

part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction, nor, after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted, by any Governmental Authority or otherwise, to redeem the property so sold or any part thereof, and the Mortgagor hereby expressly waives all benefit or advantage of any such law or laws, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor, for itself and all who claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property marshaled upon any foreclosure hereof.

30. To the extent of the indebtedness of the Mortgagor to the Mortgagee described herein or secured hereby, the Mortgagee is hereby subrogated to the lien or liens and to the rights of the owners and holders thereof of each and every mortgage, lien or other encumbrance on the land described herein which is paid and/or satisfied, in whole or in part, out of the proceeds of the loan described herein or secured hereby, and the respective liens of said mortgages, liens or other encumbrances, shall be and the same and each of them hereby is preserved and shall pass to and be held by the Mortgagee herein as security for the indebtedness to the Mortgagee herein described or hereby secured, to the same extent that it would have been preserved and would have been passed to and been held by the Mortgagee had it been duly and regularly assigned, transferred, set over, and delivered unto the Mortgagee by separate deed of assignment, notwithstanding the fact that the same may be satisfied and cancelled of record it being the intention of the parties hereto that the same will be satisfied and cancelled of record by the holders thereof at or about the time of the recording of this Mortgage.

31. In the event any one or more of the provisions contained in this Mortgage or in the Mortgage Note or in the Loan Agreement shall for any reason be held to be inapplicable, invalid, illegal or unenforceable in any respect, such inapplicability, invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such inapplicable, invalid, illegal or unenforceable provision had never been contained herein or therein.

32. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes, when presented personally or sent by telegraph or by registered or certified mail with return receipt requested to any party herein at its address above stated or at such other address of which written notification has been given to the other party.

33. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of the Mortgagor and the successors and assigns of the Mortgagee.

34. That it is required by Mortgagee, the said Mortgagor will pay unto the Mortgagee, on the first day of each and every month thereafter a sum equal to one twelfth of the annual amount necessary to pay all taxes and assessments against the said mortgaged premises, said monthly sum to be estimated solely by Mortgagee and calculated to be an amount not less than the amount of taxes assessed against said mortgaged premises for the previous year, and if further required by Mortgagee to pay all balance premiums in manner and form as provided herein for the payment of taxes and assessments.

35. That in the event the loan which this Mortgage is given to secure is made for the purpose of financing the construction of new buildings or the construction of improvements and/or additions to existing buildings, or the development of the Mortgaged Property, the Mortgagor, if required by the Mortgagee, expressly agrees to deposit with the Mortgagee or its designated agent an amount of money equal to the difference between the net proceeds of the loan and the total amount, as determined by the Mortgagee, required to fully complete said construction or development in accordance with the plans and specifications heretofore submitted by the Mortgagor and approved by the Mortgagee. Said amount of money shall be placed by the Mortgagee in a loan fund as designated by the Mortgagee, and the same shall be used by the Mortgagee to pay the costs, charges and expenses incurred in connection with said construction and/or development prior to disbursing of this loan. It is further agreed that in the event said construction or development is not commenced and fully completed on or before the dates stated in the Loan Agreement or in the event that the said construction or development work shall cease before full completion and such cessation shall continue for a period of ten (10) days, or if substantial continuous progress shall not be made in such construction or development, then and in any such event the said aggregate sum, principal and interest, mentioned in said Promissory Note, and all monies secured hereby shall become due and payable forthwith or thereafter, at the option of said Mortgagee; and in the event of such cessation of work upon said construction or development for a period of ten (10) days, or if substantial continuous progress shall not be made in such construction or development, as aforesaid, the Mortgagee may at its option enter into and upon the mortgaged premises and complete said construction or development in such manner as it deems advisable without any interference from the Mortgagor, the said Mortgagor hereby giving and granting to the Mortgagee full power and authority to make such entry into and upon said mortgaged premises, to enter into such contracts or arrangements as may be necessary to complete said construction or development, and to expend any monies remaining in said Loan fund and in addition any sums of money necessary to complete said construction or development; and any and all monies expended by the Mortgagee in connection with such completion of construction or development in excess of the monies in said Loan fund shall be added to the said principal debt and shall draw interest at the delinquent rate provided in said Promissory Note, and shall be secured by this Mortgage, and shall be payable by the Mortgagor on demand. The Mortgagee shall have the absolute right to apply any balance of development and/or construction loan funds as a payment toward the development and/or construction loan mortgage and note, and no other party, whether contractor, materialmen, laborer, sub-contractor, or supplier, shall have any interest in the development and/or construction loan funds so applied and shall not have any right to garnishee, require, or compel payment thereof toward discharge of satisfaction of any claim or lien which they or any of them have or may have for work performed or materials supplied to the development and/or construction project.

36. That the Mortgagor will on the request of the Mortgagee furnish a written statement of the amount owing on the obligation which this Mortgage secures and therein state whether or not Mortgagor claims any defenses or offsets thereto.

37. The Mortgagor covenants, that in the event the ownership of said property or any part thereof becomes vested in a person other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and the debt hereby secured in the same manner as with the Mortgagor, and may forbear to sue or may extend time for payment of the debt, secured thereby, without discharging or in any way affecting the liability of the Mortgagor hereunder or upon the debt hereby secured.

38. That this Mortgage cannot be changed orally.

39. That if this Mortgage is in connection with multiple construction or development loan financing, the Mortgagee agrees it will release from the lien of this Mortgage any one or more of the lots described herein upon payment by the Mortgagor of the sum or sums specified in the schedule of lot releases attached hereto and approved by Mortgagor and Mortgagee; provided, however, that the Mortgagor has fully complied with, and is not in default under any of the terms and conditions of the Mortgage, Mortgage Note or the Loan Agreement at the time the payment due for said release is tendered to the Mortgagee, or its assigns, as the case may be, who at that time is the owner and holder of record of said Mortgage and Note.

40. Mortgagor acknowledges that any payments made by it in partial or complete discharge of the loan to any Agent other than the owner and holder of the Mortgage and Note of record, as recorded among the Public Records of the jurisdiction in which the Mortgaged Property is situated, shall constitute a payment to the Mortgagee's Agent and not to the owner and holder of said Note or its agent. In this regard it is understood that until said payment is actually in the possession of the Mortgagee or its assigns, as the case may be, who at that time is the owner and holder of record of said Mortgage and Note, said payment shall be deemed not to have been properly made, and Mortgagee shall not be required to release or discharge the Mortgage in satisfaction of the obligation pursuant to the provisions of said Mortgage and Note.