[illegible]

[illegible]

(a) [illegible] the Secretary of Housing and Urban Development [illegible]

(I) [illegible] National Housing Act [illegible] Secretary of Housing and Urban Development [illegible] National Housing Act [illegible] Secretary thereunder; [illegible]

(II) [illegible] Secretary of Housing and Urban Development [illegible] which shall be in an amount equal to [illegible] one-twelfth (1/12) of one-half (1/2) of the average annual estimated balance for taxes and assessments [illegible] 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 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, taxes and assessments will become delinquent, such estimate to be made by the Mortgagee on the basis of current data and reasonable estimates thereof;

All payments mentioned in the preceding subsection 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 Secretary of Housing and Urban Development [illegible];

(II) ground rents, 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 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 fee not to exceed four cents ($.04) 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. If the total of 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, if the loan is current, at the option of the Mortgagor, 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 or before the date when payment of such taxes, assessments, 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 (b) of paragraph 2 hereof which 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 account for the balance remaining, if any, in accordance with the provisions 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, 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 any other payments for taxes, assessments, or the like, the Mortgagee may pay the same, and may pay any prior lien or charge, or any interest or penalties on any of the foregoing, and shall be reimbursed by the Mortgagor.

5. That he will keep the premises in good repair and condition as they now are and will not commit or permit any waste thereof, reasonable wear and tear excepted.

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 provided for in paragraph 2 hereof, or any installment thereof which has not been made hereunder to. 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 [illegible] the Mortgagee [illegible] Mortgagee shall have the right to have a receiver appointed of the rents, issues and profits of said premises, [illegible] including all charges and expenses attending such proceedings and the execution of the trust hereunder, which shall apply the proceeds of the rents, issues and profits received by the receiver on the debt hereunder.

8. That if the proceeds of the note secured hereby be used in whole or in part to pay the purchase price of the premises described herein, or if the loan evidenced by the said note and this mortgage be made to refinance a prior mortgage on the premises, and there is a default in any of the terms of the said mortgage or any other lien or encumbrance upon the premises covered by the said note and this mortgage, or any part thereof, or any other default under the said note and this mortgage,