

This Instrument Prepared By:
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CHRISTIAN & SMALL,LLP
505 20th Street North
Suite 1800
Birmingham, AL 35223

Send all tax notices to:

STATE OF ALABAMA)
_____ COUNTY)

REAL ESTATE MORTGAGE

THIS REAL ESTATE MORTGAGE, made on this ____ day of _____, 2012, between _____ (hereinafter referred to as "Mortgagor") and _____ (hereinafter referred to as "Mortgagee").

WITNESSETH:

WHEREAS, on _____, Mortgagee executed a promissory note in the amount of _____ (\$_____); and

WHEREAS, in order to induce Mortgagee to loan the amount referenced in the Note, Mortgagor has agreed to grant Mortgagee a mortgage to the property described herein;

NOW THEREFORE, the undersigned Mortgagor, in consideration of the premises and the amount in hand paid to it, receipt whereof is hereby acknowledged, and to secure the payment of the Obligations due and to become due pursuant to the terms of such Note, Obligations and any other indebtedness (whether now existing or hereafter created) owed to Mortgagee by Mortgagor and in compliance with all the stipulations herein contained, does hereby grant, bargain, sell, and convey unto Mortgagee, their successors, and assigns the following described Real Estate situated in _____ County, Alabama:

which Real Estate, together with the property described in the next succeeding paragraphs is herein called the "Premises";

The subject property does not constitute the homestead of the Mortgagors;

TOGETHER WITH all and singular the rights, members, privileges, and appurtenances hereunto belonging or in anywise appertaining; and

TOGETHER WITH all right, title and interest, including the right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to (a) any lands occupied by streets, alleys, or public places adjoining said Premises or in such streets, alleys, or public places; (b) all improvements, tenements, hereditaments, gas, oil, minerals, easements, fixtures and appurtenances, and all other rights and privileges hereunto belonging or appertaining; (c) all apparatus, machinery, equipment, and appliances (whether single units or centrally controlled) of Mortgagor now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, ventilation or refrigeration or to treat or dispose of refuse or waste; (d) all screens, window shades, blinds, wainscoting, storm doors and windows, floor coverings, and awnings of Mortgagor; (e) all apparatus, machinery, equipment, and appliances of Mortgagor used or useful for or in connection with the maintenance and operation of said Real Estate or intended for the use or convenience of tenants, other occupants, or patrons thereof; (f) all items of furniture, furnishings, equipment, and personal property used or useful in the operation of said Real Estate and/or the business of the Mortgagor; and (g) all replacements and substitutions for the foregoing whether or not any of the foregoing is or shall be on or attached to said Real Estate. It is mutually agreed, intended, and declared that all of the aforesaid property owned by Mortgagor shall, so far as permitted by law, be deemed to form a part and parcel of said Real Estate for the purpose of this Mortgage to be Real Estate and covered by this Mortgage. It is also agreed that if any of the property herein mortgaged is of a nature so that a security interest therein can be perfected under Alabama, this instrument shall constitute a Security Agreement and Mortgagor does hereby grant a security interest in said property and Mortgagor agrees to execute, deliver, and file or refile any financing statement, continuation statement, or other instruments Mortgagee may require from time to time to perfect or renew such security interest under said Uniform Commercial Code.

As additional security for the Liabilities secured hereby, Mortgagor does hereby pledge, grant a security interest in, and assign to Mortgagee from and after the date hereof (including any period of redemption) primarily and on a parity with said Real Estate, and not secondarily, all the Accounts Receivable, rents, Accounts Receivable, issues and profits of the Premises and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable and accruing (including all deposits of money as advance rent, for security or as earnest money or as down payment for the purchase of all or any part of the Premises) under any and all present and future leases, contracts, or other agreements relative to the ownership or occupancy of all or any portion of the Premises and does hereby transfer and assign to Mortgagee all such leases and agreements (including all Mortgagor's rights under any contracts for the sale or rental of any portion of the Premises). Mortgagor agrees not to procure or accept the prepayment of any rents or other income from the Premises for more than three months, except with the prior written consent of the Mortgagee. Mortgagor further agrees to execute and deliver such additional documents,

