

Fidelity National Title

CHICAGO TITLE

TWO TRUSTED COMPANIES. ONE UNIFIED TEAM

December 14, 2023

Prepared For:

Bradley Herbert Jr. & Stephanie Jolley

242 Werth Ln Hamilton MT 59840

13146831203200000

Built to ensure a successful real estate partnership with proven results.

Fidelity National Title Branch Locations

BIGFORK:

8000 MT HWY 35, Ste 3
Bigfork, MT 59911
406-837-8000

COLUMBIA FALLS:

734 9th Street West Unit 5
Columbia Falls, MT 59912
406-862-7914

LAKESIDE:

7100 US HWY 93 South, Ste A
Lakeside, MT 59922
406-300-6106

HAMILTON:

1920 North First Street
Hamilton, MT 59840
406-363-7004

KALISPELL:

150 1st Ave., WN Ste A
Kalispell, MT 59901
406-755-7004

MISSOULA:

320 West Broadway St
Missoula, MT 59802
406-728-1500

WHITEFISH:

284 Flathead Ave, Ste 101
Whitefish, MT 59937
406-862-7914

Chicago Title Branch Locations

CHICAGO TITLE - BILLINGS

1575 Shiloh Road, Ste J
Billings, MT 59106
406-238-9999

CHICAGO TITLE - BOZEMAN

1800 W Koch Street, Ste 1
Bozeman, MT 59715
406-587-5563

CHICAGO TITLE - GREAT FALLS

101 River Drive North
Great Falls, MT 59401
406-453-7622

Contact us today.

We are always ready to assist you with an elevated level of expertise and a commitment to service.

[FNTMontana.com](https://www.FNTMontana.com)

[Montana.CTIC.com](https://www.Montana.CTIC.com)



Ravalli County Property Profile

Parcel #	13146831203200000	Owner	Herbert, Bradley Herbert Jr
Ref Parcel		Owner Address	PO Box 663 Corvallis MT 59828 - 0663
Site Address	242 Werth Ln Hamilton MT 59840 - 3231	Market Total Value	
Lot Size	0.51 Acres (22,216 SqFt)	Assessed Total Value	\$337,900.00
Building Area	1,545 SqFt	Year Built	1940
School District	Hamilton K-12 Schools	Sale Date	01/20/2021
Zoning		Sale Price	
Bedrooms	4	Subdivision	Werth Add No 3 (Cos No 443)
Bathrooms	3	Land Use / Land Use Std	IMP_R - Improved Property Rural / 163 - Sfr
Legal	WERTH ADD NO 3 (COS NO 443), S31, T06 N, R20 W, 22216 SQUARE FEET, S 29' LOT 64 PT LOTS 65 & 66 AMEND SUB PLAT #598 LOT 65-A		



Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.



DOCUMENT: 754873 WARRANTY DEED

RECORDED: 1/20/2021 3:47:05 PM

Regina Plettenberg, CLERK AND RECORDER

Fee \$14.00 By

Mura Mathews

Deputy

WHEN RECORDED RETURN TO:

Bradley Herbert Jr. and Stephanie Jolley

MT PO Box 663
Corvallis, MT 59828

STR-51390

ID 736600

WARRANTY DEED

FOR VALUE RECEIVED, Patrick Neal, Jaqlyn Neal, and Guy Patrick Neal, of 242 Werth Ln., Hamilton, MT 59840, GRANTORS, does hereby grant, bargain, sell and convey unto:

Bradley Herbert Jr. and Stephanie Jolley
MT

GRANTEES, AS JOINT TENANTS AND TO THE SURVIVOR OF SAID NAMED JOINT TENANTS (and not as tenants in common) and to the heirs and assigns of such survivor forever, the following described premises in Ravalli County, State of Montana:

Lot 65-A of Amended Subdivision Plat No. 598, being a portion of Werth Addition No. 3, situated in Ravalli County, Montana, according to the official recorded plat thereof.

