

REAL ESTATE MORTGAGE

THE STATE OF ALABAMA

COUNTY OF SHELBY

This instrument prepared by Jerry Lex Brown, Jr.
Date December 23, 2008
For Oxford-University Bank
Address 1550 University Avenue, Oxford, Mississippi 38655

This mortgage is filed as and shall constitute a fixture filing in accordance with the provisions of section 7-9A-502 of the code of Alabama.

WHEREAS, David C. Oakes and April J. Oakes, Husband and Wife,
(herein called Debtor(s), whether one or more) is/are justly indebted to Oxford-University Bank
of Oxford, Mississippi, (State)
(herein called Mortgagee) in the principal sum of One Hundred Thirty Thousand Four Hundred Eighty One Dollars and
no/100, (\$130,481.00) DOLLARS,
as evidenced by a promissory note or notes dated December 23, 2008
, and payable in accordance with the terms thereof.

AND WHEREAS, it is contemplated that the Debtor(s) herein, either individually or jointly, may now be, or hereafter be, indebted to Mortgagee on account of additional advances, loans or obligations, which also includes any and all indebtedness of other parties in favor of Mortgagee herein which any of the Debtor(s) is now or may hereafter (and before payment in full of the mortgage debt hereinabove described and cancellation of this instrument) become contingently liable or obligated as surety, guarantor, endorser, or otherwise, as well as any and all direct or liquidated indebtedness now or hereafter (and before the payment in full of the mortgage debt hereinabove described and cancellation of this instrument) incurred by any of the undersigned Mortgagors in favor of the Mortgagee, whether the same be evidenced by note, open account, assignment, endorsement, guaranty, pledge or otherwise.

Provisions herein securing future or additional loans or advances or other obligations of the Debtor(s) shall not be construed to obligate Mortgagee to make any such future loans or advances and the making of any such future loans or advances shall be in the absolute discretion of Mortgagee.

NOW THEREFORE, in consideration of the premises and the mortgage loan hereinabove described, and all extensions, renewals, and/or reamortizations of said mortgage loan, and any additional advances, loans or obligations to any of the Debtor(s) as herein described all of which each of the Debtor(s) and Mortgagor(s) do hereby expressly state and acknowledge to be of value and benefit to him/her/it, regardless of how and in what Manner the proceeds of any of said loans, renewals, extensions, reamortizations, advances or other obligations are disbursed or created, and in order to secure payment of said debts, or any other debts of Debtor(s) or any of them to Mortgagee, its successors and assigns, and to secure any other amounts that the Mortgagee, its successors and assigns may advance to the Debtor(s) or any of them, and to secure payment in full of all said debts, cost of collection and attorney's fees,

David C. Oakes and wife, April J. Oakes

(herein called Mortgagor(s) do(es) hereby GRANT, BARGAIN, SELL and CONVEY unto the Mortgagee, its successors and assigns, the following described real estate situated in Shelby County, Alabama
(all of which will be collectively referred to herein as the "Property") to-wit:

SEE ATTACHED EXHIBIT "A" MADE A PART OF THIS REAL ESTATE MORTGAGE BY REFERENCE.

TO HAVE AND TO HOLD the aforegranted premises, together with improvements and appurtenances thereunto belonging and all fixtures now or hereafter attached thereto, unto the Mortgagee and its successors and assigns FOREVER. Mortgagor(s) agree(s) that this mortgage instrument shall, in addition to this debt, secure all other debts and obligations owed by Debtor(s) or any one of them to Mortgagee; and should Debtor(s) become indebted to Mortgagee in excess of the amount herein stated, including pre-existing debts, Debtor(s) and Mortgagor(s) expressly agree(s) that such debts shall be and the same are hereby made a part of this mortgage debt, with all the rights, powers and authority, as to the collection and foreclosure herein expressed. Debtor(s) and Mortgagor(s) expressly agree(s) that the language contained in this instrument and the language contained in each of the promissory notes given unto Mortgagee, evidencing present debts or future and additional loans, obligations or advances, correctly sets forth the intention of Debtor(s) and Mortgagor(s).

