

THIS MORTGAGE, made this 9th day of July, 1992, by and between LEROY OWEN LEWIS and ELIZABETH ANN LEWIS, his wife, Mortgagors; and QUEENSTOWN BANK OF MARYLAND, a body corporate of the State of Maryland, Mortgagee;

WHEREAS, the Mortgagors are indebted unto the Mortgagee in the sum of NINETY THOUSAND DOLLARS (\$90,000.00), which sum was this day loaned and is evidenced by and payable with interest as provided in a note of even date herewith, the unpaid balance with interest thereon being due and payable on or before the 9th day of July, 2012.

WHEREAS, it was a condition precedent to the making of said loan that the repayment thereof with interest should be secured by the execution of this mortgage as additional security.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that in consideration of the premises, and the sum of One Dollar (\$1.00), the receipt of which is hereby acknowledged, the Mortgagors hereby grant and convey unto the Mortgagee, its successors and assigns, in fee simple, all of the following described real estate, to wit:

ALL that lot or parcel of land, situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, on the left or eastern side of the road leading down into Crab Alley Neck, which road leads off in a southerly direction from the Kent Narrows Stevensville Highway, the lot hereby conveyed being bounded on the northern side by the property of Medford Clendaniel, on the east by other property of John A. Gardner, et. ux.; on the south by the property also of John A. Gardner, et. ux., and on the west by the aforesaid Crab Alley Neck Road, and particularly described as follows:

BEGINNING for the same at the northwest corner of the lot hereby conveyed where it corners with the lands of Clendaniel, and running thence in an easterly direction with the Clendaniel lot a distance of three hundred feet, more or less, to the other lands of John A. Gardner, et. ux.; thence in a southerly direction with the lands of John A. Gardner, et. ux., a distance of seventy feet, being the rear line of this lot; thence at right angles and with the other lands of John A. Gardner, et. ux., and running in a westerly direction a distance of three hundred feet to the Crab Alley Neck Road; and thence with the easterly side of the Crab Alley Neck Road and in a northerly direction a distance of seventy feet to the place of beginning, the said place of beginning being where this lot and the Clendaniel lot corner on these sides of the said Crab Alley Neck Road.

Being the same land granted and conveyed unto the Mortgagors herein by deed from John A. Gardner and N. Estelle K. Gardner, his wife, dated November 12, 1946, and recorded in Liber A.S.G. No. 15, folio 588 of the Land Records of Queen Anne's County.

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereunto belonging or in any wise appertaining, including all heating, air conditioning, lighting and plumbing fixtures, equipment, furniture and other fixtures now or hereinafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

TO HAVE AND TO HOLD the same unto and to the proper use and benefit of the Mortgagee, its successors and assigns, in fee simple, forever.

PROVIDED, that if the Mortgagors shall well and truly pay, or cause to be paid, said principal sum and all interest thereon, and all other sums payable by the Mortgagors in accordance with the terms of this mortgage and the note secured hereby, each at the times and in the manner as herein set forth, and shall otherwise perform all the terms, covenants and conditions of this Mortgage and the note secured hereby, including the payment of any late charges, then this mortgage shall be void; otherwise, it is to remain in full force and effect.

THE MORTGAGORS JOINTLY AND SEVERALLY HEREBY COVENANT:

a. That they warrant specially the property hereby conveyed; that they are seized thereof in fee simple and have a right to convey the same; that they have done no act to encumber the same; that they will execute such further assurances thereof as may be requisite.

b. That should the title to the herein mortgaged property be acquired by any person, persons, partnership or corporation other than the Mortgagors by voluntary or involuntary grant or assignment or in any other manner without the Mortgagee's written consent, or should they default on any note, bond, mortgage or deed of trust secured by or securing a prior lien upon the herein mortgaged property; or should the same be

RECEIVED
CLERK, CIRCUIT COURT
92 JUL 13 PM 2:35
QUEEN ANNE'S COUNTY

FOLIO 914 #
RECD FEE 19.00
POSTAGE .50
RECD TAX 6.60
REAL PRP 5.00

Orig. mailed to: Queenstown Bank of Maryland
QA CIRCUIT COURT (Land Records) [MSA CE 58614] MWM 400, p. 9914. Printed 01/09/2008. Online 04/08/2005.

