

15. UNIFORM SECURITY INSTRUMENT: GOVERNING LAW; SEVERABILITY

Uniform Covenant 15 of the Security Instrument is intended to read as follows:

15. Uniform Security Instrument: Governing Law; Severability. This form of Security Instrument contains uniform covenants for national use and nonuniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

17. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is intended to read as follows:

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an interest therein is sold or transferred by borrower (or if a beneficial interest in borrower is sold or transferred and borrower is not a natural person or persons but is a corporation, partnership, trust or other legal entity) without lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to the Security Instrument which does not relate to a transfer of rights of occupancy in the property, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) 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 Security Instrument to be immediately due and payable.

If lender exercises such option to accelerate, lender shall mail borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which borrower may pay the sums declared due. If borrower fails to pay such sums prior to the expiration of such period, lender may, without further notice or demand on borrower, invoke any remedies permitted by paragraph 14 hereof.

Lender may consent to a sale or transfer if: (1) borrower causes to be submitted to lender information required by lender to evaluate the transferee; (2) lender reasonably determines that lender's security will not be impaired and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest is payable on the sums secured by this Security Instrument at a rate acceptable to lender; (4) changes in the terms of the Note and this Security Instrument required by lender are made, including, for example, periodic adjustment in the interest rate, a different final payment date for the loan, and addition of unpaid interest to principal; and (5) the transferee signs an assumption agreement that is acceptable to lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument, as modified if required by lender. To the extent permitted by applicable law, lender also may charge a reasonable fee, as a condition to lender's consent to any sale or transfer.

Borrower will continue to be obligated under the Note and this Security Instrument unless lender releases borrower in writing.

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