Debtor(s) and Mortgagor(s) do(es) hereby further pledge, pawn, and deliver unto said Mortgagee, its successors and assigns, all of the stock and participation certificates of said Mortgagee, owned or acquired hereafter by Debtor(s) or Mortgagor(s), or any of them, said Mortgagee hereby accepting and acknowledging same.

Mortgagor(s) covenant(s) with Mortgagee and its successors and assigns, that Mortgagor(s) is/are lawfully seized in fee of the aforegranted premises; that they are free from all encumbrances, unless otherwise herein stated; that Mortgagor(s) has/have good right to sell and convey the same to Mortgagee; that Mortgagor(s) will warrant and defend the premises to the Mortgagee and its successors and assigns forever against the lawful claims and demands of all persons; and covenant(s) that said Mortgagor(s) shall not sell or further encumber said property without the written consent of Mortgagee, its successors and assigns.

Mortgagor(s) and Debtor(s) covenant(s) and agree(s) with Mortgagee, its successors and assigns, to pay when due all taxes or other liens against all property described herein; to keep all such property insured against such risks and in such amounts as might be required by Mortgagee from time to time, with loss payable clause to Mortgagee, its successors and assigns, as their interest may appear.

The undersigned Debtor(s) and Mortgagor(s) expressly agree, jointly and individually, that this mortgage shall remain in full force and effect as security for the full performance of all obligations of Debtor(s) and Mortgagor(s) herein described and also as security for the payment when due of all present or future debts, herein described, with interest thereon, and notwithstanding any extensions of the time of, or for the payment of any of said principal or interest or any changes in the amounts agreed to be paid under or by virtue of any obligations provided for in this mortgage, or any changes by way of release or surrender of any collateral and/or real estate held as security. The undersigned Mortgagor(s) and Debtor(s) waive(s) all and every kind of notice of any such extensions or changes and agree that the same may be made without the joinder of the undersigned. And each of the undersigned further, jointly and individually, agree to notify in writing, Mortgagee, its successors and assigns, of any transfer by deed or otherwise of any of the security herein, whether it be among themselves or a third party and of any encumbrances of any collateral and/or real estate held as security by Mortgagee herein, as well as any liens and suits filed and judgments obtained against them or any of them, it being expressly understood, as hereinabove stated, that any sale or further encumbering of any of the security herein described, without the written consent of Mortgagee, its successors and assigns, shall constitute a default under the within mortgage.

BUT, THIS CONVEYANCE IS MADE UPON THE FOLLOWING CONDITIONS NEVERTHELESS, that is to say: If the Debtor(s) or Mortgagor(s) shall well and truly pay, when due, all sums hereby secured, including future loans and advances, and fulfill all other obligations under this mortgage, then this conveyance shall become void. But if (a) the Debtor(s) and Mortgagor(s) fail(s) to perform any obligation or agreement herein contained, or (b) violate any provision herein included, or (c) fail to pay when due, any sums hereby secured, including present or future loans, obligations and advances due by any one of the Debtor(s), or (d) fail to pay any installment of any such debt when due or at maturity, or (e) in the event of any other default hereunder, or (f) should Debtor(s) or Mortgagor(s) become insolvent, be adjudicated bankrupt or made defendant in bankruptcy or receivership proceedings, either State or Federal, or (g) if Mortgagee, in good faith believes that the prospect of payment, performance or realization on the security is impaired, or (h) if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M, then at the option of the Mortgagee, its successors and assigns, the whole of all debts hereby secured may be declared due and payable, and this mortgage shall be subject to foreclosure whereupon Mortgagee or its agents, attorneys or assigns are hereby authorized to immediately take possession of the real estate herein described and are further authorized and empowered to sell said property, hereby conveyed, at auction for cash to the highest bidder at the Courthouse door of the County Courthouse of any County wherein any of the real estate hereby conveyed is situated, first having given notice thereof by publication once a week for three successive weeks in any newspaper then published in each county in which any part of said lands is situated; (and if no newspaper is then published in said county or counties, publication in a newspaper having general circulation therein shall suffice). In the event of such sale, the Mortgagee, or its successors and assigns, are authorized to purchase the said real estate or any part thereof as if strangers, and the auctioneer or person making the sale is hereby expressly empowered to execute a conveyance in the name(s) of the Mortgagor(s) and Mortgagee, or its successors or assigns, to any Purchaser at such sale; and, out of the proceeds of said sale Mortgagee shall first pay all expenses incident thereto, including a reasonable and lawful attorney's fee; then retain enough to pay said debts with the interest thereon and all other outstanding indebtedness' then owing to the said Mortgagee, its successors and assigns, and the balance, if any, shall be paid to Mortgagor(s) or any other party entitled thereto.

