Please return this document to:

MORTGAGE

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
SINGLE FAMILY MORTGAGE PURCHASE REVENUE BOND PROGRAM
(SECOND MORTGAGE DOWNPAYMENT LOAN ASSISTANCE)

THIS SUBORDINATE MORTGAGE ("Mortgage") is made on this _____ day of _____, 20__ _____. The grantor is _____, (herein the "Borrower" or "Mortgagor") whose address is _____, _____, Hawaii, _____.

This Mortgage is given to the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION ("HHFDC"), a public body and body corporate and politic of the State of Hawaii, pursuant to Chapter 201H, Hawaii Revised Statutes, whose principal place of business and post office address is 677 Queen Street, Suite 300, Honolulu, HI 96813 (herein "Lender" or "Mortgagee"). Borrower has applied to and owes HHFDC the principal sum of _____US DOLLARS ($_____) (the "Loan"). This debt is evidenced by the Borrower's Promissory Note (the "Note") dated the same date as this Mortgage. The Loan is made in connection with the HHFDC''s single family mortgage purchase revenue bond program (the "Program") and is subordinate only to the first mortgage loan (the "First Mortgage Loan") made under the Program.

The Note provides that payment of interest and principal shall be deferred for the term of the First Mortgage Loan, with payment deferred until maturity of the First Mortgage Loan, unless earlier triggered by: (a) sale, transfer, or other disposition of the property; (b) the refinancing of the First Mortgage Loan; (c) the acceleration of the First Mortgage Loan or the Loan due to default or other applicable loan provisions; or (d) death of Borrower or last surviving Borrower. In addition, the HHFDC may accelerate the Loan as provided by applicable statutes and administrative rules.

TO SECURE to Mortgagee the repayment of the indebtedness evidenced by the Note, the payment of all other sums advanced in accordance herewith, to protect the security of this Mortgage; and the performance of the covenants and agreements of the Mortgagor herein contained, the Mortgagor does hereby grant, bargain, sell, assign, transfer, convey and Mortgage to Mortgagee the following described Property located in the County of _____, State of Hawaii (insert legal description):

See attached Exhibit "A" for Legal Description

Which currently has the address of _____
_____ ("Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property" or "Home."

MORTGAGOR COVENANTS represents and warrants to Mortgagee and its successors and assigns that Mortgagor is indefeasibly seized of the estate hereby conveyed in fee simple; has full right to mortgage, grant, and convey the Property; and that the Property is unencumbered, except for prior encumbrances of record. Mortgagor warrants title to the Property and will defend same against the lawful claims and demands of all persons whomsoever.

PROVIDED ALWAYS that if Mortgagor shall pay to Mortgagee, all sums due or to become due under the Note or this Mortgage and shall perform, comply with, and abide by each and every stipulation, agreement, condition, and covenant of the Note and of this Mortgage, and shall pay all taxes that may accrue on the Property and all costs and expenses that Mortgagee may be put to in collecting the Note in foreclosure of this Mortgage or otherwise, including costs and reasonable attorney's fees, then this Mortgage and the estate hereby created shall cease and be null and void.

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MORTGAGOR FURTHER COVENANTS and agrees with Mortgagee as follows:

1. **Payment**. Mortgagor shall promptly pay when due the principal amount evidenced by the Note and all other sums of money payable by virtue of the Note or this Mortgage.

2. **Application of Payments**. Unless applicable law provides otherwise, all payments received by Mortgagee under the Note and paragraph 1 hereof shall be applied by Mortgagee first to the principal balance due under the note; then to interest of the Note; then to any other monies due under the Note or this Mortgage, in that order.

3. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Mortgagor shall perform all of Mortgagor's obligations under the First Mortgage Loan and any other mortgage, deed of trust or other mortgage with a lien which has priority over this Mortgage, including Mortgagor's covenants to make payments when due. Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines, and impositions attributable to the Property which have attained or may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, and Mortgagor shall not request or accept any future advances under the terms of any such First Mortgage or any other mortgage or deed of trust which would have priority over this Mortgage.

