

Protection Clauses

Due on Sale Clause (Put in mortgage)

Lender shall have the right at its option, to declare any indebtedness and obligations secured hereby irrespective of the maturity date specified in any note or agreement evidencing the same, due and payable within 30 days after such declaration if:

(a) Borrower or any successor in interest to Borrower in such property sells, enters into a contract of sale, conveys or alienates such property, or any part thereof, or suffers his title or any interest therein to be divested, whether voluntarily or involuntarily, or leases such property, or any part thereof for a term of more than 3 years, or changes or permits to be changed the character or use of the property, or drills or extracts or enters into a lease for the drilling for or extracting of oil, gas or other hydrocarbon substance or any mineral of any kind or character on such property; or

(b) Borrower is a partnership and the interest of a general partner is assigned or transferred; or

(c) Borrower is a corporation and more than 25% of the corporation stock thereof is sold, transferred or assigned during a 12 month period; or

(d) Borrower is a trust and there is a change of beneficial interest with respect to more than 25% of such property, or

(e) Borrower has made any material misrepresentation or failed to disclose any material fact in those certain financial and other written representations and disclosures made by Borrower in order to induce Lender to enter into the transaction evidenced by the promissory note or notes or agreements which this mortgage secures.

Optional - Due on Sale Clause

The property described herein shall not be assigned, sold, or otherwise transferred to any party not a party herein, without the express written consent of the mortgagees. Should mortgagors sell, assign, or otherwise transfer without the mortgagees' written consent, the entire amount owing hereunder shall become immediately due and payable.

Collateral and Late Fee Clause (Put in Note)

If an installment called for under the terms of this note is not made within five (5) days after its due date, a late charge amounting to ten cents for each dollar or fraction thereof of said installment shall be paid by the makers. The makers hereof also agree to pay any and all set-up fees and collection charges and escrow account charges issued by any institution employed to collect and/or receive the payments due hereunder.

Attorneys Fee Clause (Put in Note)

If an attorney is employed to institute collection action on this note the attorney fee will be equal to 10% of the unpaid balance or \$4,000 whichever is greater.