

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

- (a) An amount sufficient to provide for the monthly payments of principal and interest on the mortgage secured by this instrument and the note secured hereby, as provided in Article 1 of the Uniform Real Estate Mortgage Act, as amended, and the rules held by the Secretary of Housing and Urban Development;
 - (b) If and so long as said property is covered by this instrument and insured for an amount equal to the provisions of the National Housing Act, section 203, without the application of the funds of the holder, the holder will pay to the Secretary of Housing and Urban Development, on behalf of the Mortgagee, the amount of such monthly payments of principal and interest, together with the amount of any delinquency in such payments, to the Secretary of Housing and Urban Development, pursuant to the National Housing Act, as amended, and applicable Regulations thereunder;
 - (c) If and so long as said property is covered by this instrument and held by the Secretary of Housing and Urban Development, a monthly charge, in lieu of a mortgage interest, premium, which shall be a reasonable and equitable percentage of the full amount of the monthly payments of principal and interest, together with any delinquency in such payments;
 - (d) A sum equal to the amount of any taxes and assessments that will next become due and payable on policies of fire and other hazards insuring the mortgaged premises, plus taxes and assessments next due on the mortgaged property (and an estimate by the Mortgagee of such taxes and assessments, paid therefor, divided by the number of months to elapse before the next such payment is due, which estimate and taxes and assessments will be the delinquent amount of such taxes and assessments, together with any delinquency in such payments, taxes and assessments, and all payments made under the terms of this instrument, shall be applied to the payment of such taxes and assessments, together with any delinquency in such payments, to be applied by the Mortgagee to the full amount of such taxes and assessments;
 - (e) premiums on fire and other hazards insuring the mortgaged premises, together with any delinquency in such payments, taxes and assessments, and all payments made under the terms of this instrument, shall be applied to the payment of such taxes and assessments, together with any delinquency in such payments, to be applied by the Mortgagee to the full amount of such taxes and assessments;
 - (f) interest on the note secured hereby; and
 - (g) an amount of the principal of said note.
- Any delinquency in the amount of any such approximate monthly payment, shall, unless made good by the Mortgagee 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" of 1% on any such delinquency for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in making 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 Mortgagee, or refunded to the Mortgagee. If, however, the monthly payments made by the Mortgagee 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 Mortgagee shall pay to the Mortgagee any 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 Mortgagee 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 Mortgagee all payments made under the provisions of (b) 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 (b) 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 hereinbefore, 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 Mortgagee 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 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 Mortgagee will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagee, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagee 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 Mortgagee 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 summary judgment of the rents, issues, and profits, after deducting all charges and expenses attending such proceedings, and the amount of such judgment, together with the residue of the rents, issues, and profits, shall be applied to the payment of the indebtedness secured hereby.

8. That if the premises, or any part thereof, be declared under any power of eminent domain, or required 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 hereon, shall be assigned by the Mortgagee to the Mortgagee, and shall be paid forthwith to the Mortgagee to be applied by it on account of the indebtedness secured hereby, whether law or not.

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