

**VERDIGRE SHARED ENERGY SAVINGS PROGRAM**

**APPENDIX B**

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
LUMP SUM DRAWDOWN AGREEMENT BETWEEN  
THE VILLAGE OF VERDIGRE AND  
THE NATIONAL BANK OF NELIGH

WHEREAS, the Village of Verdigre, hereinafter referred to as VILLAGE, intends to carry out a commercial weatherization program funded by Community Development Block Grant (CDBG) funds under the Verdigre Shared Energy Savings Business Plan for all for-profit commercial businesses located in the VILLAGE and within one (1) mile of the VILLAGE's corporate limits, and

WHEREAS, the VILLAGE seeks financial participation with The National Bank of Neligh, hereinafter referred to as the BANK, in making energy efficiency improvement loans available to commercial business owners eligible under the program, and

WHEREAS, the VILLAGE wishes to process loans expeditiously and facilitate prompt payments to those commercial business owners.

NOW, THEREFORE, BE IT RESOLVED, that the VILLAGE and the BANK agree to enter into an agreement under the following terms and conditions:

1. The VILLAGE will make a drawdown of \$38,000.00 from the Nebraska Department of Economic Development for deposit into a Secondary Investment Pool (SIP) account in the BANK under the provisions of Housing and Urban Development regulations for "Lump Sum Drawdowns of Community Development Block Grant Funds for Property Rehabilitation Financing" in Section 570.513 of HUD regulations on CDBG, 24, CFR Part 570. This will be an interest bearing account.
2. The BANK agrees to contribute an amount to the SIP of up to \$62,000.00, which will be available for approved shared energy savings improvement loans. This sum will be used in conjunction with the \$38,000.00 in CDBG funds provided by the VILLAGE, creating a total SIP of \$100,000.00.
3. The VILLAGE agrees to oversee all compliance aspects of the SIP, including, but not limited to:
  - a. conducting inspections during construction;
  - b. certifying the completion of improvements for each business;
  - c. insuring compliance with Davis-Bacon and related Acts;
  - d. insuring compliance with all regulations regarding the CDBG program and Shared Energy Savings Business Plan.
4. The VILLAGE will process loan requests and provide the BANK with all information required to adequately evaluate loan applications. At a minimum, unless waived by the BANK in specific circumstances where the information is unavailable or deemed unnecessary, it will include a copy of the energy audit, proposed improvements, bids, loan application, current financial statement, past three (3) years

Federal income tax returns, or past three (3) years balance sheets and profit and loss statements prepared by the business' accountant. Should the BANK waive any of this information, it agrees to provide the VILLAGE with a written notice of its decision for the file.

5. Loans made out of the SIP will be made in a pooled fashion, with BANK funds equaling sixty two percent (62%) of the total loan amount and VILLAGE CDBG funds equaling thirty eight percent (38%) of the loan amount.
6. BANK funds used for loans in the SIP will draw interest at the BANK's prevailing interest rate on real estate loans.
7. VILLAGE CDBG funds used for loans in the SIP will draw no interest.
8. The loans made out of the SIP will be variable rate loans, with the rate subject to change semi-annually.
9. The BANK retains final responsibility to approve or disapprove each loan application. However, the BANK agrees to consult with the VILLAGE in arriving at its decision.
10. The BANK agrees to consider applications to the SIP based on the receipt of those items listed in Number 4 above, from the VILLAGE. The BANK will notify the VILLAGE of its decision on the application in a timely fashion. The BANK will give written notice to the VILLAGE of either its preliminary approval or its disapproval. If the application is not approved, the BANK will cite its specific reasons for the denial.
11. Where the BANK has given its preliminary approval on an application to the SIP, the VILLAGE will make arrangements with the applicant, to obtain an appraisal, abstract update, and title opinion or title insurance on the property to be improved. The VILLAGE will also make arrangements with the applicant to obtain an insurance binder showing physical damage insurance in an amount sufficient to cover the improvements being financed under the SIP. Upon receipt of these items, the VILLAGE will submit them to the BANK. The BANK has the prerogative, based on its own discretion or in response to a written request for a waiver submitted by the applicant to the VILLAGE as part of the application process, to waive its requirement of any of these documents. If any are waived, the BANK will provide the VILLAGE with written notice of its decision for the file.
12. Upon its receipt of those items listed in Number 11 above, the BANK agrees to make its final decision on the application. The BANK agrees to notify the VILLAGE in writing and in a timely fashion of its decision. If the application is denied, the BANK agrees to cite its specific reasons for the denial in the written notice to the VILLAGE.
13. All approved applicants to the SIP will, in addition to other required

