



# UNOFFICIAL COPY

**Page 2** THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 1 (THE REVERSE SIDE OF THIS MORTGAGE)

2. In addition to the monthly payments of principal and interest payable under the terms of the Note, the Mortgagee agrees to pay to the holder of the Note, who is requested by the holder of the Note, such sum as may be specified for the purpose of establishing a reserve in the payment of taxes, insurance premiums, special assessments, and other expenses which may be incurred by the holder of the Note in connection with the property or such other hazards as shall be required hereunder covering the mortgaged property, and for the payment of taxes and other assessments affecting the property as imposed by the holder of the Note, such sum as may be held by the holder of the Note without any claim for interest on the payment of such special assessments provided that such request, whether or not complied with, shall not be construed to affect the regular payment of the Mortgage, the payment of premiums, taxes and special assessments, and to keep the mortgaged premises insured against loss or damage by fire or lightning, and to pay all taxes, special assessments and insurance premiums shall not be sufficient to pay the amounts necessary to make such payment, such deficiency shall be made up by the deficiencys. If amounts collected for the purpose aforesaid exceed the amount necessary to make such payment, such excess shall be credited to the subsequent payments for these purposes or be made by Mortgagor.

3. The privilege is granted to make prepayments of principal of the Note by any interest payment date after the last principal payment date, provided, however, that all such prepayments in any calendar year, in excess of twenty per cent (20%) of the original principal amount of the Note, will be subject to a prepayment fee of one cent (\$2.50) per \$1000.00 during the first three years after the date of the Note, one cent (\$1.00) during the next two years, and no fee thereafter.

4. Monthly, or more often, a late charge equal to one-half of one percent per month of the amount unpaid for the month, or for the portion of the month, for which the payment is late, plus ten (10) dollars.

**5. Mortgagors agree that Mortgagee may employ counsel for advice or other legal service at the Mortgagor's expense.**

hereby secured or the first of this instrument, or any litigation in which the Mortgagee may be made a party or has cause to sue or be sued in respect of the property securing the indebtedness hereby incurred, or which may affect said debt or title, and any reasonable attorney's fees, disbursements and costs, and all expenses of a par-

~~said mortgage debt and shall be due interest at the rate of 11 75 per cent. per annum.~~  
6. In case of default thereon, Mortgagor may, but need not, make any payment, or perform any act herein required by Mortgagor, or pay any sum, and neither demand payment, and may, but need not, make any or partial payment of principal or interest or premium, if any, and purchase, discharge, or otherwise satisfy any or all liens or other prior liens on the title or interest, or redeem any or all taxes or other amounts affecting said premises or any part thereof, or any or all expenses paid or incurred in connection therewith, including attorney's fees, and any other expenses arising out of or in connection with the title or interest of Mortgagor, in its discretion to protect the premises and/or liens herein, shall be so much additional, and thereafter secured thereby and shall bear the same interest, for any period thereafter, as our notice and with interest thereon, at the rate of 11 75 per cent. per annum. Interest of Mortgagor shall never be considered as a loss or damage, according to all account of any default hereunder on the part of Mortgagor.

2. Mortgagor making any payment herein authorized relating to taxes or assessments may do so by mailing to any of the above-mentioned persons or to the appropriate public office without incurring the expense of such bills, statements, etc., until the validity of any tax or assessment, etc., has been determined thereon.

b. At the option of the Mortgagee and without notice to Mortgagor, who shall remain obligated under this Mortgage to the contrary, (a) one or all of the easements, covenants or restrictions secured hereby, or (b) when default shall occur and continue for three days after the performance of any agreement of the Mortgagee hereunder required

11. The proceeds of any foreclosures sale of the premises shall be distributed and applied in accordance with the priorities listed in paragraph 10 above.

12. Upon, or at any time after the filing of suit to foreclose the Mortgagor, the result in which will be a recovery of the principal sum.

component may be made either before or after sale, without notice, without regard to the occupancy status. (e) Mortgagor shall have the right to sell the property, and without regard to the then value of the premises, or whether the same shall be then occupied as a tenement or otherwise. The Manager shall have the right to sell, even if the receiver shall have power to collect the rents, issues and profits of said premises during the pendency of this instrument, notwithstanding any provision to the contrary contained in any indenture, note, mortgage, lease or other instrument, except as provided in the following paragraph. (f) The Manager shall have the right to collect the rents, issues and profits of the property, except as provided in paragraph (e) above, and to apply the same to the payment of the principal amount of the Note, interest thereon, and expenses of collection (including insurance and claims, assessments, costs, management and clearing of the premises during the whole or a part of the period of non-occupancy), and to the payment of the receiver's compensation, and to the payment of all other amounts due to the receiver. (g) The Manager, in any case, special assessment or other item which may be or become superior to the amount herein set forth, may be evidenced by an addition to this Mortgage, or by any other special agreement or instrument, and such amount, provided, shall be paid prior to or at place of foreclosure sale; (h) the deficiency, if any, is a sale and deficiency.

