

**AND THE SAID MORTGAGOR COVENANTS WITH MORTGAGEE AS FOLLOWS:**

**FIRST.** That Mortgagor is lawfully seized in fee simple of the premises above described; that said premises are free and clear of all liens and encumbrances of every nature and kind whatsoever;

and that Mortgagor will forever warrant and defend the same unto said Mortgagee, its successors and assigns, against the lawful claims and demands of all persons whomsoever.

**SECOND.** That Mortgagor will pay the indebtedness in said note provided, and if default shall be made in the payment of said indebtedness, or any part thereof, Mortgagee shall have the power to sell the property herein described according to law.

**THIRD.** That, so long as said note shall remain unpaid in whole or in part, Mortgagor will pay all taxes, assessments and other charges that may be levied or assessed upon or against said premises, this mortgage, and the debt secured hereby, before they become delinquent; provided, however, that any tax or assessment against the mortgaged premises may be paid in installments in any manner permitted by law.

**FOURTH.** That Mortgagor will keep all the improvements erected on said premises in good order and repair and will not do or permit waste of the property hereby mortgaged, and will not suffer or permit any lien to be hereafter created upon said property, or any part thereof, prior to the lien of this mortgage, and will not do or suffer any act or omission whereby the lien hereof, or of any estate or title covered hereby may be impaired.

**FIFTH.** That so long as said note shall remain unpaid, in whole or in part, Mortgagor will keep the buildings now erected or which may hereafter be erected on said premises insured against loss or damage by fire, and against loss by such other hazards as the Mortgagee may from time to time require, in an amount not less than the full insurable value of such building or buildings. All such insurance shall be in such form and in some company or companies acceptable to Mortgagee and for the benefit of the Mortgagee and Mortgagor will deliver the policies and renewals for all insurance on said property, with suitable and satisfactory mortgage clause endorsed thereon, to the Mortgagee promptly after the issue thereof, and should Mortgagor fail to insure or deposit said policies and renewals thereof as herein provided, Mortgagee may procure said insurance at the expense of the Mortgagor, which expense shall become a part of the debt secured hereby, and the Mortgagor agrees to pay the same on demand with interest at ten per cent (10%) per annum from the date of payment. In case of any loss covered by such insurance Mortgagee may, at its option, require the proceeds of any insurance policies upon the said property to be applied to the payment of the indebtedness hereby secured or to be used for the repair or reconstruction of the property damaged or destroyed. That if requested, Mortgagor will keep the buildings insured against war damage for the benefit of Mortgagee in such form, in such governmental agencies or bureaus or in such private companies and in such amount as Mortgagee may elect, and that Mortgagor will deliver the policies and any renewals thereof, or other evidence of such insurance, to Mortgagee.

**IT IS FURTHER EXPRESSLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES AS FOLLOWS:**

1. Should said Mortgagor fail to pay any installment of principal or interest as the same becomes due or if any default be made in the performance of any of the covenants or agreements of this mortgage or in the event of the sale of the Mortgagor's interest in the property herein described, the entire debt secured by this mortgage shall at once become due and payable, if the Mortgagee so elects, and all notice of such election is hereby waived.

2. The whole principal of said note shall become immediately due, at the option of the Mortgagee, after default for fifteen (15) days in the payment of any tax or of any installment of any assessment for local improvements heretofore or hereafter laid, which is or may be payable in installments and which is or may become a lien on said premises.

3. The Mortgagor agrees that, if the Mortgagee shall so require, the Mortgagor will, in lieu of making payment of taxes, assessments and insurance premiums directly to the taxing authorities and insurance companies, pay to the Mortgagee on each installment payment date provided in said promissory note such additional sum as shall, in the aggregate, provide the Mortgagee with sufficient funds to pay such taxes, assessments and insurance premiums when the same become due; and the Mortgagee agrees to apply such funds for that purpose.

4. Should Mortgagor fail to make payment of any taxes or assessments, or installment thereof, insurance premiums or other charges or encumbrances which now are or shall hereafter be or appear to be a lien upon said premises or any part thereof payable by Mortgagor, Mortgagee may, at its option, make payment thereof, and the amounts so paid, with interest thereon at ten per cent (10%) per annum, shall be added to and become a part of the debt secured by this mortgage, without waiver of any rights, arising from breach of any of the covenants hereof and for such payments with interest as aforesaid, the premises hereinbefore described, as well as the Mortgagor, shall be bound to the same extent that Mortgagor is bound for the payment of the note herein described, and all such payments shall be immediately due and payable without notice, and the non-payment thereof shall, at the option of the holder hereof, render all sums secured by this mortgage immediately due and payable and constitute a breach of this mortgage.

5. It is expressly agreed that time and the exact performance of all the conditions hereof are of the essence of this contract.

6. As part of the consideration for the making of the loan hereby secured, Mortgagor hereby assigns, transfers and sets over to Mortgagee all leases of any part of the mortgaged premises now in effect or hereafter made, and hereby assigns and transfers to Mortgagee all the right of Mortgagor to receive the rents reserved by such leases; provided, however, that until Mortgagor shall commit or permit some act of default under this mortgage, it is understood and agreed that the lessor may receive, collect and receipt for said rents, paying over to Mortgagee only so much thereof as is required to comply with the obligations resting upon Mortgagor under and by the terms hereof, but in the event that Mortgagor shall commit or permit any act of default hereunder, then and in that event, and from that time on, said lessees are authorized, required and directed to pay the rents thereafter falling due under and by the terms of said leases directly to Mortgagee, and Mortgagee is authorized to demand, collect, receive and receipt for such rents and apply the rents so collected, in its discretion, to any or all of the following purposes:

- (a) To the payment of any taxes assessed upon the mortgaged premises, whether or not the same be delinquent;
- (b) To the payment of any assessments or other governmental charges assessed against the demised premises, whether or not the same be delinquent;
- (c) To the payment of any insurance premiums paid or incurred by the Mortgagee, or any expenditure which, in the judgment of the Mortgagee, is proper for the care of the mortgaged property;
- (d) To the payment of any interest accrued on the indebtedness secured by this mortgage;
- (e) To the payment on account of the principal of the indebtedness secured by this mortgage, whether or not there be any payments on account of principal due at the time and whether or not the Mortgagee has exercised the right secured by this mortgage to declare the entire principal due by reason of any default hereunder.