4. **Hazard Insurance**. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require. The insurance carrier providing the insurance shall be chosen by the Mortgagor subject to approval by Mortgagee; **provided**, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of, and in a form acceptable to, Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, subject to the terms of any other mortgage, deed of trust or other mortgage with a lien which has priority over this Mortgage. In the event of loss, the Mortgagor shall give prompt notice to the insurance carrier and to the Mortgagee. Mortgagee may make proof of loss if not made promptly by the Mortgagor. If the Property is abandoned by the Mortgagor, or if the Mortgagor fails to respond to Mortgagee within thirty (30) days from the date notice is mailed by Mortgagee to the Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either for restoration or repair of the Property or to the amounts secured by this Mortgage.

5. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments**. Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and, if this is a leasehold Mortgage, Mortgagor shall perform all of its leasehold obligations in order to preserve this Mortgage. If this Mortgage is on a unit in a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor's obligations under the declaration or covenants creating or governing such condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development and any other documents.

6. **Protection of Mortgagee's Security.** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, then Mortgagee, at Mortgagee's option, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Mortgagee's interest in the Property. If Mortgagor is required to maintain mortgage insurance as a condition of this Mortgage or any other mortgage or deed of trust, Mortgagor 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 Mortgagor's written agreement or applicable law. Any amounts disbursed by Mortgagee pursuant to this paragraph, with interest thereon, at the rate of twelve percent (12%) per annum, shall become additional indebtedness of the Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree otherwise, such amounts shall be payable upon demand. Nothing contained in this Paragraph 6 shall require Mortgagee to incur any expense or take any action hereunder.

7. **Inspection**. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property upon notice to Mortgagor specifying reasonable cause therefore related to the Lender's interest in the Property.

8. **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 Mortgagee, subject to the terms of any mortgage, deed of trust or other mortgage with a lien which has priority over this Mortgage.

9. **Mortgagor Not Released; Forbearance by Mortgagee 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 Mortgagor shall operate or release Mortgagor, in any manner, from liability under the Note or this Mortgage. Mortgagee 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 Mortgagor and Mortgagor's successors in interest. Any forbearance by Mortgagee 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.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers**. The covenants and agreements and references to Mortgagor and Mortgagee herein contained shall bind, and the rights hereunder shall inure to, their respective heirs, successors and assigns, subject to the provisions of Paragraph 15 hereof. All covenants and agreements of Mortgagor shall be joint and several. Any Mortgagor who co-signs this Mortgage, but does not execute the Note is co-signing this Mortgage only to mortgage, grant and convey that Mortgagor's interest in the property to Mortgagee under the terms of this Mortgage; is not personally liable on the Note or under this Mortgage; agrees that Mortgagee and any other Mortgagor 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 Mortgagor's consent and without releasing that Mortgagor or modifying this Mortgage as to that Mortgagor's interest in the Property. This Mortgage and the Note secured thereby are non-assumable, .

11. **Notice**. Except for any notice required under applicable law to be given in another manner: (a) any notice to the Mortgagor 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 Mortgagor may designate by notice to the Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail to the address stated herein with a copy to The Money Source, Inc., 1800 Walt Whitman Rd, Suite 130, Melville, NY, 11747, or to such other address as Mortgagee may designate by notice to the Mortgagor as provided herein.

12. **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.

13. **Mortgagor's Copy**. Mortgagor shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

14. **Rehabilitation Loan Agreement.** Mortgagor shall fulfill all of Mortgagor's obligations under any home rehabilitation, improvement, repair, or other loan agreement which is entered into with Mortgagee. At Mortgagee's option, Mortgagor shall execute and deliver to Mortgagee, in a form acceptable to Mortgagee, an assignment of any rights, claims or defenses which Mortgagor may have against parties who supply labor, materials or services in connection with improvements made to the Property.

15. **Transfer of the Property.** If all or any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the Mortgagor is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if a prior mortgage is refinanced, or if the Property is leased or rented, all sums secured by this Mortgage shall immediately become due and payable. Mortgagee shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with Paragraph 11 hereof within which Mortgagor must pay all sums secured by this Mortgage. If said sums are not paid in full prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand.

