

CERTIFICATE OF JUDGMENT

CASE NUMBER

CV-89-34

IN THE Circuit COURT OF Walker COUNTY, ALABAMA

Plaintiff(s) Frank H. & Ada M. Meeks v. Defendant(s) Cardinal Homes, Inc.
Address: 2700 Montgomery Highway
Pelham, Al. 35124

Additional Defendant(s)
Address:

BOOK 327 PAGE 497

I, Sylvester Anton Clerk/Register of the
above named Court hereby certify that on (date) December 14, 1990 (counter)
plaintiff Frank H. & Ada M. Meeks recovered of defendant
Cardinal Homes, Inc. in said Court a judgment (with)
(without) waiver of exemptions for the sum of \$ 50,000.00 (see order attached) Dollars plus
\$ 147.00 Dollars court costs, and that
Thomas F. Campbell - 1700 First Alabama Bank Building is plaintiff's attorney of record.
Birmingham, Al. 35203
Given under my hand this date January 24, 1991

Sylvester Anton
Clerk/Register

I certify that this instrument was filed for record in my office on (date) _____ at
(time) _____ and duly recorded in book _____ page _____

Judge of Probate

IN THE CIRCUIT COURT OF WALKER COUNTY, ALABAMA

FRANK H. & ADA M. MEEKS,
Plaintiffs,
v.
CARDINAL HOMES, INC.,
Defendant.

CIVIL ACTION NO. CV 89-34

ORDER AND JUDGMENT

A default judgment against the defendant, Cardinal Homes, Inc., having been previously entered, this cause came on to be heard for proof of damages at 9:00 A.M., Thursday, December 6, 1990. Because the plaintiffs dropped their demand for a jury trial, the hearing was conducted ore tenus.

The Court received documentary evidence consisting of plaintiffs' Exhibits 1 through 13 and heard oral testimony from plaintiffs Frank and Ada Meeks.

Testimony was undisputed as to the following damages:

1. The property has suffered a diminution in value of \$50,000.00. Said diminution in value was recognized by the plaintiffs at the sale of the house.

2. Plaintiffs incurred temporary living expenses for rental payments to the purchaser of their existing home in the amount of \$1,200.00, as well as interest expenses on a construction loan for the home being built by Cardinal Homes in excess of \$1,130.67.

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FILED

DEC 14 AM 11:20

3. Plaintiffs were required to purchase a new septic tank for the home at a cost of \$1,800.00.

4. Plaintiffs incurred \$360.00 in costs for carpet cleaning.

5. Plaintiffs incurred mortgage payments during a period in which the new home was uninhabitable in the amount of \$2,358.00.

6. The cost to repair some items in the new home is \$24,730.00.

7. Defendant improperly excavated and deforested the lot which has caused severe erosion.

8. The Court finds that a promissory note, attached hereto as plaintiff's Exhibit #1, and mortgage, attached hereto as plaintiffs' Exhibit #2, and recorded at Volume 299, Page 515, in Winston County, Alabama, between Frank H. and wife, Ada M. Meeks and Cardinal Homes, Inc., were induced by the fraudulent representations of defendant Cardinal Homes, Inc. and, as such, the promissory note and mortgage are void, unenforceable and are due to be marked void, released and satisfied on the records of the Probate Judge of Winston County, Alabama.

9. The Court also finds that defendants were caused to suffer extreme mental anguish as a result of the misrepresentations of defendants and defendants' breach of contract.

Having made the foregoing findings, the Court enters judgment against defendant Cardinal Homes, Inc., and in favor of

the plaintiffs, Frank H. and Ada M. Meeks, in the amount of \$50,000.00 and, as further and additional relief, declares the promissory note and mortgage referred to hereinabove at paragraph 8 are null and void and orders that they be marked void, released and satisfied in the records of the Judge of Probate of Winston County, Alabama.


JAMES C. BROTHERTON
Circuit Judge, Walker County, Alabama

cc: Mr. Thomas F. Campbell
Cardinal Homes, Inc., Pro Se

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cc:
J. Campbell
12-14-90
PC

REC'D DEC 14 AM 9:23

FILED

INSTALLMENT SALES CONTRACT AND SECURITY AGREEMENT

July 8 1988

Seller/Creditor: **Cardinal Homes, Inc.**

Address: **P.O. Box 74**

Prichard, Alabama 35124

(hereinafter called "Seller" or "Creditor")

Buyer/Borrower(s): **Frank H. & Ade M. Moore**

Address: **Route 76, Box 148**

Jasper, Alabama 35501

(hereinafter called "Buyer" or "Borrower")