With respect to the property, Mortgagor(s) has complied, is in compliance, and will at all times comply in all respects with all applicable laws (whether statutory, common law or otherwise), rules, regulations, orders, permits, licenses, ordinances, judgments, or decrees of all governmental authorities (whether federal, state, local or otherwise), including, without limitation, all laws regarding public health or welfare, environmental protection, water and air pollution, composition of product, underground storage tanks, toxic substances, hazardous wastes, hazardous substances, hazardous materials, waste or used oil, asbestos, occupational health and safety, nuisances, trespass, and negligence.

The Mortgagor(s) hereby grants, and will cause any tenants to grant, to Mortgagee, its agents, attorneys, employees, consultants, contractors, successors and assigns, an irrevocable license and authorization, upon reasonable notice, to enter upon and inspect the Property and facilities thereon, and perform such tests, including without limitation, subsurface testing, soils and groundwater testing, and other tests which may physically invade the Property thereon, as the Mortgagee, in its sole discretion, determines is necessary to protect its security interest, provided however, that under no circumstances shall the Mortgagee be obligated to perform such inspections or tests.

Mortgagor(s) agrees to indemnify and hold Mortgagee, its directors, employees, agents, and its successors and assigns, harmless from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, judgments, administrative orders, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, attorney's fees and expenses, including all attorney's fees and expenses incurred by Mortgagee in and for this Indemnity), arising directly or indirectly, in whole or in part, out of any failure of Mortgagor(s) to comply with the environmental representations, warranties and covenants contained herein.

Mortgagor's(s') representations, warranties, covenants and indemnities contained herein shall survive the occurrence of any event whatsoever, including without limitation, the satisfaction of the promissory note secured hereby, the reconveyance or foreclosure of this mortgage, the acceptance by Mortgagee of a deed in lieu of foreclosure, or any transfer or abandonment of the property.

To provide for payment of all debts secured by this mortgage, Mortgagor(s) hereby assigns to the Mortgagee all sums of money which are now due or hereafter may become due to Mortgagor(s) for claims, injury or damage to the property from any cause, and also all sums which are now due or hereafter may become due to Mortgagor(s) as rents, royalties, bonuses or delay rentals under any oil, gas or other mineral lease now existing, or hereafter entered into by Mortgagor(s) on the property described above and to assign payment of these sums to the Mortgagee. Mortgagor(s) agrees to execute and deliver to the Mortgagee any further instruments which the Mortgagee may require. At the Mortgagee's option, sums paid to it by virtue of this assignment may be released by the Mortgagee to Mortgagor(s), and release of any such sums shall not prevent the Mortgagee from receiving payment of any other sums under this assignment. If not released by the Mortgagee to Mortgagor(s), such sums may be applied to pay any matured debt owing to the Mortgagee, or, if no matured debt exists, such sums may be applied as advance payment of principal, according to the provisions of the promissory note described herein. Release of this mortgage of record shall automatically terminate the Mortgagee's right to recover any further sums under this assignment.

All the rents, royalties, issues, profits, revenue, income and other benefits of the property described aforesaid arising from the use or enjoyment of all or any portion thereof or from any lease or agreement pertaining thereto (the "Rents and Profits") are hereby absolutely assigned, transferred and conveyed to Mortgagor(s) to be applied by Mortgagee in payment of the principal and interest and all other sums payable on the promissory note described herein and all other sums payable under or by this Mortgage. Prior to the happening of any event of default as specified herein, Mortgagee shall have a license to collect and receive all Rents and Profits as trustee for the benefit of the Mortgagor(s) and shall apply the amount so allocated first to the payment of interest and principal and other sums due and payable under the promissory note described herein, and to the payment of all other sums payable under this Mortgage. Thereafter, so long as no event of default has occurred, the balance shall be distributed to the account of Mortgagor(s). Nothing contained in this article or elsewhere in this Mortgage shall be construed to make or render Mortgagee in possession unless and until Mortgagee actually takes possession of the property described herein either in person or through an agent or receiver.

