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MORTGAGOR COVENANTS AND AGREES:

1. That the Mortgagor is lawfully possessed of said premises, has good right to sell and convey the same; that the premises are free of all encumbrances; and that Mortgagor warrants and will defend the title thereto against the lawful claims of all persons whomsoever.

2. To pay all sums secured hereby when due.

3. To pay, when due, all taxes and assessments of every type or nature levied or assessed against the premises or Mortgagee's interest therein (and produce receipts therefor upon demand), and any claim, lien or encumbrance against the premises which may be or become prior to this Mortgage.

4. To pay all taxes which may be assessed upon this Mortgage, or said Note or indebtedness secured hereby, without regard to any law, heretofore or hereafter enacted, imposing payment of all or any portion of such taxes upon Mortgagee, or the rendering by any court of competent jurisdiction of a decision that the undertaking by Mortgagor, as herein provided, to pay such tax or taxes is legally inoperative, then, unless Mortgagor nevertheless pays such taxes, all sums hereby secured, without any deduction, shall at the option of the Mortgagee become immediately due and payable, notwithstanding anything contained herein or any law heretofore or hereafter enacted.

5. To keep the premises insured against loss or damage by fire, tornado, windstorm and such other hazards as may be required by Mortgagee, including business interruption, malicious mischief and rent coverage in form and amounts satisfactory to, and in insurance companies approved by the Mortgagee, the policies for which insurance shall be payable to Mortgagee. Such policies shall be delivered to and held by Mortgagee without liability. Upon acquisition of the premises or any part thereof by Mortgagee, said policies shall become the absolute property of Mortgagee.

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 it 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 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 taxes, assessments 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 and assessments 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 thereunder. In the event of a default in the payment of the indebtedness hereby secured or in the covenants and agreements contained in this Mortgage, the Mortgagee may apply any balance remaining of the funds accumulated for the above purposes to the payment of said note.