instruments, or agreements Mortgagee may from time to time request to effectuate and/or perfect Mortgagor's assignment of leases and land purchase contracts. In the event of a default under the Note or this Mortgage, (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all leases, land purchase contracts, and other agreements for the ownership or occupancy of any part of the Premises with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the Premises and collect the rents, Accounts Receivable, and other income therefrom, applying the same upon the Liabilities, and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers, or other persons occupying or otherwise acquiring any interest in any part of the Premises to pay all rents, Accounts Receivable, and other income due under said leases and agreements to the Mortgagee upon request of the Mortgagee. Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect the rents, Accounts Receivable, and other income, with full power to bring suit for collection of said rents, Accounts Receivable, and possession of said property, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee to make or cause to be made any repairs that may be needful or necessary. Mortgagee shall receive such rents, Accounts Receivable, and other income of said Premises, out of which it shall pay: (1) reasonable charges for collection hereunder, costs of necessary repairs and other costs requisite and necessary during the continuance of this power of attorney and assignment of rents, (2) general and special taxes, insurance premiums and all of the liabilities. This power of attorney and assignment of rents shall be irrevocable until this Mortgage shall have been satisfied and released of record and the releasing of this Mortgage shall act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserves the right and privilege (but assumes no obligation) to demand, collect, sue for, receive, and recover all rents, Accounts Receivable, profits, revenues, royalties, bonuses, rights, and benefits under any and all oil, gas, or mineral leases of the Premises, or any part thereof, now existing or hereafter made, and apply the same upon the Liabilities hereby secured, either before or after default hereunder.

Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the taking of actual possession of the Premises by the Mortgagee. In the exercise of the powers herein granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

TOGETHER WITH any awards hereafter made for any taking of or injury to said Premises through eminent domain or otherwise, including awards or damages for change of grade, and also any return premiums or other payments upon any insurance at any time provided for the benefits of Mortgagee, all of which awards, damages, premiums, and payments are

hereby assigned to Mortgagee and may be at any time collected by it.

TO HAVE AND TO HOLD the said Premises, and every part thereof, unto Mortgagee, its successors, and assigns, forever. And Mortgagor covenants with Mortgagee that it is lawfully seized of the estate herein mortgaged and has full power and right to sell and convey the same as aforesaid, that the said Premises are free of all encumbrances except as herein set out, or described on an Exhibit hereto, that the Mortgagee hereunder and its successors and assigns shall quietly enjoy and possess the same; and Mortgagor will warrant and forever defend the title to said Premises unto Mortgagee, its successors, and assigns, against lawful claims of all persons whomsoever.

MORTGAGOR COVENANTS AND AGREES THAT:

Mortgagor will pay all indebtedness secured hereby whether presently existing or hereafter incurred. The indebtedness secured hereby may be prepaid. In the event of any acceleration of the indebtedness by reason of non-payment, breach of any covenant or agreement, or other default, the Mortgagor covenants to pay, in addition to all other amounts due, interest on and advances pursuant to the Note and/or any future Note from maturity until paid at the rate set forth in said Note or Notes.

That, for the benefit of Mortgagee, Mortgagor will constantly keep in force fire and extended coverage insurance policies with respect to any and all such companies and for such amounts as may be required by Mortgagee, with loss, if any, payable to said Mortgagee as its interest may appear, and the Mortgagor covenants to pay the premium on such policy or policies when due, to deliver to the Mortgagee upon its request the official receipts for such premium payments, and upon issue of such policies to promptly deposit them with the Mortgagee as collateral security for the payment of the indebtedness hereby secured. The Mortgagor further covenants that all insurance policies will contain a clause that prohibits them from being cancelled upon less than thirty (30) days notice to Mortgagee, and to deliver to the Mortgagee at least thirty (30) days before the expiration of all such insurance policies, a renewal of such policy or policies, together with official receipts for the payment of the premium thereon. Mortgagor hereby transfers, assigns, sets over, and delivers to Mortgagee the fire and other insurance policies covering said property and any and all renewals thereof, the premiums on which have been or shall be paid by Mortgagor, and it is further agreed that all such insurance and insurance policies shall be held by Mortgagee as a part of the security for said indebtedness, and shall pass to, and become the property of, the purchaser at any foreclosure sale hereunder, without the necessity of specifically describing said insurance or insurance policies in the foreclosure notice, sale, deed, or other proceedings in consummation of such foreclosure, and if the Mortgagor fails to keep said property insured as above specified, then Mortgagee may, at its option, insure said property for its insurable value against loss by fire and other hazards, casualties, and contingencies, for its own benefit, and any amount which may be expended for premiums on

such insurance policies shall be secured by the lien of this mortgage and bear interest from the date of payment by Mortgagee; it being understood and agreed between the parties hereto that any sum, or sums, of money received for any damage by fire or other casualty to any building, or buildings, herein conveyed may be retained by the then holder of the indebtedness secured by this Mortgage and applied toward payment of such indebtedness, either in whole or in part, or, at the option of the holder of said debt, same may be applied in payment for any repair or replacement of such building, or buildings, without affecting the lien of this Mortgage for the full amount hereby secured. Mortgagor agrees to give Mortgagee notice in writing of any damage to the mortgaged Premises caused by fire or other casualty within ten (10) days after the occurrence of any such damage.