Mortgagor(s) hereby agrees to indemnify Mortgagee for and to save harmless from, any and all liability, loss or damage, including reasonable attorney's fees, which Mortgagee might incur under said leases or by virtue of this assignment, and from any and all claims and demands whatsoever, which may be asserted against Mortgagee thereunder or hereunder, and, without limiting the generality of the foregoing, and covenants that this assignment, prior to any such default by Mortgagor(s) and entry upon the property described herein by Mortgagee by reason thereof, shall not operate to place responsibility for control, care, management or repair of the property described aforesaid upon the Mortgagee, nor need carrying out of said leases, nor shall it operate to make Mortgagee responsible or liable for any waste committed on the property described aforesaid herein by the tenants or any other party, or for any negligence in the management, upkeep, repair or control of said property described aforesaid resulting in loss or injury or death to any tenant, licensee, invitee, employee, stranger or other person.

Mortgagor(s) shall not execute any lease of all or any portion of the property described herein without the prior written consent of Mortgagee and all leases entered into hereafter will be in form and substance subject to the approval of the Mortgagee.

Mortgagor(s) will at all times promptly and faithfully perform or cause to be performed, all the covenants, conditions and agreements contained in all leases of the property described aforesaid now or hereafter existing on the part of the lessor thereunder to be kept and performed.

If, at such time, a receiver has not been appointed, any monies received or collected by Mortgagee, its successors or assigns, by virtue of this assignment, shall be applied for the following purposes, but not necessarily in the order named, priority and application of such funds being within the sole discretion of Mortgagee, its successors and assigns:

1. To the payment of all necessary expenses for the operation, protection and preservation of the property described aforesaid, including the total and customary fees for management services and reasonable attorney's fees.
2. To the payment of taxes levied and assessed against the Mortgaged property described aforesaid as said rates and assessments become due and payable.
3. To the payment of premiums due and payable on any insurance policy relating to the property described aforesaid.
4. To the payment of installments of principal and interest due on the herein described Promissory Note as and when they become due and payable.
5. The balance remaining after payment of the above shall be paid to the then owner of record of the property described aforesaid.

If Mortgagee herein, its successors or assigns, elect to foreclose this mortgage in a Court having jurisdiction thereof, I/we will pay the costs thereof including reasonable attorney's fees therefor, which shall be and constitute a part of the debt hereby secured.

Mortgagor(s) and Debtor(s) further specifically waive(s) all exemptions which Mortgagor(s) or Debtor(s) has/have, or to which Mortgagor(s) or Debtor(s) may be entitled under the Constitution and Laws of the State of Alabama or any other State in regard to the collection or enforcement of the debts hereby secured.

Mortgagor(s) promise(s) and agree(s) to pay all taxes and other lawful charges and assessments which may be imposed upon, or levied against the real estate, hereby described, before the same become delinquent, so long as the debts hereby secured remain unpaid; and also to keep buildings and other improvements on said above described real estate insured against loss by fire, lightning, tornado, earthquake, theft, and all other expected risks and perils as Mortgagee may require and in such companies and under such policies and in such form as Mortgagee may require, to their full insurable value, until all debts hereby secured have been paid in full. All such policies of insurance shall contain loss payable clauses in favor of Mortgagee and the original of such policies shall be deposited with Mortgagee.

