

THIS INSTRUMENT WAS PREPARED BY:
J. Sydney Cook, III
Rosen Harwood, P.A.
2117 Jack Warner Parkway
Tuscaloosa, AL 35401

THE STATE OF ALABAMA

COUNTY OF SHELBY

MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, That whereas, the undersigned, CARMELLA D. TEAGUE and husband, R. DAVID TEAGUE (hereinafter called "Mortgagors") have become justly indebted to CHARLES P. DELGAUDIO and RUTH DELGAUDIO, in the principal sum of Two Hundred Fifty Eight Thousand Dollars and 00/100 (\$258,000.00) Dollars, as evidenced by one promissory note dated 9/5/2008, and bearing interest as stated in said note, the said principal and interest to be payable at 7121 Windward Avenue NE, Tuscaloosa, AL 35406 as follows:

This indebtedness shall be repaid in accordance with the terms and conditions of a promissory note, and any renewals or extensions thereon.

And whereas, it was agreed at the time said debt was incurred that said note should be given and secured in prompt payment at maturity respectively by this instrument, now, therefore, in consideration of the premises and one dollar paid to the undersigned on the delivery of this instrument, and in further consideration of said indebtedness, and in order to secure the payment of not only said indebtedness, but all other sums advanced to protect the security of this mortgage; the performance of the covenants and agreements herein contained, all other amounts hereinafter set out, any future loans or advances, with interest thereon, and any renewal or renewals of note or notes for present or future indebtedness, CARMELLA D. TEAGUE and husband, R. DAVID TEAGUE (herein called "Mortgagors") does hereby Grant, Bargain, Sell and Convey unto the said CHARLES P. DELGAUDIO and RUTH DELGAUDIO (hereinafter called "Mortgagees"), their heirs and assigns, the following described real estate situated in Shelby County, Alabama, to-wit:

Lot 224, according to the Survey of Riverchase Country Club Ninth Addition Residential Subdivision, a map or plat of which is recorded in Map Book 8, at Page 46 A and B in the Probate Office of Shelby County, Alabama, reference to said map or plat being hereby made in aid of and as a part of this description.

Together with the hereditaments and appurtenances thereunto belonging, and also together with all equipment and fixtures for heating and lighting now or hereafter installed therein by the Mortgagors.

TO HAVE AND TO HOLD the same with said premises with all rights, privileges, and appurtenances thereunto belonging or in anywise appertaining unto the said Mortgagees, their representatives, heirs and assigns forever. And said Mortgagors hereby covenant that Mortgagors are seized in fee and possessed of said property and that Mortgagors have a good right to convey the same as aforesaid; that said property is free from all encumbrances and that Mortgagors will warrant and forever defend the title thereto against the lawful claims of all persons whomsoever.

THIS MORTGAGE IS MADE, however, subject to the following covenants, conditions, and agreements, that is to say:

1. So long as any of the indebtedness secured hereby shall remain unpaid, in whole or in part, the Mortgagors agree to keep said premises and the improvements thereon in good condition, and to pay all assessments that may be levied or accrue upon said property, and all other charges that may become liens upon said premises, and not to permit any lien, which might take precedence over the lien of this mortgage, to accrue and remain on said premises, or any part thereof, or on the improvements thereon, and to neither permit nor perform any act which would in any way impair the value of the security given by this instrument.

2. The Mortgagors agree to pay all taxes that may be assessed upon said property or upon the Mortgagees' interest therein or upon this mortgage or the moneys secured hereby, any law to the contrary, notwithstanding. Upon any violation of this undertaking, or the passage of any law imposing upon the Mortgagees the payment of any part of the taxes aforesaid, or upon the rendition by any court of last resort of a decision that the undertaking to pay the taxes as aforesaid is legally inoperative, then, in any such event, the debt hereby secured shall, at the Mortgagees' option, become immediately due and payable, without deduction, any law heretofore or hereafter enacted to the contrary, notwithstanding.

