

ADDENDUM
(Montana)

HUD Project Number:
Project Name:

The title of the Security Instrument for Montana projects is modified as follows:

**HEALTHCARE MORTGAGE, ASSIGNMENT OF LEASES, RENTS AND REVENUES
AND SECURITY AGREEMENT
(MONTANA)**

The following Section 43 hereby replaces Section 43 of the Security Instrument:

43. ACCELERATION; REMEDIES.

(a) If a Monetary Event of Default occurs and is continuing, Lender, at Lender's option, may declare the Indebtedness to be immediately due and payable without further demand, and may invoke the power of sale and any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. Following a Covenant Event of Default, Lender, at Lender's option, but so long as the Loan is insured or held by HUD, only after receipt of the prior written approval of HUD, may declare the Indebtedness to be immediately due and payable without further demand, and may invoke the power of sale and any other remedies permitted by applicable law or provided in this Security Instrument or in the Note, or seek the appointment of a receiver for the Healthcare Facility. Borrower acknowledges that the power of sale granted in this Security Instrument may be exercised by Lender without prior judicial hearing. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including reasonable attorneys' fees (including but not limited to appellate litigation), costs of documentary evidence, abstracts and title reports.

(b) In addition to the requirements set forth in paragraph (a), the following rights and remedies are applicable to Lender at any time HUD is not the holder of the Note and Security Instrument. If a Monetary Event of Default occurs and is continuing, Lender, at Lender's option may declare the Indebtedness to be immediately due and payable without further demand and may foreclose by judicial action pursuant to M.C.A. 71-1-222 or by power of sale pursuant to M.C.A. 71-1-223 and may invoke any other remedies permitted by applicable law or

provided in this Security Instrument or in the Note. Following a Covenant Event of Default, Lender, at Lender's option, but so long as the Loan is insured by HUD, only after receipt of the prior written approval of HUD, may declare the Indebtedness to be immediately due and payable without further demand and may foreclose by judicial action pursuant to M.C.A. 71-1-222(1) or by power of sale pursuant to M.C.A. 71-1-223 and may invoke any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. Lender shall give Borrower ten days prior written notice of Lender's intent to foreclose by power of sale. Borrower acknowledges that the power of sale herein granted may be exercised by Lender without prior judicial hearing. Borrower has the right to bring an action to assert the non-existence of an Event of Default or any other defense of Borrower to acceleration and sale. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including reasonable attorneys' fees (including but not limited to appellate litigation), costs of documentary evidence, abstracts and title reports to the extent permitted by the laws of Montana. If Lender invokes the right of foreclosure by power of sale conferred by this Security Instrument, following a breach of the obligations set forth in this Security Instrument or in the Note, Lender shall hold proceedings as set forth in this Security Instrument as permitted by Montana law. In such event, Lender shall advertise the sale for at least 30 days before the date fixed for such sale, in a newspaper in the county in which such real estate is situated, and in case there is no newspaper printed and published in said county, then by posting notices in at least five conspicuous places in said county, one of which notices must be posted on the Mortgaged Property. Two other notices must be posted in conspicuous places in the township in which said land is situated, one in such conspicuous place in said county as will be most likely to give notice to all persons interested in said sale, and one of said notices must be posted in a conspicuous place at the front door of the county courthouse of the county in which said land is located, and in addition to the publication or posting, as hereinbefore provided, notices of such sale must be served personally at least 30 days before the date fixed for such sale upon the occupant of the property so advertised for sale and upon Borrower if within the state of Montana and upon every person or persons having or claiming an interest of record in the real estate so advertised for sale who may be found within the state of Montana. If there be surplus money remaining after the payment of the Indebtedness, with costs, such surplus shall be paid to the person entitled to it. If Borrower personally occupies the land as a home for Borrower and Borrower's family, the purchaser of the Mortgaged Property at foreclosure is not entitled to the possession of the land as against Borrower during the period of redemption allowed by law.

The following Section 50 is hereby added to the Security Instrument:

50. FUTURE ADVANCES. The total amount of indebtedness that may be secured by the Security Instrument may decrease or increase from time to time, but the total principal amount of the obligation secured at any one time may not exceed the face amount stated in the Security Instrument together with interest as provided in the instrument secured by the Security Instrument. The lien for the stated amount of future advances or total indebtedness shall, notwithstanding the fact that from time to time during the term of the mortgage no indebtedness is due from the Borrower to the Lender, have priority to the same extent as if the amount thereof had been actually advanced by the Lender to the Borrower at the time of the execution of the Security Instrument. The lien extends to interest as provided in the instrument secured by the Security Instrument. [M.C.A. 71-1-206] The maximum principal amount of the indebtedness secured by this Instrument will not exceed 200% of the original principal amount of the Note.

The following Section 52 is hereby added to the Security Instrument:

51. SATISFACTION OF MORTGAGE. The Security Instrument must be discharged upon the record by the county clerk of _____ County, Montana, when there is presented to the clerk a certificate executed by Lender or Lender's personal representative or assignee, acknowledged or proved and certified as prescribed in M.C.A. Title 71, Chapter 1, specifying that the Security Instrument has been paid or otherwise satisfied or discharged. Every certificate and the proof and acknowledgment must be recorded at full length, and a reference must be made to the book and page containing the record in the mortgagor and mortgagee indexes as to the discharge of the Security Instrument. [M.C.A. 71-1-211]

THE SECURITY INSTRUMENT SHALL BE PREPARED TO CONFORM TO THE REQUIREMENTS OF THE LOCAL FILING JURISDICTION IN WHICH THE DOCUMENT IS TO BE RECORDED AND FILED.