TO HAVE AND TO HOLD the said premises, with its appurtenances and easements apparent or of record, unto the said GRANTEES, AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP (and not as tenants in common), and to the heirs and assigns of the survivor of said named joint tenants forever.

SUBJECT TO:

- A. All reservations, exceptions, covenants, conditions and restrictions of record and in patents from the United States or the State of Montana;
- B. All existing easements, rights of way and restrictions apparent or of record;
- C. Taxes and assessments for the current year and subsequent years;
- D. All prior conveyances, leases or transfers of any interest in minerals, including oil, gas and other hydrocarbons;
- E. Building, use, zoning, sanitary, and environmental restrictions;

GRANTORS covenant with GRANTEES that GRANTORS are now seized in fee simple absolute of said premises; that GRANTORS have full power to convey same; that the same is free from all encumbrances excepting those set forth above; that GRANTEES shall enjoy the same without any lawful disturbance; that GRANTORS will, on demand, execute and deliver to GRANTEE, at the expense of GRANTORS, any further assurance of the same that may be reasonably required; and, with the exceptions set forth above, that GRANTORS warrant and will defend for their all the said premises against every person lawfully claiming all or any interest in same.

Dated this 18th day of January, 2021.

Patrick Neal
Patrick Neal

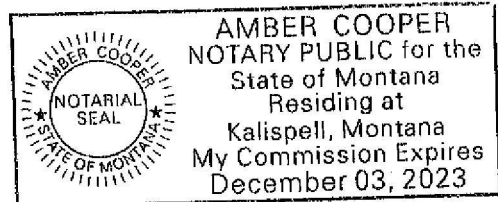
Jaqlyn Neal
Jaqlyn Neal

State of Montana
County of *Flattenhead*

On this 18th day of January 2021, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Patrick Neal, Jaqlyn Neal, and Guy Patrick Neal and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

Amber Cooper
Printed Name: Amber Cooper
Notary Public in and for the State of Montana
Notary Resides: Kalispell
My commission expires: 12/03/2023





Dated this 19 day of JAN., 2021

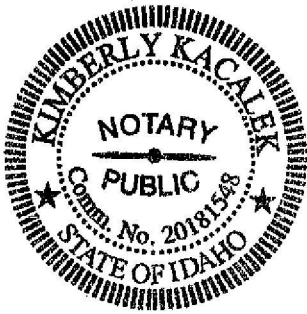
[Signature]
Guy Patrick Neal

State of ~~Montana~~ Idaho
County of Kootenai

On this 16th day of January, 2021, before me, the undersigned, a Notary Public for the State of ~~Montana~~, personally appeared Guy Patrick Neal and acknowledged to me that he executed the same. Idaho

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

[Signature]
Printed Name: Kimberly Kacalek
Notary Public in and for the State of ~~Montana~~ Idaho
Notary Resides: Post Falls
My commission expires: 08/20/2021





Mura Mathews

After Recording Return To:
AMERICAN FINANCIAL NETWORK,
INC., DBA: ORION LENDING
ATTN: FINAL DOCUMENT
DEPARTMENT
10 POINTE DRIVE, SUITE 330
BREA, CA 92821

STR-51390

[Space Above This Line For Recording Data]

P-736600

DEED OF TRUST

Trust Indenture Under the Small Tract Financing Act of Montana

HERBERT

Loan #: 2600594511

MIN: 100412800025999106

MERS Phone: 1-888-679-6377

PIN: 736600

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **JANUARY 20, 2021**, together with all Riders to this document.

(B) "Borrower" is **BRADLEY D. HERBERT JR. AND STEPHANIE JOLLEY, AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP**. Borrower is the trustor under this Security Instrument.

(C) "Lender" is **AMERICAN FINANCIAL NETWORK INC DBA: ORION LENDING**. Lender is a CORPORATION organized and existing under the laws of CA. Lender's address is **770 THE CITY DRIVE SOUTH, SUITE 1100, ORANGE, CA 92868**. Lender is the beneficiary under this Security Instrument.

