


STATE OF ALABAMA)
SHELBY COUNTY)


20100129000029270 1/4 \$213.50
Shelby Cnty Judge of Probate, AL
01/29/2010 02:44:55 PM FILED/CERT

PURCHASE MONEY WRAPAROUND MORTGAGE

KNOW ALL MEN BY THESE PRESENTS: That Whereas Ricardo DeRugama
(hereinafter called the "Mortgagor"), has become justly indebted and is owed the principal sum of one hundred twenty nine thousand and 00/100 Dollars (\$ 129,000) by the Mortgagee as evidenced by a Purchase Money Wraparound Note (the "Note") of even date herewith, payable according to the terms and provisions of said Note.

NOW, THEREFORE, in consideration of the premises and in order to secure the payment of said indebtedness and compliance with all the stipulations hereinafter contained, the said Luis A. Pintado (hereinafter collectively called "Mortgagor") do hereby grant, bargain, sell and convey unto the said Mortgagee the real estate which is more specifically described herein below and incorporated herein situated in Shelby County, Alabama. The description as follows:

Lot 318, according to the Amended Map of the Village at Stonehaven, Phase 3, First Addition,
recorded in Map Book 28, page 27, in the Probate Office of Shelby County, Alabama.

THIS IS A PURCHASE MONEY WRAPAROUND MORTGAGE, given for the purpose of securing the balance due on the purchase price of the above described property. The premises conveyed by this mortgage and described herein are subject to, and this Mortgage is subordinate to that certain Mortgage executed by Ricardo DeRugama to Indy Mac Mortgage Services and recorded in the Office of the Judge of Probate of Shelby County, Alabama, (the "Prior Mortgage"), which said Mortgage constitutes a first and prior Mortgage on the premises described herein, and which secures an outstanding balance of \$ 122,951.39 as of the date of the execution of this Mortgage.

Together with all rents and other revenues thereof and all rights, privileges, tenements, interest, improvements and appurtenances thereunto belonging or in any wise appertaining, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by the Mortgagor in and to all buildings and improvements, storm and screen windows and doors, gas, steam, electric and other heating, lighting, ventilating, air conditioning, refrigerating and cooking apparatus, elevators, plumbing and other equipment and fixtures attached or appertaining to said premises, all of which (hereinafter designated as the "mortgaged property") shall be deemed realty and conveyed by this mortgage.

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

And for the purpose of further securing the payment of said indebtedness the Mortgagor covenants and agrees as follows:

1. That it is lawfully seized in fee and possessed of said mortgaged property and has a good right to convey the same as aforesaid, that it will warrant and forever defend the title thereto against the lawful claims of all persons whomsoever, and that said property is free and clear of all encumbrances except as hereinabove noted and set out.

2. That it will pay all taxes, assessments, or other liens taking priority over this mortgage when imposed legally upon said mortgaged property and should default be made in the payment of same, or any part thereof, said Mortgagee may pay the same.

3. That it will keep the buildings on said premises continuously insured in such amounts, in such manner and in such companies as may be satisfactory to the Mortgagee herein and the Prior Mortgagee against loss by fire and such other hazards as Mortgagee herein and the Prior Mortgagee may specify, with loss, if any, payable to said Mortgagee and Prior Mortgagee, and will deposit with Mortgagee and Prior Mortgagee policies for such insurance and will pay the premium therefor as the same become due. If Mortgagor fails to keep said property insured as above specified, the Mortgagee may insure said property for its insurable value against loss by fire and other hazards for the benefit of the Mortgagee, the proceeds of such insurance, if collected, to be credited on the indebtedness secured by this Mortgage and the Prior Mortgage, less cost of collecting same, or to be used in repairing or reconstructing the premises as the Mortgagee may elect; all amounts so expended by said Mortgagee for insurance or for the payment of taxes, assessments or any other prior liens shall become a debt due said Mortgagee additional to the indebtedness herein described and at once payable without demand upon or notice to any person, and shall be secured by the lien of this Mortgage and shall bear interest at the highest legal rate from date of payment by said Mortgagee and at the election of the Mortgagee and without notice to any person the Mortgagee may declare the entire indebtedness secured by this Mortgage due and payable and this Mortgage subject to foreclosure and same may be foreclosed as hereinafter provided.

