

09/15/1983

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(d) In the event any holder of a Refinance Mortgage retains any casualty insurance or eminent domain proceeds or applies any other security for its Refinance Loan or any other property of the Mortgagor to the payment of such holder's Refinance Loan or an obligation incurred by the Mortgagor in connection with such Refinance Loan in circumstances in which the Mortgagee is not under the terms of this Mortgage permitted to retain such proceeds or make such application of security or other property of the Mortgagor, the Mortgagee shall promptly pay to the Mortgagor any amount so retained or applied by such Refinance Lender. No such payment by the Mortgagee shall affect the amount outstanding under the Note.

C. Remedies upon the Mortgagee's Default. If the Mortgagee shall fail to make the payments, or perform any of its obligations, under any Refinance Loan as provided in Paragraph B. of Section 23 or shall breach any of its obligations under Section 22, the Mortgagor shall have the right, at its option, to elect from time to time among the following remedies, which shall be the Mortgagor's exclusive remedies in law and in equity:

(a) After two (2) days notice to the Mortgagee, the Mortgagor may make any payment required to be made under the terms of any Refinance Loan or perform any obligation under any Refinance Loan not required under this Mortgage or the Note, in either case to the extent necessary to keep all Refinance Loans current and not in default. Promptly after notice of any such payment or performance by the Mortgagor, the Mortgagee shall pay to the Mortgagor the amount paid by the Mortgagor to any Refinance Lender and the Mortgagor's reasonable costs and expenses, including attorneys fees, in satisfying any requirement of any Refinance Loan not required by this Mortgage or the Note, in either case, together with interest thereon at the Cure Interest Rate specified in Section 19. Should the Mortgagee not so pay the Mortgagor, then the Mortgagor may deduct the amount owed by Mortgagee to Mortgagor from such payments to be made under the Note as the Mortgagor may from time to time elect.

(b) If the Mortgagee shall default in its obligations in connection with Refinance Loans three (3) times in any consecutive twenty-four (24) month period, or if any such default by the Mortgagee shall result in the acceleration of a Refinance Loan or foreclosure of any mortgage securing it and the Mortgagor is required to pay the full amount of any Refinance Loan or renegotiate or refinance the same to avoid foreclosure due to the Mortgagee's default in connection with a Refinance Loan, then and in any such event (i) no further Advance Interest Payments shall be required to be made under the Note, (ii) all principal and interest paid and costs and expenses incurred by the Mortgagor in connection with the Mortgagee's default shall be deemed Expenses

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