

13. Governing Law; Severability. 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 not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

14. Borrowers' Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrowers without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, or (c) the grant of any leasehold interest of three years or less not 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 waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit or such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this Paragraph 15, and if Borrowers' successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrowers from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrowers notice of acceleration in accordance with Paragraph 12 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrowers may pay the sums declared due. If Borrowers fail to pay such sums prior to the expiration of such period. Lender may, without further notice or demand on Borrowers, invoke any remedies permitted by Paragraph 13 hereof.

16. Acceleration; Remedies. Except as provided in Paragraph 15 hereof, upon Borrowers' breach of any covenant or agreement of Borrowers in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrowers as provided in Paragraph 12 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 Borrowers, 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 Borrowers 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 Borrowers 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.

1557 661

4328 RV.2