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This Mortgagor (hereinafter referred to as "Borrower") has applied for a loan from Lender (hereinafter referred to as "Lender") in the amount of \$100,000.00, secured by the property described in Paragraph 11 below. This Mortgage is made and delivered by Borrower to Lender, to be held by Lender until paid off in full.

Mortgage

This Mortgage is given for the payment of principal, interest and expenses, including attorney's fees, arising out of the obligations created by this Note, and for the payment of taxes, insurance premiums and other amounts due under this Mortgage.

10. Borrower Not Released. Lender is not released from the obligations created by this Mortgage until the principal balance due under the Note, plus all interest and other amounts due under this Note, plus all costs and expenses of collection, including attorney's fees, have been paid in full.

11. Forbearance by Lender Not a Waiver. Any forbearance or delay by Lender in the enforcement of any provision of this Note or in the exercise of any right or power available to Lender shall not constitute a waiver of any provision of this Note or any right or power available to Lender.

12. Remedies Cumulative. All covenants and agreements in this Note are cumulative and are in addition to all other rights and remedies available to Lender.

13. Successors and Assigns Bound; Joint and Several Liability; Covenants. The covenants and agreements contained in this Note shall bind Borrower's heirs, executors, administrators, successors and assigns, and shall inure to the benefit of Lender. The covenants and agreements in this Note are joint and several and shall bind Borrower and his co-tenants and his wife, if any, and their heirs, executors, administrators, successors and assigns.

14. Notice. All notices required or permitted by this Note shall be in writing and shall be given to the Borrower at the address set forth in Paragraph 11 above, or to such other address as may be designated by Borrower in writing to Lender.

15. Uniform Mortgage Governing Law; Severability. The covenants and agreements contained in this Note are subject to the laws of the state where the Property is located, except that provisions of this Note relating to the law of the state in which the Property is located shall control. Lender and Borrower agree that the covenants and agreements in this Note shall not be construed to affect the validity or enforceability of the covenants and agreements in this Note.

16. Borrower's Copy. Borrower shall receive one copy of this Mortgage at the time of execution or after recording.

17. Transfer of the Property; Assumption. If during the term of this Note the Property is sold or transferred by Borrower, Lender may require that the new owner of the Property shall assume the obligations created by this Mortgage. In the event that the new owner of the Property does not assume the obligation to Lender, Lender may require that the new owner of the Property shall pay the amount of the unpaid balance of the Principal to be paid on the date of transfer plus interest accrued thereon from the date of transfer to the date of transfer.

If a transfer of the Property is made by Borrower to a third party, Lender may require that the new owner of the Property shall assume the obligations created by this Mortgage. In the event that the new owner of the Property does not assume the obligations created by this Mortgage, Lender may require that the new owner of the Property shall pay the amount of the unpaid balance of the Principal to be paid on the date of transfer plus interest accrued thereon from the date of transfer to the date of transfer.

In the event that Lender requires that the new owner of the Property shall assume the obligations created by this Mortgage, Lender may require that the new owner of the Property shall pay the amount of the unpaid balance of the Principal to be paid on the date of transfer plus interest accrued thereon from the date of transfer to the date of transfer.

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

18. Acceleration; Remedies. Lender may accelerate paragraph 17 if, upon Borrower's breach of any covenant or agreement of this Note, the Mortgagor failing to cure such breach within any time secured by this Mortgage, Lender may take acceleration action against Borrower as provided in paragraph 14 before instituting suit for specific performance. If the action required to cure such breach is filed not less than thirty days from the date the notice is mailed to Borrower by whom such breach must be cured, and if Lender fails to cure such breach or institutes the acceleration action within such time, Lender may file a complaint for the sale of the Property. In the event of acceleration, the date specified in the notice, Lender at Lender's option may declare all sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose the 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 expense, abstracts and title reports, all attorney's fees and other expenses of the 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 cure any deficiency, beginning by Lender's action to foreclose this Mortgage discontinued at any time after the delivery of a judgment against this Mortgage, if the 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. If Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage, and Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in instituting Lender's remedies as provided in paragraph 18 to effect the curing, but not until so cured, the attorney's fees, costs, etc., if 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 uninterrupted. Upon such payment and/or cure by Borrower, this Mortgage and the obligations secured thereby shall remain in full force and effect as if no acceleration had occurred.

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

Upon acceleration under the paragraph 18 Lender or assignee 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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