Uniform Covenients. Borrower and Lender covenant and agree as follows

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. Foods for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of priocipal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Fends") equal to ene-twelfth of the yearly taxes and assessments which may attain proving over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated infinity and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency tiocloiding Lender if Lender is such an institution. Tender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. I ender may not charge tors to holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits. Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, I lender shall not be required to pay Borrower any interest or earnings on 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 Lender, together with the future monthly installments of Funds payable point to

int of the Funds held by Lender, together with the future monthly installments of Funds payable prior to If the amount of the runds note by Leider, together with the following instantancing of runds payable picts to the due dates of taxes, assessments, insurance premiums and ground rents as they full due, such excess shall be, at Borrower's option, either promptly regaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Leider shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Leider any amount necessary to make up the deficiency within 30 days from the date notice is mailed

by Lender to Borrower requesting payment thereof

Upon payment in full of all sums secured by this Mortgage. Lender shall promptly refund to Borrower any Funds
held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender
shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by
Lender at the time of application as a credit against the sums secured by this Mortgage.

- 3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by 1 order first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.
- 4. Charges Lieus. Berrover shall pay all taves, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrover making payment, when due, directly to the payer thereof. Borrover shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrover shall make payment directly. Borrover shall promptly furnish to Lender receipts evidencing such payments Borrover shall promptly discharge any lien which has priority over this Mortgage: provided, that Borrover shall not be required to discharge any such lien so long as Borrover shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith cortest such lien by, or defend enforcement of such lien in legal proceedings which operate to prevent the enforcement of the first or offeiture of the Property or any part thereof.

 5. Hazard Insurance. Borrover shall keen the improvements row evision or be bereafter erected on the Property insured.

segal proceedings which operate to prevent the entercement of the fren or toffeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier. insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and I ender. Lender may make proof of loss if not made promptly.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proposed at Lender's option either to restoration or remain of the Property is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend

or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph i8 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or

- 6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a northercof. were a part hereof.
- 7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, emirent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrups or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage. Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and

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