

TO HAVE AND TO HOLD the property unto the Government and its assigns forever.

BORROWER, for itself, its successors and assigns WARRANTS THE TITLE to the property to the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANTS AND AGREES as follows:

1. That all of the property hereinabove described, whether now owned or hereafter acquired, shall be construed to be real property.
2. To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the notes by reason of any default by Borrower. At all times when the notes are held by an insured lender, Borrower shall continue to make payments on the notes to the Government as collection agent for the holder.
3. To pay to the Government any delinquency charges, now or hereafter required by regulations of the Farmers Home Administration.
4. At all times when the notes are held by an insured lender, any amount due and unpaid under the terms of the notes, less the amount of the annual charge, may be paid by the Government to the holder of the notes to the extent provided in the insurance endorsement for the account of Borrower. Any amount due and unpaid under the terms of the notes, whether they are held by the Government or by an insured lender, may be credited by the Government on the notes and thereupon shall constitute an advance by the Government for the account of Borrower. Any advance by the Government as described in this paragraph shall bear interest at the note rate from the date on which the amount of the advance was due to the date of payment to the Government.
5. Whether or not the notes are insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by him when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the note rate until paid to the Government.
6. All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the notes and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of his covenant to pay. Such advances, with interest, shall be repaid from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the notes or any indebtedness to the Government secured hereby, in any order the Government determines.
7. To use the loan evidenced by the notes solely for purposes authorized by the Government.
8. To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property and promptly deliver to the Government without demand receipts evidencing such payments.
9. To pay from its own funds the amount of any excess installation costs resulting from failure to obtain adequate land, rights-of-way, or subordinations.
10. To keep the property insured as required by and under insurance policies approved by, delivered to, and retained by the Government.
11. To maintain said property in proper repair and good condition; to commit or suffer no waste or exhaustion of said property; and to remove or demolish no building or other improvement on said property, without the consent of Government; and promptly to effect such repairs to said property as Government may from time to time require.
12. To perform, comply with and abide by each and every agreement, condition and covenant contained in said instrument(s) of debt, in any extension or renewal thereof, in any agreement supplementary thereto and in this mortgage; to furnish in such form and at such time as Government shall request statements of annual income and expenses and other information concerning Borrower's operations as Government may request; and to comply with all laws, ordinances and regulations affecting said property or its use.