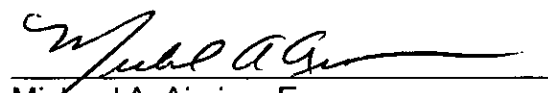




THIS DOCUMENT PREPARED BY:


Michael A. Aimino, Esq.
40 Newton Avenue
Woodbury, New Jersey 08096

LINE OF CREDIT MORTGAGE

THIS MORTGAGE is made this 18th day of July, 2008.

BETWEEN the Borrower(s), Joseph W. and Joan G. Vereneault, h/w, whose address is 241 Cherry Avenue, Woodbury Heights, New Jersey 08097, referred to as "I",

AND the Lender, Joseph H. and Denise G. Vereneault, whose address is 550 Hereford Lane, Mickleton, New Jersey 08056, referred to as the "Lender".

In this Mortgage, the words "I, me and my" refer to each and all of the Borrower(s) named above. The word Lender refers to the original Lender and anyone else who takes this Mortgage by transfer.

MORTGAGE NOTE:

In return for a loan that I received in the form of a line of credit, I promise to pay ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) or such part thereof that has been advanced or disbursed for the Borrower's benefit, (called "Principal"), plus interest in accordance with the terms of a Note dated July 18, 2008 (referred to as the "Note"). The Note provides for no monthly payments and a yearly interest rate of Seven Percent (7%), compounded yearly, with a maturity date of July 18, 2023 or upon the death of both borrowers or sale of the mortgaged property, which ever occurs first in time. All terms of the Note are made part of this Mortgage. This Mortgage is meant to secure a line of credit note signed this same date. This Mortgage is to secure all future unpaid advances up to a maximum amount of \$100,000.00 and all such unpaid advances are to be added to the principal amount secured by this mortgage.

MORTGAGED PREMISES:

The property mortgaged to the Lender (called the "Property") is located in the Borough of Woodbury Heights, County of Gloucester 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 now, or will be, attached to the land or building(s) (e.g. 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.

Docket # 35855 TYPE: MTG Pages: 3
James N. Hogan, Gloucester County Clerk
Receipt #: 31543 09:46:02 A.M. 07/21/2008
Recording Fee: \$100.00 MB 11368 209

The legal description of the property is attached hereto and made a part hereof as Schedule "A" and further described as Lot 27, Block 9.01 on the Borough of Woodbury Heights Tax Map.

BEING the same lands and premises which became vested in Joseph W. Vereneault and Joan G. Vereneault, his wife, by Deed from Robert L. Berg and Joan D. Berg, h/w, dated June 8, 1967 and recorded in the Gloucester County Clerk's Office on August 3, 1967, in Book 1134, page 1014&c.

THIS IS A FIRST MORTGAGE TO SECURE A LINE OF CREDIT.

It is represented by the Borrower that he, she, or they are the sole owners of the said premises.

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.

1. PROMISES:

I make the following promises to Lender:

- (A) **Note and Mortgage:** I will comply with all of the terms of the Note and this Mortgage;
- (B) **Payments:** I will make all payments required by the Note and this Mortgage;
- (C) **Ownership:** I warrant title to the premises (N.J.S.A. 46:9-2). This means I own the Property and will defend my ownership against all claims;
- (D) **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 credit against the principal and interest payable under the Note and this Mortgage for any taxes paid on the Property.
- (E) **Insurance:** I must maintain extended coverage on the Property. The Lender may also require that I maintain flood insurance or other types of insurance. The insurance companies, policies, amounts 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 Mortgagee 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.

- (F) **Repairs:** I will keep the Property in good repair, neither damaging nor abandoning it. I will allow the Lender to inspect the Property upon reasonable notice to me.
- (G) **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.
- (H) **Rent:** I will not accept rent from any tenant for more than one month in advance.
- (I) **Lawful Use:** I will use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

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 by me.

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.

DEFAULT:

The Lender may declare that I am in default on the Note and this Mortgage if:

- (A) I fail to make any payment required by the Note and this Mortgage within **Thirty (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) The holder of any lien on the Property starts foreclosure proceedings; or
- (E) Bankruptcy, insolvency or receivership proceedings are started by or against any of the Borrower(s).

