

with any penalties, interest or charges thereon, when the same become due, payable, past due or delinquent, and if the OWNER fails to pay to the CORPORATION, without demand, the amount of such deficiency, then the CORPORATION at its sole option may at any time pay the whole or any part of any of such items, charges, penalties or interest from its own funds, and any such payment by the CORPORATION from its own funds shall constitute an advance for the account of OWNER and shall be secured by, and added to the principal sum already secured by, said mortgage (or other security instrument) as extended and shall be repaid by OWNER on demand. Such advance shall bear interest from the date thereof at the rate provided in Part One hereof and such interest shall become due and payable on the date on which OWNER is obligated to make an installment payment of principal and/or interest next succeeding the date of such advance and thereafter on each succeeding date on which OWNER is so obligated to make an installment payment of principal and/or interest until such advance and interest thereon have been paid in full. All payments of such items, charges, penalties or interest made by the CORPORATION hereunder may be in such amounts as are shown by its own records, or by bills therefor issued by proper authority to be due, payable, past due or delinquent on account thereof, or on the basis of any other information received by the CORPORATION. Upon full payment of all OWNER'S indebtedness to the CORPORATION, it shall refund to the OWNER, without interest, all unexpended and unapplied moneys then in its possession which were theretofore received or retained by the CORPORATION pursuant to the provisions of Part Two hereof, but none of said moneys received or retained by the CORPORATION hereunder may be withdrawn so long as any indebtedness of OWNER to the CORPORATION remains unpaid.

2. To pay to the CORPORATION, upon demand, any and all costs (including title examination, attorney's fees and recording fees) incurred in connection with the granting of this extension and not paid by OWNER at the time of execution hereof. Such costs shall constitute advances for the account of OWNER and shall be secured by, and added to the principal sum already secured by said mortgage (or other security instrument) as extended; and shall be repaid by OWNER with interest from the dates thereof at the rate provided in Part One hereof and such interest shall become due and payable on the date on which OWNER is obligated to make an installment payment of principal and/or interest next succeeding the date of each such advance and thereafter on each succeeding date on which OWNER is so obligated to make an installment payment of principal and/or interest until each such advance and interest thereon have been paid in full.

PART THREE

None of the provisions of this instrument shall in any way impair or diminish any of the CORPORATION'S rights under or remedies on its note and/or its mortgage (or other security instrument) as extended in Part One hereof, whether such rights or remedies arise thereunder or by operation of law. None of the OWNER'S obligations or liabilities under said note and/or said mortgage (or other security instrument) as extended shall be diminished or released by any provision hereof.

The CORPORATION expressly reserves all rights of recourse and otherwise against any property or any other persons in any way liable on OWNER'S indebtedness hereinabove set forth.

The provisions of this instrument shall bind, and inure to the benefit of, the parties hereto, the undersigned, their heirs, executors, administrators, successors and assigns. Wherever the context hereof so requires the masculine shall include the feminine and the singular the plural.

WITNESS our hands and seals hereto this 9th day of July, 1940

Signed, sealed and delivered in the presence of:

Margaret S. Tolbert (SEAL) (Margaret S. Tolbert)

W. L. Lov

(SEAL)

Catherine Brown

(SEAL)

HOME OWNERS' LOAN CORPORATION

Handwritten signature of representative

BY [Handwritten Signature]

(TITLE)