16. **Acceleration; Remedies**. Except as provided in Paragraph 14 hereof, upon the Mortgagor's breach of any covenant or agreement of the Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, or in the event that the Mortgagor shall have made a material misrepresentation or material omission in Mortgagor's application for the loan evidenced by the Note, Mortgagee may declare all of the

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sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Amounts accelerated shall bear simple interest at the lesser of eight percent (8%) per annum or the maximum rate permitted by applicable law. The interest on amounts accelerated begins after the cure period if uncured within the timeframe provided in the notice. Prior to acceleration of this Mortgage, Mortgagee shall give notice to Mortgagor as provided in Paragraph 11 hereof specifying (1) the breach (if the breach is curable); (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is mailed to Mortgagor, 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 Mortgagor of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Mortgagor acceleration and foreclosure. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs, and costs of documentary evidence, abstracts and title reports.

17. **Mortgagor's Right to Reinstate**. Notwithstanding the acceleration of the sums secured by this Mortgage due to the Mortgagor's breach, the Mortgagor shall have the right to have any proceedings begun by Mortgagee to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the covenants and agreements of Mortgagor contained in this Mortgage, and in enforcing Mortgagee's remedies as provided in Paragraph 16 hereof, including, but not limited to, reasonable attorneys' fees and court costs; and (d) the Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Property and the Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured shall hereby remain in full force and effect as if no acceleration had occurred.

18. **Assignment of Revenues; Appointment of Receiver.** As additional security hereunder, Mortgagor hereby assigns to Mortgagee the revenues of the Property, provided that Mortgagor shall, prior to acceleration under Paragraph 16 hereof or abandonment of the Property, have the right to collect and retain such revenues as they become due and payable. Upon acceleration under Paragraph 16 hereof or abandonment of the Property, Mortgagee shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property, and to collect the revenues of the Property including those past due. All revenues collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and the reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those revenues actually received.

19. **Release**. Upon payment of all sums secured by this Mortgage, Mortgagee shall prepare a written satisfaction of this Mortgage. The Mortgagee shall not bear the cost of recording the Satisfaction of Mortgage; it shall be the responsibility of the Mortgagor.

20. **Subordination**.
    This Mortgage is subordinate in all respects to the First Mortgage and any future advances permitted thereunder. In the event of foreclosure, deed in lieu of foreclosure, or assignment of the First Mortgage to HUD, this Mortgage and any program use restrictions shall terminate and be of no further effect on subsequent owners.

    Further, if the mortgagee of the First Mortgage acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Mortgage shall terminate at the discretion of the Mortgagee upon the mortgagee of the First Mortgage's acquisition of title, such termination will not be unreasonably withheld provided that (i) the Mortgagee has been given written notice of a default under the First Mortgage, (ii) the Mortgagee shall not have cured the default under the First Mortgage within the 30-day period provided in such notice sent to the Mortgagee, and (iii) there is not sufficient equity in the Property to satisfy the senior lien (assuming reasonable costs) and the lien of this loan.

21. **Attorneys' Fees.** As used in this Mortgage and in the Note, "attorneys' fees" shall include attorneys' fees and paralegal fees, if any, incurred in connection with the collection or enforcement of this Mortgage or of the Note, whether or not suit is brought and whether incurred at trial, on appeal, in bankruptcy proceedings or otherwise.

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22. **Special Second Mortgage Program Covenants, Warrants, Representations**. Mortgagor covenants, represents and warrants to Mortgagee that: (a) the Mortgagor, along with his/her/their family, will occupy the Property as their principal residence; (b) the Property is a single-family residence; and (c) Mortgagor's total family income at the time of its applications for the Loan meets the requirements for participation in the Program.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST.

Mortgagee requests the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice, at Mortgagee's address set forth on page one of this Mortgage of any default under the superior encumbrance and of any sale or other foreclosure action.

