

REAL ESTATE MORTGAGE

THIS REAL ESTATE MORTGAGE (the "Mortgage") is made as of August 9, 2011, by Joseph Colafrancesco and Casey Colafrancesco (collectively, "Mortgagor" or "Borrower"), having an address of 6830 Bear Creek Road, Sterrett, AL 35147, in favor of Miraculous Metals Distribution, LLC, a Michigan limited liability company (the "Mortgagee"), having an address of P. O. Box 152, Ottawa Lake, MI 49267

1. Mortgage. In consideration of Mortgagee loaning Mortgagor the sum of One Hundred Fifty-Four Thousand Two Hundred and 00/100 Dollars (\$154,200.00) evidenced by a certain Promissory Note of even date herewith (the "Note"), Mortgagor hereby grants with mortgage covenants to Mortgagee, for the purposes identified below, the real property legally described on Exhibit A attached hereto and made a part hereof, Tax Parcel Nos. 04 5 15 0 000 004.000 and 04 5 15 0 001 009.003 (the "Property").

2. Secured Obligations. This Mortgage is given, on statutory condition, to secure the obligation of the Borrower to Mortgagee pursuant to the Note.

3. Consideration. Mortgagor acknowledges and warrants to Mortgagee that: (a) there is a direct financial interest between Mortgagor and Borrower; (b) Mortgagor has received good and valuable consideration for this Mortgage; (c) Mortgagor has granted this Mortgage to induce Mortgagee to extend the credit to Borrower in accordance with the Note; (d) Mortgagee would not have loaned the funds evidenced by the Note but for this Mortgage; and (e) the obligations secured by this Mortgage are for business purposes only, and not for personal, household, consumer or agricultural purposes.

4. Title Covenants. Mortgagor covenants that the Property is free from all liens and encumbrances, except for taxes and assessments for the year in which this Mortgage is recorded; that lawful seisin of and good right to encumber the Property are vested in Mortgagor;

and that Mortgagor hereby fully warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever.

5. Improvements, Fixtures, etc. This Mortgage extends to and shall encumber all buildings, improvements, fixtures or appurtenances now or hereafter erected or existing upon or benefitting the Property, including all elevators and all gas, steam, electric, water, cooking, refrigeration, lighting, plumbing, heating, air conditioning, ventilation, and power systems, machines, appliances, fixtures, and appurtenances, all of which shall be deemed part of the Property.

6. Maintenance and Repair. Mortgagor shall not permit, commit, or suffer any waste, impairment, or deterioration of the Property. Mortgagor shall maintain the Property in good condition and repair and in compliance with all applicable building and fire codes. If Mortgagor fails to do so, then Mortgagee, without waiving the option to foreclose, may take some or all measures that Mortgagee reasonably deems necessary or desirable for the maintenance, repair, preservation, or protection of the Property, and any expenses reasonably incurred by Mortgagee in so doing shall become part of the obligations secured hereby, shall become immediately due and payable, and shall bear interest at the highest rate permitted under the loan documents executed by Borrower in favor of Mortgagee (the "Default Rate"). Mortgagee shall have no obligation to care for and maintain the Property, or, having taken some measures therefor, to continue the same or take other measures.

7. Hazard and Liability Insurance. Mortgagor shall keep the Property insured against loss or damage by fire, lightning, windstorm, flood, and other perils customarily insured against or as may be reasonably required by Mortgagee, in the full insurable value thereof (or such lesser amount as Mortgagee may authorize in writing), with an insurer of high financial reputation and to which Mortgagee has no reasonable objections. Mortgagor shall also maintain public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Property with limits reasonably acceptable to Mortgagee. The policy or policies of insurance shall contain a standard mortgagee clause in favor of Mortgagee and copies thereof shall be delivered to Mortgagee. Mortgagor shall pay all premiums and charges for the maintenance and renewal of the insurance, and shall furnish Mortgagee with receipts and proofs thereof not less than ten days before the expiration thereof, without notice or demand from Mortgagee. If Mortgagor fails to do so, then Mortgagee, without waiving the option to foreclose, may obtain such insurance for the protection of Mortgagee, and any expenses reasonably incurred by Mortgagee in so doing shall become part of the obligations secured hereby, shall become immediately due and payable, and shall bear interest at the Default Rate. In the event of loss, the insurance proceeds shall be paid to Mortgagee and applied by Mortgagee to the reduction of the obligations secured hereby, or to the restoration and repair of the Property, at the option of Mortgagee. In the event of foreclosure of this Mortgage or transfer of the Property in full or partial satisfaction of the obligations secured hereby, all interest of Mortgagor in the policy or policies of insurance (including any claim to proceeds attributable to losses theretofore occurring but not yet paid to Mortgagor) shall pass to the purchaser, grantee, or transferee.

