

STATE OF ALABAMA
SHELBY COUNTY

JUNIOR MORTGAGE

This indenture is made and entered into this 1st day of Feb, 2008, by and between Nelson Wayne Archer, an unmarried man (the "Mortgagor") and Dunn Construction Company, Inc. (the "Mortgagee").

Whereas, the Mortgagor is justly indebted to the Mortgagee in the principal amount of One Hundred Eighty Thousand Dollars (\$180,000.00) as evidenced by that certain promissory note of even date herewith, which is payable in accordance with its terms (the "Note").

Now, therefore, in consideration of the premises, and to secure the payment of the debt evidenced by the Note and any and all extensions and renewals thereof, or of any part thereof, and all interest payable on all of said debt and on any and all such extensions and renewals (the aggregate amount of such debt and the interest thereon, including any extensions and renewals and the interest thereon, is hereinafter collectively called "Debt") and the compliance with all the stipulations herein contained, the Mortgagor does hereby grant, bargain, sell and convey unto the Mortgagee, the following described real estate, situated in Shelby County, Alabama (said real estate being hereinafter called the "Real Estate"):

PARCEL I:

Also, All that portion of the E ½ of SE ¼ of Section 7, Township 20 South, Range 1 East, lying South of Yellowleaf Creek; and all that portion of the E ½ of NE ¼ of Section 18, Township 20 South, Range 1 East, lying North of Shelby County Hwy 109. LESS AND EXCEPT that portion previously conveyed to Edward E. Blackerby and Joyce J. Blackerby, as shown by deed recorded in Instrument #1996-12677. ALSO LESS AND EXCEPT that portion of the above described acreage which has been subdivided into Lake Archer, Sector One, as recorded in Map Book 38, Page 59, in the Probate Office of Shelby County, Alabama.

PARCEL II:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, according to the survey of Lake Archer, Sector One, as recorded in Map Book 38, Page 59, in the Probate Office of Shelby County, Alabama.

10/10/08

Together with all the rights, privileges, tenements, improvements, appurtenances and fixtures appertaining to the Real Estate, all of which shall be deemed Real Estate and conveyed by this mortgage.

To have and to hold the Real Estate unto the Mortgagee, its successors and assigns forever. The Mortgagor covenants with the Mortgagee 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 otherwise set forth herein, and the Mortgagor will warrant and forever defend the title to the Real Estate unto the Mortgagee, against the lawful claims of all persons.

This mortgage is subordinate to those certain mortgages from: Nelson Wayne Archer and wife Janice Archer, to First National Bank of Shelby County n/k/a Merchants & Farmers Bank, dated January 6, 2004, recorded as Instrument #20040107000012420, in Probate Office of Shelby County, Alabama; Nelson Wayne Archer and wife, Janice Archer, to Merchants & Farmers Bank, dated May 5, 2006, recorded as Instrument #200605120000225980, in Probate Office of Shelby County, Alabama; and Nelson Wayne Archer, a single man, to Shirley Concrete, recorded in Instrument #200709120000427880, in Probate Office of Shelby County, Alabama, (as to Lots 21, 22 and 23, in said Lake Archer subdivision) (the "Prior Mortgages").

The Mortgagor hereby authorizes the holder of the Prior Mortgages to disclose to the Mortgagee the following information: (1) the amount of indebtedness secured by such mortgage; (2) the amount of such indebtedness that is unpaid; (3) whether any amount owed on such indebtedness is, or has been, in arrears; (4) whether there is, or has been, any default with respect to such mortgage or the indebtedness secured thereby; and (5) any other information regarding such mortgage or the indebtedness secured thereby which the Mortgagee may request from time to time.

The Mortgagor expressly agrees that, if default should be made on the payment of principal, interest or any other sum payable under the terms and provisions of the Prior Mortgages, the Mortgagee may, but shall not be obligated to, cure such default, without notice to anyone, by paying whatever amounts may be due under the terms of the Prior Mortgages so as to put the same in good standing; and any and all payments so made, together with interest thereon at the rate per annum set forth in the Note, shall be added to the indebtedness secured by this mortgage. Any such amount paid by Mortgagee, with interest thereon, shall be immediately due and payable, without notice to the Mortgagor; and, if such amount is not paid in full immediately by Mortgagor, then, at the option of the Mortgagee, this mortgage shall be in default and subject to immediate foreclosure in all respects as provided by law and by the provisions hereof.

