

This instrument was prepared by:

✓ Michael T. Atchison, Attorney At Law
PO Box 822, Columbiana, AL 35051

MORTGAGE DEED

**STATE OF ALABAMA
COUNTY SHELBY**

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

ELLIS W. McCARTNEY, a married man

(hereinafter called "Mortgagors", whether one or more are justly indebted to

MARTHA J. SMITH

(hereinafter called "Mortgagee", whether one or more),

in the sum of **SIXTY FIVE THOUSAND DOLLARS AND NO/100 DOLLARS (\$65,000.00)** evidenced by a mortgage note.

This is a wrap around mortgage. There is an existing first mortgage from MARTHA J. SMITH to MERCHANTS & FARMERS BANK, dated OCTOBER 10, 2006, recorded in Instrument #2007032900014151, in the Probate Office of Shelby County, Alabama. The mortgagee herein, MARTHA J. SMITH, is responsible for making all payments under the first mortgage to MERCHANTS & FARMERS BANK. In the event this first mortgage become delinquent, mortgagors herein have the right to make the first mortgage payment directly to MERCHANTS & FARMERS BANK and receive credit for the amount of said payment toward the mortgage payment due under the promissory note of even date herewith, secured by this wrap around mortgage. In the event the first mortgage is called or foreclosure proceedings are initiated by MERCHANTS & FARMERS BANK, Mortgagors herein have the right to pay, redeem or take any other action in said first mortgage and shall receive full credit on this mortgage for the amount of payments made and any necessary and/or reasonable expenses incurred.

And whereas, Mortgagors agreed, in incurring said indebtedness, which this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagors,

ELLIS W. McCARTNEY, a married man

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate, situated in SHELBY County, State of Alabama, to wit:

SEE EXHIBIT "A" FOR LEGAL DESCRIPTION.

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

To Have And To Hold the above granted property unto the said Mortgagee, 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, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned 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 the Mortgagee, with loss, if any payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee, then the said Mortgagee, or assigns may at Mortgagee's option insure said property for said sum, 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 said Mortgagee for taxes, assessments or insurance, shall become a debt to said 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 said Mortgagee, or assigns, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagees 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 the said 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 said Mortgagee or assigns 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, 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, agents, or assigns, 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, 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 incumbrances, 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 the said Mortgagor and undersigned further agree that said 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 said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned

ELLIS W. McCARTNEY, a married man

Have hereunto set her signature and seal, this 15th day of August, 2007.


ELLIS W. McCARTNEY

**STATE OF ALABAMA
SHELBY COUNTY**

I, MICHAEL T. ATCHISON, a Notary Public in and for said County, in said State, hereby certify that

ELLIS W. McCARTNEY, a married man

whose names 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 executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of August, 2007.

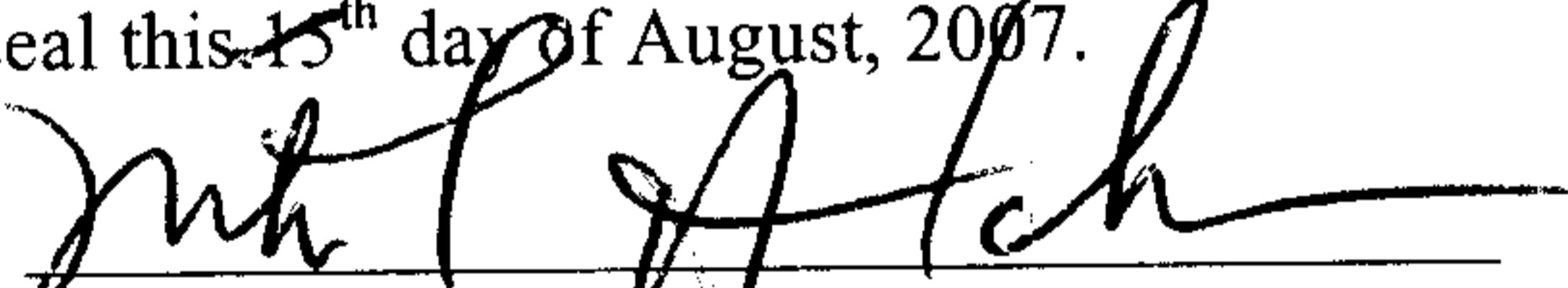

Notary Public
My Commission Expires: 10-16-08



EXHIBIT "A"

20070824000399460 3/3 \$114.50
Shelby Cnty Judge of Probate, AL
08/24/2007 09:53:13AM FILED/CERT

A parcel of land in the South 1/2 of the NE 1/4 of Section 5, Township 22 North, Range 1 East and the SE 1/4 of the NW 1/4 of Section 5, Township 22 North, Range 1 East, described as follows:

Commence at the Southeast corner of the SE 1/4 of the NW 1/4 of Section 5, Township 22 South, Range 1 East; thence North 89 deg. 07 min. 13 sec. West a distance of 275.94 feet to the Easterly right-of-way of Shelby County Highway #61 (80 feet right of way); thence North 21 deg. 35 min. 50 sec. East a distance of 409.13 feet; to the Point of Beginning; thence South 64 deg. 31 min. 35 sec. East a distance of 160.00 feet; thence South 78 deg. 29 min. 19 sec. East a distance of 544.18 feet; thence North 81 deg. 35 min. 22 sec. East a distance of 163.15 feet; thence North 88 deg. 45 min. 35 sec. East a distance of 424.71 feet; thence North 14 deg. 59 min. 30 sec. East a distance of 98.77 feet; thence North 60 deg. 54 min. 02 sec. West a distance of 753.60 feet; thence South 26 deg. 07 min. 51 sec. West a distance of 162.41 feet; thence North 67 deg. 46 min. 32 sec. West a distance of 468.16 feet; thence South 19 deg. 50 min. 21 sec. West a distance of 370.75 feet to the Point of Beginning; being situated in Shelby County, Alabama.

INDEXING INSTRUCTIONS: South 1/2 of the NE 1/4 of Section 5, Township 22 North, Range 1 East and the SE 1/4 of the NW 1/4 of Section 5, Township 22 North, Range 1 East

SIGNED FOR IDENTIFICATION

M.J. Smith
Martha J. Smith

10-10-06
Date