

hereby and shall well and truly pay to Mortgagee all monies owed to Mortgagee, then this Mortgage shall be utterly null and void, otherwise to remain in full force and effect.

16. Subject to the provisions of Article 23 hereof, the rights of Mortgagee granted and arising under the clauses and covenants contained in this Mortgage and the Note shall be separate, distinct and cumulative of other powers and rights herein granted, and all other rights that Mortgagee may have in law or equity, and none of them shall be in exclusion of the others; and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under mortgages, and preservation of security as provided at law.

17. Miscellaneous.

(a) Mortgagee may collect a late charge, not to exceed four (4) cents for each dollar of each installment of principal and/or interest payable under the Note not paid when due, in order to cover the extra expenses involved in handling delinquent payments, which late charge shall be due and payable with the next payment of interest due under the Note.

(b) All notices, elections or demands required or permitted hereunder shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, or by Federal Express or other expedited courier service, to the other party hereto at its address below stated or such other address as either of them may designate from time to time by notice to the other in the manner herein set forth. The date which is three days after the deposit with the United States Postal Service, if mailed, or the date which is one day after deposit with Federal Express or other expedited courier service, as the case may be, shall be the effective date of such notice, election or demand.

The address of Mortgagee is:

Pelham Place General Partnership
c/o CFS Financial Corporation
324 South State Street
Salt Lake City, Utah 84111
Attention: Mr. Ronald S. White

With a copy to:

Sanford H. Zatcoff, Esq.
Holt, Ney, Zatcoff & Wasserman
100 Galleria Parkway
Suite 600
Atlanta, Georgia 30339

The address of Mortgagor is:

McCombs Corp.
2392 Morse Avenue
Irvine, California 92714
Attention: Mr. Ted D. Windham

With a copy to:

Sheila Behle, Esq.
c/o McCombs Corp.
2392 Morse Avenue
Irvine, California 92714

(c) Whenever in this Mortgage the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

(d) All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of Mortgagor and the successors and assigns of Mortgagee.