



ARTICLE I

The Loan

- 1.1 The indebtedness secured by this Mortgage is the result of a loan of money in the principal amount of \$ 304,800.00 (hereinafter referred to as the "Loan") to be disbursed by Lender to Borrower.
- 1.2 The Loan is made in accordance with the terms of a loan agreement between Borrower and Lender dated June 11, 1981 (the "Loan Agreement").
- 1.3 The Loan is evidenced by that promissory note from Borrower of even date herewith, payable to the order of Lender (the "Note").
- 1.4 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 demand of Lender.
- 1.5 Lender is making the Loan to Borrower for the purpose of financing the construction of certain improvements on the land described herein.

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 pay or reimburse Lender for all reasonable attorney's fees, costs and expenses incurred by Lender in any action, legal proceeding or dispute of any kind which affects the Loan, the interest created herein, or the Property, including, but not limited to, any foreclosure of this Mortgage, enforcement of payment of the Note, any condemnation action involving the Property or any action to protect the security hereof. Amounts so incurred by Lender shall be added to the Loan indebtedness and secured hereby.
- 2.4 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.
- 2.5 Borrower will do, or cause to be done, all such things as may be required by law in order fully to protect the security and all rights of Lender under this Mortgage. Borrower shall not cause or permit the lien of this Mortgage to be impaired in any way.

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;
- 3.2 Failure by Borrower to duly observe any promise, representation or agreement included in this Mortgage;
- 3.3 A default by Borrower under the terms of the Note, the Loan Agreement or any other document submitted by Borrower to Lender in connection with the Loan;
- 3.4 Commencement by any governmental agency or authority of any proceedings for the demolition of any buildings or structures comprising the Property or commencement of any proceedings to condemn or otherwise take all of the land comprising the Property.

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 and without notice to Borrower, become immediately due and payable. Thereupon Lender may foreclose this Mortgage by judicial proceedings.
- 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, without notice and without liability therefor 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 thereon; (d) expend Loan funds and any rents, income and profits derived from the Property for payment of any taxes, assessments, insurance premiums, utility charges or charges for the maintenance or preservation of the improvements on the Property or the lien of this Mortgage; (e) enter into leases demising the Property or any part thereof; (f) take such steps to protect and enforce the specific performance of any promise, 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 thereof.
- 5.2 Any Loan funds disbursed by Lender pursuant to Section 5.1, together with interest thereon at the rate set forth in the Note, shall be 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 or the Loan Agreement nor shall any waiver of a prior default operate to waive any subsequent default or defaults. All remedies provided in this 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 other manner and are in addition to any other rights provided by Law.

ARTICLE VI

General Conditions

- 6.1 The singular used herein shall be deemed to include the plural, the masculine deemed to include the feminine and neuter and the named parties deemed to include their heirs, successors and assigns.
- 6.2 All notices required to be given hereunder shall be in writing and shall be deemed served twenty-four (24) hours after deposit in registered, certified or first-class United States mail, postage prepaid, and addressed to the parties at the addresses indicated on the first page hereof or such other addresses as may from time to time be designated by written notice given as herein required.
- 6.3 Invalidation of any one or more of the provisions of this Mortgage shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.
- 6.4 The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Mortgage nor the intent of any provision hereof.
- 6.5 The title insurance information, if any, stated at the top of the first page hereof is for reference and information purposes only and is not to be considered to be a part of this Mortgage.

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