If the land covered by this Mortgage is located in a government mandated flood area where participation in a Federal Flood Insurance Program is required, MORTGAGOR agrees that upon receipt of notification from MORTGAGEE and within the time period established by MORTGAGEE, MORTGAGOR will obtain and maintain flood insurance in such amount as MORTGAGEE requires on all buildings, improvements, fixtures and any mobile home(s), now existing or hereafter erected, placed or maintained on or in the mortgaged land described in this Mortgage, together with all other personal property securing MORTGAGOR'S obligations to MORTGAGEE and maintained on or in such buildings, improvements or mobile home(s), until the loans, future advances and all other indebtedness secured by the Mortgaged Land and this Mortgage is fully paid. MORTGAGEE may require MORTGAGOR to obtain or maintain such flood insurance at the time any loan(s) secured hereby are made or at any time thereafter until the loans secured by such property are fully paid. MORTGAGOR agrees to pay MORTGAGEE the cost of premiums and fees incurred with purchasing flood insurance for MORTGATOR, if MORTGAGOR fails to do so within the time period required by MORTGAGEE. At the option of the MORTGAGEE, insurance funds may be used for reconstruction or repair of the destroyed or damaged insured buildings and insurance funds not so used shall be applied on such part of the indebtedness secured hereby as MORTGAGEE, in its sole discretion, may determine.

It is further hereby agreed that failure of Debtor(s) or Mortgagor(s) to insure the property as herein required and/or failure to pay all taxes and assessments due thereon before the same becomes delinquent, shall constitute default in the terms of this mortgage; and in such event Mortgagee, its successors and assigns, may at its option and without notice, pay such delinquent insurance premiums, taxes, or assessments, add the same to the principal of the mortgage indebtedness, declare the mortgage in default, and proceed at its option to foreclose the same just as if default had been made in the payment of any other debt hereby secured.

Mortgagor(s) agrees not to abandon the property, not to commit waste, to use the property in a good and husbandlike manner for lawful purposes only, and to keep the property in a good state of repair. It is further agreed that in the event the Mortgagor(s) fails to keep the property, or any part thereof, in a good state of repair, the Mortgagee shall have the right, at its option, to make needed repairs or improvements and such expenditures shall become part of the debt secured. It is further agreed that Mortgagee may make inspections of the property at any time without notice.

Mortgagor(s) and Debtor(s) further agree that at any time hereafter, the Mortgagee shall for any reason, employ agents or attorneys in connection with this mortgage, or the enforcement of this mortgage, including, but not limited to, retention of counsel for representation of the Mortgagee in any proceeding arising out of, or in connection with a bankruptcy action filed by or against the Debtor(s) or Mortgagor(s), or in connection with any matter affecting the title, or right to possess the said real estate, Mortgagor(s)/Debtor(s) agrees to pay all reasonable costs and attorney's fees in connection with such representation and such costs and attorney's fees shall be included as part of the obligation secured hereby.

Unless a contrary intention is indicated by the context, words used herein in the masculine gender includes feminine and the neuter, and the singular includes the plural and the plural the singular. Whenever used, the term "Debtor(s)" shall include all debtors collectively and any one of the debtors individually, and all liability shall be joint and several. Whenever used, the term "Mortgagor(s)" shall include all mortgagors collectively and any one of the mortgagors individually, and all liability shall be joint and several. Whenever the terms "Debtor(s)" and "Mortgagor(s)" are used together, all liability to each debtor and mortgagor shall be joint and several.

The laws of the State of Alabama will govern this mortgage and the debts secured hereby. THIS MORTGAGE SECURES PRE-EXISTING AND SUBSEQUENT DEBTS.

☒ If marked, then Mortgagor(s) does hereby represent and covenant that the herein described property described aforesaid does not constitute homestead property within the meaning of Section 6-10-3, Code of Alabama (1975).

IN WITNESS WHEREOF, the Debtor(s) and Mortgagor(s) has/have hereunto signed their

name(s), and seal(s) this 23rd day of December, 2008

 David C. Oakes	(SEAL)	 April J. Oakes	(SEAL)
_____	(SEAL)	_____	(SEAL)
_____	(SEAL)	_____	(SEAL)

INDIVIDUAL ACKNOWLEDGEMENT

THE STATE OF ALABAMA

COUNTY OF SHELBY

I, the undersigned authority, a Notary Public for said State and County, hereby certify that David C. Oakes and wife, April J. Oakes

whose name(s) is/are signed to the foregoing mortgage, and who is/are known to me, acknowledged before me on this date, that, being informed of the contents of the within mortgage, he/she/they executed the same voluntarily on the day the same bears date.

