

Prepared by, recording requested by,
and when recorded mail to:

Jennifer Davis
Bonus, Inc.
250 E 17th St, Ste 220
Costa Mesa, CA 92627
bonushomes.com

Property APN: 35 1 01 1 002 030.000

Consideration: \$97,000.00

_____ [Space Above This Line For Recording Data] _____
C-AL897597

MORTGAGE

NOTICE: THIS MORTGAGE CONTAINS A SUBORDINATION CLAUSE WHICH MAY RESULT IN MORTGAGEE'S SECURITY OR OTHER INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This **MORTGAGE**, together with any riders hereto ("**Security Instrument**"), is made as of October 18, 2024 ("**Effective Date**"), among Jeffrey L Thomas (in their individual capacity and as trustor, collectively, "**Owner**"), and Bonus, Inc., a Delaware corporation, with its principal office located at 250 E 17th St, Ste 220, Costa Mesa, CA 92627 (together with its successors and assignees, "**Mortgagee**", "**Optionee**").

RECITALS

A. This Security Instrument is given in connection with the execution of that certain Bonus Owner Agreement ("**Option Agreement**"), entered into by and between Owner and Optionee, pursuant to which Owner grants and conveys to Optionee the option to purchase ("**Option**") an undivided percentage interest (the "**Option Percentage**") in that certain real property and improvements thereon in County of SHELBY, State of ALABAMA, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference, and commonly known as 1007 Riviera Dr, Calera AL 35040 ("**Real Property**"). The initial term of the Option shall commence on October 17, 2024 and shall expire on October 17, 2054. In exchange for granting the Option to Optionee, Optionee paid to Owner the Bonus Investment (as defined in the Option Agreement).

B. Optionee desires to secure the rights granted to it in the Option Agreement and the

performance of Obligations (hereinafter defined).

C. This Security Instrument is given pursuant to the Option Agreement, and payment, fulfillment, and performance of the obligations due under the Option Agreement are secured by this Security Instrument in accordance with the terms set forth herein.

D. Capitalized terms used in this Security Instrument shall have the meanings specified herein, or if not defined herein, in the Option Agreement. The Option Agreement, that certain Memorandum of Bonus Option Purchase and Property Management Agreement ("**Memorandum**"), and certain other ancillary documents (which documents, together with the Security Instrument, are collectively termed the "**Option Documents**") are executed by Owner and Optionee concurrently herewith.

1. **Transfer of Rights in Property.** This Security Instrument secures to Optionee: the Obligations listed below in Section 2. In consideration for the Obligations, Owner grants and Conveys to Optionee, the following property, rights, interests and estates now owned, or hereafter acquired by Owner (collectively, the "**Property**"):

a. **Real Property.** The Real Property together with all improvements, replacements and additions now or hereafter erected on the Real Property and all easements, appurtenances and fixtures now or hereafter a part of the Real Property.

b. **Leases and Rents.** All leases, subleases, subsubleases, lettings, licenses, concessions or other agreements (whether written or oral) pursuant to which any Person is granted a possessory interest in, or right to use or occupy all or any portion of the Real Property, and every modification, amendment or other agreement relating to such leases, subleases, subsubleases, or other agreements entered into in connection with such leases, subleases, subsubleases, or other agreements and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, heretofore or hereafter entered into, whether before or after the filing by or against Owner of any petition for relief under any Creditors Rights Laws (collectively, the "**Leases**") and all right, title and interest of Owner, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, rent equivalents, moneys payable as damages or in lieu of rent or rent equivalents, royalties (including, without limitation, all oil and gas or other mineral royalties and bonuses), income, receivables, receipts, revenues, deposits (including, without limitation, security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, and other consideration of whatever form or nature received by or paid to or for the account of or benefit of Owner or its agents or employees from any and all sources arising from or attributable to the Real Property, including, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Owner and proceeds, if any, from business interruption or other loss of income insurance whether paid or accruing before or after

the filing by or against Owner of any petition for relief under any Creditors Rights Laws (collectively, the “**Rents**”) and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Bonus Proceeds. As used herein, “**Creditors Rights Laws**” shall mean any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, conservatorship, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts or debtors.

c. Insurance Proceeds. All insurance proceeds in respect of the Real Property under any insurance policies covering the Real Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Real Property (collectively, the “**Insurance Proceeds**”).

d. Condemnation Awards. All condemnation awards, including interest thereon, which may heretofore and hereafter be made with respect to the Real Property by reason of any taking or condemnation, whether from the exercise of the right of eminent domain (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Real Property (collectively, the “**Awards**”).

