

liability. Upon acquisition of the premises or any part thereof by Mortgagee, said policies shall become the absolute property of Mortgagee.

PARAGRAPH 6 IS AMENDED TO READ: 6. The Mortgagor, in order to more fully protect the security of this Mortgage, agrees that, in addition to the monthly payments of principal and interest under the terms of the Note hereby secured, that they will pay on the first day of each month, to the Mortgagee or to its duly authorized agent a sum equal to one-twelfth (1/12) of the known or estimated (by the Mortgagee) yearly taxes, assessments and other charges and insurance premiums on or against the mortgaged premises. The Mortgagee shall hold such payments, without obligation to pay interest thereon, and shall apply the same to the payment of such taxes, assessments, and other charges and premiums as and when due. If the total of such monthly payments shall exceed the amount needed, the excess shall be held for future needs; but should such monthly payments at any time fail to provide sufficient funds to pay taxes, assessments, other charges and premiums when due, then the Mortgagor shall, upon demand, pay to the Mortgagee the amount necessary to cover the deficiency. When the Mortgagor shall have paid the Note secured by this Mortgage, the Mortgagee shall refund to the Mortgagor any excess funds accumulated hereunder. In the event of a default in the payment of the indebtedness hereby secured or in the covenants and agreements contained in the mortgage, the Mortgagee may apply any balance remaining of the funds accumulated for the above purpose to the payment of said Note.

PARAGRAPH 7 IS AMENDED TO READ: 7. The Mortgagor (i) will not remove or demolish nor alter the design or structural character of any building now or hereafter upon the premises;