14. No action for the enforcement of the terms of any provision herein shall be subject to any defense which would not be good and available in the proceeding in an action at law upon the Note.

15. In case the premises, or any part thereof, shall be taken by condemnation, the Mortgagor is hereby empowered to receive and receive all compensation which may be paid for any property taken, less damages to any property not taken, and all condemnation compensation so received shall be turned over to the Mortgagor, as my elect, to the immediate reduction of the indebtedness secured hereby, or to the repair and restoration of any property so damaged, provided that my agent, over the amount of the indebtedness shall be delivered to the Mortgagor or his assignee.

(ii) All available rents, issues and profits of the premises are pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due, under a written or oral lease or agreement for the use or occupancy of said premises, in any part thereof, whether and irrespective of whether such rents, issues and profits are retained by the lessor, hereof, (a) to pledge and rents, issues and profits of all parts with said real estate and not separately and such title shall not be deemed merged in any one issue decree, and (b) to establish an absolute transfer and assignment to the Mortgagee of all such leases and agreements and all the assets thereto, together with the right, in case of default, either before or after foreclosure date, to enter upon and take possession of the premises or any part thereof, and to terminate any such leases for terms deemed advantageous to it, terminate or modify existing or future leases, collect and receive rents, issues and profits therefrom, when ever it may use such furnishings, whether legal or equitable as it may deem proper to enforce collection thereof, employ trading agents or other employees, after repair and remise, such furnishings and equipment therefor when it deems necessary, purchase or acquire fire and extended coverage insurance, and pay taxes as may be levied or payable, and, in general exercise all powers reasonably incident to absolute ownership, advance of the sum money necessary to pay such taxes, insurance, and expenses, it is hereby created on the premises and in the income therefrom which lies prior to the date of any other indebtedness herein, an easement of the same for reasonable compensation for water, pay insurance premiums, taxes and assessments, and all expenses of every kind, including attorney's fees, incurred in the use of the powers herein given, and from time to time apply any balance of income not, in its sole discretion, needed in the stated and purpose of this instrument to the payment of any other indebtedness, hereinafter referred to as "the principal", or any part thereof, and the delivery of the principal, or any part thereof, shall be a discharge in plenum therefrom. Should any of the above-mentioned powers be exercised by the Mortgagee, the same shall not affect the contractual unexecuted defaults or performance of the Mortgagor's agreements herein, the Mortgagee, in satisfaction of any such claim, shall not be entitled to sue for the amount so paid, unless the Mortgagor may suffer loss in its hands. The possession of Mortgage may, in the event of any default, be taken by the Mortgagee, and in such event the rights accorded pursuant to a decree foreclosing the lien hereof, but if no deed be issued, then until the expiration of the statutory period, by which time the title to Mortgage shall, however, have the discretionarily power, at its option, to refuse to take or to abdicate possession of said premises without affording the holder of Mortgage, shall, all power, if any, which it might have had without this paragraph.

17. In the event new buildings and improvements are now being or are to be erected or placed on the premises that, as far as construction and the payment of Mortgagors do not complete the construction of said buildings and improvements in accordance with the plans and specifications approved by the Commissioner, the thirty days prior to the due date of the first payment of principal, it shall be in said construction should cease before the expiration of the same, the same to be abandoned for a period of thirty days, and in such event, the entire principal sum of the note, less to this Mortgage and interest thereon, shall become due and payable, at the option of Mortgagor, and in the event of abandonment of both upon the construction of the same buildings and improvements as aforesaid, Mortgagor may, at his option, also enter into and upon the mortgaged premises and complete the construction of the same buildings and improvements as aforesaid, and the amount so expended by Mortgagor in connection with such completion of construction shall be added to the principal on account of such sum so expended for the same, and shall be payable by Mortgagors on demand, with interest at the rate of 11 1/2 percent per annum, in the event Mortgagor shall fail to complete construction, Mortgagor shall have full and complete authority to employ, hire and pay to persons engaged in the preparation and protection of the personal property therein, to continue any and all outstanding contracts for the erection of such buildings and improvements, and to pay and be liable for all debts, contracts and obligations, whenever necessary, either in its own name or in the name of Mortgagor, and to pay and be liable for all debts, contracts and obligations.

18. A reconveyance of said premises shall be made by the Mortgagor to the Mortgagee on full payment of the indebtedness when due, the performance of the covenants and agreements herein made by the Mortgagor, and the payment of the reasonable fees of the Mortgagee.

19. This Mortgage and all prior suits hereon, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the wife of Mortgagors, when used herein shall include all such persons and all persons liable for the payment of the indebtedness others than them, if, whether or not such persons have executed the Note or this Mortgage.