

ADDENDUM  
(South Dakota)

**HUD Project Number:**  
**Project Name:**

**A. FOR PROJECTS WHERE THE MORTGAGED PROPERTY IS LESS THAN FORTY ACRES:**

*The title of the Security Instrument for South Dakota projects is modified as follows:*

**MORTGAGE – ONE HUNDRED EIGHTY DAY REDEMPTION;  
HEALTHCARE MORTGAGE, ASSIGNMENT OF LEASES, RENTS AND REVENUE  
AND SECURITY AGREEMENT  
(SOUTH DAKOTA)**

*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 provisions of paragraph (a), the following rights and remedies are applicable to Lender at any time HUD is not the holder of the Note and the Security Instrument. **THE PARTIES AGREE THAT THE PROVISIONS OF THE ONE HUNDRED**

**EIGHTY DAY REDEMPTION MORTGAGE ACT GOVERN THIS INSTRUMENT. THE MORTGAGED PROPERTY IS LESS THAN FORTY ACRES IN AREA.**

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 statutory power of sale in accordance with South Dakota Codified Laws Chapter 21-48 and the rules of practice related thereto or, foreclosure of this Security Instrument by action or advertisement as provided by Chapters 21-47 and 21-49, and the rules of practice related thereto, or 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, after notice to Borrower as provided by applicable law declare the Indebtedness to be immediately due and payable without further demand, and may invoke the power of sale, or foreclosure of this Security Instrument by action or advertisement, and/or any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. This Section 43 shall be deemed to authorize and constitute a power of sale pursuant to Chapter. 21-48 and 21-49 and as otherwise mentioned in the South Dakota Codified Laws, rules, or any amendments thereof. 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 attorney's fees (including but not limited to appellate litigation), costs of documentary evidence, abstracts and title reports. Lender or Lender's designee may purchase the Mortgaged Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all costs and expenses of the sale, including attorneys' fees; (b) to the Indebtedness in such order as Lender, in Lender's discretion, directs; and (c) the excess, if any, to the clerk of the circuit court.

*The following Sections 52 and 53 are hereby added to the Security Instrument:*

**52. RELEASE.** Upon payment of the Indebtedness, Lender shall release this Instrument in accordance with S.D.C.L 44-8-30 through 44-8-35.

**53. POSSESSION DURING REDEMPTION PERIOD.** Lender may not, in person, by agent or by a court-appointed receiver, deny Borrower's right to possession of the Mortgaged Property during the redemption period as provided in the One Hundred Eighty Day Redemption Mortgage Act, except pursuant to court order or as otherwise provided by applicable law. [SDCL 21-49-12] In the case of foreclosure and during the period of redemption, the borrower assigns to Lender all his right and interest in the rental or income of the mortgaged premises. [SDCL 21-49-13]

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**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.**

**B. FOR PROJECTS WHERE THE MORTGAGED PROPERTY IS FORTY ACRES OR LARGER:**

*The title of the Security Instrument for South Dakota projects is modified as follows:*

**HEALTHCARE MORTGAGE, ASSIGNMENT OF LEASES, RENTS AND  
REVENUE AND SECURITY AGREEMENT  
(SOUTH DAKOTA)**

*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 provisions of paragraph (a), the following rights and remedies are applicable to Lender at any time HUD is not the holder of the Note and the 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 invoke the statutory power of sale in accordance with South Dakota Codified Laws Chapter 21-48 and the rules of practice related thereto or, foreclosure of this Security Instrument by action or advertisement as provided by Chapters 21-47 and 21-49, and the rules of practice related thereto, or 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, after notice to Borrower as provided by applicable law declare the Indebtedness to be immediately due and payable without further demand, and may invoke the power of sale, or foreclosure of this Security Instrument by action or advertisement, and/or any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. This Section 43 shall be deemed to authorize and constitute a power of sale pursuant to Chapter. 21-48 and

21-49 and as otherwise mentioned in the South Dakota Codified Laws, rules, or any amendments thereof. 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 attorney's fees (including but not limited to appellate litigation), costs of documentary evidence, abstracts and title reports. Lender or Lender's designee may purchase the Mortgaged Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all costs and expenses of the sale, including attorneys' fees; (b) to the Indebtedness in such order as Lender, in Lender's discretion, directs; and (c) the excess, if any, to the clerk of the circuit court.

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

**52. RELEASE.** Upon payment of the Indebtedness, Lender shall release this Instrument in accordance with S.D.C.L 44-8-30 through 44-8-35.

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**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.**