L.L.C.


Phillip D. Weldon, member



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STATE OF ALABAMA
SHELBY COUNTY

Acknowledgment

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Phillip D. Weldon, whose name as member of Weldon Enterprises, L.L.C., an Alabama limited liability company, 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 such conveyance, he, as such member and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand and official seal this 16th day of October, 2006.



Notary Public


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