LOAN #: _____

_____[Space Above This Line For Recording Date]_____

MORTGAGE

THIS MORTGAGE is made this_____between the Mortgagor,

_____

_____

(each herein a "Mortgagor"), and the Mortgagee, New Jersey Housing and Mortgage Finance Agency, a body corporate and politic organized and existing under the laws of the State of New Jersey (the State), whose address is 637 S. CLINTON AVE., PO BOX 18550, TRENTON, NEW JERSEY 08650-2085 (herein "Lender").

WHEREAS, Mortgagor is indebted to Lender in the principal sum of U.S. THOUSAND DOLLARS AND ZERO CENTS ($,000.00), which indebtedness is evidenced by Mortgagor's note dated (herein "Note"), with any amount due and payable under the conditions stated in the Note, or, alternatively, the entire balance of the indebtedness, upon the satisfaction of certain conditions set forth in the Note, to be forgiven on .

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with the interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, grant and convey to Lender the following described property located in the County of_____, State of New Jersey:

SEE SCHEDULE "A" LEGAL PROPERTY DESCRIPTION

which has the address of

(herein "Property Address"); SEE SCHEDULE "A" (Legal Property Description) attached hereto and made a part hereof.

Together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together

with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Mortgagor covenants that Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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

1. Payment of Principal and Interest. Mortgagor shall promptly pay when due the principal evidenced by the Note.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by the Lender under the Note and paragraph 1 hereof shall be applied by the Lender to the principal of the Note.

3. Prior Mortgages and Deeds of Trust; Charges; Liens. Mortgagor shall perform all of Mortgagor's obligations under any mortgage, deed of trust, or other security agreement with a lien which has priority over this Mortgage, including Mortgagor's covenants to make payments when due. Mortgagor shall pay or cause to be paid all taxes, assessments, and other charges, fines, and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

4. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

5. Protection of Lender's Security. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Mortgagor, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If the Lender requires mortgage insurance as a condition of making the loan secured by this Mortgage, the Mortgagor shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with the Mortgagor and the Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 5, with interest thereon, at the Note rate, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Mortgagor requesting payment thereof. Nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder.

6. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property provided that Lender shall give Mortgagor notice prior to

any such inspection specifying reasonable cause therefore related to the Lender's interest in the Property.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

8. Mortgagor Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend the time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and Mortgagor's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. Successors and Assigns Bound; Joint and Several Liability; Co-signors. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Mortgagor, subject to the provisions of paragraph 13 hereof. All covenants and agreements of Mortgagor shall be joint and several. Any Mortgagor who acknowledges this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant, and convey that the Mortgagor's interest in the Property to the Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Mortgagor hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Mortgagor's consent and without releasing that Mortgagor or modifying this Mortgage as to that Mortgagor's interest in the Property. The spouse or domestic partner who intends to reside at the Property as his or her principal residence but is not party to the Note shall acknowledge that their interest in the Property is subject to this Mortgage.

10. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor provided for in the Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Mortgagor at the Property Address or at such other address as Mortgagor may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to the Mortgagor or Lender when given in the manner designated herein.

11. Governing Law; Severability. The State and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with

applicable law, such conflict shall not affect other provisions of the Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses," and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

12. Mortgagor's Copy. Mortgagor shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

13. Transfer of the Property. If all or any part of the Property is transferred or conveyed without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by the Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If the Lender exercises this option, the Lender shall give the Mortgagor 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 Mortgagor must pay all sums secured by this Mortgage. If the Mortgagor fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by this Mortgage without further notice or demand on the Mortgagor.

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

14. Acceleration; Remedies. Except as provided in paragraph 13 hereof, upon Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Mortgagor as provided in paragraph 10 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Mortgagor, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Mortgagor to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, attorneys' fees permitted by Rules of Court, and costs of abstracts, title reports, and documentary evidence.

Except where the loan is funded by tax-exempt bond financing or as otherwise required by law, in the event of foreclosure or deed in lieu of foreclosure of Prior Security Deed or assignment of the first mortgage to the Secretary of Housing and Urban Development, any provisions herein or any provisions in any other collateral agreement restricting the use of the property or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect. Any person (including his successors or assigns) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of a Prior Security Deed shall receive title to the Property free and clear from such restrictions.

15. Mortgagor's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Mortgagor's breach, Mortgagor shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays reasonable expenses incurred by Lender in enforcing the covenants and agreements of Mortgagor contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 14 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Mortgagor takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. (e) Except where the loan is funded by tax-exempt bond financing or as otherwise required by law, in the event of foreclosure or deed in lieu of foreclosure of Prior Security Deed or assignment of the first mortgage to the Secretary of Housing and Urban Development, any provisions herein or any provisions in any other collateral agreement restricting the use of the property or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect. Any person (including his successors or assigns) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of a Prior Security Deed shall receive title to the Property free and clear from such restrictions.

16. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Mortgagor hereby assigns to Lender the rents of the Property, provided that Mortgagor shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration, under paragraph 17 hereof or abandonment of the Property, the Lender, in person, by the agent or by a judicially appointed receiver, shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to the payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The lender and the receiver shall be liable to account only for those rents actually received.

17. Release. Upon payment of all sums secured by this Mortgage, the Lender shall cancel this Mortgage without charge to Mortgagor. Mortgagor shall pay all costs of recordation, if any.

18. No Claim of Credit for Taxes. Mortgagor will not make or claim credit on or deduction from the principal or interest on the sums secured by this Mortgage by reason of any municipal or governmental taxes, assessments, or charges assessed upon the Property, nor claim any deduction from the taxable value of the Property by reason of this Mortgage.

[THIS SPACE INTENTIONALLY LEFT BLANK

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

Mortgagor and Lender request the holder or any mortgage, deed of trust, or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Mortgagor has executed and acknowledges receipt of pages 1 through 6 of this Mortgage.

Mortgagor Name (Seal)

Mortgagor Name (Seal)

Mortgagor Name (Seal)

Mortgagor Name (Seal)

Mortgagor Name (Seal)

Mortgagor Name (Seal)

ACKNOWLEDGEMENT OF NON-BORROWING SPOUSE OR DOMESTIC PARTNER:
I hereby acknowledge and affirm, that although I am not a party to the Note, my interest in the Property is subject to Lender's interest created by this Mortgage.

_____

State of New Jersey,) County of_____,) ss:

On this____day of_____,20_____ before me, Notary Public, in and for said state, personally appeared _____, [signer(s)] who has/have satisfactorily identified him/her/themselves as the signer(s) to the above referenced document and thereupon acknowledged that he/she/they signed, sealed, and delivered the same as his/her/their act and deed, for the purposes therein expressed.

(Affix Notary Seal or Stamp Here)

_____

Notary Public Signature

My Commission Expires: _____