

Furthermore, to fully protect this mortgage, the Mortgagors, in addition to payment of the Secured Debt when and as due, will on the first day of each month, until the Secured Debt is fully paid, pay to the Mortgagee the following sums:

- (1) A sum equal to the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the described premises (all as estimated by the Mortgagee), less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such premiums, taxes and assessments will become delinquent, said amounts to be held by the Mortgagee in trust to pay premiums, taxes and special assessments, as herein stated.
- (2) All sums so paid shall be applied by the Mortgagee first to taxes, assessments, fire and other hazard insurance premiums, then to interest and the balance in amortization of the principal of the Secured Debt.

If the total of payments made under the provisions of this paragraph shall exceed the amount of the payments actually made for taxes, assessments or insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments to be made by the Mortgagors, or may be applied upon the Secured Debt. If, however, said amounts are not sufficient to pay said items, the Mortgagors further agree that they will pay to the Mortgagee any amount necessary to make up such deficiency. Accordingly, if there should be a default made under the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under this paragraph shall be applied as a credit against the amount of the Secured Debt then remaining unpaid.

To the extent required by said mortgage of September 16, 1961 and while the indebtedness secured thereby remains unpaid, said payments for taxes, assessments and insurance may be made to the party secured thereby; and all insurance policies may be held by such party and the loss payable clauses thereof may reflect the prior interest, if any, of such party; provided the Mortgagee shall be furnished, upon request, with satisfactory evidence that such requirements of said mortgage have in fact been fulfilled.

A default by Mortgagors in any covenant or agreement in said mortgage of September 16, 1961 shall constitute a default herein, and the Mortgagee may perform or cure any such defaulted covenant or agreement to such extent as the Mortgagee shall determine, with resultant right of subrogation. Upon any such default by Mortgagors, the Mortgagee may forthwith declare the Secured Debt immediately due and payable, may foreclose without delay, or exercise any other right provided by law or hereunder.

Furthermore, this mortgage also secures any advances which the Mortgagee may make to the Mortgagors, or their successors in title or interest, for any purpose, at any time before the release and cancellation hereof, but at no time shall such advances together with the balance remaining due upon the original obligation exceed the sums first secured hereby, providing, however, that nothing in this paragraph contained shall be considered as limiting the amounts that may be secured hereby when advanced to protect Mortgagee's security or in accordance with other covenants contained herein.