

which the amount of the sums secured by this Mortgage immediately prior to the date of taking title to the Property shall be of the Property immediately prior to the date of taking title to the Property with the balance of the proceeds of the Mortgage.

If the Property is abandoned by Borrower or if there is a foreclosure sale of the Property, the Lender shall be entitled to a settlement claim for damages. Borrower fails to respond to Lender within 30 days of the date of the foreclosure sale, the Lender is authorized to collect and apply the proceeds at Lender's option, either by foreclosure sale or by other means, to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such agreement or agreement to extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof shall be null and void.

10. Borrower Not Released. Extension of the time for payment or any other agreement or agreement to extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof shall not constitute a release, novation or discharge of the original Borrower and Borrower's successors in interest. Lender shall not be bound to extend or postpone the due date of the monthly installments or to extend time for payment or otherwise modify or alter in any way the terms of this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not constitute a waiver of or constitute the exercise of any right or remedy hereunder. The procurement of insurance or the payment of taxes or other liens and charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

12. Remedies Cumulative. All remedies provided in this Mortgage, in addition and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised simultaneously, independently or successively.

13. Successors and Assigns Bound: Joint and Several Liability: Captions. The covenants and agreements herein contained shall bind and the rights hereunder shall inure to the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower are joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and shall not be construed to modify or define the provisions hereof.

14. Notice. Any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, except for notices required under paragraph 18 hereof to be given to Borrower in the manner prescribed by applicable law. Any notice required in this Mortgage shall be deemed to have been given to Borrower when given in the manner designated herein.

15. Uniform Mortgage: Governing Law: Severability. This form of mortgage is based on form agreements for national use and nonuniform contracts with limited variations by jurisdiction. This mortgage is a form agreement covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall be resolved in favor of the provisions of this Mortgage or the Note which can be given effect without the conflict. The provisions of this Mortgage and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be furnished a reformatted copy of this Mortgage at the time of execution or after condition is met.

17. Transfer of the Property: Assumption. If the whole or part of the Property, or any interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding a sale to a spouse or a spouse's estate, subordinate to this Mortgage, by the creation of a purchase money security interest for household appliances, or transferred by lease, descent or by operation of law upon the death of a joint tenant or if the grant of any lease, or any other interest in the Property, or any interest therein, containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have a vested and irrevocable option to accelerate the sums secured by this Mortgage and the interest payable on the sums secured by this Mortgage shall be immediately due and payable. If Lender has waived the option to accelerate provided in this paragraph 17 and if Borrower's successors in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower a copy of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums so accelerated. If Borrower fails to pay the sums so accelerated within the period so provided, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

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

18. Acceleration: Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this 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 evidence, abstracts and title reports, all of which shall be additional 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 have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) 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; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) 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 unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

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

Upon acceleration under paragraph 18 hereof or abandonment 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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