3. The Mortgagors agree to keep any and all improvements on said property insured against fire with extended coverage insurance in companies satisfactory to the Mortgagees for not less than Two Hundred Fifty Eight Thousand Dollars and 00/100 (\$258,000.00) Dollars; loss, if any, payable to the Mortgagees as Mortgagees' interest may appear under Standard Mortgage clause without contribution, and to deposit said insurance policies, premium paid, with the Mortgagees. In case of




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loss and payment by an insurance company, the proceeds of all such insurance policies shall be applied, at the Mortgagees' election, on the indebtedness secured hereby or in rebuilding or restoring the property.

4. If the Mortgagors fail to insure said property as herein above provided, or to pay all or any part of the taxes or assessments levied, accrued, or assessed upon or against said property or the indebtedness secured hereby or any interest of the Mortgagees in either, or fails to pay immediately and discharge any and all liens, debts, and/or charges which might become liens superior to the lien of this mortgage, or fails to pay the items hereafter provided in Paragraph 9, the Mortgagees may at their option insure said property and/or pay said taxes, assessments, debts, liens and/or charges, or any items secured hereby, and any money which the Mortgagees shall have so paid or become obligated to pay shall constitute a debt to the Mortgagees additional to the debt hereby specially secured, shall be also secured by this mortgage, shall bear legal interest from date paid or incurred, and shall be immediately due and payable, if the Mortgagees elect to declare it so, and the Mortgagees may take any appropriate action at law or in equity for the collection of the items listed herein, or may pursue any other remedy provided in this instrument to do both simultaneously, and in case the Mortgagees employ an Attorney to collect any item listed herein or in Paragraph 9, the Mortgagees shall recover of the Mortgagors a reasonable Attorney's fee therefor.

5. No failure of the Mortgagees to exercise any option herein given to declare the maturity of the debt hereby secured, shall be taken or construed as a waiver of his right to exercise such option or to declare such maturity by reason of any past or present default on the part of the Mortgagors; and the procurement of insurance or the payment of taxes or other liens, debts, or charges by the Mortgagees shall not be taken or construed as a waiver of his right to declare the maturity of the indebtedness hereby secured by reason of the failure of the Mortgagors to procure such insurance or to pay such taxes, debts, liens, or charges.

6. But this conveyance is made upon the following conditions: If the Mortgagors shall well and truly pay, discharge and satisfy the following indebtedness, all of which are secured hereby: (1) the indebtedness recited herein above and all other sums, with interest thereon, advanced to protect the security of this mortgage; (2) all pre-existing loans or advances, as they become due and payable; (3) contemporaneous loans or advances; (4) all future loans or advances made before the full settlement, payment or foreclosure of the entire indebtedness secured by this mortgage; (5) any debts to Mortgagees for which the Mortgagors are jointly or severally liable with a third party, or is


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secondarily liable to Mortgagees as surety or endorser; (6) any advances or payments by Mortgagees to satisfy or pay in whole or in part any debt owed to a senior Mortgagee upon the property described herein; (7) all indebtedness of the Mortgagors, not directly to the Mortgagees, but to a Mortgagee, but to a third party by whom it has been transferred, assigned, endorsed to or otherwise acquired by Mortgagee or his assignee, and (8) all indebtedness to or advances made by any assignee of Mortgagee, prior or subsequent to the date hereof, including all pre-existing debts and future loans; and if Mortgagors shall do and perform all acts and agreement to be done and performed by the Mortgagors under the terms and provisions of this conveyance shall be and become null and void.

7. But if the Mortgagors shall fail to pay, or cause to be paid, at maturity, the indebtedness hereby secured or any part thereof, according to the terms thereof, or fails to pay any installment, principal and/or interest, when the same is above promised to be paid, or of the Mortgagors shall fail to do or perform any other act or thing therein required or agreed to be done or performed, or if the interest of the Mortgagees in said property becomes endangered by reasons of the enforcement of any prior lien or encumbrance thereon, then, in any such event, the whole indebtedness hereby secured shall immediately become due and payable, and this mortgage subject to foreclosure at the option of the Mortgagees without notice; and the Mortgagees shall have the right and is hereby authorized to enter upon and take possession of said property, and, after or without taking possession, to sell the same before the Court House door in the county where said real property is located, at public outcry, for cash, first giving notice of the time, place, and terms of said sale by publication once a week for three successive weeks immediately prior to said sale in some newspaper published in said County, and, upon payment of the purchase money, the Mortgagees, or any person conducting said sale for the Mortgagees, is authorized to execute to the purchaser at said sale a deed to the property so purchased. The Mortgagees may bid at the sale and purchase said property, if the highest bidder therefor.

