

payment or award to which Mortgagors would otherwise be entitled by reason of condemnation or acquisition pursuant to power of eminent domain of any portion of the Property. Any such payment or award received by Mortgagee may, at the option of Mortgagee, (i) be applied by Mortgagee to payment of any sums secured by this Mortgage in such order as Mortgagee may determine or (ii) be applied in a manner determined by Mortgagee to the replacement of the portion of the Property taken and to the repair or restoration of the remaining portion of the Property or (iii) be released to Mortgagors upon such conditions as Mortgagee may determine or (iv) be used for any combination of the foregoing purposes. No portion of an indemnity payment which is applied to replacement, repair or restoration of any portion of the Property or which is released to Mortgagors shall be deemed a payment against any sums secured by this Mortgage.

7. **TRANSFER.** At the option of the Mortgagee, the indebtedness secured by this Mortgage shall become due and payable if, without the written consent of the Mortgagee, the Mortgagors shall convey away the mortgaged premises, or if the title shall become vested in any other person in any manner whatsoever other than by death of the Mortgagors. It is understood and agreed that in consideration for the consent of the Mortgagee to any transfer of title to the mortgaged premises, the Mortgagee at its option may charge a loan transfer fee and/or require changes in the rate of interest, term of loan, monthly payments of principal and interest and other terms and conditions of this Mortgage and/or the Note secured hereby.

8. **DEFAULT.** The occurrence of any of the following events shall be deemed a default under this Mortgage:

- (a) failure of Mortgagors to pay any installment of principal or interest upon the Note or Notes hereby secured when due;
- (b) failure of Mortgagors to pay any other sum secured by this Mortgage when due;
- (c) failure of Mortgagors to observe or perform any covenant or agreement set forth in this Mortgage or in any loan agreement entered into between the Mortgagors and Mortgagee with respect to the indebtedness hereby secured within ten (10) days following the giving of notice by Mortgagee to Mortgagors to observe or perform the same; or
- (d) adjudication of Mortgagors as bankrupt, written admission by Mortgagors of an inability to pay the debts of Mortgagors as they mature, assignment of the assets of Mortgagors for the benefit of creditors, request or petition by Mortgagors for the appointment of a receiver, trustee or conservator of the assets of Mortgagors or for reorganization or liquidation of Mortgagors, or acquiescence by Mortgagors to any such request or petition made by another person.

9. **REMEDIES.** Upon the occurrence of a Default as hereinabove defined, Mortgagee may, without notice to Mortgagors, declare all sums secured by this Mortgage immediately due and payable and may commence proceedings to collect such sums, foreclose this Mortgage and sell the Property. At the foreclosure Mortgagee shall be entitled to bid and to purchase the Property and shall be entitled to apply the debt secured hereby, or any portion thereof, in payment for the Property. The remedies provided to Mortgagee in this paragraph shall be in addition to and not in lieu of any other rights and remedies provided in this Mortgage or by law, all of which rights and