4. That it will take good care of the mortgaged property above described and not to commit or permit any waste thereon,

and to keep the same repaired and at all times to maintain the same in as good condition as it now is, reasonable wear and tear alone excepted.

5. That no delay or failure of the 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 default on the part of the said Mortgagor, and that the procurement of insurance or payment of taxes by the Mortgagee shall not be taken or deemed as a waiver of the right to declare the maturity of the indebtedness hereby secured by reason of the failure of the Mortgagor to procure such insurance or to pay such taxes, it being agreed that no terms or conditions contained in this Mortgage can be waived, altered, or changed except as evidenced in writing signed by the Mortgagor and by the Mortgagee.

6. That it will well and truly pay and discharge the indebtedness hereby secured as it shall become due and payable.

7. That after any default on the part of the Mortgagor the Mortgagee shall, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Mortgage, be entitled as a matter of right to the appointment by any competent court or tribunal without notice to any party, of a receiver of the rents, issues and profits of said premises, with power to lease and control the said premises and with such other powers as may be deemed necessary, and that a reasonable attorney's fee shall, among other expenses and costs, be fixed, allowed and paid out of such rents, issues and profits or out of the proceeds of the sale of said mortgaged property.

8. That all covenants and agreements of the Mortgagor herein contained shall extend to and bind their heirs, executors, administrators, successors and assigns, and that such covenants and agreements and all options, rights, privileges and powers herein given, granted or secured to the Mortgagee shall inure to the benefit of the heirs, successors and assigns of the Mortgagee.

9. That the debt hereby secured shall at once become due and payable and this Mortgage subject to foreclosure as herein provided at the option of the holder hereof when and if any statement of lien is filed under the statutes of Alabama relating to the liens of mechanics and materialmen, without regard to the form and contents of such statement and without regard to the existence or non existence of the debt or any part thereof, or of the lien on which such statement is based.

10. Mortgagor covenants and agrees to comply with and be bound by all of the terms and provisions of the Prior Mortgage (which is incorporated herein by reference and made a part hereof, the same as if specifically set out herein) (except the requirement to make the payments of principal, interest and escrow thereon, it being understood that the payments required to be made by Mortgagor to Mortgagee under the Note secured by this Mortgage is sufficient to cover the payments of principal, interest and escrow required to be paid on the Note to the Prior Mortgagee, and upon compliance by Mortgagor with the terms and provisions contained in said Prior Mortgage and contained herein, Mortgagee will pay the installments of principal, interest and escrow from time to time due under said Prior Mortgage in accordance with its terms to the extent of the payments received on the Note secured hereby. It is understood that the monthly installments payable under the Note secured by this Mortgage is equal to the monthly installments payable under the Note secured by the Prior Mortgage and that the Mortgagee is required to pay the installments due and payable under the Note secured by the Prior Mortgage out of the installments on the Note secured by this Mortgage received by the Mortgagee from the Mortgagor. Nothing contained herein shall require the holder of the Note secured hereby to perform the terms or provisions contained in said Prior Mortgage required to be performed by Mortgagor therein, its successors and assigns, except the payment of principal, interest and escrow but only in accordance with the terms and provisions hereof. If Mortgagor shall default in the performance of any term or provision contained in this Mortgage, Mortgagee shall not be obligated to pay any principal, interest and escrow under the Prior Mortgage or the Note secured by the Prior Mortgage. In the event the Mortgagee does not pay the installments of principal, interest and escrow from time to time due under said Prior Mortgage in accordance with its terms to the extent of the payments received by Mortgagee from Mortgagor and on the Notes secured hereby, the Mortgagor shall be entitled to make such payments due on the Note secured by the Prior Mortgage and to receive a credit therefor on the Notes secured hereby, together with interest thereon at the rate of six and 3/4 Percent (6.75 %) per annum against amounts otherwise due under the Note secured hereby.

11. Mortgagor covenants and agrees that, to the extent Mortgagee pays any installment of principal, interest and escrow or any other sums due under the Prior Mortgage in excess of the payments required to be made in paragraph 10 above, Mortgagee shall become entitled to a pro-rata lien on the Mortgaged Premises hereunder but equal in rank and priority to the Prior Mortgage and, in addition, to the extent necessary, to make effective such rank and priority:

(a) Mortgagee shall become subrogated to, receive, and enjoy all the rights, liens, powers and privileges granted to the Prior

Mortgagee under the Prior Mortgage; and

(b) The Prior Mortgage shall remain in existence for the benefit of and to further secure the debt and other sums secured, or that hereafter become secured, hereunder.

