

the terms of the instrument secured by this Mortgage, and the terms of the instrument secured by the Note, shall be deemed to be a part of this Mortgage and the Note, and shall be deemed to be a part of the instrument secured by this Mortgage and the Note.

9. Prepayment. Lender may, at its option, require Borrower to prepay all or part of the sums secured by this Mortgage at any time. Borrower shall not be entitled to any prepayment penalty or other charge for prepayment of the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, the sums secured by this Mortgage shall not extend or prepay the obligations of the mortgagor or obligor under the terms of paragraphs 1 and 2 hereof or the obligations of such mortgagors or obligors.

10. Borrower Not Released. Lender and the mortgagor or obligor shall not be released or discharged from the sums secured by this Mortgage by Lender's release or discharge of Borrower or by the release or discharge of the liability of the original Borrower and Borrowers' successors, assigns or transferees, and Lender shall not be deemed to have released or discharged any mortgagor or obligor or any successor or assignee of any mortgagor or obligor, or any transferee of the sums secured by this Mortgage, by reason of any discharge, delivery or release of Borrower or Borrowers' successors, assigns or transferees.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender to exercise any right or remedy hereunder or otherwise afforded by applicable laws, or any agreement to forbear the exercise of any right or remedy hereunder, or the procurement of any stay or the payment of taxes or other liens or charges by Lender shall not be deemed 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 shall be cumulative to any other right or remedy under this Mortgage or provided by applicable laws, 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 benefit of the 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 instrument and this Mortgage shall be for identification only and shall not be used to interpret or define the provisions hereof.

14. Notice. Any notice to Borrower provided for in this Mortgage shall be given by a writing and shall be verified mail addressed to Borrower at the Property Address set forth below, except for notices provided under paragraph 18 hereof to be given to Borrower at the address set forth in the law. Any notice to be given under this Mortgage shall be deemed to have been given to Borrower when given to the address designated below.

15. Uniform Mortgage; Governing Law; Severability. This form of mortgage conforms to form mortgages for national use and conforming mortgages with limited variations by jurisdiction to that form 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 or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to the 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 this Mortgage at the time of execution or after recording hereof.

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, including the execution of an assumed name, subordinated note to this Mortgage, or the execution of a paid-up junior security interest for bona fide purposes, or a transfer by lease, devise or by operation of law upon the death of a joint tenant or, in the event of any leasehold interest 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 waived such option to accelerate if upon the date of transfer, Lender and the person to whom the Property is to be sold or transferred each agree in writing that the amount of such person's satisfaction to Lender and that the interest payable on the sums secured by this Mortgage shall be as agreed to by Lender shall be met. If Lender has waived the option to accelerate provided in this paragraph 17 and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall send Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay all sums due to the expiration of such period, Lender may, without further notice or demand on Borrower, make any remedy permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

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, resulted to cure such breach; (3) a date, not less than thirty 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 and sale of the Property. 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 begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the

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