(D) "Trustee" is Stewart Title of Ravalli County, LLC

(E) "MERS" is the Mortgage Electronic Registration Systems, Inc. Lender has appointed MERS as the nominee for Lender for this Loan, and attached a MERS Rider to this Security Instrument, to be executed by Borrower, which further describes the relationship between Lender and MERS, and which is incorporated into and amends and supplements this Security Instrument.

(F) "Note" means the promissory note signed by Borrower and dated **JANUARY 20, 2021**. The Note states that Borrower owes Lender **TWO HUNDRED EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY-THREE AND 00/100 Dollars (U.S. \$283,333.00)** plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **FEBRUARY 1, 2051**.





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This Security Instrument secures 150% of the amount of the Note.

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- I-4 Family Rider
- Condominium Rider
- Planned Unit Development Rider
- Other(s) [specify] **MERS RIDER, RURAL DEVELOPMENT OCCUPANCY RIDER**
- Second Home Rider
- Biweekly Payment Rider

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this





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Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY of RAVALLI:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".

which currently has the address of 242 WERTH LN, HAMILTON, MT 59840 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due





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under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the





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Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not





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protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property.





Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any





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reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During





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such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or





any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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 Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender





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has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or





cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any





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Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Lender or Trustee shall record a notice of sale in each county in which any part of the Property is located, and Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. After the time required by Applicable Law and after publication and posting of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk or recorder of the county in which the sale took place.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.





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24. **Substitute Trustee.** Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. **Area of Property.** The area of the Property is not more than 40 acres.

26. **Waiver of Homestead Exemption Rights.** In conformance with the provisions of § 70-32-202, M.C.A., this transaction involving a mortgage upon real property for purposes of securing a debt on premises, as subject hereto, and executed and acknowledged by the husband and wife, or by an unmarried person, the undersigned grantors have by separate written waiver, which waiver is incorporated herein by this reference, waived, renounced and abandoned for themselves and their family, any and all homestead exemption rights or other exemption law now or subsequently enforced within the State of Montana, or any other state or territory where judgment may be entered by virtue of this agreement or in the event of a sale pursuant to the provisions of the Montana Small Tract Financing Act.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Bradley D Herbert Jr
- BORROWER - BRADLEY D HERBERT JR

Stephanie Jolley
STEPHANIE JOLLEY

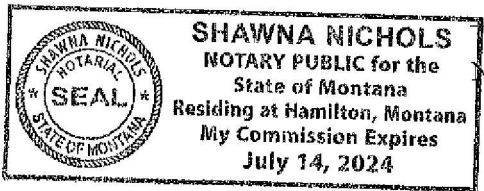
[Space Below This Line For Acknowledgment]

State of MT

County of *Rawlins*

This record was acknowledged before me on JANUARY 20, 2021 by
Bradley D. Herbert Jr and Stephanie Jolley

Shawna Nichols



Notary Public





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Individual Loan Originator: ANGELA LAQUE, NMLSR ID: 290647

Loan Originator Organization: HAMILTON MORTGAGE SERVICES, INC, NMLSR ID: 317593

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EXHIBIT "A" LEGAL DESCRIPTION

File No.: 51390

Lot 65-A of Amended Subdivision Plat No. 598, being a portion of Werth Addition No. 3, situated in Ravalli County, Montana, according to the official recorded plat thereof.



MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. RIDER
(MERS Rider)

HERBERT

Loan #: 2600594511

MIN: 100412800025999106

THIS MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. RIDER ("MERS Rider") is made this 20TH day of **JANUARY, 2021**, and is incorporated into and amends and supplements the Deed of Trust (the "Security Instrument") of the same date given by the undersigned (the "Borrower," whether there are one or more persons undersigned) to secure Borrower's Note to **AMERICAN FINANCIAL NETWORK INC DBA: ORION LENDING** ("Lender") of the same date and covering the Property described in the Security Instrument, which is located at: **242 WERTH LN, HAMILTON, MT 59840** [Property Address].

