

Mortgagors further covenant and agree with Mortgagees as follows:

1. Maintenance. Mortgagors will maintain the mortgaged premises in good condition and repair and will neither permit nor allow waste thereof. Mortgagors will promptly repair or restore any portion of the property which is damaged or destroyed by any cause whatsoever and will promptly pay when due all costs and expenses of such repair or restoration. Mortgagors will not remove or demolish any improvement or fixture which is now or hereafter part of the mortgaged premises and will cut no timber on the mortgaged premises without the express written consent of Mortgagees. Mortgagees shall be entitled to specific performance of the provisions of this paragraph.

2. Insurance. Mortgagors will keep all improvements which are now or hereafter part of the mortgaged premises insured against loss by fire and other hazards included within the term "extended coverage". Such insurance will be on a replacement cost basis and will be with a company approved by Mortgagees. Insurance proceeds will be payable to Mortgagees as the interest of Mortgagees may appear.

3. Taxes and Assessments. Mortgagors will pay all taxes, assessments and other charges which constitute or are secured by a lien upon the mortgaged premises, and will comply with all laws and regulations affecting the mortgaged premises.

4. Assignment of Rents and Profits. As further security for all sums secured by this Mortgage, Mortgagors assign to Mortgagees all rents and profits arising from the mortgaged premises, PROVIDED THAT, so long as there is no default hereunder, Mortgagors shall be entitled to collect and retain all such rents and profits as the sole property of Mortgagors without accounting to Mortgagees therefor.

5. Default and Remedies. The occurrence of any of the following events shall be deemed a default under this Mortgage: (a) failure of Mortgagors to pay any installment of principal or interest upon the Note when due; (b) failure of Mortgagors to pay any other sum secured by this Mortgage upon demand; (c) failure of Mortgagors to observe or perform any covenant or agreement set forth herein or in the Note within ten (10) days following notice to Mortgagors to observe or perform the same; or (d) default under the terms of any superior Mortgage constituting a prior lien to the within Mortgage. Upon the occurrence of a default as herein defined, Mortgagees may, without notice to Mortgagors, declare all sums secured by this Mortgage immediately due and payable and may commence proceedings to collect such sums and foreclose this Mortgage. During the pendency of any such proceeding, Mortgagees shall be entitled to the appointment of a receiver to collect the rents and profits from the mortgaged premises, without regard to the value of the mortgaged premises or other security for the sums secured hereby or the sufficiency thereof, for the payment of such sums to Mortgagees. Should any legal proceeding be instituted for the foreclosure of this Mortgage, or should the Mortgagees become a party to any suit involving this Mortgage or the title to the mortgaged premises or should the debt secured hereby or any part thereof be placed in the hands of an attorney for collection by suit or otherwise, all costs and expenses incurred by Mortgagees, plus a reasonable attorney's fee, shall thereupon become due and payable immediately or on demand, at the option of the Mortgagees, as a part of the debt secured hereby, and may be recovered and collected hereunder.

6. Expenditures of Mortgagees. If Mortgagors fail to make payment for restoration or repair of the mortgaged premises, for insurance premiums or for taxes, assessments or other charges as required herein, Mortgagees may, but shall not be obligated to, pay the same, and any such payment by Mortgagees will be secured by this Mortgage and have the same rank in priority as the principal debt hereby secured and bear interest from the date of payment at the rate of interest provided for in the Note. Mortgagors shall pay to Mortgagees in cash on demand all payments made by Mortgagees pursuant to this paragraph, plus interest.

7. Transfer of property. If all or any part of the mortgaged premises is sold or transferred by Mortgagors without Mortgagees' prior written consent, Mortgagors may, at Mortgagors' option, declare all sums secured by this Mortgage to be immediately due and payable.