program documents, sign a real estate note and deed of trust or real estate mortgage in favor of the BANK. The BANK will instruct the VILLAGE as to the timing of the execution of these documents. It is agreed that the VILLAGE will coordinate the signing of all documents required for both pools of the program in order to facilitate the applicant's participation in the program. It is contemplated that the signing of all documents will occur at the Verdigre Commercial Weatherization Office. An officer of the BANK may be present at the closing of a SIP loan, should the BANK so desire.

14. All loans and mortgages or deeds of trust made out of the SIP will be superior to the loans and mortgages or deeds of trust made out of the VILLAGE's Grant/Loan Investment Fund (60/40 Pool). The VILLAGE will make sure that the mortgages or deeds of trust for the SIP are filed in time prior to the mortgages or deeds of trust for the 60/40 Pool on those borrowers receiving loans from both pools. Should it be determined at some later date that the VILLAGE's mortgage or deed of trust for the 60/40 Pool loan portion of a particular borrower under the program, was recorded prior in time to the BANK's mortgage or deed of trust covering the loan made out of the SIP for that borrower, the VILLAGE hereby agrees that it will promptly file a subordination of its mortgage or deed of trust to the BANK's.
15. It is agreed that the following will be conditions of the SIP:
  - a. that proof of physical damage insurance in an amount sufficient to cover the loan amount for the energy efficiency improvements being made, with the BANK named as the loss payee, will be provided by the borrower;
  - b. that the maximum loan amount to any one eligible commercial business owner will be \$10,000.00;
  - c. that the minimum loan that will be made to any one eligible commercial business owner will be \$100.00;
  - d. that the minimum total interest charge on any loan will be \$7.50;
  - e. that the minimum monthly payment on any loan made will be \$25.00;
  - f. that all loan costs associated with the loan (i.e. appraisal fee, title opinion or insurance, filing and recording fees, abstracting fees) will be paid by the borrower, and may be added to the loan amount with the BANK's approval; and
  - g. that loan repayment may be for a term of up to five (5) years, however, requests for repayment terms longer than five (5) years and up to ten (10) years may be made, but must be approved by the BANK.
16. It is agreed that the BANK has the authority to require that an escrow account be set up for any borrower receiving funds out of the SIP, for the payment of physical damage insurance premiums on the property improved and/or real estate taxes on the property covered by the real estate mortgage or deed of trust. Monthly payments to the escrow account will be added to the monthly loan payment amount. As an

alternative to an escrow account, the BANK has the authority to require the borrower to provide proof of physical damage insurance coverage and payment of real estate taxes when due.

