

together with all rents and other revenues or income therefrom, and all and singular the rights, easements, hereditaments and appurtenances thereunto belonging, or in anywise incident or appertaining, and all improvements and personal property now or hereafter attached to or reasonably necessary to the use of the real property herein described, all of which property is sometimes hereinafter designated as "said property";

TO HAVE AND TO HOLD, all and singular, said property unto Mortgagee and its successors and assigns forever;

AND MORTGAGOR, for himself, his heirs, executors, administrators, successors and assigns, does hereby warrant and forever defend all and singular the said property unto Mortgagee against every person whomsoever lawfully claiming or to claim the same, or any part thereof, and does hereby and by these presents covenant and agree:

1. To pay promptly all installments of principal and interest as they become due according to the terms of the said promissory note, and of any agreement supplementary thereto, and any other indebtedness owing by Mortgagor to Mortgagee and secured hereby. In the event this mortgage and the note secured hereby are insured under the provisions of the Bankhead-Jones Farm Tenant Act, as amended, Mortgagor will pay all such installments of principal and interest, and such other amounts as Mortgagor is required to pay to Mortgagee as part of the principal obligation under this mortgage, to the United States of America, acting through the Administrator of the Farmers Home Administration (hereinafter called the Government), as collection agent for Mortgagee. The Government will remit to Mortgagee all the sums collected by it as agent for Mortgagee as provided in the note: *Provided*, That in the event the indebtedness hereby secured is paid in full in less than five (5) years after the execution of this mortgage and at that time it is insured as aforesaid, Mortgagor shall pay to the Government the entire annual mortgage insurance charge computed for the year then current, as hereinafter prescribed, and, at the Government's option, an additional charge equal to the annual charge for such year; such payment to be applied by the Government on Mortgagor's obligation on account of mortgage insurance.

2. If this mortgage and the note secured hereby are insured by the Government as aforesaid, and so long as they continue to be so insured, to pay to the Government, together with and in addition to the annual payments of principal and interest payable to Mortgagee under the terms of the note secured hereby, the following sums:

(a) An annual mortgage insurance charge at the rate of one percent (1%) of the outstanding principal obligation of the mortgage; the initial charge shall be payable simultaneously with the insurance of the mortgage and shall cover the period from the date of loan closing to the due date of the first installment payable on the loan; the next and each succeeding charge shall be computed on the outstanding principal obligation remaining unpaid as of the due date of each installment payable on the loan, and shall be payable on or before the next succeeding due date of an installment of principal and interest. Mortgagor shall continue to pay the annual charge herein provided until the mortgage is paid in full, or the mortgaged property is acquired by Mortgagee or the Government, or until the contract of insurance is otherwise terminated. Assignment of this mortgage and the note secured hereby to the Government shall not operate to terminate the contract of insurance or relieve Mortgagor from the obligation to pay the required annual charge.

(b) Such delinquency charges and default reserves as the Government finds necessary and may hereafter establish by regulation.

(c) Such initial fees for inspection, appraisal and other charges as the Government finds necessary.

All payments mentioned in the preceding subsections (a) and (b) of this paragraph and all payments on the installments of principal and interest to be made under the note secured hereby, including all advances made by Mortgagee and the Government for the account of Mortgagor as hereinafter provided, shall be added together and the aggregate amount thereof shall be paid by Mortgagor on the prescribed due date of each installment of principal and interest, to be applied to the payment of the following items in the order set forth:

- (1) Advances by the Government for the account of Mortgagor, with interest at the rate herein provided;
- (2) annual mortgage insurance charges owing to the Government;
- (3) taxes, special assessments, fire and other hazard insurance premiums and other obligations of Mortgagor, with interest, if advances for any such items were made by Mortgagee for the account of Mortgagor;
- (4) interest on the note secured hereby; and
- (5) amortization of the principal of said note.

