

Together with all and singular the rents, issues, profits, and advantages of the premises in any way incident to or appurtenant to the same, and including all heating, plumbing, and lighting fixtures and appliances, and all other fixtures and appliances in connection with the real estate herein described.

**TO HAVE AND TO HOLD**, all and singular the said premises, together with the rents, issues, profits, and advantages thereof, unto the Mortgagee and his heirs and assigns forever.

The Mortgagor covenants that he is lawfully seized of the premises hereinafore described in fee simple, that he has good right and lawful authority to sell, convey, or otherwise dispose of the same, and that the same are free and clear of all liens and encumbrances whatsoever. The Mortgagor further covenants that he will ever defend all and singular the premises, and the Mortgagee, against all and singular the claims of all persons whomsoever lawfully claiming the same in any part thereof.

The Mortgagor covenants and agrees as follows:

1. That he will promptly pay the principal of and interest on the indebtedness represented by the note, and in the manner therein provided. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and, provided, further, that in the event the debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, he will pay to the Mortgagee an insurance premium charge of one per centum (1%) of the original principal amount insured; and that if at any time the adjusted premium exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until maturity, such payment to be applied by the Mortgagee upon its assignment to the Secretary of Housing and Urban Development on account of mortgage insurance.

2. That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the Mortgagee, on the first day of each month until the debt is fully paid, the following sums:

(a) An amount sufficient to provide the holder hereof with funds to pay the most mortgage insurance premium if any such mortgage and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development, as follows:

(i) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder the (1) amount prior to the due date, the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development, pursuant to the National Housing Act, as amended, and subsequent Regulations thereunder; or

(ii) If and so long as said note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments.

(b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one (1) month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent; such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes, and special assessments; and

(c) All payments mentioned in the two preceding subdivisions of this paragraph 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 Mortgagor each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (i) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of mortgage insurance premium), as the case may be;
- (ii) taxes, special assessments, fire and other hazard insurance premiums;
- (iii) interest on the note secured hereby; and
- (iv) amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. If the total of the payments made by the Mortgagor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the Mortgagee for taxes or assessments or insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments to be made by the Mortgagor. If, however, the monthly payments made by the Mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay taxes and assessments and insurance premiums, when the same shall become due and payable, then the Mortgagor 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. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor all payments made under the provisions of (a) of paragraph 2 hereof which the Mortgagee has not become obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the property is otherwise acquired after