


THIS INSTRUMENT WAS PREPARED BY:
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20070702000308540 1/4 \$425.90
Shelby Cnty Judge of Probate, AL
07/02/2007 09:07:15AM FILED/CERT

STATE OF ALABAMA
COUNTY OF SHELBY

FUTURE ADVANCE MORTGAGE

THIS INSTRUMENT COVERS GOODS WHICH ARE OR ARE TO BECOME FIXTURES RELATED TO THE REAL ESTATE DESCRIBED HEREIN AND IS TO BE RECORDED IN THE DEED RECORDS AND ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS OR FIXTURE FILINGS.

MORTGAGEES: SHAMROCK DEVELOPMENT, INC.

MORTGAGEES' ADDRESS: P.O. BOX 360566
BIRMINGHAM, ALABAMA 35263

MORTGAGORS: GARY E. CARTER BUILDERS, INC.

PROPERTY ADDRESS: LOT 224 FOREST RIDGE, ALABASTER, ALABAMA

PRINCIPAL SUM \$270,530.00

Date Mortgage Executed:

Maturity Date: ON DEMAND, AS PROVIDED IN THE NOTE EXECUTED CONTEMPORANEOUSLY
HEREWITH

County Where Property is Situated: SHELBY

THIS INDENTURE is made and entered into on the date stated above as "Date Mortgage Executed", by and between the above stated "Mortgagor(s)" (hereinafter called the "Mortgagor", whether one or more) and the above stated "Mortgagees" whose address is stated above as "Mortgagees' Address."

WITNESSETH:

WHEREAS, said Mortgagor, is justly indebted to Mortgagees in the amount stated above as "Principal Sum" together with any advances hereinafter provided, in the lawful money of the United States, which indebtedness is evidenced by a Real Estate Note of even date herewith which bears interest provided therein and is payable in accordance with its terms, with the entire Debt, if not sooner paid, due and payable on the above stated "Maturity Date".

NOW THEREFORE, in consideration of the premises and of said indebtedness and in order to secure prompt payment of the same according to the terms and stipulations contained in said Real Estate Note and any and all extensions and renewals thereof, or of any part thereof, and any other amounts that the Mortgagees or their successors or assigns may advance to the Mortgagor before the payment in full of said mortgage indebtedness, and any additional interest that may become due on any such extensions, renewals and advances or any part thereof (the aggregate amount such debt, including any extensions, renewals, advances and interest due thereon, is hereinafter collectively called "Debt") and compliance with all the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagees, the following described real estate, situated in SHELBY COUNTY, State of ALABAMA, to wit:

Lot 224, according to the Final Plat of Foresdt Ridge, Phase 2, as recorded in
Map Book 32, Page 62, in the Probate Office of Shelby County, Alabama

TO HAVE AND TO HOLD the real estate unto the Mortgagees, their successors and assigns forever, together with all building materials, equipment, fixtures and fittings of every kind or character now owned or hereafter acquired by the mortgagor for the purpose of or used or useful in connection with the improvements located or to be located on the hereinabove described real estate, whether such materials, equipment, fixtures and fittings are actually located on or adjacent to said real estate or not, and whether in storage or otherwise wheresoever the same may be located. The personal property herein conveyed and mortgaged shall include, without limitation, all lumber and lumber products, bricks, building tones and building blocks, sane and cement, roofing material, paint, doors, windows, hardware, nails, wires and wiring, plumbing and plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building material and equipment of every kind and character used or useful in connection with said improvements along with all rights privileges, tenements, and appurtenances thereunto belonging or in any wise appertaining, including screen windows and doors, gas, steam, electric and other heating, lighting and cooking apparatus, elevators, ice boxes, plumbing and other fixtures appertaining to the said premises all of which shall be deemed realty conveyed by this mortgage. .

Together with all the improvements now or hereafter erected on the real estate and all easements, rights, privileges, tenements, appurtenances, rents, royalties, mineral, oil and gas rights, water, water rights and water stock and all fixtures now or hereafter attached to this real estate, all of which, including replacements and additions thereto,

shall be deemed to be and remain a part of the real estate covered by this Mortgage; and all of the foregoing are hereinafter referred to as "Real Estate" and shall be conveyed by this Mortgage.

