

payments of principal and interest provided for in the Note and this Mortgage, the Mortgagor will deposit with the Mortgagee or Mortgagee's designated agent on the first day of each month until the said principal sum is fully paid, an installment of the taxes and assessments levied or to be levied against the Property, and an installment of premium or premiums that will become due and payable to renew the insurance required by this Mortgage. Such installments shall be equal respectively to the estimated taxes and assessments and premium or premiums for such insurance, next due, as estimated by the Mortgagee, (such estimates shall be based on the previous year's actual taxes and assessments and premiums) less all installments already paid therefor, divided by the number of months that are to elapse before one month prior to the date when such taxes and assessments and premium or premiums will become due. Such monthly deposits shall be held without interest to apply the same against such taxes and assessments and premium or premiums when due. Such deposits and all payments to be made under this Mortgage shall be added together and the aggregate amount thereof shall be paid by Mortgagor each month in a single payment, to be applied to the following items in the order set forth:

- (i) Taxes, assessments and insurance premiums;
- (ii) Interest on said principal sum;
- (iii) Amortization of said principal sum.

Any deficiency in the amount of any such aggregate monthly payment shall constitute an Event of Default under this Mortgage. If this Mortgage shall be assigned, all funds on deposit may be transferred by Mortgagee to the assignee and Mortgagee shall thereafter be relieved of any responsibility with respect thereto.