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that the Security Instrument is amended as follows:

A. DEFINITIONS

1. The Definitions section of the Security Instrument is amended as follows:

"Lender" is **AMERICAN FINANCIAL NETWORK INC DBA: ORION LENDING**. Lender is a **CORPORATION** organized and existing under the laws of **CALIFORNIA**. Lender's address is **770 THE CITY DRIVE SOUTH, SUITE 1100, ORANGE, CA 92868**. Lender is the beneficiary under this Security Instrument. The term "Lender" includes any successors and

MERS RIDER - SingleFamily - Fannie Mac/Freddie Mac UNIFORM INSTRUMENT

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assigns of Lender.

"MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is the Nominee for Lender and is acting solely for Lender. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of PO Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS. MERS is appointed as the Nominee for Lender to exercise the rights, duties and obligations of Lender as Lender may from time to time direct, including but not limited to appointing a successor trustee, assigning, or releasing, in whole or in part this Security Instrument, foreclosing or directing Trustee to institute foreclosure of this Security Instrument, or taking such other actions as Lender may deem necessary or appropriate under this Security Instrument. The term "MERS" includes any successors and assigns of MERS. This appointment shall inure to and bind MERS, its successors and assigns, as well as Lender, until MERS' Nominee interest is terminated.

2. The Definitions section of the Security Instrument is further amended to add the following definition:

"Nominee" means one designated to act for another as its representative for a limited purpose.

B. TRANSFER OF RIGHTS IN THE PROPERTY

The Transfer of Rights in the Property section of the Security Instrument is amended to read as follows:

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY (Type of Recording Jurisdiction) of **RAVALLI** (Name of Recording Jurisdiction):

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".

which currently has the address of **242 WERTH LN, HAMILTON, MT 59840** ("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to





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in this Security Instrument as the "Property."

Lender, as the beneficiary under this Security Instrument, designates MERS as the Nominee for Lender. Any notice required by Applicable Law or this Security Instrument to be served on Lender must be served on MERS as the designated Nominee for Lender. Borrower understands and agrees that MERS, as the designated Nominee for Lender, has the right to exercise any or all interests granted by Borrower to Lender, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, assigning and releasing this Security Instrument, and substituting a successor trustee.

C. NOTICES

Section 15 of the Security Instrument is amended to read as follows:

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Borrower acknowledges that any notice Borrower provides to Lender must also be provided to MERS as Nominee for Lender until MERS' Nominee interest is terminated. Any notice provided by Borrower in connection with this Security Instrument will not be deemed to have been given to MERS until actually received by MERS. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

D. SALE OF NOTE; CHANGE OF LOAN SERVICER; NOTICE OF GRIEVANCE

Section 20 of the Security Instrument is amended to read as follows:

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without

MERS RIDER - SingleFamily - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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2600594511

prior notice to Borrower. Lender acknowledges that until it directs MERS to assign MERS's Nominee interest in this Security Instrument, MERS remains the Nominee for Lender, with the authority to exercise the rights of Lender. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

E. SUBSTITUTE TRUSTEE

Section 24 of the Security Instrument is amended to read as follows:

24. Substitute Trustee. In accordance with Applicable Law, Lender or MERS may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

MERS RIDER - SingleFamily - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

☒ 18587.7

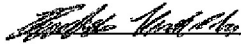
Form 3158 04/2014 (page 4 of 5 pages)





2600594511

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this MERS Rider.




- BORROWER - BRADLEY D HERBERT JR



STEPHANIE JOLLEY

MERS RIDER - SingleFamily - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

 18587.7

Form 3158 04/2014 (page 5 of 5 pages)





RURAL DEVELOPMENT OCCUPANCY RIDER

HERBERT

Loan #: 2600594511

MIN: 100412800025999106

THIS RURAL DEVELOPMENT OCCUPANCY RIDER ("Rider") is made this 20TH day of **JANUARY, 2021**, and is incorporated into and amends and supplements the Deed of Trust/Mortgage/Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower," whether there are one or more persons undersigned) to secure Borrower's Note to **AMERICAN FINANCIAL NETWORK INC DBA: ORION LENDING** ("Lender") of the same date and covering the Property described in the Security Instrument, which is located at:

242 WERTH LN, HAMILTON, MT 59840

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Section 6 of the Security Instrument is amended to be as follows:


6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence throughout the term of the Loan, unless and while extenuating circumstances exist which are beyond Borrower's control which prevent the Borrower from occupying the Property.