For the purpose of further securing the payment of the Debt, the Mortgagor agrees to: (1) pay promptly when due all taxes, assessments, the Prior Mortgages and other liens taking priority over this mortgage (hereinafter jointly called "Liens"), and if default is made in the payment of the Liens, or any part thereof, the Mortgagee, at its option, may pay the same; (2) keep the Real Estate continuously insured, in such manner and with such companies as may be satisfactory to the Mortgagee, against loss by fire, vandalism, malicious mischief and other perils usually covered by a fire insurance policy with standard extended coverage endorsement, with loss, if any, payable to the Mortgagee, as its interest may appear; such insurance to be in an amount at least equal to the full insurable value of the improvements located on the Real Estate unless the Mortgagee agrees in writing that such insurance may be in a lesser amount. The original insurance policy and all replacements therefor, shall be delivered to, and held by, the Mortgagee

until the Debt is paid in full. If the original insurance policy is held by the holder of the Prior Mortgage, the Mortgagors will deliver to the Mortgagee a true and correct copy of such insurance policy. The insurance policy must provide that it may not be cancelled without the insurer giving at least fifteen days prior written notice of such cancellation to the Mortgagee at the following address:

Wade Edwards
Dunn Construction Co., Inc.
3905 Messer Airport Hwy.
Birmingham, AL 35222

Subject to the rights of the holders of the Prior Mortgages, the Mortgagors hereby assign and pledge to the Mortgagee 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 Mortgagee and without notice to any person, the Mortgagee 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 Mortgagee declares the entire Debt due and payable and this mortgage subject to foreclosure, the Mortgagee may, but shall not be obligated to, insure the Real Estate for its full insurable value (or for such lesser amount as the Mortgagee may wish) against such risks of loss, for its own benefit, the proceeds from such insurance (less the cost of collecting same), if collected, to be credited against the Debt; or, at the election of the Mortgagee, such proceeds may be used in repairing or reconstructing the improvements located on the Real Estate. All amounts spent by the Mortgagee for insurance or for the payment of Liens shall become a debt due by the Mortgagor 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 date of payment by the Mortgagee until paid at the rate per annum set forth in the Note.

Subject to the rights of the holder of the Prior Mortgages, the Mortgagor hereby assigns and pledges to the Mortgagee 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 Mortgagors, so long as the Mortgagors are 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. The Mortgagee is hereby authorized on behalf of, and in the name of, the Mortgagor to execute and deliver valid acquittances for, and appeal from, any such judgments or awards. The Mortgagee may apply all such sums so received, or any part thereof, after the payment of all the Mortgagee's expenses in connection with any

proceeding or transaction described in this subparagraph 2, including court costs and attorneys' fees, on the Debt in such manner as the Mortgagee elects, or, at the Mortgagee's 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 agrees to take good care of the Real Estate and all improvements located thereon and not to commit or permit any waste thereon, and at all times to maintain such improvements in as good condition as they now are, reasonable wear and tear excepted.

The Mortgagor agrees that no delay or failure of the Mortgagee to exercise any option to declare the Debt due and payable shall be deemed a waiver of the Mortgagee's 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 Mortgagee by one of its officers.

After default on the part of the Mortgagor, the Mortgagee shall be entitled to the appointment by any 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 condition, however, that if the Mortgagor pays the Debt (which Debt includes the indebtedness evidenced by the Note and any and all extensions and renewals thereof, or any part thereof, and all interest on said indebtedness and on any and all such extensions and renewals) and reimburses the Mortgagee for any amounts the Mortgagee has paid in payment of Liens or insurance premiums, and interest thereon, and fulfills all of his 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 Mortgagors under this mortgage; (3) default is made in the payment to the Mortgagee of any sum paid by the Mortgagee under the authority of any provision of this mortgage; (4) the Debt, or any part thereof, is not paid when due; (5) the interest of the Mortgagee in the Real Estate becomes endangered by reason of the enforcement of the Prior Mortgage or any other lien or encumbrance thereon; (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) if the Mortgagors or either or them die or become insolvent; (10) the Real Estate, or any part thereof, or any interest therein, is sold, conveyed, transferred or leased, or if the Real Estate, or any part thereof, or any interest therein, is subjected to an additional mortgage without the prior written consent of the Mortgagee; then, upon the happening of any one or more of said events, at the option of the Mortgagee, the unpaid balance of the Debt shall at once become due and payable and the Mortgagee shall be entitled to exercise all of its rights and remedies hereunder, at law, or in equity including, without limitation, its right to foreclose this mortgage which may be foreclosed as now provided by law in case of past-due mortgages; and the Mortgagee, 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, with the first publication being at

least 18 days before the date of the sale, 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 (provided, however, that such attorney's fees shall not exceed 15% of the unpaid Debt after default and referral to an attorney not a salaried employee of the Mortgagee and no such attorney's fees shall be collectible if the original principal amount or the original amount financed does not exceed \$300); 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 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 paid to the party or parties appearing of record to be entitled to such balance, after deducting the cost of ascertaining who is such owner. The Mortgagor agrees that the Mortgagee may bid at any sale had under the terms of this mortgage and may purchase the Real Estate if the highest bidder therefor. 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 it may be offered for sale and sold in any other manner the Mortgagee may elect.