PROVIDED, HOWEVER, these presents are upon the express condition that, if Owner shall (a) pay to Optionee the Bonus Proceeds at the time and in the manner provided in the Option Agreement, this Security Instrument and the other Option Documents, (b) perform the Obligations as set forth in the Option Agreement, this Security Instrument and the other Option Documents, and (c) abide by and comply with each and every covenant and condition set forth in the Option Agreement, this Security Instrument and the other Option Documents, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that Owner’s obligation to indemnify and hold harmless Optionee pursuant to the provisions hereof shall survive any such payment and release.

2. Secured Obligations.

a. Obligations. Owner makes the grant, transfer and assignment set forth in Section 1 above for the purpose of securing the following “**Obligations**”:

- (1) the payment of the Bonus Proceeds;
- (2) the payment of the Transaction Fee;
- (3) the payment of Owner’s pro rata share of the Estimated Repairs and Improvement Cost;
- (4) all other obligations of Owner contained herein;

(5) each obligation of Owner contained in the Option Agreement and any ancillary document;

(6) each obligation of Owner contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Option Agreement;

(7) any expenditures made by Optionee pursuant to, or under, this Security Instrument; and

(8) payment of all fees and expenses (including, as allowed by applicable law, court and other dispute resolution costs, attorneys' and experts' fees and costs, and fees and disbursements of in-house counsel (collectively "**Attorneys' Fees**")) incurred by Optionee in the enforcement and collection of the obligations listed above and the protection of Optionee's rights related thereto, whether such fees are incurred in any state, federal or bankruptcy court or otherwise and whether or not litigation or arbitration is commenced. Attorneys' Fees shall include, Attorneys' Fees incurred in any state, federal or bankruptcy court, and in any bankruptcy case or insolvency proceeding, of any kind in any way related to this Security Instrument, to the interpretation or enforcement of the parties' rights under this Security Instrument, or to the Property.

b. Bonus Investment. Owner shall not be obligated to repay the portion of the Bonus Investment remaining after amounts owed by Owner to Optionee as described in Option Agreement are deducted; and therefore, such item shall not be included within the Obligations. The foregoing shall not, however, in any way limit any payment calculated and agreed by Owner to be paid pursuant to the Option Agreement.

3. Uniform Commercial Code Security Agreement and Fixture Filing. This Security Instrument also is intended to be and shall constitute a security agreement under the applicable Uniform Commercial Code for any items of personal property that constitute fixtures or are specified as part of the Property and that under applicable law may be subject to a security interest under the Uniform Commercial Code. Owner hereby grants to Optionee a security interest in those items to secure the performance and payment of the Obligations.

a. Owner agrees that Optionee may file either this Security Instrument, or a copy of it, or a UCC-1 Financing Statement in the real estate records or other appropriate index and/or in the Office of the Secretary of State, as a financing statement for any of the items specified above as part of the Property.

b. This Security Instrument constitutes a financing statement filed as a fixture filing pursuant to the Uniform Commercial Code, and any similar or successor provisions.

c. Optionee may file such extensions, renewals, amendments and releases as are appropriate to reflect the status of its security interest.

d. Owner shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases of such statements, and shall pay all reasonable costs and expenses of any record searches for financing statements that Optionee may reasonably require.

e. On any default hereunder, Optionee shall have the remedies of a secured party under the Uniform Commercial Code and may also invoke the remedies in Section 7 below. In exercising any of these remedies, Optionee may proceed against the items of Real Property, fixtures or improvements separately or together and in any order whatsoever without in any way affecting the availability of Optionee's remedies under the Uniform Commercial Code or the remedies in Section 7 below.

4. **Assignment of Leases and Rents.** Owner hereby absolutely and unconditionally assigns to Optionee all of Owner's right, title and interest in and to all current and future Leases and Rents; it being intended by Owner that this assignment constitutes a present, absolute assignment and not an assignment for additional security only.

a. Owner hereby gives to, and confers upon, Optionee the right, power and authority, during the continuance of this Security Instrument, to collect the Rents, reserving unto Owner the right, prior to any default by Owner in payment of the Obligations secured hereby or in performance of any agreement hereunder, to collect and retain such Rents, as they become due and payable.

b. Upon any such default, Optionee may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the Obligations secured hereby, enter upon and take possession of the Property or any part of it, in its own name sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including Attorneys' Fees to the Obligations secured hereby, and in such order as Optionee may determine.

c. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application of such rents, issues and profits pursuant to this Security Instrument, shall not cure or waive any default or notice of default under this Security Instrument or invalidate any act done pursuant to such notice.

d. Nothing in this section shall permit Owner to lease or rent the Property in contravention of any provision of the Option Agreement; nor shall anything in this section modify any provision in the Option Agreement relating to the use, lease or occupancy of the Property.