The Mortgagor covenants with the Mortgagees that the Mortgagor is lawfully seized in fee simple of the Real Estate and has a good right to sell and convey the Real Estate as aforesaid; that the Real Estate is free of all encumbrances, except as stated herein and the Mortgagor will warrant and forever defend the title to the Real Estate unto the Mortgagees against the lawful claims of all persons, except as otherwise herein provided.

For the purpose of further securing the payment of the Debt, the Mortgagor agrees to: (1) pay promptly when due all taxes, assessments, charges, fines and other liens which may attain priority over this Mortgage (hereinafter jointly called "Liens"), when imposed legally upon the Real Estate and if default is made in the payment of the Liens, or any part thereof, the Mortgagees, at their option, may pay the same; and (2) keep the Real Estate continuously insured, in such manner and by such companies as may be satisfactory to the Mortgagees, for at least \$270,530.00 against loss by fire, and tornado as well as continuously insured in hereinabove stated manner against vandalism, malicious mischief and other perils usually covered by a fire insurance policy with standard extended coverage endorsements, with loss, if any, payable to the Mortgagees, as their interest may appear; such insurance to be in an amount sufficient to cover the Debt. The original insurance policy and all replacements thereof shall be delivered to and held by the Mortgagees until the debt is paid in full. The original insurance policy and all replacements therefor must provide that they may not be cancelled without the insurer giving at least ten days prior written notice of such cancellation to the Mortgagees. The Mortgagor hereby assigns and pledges to the Mortgagees, as further security for the payment of the Debt, each and every policy of hazard insurance now or hereafter in effect which insures said improvements, or any part thereof, together with all the right, title and interest of the Mortgagor in and to each and every such policy, including but not limited to all of the Mortgagor's right, title and interest in and to any premiums paid on such hazard insurance, including all rights to return premiums. If the Mortgagor fails to keep the Real Estate insured as specified above then, at the election of the Mortgagees and without any notice to any person, the Mortgagees may declare the entire debt due and payable and this Mortgage subject to foreclosure, and this Mortgage may be foreclosed as hereinafter provided, and regardless of whether the Mortgagees declare the entire Debt due and payable, the Mortgagees may, but shall not be obligated to, insure the Real Estate for its full insurable value (or for such lesser amounts as the Mortgagees may wish) against such risks of loss, for its own benefit the proceeds from such insurance (less cost of collecting same), if collected, to be credited against the Debt, or, at the election of the Mortgagees, such proceeds may be used in repairing or reconstructing the improvements located on the Real Estate. All amounts spent by the Mortgagees for insurance or for the payment of Liens shall become a debt due by the Mortgagor to the Mortgagees and at once payable without demand upon or notice to the Mortgagor, and shall be secured by the lien of this Mortgage, and shall bear interest from the date of payment by the Mortgagees until paid at the rate of interest provided for in the Real Estate Note. The Mortgagor agrees to pay promptly when due the principal and interest of the Debt and keep and perform every other covenant and agreement of the Real Estate Note secured hereby.

As further security for the payment of the Debt, the Mortgagor hereby assigns and pledges to the Mortgagees, the following described property rights, claims, rents, profits, issues and revenues:

1. All rents, profits, issues, and revenues of the Real Estate from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving to the Mortgagor, so long as the Mortgagor is not in default hereunder, the right to receive and retain such rents, profits, issues and revenues;

2. All judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Real Estate, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Real Estate, or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets, and all payments made for the voluntary sale of the Real Estate, or any part thereof, in lieu of the exercise of the power of eminent domain, shall be paid to the Mortgagees. The Mortgagees are hereby authorized on behalf of and in the name of the Mortgagor to execute and deliver valid acquittance for, or any such judgments or awards. The Mortgagees may apply all such sums received, or any part thereof, after the payment of all the Mortgagees' expenses incurred in connection with any proceeding or transaction described in this subparagraph 2, including court costs and attorney's fees, on the Debt in such manner as the Mortgagees elect, or, at the Mortgagees' option, the entire amount or any part thereof so received may be released or may be used to rebuild, repair or restore any or all of the improvements located on the Real Estate.

