

This mortgage is given to secure the payment of the principal sum of Twelve Thousand Two Hundred Fifty and no/100 - - - - - Dollars (\$ 12,250.00 ), as evidenced by a certain promissory note of even date herewith, the terms of which are incorporated herein by reference, payable with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid, principal and interest to be paid at the office of The Federal Housing Commissioner in - - - - - in - - - - - at such other place as the holder of the note may designate by writing, in monthly installments of Seventy-three and 4/100 - - - - - Dollars (\$ 73.40 ), commencing on the first day of June, 1959, and on the first day of each month thereafter, until the principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of May, 1964.

**The Mortgagor covenants and agrees as follows:**

1. That he will promptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times 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 Grantee an adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall 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 Grantee upon its obligation to the Federal Housing Commissioner 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, the Mortgagor will pay to the Mortgagee until the said note is fully paid, the following sums:

(a) If this mortgage and the note secured hereby are insured under the provisions of the National Housing Act and so long as they continue to be so insured, notwithstanding that the original mortgage insurance premium for the purpose of paying the Mortgagee's sums with which to discharge the said Mortgagee's obligation to the Federal Housing Commissioner may, as mortgage insurance premiums payable to the Commissioner under the provisions of the National Housing Act, as amended, and Regulations thereunder, The Mortgagee shall, on the first day of its obligation to pay mortgage insurance premiums, credit to the account of the Mortgagor all payments made under the provisions of this subsection which the Mortgagee has not become obligated to pay to the Federal Housing Commissioner.

(b) A sum equal to the ground rents if any and the taxes and special assessments next due on the premises covered by this mortgage, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one 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, before the same become delinquent.

(c) All payments made under the tax proceeds of any property covered by this mortgage, and the proceeds of any insurance on such property, less the sums already paid therefor, shall be held by the Mortgagee in trust to pay the same to the Mortgagor or to the Federal Housing Commissioner, as the case may require, in accordance with the provisions of the National Housing Act, as amended, and Regulations thereunder.

(d) If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid.

(e) If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid.

(f) If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid.

An deficiency in the amount of any mortgage insurance payment made by the Mortgagee to the Mortgagor prior to the date of the next scheduled mortgage insurance payment shall be paid by the Mortgagor to the Mortgagee. The Mortgagee may, at its option, advance the same to the Mortgagor, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid.

3. That if the total of the payments made by the Mortgagor under the provisions of this subsection exceed the amount of payment actually made by the Mortgagee, the Mortgagor shall be obligated to pay to the Mortgagee the difference between the actual payment made by the Mortgagee and the amount of payment made by the Mortgagor, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid. If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid. If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid. If the Mortgagor shall fail to pay any of the sums due under the provisions of this subsection, the Mortgagee shall be authorized to advance the same to the Mortgagor, and the Mortgagor shall be obligated to repay the same to the Mortgagee, with interest at the rate of five and one-quarter per centum ( 5 1/4 ) per annum on the unpaid balance until paid.