

affording such other or additional coverage as from time to time may be requested by the Lender. The Borrower shall pay for all premiums on such policies and, if the amounts have been deposited with the Lender for the payment thereof pursuant to Paragraph 1.03 hereof, the Borrower shall furnish to the Lender premium notices at least thirty (30) days before the same are due. The companies issuing such policies, and the amounts, forms, expiration dates and substance of such policies, shall be acceptable to the Lender and such policies shall contain, in favor of the Lender, the New York Standard Non-Contributory Mortgagee Clause, or its equivalent, and a Lender's Loss Payable Endorsement, in form satisfactory to the Lender, and a Replacement Cost Endorsement, in form satisfactory to Lender. At least fifteen (15) days prior to the expiration date of each such policy, a renewal thereof satisfactory to the Lender shall be delivered to the Lender. The Borrower shall deliver to the Lender receipts evidencing the payment for all such insurance policies and renewals. The delivery of the insurance policies shall constitute an assignment as further security for the indebtedness secured hereby of all unearned premiums. In the event of the foreclosure of this Mortgage or any other transfer of title to the Mortgaged Property in extinguishment in whole or in part of the indebtedness secured hereby, all right, title and interest of the Borrower in and to all insurance policies then in force shall pass to the purchaser or grantee.

The Lender is hereby authorized and empowered, at its option, to make or file proofs of loss or damage and to adjust or compromise any loss under any insurance policies on the Mortgaged Property, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Lender instead of to the Borrower. After deducting from said insurance proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, the Lender may apply the net proceeds or any part thereof, at its option, either toward restoring the Mortgaged Property or as a credit on any portion of the indebtedness secured hereby selected by it, whether then matured or to mature in the future, or at the option of the Lender, such sums either wholly or in part may be paid over to the Borrower, on such terms and conditions as the Lender in its discretion may specify, to be used to repair the buildings, structures or improvements, or to build new ones in their place, or for any other purpose or object satisfactory to the Lender, without affecting the lien of this Mortgage for the full amount of the indebtedness secured hereby before such payment took place. The Lender shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

1.07 Condemnation. If all or any part of the Mortgaged Property shall be damaged or taken through condemnation (which term, when used in this Mortgage, shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness secured hereby shall, at the option of the Lender, become immediately due and payable. The Lender shall be entitled to all compensation, awards and other payments or relief therefor and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or

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