2. Funds for Taxes and Insurance. [illegible] Lender [illegible] Note [illegible] Funds [illegible] Mortgage [illegible] Property [illegible] Borrower [illegible] Lender [illegible] Borrower shall pay to Lender [illegible] Lender [illegible] Borrower [illegible] Lender [illegible] Borrower [illegible] Lender [illegible] Lender shall [illegible] Borrower [illegible] Funds are pledged as additional security for the sums secured by this Mortgage.

If [illegible] Funds held by Lender [illegible] Lender [illegible] Borrower [illegible] Borrower [illegible] Borrower [illegible] Lender shall [illegible] Borrower [illegible] Borrower [illegible] Lender [illegible] Borrower [illegible] Funds held by Lender

If under paragraph 18 hereof the Property is sold or the Property is otherwise [illegible] Lender, Lender shall apply, no later [illegible] Property [illegible] Mortgage.

3. Application of Payments. [illegible] Note [illegible] Lender [illegible] Lender [illegible] Borrower [illegible] paragraph 2 hereof, shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note and to the interest on Future Advances, if any.

4. Charges; Liens. Borrower [illegible] Property [illegible] Mortgage, and leasehold [illegible] Lender [illegible] manner provided under paragraph 2 hereof [illegible] Borrower [illegible] Borrower shall promptly [illegible] Lender [illegible] Borrower [illegible] Borrower shall make payment directly. Borrower shall promptly furnish to Lender [illegible] Borrower shall promptly discharge any lien which [illegible] Mortgage; provided that Borrower [illegible] Borrower [illegible] Borrower shall [illegible] Lender, or shall in good faith [illegible] Borrower [illegible] Lender [illegible] Property [illegible] enforcement of the lien or forfeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep [illegible] Property insured against [illegible] Lender, [illegible] Borrower [illegible] Lender may require and in such [illegible] Lender [illegible] Lender [illegible] that the amount of such coverage [illegible] amount of coverage required by Lender [illegible] Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender [illegible] Borrower [illegible] Borrower [illegible] Lender [illegible] Borrower [illegible] Borrower shall promptly furnish to Lender all receipts of paid insurance premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums. Borrower shall keep the Property in good repair and shall not commit or permit waste, impairment or deterioration of the Property and shall comply with the provisions of any lease, if this Mortgage is on a leasehold. If this Mortgage is on a condominium unit, Borrower shall perform all of Borrower's obligations under the declaration of condominium or master deed, the bylaws and regulations of the condominium project and constituent documents.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such actions as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof and shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible by applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or do any act hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion

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