

THE MORTGAGOR HEREBY COVENANTS AND AGREES WITH THE MORTGAGEE:

1. That it is lawfully seized of the premises hereinabove described in fee simple absolute, that it has good right and lawful authority to sell, convey, or encumber the same, and that the premises are free and clear of all liens and encumbrances whatsoever. The Mortgagor further covenants to warrant and forever defend all and singular the premises unto the Mortgagee, from and against the Mortgagor and all persons whomsoever lawfully claiming the same or any part thereof;
2. That Mortgagor will pay the Note at the times and in the manner provided therein;
3. That Mortgagor will not permit or suffer the use of any of the property for any purpose other than the use for which the same was intended at the time this Mortgage was executed;
4. That the Loan Guarantee Agreement, executed by the Mortgagor and the Secretary of Health, Education, and Welfare, which is being recorded simultaneously herewith, is incorporated in and made a part of this mortgage;
5. That all rents, profits and income from the property covered by this mortgage are hereby assigned to the Mortgagee for the purpose of discharging the debt hereby secured. Permission is hereby given to Mortgagor so long as no default exists hereunder, to collect such rents, profits and income;
6. That upon default hereunder Mortgagee shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom;
7. That at the option of the Mortgagor the principal balance secured hereby may be reamortized on terms acceptable to the Secretary of Health, Education, and Welfare, if a partial prepayment results from an award in condemnation in accordance with provisions of Paragraph 9 herein, or from an insurance payment made in accordance with provisions of Paragraph 8 herein, where there is a resulting loss of project income;