

or awards from the authorities or parties making the same, and to give proper receipts and acquittances therefor, and may, at the Mortgagee's election (1) apply the same or any part thereof upon indebtedness secured hereby, whether such indebtedness then be matured or unmatured; (2) use the same or any part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine; (3) use the same or any part thereof to replace or restore the property to a condition satisfactory to the Mortgagee; or (4) release the same or any part thereof to the Mortgagor; and the Mortgagor hereby covenants and agrees to and with the Mortgagee, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid award or awards to the Mortgagee, free, clear and discharged of any and all encumbrances of any kind and nature whatsoever.

7. That if any action or proceeding be commenced excepting an action to foreclose this mortgage or to collect the indebtedness hereby secured, to which action or proceeding the Mortgagee is made a party by reason of the execution of this mortgage or the note which it secures, or to which the Mortgagee deems it necessary to defend, uphold or assert the lien of this mortgage or the priority thereof or possession of said premises, all sums paid by the Mortgagee for expenses, including attorneys' fees, incurred in any such action or proceeding shall be repaid by the Mortgagor, together with interest thereon from date of payment of 10.625 per cent per annum, any any such sum and the interest thereon shall be immediately due and payable, and shall be secured hereby with the benefit of the lien hereby created and of its priority.