The Mortgagor hereby incorporates by reference into this Mortgage all of the provisions of the Real Estate Note of even date herewith. Mortgagor agrees that, in the event that any provision or clause of this Mortgage or the Real Estate Note conflict with applicable law, such conflict shall not affect any other provisions of this Mortgage or the Real Estate Note which can be given effect. It is agreed that the provisions of the Mortgage and the Real Estate Note are severable and that, if one or more of the provisions contained in this Mortgage or in the Real Estate Note shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof. This Mortgage shall be construed as if such invalid, illegal or unenforceable provision has never been contained herein. If enactment or expiration of applicable laws has the effect of rendering any provision of this Mortgage or of the Real Estate Note unenforceable according to its terms, Mortgagees, at their option, may require the immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted hereunder.

The Mortgagor agrees to keep the Real Estate and all improvements located thereon in good repair and further agrees not to commit waste or permit impairment or deterioration of the Real Estate, and at all times to maintain such improvements in as good condition as they are, reasonable wear and tear excepted.

If all or any part of the Real Estate or any 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) the creation of a purchase money security interest for household appliances (c) the transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Mortgagees may, at Mortgagees' option, declare all of the sums secured by this Mortgage to be immediately due and payable. Mortgagees shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagees and the person to whom the Real Estate is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagees and that the interest payable on the sums secured by this Mortgage shall be at such rate as Mortgagees shall request.

The Mortgagor agrees that no delay or failure of the Mortgagees to exercise any option to declare the Debt due and payable shall be deemed a waiver of the Mortgagees' right to exercise such option, either as to any past or present default, and it is agreed that no terms or conditions contained in this Mortgage may be waived, altered or changed except by a written instrument signed by the Mortgagor and signed on behalf of the Mortgagees by one of their duly authorized representatives.

After default on the part of the Mortgagor, the Mortgagees, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Mortgage, shall be entitled to the appointment by a competent court, without notice to any party, of a receiver for the rents, issues and profits of the Real Estate, with power to lease and control the Real Estate, and with such other powers as may be deemed necessary.

Upon request of Mortgagor (separately or severally, if more than one), Mortgagees' option prior to release of this Mortgage, may make future advances to Mortgagor (separately or severally, if more than one). Such future advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are received thereby.

UPON CONDITION, HOWEVER, that if the Mortgagor pays the Debt in full (which debt includes the indebtedness evidenced by the Real Estate Note hereinabove referred to and any or all extensions and renewals thereof and advances and any interest due on such extensions, renewals and advances) and all other indebtedness secured hereby and reimburses the Mortgagees for any amounts the Mortgagees have paid in payment of liens or insurance premiums, and interest thereon, and fulfills all of the Mortgagor's obligations under this Mortgage, this conveyance shall be null and void. But if: (1) any warranty or representation made in this Mortgage is breached or proves false in any material respect; (2) default is made in the due performance of any covenant or agreement of the Mortgagor under this Mortgage or the Mortgagor under the Real Estate Note; (3) default is made in the payment to the Mortgagees of any sum paid by the Mortgagees under the authority of any provision of this Mortgage; (4) the Debt, or any part thereof, or any other indebtedness, obligation or liability of the Borrower, the Mortgagor, or any of them, to the Mortgagees remain unpaid at maturity; (5) the interest of the Mortgagees in the Real Estate becomes endangered by reason of the enforcement of any prior lien or encumbrance; (6) any statement of lien is filed against the Real Estate, or any part thereof, under the statutes of Alabama relating to the liens of mechanics and materialmen (without regard to the existence or nonexistence of the debt or the lien on which such statement is based); (7) any law is passed imposing or authorizing the imposition of any specific tax upon this Mortgage or the Debt or permitting or authorizing the deduction of any such tax from the principal or interest of the Debt, or by virtue of which any tax lien or assessment upon the Real Estate shall be chargeable against the owner of this Mortgage; (8) any of the stipulations contained in this Mortgage is declared invalid or inoperative by any court of competent jurisdiction; (9) the Mortgagor or any of them (a) shall apply for a consent to the appointment of a receiver, trustee or liquidator thereof or of the Real Estate or of all or a substantial part of such Mortgagor's assets, (b) be adjudicated a bankrupt or insolvent or file a voluntary petition in bankruptcy, (c) fail, or admit in writing such Mortgagor's inability, generally to pay such Mortgagor's debts as they come due, (d) make a general assignment for the benefit of creditors, (e) file a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage or any insolvency law, (f) file an answer admitting the material allegations of, or consent to, or default in answering a petition filed against such Mortgagor in any bankruptcy, reorganization or insolvency proceedings; or (10) an order for relief or other judgment or decree shall be entered by any court of competent jurisdiction, approving a petition seeking liquidation or reorganization of the Mortgagor, or any of them, if more than one, or appointing a receiver, trustee or liquidator of any Mortgagor or of the Real Estate or of all or a substantial part of the assets of any Mortgagor; or (11) any other default occurs under the Real Estate Note then, upon the happening of any one or more of said events, at the option of the Mortgagees, the unpaid balance of the Debt shall at once become due and payable and this Mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past-due mortgages; and the Mortgagees shall be authorized to take possession of the Real Estate and, after giving notice of the time, place and terms of sale by publication once a week for three consecutive weeks in some newspaper published in the county in which the Real Estate is located, to sell the Real Estate in front of the courthouse door of said county, at public outcry, to the highest bidder for cash, and to apply the proceeds of said sale as follows: first, to the expense of advertising, selling and conveying the Real Estate and foreclosing this Mortgage, including a reasonable attorney's fee; second, to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, liens or other encumbrances, with interest thereon; third, to the payment in full of the balance of the Debt and interest thereon, 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 the sale and any unearned interest shall be credited to the Mortgagor; and fourth, the balance, if any, to be paid to party or parties appearing of record to the owner of the Real

