

The grantors agree to pay monthly, in addition to the regular payments for interest and principal, a sum equal to the estimated amount of taxes, special assessments, and hazard insurance premiums next due on the premises covered by this deed of trust less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such taxes and/or assessments and insurance premiums will become due, such sum to be held by Pilot Life Insurance Company, or its designated agent, in trust to pay said taxes and/or special assessments and insurance premiums when the same become due, adjustment to be made when actual amounts of such taxes, assessments and insurance premiums are ascertained. Each of said monthly installments shall be applied first to the payment of escrow for taxes and insurance as above set out, next to the payment of interest at the rate set forth in said note on the unpaid balance of said principal sum and the remainder of said monthly installment being thereafter applied to the reduction of the principal balance then remaining unpaid.

Recorded June 26, 1967 at 5:01 P. M., #137.