17. All loans made out of the SIP will be originated by and payable to the BANK. The VILLAGE will purchase thirty eight percent (38%) of all these loans. The VILLAGE's interest in a loan will be represented by a Participation Agreement signed by the BANK and the VILLAGE on each loan. At the time a loan in the SIP is made, the BANK will record the entire loan amount on its books. At the same time, the VILLAGE will draw an amount out of the account established with the CDBG lump sum drawdown funds, to purchase thirty eight percent (38%) of that loan. The BANK will then reflect the receipt of these funds and the sold portion of loan on its books in accordance with accepted banking practices for this type of transaction. The interest rate on each SIP loan will be the net effective rate determined by considering the BANK's rate, which has been established in item Number 6 above, on its sixty two percent (62%) portion and the VILLAGE's zero interest rate on its thirty eight percent (38%) portion. Upon receipt of the monthly payment, the BANK will apply sixty two percent (62%) of the principal toward its portion of the loan. The remaining thirty eight percent (38%) of the principal payment will be credited to the portion of the loan purchased by the Village, with those funds being deposited in the VILLAGE's appropriate CDBG account. The entire monthly interest payment will flow to the BANK, giving it its desired effective yield on real estate loans. Should the monthly payment received by the BANK be less than the amount due, the payment funds will be applied in the following manner. Funds will first be applied to the amount due to date on the interest; next, to the amount due to date on the BANK's principal balance; and lastly to the amount due to date on the VILLAGE's principal balance.
18. The BANK agrees to service all loans made under the program out of the Secondary Investment Pool at no cost to the VILLAGE.
19. In the event of a loan default in the SIP, the BANK will follow its normal collection procedures to protect its interest. All costs of collection will be borne by the BANK. Any recovery on the loan will go first to repay the BANK its share of the principal balance, accrued interest due, and the collection costs. Once the BANK has recovered its share of the principal on a defaulted loan, along with all accrued interest on the entire loan, since the VILLAGE's share draws no interest under the terms of this Agreement, and all collection costs, it agrees to continue its collection and recovery efforts until the VILLAGE has recovered its principal share of the defaulted loan, in full. During this period of time that the BANK is engaged in the collection of that portion of the loan sold to the VILLAGE, it will be entitled to deduct the accrued interest due from the borrower, stated or statutory (in the case of a judgement obtained), from any recoveries made. This interest will compensate the BANK for its collection costs on the recovery of the portion of the loan sold to

the VILLAGE. Should the BANK's actual collection costs during this period of time, exceed the accrued interest received on the loan balance during the same period, the BANK is entitled deduct those additional costs from recoveries made. The BANK agrees to document all its collection costs on a defaulted loan and provide the VILLAGE with a statement on those costs, should the VILLAGE request it. Should the BANK reach a point where it feels that a defaulted loan is no longer collectible, it may, with the written consent of the VILLAGE, cease its collection efforts. Should the VILLAGE desire to continue collection efforts on its own, it will develop an agreement with the BANK to cover that particular circumstance and loan. In the case of a defaulted loan, where the BANK has already recovered all its principal, interest, and costs, and the VILLAGE does not desire to have the BANK pursue the recovery of its share, the VILLAGE will have the right to notify the BANK in writing that it is willing to accept the loss on its share and that the BANK is no longer obligated to seek recovery. In all cases where collection efforts have ceased by mutual consent, with a balance remaining outstanding on the defaulted loan, any subsequent recoveries, for whatever reason, will be applied as outlined in this item, unless a separate, subsequent agreement has been made between the BANK and VILLAGE on a particular loan.

20. The VILLAGE agrees to allow the BANK access to any of the records related to loans being processed or made out of the SIP, including construction documents on projects in progress. These records will be available during the normal working hours of the day.
21. The VILLAGE and the BANK agree to start obligating the funds of the SIP within forty five (45) days of the lump sum deposit. The SIP will then be substantially (substantially meaning twenty five percent (25%) of the SIP) obligated within one hundred and eighty (180) days of the deposit. Should either of these conditions not be met, the unused CDBG portion of the SIP will be returned to the Nebraska Department of Economic Development for redistribution to the Verdigre CDBG program in accordance with regulations and the Verdigre Shared Energy Savings Business Plan. In the event that the CDBG portion is withdrawn from the account and returned as outlined above, the BANK's commitment to provide further funds for the SIP under this Agreement will be terminated. If, however, both of the conditions for obligating pool funds stated above have been met at the end of one hundred and eighty (180) days from the date of deposit of the lump sum funds in the BANK, and there are still uncommitted funds remaining in the SIP, the VILLAGE, in agreement with the BANK, may either extend the SIP for an additional period of time, or may terminate the SIP, in which event, the uncommitted portion of the CDBG funds remaining in the SIP, will be returned to the 60/40 Pool and the BANK's remaining commitment to provide loan funds for the SIP will terminate.
22. The BANK agrees to provide the VILLAGE, on a calendar quarter basis, a status report on any outstanding loans made under the CDBG program and which they are servicing, as well as any additional information

concerning loans they are servicing under the program as the VILLAGE may require.

23. It is further agreed that the VILLAGE's duties under the program may be performed by a certain designated employee or official of the VILLAGE, or by an agent contracted for by the VILLAGE. The VILLAGE will provide the BANK with written notice as to who is authorized to handle the VILLAGE's affairs under the program and any limitations on their authority to conduct program matters.

