2. That together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the Mortgagee, on the first day of each month until the said note is fully paid, the following sums:

(a) [illegible] Housing and Urban Development pursuant to the National Housing Act [illegible]

(b) [illegible] Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, or prior to the acquisition of the property covered hereby, or in the case of a default under this mortgage, a sum equal to the average monthly balance for the then current calendar year of the mortgage insurance premiums which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) of one percent (1/2%) of the average outstanding balance due on the mortgage during such calendar year, as estimated by the Mortgagee, taking into account delinquencies or prepayments.

3. 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 sum to be held by the Mortgagee in trust to pay said ground rents, premiums, taxes and special assessments, and

All payments mentioned in the two preceding subsections 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 pursuant to the National Housing Act, or monthly charge (in lieu of mortgage insurance premium), as the case may be;

II. ground rents, 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 fifteen cents ($.15) for each dollar ($1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

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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 adjust any payments which shall have been made under (a) of paragraph 2.

4. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, 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 payment or do any act as herein provided, then the Mortgagee may but need not make payment, or perform any act hereinbefore required of the Mortgagor in any form and manner deemed expedient, and may but need not make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses, including reasonable attorney's fees, paid or incurred in connection therewith, including foreclosure costs, with interest thereon at the rate of six percent (6%) per annum, shall be added to the indebtedness secured hereby and shall be immediately due and payable without notice and with interest thereon at the rate of six percent (6%) per annum. Inaction of the Mortgagee shall not be construed as a waiver of any right accruing to the Mortgagee by reason of any default by the Mortgagor.

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 such hazards, casualties and contingencies as the Mortgagee may require and will pay promptly, when due, any premiums on such insurance provided for in paragraph 2 hereof, or by the terms hereof, or by the terms of the note secured hereby. 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 he will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by the 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 all insurance policies then in force shall pass to the purchaser or grantee.

6. That he will keep the premises in good repair and will not commit or permit waste thereon, and that he will not do or allow anything to be done upon the premises tending to impair the security for the note secured hereby. In case the Mortgagor shall default in any of the foregoing covenants, then the Mortgagee may but need not make good the same, or any part thereof, and the Mortgagee may, at its option, declare the entire indebtedness secured hereby immediately due and payable, without notice, and may proceed to foreclose this mortgage in accordance with the laws of the State of Illinois, or may take such other action as may be deemed necessary or desirable to protect the security hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be held pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said premises and maintenance of said title, shall become immediately due and payable by the Mortgagor with interest thereon at the rate of six percent (6%) per annum, when paid or incurred by the Mortgagee in connection with any proceeding, including probate and bankruptcy proceedings, to which either of them shall be a party, either as plaintiff, claimant or defendant, by reason of this mortgage or any indebtedness hereby secured or in connection with the preparation for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or in preparation for the defense of any threatened suit or proceeding which might affect the premises or the security hereof.

7. That if the premises, or any part thereof, be condemned under any 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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