The Mortgagor agrees to pay all costs, including reasonable attorney's fees incurred by the Mortgagee 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 Mortgagee 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 Mortgagee, or the owner of the Debt and mortgage, or auctioneer, shall execute to the purchaser, for and in the name of the Mortgagor, a statutory warranty deed to 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, corporations, associations, partnerships or other entities. 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 Mortgagee shall inure to the benefit of the Mortgagee's successors and assigns.



20080211000055710 6/6 \$296.00
Shelby Cnty Judge of Probate, AL
02/11/2008 12:43:01PM FILED/CERT

In witness whereof, the undersigned have executed this instrument as of the date first written above.

Nelson Wayne Archer
Nelson Wayne Archer

STATE OF ALABAMA
SHELBY COUNTY

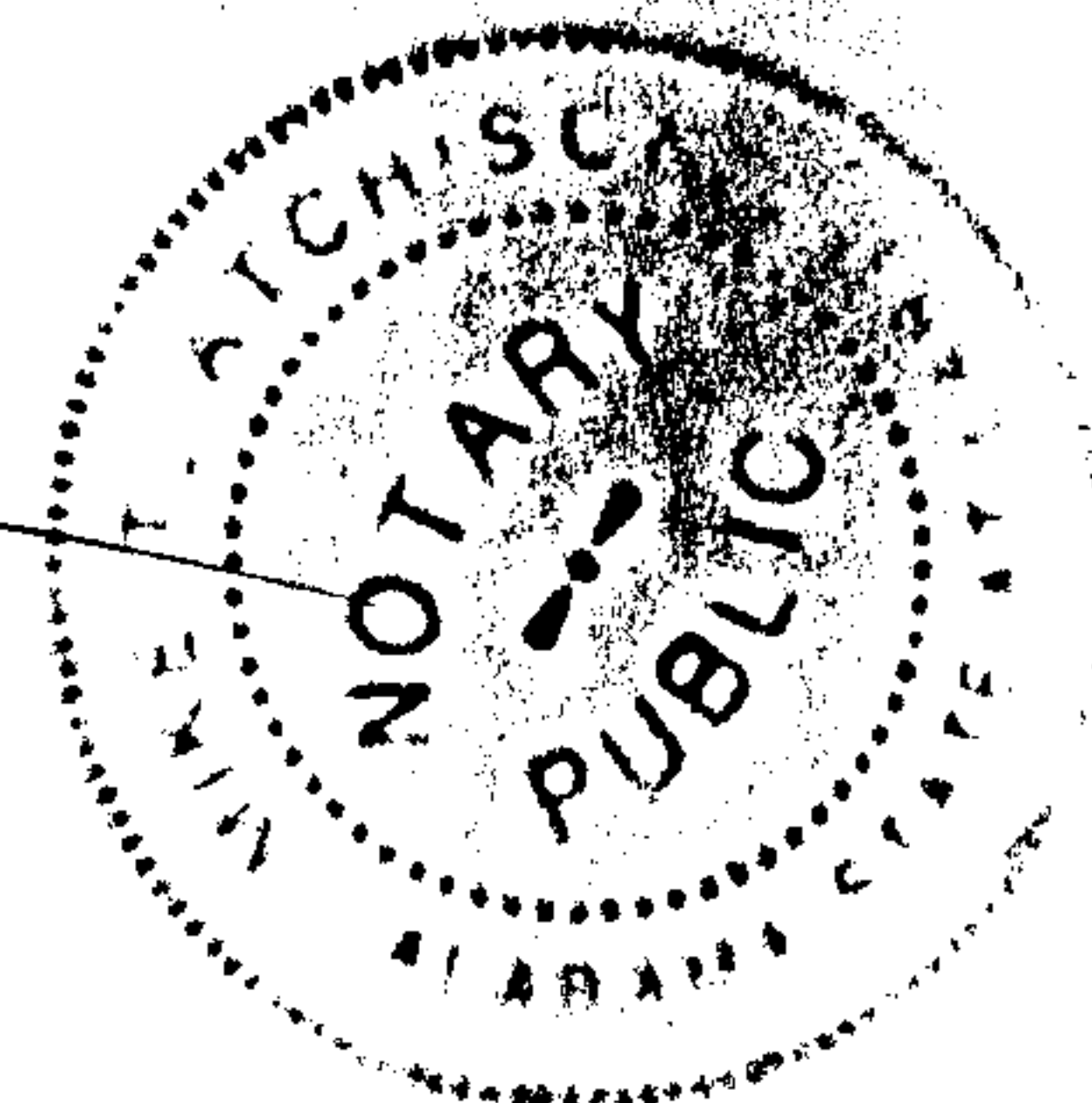
I, the undersigned authority, in and for said county in said state, hereby certify that Nelson Wayne Archer, whose name is signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 11th day of Feb, 2008.

[Signature]
Notary Public

My commission expires:

10-16-08



NOTARY MUST AFFIX SEAL