That said Premises and the improvements thereon shall be kept in good condition and no waste committed or permitted thereon, natural wear and tear excepted, and all taxes and assessments or other charges which may be levied upon or accrued against said Premises, as well as all other sums which may be or become liens or charges against same, shall be paid and discharged by Mortgagor promptly and when so levied or assessed, and shall not be permitted to become delinquent or to take priority over the lien of this Mortgage except as noted on any Exhibit hereto.

No building or other improvement on the Premises shall be structurally altered, removed or demolished, without the Mortgagee's prior written consent, nor shall any fixture or chattel covered by the Mortgage and adapted to the proper use and enjoyment of the Premises be removed at any time without like consent. In the event of any breach of this covenant the Mortgagee may, in addition to any other rights or remedies, at any time thereafter, declare the whole of said indebtedness immediately due and payable.

That any lien which may be filed under the provisions of the statutes, relating to the liens of mechanics and materialmen, shall be promptly paid and discharged by Mortgagor and shall not be permitted to take priority over the lien of this Mortgage, provided that Mortgagor, upon first furnishing to Mortgagee reasonable security for the payment of all liability, costs, and expenses of the litigation, may in good faith contest, at Mortgagor's expense, the validity of any such lien or liens. In those instances where Mortgagee's title policy protects it against such lien or liens such title policy shall be deemed to be sufficient security. Determination of whether said title policy protects Mortgagee shall be made solely by Mortgagee and shall be binding upon Mortgagor.

If Mortgagor shall fail to insure said property as hereinabove provided, or to pay all or any part of the taxes or assessments levied, accrued, or assessed upon or against the interest of Mortgagee in either, or fails to pay immediately and discharge any and all liens, debts, or charges which might become liens superior to the lien of this Mortgage (except to the extent described in an Exhibit hereto), Mortgagee may, at its option, insure said property or pay said taxes,

assessments, debts, liens, or charges, and any money which Mortgagee shall have so paid or become obligated to pay shall constitute a debt to Mortgagee additional to the debt hereby specifically secured, shall be secured by this Mortgage, shall bear fifteen percent (15%) rate of interest from date paid or incurred and, at the option of the Mortgagee, shall be immediately due and payable.

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

If Mortgagee shall be made a party to any suit involving the titles to the property hereby conveyed and employs an attorney to represent it therein, or if Mortgagee employs an attorney to assist in settling or removing any cloud on the title to the property hereby conveyed that purports to be superior to the lien of this Mortgage in any respect, Mortgagors will pay to Mortgagee, when the same becomes due, such attorney's fee as may be reasonable for such services, and if such fee is paid or incurred by Mortgagee the same shall be secured by the lien of this Mortgage in addition to the indebtedness specifically secured hereby, and shall bear interest from the date it is paid and shall be at once due and payable.

All expenses incurred by Mortgagee, including all legal costs of any kind, including but not limited to attorney's fees, legal staff costs, in compromising, adjusting, or defending against lien 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.

Mortgagor agrees to pay all attorney's fees as well as any other costs to Mortgagee should the Mortgagee employ an attorney to collect any indebtedness secured by this Mortgage.

Notwithstanding that the assignment of awards hereinabove referred to shall be deemed to be self-executing, Mortgagor, after the allowance of a condemnation claim or award, and the ascertainment of the amount due thereon, and the issuing of a warrant by the condemnor for the payment thereof, shall execute, at Mortgagee's request, and forthwith deliver to Mortgagee, a valid assignment in recordable form, assigning all of such condemnation claims, awards or damages to Mortgagee, but not in excess of an amount sufficient to pay, satisfy, and discharge the principal sum of this Mortgage and any advances made by Mortgagee as herein provided then remaining unpaid, with interest thereon at the rate specified 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.

