

consent to the appointment of a receiver or receivers of all or any part of the Property;

3.7 If any of the creditors of Borrower shall file a petition in bankruptcy against Borrower or for reorganization of Borrower pursuant to the Federal Bankruptcy Act or any similar law, federal or state, and if such petition shall not be discharged or dismissed within sixty (60) calendar days after the date on which such petition was filed;

3.8 If final judgments for the payment of money in excess of an aggregate \$25,000.00 shall be rendered against Borrower and Borrower shall not discharge the same or cause it to be discharged within sixty (60) days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based or entered, and secure a stay of execution pending such appeal;

ARTICLE IV
Foreclosure

4.1 Upon the occurrence of a default the entire principal balance of the Loan, including all accrued interest, shall, at the option of Lender, become immediately due and payable. Thereupon Lender may foreclose this Mortgage by judicial proceeding.

4.2 In a judicial proceeding for foreclosure of this Mortgage Lender shall be entitled to collect 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.

ARTICLE V
Additional Rights and Remedies of Lender

5.1 Upon the occurrence of a default, Lender, immediately and without notice and without liability therefore to Borrower, except for gross negligence may do or cause to be done any or all of the following: (a) take physical possession of the Property; (b) exercise its right to collect the rents and profits derived from the Property; (c) enter into contracts for the completion, repair or maintenance of the improvements thereof; (d) expend Loan funds and any rents, income and profits derived from the Property for payment of any taxes, insurance, premiums, assessments and charges for completion, repair and maintenance of the improvements, preservation of the lien of this Mortgage and satisfaction and fulfillment of any liabilities or obligations of Borrower arising out of or in any way connected with the construction of improvements on the Property whether or not such liabilities or obligations in any way affect, or may affect, the lien of this Mortgage; (e) enter into leases demising the Property or any part hereof; (f) take such steps to protect and enforce the specific performance of any covenant, condition, or agreement in the Note, this Mortgage or the Loan Agreement, or to aid the execution of any power herein granted; and (g) generally, supervise, manage and contract with reference to the Property as if Lender were the equitable owner of the Property. Borrower also agrees that any of the foregoing rights and remedies of Lender may be exercised at any time independently of the exercise of any other such rights and remedies, and Lender may continue to exercise any or all such rights and remedies until the default or defaults of Borrower are cured with the consent of Lender or until foreclosure and the conveyance of the Property to the high bidder or until the Loan is otherwise satisfied or paid in full.

5.2 Upon the occurrence of a default Lender shall be entitled, without notice and without regard to the adequacy of any security for the Loan or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Property, and to collect the rents, issues, profits and income thereof, all expenses of which shall be added to the Loan and secured hereby.

5.3 No waiver of any default shall at any time thereafter be held to be a waiver of any rights of Lender stated anywhere in the Note, this Mortgage of the Loan Agreement nor shall any waiver or a prior default operate to waive any subsequent default or defaults. All remedies provided in the Mortgage, in the Note or in the Loan Agreement are cumulative and may, at the election of Lender, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by law.

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