

**9. Condemnation.** The proceeds of any award of claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condempnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

**10. Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

**11. Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

**12. Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently, or successively.

**13. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

**14. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

**15. Uniform Mortgage; Governing Law; Severability.** This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variation to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage of the State which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

**16. Borrower's Copy.** Borrower shall be furnished a confirmed copy of the Note and of this Mortgage at the time of execution hereof, in duplicate.

**17. Transfer of the Property; Assumption.** If all or part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, and the transferee takes the Property with an encumbrance subordinate to this Mortgage, or the creation of a purchase money mortgage in lieu of this Mortgage, or the application of a transfer by devise, descent, or by operation of law upon the death of a mortgagor, and the grant of such interest or interests of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have a lien on the Property for the sums so declared due, and Lender and the person to whom the Property is sold or transferred shall execute and deliver to Lender, and the person to whom the Property is sold or transferred shall execute and deliver to Lender and that the interest payable on the sums secured by this Mortgage shall be paid to Lender as required. If Lender has waived the option to accelerate provided in this paragraph, Lender will, upon receipt of the interest, execute a written assumption agreement acceptable to Lender and the person to whom the Property is sold or transferred under the Mortgage and the Note.

If Lender exercises the option to accelerate provided in this paragraph, Borrower shall be deemed to have defaulted with paragraph 14 hereof. Such default shall constitute a default under the Note, and the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower does not pay such sums, or the interest thereon, as required, Lender may, without further notice to Borrower, foreclose this Mortgage pursuant to paragraph 18 hereof.

**NON-UNIFORM COVENANTS.** Borrower and Lender hereby agree that the following:

**18. Acceleration, Remedies.** Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage.

**19. Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings pursuant to Lender's exercise of this Mortgage declared null and void at any time prior to entry of a judgment or decree in this Mortgage, if Borrower pays Lender the sums secured by this Mortgage, the Note and the interest thereon, and all expenses of Lender, and if the sums secured by this Mortgage, the Note and the interest thereon, and all expenses of Lender, are paid to Lender in full. If the sums secured by this Mortgage, the Note and the interest thereon, and all expenses of Lender, are not paid in full, Lender may, at Lender's option, declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage.

**20. Assignment of Rents; Appointment of Receiver.** As soon as any rents hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall retain the right to collect such rents until paragraph 18 hereof is satisfied. Lender shall have the right to collect and retain such rents until the debt hereunder is fully paid.

Upon acceleration under paragraph 18 hereof or an assignment of the Property, Lender may, at Lender's option, cause to be appointed by a court of competent jurisdiction a receiver to take possession and manage the Property or any part thereof. The receiver shall have the right to collect and retain such rents until the debt hereunder is fully paid. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage. The receiver shall be held to the same standard of care as a prudent person would exercise in the management of real property.