800 1281 PACI 860

- 19. The borrower shall, upon demand of the lender, do any act or execute and deliver any additional documents (including, but not limited to, security agreements on any fixtures or personal property included, or to be inscluded in the improvement) as may be required to secure the note or to confirm the lien of the mortgage or to comply with any of the conditions contained in this agreement or any document or agreement referred to in this agreement. In pursuance hereof, the borrower authorizes the lender to file such financing statement or statements pursuant to the Uniform Commercial Code, without the signature of the borrower, as the lender may deem necessary to perfect a security interest or lien in its favor upon the fixtures and personal property covered by the mortgage.
- 20. A true statement under oath verified by the borrower, or if the borrower is a corporation, an officer thereof, pursuant to and in compliance with Section 22 of the Lien Law, is annexed hereto and made a part hereof.
- 22. The borrower agrees, highlylkhound swith such advances hereunder and will hold the right to receive the advances as trust funds to be first applied to the payment of trust claims as defined in Section 71 of the Lien Law, and that it will apply the same to such payments before using any part of such payments for any other purposes. Of New York
- 23. In the event of the death of the borrower while still holding title to the mortgaged premises, the lender may, at the option of the lender, in case the work upon the improvement is continued as provided in this agreement, continue to make advances under this agreement and subject to all its terms and conditions to the borrower's executors or administrators; and all sums so advanced by the lender shall be deemed advances under this agreement, and not to be modifications thereof, as if made to the borrower in his lifetime, and shall be secured by the note and the mortgage.
- 24. The borrower will not assign this contract or the moneys due thereunder or convey or encumber the premises, or any part thereof, without the written consent of the lender. Notwithstanding any such assignment or conveyance without consent, the lender, at its option and without waiving any right to terminate its obligations under this agreement and to declare the note due and payable, may continue to make advances under this agreement to the borrower or to those who succeed to the borrower's title; and all sums so advanced by the lender shall be deemed advances under this agreement, and not to be modifications thereof, and shall be secured by said bond or note and mortgage.
- 25. The lender may cause the loan to be made by some other person or corporation. The note and mortgage shall then be made in favor of such person or corporation. The lender may also assign this agreement and the note at any time, and cause the assignee or any subsequent assignee to make any advances not made at the time of the assignment, and all the provisions of this agreement shall continue to apply to the loan and note and mortgage. In the event of such assignment, if the assignee shall make all subsequent advances on the terms and conditions herein provided as though this agreement was originally made with such assignee, the obligation of the assignor to make such further advances shall cease. In case the loan is made in accordance with any of the methods mentioned in this paragraph 25, it shall be deemed a compliance by the lender with this agreement and to have been made pursuant thereto and not to be a modification thereof, and the advances so made shall be secured by the note and mortgage.
- 26. The lender may at any time release portions of the mortgaged premises from the provisions of this agreement and from the mortgage upon such terms and conditions as the lender shall deem fit. Any such release shall not constitute an amendment or modification of this agreement.

27. Upon the occurrence of any of the following:

(a) If the borrower defaults in the payment of any installment of principal of the note, when due and payable, whether at maturity, by notice of intention to prepay or otherwise, or in the payment of any installment of interest thereon or of any other sums secured by the mortgage when due and payable and any such default shall continue for the period of time, if any, specified in the mortgage.

(b) If the borrower fails to observe or perform any covenants or conditions contained in this agreement on its part to be observed or performed; or if the borrower fails to observe or perform any covenants or agreements contained in the note or the mortgage on its part to be observed or performed and such default shall continue for such period of time, if any, after delivery of such notice, if any, as is specified in the mortgage; or, if any guaranter of the borrower's obligations on the note or the mortgage or under this agreement fails to observe or perform any covenant or condition of any guarantee or other obligation in favor of the lender and such default shall continue for such period of time, if any, and after delivery of such notice, if any, as is specified in any such instrument.

(c) If any representation or warranty made in this agreement or in any certificate, financial or other statement furnished at any time under or in connection with this agreement or in connection with any guarantee of the borrower's obligations under the note, mortgage or this agreement is untrue or breached in any material respect.

(d) If, at any time any payment is requested by the borrower, any state of facts affecting or relating to the lien of the mortgage, the title to the premises or the title, the location, or the construction of the improvement, or any part thereof, is not satisfactory to the lender, whether or not such state of facts existed at the time of any prior advance or the lender has previously objected to such state of facts.

existed at the time of any prior advance or the lender has previously objected to such state of facts.

(e) If the borrower does not take the loan or any advances hereunder within 30 days after they are made payable; if for any cause whatever the construction of the improvement is, in the judgment of the lender, discontinued or not carried on with reasonable dispatch; or if, in any event, the improvement is not fully completed and ready for occupancy and all conditions precedent to the final advance hereunder satisfied on or before the maturity date of the note.

(1) If, in the judgment of the lender, the improvement is materially injured or destroyed by fire or other casualty or is or will be materially affected by any condemnation proceeding.

(g) Filing by the borrower of a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization, an arrangement, readjustment of its debts, or for any other relief under the Bankruptcy Act, or under any other insolvency act or law, state or federal, now or hereafter existing; or any action by the borrower indicating its consent to, approval of, or acquiescence in, any such or similar petition or proceeding; the application by the borrower, or the appointment with the consent or acquiescence of the borrower, for a receiver or trustee of the borrower or for all or a substantial part

of its property; the making by the borrower of an assignment for the benefit of creditors; the inability of the borrower, or the admission in writing by the borrower of its inability, to pay its debts as they mature.