James E. Gardner

It is understood that each of the words, note, mortgagor and mortgagee respectively, whether in the singular or plural anywhere in this mortgage, shall be singular if one only and shall be plural jointly and severally if more than one, and that the word their if used anywhere in this mortgage shall be taken to mean his, her or its, wherever the context so implies or admits.

And said Mortgagors, for themselves and their heirs, legal representatives, successors and assigns, hereby jointly and severally covenant and agree to and with said Mortgagee, its legal representatives, successors and assigns:

1. To pay all and singular the principal and interest and the various and sundry sums of money payable by virtue of said promissory note, and this mortgage, each and every, promptly on the days respectively the same severally become due.

2. To pay all and singular the taxes, assessments, levies, liabilities, obligations and incumbrances of every nature and kind now on said described property, and/or that hereafter may be imposed, suffered, placed, levied or assessed thereupon, and/or that hereafter may be levied or assessed upon this mortgage and/or the indebtedness secured hereby, each and every, when due and payable according to law, before they become delinquent, and before any interest attaches or any penalty is incurred; and in so far as any thereof is of record the same shall be promptly satisfied and discharged of record and the original official document (such as, for instance, the tax receipt or the satisfaction paper officially endorsed or certified) shall be placed in the hands of said Mortgagee within ten days next after payment; and in the event that any thereof is not so paid, satisfied and discharged, said Mortgagee may at any time pay the same or any part thereof without waiving or affecting any option, lien, equity, or right under or by virtue of this mortgage, and the full amount of each and every such payment shall be immediately due and payable and shall bear interest from the date thereof until paid at the rate of seven per cent per annum and together with such interest shall be secured by the lien of this mortgage.

3. To place and continuously keep the improvements now or hereafter on said land and the equipment and personalty covered by this mortgage insured in such company or companies as may be approved by said Mortgagee against loss by fire, windstorm, war damages, and other hazards and contingencies in such amount and for such periods as may be required by said Mortgagee; and all insurance policies on any of said buildings, equipment, and/or personalty, any interest therein or part thereof, shall contain the usual standard Mortgagee clause making the loss under said policies, each and every, payable to said Mortgagee as its interest may appear, and each and every such policy shall be promptly delivered to and held by said Mortgagee; and, not less than ten days in advance of the expiration of each policy to deliver to said Mortgagee a renewal thereof, together with a receipt for the premium of such renewal; and there shall be no insurance placed on any of said buildings, any interest therein or part thereof, unless in the form and with the loss payable as aforesaid; and in the event of loss the Mortgagors will give immediate notice by mail to said Mortgagee and said Mortgagee may make proof of loss if not made promptly by Mortgagors and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to said Mortgagee instead of to Mortgagors and said Mortgagee jointly, and in the event any sum of money becomes payable under such policy or policies said Mortgagee may at its option receive and apply the same, or any part thereof, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged without thereby waiving or impairing any equity, lien or right under or by virtue of this mortgage; and in the event said Mortgagors shall for any reason fail to keep said premises so insured or fail to deliver promptly any of said policies of insurance to said Mortgagee, or fail promptly to pay fully any premium therefor, or in any respect fail to perform, discharge, execute, effect, complete, comply with and abide by this covenant, or any part hereof, said Mortgagee may place and pay for such insurance or any part thereof without waiving or affecting any option, lien, equity, or right under or by virtue of this mortgage, and the full amount of each and every such payment shall be immediately due and payable and shall bear interest from the date thereof until paid at the rate of seven per cent per annum and together with such interest shall be secured by the lien of this mortgage.

4. To remove or demolish no buildings on said premises without the written consent of the Mortgagee; to permit, commit or suffer no waste, impairment or deterioration of said property or any part thereof and to keep the same and improvements thereon in good condition and repair.

5. To pay all and singular the costs, charges and expenses, including reasonable lawyer's fees and cost of abstracts of title, incurred and paid at any time by said Mortgagee because and/or in the event of the failure on the part of the said Mortgagors to duly, promptly and fully perform, discharge, execute, effect, complete, comply with and abide by each and every the stipulations, agreements, conditions and covenants of said promissory note, and this mortgage, any or either, and said costs, charges and expenses, each and every, shall be immediately due and payable, whether or not there be notice, demand, attempt to collect or suit pending, and the full amount of each and every such payment shall bear interest from the date thereof until paid at the rate of seven per cent per annum; and all costs, charges and expenses so incurred or paid, together with such interest, shall be secured by the lien of this mortgage.

6. That (a) in the event of any breach of this mortgage or default on the part of the Mortgagors, or (b) in the event any of said sums of money herein referred to be not promptly and fully paid within ten days next after the same severally become due and payable, without notice, or (c) in the event each and every the stipulations, agreements, conditions and covenants of said promissory note and this mortgage, any or either, are not duly and fully performed, discharged, executed, effected, completed, complied with and abided by; then, in either or any such event, the said aggregate sum mentioned in said promissory note then remaining unpaid, with interest accrued, and all moneys secured hereby, shall become due and payable forthwith, or thereafter, at the option of said Mortgagee, as fully and completely as if all of the said sums of money were originally stipulated to be paid on such day, anything in said promissory note, and/or in this mortgage to the contrary notwithstanding; and thereupon or thereafter at the option of said Mortgagee, without notice or demand, suit at law or in equity, theretofore or thereafter begun, may be prosecuted as if all moneys secured hereby had matured prior to its institution.

7. That the Mortgagor hereby assigns all the rents, issues, and profits of the mortgaged premises from and after any default hereunder and should legal proceedings be instituted pursuant to this instrument, then the Mortgagee shall have the right to have a receiver appointed of the rents, issues, and profits, who, after deducting all charges and expenses attending such proceedings and the execution of his trust as receiver, shall apply the residue of the rents, issues, and profits, toward the payment of the debt secured hereby.

8. To duly, promptly and fully perform, discharge, execute, effect, complete, comply with and abide by each and every the stipulations, agreements, conditions and covenants in said promissory note and in this mortgage set forth.

9. As further security for the payment of the indebtedness evidenced by the note secured hereby, the Mortgagors stipulate, covenant and agree as follows:

(a) That, in addition to the monthly installments to be paid under the terms of the note secured hereby, they will pay to the Mortgagee if the Mortgagee shall so require a sum of money equal to 1/12 of annual taxes and assessments and premium or premiums of fire and tornado insurance, or other hazard insurance as estimated by the Mortgagee, which last said monthly payments shall be credited by the Mortgagee to apply in payment of said taxes and assessments and fire and tornado insurance or other hazard insurance.

(b) That if the total of the payments made by the Mortgagors under paragraph (a) shall exceed the amount of payments actually made by the Mortgagee, for taxes and assessments and insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments of the same nature to be made by the Mortgagors. If, however, the monthly payments made by the Mortgagors under paragraph (a) shall not be sufficient to pay taxes and assessments and insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagors shall pay to the Mortgagee any amount necessary to make up the deficiency on or before the date when payment of such taxes, assessments or insurance premiums shall be due. Upon failure of the Mortgagors to make the monthly payments provided in paragraph (a) above, such failure shall constitute a default under this mortgage.

10. Each month all payments mentioned in subparagraph (a) of paragraph 9 hereinabove, and all payments to be made under the note secured hereby, shall be added together and the aggregate amount thereof shall be paid by the Mortgagors in a single payment. Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Mortgagors prior to the due date of the next such payment, constitute a default under this mortgage. To cover the extra expense involved in handling delinquent payments, the Mortgagee may collect a "late charge" not to exceed two cents for each dollar of each payment more than fifteen days in arrears.