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Queenstown, Maryland 21658

further encumbered by the Mortgagors, their or its successors, heirs, personal representatives and assigns, without the Mortgagee's written consent, then the whole of said principal sum at the option of the Mortgagee shall immediately become due and owing as herein provided.

c. That they will pay or cause to be paid when due the principal sum of the debt hereby secured, and any renewals or extensions thereof, together with all interest, thereon, and all other sums payable by them in accordance with the terms of this mortgage and note secured hereby, including, but not limited to, the payment of late charges, or any renewals or extensions, and that they hereby expressly waive the benefits of all exemptions, homestead or otherwise, under the laws of this or any other State, and agree to pay the debt without any offset whatsoever.

d. That they will pay when due all taxes, liens, judgments or assessments heretofore or hereafter levied, assessed or constituting liens upon the property hereby conveyed, or any part thereof.

e. That they will keep all improvements now or hereinafter located on the premises in good repair; that they will maintain and work the premises hereby conveyed in a good and husbandlike manner; that they will commit no waste; that they will not cut or remove or permit to be cut or removed any wood or timber from said premises without the written consent of the Mortgagee, and that they will make all proper renewals, replacements, and additions to the property, and not tear down the improvements or materially change them or permit them to be torn down or materially changed without the prior written consent of the Mortgagee.

f. That they will insure and keep insured buildings and improvements now or which may hereafter be placed on the said premises against loss or damage by fire, flood, lightning, windstorm and tornado in companies and amounts satisfactory to the Mortgagee, any policy evidencing such insurance to be deposited with and loss thereunder to be payable to the Mortgagee as its interest may appear. At the option of the Mortgagors, and subject to the consent of the Mortgagee, sums so received by the Mortgagee may be used to pay for reconstruction of the destroyed improvements or, if not so applied, at the option of the Mortgagee, may be applied in payment of any indebtedness, matured or unmatured, secured by this mortgage.

g. If the Mortgagee shall incur any expense or expend any sums, including reasonable attorney's fees, whether in connection with any action or proceeding or not, to sustain the lien of this mortgage or its priority, or to protect or enforce any of its rights hereunder, or to recover any indebtedness hereby secured, or for any title examination or title insurance policy relating to the title to the property, all such sums shall on notice and demand be paid by the Mortgagors, together with interest thereon at the current rate hereunder until paid, and be secured by the lien of this mortgage.

THE PARTIES HERETO FURTHER COVENANT AND AGREE:

1. Upon any default in any of the covenants of this mortgage, the Mortgagors in accordance with Subtitle W of the Maryland Rules of Procedure, or any other general or local rules, regulations or laws of the State of Maryland relating to mortgages, including any amendments thereof or supplements or additions thereto which do not materially change or impair the remedy, do hereby (a) declare their assent to the passage of a decree for the sale of the property; and (b) authorize the Mortgagee, its successors or assigns, or Michael R. Foster and J. Donald Braden, its attorneys, after such default shall have occurred as aforesaid, to sell the hereby mortgaged property. Any such sale, whether under the assent to a decree or power of sale, may be made by the person or persons authorized to sell either as an entirety or in such separate parcels and on such terms and at such places and in such manner as they may deem advisable.

2. Upon any sale of the property under this mortgage, whether under the assent to a decree, the power of sale, or by equitable foreclosure, the proceeds of such sale shall be applied as follows: First, to the payment of all expenses incident to the sale including a counsel fee of \$850.00 for conducting the proceedings if without contest, but if legal services be rendered to the trustee appointed by such decree or to the Mortgagee or to the party selling under the power of sale in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper; and also a commission to the party making the sale equal to the commissions allowed trustees for making sales of property under decrees of the equity court having jurisdiction, and also any liens prior to the lien of this mortgage unless the sale is made subject to such prior liens; Second, to the payment of all claims of the Mortgagee hereunder, whether they have matured or not, with interest thereon until final ratification of the auditor's report; Third, the balance, if any, to the Mortgagors or to any person or persons entitled thereto, upon the surrender of the property to the purchaser, less

any expenses incurred in obtaining possession.

