Dated: January 20, 2019

From: ANCHORED HOMES, LLC

To

Lender: XXXXXXXXX

Record and Return to:

XXXXXXXXX.

123 MAIN ST, ANYWHERE, AZ 12345

Prepared by:XXXX XXXX

MORTGAGE

This Mortgage is made on

BETWEEN the Borrower(s): ANCHORED HOMES, LLC, whose address is 3209 STONEY CREEK DR W, WILLIAMSBURG VA 23185, referred to as “I”,

AND the Lender(s): XXXXXXX., whose address is 123 MAIN ST, ANYWHERE, AZ 12345, referred to as the “Lender”.

If more than one Borrower signs this Mortgage, the word “I” shall mean each Borrower named above. The word “Lender” means the original Lender and anyone else who takes this Mortgage by transfer.

* **Mortgage Note.** In return for a loan that I received, I promise to pay ONE HUNDRED AND EIGHTEEN THOUSAND ($118,000) Dollars (called “principal”), plus interest in accordance with the terms of a Mortgage Note dated JANUARY 20, 2019 (referred to as the “Note”). All sums owed under the Note are due no later than JANUARY 20, 2020, or upon the sale of the subject property, whichever shall first occur and at the time of maturity, the entire unpaid balance shall be due and owing together with accrued interest thereon at the rate of TWELVE PERCENT (12%) per annum. All terms of the Note are made part of this Mortgage. The amount due may be greater or lesser than the face amount of the Note and Mortgage if (a) the lender lends the borrower additional documented amounts for the following specific purposes, such as~~,~~ real estate taxes, ~~,~~ which amounts shall be documented on the Appendix A of the Note on an ongoing basis. I agree to pay all real property taxes when they become due and owing.
* **Property Mortgaged**. The property mortgaged to the Lender (called the “Property”) is located in the Township of NEWFIELD County of CUMBERLAND, and State of NEW JERSEY. The Property includes: (a) the land; (b) all buildings that are now, or will be, located on the land; (c) all fixtures that are or will be, attached to the land or building(s) (for example, furnaces, bathroom fixtures, and kitchen cabinets); (d) all condemnation awards and insurance proceeds relating to the land and building(s); and (e) all other rights that I have, or will have, as owner of the Property. The Legal description of the property annexed herein and made a part hereof.

SEE DESCRIPTION ATTACHED

Known and designated as Lot(s)\_\_\_\_\_3\_\_\_\_\_\_\_, in Block \_\_\_\_\_1\_\_\_\_\_\_\_.

Commonly known as 6 COLUMBIA AVE, NEWFIELD NEW JERSEY 08344. Being the same premises conveyed to the Borrowers herein by Deed dated JANUARY 20, 2019 to be recorded simultaneously herewith. The within Mortgage is a Purchase Money Mortgage.

* **Rights Given to Lender**. I mortgage the Property to the Lender. This means that I give the Lender those rights stated in this Mortgage and also those rights the law gives to lenders who hold mortgages on real property. When I pay all amounts due to the Lender under the Note and this Mortgage, the Lender’s rights under this Mortgage will end. The Lender will then cancel this Mortgage at my expense.
* **Promises.** I make the following promises to the Lender:
* Note and Mortgage. I will comply with all of the terms of the Note and this Mortgage.
* Payments. I will make all payments required by the Note and this Mortgage.
* Ownership. I warrant title to the premises ([N.J.S.A. 46:9-2](https://advance.lexis.comapi/document?collection=statutes-legislation&id=urn:contentItem:5F0Y-CC21-6F13-0111-00000-00&context=)). This means I own the Property and will defend my ownership against all claims.
* Liens and Taxes. I will pay all liens, taxes, assessments and other government charges made against the Property when due. I will not claim any deduction from the taxable value of the Property because of this Mortgage. I will not claim any credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.

**5**. **Insurance**. I must maintain extended coverage insurance on the Property, in an amount no less than the property’s replacement value. The Lender may also require that I maintain flood insurance or other types of insurance. The insurance companies, policies, amount and types of coverage must be acceptable to the Lender. I will notify the Lender in the event of any substantial loss or damage. The Lender may then settle the claim on my behalf if I fail to do so. All payments from the insurance company must be payable to the Lender under a “standard mortgage clause” in the insurance policy. The Lender may use any proceeds to repair and restore the Property or to reduce the amount due under the Note and this mortgage. This will not delay the due date for any payment under the Note and this Mortgage.

**6.** **Repairs**. I will keep the Property in good repair, neither damaging nor abandoning it, and will keep it in compliance with all applicable laws, regulations, building codes, and ordinances. I will allow the Lender to inspect the Property upon reasonable notice to me.

