

After recording, mail document to:

_____, _____

State of _____

Rev. 133A2C4

MORTGAGE AGREEMENT

This Mortgage Agreement (this "Mortgage") is made as of this _____ day of _____, 20____ (the "Effective Date") by and between _____, located at _____ (the "Borrower") and _____, located at _____ (the "Lender").

That for consideration of the sum of \$ _____, together with interest of ____% thereon computed on the outstanding balance, all as provided in the Loan Agreement dated _____ by and between the Borrower and the Lender, attached hereto as Exhibit A (the "Note"), and also to secure the performance of all the terms, covenants, agreements, conditions and extensions of the Note and this Mortgage, the Borrower does hereby grant and convey to the Lender, with mortgage covenants as described below, the land with the buildings situated thereon and all the improvements and fixtures now and hereafter a part thereof, located in the County of _____, in the State of _____ with the address _____, and with the following legal description: _____ (the "Property").

Borrower further covenants and agrees to the following provisions:

1. **Payment.** The Borrower promises to pay the principal and interest amount pursuant to the terms and conditions of the Note and this Mortgage, and any other reasonable charges or additional amounts set out in or secured by the Note and this Mortgage.
2. **Senior Mortgages.** No superior mortgage or the note secured by it will be modified without the consent of the Lender hereunder.
3. **Tax Fund.** In the event that the holder of a senior mortgage does not establish a fund for the payment of insurance, property taxes, and any other such charges which may or may not become a lien against the Property, when they become due, the Borrower will be required to pay, in addition to and included with each periodic payment due under the Note secured by this

Mortgage, a payment sufficient to provide a fund from which the same can be paid by the Lender when due.

4. **Rights of Lender.** In the event that the Borrower fails to carry out the covenants and agreements set forth herein, the Lender may do and pay for whatever is necessary to protect the value of and the Lender's rights in the mortgaged property and any amounts so paid shall be added to the principal sum due the Lender hereunder.
5. **Assigned Rents.** As additional security hereunder, the Borrower hereby assigns to the Lender, the Borrower's rents of the Property, and upon default the same may be collected without the necessity of making entry upon the Property.
6. **Acceleration upon Default.** In the event that any condition of this Mortgage or any senior mortgage shall be in default for _____ days, the entire debt shall become immediately due and payable at the option of the Lender. The Lender shall be entitled to collect all costs and expenses, including reasonable attorney's fees incurred.
7. **Power of Sale.** In the event of default under this Mortgage, the Lender may at its option foreclose and force a sale of the Property without a judicial proceeding.
8. **Security Interest.** This Mortgage is also security for all other direct and contingent liabilities of the Borrower to the Lender that are due or become due and whether now existing or hereafter contracted.
9. **Insurance.** Borrower shall maintain adequate property insurance on the Property in such amounts, with such company and in such form of coverage acceptable to the Lender, and the Lender shall be a named insured as its interest may appear.
10. **Preservation and Maintenance of Property.** The Borrower shall not commit waste or permit others to commit actual, permissive or constructive waste on the Property.
11. **Lawful Authority and No Encumbrances.** The Borrower further covenants and warrants to the Lender that the Borrower is indefeasibly seized of said land in fee simple; that the Borrower has lawful authority to mortgage said land and that said land is free and clear of all encumbrances except for encumbrances of record.
12. **Ownership Transfer.** In the event that the Borrower transfers ownership, be it either legal or equitable, or any security interest in the Property, whether voluntarily or involuntarily, the Lender may at its option declare the entire debt due and payable.
13. **Assignment.** The Borrower may assign all or any portion of this Agreement with written notice to the Lender. The Lender shall not assign this Agreement, in whole or in part, without the written consent of the Borrower.

- 14. **No Waiver.** No party shall be deemed to have waived any provision of this Mortgage or the exercise of any rights held under this Mortgage unless such waiver is made expressly and in writing. Waiver by any party of a breach or violation of any provision of this Mortgage shall not constitute a waiver of any other subsequent breach or violation.

- 15. **Discharge.** Upon payment in full by the Borrower of the Note and all other instruments secured by this Mortgage, this Mortgage shall be terminated, and the Lender shall provide the Borrower the appropriate notice of termination.

- 16. **Governing Law.** This Mortgage shall be governed by and construed in accordance with the laws of the State of _____, without giving effect to the conflict of laws principles thereof.

Borrower Name

Lender Name

Borrower Signature

Lender Signature

Witness Name

Witness Name

Witness Signature

Witness Signature

EXHIBIT A

ACKNOWLEDGEMENT OF NOTARY PUBLIC

STATE OF _____.

COUNTY OF _____.

On this day, personally appeared before me, _____, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she signed the same as his/her voluntary act and deed, for the uses and purposes therein mentioned.

Witness my hand and official seal hereto affixed on this day of _____, 20__.

Notary's Public Signature

My commission expires _____.