8. Taxes, Assessments and Liens. Mortgagor shall pay all taxes, assessments, liens and other charges upon or with respect to the Property before the same become delinquent, and shall furnish Mortgagee with copies of the invoice, check representing payment and receipt (if available) within five days after the last day allowed for payment free from penalty, without notice or demand from Mortgagee. If Mortgagor fails to pay any amounts due hereunder, then Mortgagee, without waiving the option to foreclose, may pay the same, together with any penalty that may have accrued thereon, and any amounts so paid shall become part of the obligations secured hereby, shall, at the option of Mortgagee, become immediately due and payable, and shall bear interest at the Default Rate.

9. Inspection. Both before and after default, Mortgagee and Mortgagee's representatives may enter upon the Property for inspection at all reasonable times and in a manner so as to not unreasonably interfere with Mortgagor's use of the Property.

10. Eminent Domain. This Mortgage extends to and shall encumber any judgments, awards, damages, and settlements hereafter rendered or paid and resulting from condemnation proceedings with respect to the Property or the taking of the mortgaged property or any part thereof under the power of eminent domain, and Mortgagee may require that any sums payable to Mortgagor and arising out of the power of eminent domain with respect to the Property shall be applied to the obligations secured hereby.

11. Enforcement and Collection Expenses. Mortgagor shall pay all expenses reasonably incurred by Mortgagee with respect to collection of the obligations secured hereby or enforcement or protection of Mortgagee's rights hereunder, whether or not a default has actually occurred or has been declared and thereafter cured, including, but not limited to, (a) attorney's and paralegal's fees and disbursements; (b) the fees and expenses of any litigation, administrative, bankruptcy, insolvency, receivership and any other similar proceeding; (c) court costs; (d) the expenses of Mortgagee, its employees, agents, attorneys and witnesses in preparing for litigation, administrative, bankruptcy, insolvency and other proceedings and for lodging, travel, and attendance at meetings, hearings, depositions, and trials; and (e) consulting and witness fees incurred by Mortgagee in connection with any litigation or other proceeding. The amount incurred by Mortgagee shall become part of the obligations secured hereby, shall become immediately due and payable, and shall bear interest at the Default Rate.

12. Event of Default; Remedies. Any sale, conveyance, transfer or encumbrance by Mortgagor of any legal, equitable or beneficial interest in or to the Property shall constitute an Event of Default under this Mortgage. The occurrence of a default under this Mortgage shall be an Event of Default hereunder. Upon the occurrence of an Event of Default, Mortgagee may foreclose this Mortgage and may exercise all rights and remedies at law and in equity.

13. Acceleration Upon Default. Upon the occurrence of an Event of Default, Mortgagee may declare all obligations secured hereby to be accelerated and immediately due and payable and performable. Upon such acceleration after an Event of Default, or upon maturity, the principal balance of the obligations secured herein shall bear interest at the Default Rate.

Mortgagee's failure to declare an acceleration shall not impair the right to do so in the event of a continuing or subsequent Event of Default.

14. Receiver. Upon the occurrence of an Event of Default, Mortgagee shall be entitled to the appointment of a receiver to take charge of the Property, and the rents, issues, profits, proceeds, and revenues arising therefrom, and hold the same subject to the direction of a court of competent jurisdiction, regardless of the solvency of Mortgagor or the adequacy of the security.

15. No Waiver. No delay by Mortgagee in exercising any option, right, or remedy hereunder or otherwise afforded by law shall waive or preclude the exercise thereof during the continuance of any breach or default hereunder. No waiver by Mortgagee of any provision, breach, or default shall be a waiver of any other provision or a consent to any subsequent breach or default.

16. Extension, Leniencies, and Releases. Mortgagee may grant extensions of time for payment and other leniencies with respect to any indebtedness secured hereby, and may waive or fail to enforce any of Mortgagee's rights hereunder, and may release a portion or portions of the Property from the lien hereof, without releasing or diminishing the obligation or liability of any person constituting Mortgagor, or any guarantor or endorser.

17. Hazardous Wastes. Mortgagor expressly represents to Mortgagee that the Property and the improvements thereon are in compliance with all environmental laws, rules and regulations and have not in the past been used, are not presently being used, and will not in the future be used for the unlawful handling, storage, transportation, or disposal of hazardous or toxic materials. Mortgagor shall indemnify, defend, and hold Mortgagee harmless from and against any loss to Mortgagee, including, without limitation, attorneys fees incurred by Mortgagee as a result of such past, present or future use, handling, storage, transportation, or disposal of hazardous or toxic materials.

18. Waiver of Homestead, Appraisement, Valuation, Stay, Extension, Redemption Laws. The Mortgagor agrees, to the full extent permitted by law, that in case of an Event of Default, neither the Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any homestead, appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to present or hinder the enforcement or foreclosure of this Mortgage or the absolute sale of the Property or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereat.

19. Marshaling of Assets. To the extent permitted by law, Mortgagor on its own behalf and on behalf of its successors and assigns, hereby expressly waives all rights to require a marshaling of assets by Mortgagee or to require Mortgagee, upon a foreclosure, to first resort to the sale of any portion of the Property which might have been retained by Mortgagor before foreclosing upon and selling any other portion as may be conveyed by Mortgagor subject to this Mortgage.

