[illegible] Mortgage [illegible] Lender [illegible] Borrower under the terms [illegible] Note, [illegible] Mortgage, [illegible] payment [illegible] Note, [illegible] Mortgage [illegible] Borrower [illegible] paragraph [illegible] credit. At the option of and upon demand by Lender,

3. Escrows for Taxes and Insurance. Borrower shall pay an escrow deposit to Lender on the first day of each month until the Note is fully paid, in an amount equal to 1/12 of the yearly taxes, assessments, insurance premiums and the like with respect to the Property or any part thereof, as estimated by Lender to be sufficient to enable Lender to pay such at least thirty (30) days before they become due. Said payments shall be in addition to payments to Lender for principal and interest. Upon demand by Lender, Borrower shall pay to Lender such additional monies as are required to make up any deficiencies in the amounts necessary to enable Lender to pay such taxes, assessments, insurance premiums and the like.

Such escrow deposits shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Lender, and no interest, earnings or profits shall be payable with respect thereto. Such escrow deposits are, and shall be deemed to be, funds pledged as additional security for the sums secured by the within Mortgage. In the event of a default by Borrower under the terms of the Note, Mortgage, or any instrument securing payment of the Note, Lender may, in its sole discretion, apply to the reduction of the sums secured by the within Mortgage, in such manner as Lender shall determine, any amount under this paragraph remaining to Borrower's credit.

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