

or in so assigning and delivering the policies, the mortgagee may, at the option of the mortgagee, effect such insurance from year to year and pay the premiums therefor, and that the mortgagor will reimburse the mortgagee for any premiums so paid, with interest from the time of payment, or demand, and the same shall be secured by this mortgage; that if the mortgagee by reason of such insurance receives any money for loss or damage, such amount may, at the option of the mortgagee, be retained and applied by the mortgagee toward payment of the moneys secured by this mortgage, or be paid over wholly or in part to the mortgagor for the repair of said buildings or for the erection of new buildings in their place, or for any other purpose or object satisfactory to the mortgagee, but the mortgagee shall not be obligated to see to the proper application of any amount paid over to the mortgagor; (b) that not less than 5 days prior to the expiration date of each policy required of the mortgagor pursuant to this Article, the mortgagor will deliver to the mortgagee a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to the mortgagee; and (c) that in the event of a foreclosure of this mortgage the purchaser of the premises shall succeed to all the rights of the mortgagor, including any right to unearned premiums, in and to all policies of insurance assigned and delivered to the mortgagee pursuant to the provisions of this Article.

3. That, ~~except to the extent that demolition, removal, and alteration, or enlargement or reconstruction of any building is specifically permitted pursuant to the express terms of the said lease between Cedar Garage, Inc. and The Great Lakes Building Products Company;~~ no building or other property now or hereafter covered by the lien of this mortgage shall be removed, demolished or materially altered or enlarged, nor shall any new building be constructed, without the prior written consent of the mortgagee, except that the mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien of this mortgage, such equipment as from time to time may become worn out or obsolete, provided that either (a) simultaneously with or prior to such removal any such equipment shall be replaced with other equipment of a value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrance, and by such removal and replacement the mortgagor shall be deemed to have subjected such equipment to the lien of this mortgage, or (b) any net cash proceeds received from such disposition shall be paid over promptly to the mortgagee to be applied to the last installments due on the indebtedness secured, without any charge for prepayment.

4. That the whole of the principal sum and the interest shall become due at the option of the mortgagee: (a) after default in the payment of any installment of principal and/or of interest for 10 days; or (b) after default in the payment of any tax, water rate or assessment for 10 days after notice and demand; or (c) after default after notice and demand either in assigning and delivering the policies of insurance herein described or referred to or in reimbursing the mortgagee for premiums paid on such insurance, as herein provided; or (d) after default upon request in furnishing a statement of the amount due on this mortgage and whether any offsets or defenses exist against the mortgage debt, as hereinafter provided; or (e) after default for 30 days after notice and demand in the payment of any installment which may not be then due or delinquent of any assessment for local improvements which may now or hereafter affect the premises and may be or become payable in installments; or (f) upon the actual or threatened waste, removal or demolition of, or material alteration to or enlargement of or construction of any new buildings on any part of the premises, except as permitted by Article 3; or (g) upon default in keeping in force the insurance required by Article 2; or (h) upon assignment by the mortgagor of the whole or any part of the rents, income or profits arising from the premises without the written consent of the mortgagee; or (i) after default for 30 days after notice and demand in the removal of any Federal tax lien on the premises; or (j) upon default in the observance or performance of any other covenants or agreements of the

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