5. **Covenants of Owner Regarding the Property.** Owner hereby agrees as follows:

a. To appear in and defend any action or proceeding purporting to affect the security of this Security Instrument or the rights or powers of Optionee; and to pay all costs and expenses of Optionee (including cost of evidence of title and Attorneys' Fees) incurred: (i) in any state,

federal or bankruptcy court, in any action or proceeding in which Optionee may appear, and in any suit brought by Optionee to foreclose this Security Instrument or to collect the Obligations or to protect Optionee's rights under this Security Instrument; and/or (ii) in connection with the enforcement of any provisions of this Security Instrument or in connection with foreclosure upon the collateral granted under this Security Instrument (whether or not suit is filed).

b. To pay at least ten days before delinquency all costs, fees and expenses of this Security Instrument.

(1) If Owner fails to make any payment or to do any act as provided in this Security Instrument, Optionee may (but shall not be obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by Optionee to protect the security for this Security Instrument, which payments and related expenses (including Attorneys' Fees) shall also be secured by this Security Instrument.

(2) Such performance by Optionee shall not require notice to, or demand on, Owner and shall not release Owner from any obligation under this Security Instrument.

(3) Optionee shall have the following related rights and powers:
(A) to enter upon the Property for the foregoing purposes, (B) to appear in and defend any action or proceeding purporting to affect the Property or the rights or powers of Optionee under this Security Instrument, (C) to pay, purchase, contest or compromise any encumbrance, charge, or lien that in the judgment of Optionee appears to be prior or superior to this Security Instrument, and (D) to employ counsel, and to pay such counsel necessary expenses and costs, including Attorneys' Fees.

c. To pay immediately upon demand all sums expended by Optionee pursuant to this Security Instrument; and to pay interest on any of the foregoing amounts demanded by Optionee from the date of such demand, not to exceed the maximum rate allowed by law at the time of such demand.

6. **Power of Attorney.** Owner hereby irrevocably appoints Optionee as Owner's attorney-in-fact (such agency being coupled with an interest). As such attorney-in-fact Optionee may, after providing notice to Owner pursuant to the Option Agreement and the Memorandum (without the obligation to do so) in Optionee's name, or in the name of Owner, prepare, execute and file or record financing statements, continuation statements, applications for registration and like documents necessary to create, perfect or preserve any of Optionee's security interests and rights in or to any of the Property, and, upon a default under this Security Instrument, take any other action required of Owner; provided, however, that Optionee as such attorney-in-fact shall be accountable only for such funds as are actually received by Optionee.

7. **Default and Foreclosure and Power of Sale.** Upon Owner's default under or breach of any of the rights and Obligations that are secured by this Security Instrument as specified above, Optionee may declare all performance and sums secured by this Security

Instrument immediately due by delivery to Owner of written declaration of default. Optionee shall give notice of default to Owner prior to acceleration following Owner's breach of any covenant or agreement in this Security Instrument. 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 Owner, 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 performance secured by this Security Instrument and sale of the Property. The notice shall further inform Owner of the right to cure after acceleration and the right to bring an action to assert the non-existence of a default or any other defense of Owner to acceleration and sale. If the default is not cured on or before the date specified in the notice, Optionee at its option may require immediate performance in full of all obligations secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Optionee shall be entitled to collect all expenses incurred in pursuing the remedies provided herein, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Optionee invokes the power of sale, Optionee shall execute a written notice of Optionee's election to cause the Property to be sold as prescribed by applicable law. Optionee shall cause this notice to be recorded in each county in which any part of the Property is located. Optionee shall mail copies of the notice as prescribed by applicable law to Owner and to the other persons prescribed by applicable law. Optionee shall give public notice of sale to the persons and in the manner prescribed by applicable law.

After the time required by applicable law, Optionee, without demand on Owner, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Optionee determines. Optionee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale.

