MORTGAGOR(S):
CHAPPELL DEVELOPMENT, INC.
P.O. Box 92
Westover, AL 35185

This instrument was prepared by:
Clayton T. Sweeney, Attorney
2700 Highway 280 E, Suite 160
Birmingham, AL 35223

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Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

STATE OF ALABAMA)
SHELBY COUNTY)

REAL ESTATE MORTGAGE
AND
SECURITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS: that

WHEREAS, **CHAPPELL DEVELOPMENT, INC., an Alabama**

Corporation,(hereinafter referred to as "Mortgagor) has become justly indebted to

SERVISFIRST BANK, with offices at 3300 Cahaba Road Suite 300, Birmingham, Alabama 35223, (together with its successors and assigns, hereinafter called "Mortgagee") in the sum of ONE HUNDRED NINETY SIX THOUSAND ONE HUDNRED TWENTY FIVE AND 00/100 DOLLARS ($196,125.00) together with interest thereon, as evidenced by a promissory note in the amount of $196,125.00 of even date herewith. (If the maturity date is 20 years or longer, indicate the maturity date.)

NOW, THEREFORE, in consideration of the premises and in order to secure the payment of said indebtedness and renewals or extensions thereof and all other indebtedness (including future advances) now or hereafter owed by any of the above-named to Mortgagee, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, and otherwise secured or not, and to secure compliance with all the covenants and stipulations hereinafter contained, the undersigned , **CHAPPELL DEVELOPMENT, INC.** (hereinafter called "Mortgagor") does hereby assign, grant, bargain sell and convey unto Mortgagee the following described real property located at 380 Deer Ridge Lane, Chelsea, AL 35043, being situated in Shelby County, State of Alabama, viz:

Lot 40, according to the Survey of Deer Ridge Lakes, Sector 2, Page 2, as recorded in Map Book 33, Page 116, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

This is a purchase money mortgage

20080310000097830 2/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

together with all rents and other revenues thereof and all rights, privileges, easements, tenements, interests, improvements and appurtenances thereunto belonging or in anywise appertaining, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by Mortgagor in and to all buildings and improvements, storm and screen windows and doors, gas, steam, electric, solar and other heating, lighting, ventilating, air-conditioning, refrigerating and cooking apparatus, elevators, plumbing, sprinkling, smoke, fire, and intrusion detection devices, and other equipment and fixtures now or hereafter attached or appertaining to said premises, all of which shall be deemed to be real property and conveyed by this mortgage, and all of which real property, equipment and fixtures are sometimes hereinafter called the "mortgaged property".

TO HAVE AND TO HOLD the same and every part thereof unto the Mortgagee, its successors and assigns forever.

THIS MORTGAGE IS FILED AS AND SHALL CONSTITUTE A FIXTURE FILING IN ACCORDANCE WITH THE PROVISIONS OF SECTION 7-9-402(6) OF THE CODE OF ALABAMA, IF MARKED APPLICABLE.

APPLICABLE ____ NOT APPLICABLE_X_

And for the consideration aforesaid, and as additional security for all of the indebtedness described above (including future advances), Mortgagor hereby assigns and transfers to Mortgagee, and grant to Mortgagee a security interest in, all building materials, household appliances, equipment, fixtures and fittings of every kind or character now owned or hereafter acquired by Mortgagor, or any of them, located, whether permanently or temporarily, on the mortgaged property, and all building materials, household appliances, equipment, fixtures and fittings now owned or hereafter acquired by Mortgagor, or any of them, located or stored on any other real property, which are or shall be purchased by Mortgagor, or any of them, for the purpose, or with the intention, of making improvements on the mortgaged property or to the premises located on said property. The personal property herein transferred includes, without limitation, all lumber, bricks, building stones, building blocks, sand, cement, roofing materials, paint, doors, windows, storm doors, storm windows, nails, wires and wiring, hardware, plumbing and plumbing fixtures, heating and air conditioning equipment and appliances, electrical and gas

20080310000097830 3/9 $329.30
Shelby Cnty Judge of Probate, AL
03/10/2008 03:21:35PM FILED/CERT

equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building materials, equipment and appliances of every kind and character used or useful in connection with improvements to real property.

For the purpose of further securing the payment of said indebtedness Mortgagor warrants, covenants and agrees with Mortgagee, its successors and assigns, as follows:

1. That it is lawfully seized in fee and possessed of the mortgaged property and has a good right to convey the same as aforesaid, that it will warrant and forever defend the title against the lawful claims of all persons whomsoever, and that the mortgaged property is free and clear of all encumbrances, easements and restrictions not herein specifically mentioned.

