

It is further agreed by the promissor and promisee that any payment made hereunder shall be applied first to accrued interest at the time of such payment with the remainder of such payment to be applied to the outstanding principal balance. It is further agreed that any unpaid, accrued interest shall be added to the outstanding principal balance and shall bear interest at the same rate as is borne by the outstanding principal balance.

Any increase in interest cost due from Holder on his underlying note held by First Federal Savings & Loan Association, which is secured by the first mortgage, as a result of the transfer of title (excluding transfer of title as of October 1, 1976) now or in the future, will be paid to the Holder by the Maker.

It is expressly agreed by the promissor and promisee that all terms provisions and conditions contained in the underlying note held by First Federal Savings & Loan Association, except as may be incompatible with the express terms of this note stated above, are incorporated herein by reference as fully as if expressly set forth in this note.

*Handwritten signature*