

against the next installment of principal and interest due under the Note secured by this Mortgage.

Mortgagor and Mortgagee agree to promptly send to the other copies of any notices received by them from the holder of the first mortgage. In addition, Mortgagee agrees to send to Mortgagor at the time Mortgagee makes each payment to the holder of the first mortgage, an advice that each such payment has been made (a copy of Mortgagee's transmittal letter, if any, will suffice).

That the Mortgagor shall furnish to the Mortgagee promptly copies of all notices of default which the holder of the first mortgage shall give to Mortgagor.

The Mortgagor shall have the right to prepay the whole or any part of the unpaid balance of the indebtedness hereunder at any time on thirty days notice without penalty. Any partial prepayment shall be applied against the unpaid principal installments of the note secured hereby in inverse order of maturity. In the event Mortgagor wishes to prepay the whole of the unpaid principal balance of the indebtedness hereunder, the amount to be paid by Mortgagor shall be that amount determined by deducting from the original principal indebtedness of the Mortgagor herein the aggregate of the following:

(i) The aggregate of all payments credited on account of principal because of payments made by Mortgagor hereunder in amortization of said original principal indebtedness to the date of such prepayment and

(ii) The aggregate amount, if any, by which said original principal indebtedness hereunder has been reduced by Mortgagee's applying insurance proceeds and/or condemnation award proceeds in reduction of said principal indebtedness; and

(iii) That amount computed by deducting from the present total of the unpaid principal balance under the first mortgage the aggregate sum of all payments credited on accounts of principal due under said first mortgage because of payments made by Mortgagee hereunder in amortization of the unpaid principal balance of said first mortgage.

In the event Mortgagee should institute foreclosure proceedings in accordance with the terms hereof, it is agreed by Mortgagee that the Mortgagor shall be entitled to have the unpaid principal balance

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