2. That it will pay all taxes, assessments, or other liens taking priority over this mortgage when imposed upon the mortgaged property, and should default be made in the payment of the same, or any part thereof, Mortgagee may pay the same (but Mortgagee is not obligated to do so).

3. That it will keep the buildings on the mortgaged property continuously insured in such amounts, in such manner and with such companies as may be satisfactory to Mortgagee against loss by fire (including so-called extended coverage), wind and such other hazards (including flood and water damage) as Mortgagee may specify from time to time, with loss, if any, payable to Mortgagee, and will deposit with Mortgagee policies of such insurance or, at Mortgagee's election, certificates thereof, and will pay the premiums therefore as the same become due. Mortgagor shall have the right to provide such insurance through a policy or policies independently obtained and paid for by Mortgagor or through an existing policy. Mortgagee may, for reasonable cause, refuse to accept any policy of insurance obtained by Mortgagor. Mortgagor shall give immediate notice in writing to Mortgagee of any loss or damage to the mortgaged property from any cause whatever. If Mortgagor fails to keep said property insured as above specified, Mortgagee may insure said property (but Mortgagee is not obligated to do so) for its insurable value against loss by fire, wind and other hazards for the benefit of Mortgagor and Mortgagee or for the benefit of Mortgagee alone, at Mortgagee's election. The proceeds of such insurance shall be paid by the insurer to Mortgagee, which is hereby granted full power to settle and compromise claims under all policies, to endorse in the name of Mortgagor any check or draft representing the proceeds of any such insurance, and to demand, receive and give receipt for all sums becoming due thereunder. Said insurance

20080310000097830 4/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

proceeds, if collected, may be credited on the indebtedness secured by this mortgage, less costs of collection, or may be used in repairing or reconstructing the premises on the mortgaged property, at Mortgagee's election. Any application of the insurance proceeds to repairing or reconstructing premises on the mortgaged property shall not extend or postpone the due date of any installment payments of the indebtedness hereby secured or reduce the amount of such installments.

4. That commencing upon written request by Mortgagee and continuing until the indebtedness secured hereby is paid in full, Mortgagor will pay to Mortgagee concurrently with, and on the due dates of, payments on the indebtedness hereby secured a sum equal to the ground rents, if any, next due on the mortgaged property, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus water rents, fire district charges, taxes and assessments next due on the mortgaged property (all as estimated by Mortgagee), less any sums already paid to Mortgagee therefore, divided by the number of months or other payment periods to elapse before one month or payment period prior to the date when such ground rents, premiums, water rents, fire district charges, taxes and assessments will become due, such sums to be held by Mortgagee in trust, to pay said ground rents, premiums, water rents, fire district charges, taxes and assessments. All payments mentioned in the preceding sentence and the payments to be made on the indebtedness secured hereby shall be added together and the aggregate amount thereof shall be paid by Mortgagor each month or other payment period in a single payment to be applied by Mortgagee to the following items in order set forth: (a) ground rents, taxes, water rents, fire district charges, assessments, fire and other hazard insurance premiums; (b) interest on the indebtedness secured hereby; and (c) the balance, if any, shall be applied toward the payment of the sum hereby secured. Any deficiency in the amount of such aggregate monthly or other periodic payments shall constitute a default under this mortgage. Any excess funds accumulated under this paragraph after payment of the items herein mentioned shall be credited in calculating the monthly or other periodic payments of the same nature required hereunder in the subsequent year; but if the actual amount of any such items shall exceed the estimate therefore, Mortgagor shall without demand forthwith make good the deficiency. Failure by Mortgagor to do so before the due date of such item shall be a default hereunder. If the mortgaged property is sold under foreclosure or is otherwise acquired by Mortgagee after default, any remaining balance of the

20080310000097830 5/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

accumulations under this paragraph shall be credited to the principal of the secured indebtedness as of the date of the foreclosure sale or as of the date the property is otherwise acquired.

5. That it will take good care of the mortgaged property and the personal property described above and will not commit or permit any waste thereon or thereof, and that it will keep the same repaired and at all times will maintain the same in as good condition as it now is, reasonable wear and tear alone excepted. If Mortgagor fails to make repairs to the mortgaged property, Mortgagee may make such repairs at Mortgagor' expense (but Mortgagee is not obligated to do so). Mortgagee, its agents and employees, may enter the mortgaged property and any improvements thereon at any reasonable time for the purpose of inspecting or repairing such improvements.

