

Purchase Money

MORTGAGE



20160104000003050 1/5 \$836.00
Shelby Cnty Judge of Probate, AL
01/04/2016 04:28:44 PM FILED/CERT

This Mortgage is made this **31st** day of **December, 2015**, between the Mortgagor, James D. Phillips (herein "Borrower") and the Mortgagee, Lilly Phillips, whose address is 111 Silverleaf Drive, Pelham, Alabama 35124 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal amount of \$3,000.00 a month for 15 years or the death of the Lender, whichever first occurs, which indebtedness is evidenced by a promissory note dated December 31, 2015 ("Note").

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements, Borrower does hereby grant and convey to Lender and to Lender's successors and assigns with power of sale, the following described property located in the County of Shelby, State of Alabama, which has the address of 5465 U.S. Highway 280, Birmingham, Alabama 35242 (herein "Property Address"):

See Attached Exhibit "A"

TO HAVE AND TO HOLD such property unto Lender and Lender's assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if Mortgage is on a leasehold) are hereafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record in the county where the Property is situated. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to said encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of principal and interest. Borrower shall promptly pay when due the principal and interest of the indebtedness evidenced by the Note.

2. Taxes and Insurance. As further security for the payment of the indebtedness secured by this Mortgage, the Borrower hereby agrees to pay all taxes, assessments, dues or other liens taking priority over this Mortgage when imposed legally on the premises, as the same become due, and if default is made in the payment of same or any part thereof, the Lender may, at her option, pay the same, and add the amount of the payments to the principal sum due under the Note referenced herein.

3. Application of payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraphs 1 and 2 hereof shall be applied by Lender first in payment amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term

"extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require. The insurance carrier providing the insurance shall be chosen by Borrower subject to written approval by the Lender; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of, and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage deed of trust or other security agreement with a lien having priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and to Lender. Lender may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fail to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to the restoration or the repair of the Property or to the sums secured by this Mortgage.

5. Preservation and maintenance of property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property.

6. Protection of Lender's security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at its option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest.

Any amounts disbursed by Lender pursuant to this paragraph, with interest thereon at the Note rate shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon written notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph shall require Lender to incur any expense or take any action thereunder.

7. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice before any such inspection, specifying reasonable cause therefore related to Lender's interest in the Property.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien that has priority over this Mortgage.

9. Borrower nor released; forbearance by Lender not a waiver. Extension of time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of, or preclude the exercise of, any such right or remedy.

10. Notice. Except for any notice required under applicable law to be given in another manner (a) any notice to Borrower provided for this Mortgage shall be given in writing by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property address or at such other address as Borrower may designate by written notice to Lender as provided herein; and (b) any notice to Lender shall be given in writing by certified mail to Lender's address stated herein or to such other address as Lender may designate by written notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

11. Governing law; severability. Alabama and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

12. Borrower's copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

13. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if said exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fail to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this security instrument without further demand or notice on Borrower.

14. Remedies. Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender shall give notice to Borrower as provided above specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to the Borrower, by which such breach may be cured; (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. If the breach is not cured on or before the date specified in the notice, Lender, at its option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall mail a copy of a notice of sale to Borrower in the manner provided. Lender shall publish the notice sale once a week for three consecutive weeks in some newspaper published in Shelby County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the county courthouse of said county. Lender shall deliver to the Purchaser Lender's deed conveying the Property so sold. Lender or its designee may purchase the Property at any sale. Borrower covenants and agrees that the proceeds of the sale shall be applied in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable attorneys' fees and costs of title evidence; (b) to all

sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.

15. Borrower's right to reinstate. Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time before the earlier to occur of (i) the fifth day before the sale of the Property pursuant to the power of sale contained in this Mortgage; or, (ii) entry of a judgment enforcing this Mortgage, if (a) Borrower pays Lender all sums that would be then due under this Mortgage and the Note; (b) Borrower cures all breaches of any other covenants or agreement contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements contained in this Mortgage, and in enforcing Lender's remedies as provided herein, including, but not limited to, reasonable attorneys' fees; and (d) Borrower take such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by the Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect.

16. Release. Upon payment of all sums secured by this Mortgage, this Mortgage shall become null and void and Lender shall release this Mortgage without charge to Borrower. The Mortgage shall also become null and void if Lender dies prior to the full indebtedness owed by the Borrower under the Note and this Mortgage becoming due. Borrower shall pay all costs of recordation, if any.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.



James D. Phillips, Borrower

STATE OF ALABAMA)
)
COUNTY OF SHELBY)

I, Mark S. Boardman, a notary in and for said county and state, hereby certify that James D. Phillips, whose name is signed to the foregoing conveyance, and who are known to me, acknowledge before me on this day that, informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal, this 31st day of December, 2015.

SEAL


Notary Public
My commission expires: 10-26-2018



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Exhibit "A"

A parcel of land in the NW 1/4 of the NE 1/4 of Section 5, Township 19 South, Range 1 West, described as follows:

Commence at the SE corner of the NW 1/4 of the NE 1/4 of Section 5, Township 19, South, Range 1 West; thence run South 90 degrees 00 minutes 00 seconds West along the South boundary of said 1/4 1/4 Section of a distance of 1030.79 feet to the Northeast right of way line of U. S. Highway 280, said point being located on a curve to the left having a central angle of 02 degrees 29 minutes 02 seconds and a radius of 3820.11 feet and a chord bearing of North 05 degrees 41 minutes 26 seconds West; thence run along the arc of said curve for a distance of 165.61 feet to the point of beginning; thence continue along said curve to the left having a central angle of 02 degrees 28 minutes 29 seconds and a radius of 3820.11 feet and a chord bearing of North 08 degrees 10 minutes 12 seconds West; thence run along the arc of said curve for a distance of 165.00 feet to the Southwesterly corner of Lot 3 according to the subdivision Map of the U. S. W. Subdivision as recorded in Map Book 14, Page 80, Shelby County; thence run South 89 degrees, 55 minutes, 50 seconds East along the South line of said Lot 3 for a distance of 200 feet; thence run South 00 degrees, 03 minutes, 22 seconds West along said Lot 3 for a distance of 40.00 feet; then run South 80 degrees, 25 minutes, 33 seconds East along said Lot 3 for a distance of 310.59 feet to the centerline of an existing creek; thence run South 21 degrees, 35 minutes, 48 seconds East along said centerline for a distance of 17.53 feet; thence run North 80 degrees, 25 minutes 33 seconds West for a distance of 187.04 feet; thence run South 01 degrees, 19 minutes, 17 seconds East for a distance of 86.25 feet; thence run South 90 degrees, 00 minutes, 00 seconds West for a distance of 306.15 feet to the point of beginning.

Subject to easements, restrictions and reservations of record, if any



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