

charges, if any, before the same become delinquent.

- (c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagor (annually) (semi-annually) (monthly) in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (I) premium charges under the contract of insurance with the Federal Housing Administrator;
- (II) ground rents, if any, taxes, assessments, irrigation and drainage charges, if any, fire and other hazard insurance premiums;
- (III) interest on the note secured hereby; and
- (IV) amortization of the principal of said note.

Any deficiency in the amount of such aggregate periodic payment shall, unless made good by the Mortgagor within thirty (30) days thereafter, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. That if the total of the periodic payments made by the Mortgagor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the Mortgagee for ground rents, taxes and assessments, irrigation and drainage charges or insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments to be made by the Mortgagor. If, however, the periodic payments made by the Mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes and assessments, irrigation and drainage charges, or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, irrigation and drainage charges, or insurance premiums shall be due. If at any time the Mortgagor 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 Mortgagor all payments made under the provisions of (a) of paragraph 2 hereof, which the Mortgagee has not become obligated to pay to the Federal Housing Administrator, 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 Mortgagee acquires the property otherwise 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 said note and shall properly adjust any payments which shall have been made under (a) 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.

5. That he will permit, either wilfully or by neglect, any unreasonable depreciation in the value of said premises or the buildings and improvements situate thereon, but to keep the same in good repair at all times; he will not remove or permit to be removed from said premises any buildings or improvements situate thereon; he will not commit or suffer waste to be committed upon the premises; he will not cut or remove any timber therefrom, or permit same, excepting such as may be necessary for ordinary domestic purposes; and that he will not permit said real estate to depreciate in value because of erosion, insufficient water supply, inadequate drainage, improper irrigation, or for any reason arising out of the irrigation and/or drainage of said lands.

6. That the said Mortgagor hereby transfers, sets over and conveys to the Mortgagee all rents, royalties, bonuses and delay moneys that may from time to time become due and payable under any oil and gas or other mineral lease(s) of any kind now existing, or that may hereafter come into existence, covering the above-described land, or any portion thereof, and said Mortgagor agrees to execute, acknowledge and deliver to the Mortgagee such deeds or other instruments as the Mortgagee may now or hereafter require in order to facilitate the payment to it of said rents, royalties, bonuses and delay moneys. All such sums so received by the Mortgagee shall be applied; first, to the payment of matured installments upon the note(s) secured hereby and/or to the reimbursement of the Mortgagee for any sums advanced in payment of taxes, insurance premiums, or other assessments, as herein provided, together with the interest due thereon; and second, the balance, if any, upon the principal remaining unpaid, in such a manner, however, as not to abate or reduce the payments but to sooner retire and discharge the loan; or said Mortgagee may, at its option, turn over and deliver to the then owner of said lands, either in whole or in part, any or all such sums, without prejudice to its rights to take and retain any future sum or sums, and without prejudice to any of its other rights under this mortgage. The transfer and conveyance hereunder to the Mortgagee of said rents, royalties, bonuses and delay moneys shall be construed to be a provision for the payment or reduction of the mortgage debt, subject to the Mortgagee's option as hereinbefore provided, independent of the mortgage lien on said real estate. Upon payment in full of the mortgage debt and the release of the mortgage of record, this conveyance shall become inoperative and of no further force and effect.

7. That if the lands hereby conveyed shall ever, during the life of this mortgage, become included within the boundaries of any irrigation, drainage or other special assessment district and/or become subject to and liable for special assessments of any kind, for the payment of which said lands are not liable at the date of the execution of this mortgage, then the whole of the indebtedness hereby secured shall, at the option of the Mortgagee, become due and payable forthwith.

8. That if at any time, during the life of this mortgage, the premises conveyed hereby shall, in the opinion of the Mortgagee, become insufficient to secure the payment to the Mortgagee of the indebtedness then remaining unpaid, by reason of an insufficient water supply, inadequate drainage, improper irrigation or erosion, then said Mortgagee shall have the right, at its option, to declare the unpaid balance of the indebtedness secured hereby due and payable and to forthwith foreclose this mortgage.

9. That if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held as hereinbefore provided, the amounts paid by any insurance company pursuant to the contract of insurance shall, to the extent of the indebtedness then remaining unpaid, be paid to the Mortgagee, and, at its option, may be applied to the debt or released for the repairing or rebuilding of the premises.

10. That if the Mortgagor fails to make any payment provided for in this mortgage for taxes, insurance premiums, repair of the premises, or the like, then the Mortgagee may pay the same and all sums so advanced, with interest thereof at five per centum (5%) per annum from the date of such advance, shall be payable on demand and shall be secured hereby.

11. That if there shall be a default in any of the terms, conditions or covenants of this mortgage, or of the note secured hereby, then any sums owing by the Mortgagor shall, at the option of the Mortgagee, become immediately due and payable. The Mortgagee shall then have the right to enter into the possession of the mortgaged premises and collect the rents, issues and profits thereof. In the event of any default, as herein described, this mortgage may be foreclosed. Appraisement is hereby waived.

Notice of the exercise of any option granted herein to the Mortgagee is not required to be given. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF the Mortgagor(s) have hereunto set their hand(s) and seal(s) the day and year first above written.

W. T. Lemon
Vestie Lemon