6. That all amounts expended by Mortgagee for insurance or for the payment of taxes or assessments or to discharge liens on the mortgaged property or any improvements thereon shall become a debt due Mortgagee, shall be payable at once without demand upon or notice to any person, shall bear interest at the rate of interest payable on the principal sum of the note described above, or if no such rate of interest is specified in the note or if the rate specified would be unlawful, at the rate of 12% per annum from the date of payment by Mortgagee, and such debt and the interest thereon shall be secured by this mortgage. Upon failure of Mortgagor to reimburse Mortgagee for all amounts so expended, at the election of Mortgagee and with or without notice to any person, Mortgagee may declare the entire indebtedness secured by this mortgage due and payable and may foreclose this mortgage as hereinafter provided or as provided by law.

7. That no delay or failure of Mortgagee to exercise any option to declare the maturity of any debt secured by this mortgage shall be taken or deemed as a waiver of the right to exercise such option or to declare such forfeiture either as to past or present defaults on the part of Mortgagor, and that the procurement of insurance or payment of taxes or other liens or assessments or obligations by Mortgagee shall not be taken or deemed as a waiver of the right to accelerate the maturity of the indebtedness hereby secured by reason of the failure of Mortgagor to procure such insurance or to pay such taxes, liens, assessments or obligations, it being agreed by Mortgagor that no terms or conditions contained in this mortgage can be waived, altered or changed except by a writing signed by Mortgagee.

8. That the Mortgagor who is obligated to pay the indebtedness hereby secured will

20080310000097830 6/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

well and truly pay and discharge such indebtedness as it shall become due and payable, including the note or notes described above, any renewals or extensions thereof, and any other notes or obligations of such Mortgagor to Mortgagee, whether now or hereafter incurred.

9. That if default shall be made in the payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions of this mortgage, Mortgagee may proceed to collect the rent, income and profits from the mortgaged property, either with or without the appointment of a receiver (to which appointment Mortgagor hereby consent), and Mortgagee may notify the lessees or other payors thereof to make payment directly to Mortgagee. Any rents, income and profits collected by Mortgagee prior to foreclosure of this mortgage, less the costs of collecting the same, including any real estate or property management commissions and attorney's fees incurred, shall be credited first to advances made by Mortgagee and the interest thereon, then to interest due on the indebtedness hereby secured, and the remainder, if any, shall be applied toward the payment of the principal sum hereby secured.

10. That if possession of the mortgaged property is allowed to remain in any other person or entity to the exclusion of Mortgagor for a period of one year or more, or if all or any part of the mortgaged property or any interest therein is sold, assigned, transferred or conveyed by Mortgagor, or any of them, without Mortgagee's prior written consent, excluding only (a) the creation of a lien or encumbrance expressly subordinate to this mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a 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 one year or less (including all mandatory or optional renewal periods) not containing an option to purchase, Mortgagee may, at Mortgagee's option declare all indebtedness secured by this mortgage to be due and payable immediately with or without notice to Mortgagor. Mortgagee may condition its consent to any such transfer of possession of, or an interest in, the mortgaged property upon the transferee's agreeing to pay a greater rate of interest on all or any part of the indebtedness secured by this mortgage or to adjust the payment schedule of all or any part of the indebtedness secured by this mortgage, upon Mortgagee's approval of the creditworthiness of the transferee, and upon the transferee's payment to Mortgagee of a reasonable transfer or assumption fee. Upon breach by Mortgagor of the covenants herein contained, Mortgagee may, at its election, proceed to foreclose this mortgage as hereinafter provided or as provided by law.

11. That all the covenants and agreements of Mortgagor herein contained shall extend

20080310000097830 7/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

to and bind its successors and assigns, and that such covenants and agreements and all options, rights, privileges and powers herein given, granted or secured to Mortgagee shall inure to the benefit of the successors and assigns of Mortgagee.

12. That the provisions of this mortgage and the note or notes secured hereby are severable, and that the invalidity or unenforceability of any provision of this mortgage or of any such note or notes shall not affect the validity and enforceability of the other provisions of this mortgage or of such note or notes. The remedies provided to Mortgagee herein are cumulative with the rights and remedies of Mortgagee at law and in equity, and such rights and remedies may be exercised concurrently and consecutively. A carbon or photostat copy of this mortgage may be filed as a financing statement in any public office.

