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

- (a) An amount sufficient to satisfy all Federal and State taxes, including the Federal income tax, Federal gift tax, Federal estate tax and the State and local taxes, and all other taxes, levied or assessed on the property, which shall be paid to the Secretary of Housing and Urban Development as follows:
  - I. If and so long as said taxes are not levied or assessed on the property by the National Housing Act, or an act amendatory thereof, then the taxes shall be paid to the Secretary of Housing and Urban Development pursuant to the National Housing Act, or an act amendatory thereof.
  - II. If and so long as said taxes are levied or assessed on the property by the National Housing Act, or an act amendatory thereof, then the taxes shall be paid to the Secretary of Housing and Urban Development pursuant to the National Housing Act, or an act amendatory thereof.
- (b) A sum equal to the amount of the monthly payments plus the premium for the insurance on the property, which shall be paid to the Mortgagee as follows:
  - I. If and so long as the property is not insured by the Mortgagee, then the premium for the insurance on the property shall be paid to the Mortgagee as follows:
    - (1) If the property is insured by the Mortgagee, then the premium for the insurance on the property shall be paid to the Mortgagee as follows:
      - A. All payments mentioned in the foregoing shall be paid to this mortgagee and all payments so made under the note secured hereby shall be applied, together with the appropriate interest, to the principal of the mortgage, with any such payment to be applied by the Mortgagee to the following items in the order stated:
        - I. Premium charges under the contract of insurance with the Secretary of Housing and Urban Development, as hereinbefore provided.
        - II. Taxes, assessments, and other charges on the property.
        - III. Interest on the principal of the loan.
        - IV. An amount of the principal of the loan.

Any deficiency in the amount of any such payments shall be made good by the Mortgagor prior to the due date of the next such payment, or in the event of default under this mortgage. The Mortgagee may collect a "late charge" in the amount of four percent (4%) for each \$1,000 of payments not then fifteen (15) days in arrears, in addition to the extra expense involved in handling delinquent payments.

5. If the total of payments made by the Mortgagor under (a) 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 of the loan is current 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 (a) 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 amount 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 (a) 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 (a) 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 may have been made under (a) of paragraph 2.

4. That he will pay all taxes, assessments, interest rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made herebefore, and in default thereof the Mortgagee may pay the same, and that he will promptly deliver the original receipts therefor to the Mortgagee. If the Mortgagor fails to make any payments provided for in this mortgage, or to pay the payments for taxes, assessments, or the like, the Mortgagee may pay the same at his expense, and the amount so paid shall be added to the principal of 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 on the premises insured on the mortgaged property insured as 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 premium on such insurance provided for payment of which has not been made herebefore. 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 usual payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagee will give immediate notice by mail to the Mortgagor, who may make proof of loss if not made promptly by Mortgagee, and each insurance company insured is hereby authorized and directed to make payment to such loss directly to the Mortgagee or to the Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, shall be applied by the Mortgagee to the principal of the note secured hereby, and 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. That if the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this mortgage, and the note secured hereby remaining unpaid, are hereby assigned by the Mortgagor to the Mortgagee and shall be paid forthwith to the Mortgagee to be applied by it in payment of the indebtedness secured hereby, whether due or not.

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