

are actually located on or adjacent to said real estate or not, and whether in storage or otherwise, wheresoever the same may be located. The personal property herein conveyed and mortgaged shall include, without limitation, all lumber and lumber products, bricks, building stones and building blocks, sand and cement, roofing material, paint, doors, windows, hardware, nails, wires and wiring, plumbing and plumbing fixtures, heating equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, and in general all building material and equipment of every kind and character used or useful in connection with said improvements, and with all the rights and privileges thereunto belonging or in any wise appertaining thereunto, all of which shall be deemed realty and conveyed by this mortgage.

TO HAVE AND TO HOLD the said premises and every part thereof with all the rights and privileges thereunto belonging or in anywise appertaining unto the said mortgagee, its successors and assigns forever.

The mortgagor covenants that he is lawfully seized and possessed of said premises; that he has good right to sell and convey said premises; that the same are free from all incumbrances; and that he hereby binds himself and his successors in interest to WARRANT and DEFEND the title thereto and every part thereof against the lawful claims of all persons whomsoever.

The mortgagor, in order more fully to protect the security of this mortgage, does hereby covenant and agree 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,
2. That he will promptly pay all taxes, assessments, liens, water rates, and other governmental or municipal charges, fines or impositions, which affect the said property or the indebtedness hereby secured, and to properly submit evidence of such payment satisfactorily to the Mortgagee,
3. That he will keep the improvements now existing or hereafter erected on the premises covered hereby, insured as may be required from time to time by the mortgagee at all times throughout the life of the obligation secured hereby against loss by fire and other hazards, casualties and contingencies in such amounts as may be required by mortgagee, and will pay promptly, when due, any premiums on such insurance. All insurance shall be carried in companies approved by mortgagee. The policies shall be held by mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee. In the event of loss, mortgagor will give immediate notice by mail to mortgagee, and mortgagee may make proof of loss if not made promptly by mortgagor. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to mortgagee instead of to mortgagor and mortgagee jointly. The insurance proceeds, or any part thereof, may be applied by 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 premises covered hereby 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 mortgagee,
4. That he will keep the said 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,
5. That he will not assign the rent or any part of the rent of said premises without the written consent of the mortgagee,
6. That he will not sell or permit any change in possession of the real estate herein described, or any part thereof, without the written consent of the mortgagee,
7. That he will perform fully, promptly and without demand all covenants, agreements and obligations upon the mortgagor to be performed hereunder and under the construction loan agreement.

NOW, THEREFORE, if the mortgagor shall well and truly perform all the terms and obligations of the Construction Loan Agreement, this mortgage and of the note secured hereby, then this mortgage shall be null and void and shall be released or satisfied at the cost and request of the mortgagor.

If, however, there shall be a default under the Construction Loan Agreement, any of the covenants or conditions of this mortgage or under the note secured hereby, then, all sums owing by the mortgagor to the mortgagee under this mortgage or under the note secured hereby, shall immediately become due and payable at the option of the mortgagor, including, but not limited to:

1. Expenses and fees as may be incurred in the protection of said premises, including the fees of any attorney employed by the mortgagee for the collection of any or all of the indebtedness hereby secured, or foreclosure by mortgagee's sale, or court proceedings or in any other litigation or proceeding affecting said premises, and attorneys' fees reasonably incurred in any other way, shall be paid by the mortgagor and secured by this instrument.
2. Amounts paid by the mortgagee to maintain insurance coverage as provided above, in the event mortgagor has not made such payments.
3. Amounts paid by mortgagee to satisfy taxes, assessments, liens, water rates and other governmental or municipal charges, fines or impositions in the event mortgagor has not made such payments.

That default in any of the covenants or conditions of this instrument or of the note secured hereby shall terminate the mortgagor's right to possession, use, and enjoyment of the premises, at the option of the mortgagee or assigns (it being agreed that the mortgagor shall have such right until default). Upon any such default, the mortgagee shall become the owner of all of the rents and profits accruing after default as security for the indebtedness secured hereby, and this shall be true even though the mortgagor be permitted to retain possession of the premises; and this instrument shall operate as an assignment of the rentals on said premises to that extent.

That in the event of a default in any of the covenants or conditions of this instrument, the mortgagee shall have the right and is hereby authorized (1) to enter upon and take possession of said property, and, after or without taking possession, (2) to advertise the above described premises for sale once a week for four consecutive weeks in some newspaper published in the county in which subject property is located, stating the time, terms and place of sale, and (3) to sell the same in front of the Courthouse door in the county in which subject property is located to the highest and best bidder at public outcry, for cash in hand, and in bar of the equities of redemption, dower and homestead, which are hereby waived. Upon the payment of the purchase money, the mortgagee or any person conducting said sale for it is authorized to execute to the purchaser at said sale, a deed of conveyance of fee to the property so purchased. The mortgagee may bid at the sale and purchase said property, if the highest bidder therefor.