

PREPARED BY:

Richard Greene
Homework Inc
126 1st Street North
Alabaster, AL 35007

00747
**ALABAMA
MORTGAGE**

After Recordation
Please Return To:
Mego Mortgage Corp.
210 Interstate North Pkwy
Suite 250, Dept 100
Atlanta, GA 30339
Phone: (404) 952-6700

STATE OF ALABAMA

COUNTY OF Shelby

Charlie Robert and Cynthia E. Thomas
(Owner's Name)

Husband and Wife
(Marital Status)

(referred to as "Owner," whether one or more) of Shelby County, Alabama, for valuable consideration, the receipt and sufficiency of which is acknowledged, does mortgage, grant, bargain, sell convey and deliver to Homework, Inc. (Dealer's Name) of Shelby County, State of

(referred to as "Mortgagee"), and to Mortgagee's successors and assigns, the following described property in Shelby County, Alabama (the "Property"):

Lot 20, according to the survey of Monte Tierra, as recorded in Map Book 5, Page 114, in the Office of the Judge of Probate of Shelby County, Alabama.

Inst # 1994-28492

09/19/1994-28492
09:46 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 SNA 23.45

together with (1) all buildings and improvements located or constructed on the Property; (2) all fixtures now or later attached to the Property, and for this purpose, this Mortgage is considered both a security agreement and a financing statement filed as a fixture filing under the Uniform Commercial Code of this state; and (3) all replacements of, additions to, or proceeds from the Property, whether from sale, taking, insurance, compensation for damages, or otherwise.

TO HAVE AND TO HOLD the Property forever, and Owner covenants with Mortgagee, its successors and assigns, that Owner will forever warrant and defend the title to the Property against all lawful claims.

SECURED INDEBTEDNESS: The above conveyance is given as a Mortgage, for the purpose of securing payment in full under that certain Retail Installment Contract & Disclosure Statement signed by Owner in connection with this Mortgage (the "Contract") in the principal sum of \$ 8,214.00, with an interest rate of 13.98 %, payable to Mortgagee in 60 monthly payments of \$ 191.04, except if the final payment is of a different amount, it shall be in the amount of the then outstanding indebtedness due under the Contract.

OWNER'S OBLIGATIONS: Owner agrees to pay all amounts owing under the Contract and this Mortgage (the "Indebtedness"). Upon full payment of the Indebtedness, this Mortgage shall become null and void and shall be satisfied of record by Mortgagee.

DEFAULT: Owner will be in default under this Mortgage if: (1) Owner defaults in the performance of any of Owner's obligations under this Mortgage or the Contract; (2) Owner defaults in the performance of the agreements and obligations under any agreement made in connection with any obligation secured by liens existing prior to or after the date of this Mortgage; or (3) Mortgagee in good faith believes that the prospect of payment under the Contract or performance under this Mortgage or the Contract is impaired.

REMEDIES: Owner agrees that after Owner's default under this Mortgage, Mortgagee may, at Mortgagee's option, and after any required notice or demand, declare the entire remaining unpaid balance of the Indebtedness immediately due and payable and may foreclose this Mortgage and sell the Property, or any part of the Property, in the manner prescribed by law, and the Mortgagee shall be authorized to take possession of the Property and, after giving at least 21 days notice of the time, place and terms of sale by publication once a week for 3 consecutive weeks in some newspaper published in the county in which the Property is located, to sell the Property in front of the courthouse door of the county, at public outcry, to the highest bidder for cash, and to apply the proceeds of the sale as follows: (1) to the expense of advertising, selling and conveying the Property and foreclosing this Mortgage, including a reasonable attorneys' fee; (2) to the payment of any amounts that have been spent, or that it may then be necessary to spend, in paying insurance premiums, liens or other encumbrances, with interest thereon; (3) to the payment in full of the balance of the Indebtedness whether the same shall or shall not have fully matured at the date of said sale; and, (4) the balance, if any, to be paid to the party or parties appearing of record to be the owner of the Property at the time of the sale, after deducting the cost of ascertaining who is such owner. The Owner agrees that the Mortgagee may bid at any sale had under the terms of this Mortgage and may purchase the Property if Mortgagee is the highest bidder. At the foreclosure sale the Property may be offered for sale and sold as a whole without first offering it in any other manner or it may be offered for sale and sold in any other manner the Mortgagee may elect. The Owner agrees to pay all costs, including reasonable attorneys' fees, incurred by the Mortgagee in collecting or securing or attempting to collect or secure the Indebtedness, or any part of the Indebtedness, or in defending or attempting to defend the priority of this Mortgage against any lien or encumbrance on the Property, unless this Mortgage is expressly made subject to any such lien or encumbrance; and/or all costs incurred in the foreclosure of this Mortgage, either under the power of sale contained in this Mortgage, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Mortgagee shall be a part of the Indebtedness and shall be secured by this Mortgage. The purchaser at any such sale shall be under no obligation to oversee to the proper application of the purchase money. In the event of a sale under this Mortgage, the Mortgagee, or the owner of the Indebtedness and Mortgage, or auctioneer, shall execute to the purchaser, for and in the name of the Owner, a statutory warranty deed to the Property.

