
BUILDING LOAN MORTGAGE

Date:

Mortgagor:

Address:

Mortgagee:

Address:

Mortgage Amount: \$

Location of

Premises:

Section

Block

Lots

Record and return to:

This mortgage covers property not to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having their own separate cooking facilities.

RECITAL

The Mortgagor is the owner of the Premises described in **Schedule A** hereto. The Mortgagor has erected or intends to have caused to be erected substantial improvements on the Premises and, in order to finance the construction of same, will borrow up to the sum of _____ (\$_____) DOLLARS (hereafter the "Mortgage Amount"), from _____ (hereafter the "Mortgagee"). The Mortgagor has executed and delivered to Mortgagee a note for \$_____ dated the date hereof. The said note, together with any modifications or amendments thereto, is hereinafter referred to as the "Note."

CERTAIN DEFINITIONS

The Mortgagor and the Mortgagee agree that, unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified, such definitions to be applicable equally to the singular and the plural forms of such terms:

"Building Loan Agreement" means a building loan agreement of even date between Mortgagor and Mortgagee pursuant to which these moneys secured by this Mortgage will be advanced.

"Chattels" means all fixtures, fittings, appliances, apparatus, equipment, machinery, building materials, inventory and articles of personal property and replacements thereof, other than those owned or rented by lessees and service vendors now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Premises or the Improvements on the Premises together with any proceeds realized from the sale, transfer or conversion of any of the above.

"Default Rate" means at a rate equal to 2% per annum in excess of the current Note Rate as described in the Note, but in no event higher than the maximum rate allowed by applicable law.

"Documents" means the Note (as hereafter defined), this Mortgage, the Building Loan Agreement, any guaranty executed in connection with the loan evidenced by the Note, and all other documents further evidencing and/or securing the loan evidenced by the Note.

"Events of Default" means the events and circumstances described as such in Section 2.01 hereof.

"Guarantor" means any person or entity which has guaranteed to Mortgagee the prompt and full payment of the sums due Mortgagee under the Note and Documents, and/or lien-free completion of the Improvements.

"Improvements" means all improvements, structures or buildings, and replacements and alterations thereof, erected or to be erected or now or hereafter located upon the Premises including all plant equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said improvements, structures or buildings.

"Mortgage" means this mortgage.

"Mortgage Amount" means \$_____.