

or improvements on the premises, (and regardless of the cause thereof, the availability of insurance proceeds or the manner of use of those proceeds by Mortgagee) until all indebtedness secured hereby shall be fully paid Mortgagor shall be obligated to repair, restore and rebuild any buildings or improvements so damaged or destroyed. Repair and restoration of the buildings and improvements shall be commenced promptly after the occurrence of the loss and shall be prosecuted to completion diligently, and the buildings and improvements shall be so restored and rebuilt as to be of at least equal value and substantially the same character as prior to such damage and destruction, and in the event the estimated costs of rebuilding and restoration exceed 25% of the indebtedness then remaining unpaid as secured by this mortgage, the drawings and specifications pertaining to such rebuilding and restoration shall be subject to the prior written approval of Mortgagee. In the event that Mortgagor or any lessee is entitled to reimbursement out of the insurance proceeds, such proceeds shall be made available from time to time upon the furnishing to Mortgagee of satisfactory evidence of the estimated cost of completion thereof and with such architect's certificates, waivers of lien, contractor's sworn statements and other evidences of cost and of payment as Mortgagee may reasonably require and approve. No payment made by Mortgagee prior to the final completion of the work shall, together with all payments theretofore made, exceed 90% of the value of the work performed to the time of payment, and at all times the undisbursed balance of said proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

Should a loss occur after foreclosure or sale proceedings have been instituted, the proceeds of any such insurance policy or policies, if not applied as aforesaid in rebuilding or restoration of the buildings or improvements, shall be used to pay the amount due in accordance with any decree of foreclosure or deficiency judgment that may be entered in connection with such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if he shall then be entitled to the same, or otherwise as any court having jurisdiction may direct. Following any foreclosure sale, or other sale of the premises by Mortgagee pursuant to the terms hereof, Mortgagee is authorized without the consent of Mortgagor to assign any and all insurance policies to the purchaser of the sale and to take such other steps as Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of such insurance policies.

5. If by the laws of the United States of America or of any state having jurisdiction of Mortgagor or of the mortgaged premises or of the transaction evidenced by the Note and this mortgage, any tax or fee is due or becomes due in respect of the issuance of the Note hereby secured or the making, recording and registration of this mortgage, Mortgagor covenants and agrees to pay such tax or fee in the manner required by such law, and to hold harmless and indemnify Mortgagee, its successors and assigns, against any liability incurred by reason of the imposition of any such tax or fee.

6. At such time as the Mortgagor is not in default under the terms of this mortgage or of the Note secured hereby, the Mortgagor shall have the privilege of making prepayments on the principal of the said Note (in addition to the required payments) to the extent permitted by and upon the terms and conditions set forth in the Note.