If Mortgagor 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, Mortgagee may proceed to collect the Accounts Receivable, rent, income, and profits from the Premises, either with or without the appointment of a receiver; any Accounts Receivable, rents, income, and profits collected by Mortgagee prior to foreclosure of this Mortgage, less the cost of collecting the same, including any Real Estate commission or attorneys' fee incurred, shall be credited first to advances with interest thereon, then to interest due on the principal indebtedness, and the remainder, if any, to the principal debt hereby secured.

It is further agreed that if Mortgagor shall fail to pay, or cause to be paid, the whole or any portion of the principal sum, or any installment of interest thereon, or any other sum the payment of which is hereby secured, as they or any of them mature, either by lapse of time or otherwise, in accordance with the agreements and covenants herein contained, or should default be made in the payment of any mechanic's lien, materialmen's lien, insurance premiums, taxes, or assessments now, or which may hereafter be levied against, or which may become a lien on said property, or should default be made in any of the covenants, conditions, and agreements herein contained, then and in that event, the whole of said principal sum, with interest thereon, and all other sums secured hereby, shall, at the option of the then holder of said Obligations, be and become immediately due and payable and the holder of the debt hereby secured shall have the right to enter upon and take possession of said property and after, or without, taking such possession of the same, sell the mortgaged property at public outcry, in front of the courthouse door of the county wherein said property is located, to the highest bidder for cash, either in person or by auctioneer, after first giving notice of the time, place, and terms of such sale by publication once a week for three (3) successive weeks in some newspaper of general circulation published in said county, and, upon the payment of the purchase money, the Mortgagee or any person conducting said sale for it is authorized and empowered to execute to the purchaser at said sale a deed to the property so purchased in the name of and on behalf of Mortgagor, and the certificate of the holder of the mortgage Obligations, appointing said auctioneer to make such sale, shall be prima facie evidence of his authority in the Premises, or the equity of redemption from this Mortgage may be foreclosed by suit in any court of competent jurisdiction as now provided by law in the case of past due mortgages. The Mortgagee, or the then holder of the Obligations hereby secured, may bid at any such sale and become the purchaser of said property if the highest bidder therefor. The proceeds of any such sale shall be applied (a) to the expenses incurred in making the sale and in all prior efforts to effect collection of the indebtedness secured hereby, including a reasonable attorney's fee, or reasonable attorneys' fees, for such services as may be, or have been necessary in any one or more of the foreclosure of this Mortgage, of the collection of said indebtedness, and of the pursuit of any efforts theretofore directed to that end, including, but without limitation to, the defense of any proceedings instituted by the Mortgagors or anyone liable for said indebtedness or interest in the mortgaged Premises to prevent or delay, by any means, the exercise of said power of sale on the foreclosure of this Mortgage; (b) to the payment of whatever sum or sums Mortgagee may have paid out or become liable to pay, in

carrying out the provisions of this Mortgage, together with interest thereon; (c) to the payment and satisfaction of said principal indebtedness and interest thereon to the day of sale; and (d) the balance, if any, shall be paid over to Mortgagor, or Mortgagor's successors or assigns. In any event, the purchaser under any foreclosure sale, as provided herein, shall be under no obligation to see to the proper application of the purchase money.

Should Mortgagor become insolvent or bankrupt; or should a receiver of Mortgagor's property be appointed; or should Mortgagor intentionally damage or attempt to remove any improvement upon said mortgaged real estate; or should it be discovered after the execution and delivery of this instrument that there is a defect in the title to or a lien or encumbrance of any nature on said property prior to the lien hereof, except as may be set forth in an Exhibit hereto attached and thereby made a part hereof as though fully set out herein; or in case of an error or defect to the above described Note or this instrument or in the execution or the acknowledgment thereof; or if a homestead claim be set up to said property or any part thereof adverse to this Mortgage and if the said Mortgagor shall fail for thirty (30) days after demand by the Mortgagee, or other holder or holders of said indebtedness, to correct such defects in the title or to remove any such lien or encumbrance or homestead claim, or to correct any error in said Note or this instrument or its execution; then, upon any such default, failure, or contingency, the Mortgagee, or other holder or holders of said Obligations, or any part thereof, shall have the option or right, without notice or demand, to declare all of said Obligations then remaining unpaid immediately due and payable, and may immediately or at any time thereafter foreclose this Mortgage by the power of sale herein contained or by suit, as such Mortgagee, or other holder or holders of said Obligations, may elect.

