

MORTGAGOR COVENANTS with Mortgagee, its successors and assigns, as follows:

1. Note Payments. Mortgagor shall make timely payments of principal and interest on the above-mentioned Note in the amounts, in the manner and at the place set forth therein. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.

2. Taxes. Mortgagor shall pay all taxes, charges and assessments which may become a lien upon the premises hereby conveyed before any penalty or interest accrues thereon and shall promptly deliver to Mortgagee receipts evidencing payment thereof. In the event of the passage after the date of this Mortgage of any law changing in any way the laws now in force for state or local taxation of mortgages, or debts secured thereby, or the manner of the collection of any such taxes, so as to affect this Mortgage, the whole principal sum (together with interest) secured by this Mortgage shall at the option of Mortgagee without notice become immediately due and payable.

3. Insurance. Mortgagor shall continually maintain hazard insurance of such types and amounts and in such companies as Mortgagee may from time to time require on the improvements now or hereafter located on the premises and shall promptly pay all premiums therefor when due. All insurance policies and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor of and in a form acceptable to Mortgagee. In the event of loss Mortgagor shall give immediate notice by mail to Mortgagee, who may make proof of loss. Each insurance company is hereby directed to make payment for such loss directly to Mortgagee (instead of to Mortgagor and Mortgagee jointly), and the insurance proceeds or any part thereof may be applied by Mortgagee at its option to the debt hereby secured or for the repair or restoration of the premises. If the insurance proceeds are applied to the debt, it may be applied upon the portion last falling due or in such other manner as Mortgagee may desire. In the event of foreclosure of this Mortgage or other transfer of title to the premises in extinguishment of the indebtedness secured hereby, all right, title and interest of Mortgagee in any insurance policies then in force shall pass to the grantee.

4. Escrow Deposits. Upon demand of Mortgagee, Mortgagor shall add to each monthly or other periodic payment required under the Note secured hereby the amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay, as they come due all taxes, charges, assessments, and insurance premiums which Mortgagor is required to pay hereunder. Any deficiency occasioned by an insufficiency of such additional payments shall be forthwith deposited by Mortgagor with Mortgagee upon demand.

5. Repairs. Mortgagor will keep the premises in as good order and repair as they are now (reasonable wear and tear excepted) and will not commit or permit any waste or any other thing whereby the value of the premises might be impaired.