

UNIFORM COVENANTS: Mortgagor and Mortgagee covenant and agree as follows:

1. **PAYMENT OF PRINCIPAL AND INTEREST:** Mortgagor shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, according to the tenor thereof.

2. **CHARGES; LIENS:** Mortgagor shall protect the title and possession of the Property, pay when due all ground rents, if any, taxes, assessments, and other charges, fines and impositions now existing or hereafter levied or assessed upon the Property, or the interest therein created by this Mortgage, and preserve and maintain the priority of the lien hereby created on the Property including any improvements hereafter made a part of the realty.

3. **HAZARD INSURANCE:** Mortgagor shall insure and keep insured all improvements now or hereafter created upon the Property against loss or damage by fire and windstorm, and any other hazard or hazards included within the term "extended coverage," and such other hazards as may be reasonably required from time to time by Mortgagee during the term of the indebtedness hereby secured to the extent of the full insurable value of said improvements in such form and with such insurance company or companies as may be approved by Mortgagee, and deliver to Mortgagee the policies of such insurance having attached to said policies such mortgage indemnity clause as Mortgagee shall direct; and, deliver all renewal notices, receipts of paid premiums and renewal policies to Mortgagee. Any proceeds which Mortgagee may receive under any such policy, or policies, may be applied by Mortgagee, at its option, to reduce the indebtedness hereby secured, whether then matured or to mature in the future, and in such manner as Mortgagee may elect, including application of proceeds against installments under the Note in inverse order of their maturity, or Mortgagee may permit Mortgagor to use said proceeds to repair or replace all improvements damaged or destroyed and covered by said policy or policies.

4. **PRESERVATION AND MAINTENANCE OF THE PROPERTY:** Mortgagor shall keep the Property in good condition and repair and shall not permit or commit any waste, impairment, deterioration, removal, demolition or structural alteration of the Property.

5. **PROTECTION OF MORTGAGEE'S SECURITY:** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, including but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Mortgagee, at its option, upon notice to Mortgagor, may make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, including but not limited to the making of all repairs deemed necessary by Mortgagee, payment of taxes, assessments and other charges, purchase of any tax titles on the Property, removal of any prior liens, effectuation of insurance in the amounts and covering the hazards set forth above, and the prosecution or defense of any suits in relation to the preservation of the priority of the lien hereby created. Any amounts disbursed or cost incurred by Mortgagee pursuant to this paragraph, with interest thereon, shall become additional indebtedness of Mortgagor secured by this Mortgage and recoverable as such in all respects. Such amounts shall be payable upon notice from Mortgagee to Mortgagor requesting payment thereof, and shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible by applicable law. Nothing contained in this paragraph shall require Mortgagee to incur any expense or do any act hereunder.

6. **INSPECTION:** Mortgagee may make or cause to be made reasonable entries upon and inspection of the Property, provided that Mortgagee shall give Mortgagor reasonable notice prior to any such inspection.

7. **CONDEMNATION:** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for any conveyance in lieu of condemnation, are hereby assigned, and shall be paid, to Mortgagee. Mortgagee may, in its discretion, after deducting therefrom all expenses actually incurred, including attorneys' fees, release all or any portion of the proceeds received to Mortgagor or apply all or any portion of the proceeds to the reduction of the indebtedness secured hereby, whether then

0094

4328 RV-2