23. **WAIVER OF JURY TRIAL. MORTGAGOR AND MORTGAGEE (BY ACCEPTANCE OF THIS MORTGAGE), EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (A) UNDER THIS MORTGAGE OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS MORTGAGE OR (B) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS MORTGAGE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH PARTY ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF COUNSEL PRIOR TO EXECUTING THIS MORTGAGE. MORTGAGOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST MORTGAGEE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.**

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, Borrower has executed this Mortgage on the date first above written.

Signed, sealed and delivered in the presence of:

Borrower Name	Applicant Type	Signature	Date
_____		_____	
_____	Witness	_____	
_____	Witness	_____	

Co-Borrower Name	Applicant Type	Signature	Date
_____	Co-Borrower	_____	
_____	Witness	_____	
_____	Witness	_____	

Co-Borrower 2 Name	Applicant Type	Signature	Date
_____	Co-Borrower	_____	
_____	Witness	_____	
_____	Witness	_____	

Non-Purchase Spouse Name	Applicant Type	Signature	Date
_____	Non-Purchase Spouse	_____	
_____	Witness	_____	
_____	Witness	_____	

State of _____

County of _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____, 20___ by _____, who is ☐ personally known to me or ☐ produced _____as identification .

Notary Signature Seal
My commission expires on: _____

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PROMISSORY NOTE

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
SINGLE FAMILY MORTGAGE PURCHASE REVENUE BOND PROGRAM
(SECOND MORTGAGE DOWNPAYMENT LOAN ASSISTANCE)

Date: Loan Amount: (Principal)

Maturity Date:_____

Property Street Address:

1. **BORROWER'S PROMISE TO PAY**
I/We, the Borrower promise to pay _____US DOLLARS ($_____) (this amount will be called "Principal") to the order of the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION ("HHFDC"), a public body and body corporate and politic of the State of Hawaii, pursuant to Chapter 201H, Hawaii Revised Statutes, whose principal place of business and post office address is 677 Queen Street, Suite 300, Honolulu, HI 96813, or to any other legal holder of the Note. HHFDC 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**
This Note shall bear interest at one percent (1%) simple interest per annum from the date hereof, which interest shall accrue annually (without compounding) and be cumulatively paid when the Principal of this Note is due; provided that if Borrower fails to pay this Note as required, interest shall be due on the unpaid principal balance at the simple rate of eight percent (8%) per annum or the maximum rate permitted by applicable law, pursuant to paragraph 6 herein. from the date when payment of this Note was due until this Note is paid in full beginning on the date provided in the Notice of Default.

3. **PAYMENTS**
Borrower understands that principal and interest payments shall be deferred until the Maturity Date referenced above and shall become due and payable upon the such Maturity Date or earlier if any one of the following events occurs: (a) Borrower sells, transfers or disposes of the property or home, either voluntarily or involuntarily; (b) Borrower fails or ceases to occupy the home as his, her or their principal residence; (c) Borrower, or last surviving Borrower, dies; or (d) Borrower refinances the first mortgage loan. In addition, the HHFDC may accelerate the loan as provided by applicable statutes and administrative rules.

4. **FORGIVENESS OF INTEREST**
Borrower understands that interest payments are deferred and may be forgiven in in whole or in part in the sole discretion of HHFDC, provided that the Borrower complies with all eligibility requirements under the Program and fulfills all obligations under this Note and the Mortgage for the actual duration of this Note, but only if such duration at least 10 years. If the Borrower fails to maintain compliance with any eligibility requirements or obligations as specified in this agreement, the deferred interest on this Note shall not be forgiven and the balance and interest shall become due pursuant to paragraph 3.

5. **BORROWER'S PAYMENT BEFORE PAYMENT IS DUE**
Borrower has the right to make payments, in full or in part, on this Note at any time before it is due. Such payments are known as "prepayments." When the Borrower makes a prepayment, Borrower will notify the Note Holder in writing that a prepayment is being made. The Borrower may repay the whole or any part of the unpaid balance of this Note, plus accrued interest, at any time without penalty.