3. In the event this mortgage is insured by the Government as aforesaid, the Government shall promptly notify Mortgagee of any default by Mortgagor in the terms, conditions or covenants of the mortgage: *Provided, however*, That if Mortgagor has failed to pay to the Government the full amount of any installment of principal and interest on or before the due date thereof, the Government shall pay promptly the unpaid amount of such installment to Mortgagee, less the amount of any previous prepayment except payments from proceeds from the voluntary or involuntary sale of any part of the mortgaged property or from royalties from leases under which the value of the security is depreciated. Amounts thus advanced by the Government, as well as other amounts for the payment of property insurance premiums, and taxes, assessments and items of similar character, which may be advanced by the Government for the account of Mortgagor by reason of his failure to pay the same, shall be deducted from the first available collections received from Mortgagor and shall be repaid to the farm-tenant mortgage insurance fund maintained by the Government. All such advances shall bear interest at the rate first above specified, and, until repaid, the advances and interest thereon shall be added to subsequent installments. Until such advances have been repaid by Mortgagor, payment thereof by the Government shall not relieve Mortgagor from the breach of his covenant to pay.

4. In any case in which Mortgagor violates any covenant or condition of this mortgage while insured by the Government, the Government may require Mortgagee to assign such mortgage, together with the incidents thereto, upon payment of the insurance benefits as herein prescribed. Should Mortgagor be in default in any of the terms, conditions or covenants of this mortgage for more than 12 months, Mortgagee shall be entitled to receive the benefit of the mortgage insurance, upon assignment to the Government of (a) all Mortgagee's rights and interest arising under the mortgage so in default; (b) all claims of Mortgagee against Mortgagor or others, arising out of the mortgage transaction; (c) all policies of title or other insurance and all surety bonds and other guaranties and any and all claims thereunder relating to the mortgage or the mortgaged property; (d) any balance of the mortgage loan not advanced to Mortgagor; and (e) any cash or property held by Mortgagee, or to which he is entitled, as deposit made for the account of Mortgagor and which has not been applied in reduction of the principal of the mortgage indebtedness; and upon transfer to the Government of such originals or copies of records, documents, books, papers and accounts relating to the mortgage transaction, as the Government prescribes. Upon such assignment and transfer, the Government shall pay to Mortgagee, in cash, an amount equal to the value of the mortgage and the note secured hereby.

5. To pay, before the same shall become delinquent, all taxes, assessments, levies, liabilities, obligations and encumbrances of every nature whatsoever which affect said property or Mortgagee's rights and interest therein under this mortgage or the indebtedness hereby secured, and promptly to deliver to the Government, without demand, receipts evidencing such payments.

6. Immediately upon the execution of this mortgage to provide, and thereafter continuously to maintain, fire insurance policies and such other insurance policies as the Government may then or from time to time require upon the buildings and improvements now situate or hereafter constructed in or upon said property. Said fire and other insurance policies shall be deposited with the Government and shall be with companies, in amounts and on terms and conditions approved by the Government.

7. Personally and continuously to reside on said property, and, with his own and his family labor, personally to operate said property as a farm and for no other purpose; at all times to maintain said property in proper repair and good condition; to commit or suffer no waste or exhaustion of said property; neither to cut nor remove any timber therefrom, nor to remove, or permit to be removed, gravel, oil, gas, coal or other minerals, except such as may be necessary for ordinary domestic purposes; promptly to effect such repairs to said property as the Government may require; to institute and carry out such farming conservation practices and farm and home management plans as the Government shall, from time to time, prescribe; and to make no improvements upon said property without consent by the Government.

8. To perform, comply with and abide by each and every stipulation, agreement, condition and covenant in said promissory note, in any extension or renewal thereof, in any agreement supplementary thereto, or in this mortgage contained.

9. To comply with all laws, ordinances and regulations affecting said property or its use.

10. That the indebtedness hereby secured was expressly loaned by Mortgagee to Mortgagor to enable Mortgagor to purchase, repair, improve or enlarge said property, or refinance in connection with such improvement or enlargement, or any combination of the aforesaid purposes, and that Mortgagor did or will use said moneys for the foregoing purpose.

11. That the Government, its agents and attorneys, shall have the right at all times to inspect and examine said property for the purpose of ascertaining whether or not the security given is being lessened, diminished, depleted or impaired, and if such inspection or examination shall disclose, in the judgment of the Government, that the security given or property mortgaged is being lessened or impaired, such condition shall be deemed a breach of the covenants of this mortgage on the part of Mortgagor.