NOTE AND MORTGAGE

$ Date

MORTGAGOR: \*, residing at \*, \*, \*, MORTGAGEE: \*, residing at \*, \*, \*,

PROMISE TO PAY: Mortgagor promises to pay to Mortgagee or order the sum of \*and \*/100 Dollars, ($\*), with interest at the rate of 5% per year from the date above until the debt is paid in full.

PAYMENTS: Mortgagor will pay the debt as follows: By making consecutive equal monthly payments of $\* each commencing on the \* day of \*, \* and continuing on the same day of each and every month thereafter until the \* day of \*, \*, at which time the entire principal balance together with interest shall become due and payable. This repayment is calculated on a \* year amortization schedule with a balloon payment due however at the end of \* years. The mortgagee’s failure to demand payment in full at that time shall not constitute a waiver of her right to demand payment in full at any time thereafter.

ADDRESS FOR PAYMENT: Payment shall be made at Mortgagee's address above or at any other address Mortgagee directs.

APPLICATION OF PAYMENTS: The Mortgagee will apply each payment first to interest charges and then to repayment of the debt.

ADDITIONAL PROMISES AND AGREEMENTS OF THE MORTGAGOR:

l. Transfer of Rights in the Property. The Mortgagor hereby mortgages to the Mortgagee the Property described in this Note and Mortgage. Mortgagor can lose the Property for

failure to keep the promises in this Note and Mortgage.

(a)

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1. Property Mortgaged. The Property mortgaged is:

THIS IS A PURCHASE MONEY MORTGAGE ON A SINGLE FAMILY DWELLING.

Premises are improved by a one or two family residence only. Request for exemption pursuant to Tax Law Section 253 is hereby made.

Premises are improved by a one to six family residence only, each with separate cooking facilities and mortgagee is a natural person. Request for exemption pursuant to Tax Law Section 253(1-a)

is hereby made.

* 1. Together with the buildings and improvements on the Property.
  2. Together with all the Mortgagor's right, title and interest in the streets next to the Property to their center lines.
  3. Together with all fixtures and personal property which now is or which later may be attached to or used or useful in connection with the Property. This does not include household furniture.
  4. Together with all condemnation awards for any taking by a government or agency of the whole or part of the property or buildings or any easement in connection with the property. This includes awards for changes of grade of streets.

1. Future Advances. The Mortgagee may make advances in the future to the Mortgagor or future owners of the Property. In addition to the above debt this Note and Mortgage is intended to secure any more debts now or in the future owed by the Mortgagor to the Mortgagee. The maximum amount of debt secured by this Note and Mortgage shall not be greater than the debt stated above. Mortgagee is not obligated to make further advances.
2. Late Charge. If any payment is overdue more than l5 days an additional charge will be due to Mortgagee to cover the costs of delay. This late charge shall be 2% of the overdue monthly payment.
3. Insurance. Mortgagor will keep the buildings on the Property insured against loss by fire and other risks included in the standard form of extended coverage insurance. The amount shall be approved by Mortgagee, but shall not exceed full replacement value of the buildings. Mortgagor will assign and deliver the policies to Mortgagee. The policies shall contain the standard New York Mortgage clause in the name of Mortgagee. If Mortgagor fails to keep the buildings insured Mortgagee may obtain the insurance. Within 30 days after notice and demand, Mortgagor must insure the property against war risk and any other risk reasonably required by Mortgagee.
4. Maintenance. Mortgagor will keep the property in reasonably good repair.
5. No Sale or Alteration. The Mortgagor may not, without the consent of Mortgagee, (a) alter, demolish or remove the buildings and improvements on the property, or (b) sell the property or any part of it, by land sale contract or otherwise.
6. Taxes, etc. Mortgagor will pay all taxes, assessments, sewer rents or water rates within 30 days after they are due. Mortgagor must show receipts for these payments within l0 days of Mortgagee's demand for them.
7. Expenses of Mortgagee. Mortgagor must pay all expenses of Mortgagee, including reasonable attorney's fees, if (a) Mortgagee is made a party in a suit relating to the Property, or (b) Mortgagee sues anyone to protect or enforce Mortgagee's rights under this Note and Mortgage,

including an action brought by Mortgagee against Mortgagor to enforce the terms of this Note and Mortgage.