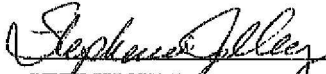


2600594511

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Rider.



- BORROWER - BRADLEY D HERBERT JR



STEPHANIE JOLLEY



Ravalli County | Detail

Date: 12/14/23
Time: 10:17:57 am

RAVALLI COUNTY TREASURER
215 S 4TH ST STE H

Tax ID: 736600
Type: Real

Name and Address
HERBERT BRADLEY JR AND
JOLLEY STEPHANIE
PO BOX 663
CORVALLIS MT 59828

Property Print TW Range SC Description
WERTH ADDN #3 Geocode: 1468-31-2-03-20-0000 S 29' LOT 64 PT
LOTS 65 & 66 AMEND SUB PLAT #598 LOT 65-A .51 AC

Class Taxable/\$	Dist	Quantity	Market
42101 Tract Land 1,265.00	3-3	0.51	93,739.00
43301 Improvements on Rural Land 3,296.00	3-3	0.00	244,161.00
990042 BITTERROOT PUBLIC LIBRARY 4,561.00	42	0	0.00
990051 SOIL & WATER CONSERVATION 4,561.00	51	0	0.00
990074 DALY DITCH 0.00	74	0.40	0.00
990142 BITTERROOT PUBLIC LIBRARY 2020 4,561.00	142	0	0.00
990174 DALY DITCH 0.00	174	1.00	0.00
999302 2014 OPEN SPACE 4,561.00	RO14	0	0.00
999304 2020 OPEN SPACE 4,561.00	RO20	0	0.00
999305 2022 OPEN SPACE 4,561.00	RO22	0	0.00

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Ravalli County | Detail

Date: 12/14/23
Time: 10:18:18 am

RAVALLI COUNTY TREASURER
215 S 4TH ST STE H

Tax ID: 736600
Type: Real

Name and Address
HERBERT BRADLEY JR AND
JOLLEY STEPHANIE
PO BOX 663
CORVALLIS MT 59828

Taxes Due Query TW Range SC Description
Sub/Blk/Lot WERTH ADDN #3 / / WERTH ADDN #3 S 29' LOT 64 PT
LOTS 65 & 66 AMEND SUB PLAT #598 LOT 65-A .51 AC Geo: 1468-31-2-
03-20-0000

District	Tax Date	Int Date	PD?	Tax Amt	Penalty	Interest
142 BITTERROOT PUBLIC LIBRARY 2020	11/30/23	12/14/23	Y	5.18	0.00	0.00
174 DALY IRRIGATION	11/30/23	12/14/23	Y	40.00	0.00	0.00
3-3 HAMILTON RURAL FIRE	11/30/23	12/14/23	Y	913.60	0.00	0.00
42 BITTERROOT PUBLIC LIBRARY	11/30/23	12/14/23	Y	15.56	0.00	0.00
51 SOIL & WATER CONSERVATION	11/30/23	12/14/23	Y	3.65	0.00	0.00
74 DALY DITCH	11/30/23	12/14/23	Y	4.82	0.00	0.00
RO14 2014 OPEN SPACE	11/30/23	12/14/23	Y	2.78	0.00	0.00
RO20 2020 OPEN SPACE	11/30/23	12/14/23	Y	5.09	0.00	0.00
RO22 2022 OPEN SPACE	11/30/23	12/14/23	Y	3.22	0.00	0.00
142 BITTERROOT PUBLIC LIBRARY 2020	05/31/24	12/14/23		5.17	0.00	0.00
174 DALY IRRIGATION	05/31/24	12/14/23		40.00	0.00	0.00
3-3 HAMILTON RURAL FIRE	05/31/24	12/14/23		913.58	0.00	0.00
42 BITTERROOT PUBLIC LIBRARY	05/31/24	12/14/23		15.55	0.00	0.00
51 SOIL & WATER CONSERVATION	05/31/24	12/14/23		3.65	0.00	0.00
74 DALY DITCH	05/31/24	12/14/23		4.82	0.00	0.00
RO14 2014 OPEN SPACE	05/31/24	12/14/23		2.78	0.00	0.00
RO20 2020 OPEN SPACE	05/31/24	12/14/23		5.08	0.00	0.00
RO22 2022 OPEN SPACE	05/31/24	12/14/23		3.21	0.00	0.00
Totals for 23				1,987.74	0.00	0.00
Total Tax, Penalty and Interest				1,987.74		