12. Any default on the part of the Mortgagor herein under the terms of the Prior Mortgage or the Note said Prior Mortgage secures shall constitute a default under the terms of this Mortgage and Note secured hereby, and shall entitle the Mortgagee herein to exercise any and all rights and remedies given hereunder or under the Prior Mortgage.

13. Plural or singular words used herein to designate the undersigned Mortgagors shall be construed to refer to the maker or makers of this Mortgage, whether one or more persons or a corporation.

UPON CONDITION, HOWEVER, that if the Mortgagor shall well and truly pay and discharge the indebtedness hereby secured as it 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 hereof, then and in that event only this conveyance shall be and become null and void; but should default be made in the payment of the indebtedness hereby secured or any renewals or extensions thereof or any part thereof or should any interest thereon remain unpaid at maturity, or should default be made in the repayment of any sum expended by said Mortgagee under the authority of any of the provisions of this Mortgage or should the interest of said Mortgagee in said property become endangered by reason of the enforcement of any prior lien or encumbrance thereon so as to endanger the debt hereby secured, or should any law, either federal or state, be passed imposing or authorizing the imposition of a specific tax upon this Mortgage or the debt 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 premises shall be charged against the owner of this Mortgage or should at any time any of the stipulations contained in this Mortgage be declared invalid or inoperative by any court of competent jurisdiction or should the 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 of same may not as of said date have been paid, with interest thereon, shall at once become due and payable and this Mortgage subject to foreclosure at the option of the Mortgagee, notice of the exercise of such option being hereby expressly waived; and the Mortgagee shall have the right to enter upon and take possession of the property hereby conveyed and after or without taking such possession to sell the same before the County Courthouse door in the City of Columbiana, Shelby County, Alabama, 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 Money the Mortgagee, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagors a good and sufficient deed to the property sold; the Mortgagee shall apply the proceeds of said 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 may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereof; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of sale; and fourth, the balance, if any, to be paid over to the said Mortgagor or to whomsoever then appears of record to be the owner of said property. The Mortgagee may bid and become the purchaser of the mortgaged property at any foreclosure sale thereunder.

Mortgagor hereby assigns to Mortgagee any and all awards or damages, actual and consequential, for the taking of any portion or all of the mortgaged premises, by the exercise of the right of eminent domain or condemnation, including but not limited to, damages or awards for changes to the grades of streets, or acquiring title to streets. The proceeds of such awards or damages, when received by Mortgagee, shall be applied at the option of Mortgagee either in reduction of the mortgage indebtedness or shall be paid to Mortgagor or Mortgagor's assigns. Notwithstanding that the assignment of awards referred to herein shall be deemed to be self-executing, the Mortgagor, after the allowance of a condemnation claim or award, and the ascertainment of the amount due thereon, and in the issuing of a warrant, by the condemnor, for the payment thereof, shall execute, at the Mortgagee's request, and forthwith deliver to Mortgagee, a valid assignment in recordable form, assigning all of such condemnation claims, awards or damages to the Mortgagee, but not in excess of an amount sufficient to pay, satisfy and discharge the principal sum of this Mortgage then remaining unpaid, with interest thereon, at the rate specified herein, or in the note which this Mortgage secures, to the date of payment, whether such remaining principal sum is then due or not by the terms of said note or of this Mortgage, and also, together with any other indebtedness which the Mortgagor may owe to the Mortgagee.

All the terms, provisions and conditions contained in the Mortgage Note which is secured by this Mortgage are expressly

incorporated herein by reference.

In Witness Whereof, we have hereunto set our hands and seals, this the 28th day of January, 2010.

Luis A. Pintado

STATE OF ALABAMA)

SHELBY COUNTY)

I, the undersigned authority, a Notary Public, in and for said County in said State, hereby certify that Luis A. Pintado whose name is signed to the foregoing Mortgage, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Mortgage, he executed the same voluntarily.

Given under my hand this the 28th day of January, 2010.

Yusef D. Chappell

NOTARY PUBLIC

My Commission Expires: 10-12-2013

