

Lender's written agreement or applicable law. Borrower shall pay the amount of all insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7 with interest thereon shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree in writing to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower, less the payment thereof and of Lender interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and to be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property, minus the amount of the taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower or, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower, their successors or assigns, in writing, apply the proceeds to principal, shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. Borrower Not Released. Extension of the time for payment or satisfaction of any installment of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or return to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any claim 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 be a waiver of or preclude the exercise of any such right or remedy. The payment of insurance, the payment of taxes, or other sums or 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 by this Mortgage are, heretofore and cumulative to any other right or remedy under this Mortgage or all other instruments related thereto, to be exercised concurrently, independently or successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind and obligate the successors and assigns of the original Borrower and Lender and Borrower.

Notwithstanding to the provisions of paragraph 7 hereof, all covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required or permitted by law, to be given in any other manner, any notice to Borrower provided for in this Mortgage shall be given to the person or persons so designated or addressed to Borrower at the Property Address, or, if that person or persons is or are not known to Lender, as provided herein, and if any notice to Lender shall be given to the person or persons so designated or addressed to Lender, as stated herein, or to the person or persons so designated or addressed to the mortgagee, as stated herein. Any notice provided for in this Mortgage shall be deemed to have been given to the person or persons so designated or addressed to the mortgagee if the mortgagee is a corporation, partnership, trust, or other entity.

15. Uniform Mortgage; Governing Law; Severability. This mortgage is made pursuant to the Uniform Mortgage Act, and the Uniform Mortgage Act shall govern the interpretation and construction of this mortgage. In the event of any conflict between the provisions of this mortgage and the provisions of the Uniform Mortgage Act, the provisions of the Uniform Mortgage Act shall prevail. In the event of any conflict between the provisions of this mortgage and the provisions of any other law, the provisions of this mortgage shall prevail.

16. Borrower's Copy. Borrower shall receive a copy of this mortgage and the Note, and shall retain the same at the time of the execution of this mortgage.

17. Transfer of the Property; Assumption. If the Property is sold, transferred, conveyed, or otherwise disposed of, the mortgage shall remain in full force and effect, and the mortgagee shall have the right to enforce the same against the transferee.

If the Property is sold, transferred, conveyed, or otherwise disposed of, the mortgage shall remain in full force and effect, and the mortgagee shall have the right to enforce the same against the transferee. The mortgagee shall have the right to enforce the same against the transferee, and the transferee shall be deemed to have assumed the obligations of the mortgage. The mortgagee shall have the right to enforce the same against the transferee, and the transferee shall be deemed to have assumed the obligations of the mortgage.

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Notwithstanding to the provisions of paragraph 7 hereof, all covenants and agreements of Borrower shall be joint and several.

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 30 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, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. 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 to the provisions of paragraph 18 hereof, upon acceleration of this Mortgage, Borrower shall have the right to have the proceeds of the sale of the Property applied to the sums secured by this Mortgage.

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