l0. Mortgagee's Right to Cure. Mortgagor authorizes Mortgagee to make payments necessary to correct a default of Mortgagor under Paragraphs 5, 8 and 9 of this Mortgage. Payments made by Mortgagee together with interest at the rate provided in this Note and Mortgage from the date paid until the date of repayment shall be added to the debt and secured by this Mortgage. Mortgagor shall make repayment with interest within l0 days after demand.

ll. Statement of the Amount Due (estoppel). Within five days after request in person or within ten days after request by mail, Mortgagor shall give to Mortgagee a signed statement of the amount due on this Note and Mortgage and whether there are any offsets or defenses against the debt.

l2. Title. Mortgagor warrants the title to the property. Mortgagor is responsible for any costs or losses of the Mortgagee if an interest in the property is claimed by others.

l3. Cure Violations. Mortgagor shall comply with any law or governmental order or cure any legal violation concerning the property. Mortgagor shall comply within 90 days after the order or violation is issued or the law takes effect.

l4. Lien Law Section l3. Mortgagor will receive the advances secured by this Note and Mortgage and will hold the right to receive the advances as a trust fund. The advances will be applied first for the purpose of paying the cost of improvement. Mortgagor will apply the advances first to the payment of the cost of improvement before using any part of the total of the advances for any other purpose.

l5. Inspections. Mortgagee and any person authorized by the Mortgagee may enter and inspect the property at reasonable times.

l6. Financing Statements. Mortgagor authorizes Mortgagee to file without Mortgagor's signature, one or more financing statements as permitted by law to perfect the security interest of this Note and Mortgage.

l7. Default, When Full Amount of Debt Due Immediately. Mortgagee may declare the full amount of the debt to be due and payable immediately for any default. The following are defaults:

(a) Mortgagor fails to make any payment required by this Note and Mortgage within 30 days of the date it is due; (b) Mortgagor fails to keep any other promise or agreement in this Note and Mortgage within the time stated, or if no time is stated, within a reasonable time after notice is given that Mortgagor is in default. (c) On application of Mortgagee, two or more insurance companies licensed to do business in New York State refuse to issue policies insuring the buildings and improvements on the property.

l8. Sale. If Mortgagor defaults under this Note and Mortgage and the Property is to be sold at a foreclosure sale, the Property may be sold in one parcel.

l9. Receiver. If Mortgagee sues to foreclose the Note and Mortgage, Mortgagee shall have the right to have a receiver appointed to take control of the property.

20. Payment of Rent and Eviction After Default. If there is a default under this Note and Mortgage, Mortgagor must pay monthly in advance to Mortgagee, or to a receiver who may be appointed to take control of the Property, the fair rental for the use and occupancy of the part of the Property that is in the possession of the Mortgagor. If Mortgagor does not pay the rent when due, Mortgagor will vacate and surrender the Property to Mortgagee or to the receiver. Mortgagee may evict Mortgagor by summary proceedings or other court proceedings.

2l. Applicable Law. Mortgagee shall have all the rights set forth in Section 254 of the New York Real Property Law in addition to Mortgagee's rights set forth in this Note and Mortgage, even if the rights are difference from each other.

1. No Waiver. Delay or failure of Mortgagee to take any action will not prevent Mortgagee from doing so later. Mortgagee may enforce those rights Mortgagee chooses without

giving up any other rights.

1. No Oral Changes. This Note and Mortgage may not be changed or ended orally.
2. Notices. Notices, demands or requests may be in writing and may be delivered in person or sent by mail.
3. Who is Bound. If there are more than one Mortgagor each shall be separately liable. The words "Mortgagor" and Mortgagee shall include their heirs, executors, administrators, successors and assigns. If there are more than one Mortgagor or Mortgagee the words "Mortgagor" and Mortgagee" used in this Mortgage includes them.
4. No Pre-Payment Penalty. Mortgagor may prepay all or any part of this loan at any time without penalty.

Signatures. Mortgagor states that Mortgagor has read this Note and Mortgage, received a completely filled in copy of it and has signed this Note and Mortgage as of the date at the time of the first page.

MORTGAGOR

STATE OF NEW YORK )

) ss.:

COUNTY OF )

On the \* day of \*, in the year \*, before me, the undersigned, personally appeared \*, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or person(s) upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC