

to the said James Pegart and Viretta Pegart and secured to be paid by the certain promissory note of the said James Pegart and Viretta Pegart in and to which is payable to the order of the said W. C. Beardsley in five years from the date hereof at his office in the City of Auburn and State of New York, with interest after maturity, or default in payment of interest, at the rate of twelve per cent. per annum until the said principal sum is fully paid. The interest on said note from date to maturity or default is to be paid semi-annually, on the 1st day of April and of October in each and every year, and is specified by ten interest notes or coupons of even date herewith, attached to the said note and payable at said office of W. C. Beardsley, in the City of Auburn, New York, and in and by said promissory note it is agreed that if default be made in the payment of any interest coupon at maturity, then the said principal sum of Three hundred Dollars with all the interest thereon, shall immediately become due and payable.

Now if the said parties of the first part shall well and truly pay, or cause to be paid the said sum of money in said note mentioned with the interest thereon, according to the tenor and effect of said note, then these presents shall be null and void. But, if said sum of money, or any interest thereon is not paid when the same is due and payable, or if any taxes or assessments levied against said property, are not paid when the same are payable, or if default shall be made in the agreement to keep said premises insured as hereinafter set forth then, in either of these cases the whole of said sum mentioned in said note, together with the interest thereon, shall, and by this indenture does immediately become due and payable at the option of the party of the second part or his assigns, to be at any time thereafter exercised without notice to the parties of the first part; but the legal holder of this mortgage may at option pay or cause to be paid the said taxes and assessments so due and payable, and such premiums and charges for insurance, as the mortgagor or assigns shall neglect or refuse to pay, and charge them against said parties of the first part, and the amounts so charged shall be an additional lien upon the said mortgaged property, and may be enforced and collected in the same manner as the principal debt hereby secured, together with interest at the rate of twelve per cent. per annum payable annually until fully paid and discharged; but whether the party of the second part elect to pay such taxes, assessments and insurance or not, it is distinctly understood that in all cases of delinquencies as above enumerated, then in