Lake View Estates Arley Alabama 35541

PROPERTY WHERE IMPROVEMENTS WILL BE LOCATED

The Buyer and Seller have this date entered into a contract for the Seller to make certain improvements to Buyer's property described above. The improvements to be made and the materials to be used in making the improvements are set forth in the description below. In consideration of the Seller's making such improvements, the Buyer promises to pay Seller or its assignee the Cash Price of \$ **157,000.00**. Downpayment of \$ **300** payment schedule (contract) Total Sale Price of \$ **158,923.20**. The Total Sale Price is based upon the cash price of the improvements (the Amount Financed plus any down payment) together with the Finance Charge calculated on the Amount Financed at the Annual Percentage Rate, all as disclosed in the Federal Truth-in-Lending Disclosure Statement, and set forth in the Promissory Note, signed and delivered at the same time as this Contract. The indebtedness created under this Contract is evidenced by the Promissory Note.

COMPLETE DESCRIPTION OF THE GOODS AND WORK TO BE DONE AND MATERIALS TO BE USED

(attach specification sheet if necessary)

33% Down \$16,500.00

33% At Blackin 16,500.00

34% At Ruff Sheetrock 17,000.00

\$7,000.00 To be financed at 10% for 5 years - 60 payments at \$148.72

Security Interest. As security for the payment and performance of Buyer's obligations under this Contract and the Promissory Note, Buyer hereby grants to Seller a purchase money security interest in the goods and services being purchased and the Buyer has concurrently executed and delivered to Seller a real estate mortgage on the property where improvements will be located and/or any other property offered as security, as more particularly described in the mortgage signed and delivered at the same time as this Contract. Buyer waives, to the extent allowed by law, his personal property exemptions. Buyer further grants Seller a security interest in insurance proceeds and any unearned insurance premiums of insurance written in connection with this Contract, and acknowledges that Seller's mechanic's and materialman's lien rights are security for this Contract. The goods and materials bought under this Contract are for Buyer's personal, family or household use. In granting this security interest, Buyer grants to Seller all those rights, privileges and protections provided for sellers under the Alabama Uniform Commercial Code, including the right of deficiency. If the original cash price is more than \$1,000.00.

Representations of Buyer. Buyer represents and warrants to Seller the following:
1. There has not been and will not be any extension of credit in connection with the sale of the goods and services or in connection with the property improvements herein described, other than as evidenced by this Contract.
2. Buyer has or will obtain all necessary governmental permits and shall make or bear all expenses of making changes in the property where improvements will be located as required by law or government authority.
3. The information furnished by Buyer in connection with this Contract is true and complete.
4. Buyer was given an opportunity to purchase the goods and services for cash, but has requested that Seller finance the purchase of the goods and services; and that the Total Sale Price for the goods and services provided for in this Contract is based upon the cash price offered to the Buyer by Seller plus finance charges. This Contract was completed as to all its essential provisions before it was signed by Buyer, and two copies of it have been delivered to Buyer at the time of signing.

5. No representations, promises or warranties, expressed or implied, have been made to Buyer with respect to the property improvements sold pursuant to this Contract, except as specified herein.

SELLER'S OBLIGATIONS:

1. Seller shall not be liable for delays or damages caused by strikes, material or labor shortages or other conditions beyond Seller's control. Seller assumes no responsibility for seeking any license, permit or authorization to do the work, labor and services provided for herein.
2. Seller makes NO WARRANTIES whatsoever of any nature, including any IMPLIED WARRANTIES OF MERCHANTABILITY and FITNESS FOR PARTICULAR PURPOSE, except as to title.
3. Seller may assign this Contract and accompanying documents, and any assignee shall take and have the benefit of all of Seller's rights hereunder.
4. Seller may mail to Buyer any credit card, coupon book or similar device for the purposes of establishing Buyer's identity and creditworthiness.
5. Charges for recording, intangible taxes and title and credit examinations are borne by Seller.

OTHER TERMS:

1. It will be a default in this Contract if any payment is not made when due by Buyer under the Promissory Note, or if Buyer defaults in any of the terms or conditions of this Contract, the Promissory Note or the real estate Mortgage. All of the terms and conditions of the Promissory Note and real estate Mortgage are a part of this Contract.
2. Buyer authorizes Seller to release to credit bureaus, credit interchanges and grantors of credit, such information relating to this Contract and Buyer's creditworthiness, as may be determined pertinent by the Seller.
3. Property insurance covering the improvements and the property where the improvements will be located against loss or damage by fire, lightning and tornado for the full and reasonable insurable value thereof in a company satisfactory to Seller is required. Buyer may obtain such insurance from any company reasonably acceptable to Seller. Such insurance shall provide for payment to Seller (or other mortgagee) as its interests may appear and shall provide a notice of cancellation provision.
4. In the event of Buyer's default hereunder, Buyer agrees to pay a reasonable attorney's fee in the enforcement hereof, not exceeding 15% of the unpaid debt after default and referral to an attorney not a salaried employee of Seller, provided that the Amount Financed under this Contract exceeds \$300.00.

