

condition as existed immediately prior to such loss, and upon reinspection by the Lender of the premises, and upon receipt of a certificate by the Lender from said attorney or escrow company to the effect that the lien of the aforementioned mortgage is still a valid and prior lien in all respects and that there are no mechanics', laborers', materialmen's, contractors' and/or sub-contractors' liens and notices of such liens existing against said property.

(2) Nothing herein contained and no action taken hereunder shall be construed or deemed to be a waiver of or affect the priority or superiority of the aforementioned lien of the Lender, and it is specifically understood that this agreement shall not have the effect of creating in behalf of laborers, mechanics, materialmen, contractors, or other lienholders, a lien equal to or superior to the lien of the Lender herein.

(3) In any event, if, in the opinion of the Lender, the Borrower does not repair, or rebuild the damaged or destroyed premises with reasonable promptness or dispatch after receipt by the Borrower and Lender of the fire or other casualty loss proceeds from the casualty company, unless prevented from so doing by causes beyond their control, such as strikes, rebellion, inability to obtain materials and similar causes, the Lender shall have the option to apply any and all fire or other casualty loss proceeds on the remaining indebtedness of said loan, which proceeds will be applied to the last maturing installment or installments on said Note.

(4) This agreement is contingent upon and subject to the condition that the aforementioned loan by the Lender to the Borrower shall be in current condition in all respects at the time of the fire or other casualty loss and also at any time thereafter when the Lender and/or the escrow agent may be requested to make available all or any part of the insurance proceeds for the repairs or rebuilding contemplated by this agreement. If at any such time the aforementioned loan is not in current condition in all respects, the Lender may at its option apply such insurance to the last maturing installment or installments of the loan, all

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