UPON CONDITION, HOWEVER, that if Mortgagor shall well and truly pay and discharge all the indebtedness hereby secured (including future advances) as the same shall become due and payable and shall in all things do and perform all acts and agreements by them herein agreed to be done according to the tenor and effect thereof, then and in that event only this conveyance and the security interest herein granted shall be and become null and void; but should default be made in the payment of any indebtedness hereby secured or any renewals or extensions thereof or should any interest thereon remain unpaid at maturity, or should default be made in the repayment of any sum expended by Mortgagee under the authority of any provision of this mortgage, or should the interest of Mortgagee in the mortgaged property or any of the personal property described above become endangered by reason of the enforcement of any lien or encumbrance thereon, or should a petition to condemn any part of the mortgaged property be filed by any authority, person or entity having power of eminent domain, or should any law, either state or federal, be passed imposing or authorizing the imposition of a specific tax upon this mortgage or the indebtedness hereby secured or permitting or authorizing the deduction of any such tax from the principal or interest secured by this mortgage or by virtue of which any tax or assessment upon the mortgaged property shall be charged against the owner of this mortgage, or should at any time any of the covenants contained in this mortgage or in any note or other evidence of indebtedness secured hereby be declared invalid or unenforceable by any court of competent jurisdiction, or should Mortgagor fail to do and perform any other act or thing herein required or agreed to be done, then in any of said events the whole of the indebtedness hereby secured, or any portion or part thereof which may at said date not have been paid, with interest

20080310000097830 8/9 $329.30
Shelby Cnty Judge of Probate,AL
03/10/2008 03:21:35PM FILED/CERT

thereon, shall at once become due and payable and this mortgage subject to foreclosure at the option of Mortgagee, notice of the exercise of such option being hereby expressly waived by Mortgagor, and Mortgagee shall have the right to enter upon and take possession of the mortgaged property and after or without taking such possession to sell the same before the Court House door of the County (or the division thereof) where said property, or any substantial part of said property, is located, at public outcry for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale in some newspaper published in said County; and upon the payment of the purchase price, Mortgagee or the auctioneer at said sale is authorized to execute to the purchaser for and in the name of Mortgagor a good and sufficient deed to the property sold. And upon the occurrence of any such event, Mortgagee shall have the rights and remedies of a secured party after default by its debtor under the Alabama Uniform Commercial Code, including, without limitation, the right to take possession of any of the property herein transferred which is personal property and to sell the same at one or more public or private sales, at the election of Mortgagee. At Mortgagee's request, Mortgagor agrees to assemble such property and to make the same available to Mortgagee at such place as Mortgagee shall reasonably designate. Mortgagor agrees that notice of the time and place of any public sale or of the time after which any private sale or other intended or disposition of said property, or of any part thereof, will be held shall be sufficient if delivered to Mortgagor or mailed to Mortgagor at the address set forth above, or such other address as Mortgagor shall have furnished to Mortgagee in writing for that purpose, not less than five days before the date of such sale or other intended disposition of said property. Mortgagee shall apply the proceeds of said sale or sales under this mortgage

as follows: First, to the expense of advertising, selling and conveying, including a reasonable attorneys' fee not exceeding 15% of the unpaid debt after default if the original amount financed exceeded $300; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment of the indebtedness hereby secured and interest thereon in such order as Mortgagee may elect, whether such debts shall or shall not have fully matured at the date of sale; and fourth, the balance, if any, to be paid over to Mortgagor or to whomsoever then appears of record to be the owner of Mortgagor's interest in said property. Mortgagee may bid and become the purchaser of the mortgaged property at any foreclosure sale hereunder.

20080310000097830 9/9 $329.30
Shelby Cnty Judge of Probate, AL
03/10/2008 03:21:35PM FILED/CERT

Mortgagor hereby waives any requirement that the mortgaged property be sold in separate tracts and agree that Mortgagee may, at its option, sell said property en masse regardless of the number of parcels hereby conveyed.

IN WITNESS WHEREOF, the undersigned has hereunto set his signature and seal or has caused this instrument to be executed by its officer(s) thereunto duly authorized, this 28th day of February, 2008

CHAPPELL DEVELOPMENT, INC.
An Alabama Corporation

BY: _____
Lynal D. Chappell, President

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Lynal D. Chappell, whose name as President of CHAPPELL DEVELOPMENT, INC., an Alabama 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 of the above and foregoing Mortgage, he in his capacity as such officer and with full authority executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 28th day of February, 2008.

_____
Notary Public

My Commission Expires: 6-5-2011

NOTARY PUBLIC
JULIA T. SWEENEY
ALABAMA