

priority over this Mortgage, plus one-twelfth of yearly premium installments for hazard insurance, all as reasonably estimated initially and from time to time by Mortgagor on the basis of assessments and bills and reasonable estimates thereof.

Mortgagor shall apply the Funds to pay said taxes, assessments, any insurance premiums. Mortgagor may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills unless Mortgagee pays Mortgagor interest on the Funds and applicable law permits Mortgagee to make such a charge. Mortgagee shall not be required to pay Mortgagor any interest or earnings on the Funds. Mortgagee shall give to Mortgagor, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Mortgagee together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments and insurance premiums shall exceed the amount required to pay said taxes, assessments and insurance premiums as they fall due, such excess shall be, at Mortgagees option, either promptly repaid to Mortgagor or credited to Mortgagor on monthly installments of Funds. If the amount of the Funds held by Mortgagor shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Mortgagor shall pay to Mortgagee any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Mortgagee to Mortgagor requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage. Mortgagee shall promptly refund to Mortgagor any Funds held by Mortgagee. If the property is sold or the property is otherwise acquired by Mortgagee, Mortgagor shall apply, no later than immediately prior to the sale of the property or its acquisition by Mortgagee, any Funds held by Mortgagor at the time of application as a credit against the sums secured by this Mortgage.

3. That this mortgage shall also secure the Mortgagee for (a) such further sums as may be advanced hereafter, at the option of the Mortgagee, for the payment of taxes, insurance premiums, public assessments, repairs, or other purposes; and (b) any further loans, advances, readvances, or credits that may be made