8. The proceeds of said sale shall be applied: First to the expenses of advertising and selling, including reasonable Attorney's fees; Second, to the repayment of any money with interest thereon, which the Mortgagees may have paid or become liable to pay or which they may then be necessary to pay for taxes, assessments, insurance and/or other charges, liens, or debts herein above provided; Third, to the payment and satisfaction of the indebtedness hereby specially secured with interest, but interest to date of sale only shall be charged; Fourth, the balance, if any, shall be paid to the



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Mortgagors. If this mortgage be foreclosed in Chancery, reasonable Attorney's fees for foreclosing the same shall be paid out of the proceeds of the sale.

9. All expenses incurred by the Mortgagees, including Attorney's fees, in compromising, adjusting, or defending against liens, claims or encumbrances sought to be fixed upon the property hereby conveyed, whether such claims or encumbrances be valid or not, shall become a part of the debt hereby secured.

10. The undersigned waives all right of exemption as to personal property under the laws or Alabama or of any other State or of the United States as to any of the items secured or that maybe secured by the terms of this instrument, and agrees to pay a reasonable Attorney's fee to the Mortgagees, should the Mortgagees employ an Attorney to collect the same. The Mortgagors waive the benefit of any statute regulating the obtaining of a deficiency judgment, or requiring that the value of the property conveyed hereby be set off against any part of the debt secured hereby.

11. As long as any of the indebtedness hereby secured shall remain unpaid, the Mortgagors will neither commit nor permit waste to be committed on the premises hereby conveyed; and upon the commission of any waste thereon the Mortgagees may, at Mortgagees' option, declare the entire indebtedness hereby secured to be at once due and payable. Nor will the Mortgagors remove any of the fixtures on the premises hereby conveyed so long as any of the indebtedness hereby secured shall remain unpaid.

12. If the Mortgagors shall make default in the payment of any of the indebtedness hereby secured, or in the performance of any of the terms or conditions hereof, all the rents, income and profits from the premises are hereby transferred, assigned, set over and conveyed to the Mortgagees, and the Mortgagees may proceed to collect the rent, income and profits from the premises upon such default either with or without the appointment of a Receiver; but the Mortgagees shall not thereby become bound by the terms of any lease then existing on the premises by electing to collect the rents thereunder but may, at any time, terminate the same. Any rents, income and profits collected by the Mortgagees prior to foreclosure of this indebtedness, less the cost of collecting the same including any real estate commission or attorney's fee incurred, shall be credited first, on the advances with interest thereon, the cost of necessary repairs, then upon the interest, and the remainder, if any, upon the principal debt hereby secured.

13. All covenants, conditions, and agreements herein contained shall extend to and bind the mortgagors' executors, administrators, heirs and assigns, and shall inure to the benefit of the

