

THE NOTE secured hereby also provides for an initial Note Term which matures on August 1, 2014 (hereinafter "Initial Maturity Date"). However, the Borrower shall have the option to extend the final maturity of the Note secured hereby pursuant to the following terms and conditions: on the anniversary of the date of this Mortgage and on each anniversary thereafter, an additional year may be added to the term of the Mortgage up to a maximum of ten (10) additional years, so that in any event the entire indebtedness due under the terms of the Note shall be due and payable on or before August 1, 2024 (hereinafter "Final Maturity Date"), if not sooner paid. The Borrower may exercise this option at any time prior to the Initial Maturity Date and may extend the term for any number of years which may have accrued up to a maximum addition of ten (10) years.

The maximum amount of outstanding loan balance principal and unpaid accrued interest to be secured by this Mortgage shall at no time be more than EIGHTY-THREE THOUSAND TWO HUNDRED and no/100 (\$83,200.00) DOLLARS.

BORROWER COVENANTS that Borrower is lawfully seized of the Estate hereby conveyed and has the right to grant and convey, that the property is unencumbered, and that Borrower will warrant and defend generally the title to the property against all claims and demands subsequent to any declarations, easements or restrictions listed in a Schedule of Exceptions to coverage in any Title Insurance Policy insuring Lender's Interest to the property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest: Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note and the principal of and interest on any Future Advances secured by this Mortgage.

2. Funds for Taxes and Insurance: Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of the yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonable estimated initially and from time-to-time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower without charge an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, the Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender