

Interest alone payable monthly on the first day of April, 19 50, and on the first day of each month thereafter to and including August, 19 51. Thereafter commencing on the first day of September, 19 51, installments of interest and principal shall be paid in the sum of Nine Hundred Twenty-eight and 12/100 Dollars (\$ 928.12) each, such payments to continue monthly thereafter on the first day of each succeeding month until the entire indebtedness has been paid. In any event the balance of principal (if any) remaining unpaid, plus accrued interest, shall be due and payable on March 1st, 19 54. The installments of interest and principal shall be applied first to interest at the rate of four per centum (4 %) per annum upon the principal sum or so much thereof as shall from time to time remain unpaid, and the balance thereof shall be applied on account of principal.

The Mortgagor covenants and agrees as follows:

That it will pay the indebtedness at the times and in the manner as hereinbefore provided. Privilege is reserved to pay the debt in whole or in an amount equal to one or more monthly payments on principal next due, on the first day of any month prior to maturity upon at least thirty (30) days prior written notice to the holder. If this debt is paid in full prior to maturity and while insured under the National Housing Act, all parties liable for payment thereof hereby agree to be jointly and severally bound to pay to the holder hereof the adjusted premium charge referred to in Section 2, Article III, of the applicable Regulations for Section 608; provided that such adjusted premium charge shall not exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until maturity and shall be subject to all exceptions contained in said Regulations. In addition to the prepayment premium provided for by the regulations of the Federal Housing Commissioner, all parties liable for payment hereby agree to be jointly and severally bound to pay to the holder hereof as a prepayment premium in the event the debt is paid in full by reason of prepayments which exceed fifteen per centum (15%) of the original face amount in any one calendar year; three per centum (3%) of the original face amount if the debt is paid in full during the first five calendar years; two per centum (2%) of the original face amount if the debt is paid in full during the second five calendar years; and one per centum (1%) of the original face amount if the debt is paid in full during the third five calendar years.

That, in order more fully to protect the security of this mortgage, the Mortgagor, together with and in addition to, the monthly payments of principal and interest under the terms of the note secured hereby, will pay to the Mortgagee on the first day of each month after the date hereof until the said note is fully paid, the following sums:

- (a) If and so long as said note of even date and this mortgage are insured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the Mortgagee one month prior to its due date the annual mortgage insurance premium, in order to provide the Mortgagee with funds to pay such premium to the Federal Housing Commissioner pursuant to Section 608 of the National Housing Act, as amended, and Regulations thereunder.
- (b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the premises covered hereby, plus water rates, taxes and assessments next due 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, water rates, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, water rates, taxes, and special assessments.
- (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 each month 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 Commissioner;
 - (ii) ground rents, if any, water rates, taxes, assessments, 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 monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage.

Any excess funds accumulated under (b) of the preceding paragraph remaining after payment of the items therein mentioned, shall be credited to subsequent monthly payments of the same nature required thereunder; but if any such item shall exceed the estimate therefor the Mortgagor shall without demand forthwith make good the deficiency. Failure to do so before the due date of such item shall be a default thereunder. In case of termination of the Contract of Mortgage Insurance by prepayment of the mortgage in full, or otherwise (except as hereinafter provided), accumulations under (c) of the next preceding paragraph herof not required to meet payments due under the Contract of Mortgage Insurance, shall be credited to the Mortgagor. If the property is sold under foreclosure or is otherwise acquired by the Mortgagee after default, any remaining balance of the accumulations under (b) of the next preceding paragraph shall be credited to

the principal of the mortgage as of the date of the commencement of foreclosure proceedings or as of the date the property is otherwise acquired; and accumulations under (a) thereof shall be likewise credited unless required to pay sums due the Commissioner under the Contract of Mortgage Insurance.

That it will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made by payments, as hereinbefore provided, and in default thereof the Mortgagee may pay the same.

That it will keep the premises above conveyed in good order and condition and will not commit or permit any waste thereof, reasonable wear and tear excepted.

That the Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Commissioner upon the insurance of the mortgage and other hazards as may be required from time to time by the Mortgagee, and be in an insurance shall be carried in such companies and be for such periods as may be required by the Mortgagee, and all such insurance which will comply with the co-insurance clause applicable to the location and character of the property but not less than eighty per centum (80%) of the actual cash value of the insurable improvements and equipment of the property. Such policies shall be in standard form and endorsed with standard mortgage clause with loss payable to the Mortgagee and the Federal Housing Commissioner as interest may appear, and shall be deposited with the Mortgagee.

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.

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 thereon at four per centum (4%) per annum from the date of such advance, shall be payable on demand and shall be secured hereby.

That if there shall be a default in any of the terms, conditions or covenants of this mortgage, or the note secured hereby, then any sums owing by the Mortgagor to the Mortgagee shall, at the option of the Mortgagee, become immediately due and payable. The Mortgagee or any holder of this mortgage and the note secured hereby shall then have the right to enter into the possession of the mortgaged premises and collect the rents, issues and profits thereof. In any action to foreclose, the holder of this mortgage shall be entitled to the appointment of a receiver of the rents and profits of the mortgaged premises as a matter of right and without notice, with power to collect the rents, issues and profits being mortgaged premises, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by this mortgage, without regard to the value of the mortgaged premises or the solvency of any person or persons liable for the payment of the mortgage indebtedness. The Mortgagor for itself and any subsequent owner, hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the mortgage of any other right, remedy, or privilege it may now have under the law to have a receiver appointed. The provision for the appointment of a receiver of the rents and profits and the assignment of such rents and profits is made an express condition upon which the loan hereby secured is made.