2. That together with [illegible] and interest payable under the terms of the note secured hereby [illegible] until the said note is fully paid the following [illegible]

A [illegible] and the [illegible] Fed. By the Secretary of Housing and Urban Development [illegible]

I. [illegible] the National Housing Act [illegible] the Secretary of Housing and Urban Development [illegible] the National Housing Act, as amended [illegible] and applicable Regulations thereunder [illegible]

II. [illegible] the Secretary of Housing and Urban Development [illegible] shall be [illegible] equal to one twelfth [illegible] without taking into account delinquencies or prepayments.

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 mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee [illegible] and the sum thus derived divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and special assessments will be due [illegible] such sums to be held by the Mortgagee [illegible] ground rents, taxes and special assessments, and

All payments [illegible] under the note [illegible] Mortgagee 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 [illegible] the Secretary of Housing and Urban Development, or monthly charge in lieu thereof, if any, as the case may be;

II. taxes, special 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 any 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. The Mortgagee may collect a "late charge" not to exceed [illegible] cents for each dollar [illegible] for any payment which is in default for a period of fifteen (15) days in arrears to cover the extra expense involved in handling such delinquent payments.

3. If the total of the payments made by the Mortgagor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the Mortgagee for taxes or assessments or insurance premiums, as the case may be, such excess, at the option of the Mortgagee, shall be credited on subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay taxes and assessments and insurance premiums 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 one month's notice. 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 (b) of paragraph 2 hereof unless the Mortgagee has not become obligated to pay to the Secretary of Housing and Urban Development, 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 property is otherwise acquired 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 the note secured hereby, and shall properly adjust any payments which shall be made under (b) of paragraph 2.

4. That he will pay all taxes, assessments, water rents, 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 the official receipts therefor to the Mortgagee. If the Mortgagor fails to make any payments provided for in this mortgage, or other payments for taxes, assessments, or the like, the Mortgagee may pay the same and shall be subrogated to the rights of the holders thereof, and all such payments shall be secured by this mortgage.

5. 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 or renewals thereof, payment of which 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 hereby assigns all rents, issues, and profits of the mortgaged premises from and after any default hereunder, and shall [illegible] pursuant to this instrument, then the Mortgagee shall have the right to have a receiver appointed to take possession of said premises and collect the rents, issues, and profits, and, after deducting all charges and expenses attending such proceedings, including such compensation to such receiver as shall be allowed by the court, shall apply the residue of the rents, issues, and profits, toward the payment of the debt secured hereby.

8. That if the premises, or any part thereof, be taken under the power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this mortgage and the note secured hereby remaining unpaid, are hereby assigned by the Mortgagor to the Mortgagee, and shall be paid forthwith to the Mortgagee to be applied by it on account of the indebtedness secured hereby, whether due or not.

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