THE COVENANTS, terms, and conditions herein contained shall bind, and the benefits and powers shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used herein, the singular number shall include the plural, the plural the singular, and the terms BANK and VILLAGE will include any payee thereof, whether by operation of law or otherwise.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year stated below.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

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Kirk K. Cisler, Vice President  
The National Bank of Neligh

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Virgil M. Miller, Chariman  
Board of Trustees  
Village of Verdigre

PARTICIPATION AGREEMENT

THE NATIONAL BANK OF NELIGH, NELIGH, Nebraska, VERDIGRE Branch, hereinafter called BANK, hereby certifies that the VILLAGE OF VERDIGRE, hereinafter called VILLAGE, has contributed the sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_) toward a current advance evidenced by a promissory note signed as maker(s) by the Debtor(s), hereinafter named (called DEBTOR), the amount, date and maturity of the note and security therefor being shown below:

DEBTOR's Name: \_\_\_\_\_

County of Residence: \_\_\_\_\_

Post Office Address: \_\_\_\_\_

Note for Current Advance: \_\_\_\_\_

Dated \_\_\_\_\_

Due \_\_\_\_\_

\$ \_\_\_\_\_

This promissory note is secured by a \_\_\_\_\_ real estate mortgage \_\_\_\_\_ deed of trust dated \_\_\_\_\_, 19\_\_\_\_.

It is agreed that the VILLAGE's share of the amount advanced under the promissory note bears no interest.

The funds were advanced for energy efficiency improvements to the property located on the real estate described in the real estate mortgage or deed of trust mentioned immediately above.

This Agreement includes the additional provisions set forth in the Community Development Block Grant Program Lump Sum Drawdown Agreement Between the Village of Verdigre and The National Bank of Neligh dated \_\_\_\_\_, 1986, the same being incorporated herein by reference.

It is further agreed that any revisions in the original terms and conditions of the promissory note and real estate mortgage or deed of trust covered by this Participation Agreement and not anticipated in the Lump Sum Drawdown Agreement referenced above, would only be made with the written consent of the VILLAGE.

The total amount of the obligation represented by DEBTOR's the promissory note referenced above and any security or enforcement rights and liabilities in connection therewith, are held and will be enforced and disposed of by the BANK for the mutual benefit of it and the VILLAGE.

Copies of all documentation related to this Participation Agreement have been provided to the VILLAGE by the BANK at the time of the loan closing and are warranted to be genuine. However, no representation or warranty as to collectability of the loan or to the value of the security therefor is made.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 198\_\_.

PARTICIPATION AGREEMENT

The National Bank of Neligh

by: \_\_\_\_\_ Title \_\_\_\_\_

The Village of Verdigre hereby accepts all conditions of this Participation Agreement without recourse against the National Bank of Neligh, Verdigre Branch.

County of \_\_\_\_\_

Notary Public

Attest: \_\_\_\_\_

Chairman, Board of Trustees  
Village of Verdigre, Nebraska

Village Clerk  
Post Office Address: \_\_\_\_\_

Signed in my presence this \_\_\_\_\_ day of \_\_\_\_\_, 198\_\_.

Notary

My commission expires: \_\_\_\_\_

Notary Public

\_\_\_\_\_, 19\_\_.

It is agreed that the VILLAGE'S share of the amount advanced under the promissory note bears no interest.

The funds were advanced for energy efficiency improvements to the property located on the real estate described in the deed or deeds or deeds of trust mentioned immediately above.

This Agreement includes the additional provisions set forth in the Community Development Block Grant Program Loan Guaranty Agreement between the Village of Verdigre and the National Bank of Neligh dated \_\_\_\_\_, 198\_\_.

It is further agreed that any provision in the original form and conditions of the promissory note and real estate mortgage or deed or deeds covered by this Participation Agreement and not mentioned in the Loan Guaranty Agreement referred to above, would only be made valid if the written consent of the VILLAGE.

The total amount of the obligation represented by the promissory note referred to above and any security or enforcement rights and liabilities thereon shall be held and enforced and discharged at the discretion of the BANK for the mutual benefit of it and the VILLAGE.