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Ravalli County | Detail

Date: 12/14/23
Time: 10:17:32 am

RAVALLI COUNTY TREASURER
215 S 4TH ST STE H

Tax ID: 736600
Type: Real

Name and Address
HERBERT BRADLEY JR AND
JOLLEY STEPHANIE
PO BOX 663
CORVALLIS MT 59828

Property Tax Query TW Range SC Description
Sub/Blk/Lot WERTH ADDN #3 / / Geo 1468-31-2-03-20-0000 3-3
WERTH ADDN #3 S 29' LOT 64 PT LOTS 65 & 66 AMEND SUB PLAT #598
LOT 65-A .51 AC

	YR	Int. Date	Tax Date	Tax Amt	Penalty	Interest	Total Amt
Paid	23	11/21/23	11/30/23	993.90	0.00	0.00	1,987.74
Tax Due	23	12/14/23	05/31/24	993.84	0.00	0.00	
Paid	22	11/21/22	11/30/22	842.64	0.00	0.00	1,685.23
Paid	22	05/15/23	05/31/23	842.59	0.00	0.00	
Paid	21	11/23/21	11/30/21	732.74	0.00	0.00	1,465.45
Paid	21	05/25/22	05/31/22	732.71	0.00	0.00	
Paid	20	11/25/20	12/04/20	666.95	0.00	0.00	1,333.87
Paid	20	05/24/21	06/01/21	666.92	0.00	0.00	
Paid	19	11/25/19	12/02/19	603.46	0.00	0.00	1,206.89
Paid	19	05/11/20	05/31/20	603.43	0.00	0.00	
Paid	18	11/27/18	11/30/18	552.18	0.00	0.00	1,104.34
Paid	18	05/15/19	05/31/19	552.16	0.00	0.00	
Paid	17	11/21/17	11/30/17	542.63	0.00	0.00	1,085.22
Paid	17	05/25/18	05/31/18	542.59	0.00	0.00	
Paid	16	11/14/16	12/09/16	574.17	0.00	0.00	1,148.32
Paid	16	05/05/17	05/31/17	574.15	0.00	0.00	
Paid	15	07/12/16	11/30/15	570.99	11.42	35.17	1,206.51
Paid	15	07/12/16	05/31/16	570.94	11.42	6.57	
Paid	14	12/01/14	12/01/14	519.54	0.00	0.00	1,053.91
Paid	14	07/02/15	06/01/15	519.54	10.41	4.42	
Paid	13	11/05/13	12/02/13	490.52	0.00	0.00	990.97
Paid	13	06/03/14	06/02/14	490.51	9.81	0.13	

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THIS MAP IS PROVIDED FOR LOCATION PURPOSES TO OUR CUSTOMERS, AS A COURTESY ONLY. NO LIABILITY IS HEREBY ASSUMED BY FIDELITY NATIONAL TITLE CO. OF MONTANA, WHICH MAY RESULT FROM RELIANCE ON THIS MAP.

