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Lender's written agreement or applicable law. Borrower shall pay the amount of all maintenance and repair premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7 with interest thereon shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower by direct payment thereon and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable, free and discreet inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying a reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or part thereof, or for corrective or other condemnation, and Lender's assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds of Lender's interest, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments returned to Lender pursuant to paragraph 2 hereof or change the amount of such installments.

10. Borrower Not Released. Extension of the time for payment or modification or any other action of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release in any manner the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not constitute a waiver or preclude the exercise of any such right or remedy. The presentment of the sums secured by this Mortgage to any other party shall not constitute a waiver of Lender's right to accelerate the maturity of the sums secured by this Mortgage.

12. Remedies Cumulative. All remedies provided in this Mortgage are cumulative and in addition to any other right or remedy under this Mortgage, and shall be available to Lender in any order and in any combination, and shall be exercisable successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind and the rights hereunder shall be enforceable against the successors, assigns, heirs, personal representatives and assigns of Lender and Borrower subject to the provisions of paragraph 14 hereof. All obligations of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notices required by applicable law, all notices to be given in any manner by any notice to Borrower provided for in this Mortgage shall be given in writing and shall be addressed to Borrower at the Property Address set forth in the Note. If Borrower is not at the Property, notices shall be addressed to Lender as provided herein, and shall be given to Lender at the address set forth in the Note. If the address set forth in the Note is not a valid address, notices shall be given to the address set forth in the Note. All notices provided for in this Mortgage shall be given in writing and shall be addressed to the party to whom the notice is directed as provided herein.

15. Uniform Mortgage; Governing Law; Severability. This Mortgage is a uniform mortgage and is subject to the provisions of the Uniform Mortgage Act, which Act is hereby adopted by the State of New York. In the event that any provision of the Uniform Mortgage Act is held to be invalid, unenforceable or inapplicable, the provisions of this Mortgage shall survive and shall be enforceable to the maximum extent permitted by law. The provisions of this Mortgage shall be construed and interpreted in accordance with the law of the State of New York.

16. Borrower's Copy. Borrower shall receive a copy of this Mortgage and the Note at the time of the closing of this Mortgage.

17. Transfer of the Property; Assumption. If the Property is sold, conveyed, transferred, assigned, mortgaged, registered or otherwise disposed of in any manner, the obligations of Borrower under this Mortgage shall not be discharged or released, and the obligations of Borrower shall continue until the maturity of the sums secured by this Mortgage. If the Property is sold, conveyed, transferred, assigned, mortgaged, registered or otherwise disposed of in any manner, the obligations of Borrower under this Mortgage shall not be discharged or released, and the obligations of Borrower shall continue until the maturity of the sums secured by this Mortgage. If the Property is sold, conveyed, transferred, assigned, mortgaged, registered or otherwise disposed of in any manner, the obligations of Borrower under this Mortgage shall not be discharged or released, and the obligations of Borrower shall continue until the maturity of the sums secured by this Mortgage.

If Lender exercises any right or remedy hereunder, Borrower shall be deemed to have agreed to pay the costs of such exercise, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage.

18. Acceleration; Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage.

19. Borrower's Right to Reinstate. Notwithstanding Lender's exercise of any right or remedy hereunder, Borrower shall have the right to have any proceedings hereunder by Lender terminated, this Mortgage reinstated and all sums

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