

described on the second page of this Mortgage, but that, as a matter of convenience to the Mortgagee, the Mortgagor herein shall deduct the amount of the payment of the underlying mortgage from the payment due under the Wrap-Around Mortgage Note and will remit the payment to John Mark Smith and Mable F. Smith for payment on the underlying Mortgage until paid in full.

Mortgagee's liability to make such payments is limited to the extent of payments (whether principal or interest) received by Mortgagee on the Note secured by this Mortgage and in the event Mortgagor should fail to make such payments, Mortgagee may make such payments and credit such payments against the Note secured hereby. Nothing contained in the Wrap-Around Mortgage or the Note secured thereby shall be construed to create any liability or obligation of the Mortgagor herein to the holder of the underlying or Prior Mortgage. The wrap-around Mortgagee shall continue to be liable for all payments, interest, and all other obligations of the Prior Mortgage and that the Mortgagor herein shall have no liability or obligation of any kind with respect to the Note secured by the said Superior Mortgage. In the event the Mortgagee herein shall fail to make any payments or perform any of the covenants required of him under the terms of the Prior Mortgage or any instrument secured thereby, then the Mortgagor of this Mortgage shall have the right to make such payments or other cure of such defaults, and shall thereafter be entitled to set off and credit any amounts so spent by the Mortgagor against any future payments of principal or interest due to the Mortgagee herein.

Mortgagor hereby agrees to perform or cause to be performed the covenants and obligations of the Mortgagor and its assignors under the aforesaid Prior Mortgage described on the second page of this Mortgage, other than and exclusive of the obligation to pay the Note secured thereby, and any default under such Mortgage shall be deemed a default under this Mortgage, permitting the Mortgagee to declare the remaining principal and accrued interest secured hereby