

Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing such planned unit development, the by-laws and regulations of the planned unit development.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, including Borrower's obligations under paragraphs 2 and 5, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option (and without any obligation), may make such appearances, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Lender's interest in the Property. If Borrower is required to maintain mortgage insurance as a condition of any other mortgage or deed of trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with the Borrower's written agreement or applicable law. Any amounts disbursed by Lender pursuant to this paragraph, with interest thereon, at the rate of twelve percent (12%) per annum, shall become additional indebtedness of the Borrower secured by this Mortgage. Unless Borrower and Lender agree otherwise, such amounts shall be payable upon demand. Nothing contained in this Paragraph 5 shall require Lender to incur any expense or take any action hereunder.
8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property upon notice to Borrower specifying reasonable cause therefore related to the 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 conveyance in lieu of condemnation to the extent of the unpaid balance of all sums due or to become due under the Note or this Mortgage, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.
10. **Borrower Not Released; Forbearance by Lender Not a Waiver.** No extension of the time for payment or modification of the terms or conditions of the Note or this Mortgage granted to Borrower shall operate or release Borrower, in any manner, from liability under the Note or this Mortgage. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.
11. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements and references to Borrower and Lender herein contained shall bind, and the rights hereunder shall inure to, their respective heirs, successors and assigns. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the property to Lender under the terms of this Mortgage; is not personally liable on the Note or under this Mortgage; agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property. This Mortgage and the Note secured thereby are not assumable.
12. **Notice.** Except for any notice required under applicable law to be given in another manner: (a) any notice to the Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail at the Property Address or at such other address as Borrower may designate by notice to the Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, to the address stated herein.
13. **Governing Law; Severability; Costs.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses," and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.