Copies of all documents related to this Participation Agreement have been provided to the VILLAGE by the BANK at the time of the loan closing and are maintained as general records. However, no representation or warranty is made as to the accuracy of the value of the security described in the

# ADJUSTABLE RATE 1st MORTGAGE NOTE

**NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. CHANGES IN THE INTEREST RATE WILL RESULT IN A CHANGE IN THE AMOUNT OF THE FINAL PAYMENT.**

..... 19 .....  
City State

Property Address City State Zip Code

### 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$..... (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is .....

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

### 2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of ..... % (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the ..... day of the month beginning on.....,19.... and on that day of the month every ..... months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

### 3. PAYMENTS

#### (A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my payments on the ..... day of each ..... beginning on ..... ,19.... I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than..... (the "final payment date").  
I will make my monthly payments at..... or at a different place if required by the Note Holder.

#### (B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my payments unless the Note Holder agrees in writing to those delays.

#### (C) Amount Of Monthly Payments

My payments will be in the amount of U.S. \$..... The Payments will not change except for the final payment which will reflect any readjustment necessary to accomodate the change of the interest rate during the term of this note.

**4. INTEREST RATE CHANGES**

**(A) The Index**

Any changes in the interest rate will be based on changes in an interest rate index which will be called the "Index". The Index is the: *(Check one box to indicate Index.)*

(1)  \* "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2)  \* .....

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Note Holder will set the Note interest rate by using a comparable index.

**(B) Setting The New Interest Rate**

To set the new interest rate, the Note Holder will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is ..... The Current Index figure is the most recent Index figure available ..... days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Note Holder will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Note Holder will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Note Holder will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

*(Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.)*

(1)  If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.

(2)  If this box is checked, the interest rate will not be changed by more than ..... percentage points on any Change Date. The Note Holder will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.

**(C) Effective Date Of Changes**

Each new interest rate will become effective on the next Change Date, which will become effective on the first day of the ensuing month.

**(D) Notice To Borrower**

The Note Holder will mail me a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise me of:

- (i) the new interest rate on my loan; and
- (ii) any additional matters which the Note Holder is required to disclose.

**5. BORROWER'S FAILURE TO PAY AS REQUIRED**

**(A) Late Charge For Overdue Payments**

If the Note Holder has not received the full amount of any of my payments by the end of ..... calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be ..... % of my overdue payment of principal and interest. I will pay this late charge only once on any late payment.

**(B) Notice From Note Holder**

If I do not pay the full amount of each payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 30 days after the date on which the notice is mailed to me.

**(C) Default**

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(D) Payment Of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

**6. WAIVERS**

Anyone who signs this Note to transfer it to someone else (known as an "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

**7. GIVING OF NOTICES**

Except for the notice provided in Section 4(D), any notice that must be given to me under this Note will be given by mailing it by certified mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

**9. LOAN CHARGES**

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with this loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**10. THIS NOTE IS SECURED BY 1st MORTGAGE**

This note is secured by a real estate mortgage of even date herewith, which is a first lien on real estate in ..... County, State of ..... If the event of conveyance thereof or vesting of title in persons other than the Maker(s), the entire balance owing hereunder at the option of the Lender(s) shall become immediately due and payable.

It is hereby agreed that if default be made in the payment of this note or any part thereof, or any interest thereon, or if failure be made to perform any of the covenants or agreements contained in said mortgage securing this note, then, at the option of the holder of the same, the principal sum, with accrued interest, shall at once become due and collectable, without notice, time being of the essence of this contract. I, or we, also agree to pay attorneys' fees in case of suit on this note. This contract is to be construed in all respects and enforced according to the laws of the State.

All persons or corporations now or at any time liable, whether primarily or secondarily, for the payment of the indebtedness hereby evidenced, for themselves, their heirs, legal representatives, successors and assigns respectively, expressly waive presentment for payment, notice of dishonor, protest, notice of protest, and diligence in collection, and consent that the time of such payment or any part thereof may be extended by the holder hereof, without in anywise modifying, altering, releasing, affecting or limiting their respective liability of the lien of said mortgage.

.....(Seal)  
Borrower

.....(Seal)  
Borrower

.....(Seal)  
Borrower  
(Sign Original Only)