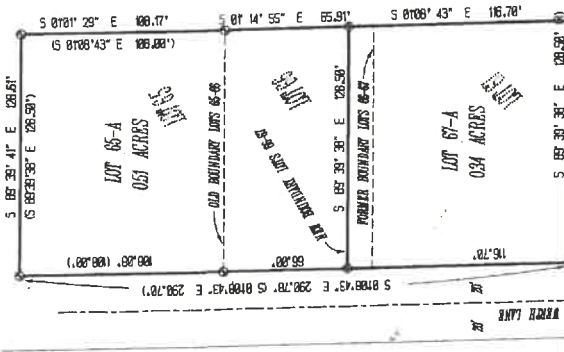
AP 598

THE AMENDED SUBDIVISION PLAT OF LOTS 65, 66, & 67 OF WERTH ADDITION NO. 3, A PLATTED SUBDIVISION OF RAVALLI CO., MT.

PURPOSE OF SURVEY: To relocate the boundary line between Lots 67 and 66, and to segregate the remainder of Lot 66 with Lot 65.

OWNER OF RECORD: ALEXANDER JOHN MC DONALD
VALERIE J. MC DONALD

LEGAL DESCRIPTION: Lots 65, 66, and 67 of Werth Addition No. 3, a platted subdivision of Ravalli County, Montana, located in the NW 1/4 of Section 31, T8N, R20W, P21A, Ravalli County, Montana.



LEGEND:
 ● - FOUND L.H. POWELL'S 1 1/2" A.C. PER DIS 443
 ● - SET 1 1/2" IPC ON 5/8" X 24" REBAR STEEL E02-5"

EXAMINING LAND SURVEYOR:
 I hereby certify I have examined this subdivision plat and find no errors or omissions in drafting and/or calculation.

We hereby certify the purpose for this division of land is to locate additional land to become part of a parcel that has no sanitary restrictions imposed on it, and no structures requiring water or sewage will be erected on the additional acquired parcels; therefore, this division of land is exempt from review by the Dept. of Health and Environmental Sciences pursuant to APN 16.16.BC5 (2) (a).

We hereby certify the purpose of this survey is to relocate common boundaries of existing lots in a platted subdivision, fewer than six lots are affected, and no additional lots are hereby created; therefore, this survey is exempt from review as a subdivision pursuant to Section 75-3-201(4) M.C.A.

Alexander J. McDonald Valérie J. McDonald
 ALEXANDER JOHN MC DONALD VALERIE J. MC DONALD
 DATE 02-22-1992 DATE

STATE OF MONTANA) ss.
 County of Ravalli)

On this 22nd day of February, in the year of 1992, before me, a Notary Public for the State of Montana, personally appeared ALEXANDER JOHN AND VALERIE J. MC DONALD known to me (or proved to me on the oath of) and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 22nd day of February, 1992.

Notary Public for the State of Montana
 Reading at: Missoula, Montana
 My commission expires: 02/28/94

SURVEYOR'S CERTIFICATION
 REPRESENTATION OF A SURVEY SUBMITTED BY THE CORPSEE, INC. IN OCTOBER, 1992.

ROBERT F. STEELE, P.L.S., 361386
 MONTANA REGISTRATION NO. 361386
 DATE 02-20-1992

1/4 S.	T. 8 N.	R. 20 W.
31	16 N	20 W

SHEET 1 OF 1
 RAVALLI CO., MONTANA

PA 2518

AP 598

AP 598

Customer Agreement for Non-Insured Products and Services

Customer understands that many of the Products and Services available from Fidelity National Financial, Inc., its subsidiaries, affiliates, partners, licensors and/or authorized agents (collectively referred to herein as "the Company") through a Customer Service representative or other Company employee, the Global Premier Services ("GPS") website or any derivative website or mobile app, are not insured and do not provide the benefit or protection afforded by a policy of title insurance. If Customer desires such protection, a policy of title insurance, binder, commitment or guarantee should be requested from the Company.

Non-insured products that may be available via the GPS site or app include, but are not limited to: Property Profiles, eFarms, Lead Locators, AVMs, Foreclosure Reports, Subject Property Reports, Property Valuation Reports, Premium Leads and Owners and Encumbrance Reports.