3. Immediately upon the first insertion of the advertisement or notice of sale, there shall be and become due and owing by the Mortgagors, and each of them, to the party inserting the advertisement or notice all expenses incident to such advertisement or notice, all court costs, attorney's fees and all expenses incident to the foreclosure proceedings under this mortgage and a commission on the total amount of the mortgage indebtedness, principal and interest, then due, equal to one-half (1/2) the percentage allowed as commission on such sum to trustees making sales under orders or decrees of the equity court having jurisdiction, and such party shall not be required to receive the principal and interest only of the mortgage debt in satisfaction thereof, unless the same be accompanied by a tender of such expenses, costs, attorney's fees and commissions.
4. That in the event of a sale of the mortgaged property under the provisions hereof, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as a part thereof.
5. The Mortgagee may at any time renew this mortgage, extend the time for payment of the debt or any part thereof or interest thereon and waive any of the covenants or conditions of this mortgage in whole or in part, either at the request of any one or more of the Mortgagors or of any person having an interest in the property, take or release other security, or any part of this property, or such other security, grant extensions, renewals or indulgences therein, or apply to the payment of principal and interest on the mortgage debt any part or all of the proceeds obtained by sale, foreclosure or receivership as herein provided, without resort or regard to other security, all without in any way releasing the Mortgagors or any of them, from any of the covenants or conditions of this mortgage, or releasing the unreleased part of the property herein described from the lien of this mortgage for the amount of the mortgage debt, and may release any party primarily or secondarily liable on the mortgage debt without releasing any other party liable thereon and without releasing the property subject thereto.
6. Until default is made in any covenant or condition of this mortgage, the Mortgagors shall have possession of the property. Upon default in any of the covenants or conditions of this mortgage, the Mortgagee shall be entitled without notice to the Mortgagors, or any of them, to the immediate possession of the property and to the appointment of a receiver of the property to operate the same, without regard to the adequacy thereof as security for the mortgage debt, and the Mortgagors shall pay all costs in connection therewith, and upon any default, whether or not a receiver be appointed, the rents and profits of the property are hereby assigned to the Mortgagee as additional security.
7. The rights, powers, privileges and discretions specifically granted to the Mortgagee under this mortgage are not in limitation of, but in addition to those to which the Mortgagee is entitled under any general or local laws relating to mortgages in the State of Maryland, now or hereafter existing.
8. Before full payment of the mortgage debt, the Mortgagee, in its discretion, may make advances to the Mortgagors to the extent permitted by law and such sums shall be secured by this mortgage.
9. The rights, powers and privileges and discretions to which the Mortgagee may be entitled shall inure to the benefit of it and its successors and assigns; are cumulative and not alternative; may be enforced successively or concurrently; and failure to exercise any of them shall not be deemed a waiver thereof and no waiver of any one shall be deemed to apply to any other, nor shall it be effective unless in writing and signed by the Mortgagee.
10. The covenants, agreements, conditions and limitations herein imposed upon the Mortgagors shall be binding upon their respective heirs, personal representatives, successors and assigns.
11. Whenever used herein, the singular shall include the plural, the plural the singular and the use of any gender shall be applicable to all genders.

WITNESS the signatures and seals of the Mortgagors:

WITNESS:

[Signature]
[Signature]

Leroy Owen Lewis (SEAL)
Leroy Owen Lewis

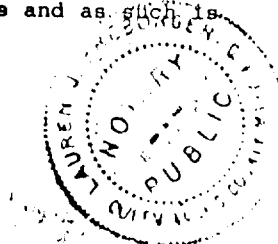
Elizabeth Ann Lewis (SEAL)
Elizabeth Ann Lewis, his wife

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On this the 9th day of July, 1992, before me, the undersigned officer, personally appeared LEROY OWEN LEWIS and ELIZABETH ANN LEWIS, his wife, known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained and Leroy Owen Lewis and Elizabeth Ann Lewis, his wife, further acknowledge under the penalties of perjury that this mortgage is being executed for the purpose of refinancing an existing mortgage for which Leroy Owen Lewis and Elizabeth Ann Lewis, his wife, were the original mortgagors, and that the property is their principal place of residence, the principal balance of said existing mortgage being \$89,428.53; and at the same time appeared Michael R. Foster, Agent of the secured party, and made oath in due form of law that the consideration of said mortgage is true and bona fide as therein set forth; that the loan sum secured hereby has been paid over and disbursed by the party secured hereby unto the within named Mortgagors or the person responsible for the disbursement of funds in the closing transaction, or their respective Agent, at a time no later than the execution and delivery of this mortgage by the Mortgagors, and he further made oath that he is the Agent of the party secured by the foregoing mortgage and as such is duly authorized to make this Affidavit.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Laurie J. Duburg
Notary Public
My Commission Expires: 10/1/92



The undersigned does hereby certify that this instrument has been prepared by an attorney admitted to practice before the Court of Appeals, under his supervision.

[Signature]
Michael R. Foster

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