

1. Payment of Principal and Interest. It is agreed that the principal amount of \$10,000.00 will be paid in monthly installments of \$833.33, starting January 1, 2024, and continuing through December 31, 2025. The interest rate is 5% per annum, compounded monthly.

2. Funds for Taxes and Insurance. Subject to approval by the Lender as to the amount to be paid to the Lender on the day monthly installments of principal and interest are paid, the Note shall be payable to the Lender in such amounts as will be sufficient to pay taxes and insurance premiums on the Property, including taxes on shelter. Funds so equal to one-twelfth of the yearly taxes and insurance premiums on the Property shall be paid to the Lender monthly in advance on the day preceding the date of payment of taxes and insurance premiums on the Property, and funds on the Property, taxes plus a certificate of yearly premium payments to be issued by the Lender, plus one-twelfth of yearly premium instalments for the year, shall be reasonably estimated and then to be paid to the Lender on the day monthly installments of principal and interest are paid.

The Funds shall be held in trust upon the Deposits or amounts at which are deposited or contributed to a Federal or state agency including Lender or Lender as such is not trustee. Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may at charge for costs of same as apply to the Funds and a holding account orerty and equipment such assessments and taxes unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender are entitled to withdraw at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower and unless such interest is paid or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower no interest on earnings on the Funds. Lender shall give to Borrower without charge and in full possession of the Funds due and accrued to the Lender and the purpose for which each debt to the Lender was made. The Funds are given as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender is sufficient to meet the monthly installments of Taxes payable prior to the due dates of Taxes, assessments, insurance premiums, interest and rents, and exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be at Borrower's option either promptly repaid to Borrower or credited to Borrower on account of the principal of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender amounts and necessary funds up the deficiency within 10 days from the date when estimated by Lender to Borrower respecting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise disposed of by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its disposition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. Application of Payments. Unless otherwise provided in the Note, payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first to payment of amounts payable to Lender to Bearer under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Lender Advances.

4. Charge Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attach or priority over the Mortgage and trust deed and rents if any, in the manner provided under paragraph 2 hereof, and shall pay all amounts due by the Borrower under the payment when due directly to the payee thereof. Borrower shall promptly furnish to Lender all relevant documents, including those paragraphs, and in the event Borrower shall make payment directly to Borrower's agent prior to or on or before ten days evidencing such payment, Borrower shall promptly acknowledge and accept such payment as valid. Mortgagee avised that Borrower shall not be required to discharge any such tax, assessment, fine or imposition prior to the payment of the obligation accrued by such lien in a manner acceptable to Lender. In the event of a sale or transfer of the Property, or any part thereof, by legal proceeding, or a court, or otherwise, to prevent the enforcement of the lien, or the transfer of the Property, or any part thereof,

5. Hazard Insurance. Borrower shall keep the property insured against all hazards erected on the Property and/or

11. WATER INSURANCE. We will insure the vessel against damage by fire or explosion, and other hazards as I understand, and to such amount and for such periods as I understand, and I do not require that the amount of such coverage exceed that amount of the insurance required by the Merchant Marine Act.

The insurance carrier proceeding the payment of such claim, shall be entitled to approval to deduct, provided that such approved liability shall not be exceeded, a sum equal to the amount of premium due on the insurance policy deducted, under paragraph 2 of article 10 of the present law. Be it so that the payment, when due, directly to the insurance carrier.

All the above policies and terms of the lease are to be observed by the lessee and his assigns and the lessor and his heirs and executors shall not be liable for any damage or loss sustained by the lessee or his assigns in consequence of any act or omission of the lessee or his assigns or any other person or persons during the period and in respect thereto and **BUT NOT THE PRINCIPLE OF EXCUSE** and the lessor and his heirs and executors shall not be liable for any damage or loss sustained by the lessee or his assigns in consequence of any act or omission of the lessee or his assigns or any other person or persons during the period and in respect thereto and **BUT NOT THE PRINCIPLE OF EXCUSE**.

Unless Lender and Borrower shall otherwise agree in writing, the amount of the sum required to be applied to the reduction of unpaid principal and interest on the Mortgaged Property, and the priority of the Mortgage, shall not be impaired. If such amount is paid prior to the date on which the amount of the sum required to be applied to the reduction of unpaid principal and interest on the Mortgaged Property, and the priority of the Mortgage, would otherwise be impaired, the Lender may proceed to apply such amount to the reduction of the sum required to be applied to the reduction of unpaid principal and interest on the Mortgaged Property, and the priority of the Mortgage, and the Lender may pay to Borrower the balance of such amount, if any, within ten days from the date notice is mailed by Lender to Borrower of the amount so paid.

Unless Bender and Berns were otherwise advised by the Proprietor, the right to proceed to principal shall not extend beyond the date of the first statement and return of the last unpaid bill, and it shall not extend the date of or postpone the due date of the last statement and return of the last unpaid bill, except to close the account of such statements. It is understood, unless otherwise specified, that the Proprietor, the Agent, Bender and Berns, are entitled to receive payment for services rendered prior to the date of the last statement and return of the last unpaid bill, and the Proprietor, the Agent, Bender and Berns, are entitled to receive payment for services rendered after the date of the last statement and return of the last unpaid bill, except as otherwise agreed.

6. Preservation and Maintenance of Property; Leaseholds; Condominium; Planned Unit Developments. Binnwater shall keep the Property in good repair and shall not commit waste or permit the abandonment or deterioration of the Property and shall comply with the provisions of the lease of the Mortgaged Property and of the Mortgagor's lease of the Mortgaged Property and any planned unit development. Binnwater shall not do anything which would violate any covenant or restriction affecting the Mortgaged Property or any part thereof, or any other property in the same development or in any planned unit development, or any other property in the same area. This provision shall apply to any planned unit development which may be created after the date of this Agreement. This provision shall apply to any planned unit development which may be created after the date of this Agreement. This provision shall be incorporated by Binnwater and recorded in the title to the Mortgaged Property and shall be a part thereof.

7. Protection of Lender's Security. It is agreed that if at any time the Lender shall become entitled to exercise any of the rights or powers provided by law or by the terms of this Note, or if the Lender shall become entitled to foreclose upon the Property, the Lender may do so by notice to the Borrower, and the Lender may take such action as it deems necessary to protect its security interest in the Property, including the attorney's fees and costs of the Property, and may make application to the court for judgment in favor of the Lender, and the Lender may have the same enforced in any manner which the Lender deems appropriate. The Lender may also exercise all other rights and powers available to it under law or by the terms of this Note.