**BY THE EXECUTION AND SUBMISSION OF THIS CUSTOMER AGREEMENT,
CUSTOMER ACKNOWLEDGES AND AGREES:**

- a. That the Company's sole obligation under a non-insured report and this Customer Agreement shall be to set forth information such as the ownership of and liens and encumbrances against the land as requested and in doing so, the Company is not acting as an abstractor of title.
- b. That the Company shall not be obligated under a non-insured report to pay costs, attorneys' fees, or expenses incurred in any action, proceeding, or other claim brought against Customer.
- c. That a non-insured report is not an abstract of title, title opinion, preliminary report or commitment to issue title insurance.
- d. That the Company's liability under a non-insured report for an error or omission is, as stated below, limited and that if Customer desires that the Company assume additional liability, a policy of title insurance, binder, commitment, or guarantee should be requested from the Company.
- e. That any dissemination of non-insured reports to third parties is subject to all terms, conditions and limitations of this Customer Agreement and Customer agrees to make third parties aware of these limitations of liability.
- f. That the GPS website and mobile app may contain additional Terms and Conditions governing access to and use of the sites themselves. Nothing contained herein should be deemed to alter, amend or conflict with those Terms and Conditions.
- g. That the report is not valid and the Company shall have no liability thereunder unless the Limitations of Liability as stated below are attached thereto.

LIMITATIONS OF LIABILITY

THIS REPORT IS LIMITED IN SCOPE. IT IS NOT A COMMITMENT, ABSTRACT OF TITLE, TITLE OPINION, CERTIFICATE OF TITLE OR PRELIMINARY TITLE REPORT, NOR IS IT A REPRESENTATION OF THE STATUS OF TITLE, AND ITS ACCURACY IS NOT INSURED. WHILE THIS INFORMATION IS BELIEVED TO BE CORRECT, THE COMPANY MAKES NO REPRESENTATIONS AS TO ITS ACCURACY, DISCLAIMS ANY WARRANTIES AS TO THE REPORT, ASSUMES NO DUTIES TO YOU OR ANY THIRD PARTY, DOES NOT INTEND FOR YOU OR ANY THIRD PARTY TO RELY ON THE REPORT, AND ASSUMES NO LIABILITY FOR ANY LOSS OCCURRING BY REASON OF RELIANCE ON THIS REPORT OR OTHERWISE. IN PROVIDING THIS REPORT, THE COMPANY IS NOT ACTING AS AN ABTRACTOR OF TITLE. IF IT IS DESIRED THAT LIABILITY BE ASSUMED BY THE COMPANY, YOU MAY REQUEST AND PURCHASE A POLICY OF TITLE INSURANCE, A BINDER, OR A COMMITMENT TO ISSUE A POLICY OF TITLE INSURANCE. NO ASSURANCE IS GIVEN AS TO THE INSURABILITY OF THE TITLE. CUSTOMER RECOGNIZES THAT THE FEE CHARGED IS NOMINAL IN RELATION TO THE POTENTIAL LIABILITY WHICH COULD ARISE FROM SUCH ERRORS, OMISSIONS OR NEGLIGENCE. THEREFORE, CUSTOMER UNDERSTANDS THAT THE COMPANY IS NOT WILLING TO PROCEED IN THE PREPARATION AND ISSUANCE OF THE REQUESTED REPORT UNLESS THE COMPANY'S LIABILITY IS STRICTLY LIMITED. CUSTOMER AGREES, AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE REPORT, THAT THE TOTAL AGGREGATE LIABILITY OF THE COMPANY AND ITS AGENTS, SUBSIDIARIES, AFFILIATES, EMPLOYEES AND SUBCONTRACTORS SHALL NOT IN ANY EVENT EXCEED THE COMPANY'S TOTAL FEE FOR THE REPORT. IN NO EVENT WILL THE COMPANY, ITS SUBSIDIARIES, AFFILIATES, EMPLOYEES, SUBCONTRACTORS OR AGENTS BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, DIRECT, INDIRECT, PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, NEGLIGENCE OF THE COMPANY, STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE, OR OTHERWISE.