Optionee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of their truthfulness. Any person, including Owner, or Optionee as defined in this Security Instrument, may purchase at such sale.

a. After deducting all costs, fees and expenses (including Attorneys' Fees) including cost of evidence of title in connection with sale, Optionee shall apply the proceeds of sale to payment of: (i) to Optionee, all sums expended and performance due under the terms of this Security Instrument, not then repaid, with accrued interest, if any, at the amount allowed by law in effect on the Effective Date of this Security Instrument; (ii) to Optionee, all other sums then secured hereby; and (iii) the remainder, if any, to the person or persons legally entitled thereto.

b. Notice provided to Owner under this Security Instrument shall be delivered to the address specified in Section 22 of this Security Instrument in accordance with the applicable terms and conditions of the Option Agreement unless otherwise required by applicable law.

c. Exercise of Optionee's remedies under this Security Instrument shall be in

compliance with applicable law.

8. Late Performance. By accepting performance of any obligation after its due date, Optionee does not waive its right either to require prompt performance when due of all other obligations or to declare default for such failure to perform.

9. Optionee's Powers. At any time or from time to time, without liability therefor upon written request of Optionee and presentation of this Security Instrument, and without affecting the personal liability of any person for the performance of the Option Agreement secured hereby, Optionee may: (a) reconvey any part of the Property; (b) consent to the making of any map or plat of the Property; (c) join in granting any easement thereon; and (d) join in any extension agreement or any agreement subordinating the lien or charge of this Security Instrument.

10. Full Reconveyance. Upon all obligations have been performed or paid, and upon payment of its fees, Optionee shall reconvey, without warranty, the Property then held under this Security Instrument. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness of such recitals. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

11. Subordination. This Security Instrument is subordinate to and junior to the Memorandum which affects the Property and is executed by Owner as "Owner" as of the same date as this Security Instrument.

12. Successors. This Security Instrument applies to, inures to the benefit of, and binds all parties to this Security Instrument, their heirs, legatees, devisees, administrators, executors, successors, and assignees. The term "Optionee" shall include any successor or assignee of Optionee's rights in the Option Agreement and in this Security Instrument, whether or not named as Optionee in this Security Instrument. In this Security Instrument, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

13. Joint and Several Liability. If more than one person signs this Security Instrument as Owner, the obligations of each signatory shall be joint and several.

14. Multiple Owners. If there are multiple Owners of the Property:

- a. this Security Instrument must be signed by each such Owner;
- b. all rights and powers specified for Owner in this Security Instrument must be approved and exercised unanimously by all such multiple Owners;
- c. all such multiple Owners shall be jointly and severally liable for all liabilities and obligations specified for Owner under this Security Instrument;

d. notice required to be given by, or to, Owner will be deemed adequately given if given by, or to, any of Owners using the contact information set forth in Section 22 of this Security Instrument; and

e. Optionee may treat any notice received from any one Owner as notice from all Owners.

15. **Extent of Lien.** The lien granted under this Security Instrument shall encumber Owner's entire interest in the Property, notwithstanding the fact that the Option Agreement relates to only a fractional interest in the Property.

16. **No Merger.** So long as any of the obligations under the Option Agreement remains outstanding and undischarged, unless Optionee otherwise consents in writing, the fee estate of Owner in the Property or any part thereof (including the estate of Optionee after exercising the Option) will not merge, by operation of law or otherwise, with any other estate in the Property or any part of it, but will always remain separate and distinct, notwithstanding the union of the fee estate and such other estate in Optionee or in any other Person.

17. **Notices.** All notices or other written communications hereunder shall be delivered in accordance with the applicable terms and conditions of the Option Agreement. Notices shall be sent to the address of the other party listed below as follows, unless a party has been notified by the other party in writing of a substitute address:

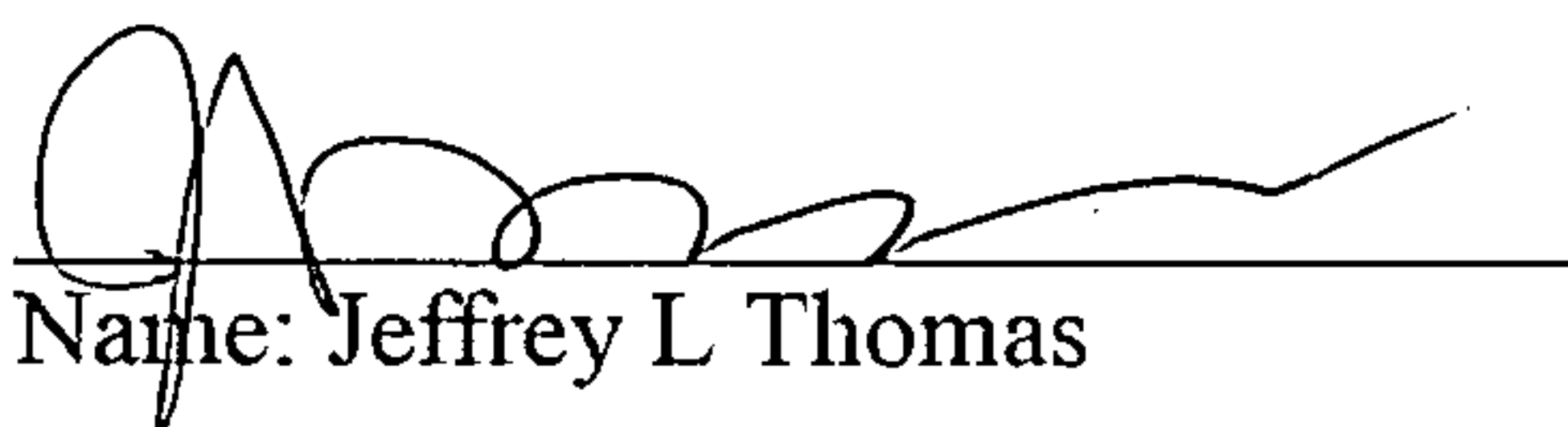
BONUS: Bonus, Inc. 250 E 17th St, Ste 220 Costa Mesa, CA 92627 <u>Personal or Overnight Delivery:</u> Bonus, Inc. 250 E 17th St, Ste 220 Costa Mesa, CA 92627 Email: legal@bonushomes.com	OWNER: Jeffrey L Thomas 3215 Hill St Duluth GA 30096
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[Signatures on Following Page]

READ THIS DOCUMENT CAREFULLY BEFORE SIGNING IT. ALL PRIOR ORAL, ELECTRONIC AND WRITTEN COMMUNICATIONS AND AGREEMENTS FROM OR WITH OPTIONEE, INCLUDING ALL CORRESPONDENCE, OFFER LETTERS, PRINTED MATERIALS, AND DISCLOSURES, ARE MERGED INTO AND SUPERSEDED AND REPLACED BY THIS SECURITY INSTRUMENT, THE OPTION AGREEMENT AND OPTION DOCUMENTS, AND THE OTHER WRITTEN AGREEMENTS MADE BY AND BETWEEN OWNER AND OPTIONEE AS OF THE EFFECTIVE DATE.

IN WITNESS WHEREOF, each undersigned Owner has executed this Security Instrument as of the date set forth above.

OWNER:


Name: Jeffrey L Thomas

Name:

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Georgia

County of Gwinnett

On 10/19/2024

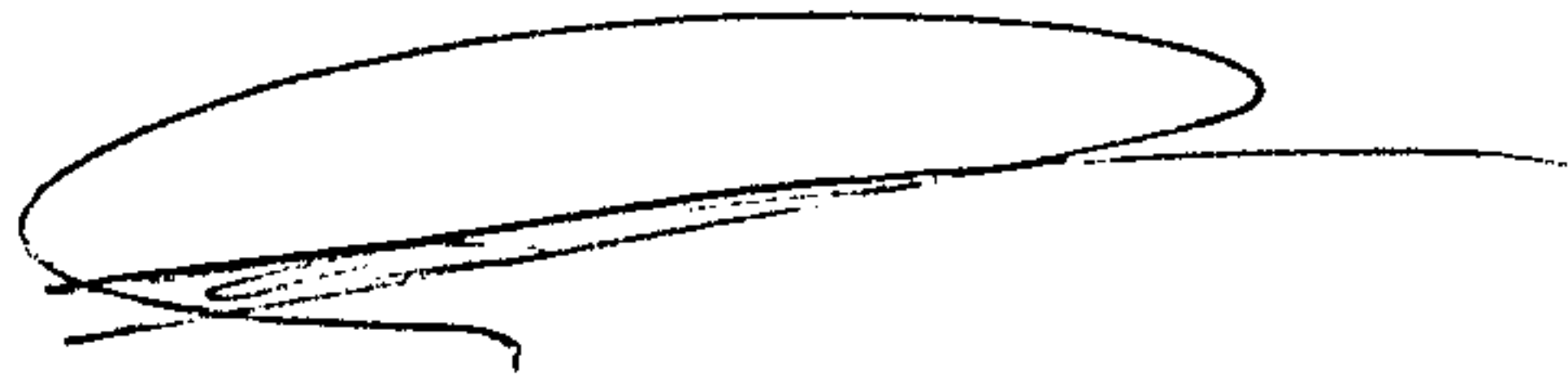
before me, Jurgen P Dersch, Notary Public,