ELECTION OF REMEDIES: Invoking any particular remedy under this Mortgage shall not be considered an election of remedies.

MAINTENANCE OF PROPERTY; INSURANCE: So long as there remains any outstanding Indebtedness, Owner agrees to maintain the Property in good repair, to pay all taxes, assessments and any other charges or fines that may be imposed on the Property, and to maintain insurance against loss or damage to the Property and all buildings and improvements now or later located on the Property, with a standard mortgage clause for the benefit of Mortgagee. Upon default under the Contract or this Mortgage and foreclosure, Owner's rights in any insurance policy covering the Property will belong to the Mortgagee.

ADVANCES BY MORTGAGEE: The Mortgagee may, at its option, advance amounts for taxes, assessments, charges, fines, insurance, to make repairs to or to protect the Property, to remove liens, encumbrances or claims on the Property, or to correct defects in title to the Property. If such amounts are advanced, Owner agrees to immediately pay the Mortgagee the full amount so advanced with interest at the rate of the lesser of the Annual Percentage Rate under the Contract or as allowed by law. The amount so advanced shall be secured by this Mortgage unless that would violate any right of rescission to which Owner is entitled, and to that extent, the advance will be unsecured only to the amount of the advance. The Mortgagee shall also be fully subrogated to all liens, rights, title, powers and interest securing or constituting the obligation, charge or claim discharged by such advance.

TRANSFER OR ALTERATION OF PROPERTY: Owner may not sell, transfer, pledge, assign, lease, or in any way dispose, encumber or cause a lien other than the lien conveyed under this Mortgage to be created on all or any part of the Property without Mortgagee's prior written consent, except for a lien on the Property for real estate ad valorem taxes.

GOVERNING LAW; SEVERABILITY: This Mortgage was entered into in the county and state shown above and shall be governed and construed according to the law of the state where the Property is located. If any term of this Mortgage is unenforceable under governing law, the unenforceable term shall be treated as a nullity only to the extent it is unenforceable, but all other terms of this Mortgage shall remain in full force and effect.

INSPECTION OF PROPERTY: Owner agrees the Mortgagee may, at reasonable times and in a reasonable manner, after notice to Owner, enter onto and inspect the Property and any buildings or improvements located on the Property.

NOTICES: Any notice, demand or request by either party to this Mortgage shall be in writing and may be served in person or by mail.

WAIVER: Failure of the Mortgagee to exercise any of its rights under the Contract or this Mortgage shall not constitute a waiver of those rights, and the Mortgagee may later exercise any of its rights under the Contract and this Mortgage.

APPLICATION OF PAYMENTS: If for any reason any portion of the Indebtedness is not secured by this Mortgage, Owner agrees the full amount of all payments made to satisfy the Indebtedness may be first applied to such unsecured portion of the Indebtedness until that portion has been fully paid.

ASSIGNMENT: Mortgagee's rights and the agreements and obligations of Owner under this Mortgage shall inure to the benefit of Mortgagee's successors, representatives and assigns. If this Mortgage is assigned, references to Mortgagee in this Mortgage will include Mortgagee's successors, representatives and assigns.

Executed this 22nd day of June, 19 94.

CAUTION -- IT IS IMPORTANT THAT YOU THOROUGHLY READ THIS MORTGAGE BEFORE YOU SIGN IT.

✓ Charlie Robert Thomas
Owner
✓ Cynthia E. Thomas
Owner

NOTARY ACKNOWLEDGEMENT

STATE OF ALABAMA

COUNTY OF Shelby

SS:

I, a Notary Public in and for said county in said state, hereby certify that Charlie Robert and Cynthia E. Thomas, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand this 22nd day of June, 199 4.

My Commission Expires:

4-20-98

✓ [Signature]
Notary Public

AFFIX SEAL

Inst # 1994-28492

09/19/1994-28492
09:46 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 SNA 23.45