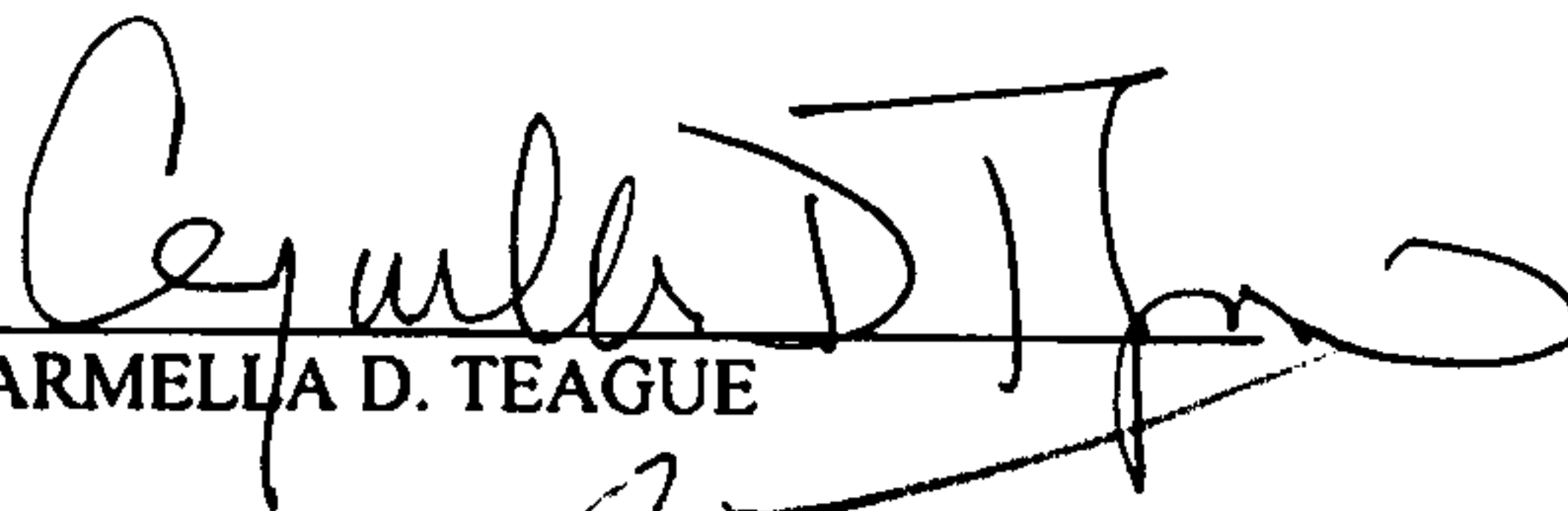


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Mortgagees' legal representative and assignee, and wherever the context hereof so requires or admits all reference herein to the Mortgagors in one number shall be deemed to extend to and include the other numbers whether plural or singular, and the use of any gender shall be applicable to all genders.

14. During the existence of this Mortgage, upon the voluntary or involuntary sale, transfer, conveyance or change of ownership of the mortgaged property, or any part thereof, without the written permission or consent of the Mortgagees, the Mortgagees may, at his option, declare the entire principal indebtedness evidenced by the note secured by this Mortgage, with the interest thereon, and any other charges against said property under the terms of this Mortgage, due and payable, and, upon such declaration, this Mortgage shall be subject to immediate foreclosure.

IN WITNESS WHEREOF, the Mortgagors have hereunto set her hand and seal on this the 5th day of September, 2008.

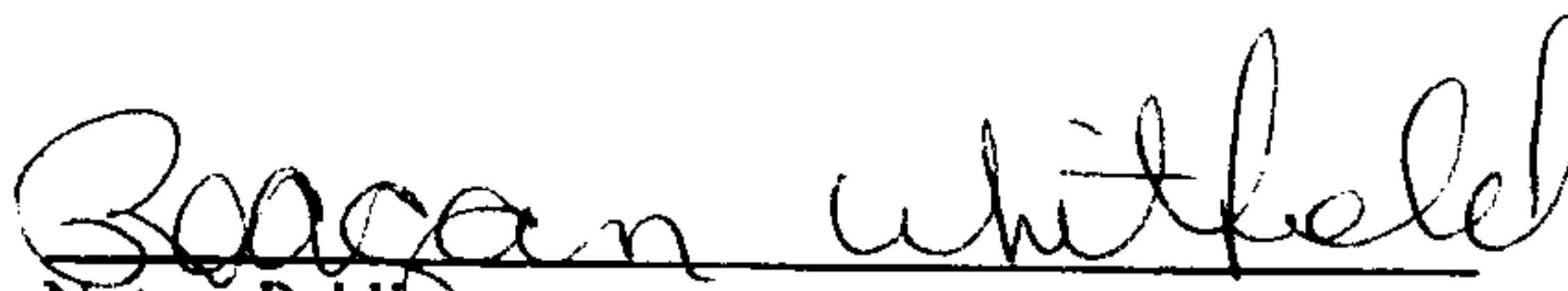

CARMELLA D. TEAGUE


R. DAVID TEAGUE


STATE OF AL)
COUNTY OF Shelby)

I, the undersigned authority, a Notary Public, in and for the said county, in said state, do hereby certify that CARMELLA D. TEAGUE and husband, R. DAVID TEAGUE, whose names are signed to foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 5th day of Sept., 2008.


Notary Public
My Commission Expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Jan 9, 2009
BONDED THRU NOTARY PUBLIC UNDERWRITERS


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