

C(12) Should any term, provision, covenant or condition of this Mortgage be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Mortgage, but the remainder hereof shall be effective as though such term, provision, covenant or condition had not been contained herein.

C(13) All notices required or permitted to be given hereunder shall be in writing, and shall become effective twenty-four (24) hours after such are deposited in the United States mails, certified or registered, postage prepaid, addressed as shown below, or to such other address as such party may from time to time designate in writing.

To: Garcia's of Scottsdale, Inc.
4455 East Camelback Road
Suite 220B
Phoenix, Arizona 85018

MORTGAGOR

To: First Interstate Bank of Arizona, N.A.
P.O. Box 20551
Phoenix, Arizona 85036
Attention: Department 805

MORTGAGEE

C(14) This Mortgage is a "construction mortgage" as defined in the Uniform Commercial Code and secures an obligation incurred for the construction of an improvement on land.

C(15) If, from any circumstances whatever, payment or performance of any provision of this Mortgage or of the Note, at the time performance of such provision shall be due, shall require a payment in excess of that permitted by any applicable law, then ipso facto the obligation to be paid or performed shall be reduced to the limit allowed by such law, so that in no event shall any exaction be possible under this Mortgage, the Note, or any other agreement given in connection herewith, that is in excess of the limit of such validity; but such obligation shall be fulfilled to the limit of such validity. The provisions of this paragraph shall control every other provision of this Mortgage, the Note and any other such agreement.

C(16) This Mortgage shall be construed in accordance with the laws of the State of Arizona, except that the laws of the State of South Carolina shall apply to the creation of liens and to any foreclosure, sale, appointment of receiver or other remedy with respect to the Mortgaged Property. Any procedures provided herein for such remedies shall be modified by and replaced with, where inconsistent with or required by, any procedures or requirements of the laws of the State of South Carolina. In addition to any remedies provided herein for breach or default hereof, Mortgagee shall also have all other remedies allowed under applicable law.

C(17) Mortgagor represents and warrants that the Mortgaged Property is not currently used for agricultural, timber or grazing purposes and that the Mortgaged Property is not currently occupied or used as the residence of any person. Mortgagor warrants to and covenants with Mortgagee that the Mortgaged Property is not now suitable for occupation as a residence and that Mortgagor will not permit any change in the Mortgaged Property that would make it suitable for occupation as the residence of any person.

C(18) Provided that there exists no default hereunder, under the Note or the Loan Agreement, or under any other document or instrument

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