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

   A. **Default** – If Borrower does not pay the full amount as required in Section 3 above, or if Borrower otherwise fails to timely perform any obligations under this Note or the Mortgage securing this Note, Borrower will be

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in default. If Borrower is in default, the Note Holder may bring about any actions not prohibited by applicable law and require Borrower to pay the Note Holder's costs and expenses as described in (D) below.

B. **Notice of Default** – If Borrower is in default, the Note Holder may send Borrower a written notice telling Borrower that if the Borrower does not cure the default by a certain date, the Note Holder may require Borrower to pay immediately the full amount of principal which has not been paid and all the interest that Borrower owes on that amount. That date must be at least 30 days after the date on which the notice is delivered or mailed to Borrower.

C. **No Waiver By Note Holder** – Even if, at a time when Borrower is in default, the Note Holder does not require Borrower to pay immediately in full as described above, the Note Holder will still have the right to do so if Borrower is in default at a later time.

D. **Payment of Note Holder's Costs and Expense** – If the Note Holder takes such actions as described above, the Note Holder will have the right to be paid back for all of its costs and expenses, including but not limited to reasonable attorney's fees, whether incurred by the Note Holder before filing suit, at trial or an appeal.

E. Default Payment – In the event of default, payment is due in full by the date provided in the Notice of Default. Installment payments do not begin. If payment is not remitted in full, the loan will continue to accrue interest until paid in full.

7. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated the same date as this Note, protects the Note Holder from possible losses which might result if Borrower does not keep the promises which Borrower makes in this Note. That Mortgage describes how and under what conditions Borrower may be required to make immediate payment in full of all amounts that Borrower owes under this Note.

8. BORROWER'S WAIVERS

Borrower waives any rights that require the Note Holder to do certain things. Those things are (a) to demand payment of amount due (known as "presentment"); (b) to give notice that amounts due have not been paid (known as "notice of dishonor"); (c) to obtain an official certification of nonpayment (known as a "protest"). Any co-signer, guarantor, surety or endorser who agrees to keep the promises Borrower has made in the Note, by signing this Note or by executing a separate agreement to make payments to the Note Holder if Borrower fails to keep the promises under this Note, or who signs this Note to transfer it to someone else, waives these rights.

9. GIVING OF NOTICES

Any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by certified or registered mail, addressed to Borrower, at the Property Address above. A notice will be delivered or mailed to Borrower at a different address if Borrower gives the Note Holder a notice in writing of Borrower's different address. Any notices that must be given to the Note Holder under this Note will be given by mailing it by certified or registered mail to the Note Holder at the Lender's address stated in Section 1 above with a copy to The Money Source, Inc., 1800 Walt Whitman Rd, Suite 130, Melville, NY, 11747, or to such other address as the Note Holder may designate by notice to the Borrower. A notice will be mailed to the Note Holder at a different address if Borrower is given a notice of that different address.

10. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each signatory 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 (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each party individually or against all parties together and may enforce its rights under this Note against all parties together and may enforce its rights against any party, in any order. This means that any one party may be required to pay all of the amounts owed under this Note.

11. WAIVER OF JURY TRIAL. BORROWER AND LENDER (BY ACCEPTANCE OF THIS NOTE), EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS NOTE OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR

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WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS NOTE OR (b) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS NOTE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH PARTY ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF COUNSEL PRIOR TO EXECUTING THIS MORTGAGE. BORROWER AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST LENDER ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

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NOTICE TO BORROWER
DO NOT SIGN THIS NOTE IF IT CONTAINS BLANK SPACES.
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.

Borrower Name	Applicant Type	Signature	Date
	Borrower		
	Witness		
	Witness		

Co-Borrower Name	Applicant Type	Signature	Date
	Co-Borrower		
	Witness		
	Witness		

Co-Borrower 2 Name	Applicant Type	Signature	Date
	Co-Borrower		
	Witness		
	Witness		

Non-Purchasing Spouse Name	Applicant Type	Signature	Date
	Non-Purchasing Spouse		
	Witness		
	Witness		

(SIGN ORIGINAL ONLY)

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