5. Words used in this instrument in the singular include the plural, and the masculine include the feminine, and vice versa.
6. Any provision hereof contrary to, prohibited by or invalid under applicable laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
7. Buyer acknowledges that Seller routinely sells its notes, contracts and/or mortgages to financial institutions, and that any cost attendant thereto is borne solely and entirely by Seller. When and if this Contract, the Promissory Note and real estate Mortgage are assigned to Goldome Credit Corporation, Two Perimeter Park South, Birmingham, Alabama 35233, Goldome will become an assignee.

NOTICE

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

 (Seller)
 (Signature of Buyer)
By  (Title)  (Signature of Buyer)

C/S AGREEMENT NH (10/87)
GCC
DISTRIBUTION LEGEND: Original - White; Buyer's Copy - Green; File Copy - Blue; Auditor's Copy - Goldenrod

PLAINTIFF'S EXHIBIT


State of Alabama
Winston County

I hereby certify that the within is a true
and correct copy as found in
Mortgage Record 299
Pages 115-118 in file in my office.
Given under my hand and seal this 3rd
day of December 1990.

Beverly C. Ford
Judge of Probate

1466

[Space Above This Line For Recording Date]

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on July 8
1988. The grantor is Frank H. & wife Ada M. Meeks

VOL 299 - 515

Homes, Inc.

under the laws of Alabama
Pelham, Alabama 35124

("Borrower"). This Security Instrument is given to Cardinal
Homes, Inc., which is organized and existing
under the laws of Alabama, and whose address is P.O. Box 74
Pelham, Alabama 35124 ("Lender").

Borrower owes Lender the principal sum of Seven thousand dollars & no/100's
Dollars (U.S. \$ 7,000.00). This debt is evidenced by Borrower's note
dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not
paid earlier, due and payable on September 1, 1993. This Security Instrument
secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and
modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this
Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and
the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and
assigns, with power of sale, the following described property located in Winston County, Alabama:

Lot No. 3 of Lakeview, a subdivision located in the E $\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$
of SE $\frac{1}{4}$, Section 12, Township 12 South, Range 7 West, Winston County, Alabama,
as shown by map recorded in Map Book 1, page 115.

which has the address of Lot 3 Lake View Estates
(Street)

Arley
(City)

Alabama 35541 ("Property Address");
(Zip Code)

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all
the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties,
mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All
replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this
Security Instrument 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.
Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any
encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with
limited variations by jurisdiction to constitute a uniform security instrument covering real property.

This instrument was prepared by Cardinal Homes Inc.
P.O. Box 74 Pelham, AL 35124

UNIFORM COVENANTS Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mort insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **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 Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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 Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows.

19. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other

defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument 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 expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give a copy of a notice to Borrower in the manner provided in paragraph 14. Lender shall publish the notice of sale once a week for three consecutive weeks in a newspaper published in _____ County, Alabama, and thereupon shall sell the Property to the highest bidder at public auction at the front door of the County Courthouse of this County. Lender shall deliver to the purchaser Lender's deed conveying the Property. 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 expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first in payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

22. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

Frank Marks (Seal)
Borrower
Mary Marks (Seal)
Borrower

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ALABAMA

COUNTY OF Shelby

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Frank Marks + wife whose name(s) is/are signed to the foregoing conveyance and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance he/she/they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 11 day of July, 1988

Notary Public

My Commission Expires: 10-9-90

TRANSFER AND ASSIGNMENT

STATE OF ALABAMA

COUNTY OF _____

For value received, _____ hereby transfers, assigns and conveys unto GOLDOME CREDIT CORPORATION, all right, title, interest, powers and options in, to and under the within Mortgage as well as to the land described therein and the indebtedness secured thereby.

In witness whereof the undersigned _____ hereunto set

Hand and seal, this _____ day of _____, 19____

(Seal)

CORPORATE ACKNOWLEDGEMENT

STATE OF ALABAMA

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____ whose name as _____ of _____ is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she as such officer and with full authority executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the _____ day of _____, 19____

Notary Public

My Commission Expires: _____

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ALABAMA

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____ whose name(s) is/are signed to the foregoing conveyance and who is/are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance he/she/they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the _____ day of _____, 19____

Notary Public

My Commission Expires: _____

10.50 noty fee
11.00 pub fee
21.50
1. Deed Tax
2. Mtg. Tax
3. Recording Fee
4. Indemnity Fee
5. No Tax Fee
6. Certified Fee
Total 22.50

STATE OF ALA. JAMES H. JAMES
I CERTIFY THIS INSTRUMENT WAS FILED
91 JAN 30 AM 10:58
JUDGE OF PROBATE