It is expressly agreed that any Obligations at any time secured hereby may be extended, rearranged or renewed, and that any part of the security herein described may be waived or released without in anywise altering, varying, or diminishing the force, effect, or lien of this instrument; and this instrument shall continue as a lien on all of said lands and Premises and other property and rights covered hereby and not expressly released until all sums with interest and charges hereby secured are fully paid; and no other security now existing or hereafter taken to secure the payment of said indebtedness or any part thereof shall in any manner be impaired or affected by the execution of this instrument; and no security subsequently taken by Mortgagee or other holder or holders of said Obligations shall in any manner impair or affect the security given by this instrument; and all security for the payment of said Obligations or any part thereof shall be taken, considered and held as cumulative.

In the event of default, the Mortgagor agree that the Mortgagee shall be entitled without the necessity of a hearing or notice to Mortgagor to the appointment of a receiver to take care of the Premises, to collect the Accounts Receivable, rents, issues, and profits, and to keep the Premises in good repair, and to apply the sums so collected to the payment of the debts secured hereby.

In the event of any change in the present ownership of all or any part of the mortgaged Premises or any interest therein, either by affirmative action, by operation of law or otherwise, or in the event any further encumbrance of the mortgaged Premises is created without Mortgagee's prior approval, Mortgagee may, at its option, declare the indebtedness due and payable in full.

PROVIDED ALWAYS that if the indebtedness secured by this Mortgage is paid, and Mortgagee, its successors, and assigns is reimbursed for any amounts it may have expended pursuant to the authorization of this Mortgage, including without limitation, sums spent in payment of taxes, assessments, insurance, or other liens and interest thereon, and shall do and perform all other acts and things herein agreed to be done, this conveyance shall be **NULL AND VOID**; otherwise it shall remain in full force and effect.

Wherever and whenever in this Mortgage it shall be required or permitted that notice or demand be given or served by any party, such notice or demand shall be given or served, and shall not be deemed to have been given or served unless in writing and forwarded by registered or certified mail, return receipt requested, addressed as follows:

To Mortgagor: _____

To Mortgagee: _____

or to such other address as either party may have given to the other by notice as hereinabove provided.

Singular or plural words used herein to designate the Mortgagor shall be construed to refer to the maker or makers of this Mortgage, whether one or more persons or a corporation, and all covenants and agreements herein contained shall bind the successors and assigns of the Mortgagors, and every option, right, and privilege herein reserved or secured to Mortgagee shall inure to the benefit of its successors and assigns.

The unenforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions herein contained unenforceable or invalid. All rights or remedies of Mortgagee hereunder are cumulative and not alternative, and are in addition to those provided by law.

If more than one property, lot, or parcel is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any obligation secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon or Mortgagee may exercise its power of sale against any one or more of the properties, lots, or parcels, and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

Mortgagor agrees that this Mortgage is to be construed and governed by the laws of the State of Alabama. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

The Mortgagor or Mortgagee, within ten (10) days after a request in person or within fifteen (15) days after request by mail, will furnish a duly acknowledged written statement setting forth the amount of the debt secured by this Mortgage, the date to which interest, if any, has been paid and stating either that no offsets or defenses exist against the Mortgage debt, or, if such offsets or defenses are alleged to exist, the nature thereof.

Mortgagor shall indemnify and hold harmless Mortgagee against:

- (a) any claims for brokerage fees or commissions; and
- (b) all claims, actions, suits, proceedings, costs, expenses, losses, damages, and liabilities of any kind, including, in tort, penalties and interest, which Mortgagee may incur in any manner other than as a result of Mortgagee's own bad faith or willful misconduct, by reason of any matter relating, directly or indirectly, to this Mortgage or the ownership, condition, operation, repair, reconstruction, sale, rental, financing of the Premises or any part thereof, or exercise by Mortgagee of any rights or remedies hereunder.

The indemnity and hold harmless provisions of this Mortgage shall survive the payment of all of the Liabilities to Mortgagee under the Note, this Mortgage, or any other instrument securing the Obligations, and otherwise.

IN WITNESS WHEREOF, the party constituting Mortgagor has hereto set its hand and seal on this the ____ day of _____, 2012.

MORTGAGOR:

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned Notary Public, in and for said County, in said State, hereby certify that _____, whose name is signed on the above mortgage is known to me, and acknowledged before me on this day that, being informed of the contents of said Mortgage, he executed the same voluntarily.

Given under my hand and official seal, this the ____ day of _____, 2012.

NOTARY PUBLIC
My Commission Expires: _____