20. Severability. If any provision of this Mortgage or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of the instrument in which such provision is contained, nor the application of the provision to other persons, entities or circumstances, nor any other instrument referred to hereinabove shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

21. Governing Law. This Mortgage shall be governed by and construed under the internal laws of the State of Michigan, without giving effect to the conflict of laws rules thereof.

22. Descriptive Headings. The descriptive headings used herein are for convenience of reference only and they are not intended to have any affect whatsoever in determining the rights or obligations of the Mortgagor or Mortgagee.

23. Release or Satisfaction. Whenever there are no outstanding obligations secured hereby, Mortgagee shall on written demand by Mortgagor give release hereof, in recordable form.

24. Notices. All notices, demands, requests and consents (hereinafter "notices") given pursuant to this mortgage shall be in writing, and shall be served by (a) personal delivery, (b) United States Mail, postage prepaid; or (c) nationally recognized overnight courier, sent to the address of such party set forth above. All notices shall be deemed to be given upon the earlier of actual receipt or three days after deposit in the United States mail or one business day after deposit with the overnight courier. Mortgagor and Mortgagee may change their notice address at any time by giving the other party written notice of such change.

25. Enforceability. Mortgagor represents and warrants to Mortgagee that this Mortgage and all other documents executed by Mortgagor in connection herewith have been duly authorized by all requisite action of Mortgagor and constitute valid and binding obligations of Mortgagor, enforceable in accordance with their respective terms.

26. General Provisions. The singular shall include the plural and any gender shall be applicable to all genders when the context permits or implies. If more than one person constitutes Mortgagor, their covenants and obligations hereunder shall be joint and several. Mortgagee's rights expressed herein are in addition to and cumulative of any other rights and remedies provided by law. When the context permits, the terms "Mortgagor" and "Mortgagee" shall extend to and include their respective heirs, legal representatives, successors, and assigns. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance. Time is of the essence.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

20110912000269600 6/7 \$261.30
Shelby Cnty Judge of Probate, AL
09/12/2011 03:13:47 PM FILED/CERT


IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first stated above.


Joseph Colafrancesco


Casey Colafrancesco

STATE OF Alabama)
COUNTY OF Shelby)

The foregoing instrument was acknowledged before me this 9 day of August, 2011, by Joseph Colafrancesco and Casey Colafrancesco.


NOTARY PUBLIC
Maryann Fay Hudachek

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Feb 16, 2015
BONDED THRU NOTARY PUBLIC UNDERWRITERS

This instrument was prepared by
(and after recording return to):
Jon B. Liebenthal
Lyden, Liebenthal & Chappell, Ltd.
5470 Main Street, Suite 300
Sylvania, Ohio 43560



20110912000269600 7/7 \$261.30
Shelby Cnty Judge of Probate, AL
09/12/2011 03:13:47 PM FILED/CERT

EXHIBIT A

LEGAL DESCRIPTION

PROPERTY DESCRIPTION:

PARCEL I

Commence at the SE corner of the S1\2 of the SE1\4 of the NW1\4 of Section 15, Township 18 South, Range 1 East; thence run N 1°22' W along the east line of said 1\4-1\4 section for 390.0 feet to the Point of Beginning; thence continue last described course for 290.17 feet to the north line of said S1\2 SE1\4-NW1\4; thence S 89°19' W for 1320.0 feet more or less to the NW corner of said S1\2 of the SE1\4-NW1\4 of said Section; thence S 1°22' E for 496.90 feet; thence N 88°38' E for 689.95 feet more or less to a point 630 feet west of the east line of said 1\4-1\4 section; thence N 1°22' W for 198.50 feet; thence N 89°19' E for 630.0 feet to the Point of Beginning. Containing 12.0 Acres more or less.

PARCEL II

Commence at the NE corner of the NE1\4 of the SW1\4 of Section 15, Township 18 South Range 1 East; thence run S 89°19' W along the north line thereof for 421.22 feet to the Point of Beginning; thence continue last described course for 208.78 feet; thence N 1°22' W for 191.50 feet; thence S 88°38' W for 689.95 feet more or less to the west line of the SE1\4 of the NW1\4 of said Section; thence S 1°22' E for 183.27 feet to the NW corner of the NE1\4 of the SW1\4 of said Section; thence S 89°19' W for 1320.0 feet more or less to the NW corner of the SW1\4 of said Section; thence S 1°21'38" E for 1377.23 feet more or less to the SW corner of said SW1\4; thence N 88°57' E along the south line of said Section for 2381.50 feet more or less to a point 258.50 feet west of the SE corner of the NE1\4 of the SW1\4 of said Section; thence N 1°22' W for 827.16 feet; thence S 44°54' W for 50.10 feet; thence S 40°57' W for 208.62 feet; thence S 39°41' W for 335.21 feet; thence N 50°52' W for 260.0 feet; thence N 39°41' E for 560.31 feet; thence N 1°22' W for 193.88 feet; thence N 88°54'30" E for 126.0 feet; thence N 19°08' W for 203.42 feet to the Point of Beginning. Containing 72.41 Acres more or less, including all Easements and rights of way that may exist.