

TO HAVE AND TO HOLD 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, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property."

Borrowers covenant that Borrowers are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant, and convey the Property, that the Property is unencumbered except for the Lease which is hereby subordinated to the lien of this Mortgage, and that Borrowers will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements, or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Borrowers and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrowers shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. Charges; Liens. Borrowers shall cause to be paid all taxes, assessments and other charges, fines, and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any. Borrowers shall promptly discharge or cause to be discharged any lien which has priority over this Mortgage; provided, that Borrowers shall not be required to discharge any such lien so long as Borrowers shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

3. Hazard Insurance. Borrowers shall cause the improvements now existing or hereafter erected on the Property to be kept insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed the amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrowers subject to approval by Lender; provided, that such approval shall not be unreasonably withheld.

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

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