PAYMENTS DUE UPON DEFAULT:

If the Lender declares that I am in default, I must immediately pay the full amount of all unpaid principal, interest, other amounts due on the Note and this Mortgage and the Lender's costs of collection and reasonable attorney fees.

LENDER'S RIGHTS UPON DEFAULT:

If the Lender declares that the Note and this Mortgage are in default, the Lender will have all rights given by law or set forth in this Mortgage. This includes the right to do any one or more of the following:

- (A) Take possession of and manage the Property, including the collection of rents and profits;
- (B) Have a Court appoint a receiver to accept the rent for the Property (I consent to this);
- (C) Start a Court action, known as a foreclosure, which will result in a sale of the Property to reduce my obligations under the Note and this Mortgage; and
- (D) Sue me for any money that I owe the Lender.

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.

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.

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.

NO ORAL CHANGES:

This Mortgage can only be changed by an agreement in writing signed by both the Borrower(s) and the Lender.

COPY RECEIVED:

I ACKNOWLEDGE RECEIPT OF A TRUE COPY OF THIS MORTGAGE WITHOUT CHARGE.

SIGNATURES:

I agree to the terms of this Mortgage.

WITNESSES:

By: [Signature]

By: [Signature]

BORROWER(S):

By: [Signature]
Joseph W. Vereneault

By: [Signature]
Joan G. Vereneault

STATE OF NEW JERSEY

: SS

COUNTY OF GLOUCESTER

I CERTIFY that on July 18, 2008, Joseph W. and Joan G. Vereneault, h/w, personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

- (a) is named in and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her own act and deed.

[Signature]

Notary Public
ANNMARIE MARTIN
A Notary Public of New Jersey
My Commission Expires 10/07/2009

SCHEDULE "A" - LEGAL DESCRIPTION OF PREMISES

ALL that certain tract or parcel of land and premises situate in the Borough of Woodbury Heights, County of Gloucester and State of New Jersey, bounded and described as follows:

BEGINNING at a point in the Northeasterly line of Cherry Avenue distant 363.97 feet measured along the Northeasterly line of Cherry Avenue, Southeastwardly from the Easterly end of an arc radius 20 feet connecting said Northeasterly line of Cherry Avenue with the Easterly line of Second Street, said beginning point being in the division line between Lots 27 and 28, Block 9-A on plan hereinafter mentioned; thence (1) Southeastwardly along the curved Northeasterly line of Cherry Avenue, curving to the right with a radius of 326.78 feet, an arc distance of 70 feet to a point in the division line between Lots 26 and 27, Block 9-A said plan; thence (2) North 43 degrees 56 minutes 18 seconds East partly along the division line between Lots 26 and 27, and partly along the rear line of Lot 25, Block 9-A said plan 141.89 feet to a point in the Southwesterly line of a 30 feet wide drainage right of way; thence (3) North 65 degrees 5 minutes 50 seconds West along said right of way 100.33 feet to a point in the division line between Lots 27 and 28, Block 9-A aforesaid; thence (4) South 31 degrees 39 minutes 54 seconds West along the division line between Lots 27 and 28 aforesaid 119.37 feet to the point and place of beginning.

BEING Lot 27, Block 9-A, Plan of Lots, Highland Gardens, made by John G. Reutter, P.E. and L.S., dated February 10, 1958, filed October 5, 1959. Highland

Gardens is now known as South Woods.

BEING the same lands and premises which Glassmont Builders, Inc., a corporation organized and existing under and by virtue of the Laws of the State of New Jersey, by Deed dated April 25, 1960, and recorded in the Clerk's Office of Gloucester County in Book 975 of Deeds, Page 489, granted and conveyed unto Robert L. Berg and Joan D. Berg, his wife.

MORTGAGE

**Joseph W. and Joan G.
Vereneault, h/w,**

Grantors,

TO

**Joseph J. and Denise G.
Vereneault, h/w,**

Grantees.

DATE: July 18, 2008

RECORD & RETURN TO:

**AIMINO & DENNEN, LLC
40 Newton Avenue
Woodbury, NJ 08096**