Estate at the time of sale, after deducting the cost of ascertaining who is such owner. The Mortgagor agrees that the Mortgagees may bid at any sale held under the terms of this Mortgage and may purchase the Real Estate if the highest bidder thereof. At the foreclosure sale the Real Estate may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner the Mortgagees may elect. The Mortgagor agrees to pay all costs, including reasonable attorney's fees, incurred by the Mortgagees in collecting or securing or attempting to collect or secure the Debt, or any part thereof, or in defending or attempting to defend the priority of this Mortgage against any lien or encumbrance on the Real Estate, unless this Mortgage is herein expressly made subject to any such lien or encumbrance; and/or all costs incurred in the foreclosure of this Mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Mortgagees shall be a part of the Debt and shall be secured by this Mortgage. The purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money. In the event of a sale hereunder, the Mortgagees, or the owner of the Debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagor a deed to the Real Estate.

The occurrence of any of the following events shall also constitute an event of default under this Mortgage: (1) the dissolution, liquidation or merger or Mortgagor, Guarantor, or any loan party; (2) the death or incapacitation of Mortgagor or Guarantor. In the event of such default, Mortgagee shall be entitled to exercise any remedy contained herein or in any other loan document.

The said indebtedness of \$270,530.00 which is secured hereby is being advanced by mortgagee to mortgagor in accordance with a construction loan agreement of even date herewith, the terms of which agreement are incorporated as a part hereof. In the event of default in the terms of said agreement or any other contract or agreement between mortgagor and mortgagee, such default shall be an event of default entitling the mortgagee herein to foreclose this mortgage or exercise any remedy provided herein.

Mortgagor waives all rights of homestead exemption in the Real Estate and relinquishes all rights of curtesy and dower in the Real Estate.

Plural or singular words used herein to designate the undersigned shall be construed to refer to the maker or makers of this Mortgage, whether one or more natural persons. All covenants and agreements herein made by the undersigned shall bind the heirs, personal representatives, successors and assigns of the undersigned, and every option, right and privilege herein reserved or secured to the Mortgagees, shall inure to the benefit of the Mortgagees' successors and assigns.

Mortgagor(s) agree(s) that all of the provisions printed above are agreed to and accepted by Mortgagor(s) and constitute valid and enforceable provisions of this Mortgage.

IN WITNESS WHEREOF the undersigned have hereunto set their signature(s) and seal, this 25th day of June, 2007.

GARY E. CARTER BUILDERS, INC.

Gary E. Carter
By: Gary E. Carter, As President

STATE OF ALABAMA)
COUNTY of Shelby

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that Gary E. Carter, whose name as President of Gary E. Carter Builders, 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 he, as such officer and with full authority, executed the same voluntarily on the day the same bears date, on behalf of said corporation.

Given under my hand and seal this the 25th day of June, 2007.

Margaret Kasey
NOTARY PUBLIC
MY COMMISSION EXPIRES: _____

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: July 15, 2010
BONDED THRU NOTARY PUBLIC UNDERWRITERS