Given under my name and seal this 23rd day of December, 2008

My Commission Expires: 9/12/11

Muller R. Gauthier
NOTARY PUBLIC



CORPORATE • PARTNERSHIP • BANK ACKNOWLEDGMENT

THE STATE OF _____

COUNTY OF _____

I, the undersigned authority, a Notary Public for said State and County, hereby certify that _____
whose name(s) as _____
of _____

is/are signed to the foregoing mortgage, and who is/are known to me, acknowledged before me on this date, that, being informed of the contents of the within mortgage he/she/they executed the same voluntarily and with full authority on the day the same bears date for and as the act of said _____

Given under my name and seal this _____ day of _____, _____

My Commission Expires: _____

NOTARY PUBLIC



20081223000475100 5/5 \$218.75
Shelby Cnty Judge of Probate, AL
12/23/2008 03:34:09PM FILED/CERT

EXHIBIT "A"

PARCEL I:

Lot 4 of Weaver's Survey as recorded in Map Book 9, Page 153, in the Judge of Probate Office, Shelby County, Alabama, being more particularly described as follows:

LESS AND EXCEPT that part of Lot 4 being more particularly described as follows: Commence from the SE corner of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 17, Township 21, Range 1 east; thence run northerly along the East line thereof for 258.03 feet; thence 88 degrees 46 minutes 29 seconds left run westerly 340.07 feet to the point of beginning; thence continue last described course for 195.83 feet to the easterly right of way of Shelby County Highway #5 and a curve concaved northeasterly, (having a radius of 1629.67 feet and a central angle of 6 degrees 50 minutes 56 seconds); thence 87 degrees 24 minutes 59 seconds right to chord of said curve run northerly along said curve and right of way a chord distance of 194.69 feet; thence 76 degrees 17 minutes 04 seconds right from said chord run northeasterly 203.34 feet; thence 104 degrees 09 minutes 04 seconds right run southerly 251.74 feet to the point of beginning.

PARCEL II:

Begin at the SW corner of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 16, Township 21 South, Range 1 East; thence run easterly along the South line thereof 1325.44 feet to the SE corner of said $\frac{1}{4}$ - $\frac{1}{4}$ section; thence 90 degrees 06 minutes 45 seconds left run northerly 825.00 feet; thence 89 degrees 53 minutes 15 seconds left run westerly 1322.52 feet to the West line of said $\frac{1}{4}$ - $\frac{1}{4}$ section; thence 89 degrees 44 minutes 35 seconds left run southerly 825.00 feet to the point of beginning.

LESS AND EXCEPT property conveyed in deed recorded in Inst. No. 20030528000331460, Probate Office, Shelby County, Alabama.

TOGETHER with and SUBJECT TO 40' easement, the centerline of which being more particularly described as follows:

Commence at the SW corner of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 16, Township 21 South, Range 1 East; thence run northerly along the West line thereof for 258.03 feet; thence 82 degrees 53 minutes 45 seconds right run easterly for 182.31 feet to the point of beginning; thence 99 degrees 19 minutes 49 seconds left run northwesterly for 155.80 feet; thence 42 degrees 37 minutes 12 seconds left run northwesterly for 114.39 feet; thence 21 degrees 35 minutes 58 seconds left run westerly for 304.49 feet; thence 10 degrees 18 minutes 7 seconds left run westerly for 84.92 feet; thence 14 degrees 9 minutes 4 seconds left run southwesterly for 197.96 feet to the easterly R/W of Shelby County Highway 5 and the Point of Beginning.

PARCEL III:

Also, a 30-foot strip, the North side of which being more particularly described as follows:

Begin at a point 30 feet East of the SW corner along the South line of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 16, Township 21 South, Range 1 East; thence run West 30.00 feet; thence 1 degrees 05 minutes 44 seconds right run Westerly 523.62 feet to the Easterly right of way of Shelby County Highway 5 and the point of ending.