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and,

- (b) All buildings and improvements of every kind and description now or hereafter erected or placed on the aforesaid land and all fixtures now or hereafter owned by Borrower and attached to or contained in and used in connection with the aforesaid land and improvements.

To have and hold the same forever, together with all privileges, hereditaments and appurtenances thereunto belonging, to Lender or Lender's successors and assigns upon the trust set forth herein and to secure the indebtedness herein recited;

Borrower also assigns to Lender any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Property or any rights appurtenant, thereunto, and Lender may at its option, either apply the same to the Loan or release the same to Borrower without thereby incurring any liability to any other person.

The terms of this Mortgage are as follows:

ARTICLE I

The Loan

1.1 The indebtedness secured by this Mortgage represents the balance due on the purchase price of the Property. The principal balance due is \$23,000.00 (hereinafter referred to as the "Loan").

1.2 The Loan is evidenced by that promissory note from Borrower of even date herewith, payable to the order of Lender (the "Note").

1.3 Payment by Borrower of principal and interest on the Loan will be in accordance with the Note, which Note and this Mortgage require payment in full on the Loan on May 10, 1980.

ARTICLE II

Borrower's Promises, Representations and Agreements

2.1 Borrower represents and promises that it is seized of the Property in fee and has the right to convey the same, that the title to the Property is free and clear of all encumbrances and that it will warrant and defend the title to the Property against the claims of all persons or parties.

2.2 Borrower will punctually repay the Loan principal and interest and all other sums secured hereby at the time and place and in the manner specified in the Note.

2.3 Borrower will not convey as loan security, or otherwise, the Property, any part thereof, or any interest therein, without the prior written consent of Lender.

2.4 Borrower shall pay as they become due all taxes, general and special assessments, insurance premiums, permits, inspection fees, license fees and all water and sewer charges against it or the Property, and Borrower, upon request of Lender, will submit to Lender receipts evidencing said payments.

2.5 Borrower shall keep the Property insured against loss or damage by fire and the risks embraced within the terms "extended coverage" and "vandalism and malicious mischief" and shall deliver to Lender policies of insurance in such forms and amounts and from such insurance companies as are satisfactory to Lender. Renewal insurance policies shall be delivered to Lender at least ten (10) days before the expiration date of any prior insurance policies.

ARTICLE III

Events of Default

The occurrence of any of the following events shall constitute a default under the terms of this Mortgage:

- 3.1 Failure by Borrower to pay as and when due and payable any installment of principal or interest;

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