

(c) The purchase money, proceeds or avails of any sale made under or by virtue of this Mortgage, together with any other sums which then may be held by Mortgagee under this Mortgage shall be applied as follows:

First: To the payment of the costs and expenses of such sale, and costs of title evidence, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, together with interest at the rate set forth to be paid on the indebtedness secured hereby, on all advances made by Mortgagee and all taxes or assessments, except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold.

Second: To the payment of the whole amount then due, owing or unpaid upon the Note for interest and principal, with interest on the unpaid principal at the rate set forth to be paid on the indebtedness secured hereby, from and after the happening of any Event of Default from the due date of any such payment of principal until the same is paid.

Third: To the payment of any other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage or of the Note.

Fourth: To the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same.