**7.** **Statement** of Amount Due. Upon request of the Lender, I will certify to the Lender in writing: (a) the amount due on the Note and this Mortgage, and (b) whether or not I have any defense to my obligations under the Note and this Mortgage.

**8.** **Rent**. I will not accept rent from any tenant for more than one month in advance. In addition, I unconditionally assign all rights to rents received to the Mortgagee as needed to meet Mortgagor commitments in the Mortgage, Mortgage, or Promissory Notes.

**9**. **Lawful Use**. I will use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

**10. Eminent Domain**. All or part of the Property may be taken by a government entity for public use. If this occurs, I agree that any compensation be given to the Lender. The Lender may use this to repair and restore the Property or to reduce the amount owed on the Note and this Mortgage. This will not delay the due date for any further payment under the Note and this Mortgage. Any remaining balance will be paid to me.

**11**. **Condemnation.** In the event of condemnation actions, Mortgagor will notify Mortgagee immediately, and will undertake all necessary actions to litigate to resolve the condemnation actions, unless otherwise directed by the Mortgagee. Mortgagor authorizes Mortgagee, at Mortgagee discretion, to take control of or be involved in any way in these legal activities, and make whatever decisions are necessary to protect the Mortgagee’s interest.

**12.** **Severability.** If any provisions of the Mortgage or Notes are nullified by applicable laws, it will not invalidate any other provisions.

**13**. **Tax and Insurance Escrow.** If the Lender requests, I will make regular monthly payments to the Lender of (a) 1/12 of the yearly real estate taxes and assessments on the Property; and (b) 1/12 of the yearly cost of insurance on the Property. These payments will be held by the Lender without interest to pay the taxes, assessments and insurance premiums as they become due.

**14. Payments Made for Borrower(s).** If I do not make all of the repairs or payments as agreed in this Mortgage, the Lender may do so for me. The cost of these repairs and payments will be added to the principal, will bear interest at the same rate provided in the Note and will be repaid to the Lender upon demand.

**15. Default**. The Lender may declare that I am in default of the Note and this Mortgage if:

**a**. I fail to make any payment required by the Note and this Mortgage within 30 days after its due date;

**b**. I fail to keep any other promise I make in this Mortgage;

**c**. the ownership of the Property is changed for any reason;

**d**. any judgment or lien is placed on the property that is not satisfied, discharged, or bonded off, or the holder of any lien on the Property starts foreclosure proceedings;

**e**. bankruptcy, insolvency or receivership proceedings are started by or against any of the Borrowers.

**16. Lender’s Rights Upon Default**. If the Lender declares that the Note and this Mortgage are in default, Lender may do any or all of the following, in addition to any other rights or remedies provided by law.

**a.** take possession of and manage the Property, including the collection of rents and profits, enforcing and exercising all of the Mortgagee’s rights, powers, privileges, and remedies with respect to the property, in addition to all other rights afforded by law;

**b.** have a court appoint a receiver to accept rent for the Property (I consent to this);

**c.** start a court action, known as foreclosure, which will result in a sale of the Property to reduce my obligations under the Indemnity Agreement and this Mortgage; and

**d.** sue me for any money that I owe the Lender, including any expenses related to any of the Mortgagee’s activities related to the default management.

**17. Notices**. All notices must be in writing and personally delivered or sent by certified mail, return receipt requested, to the addresses given in this Mortgage. Address changes may be made upon notice to the other party.

**18. No Waiver by Lender**. Lender may exercise any right under this Mortgage or under any law, even if Lender has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. Lender does not waive its right to declare that I am in default by making payments or incurring expenses on my behalf.

**19. Each Person Liable**. This Mortgage is legally binding upon each Borrower and all who succeed to their responsibilities (such as heirs and executors). The Lender may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrowers who sign this Mortgage.

**20. Transfer of the Property or a Beneficial Interest in Borrower**. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and borrower is not a natural person) without Lender’s prior written consent, Lender may, at is option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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 delivered or mailed 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.

**21. No Oral Changes**. This Mortgage can only be changed by an agreement in writing signed by both the Borrowers and the Lender.

Copy Received. I ACKNOWLEDGE RECEIPT OF A TRUE COPY OF

Signatures. I agree to the terms of this Mortgage. If the Borrower is a corporation, its proper corporate officers sign and its corporate seal is affixed.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower: ANCHORED HOMES, LLC.

John Paul Kilduff II, Managing Member

State of\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

On\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, before me, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

(date) (notary)

personally appeared, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

(signers)

personally known to me

-- OR --

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)

is/are subscribed to the within instrument and acknowledged to me that he/she/they

executed the same in his/her/their authorized capacity(ies), and that by his/her/their

signature(s) on the instrument the person(s) or the entity upon behalf of which the

person(s) acted, executed the instrument

WITNESS my hand and official seal

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(notary signature)

My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_