2. That, together [illegible] under the terms of the [illegible] is fully paid [illegible]

[illegible]

3. If the total of the payments made by the Mortgagor [illegible] paragraph 2 preceding shall exceed the amount of payments actually made by the Mortgagee for taxes [illegible] premiums, as the case may be, such excess, at the option of the Mortgagor, shall be credited on future payments [illegible] by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under paragraph 2 preceding shall not be sufficient to pay taxes and assessments and insurance premiums when 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 taxes, assessments or insurance premiums shall be due. In any case, the Mortgagor shall tender to the Mortgagee, in accordance with the terms 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 paragraph 2 hereof which the Mortgagee has not become obligated to pay to the Secretary of [illegible] and all balances remaining in the funds accumulated under the provisions of paragraph 2 hereof [illegible] default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the property is otherwise acquired after default, the Mortgagee shall apply [illegible] at the time of such proceedings, or at the time the property is otherwise acquired, the balance remaining in the funds accumulated under the provisions 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 be made pursuant to paragraph 2 [illegible] secured hereby, and shall properly adjust any payments which shall be made pursuant to paragraph 2.

4. That he will promptly pay all taxes, special 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, and that he will promptly deliver to the Mortgagee receipts evidencing such payments. If the Mortgagor fails to make any payments required under paragraph 2 hereof for taxes, assessments, or the like, the Mortgagee may pay the same and [illegible] at the rate set forth in the note secured hereby from the date of such payment [illegible]

5. That he will keep the improvements now existing or hereafter erected on the mortgaged property insured as they are now and will not commit or permit any waste thereof.

6. That he will keep the improvements now existing or hereafter erected on the mortgaged property insured as may be required from time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums on such insurance for the payment of which provision has not been made hereinbefore. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the 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 mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to insurance policies then in force shall pass to the purchaser or grantee.

7. That he will keep the premises in good repair and will not permit or commit any waste thereof. That he will not remove or demolish any building thereon. That he will pay when due all claims for labor performed and materials furnished therefor and will not permit any mechanic's lien to attach to said premises ranking superior to the lien of this instrument. And that he will not do or permit anything to be done which may impair the security of this mortgage. That he will not permit any of the premises to be used for any illegal purpose or in violation of any law or ordinance. That in the event of default in any of the foregoing covenants, then the Mortgagee shall have the right to foreclose this mortgage, and in such event there shall be allowed and included as additional indebtedness in the decree for sale all costs and expenses incurred in connection with such foreclosure, including but not limited to reasonable attorney's fees, abstracting and title charges, and all expenses incident to the preparation of the property for foreclosure sale, and shall be payable out of the rents, issues, and profits of said premises, and shall apply the residue of the rents, issues, and profits to the payment of the indebtedness secured hereby.

8. That if the premises covered hereby or any part thereof be taken by eminent domain, or acquired for a public use, the damages and compensation awarded for such taking, to the extent of the full amount of indebtedness upon this mortgage and the note secured hereby, are hereby assigned to the Mortgagee and will be paid forthwith to the Mortgagee to be applied on the indebtedness secured hereby, whether or not then due, at the option of the Mortgagee.

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