

at that time it is insured under the provisions of the National Housing Act, he will pay to the Mortgagee a monthly insurance premium charge of one per centum (1%) of the original principal amount thereof, except that if at any time the adjusted premium exceed the aggregate amount of premium charges which could have been paid if the mortgagee had continued to be insured until maturity, such payment to be applied by the Mortgagee upon its obligation to the Secretary of Housing and Urban Development in payment 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 said note is fully paid, the following sums:

- (i) An amount sufficient to purchase the full term fire and theft insurance premium if this instrument 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:
 - (A) If and so long as said note and this instrument are insured, or are insured under the provisions of the National Housing Act, an amount sufficient to cover the same on the basis of the full term fire and theft premium due late the annual mortgage insurance premium, in order to provide such full term with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or
 - (B) If and so long as said note 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 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 with all taking into account delinquencies or prepayments.
- (ii) A sum equal to the ground rents of any tract, plus the premiums that will next become due and payable on policies of fire and other hazard insurances covering the mortgaged premises, plus taxes and assessments next due on the mortgaged property, all as estimated by the Mortgagee, less all sums already paid thereof divided by the number of months to elapse before the first month payment, 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
- (iii) All payments next due on the two preceding paragraphs 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 Mortgagee 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 delinquency in the amount of any such payments or monthly payments shall, unless made good by the Mortgagee prior to the due date of the next such payment, constitute a default under this mortgage. The Mortgagee may collect a "late charge" not to exceed five cents (5c) for each dollar (\$1) of such 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 Mortgagee 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, at the option of the Mortgagee, shall be credited on subsequent payments to be made by the Mortgagor, or refunded to 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 an amount necessary to make up the delinquency, 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 default, the Mortgagee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under the note secured hereby, and shall properly adjust any payments which shall have been made under (a) of paragraph 2.

4. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made heretofore, and in default thereof the Mortgagee may pay the same; and that he will promptly deliver the official receipts therefor to the Mortgagee. If the Mortgagor fails to make any payments provided for in this section or any other payments for taxes, assessments, or the like, the Mortgagee may pay the same, and all sums so paid shall bear interest at the rate set forth in the note secured hereby from the date of such advance and shall be secured by this mortgage.

5. That he will keep the premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear excepted.

6. That he will keep the improvements now existing or hereafter erected on the mortgaged property insured as he may be required from time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums on such insurance provision for payment of which has not been made hereinbefore. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

7. That he 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
8
6
0

4328 RV-2