personally appeared Jeffrey L. Thomas

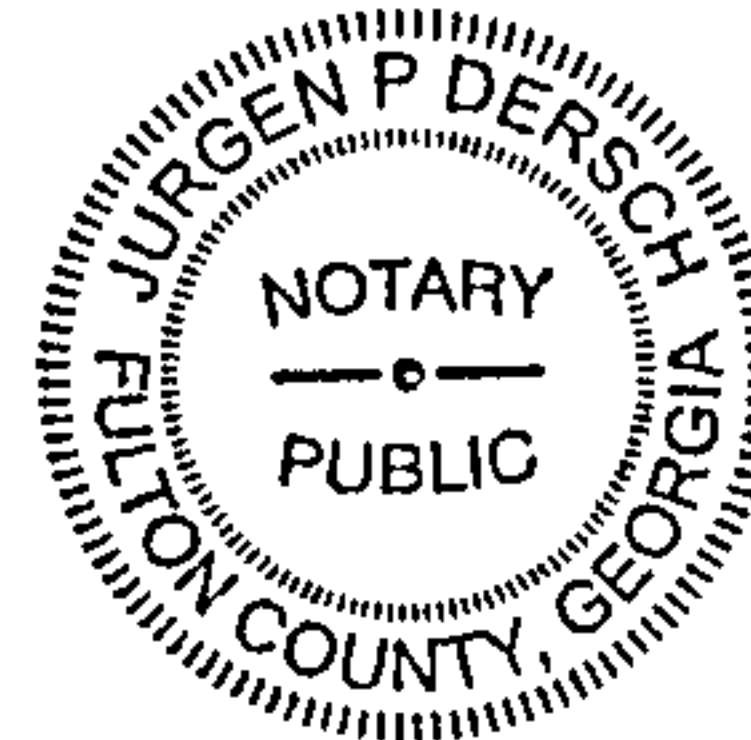
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of GA that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



(Signature of Notary)



My Commission Expires
January 10, 2028

(Seal of Notary)

EXHIBIT A

LEGAL DESCRIPTION

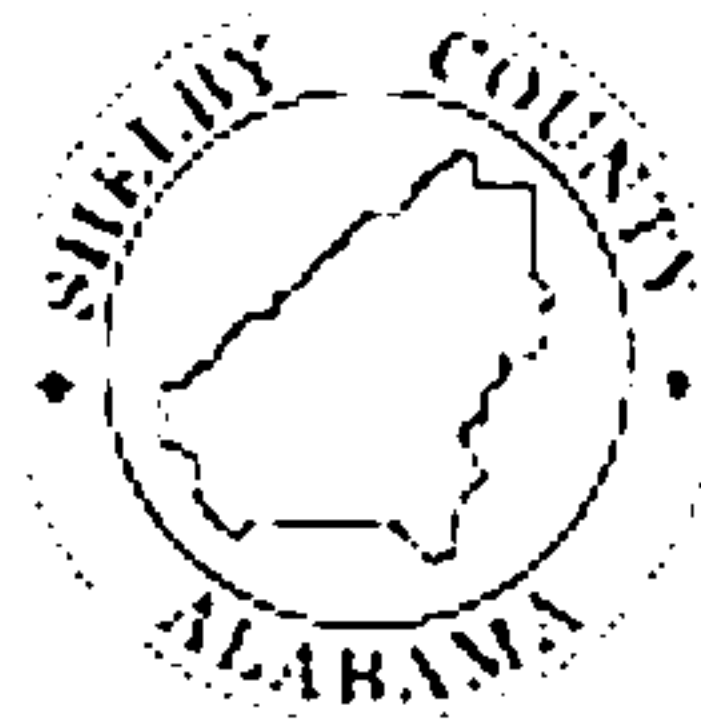
The following described real estate, situated in Shelby County, Alabama, to-wit:

Lot 60, according to the Survey of The Reserve at Timberline, as recorded in Map Book 34, Page 117 A, B, C and D, in the Probate Office of Shelby County, Alabama.

Commonly Known As: 1007 Riviera Drive, Calera, AL 35040

Parcel ID: 35 1 01 1 002 030.000

[end of legal description]



Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
11/04/2024 08:02:53 AM
\$203.50 JOANN
20241104000341920

Allie S. Bayl