

in connection with the work of repair, restoration or rebuilding and shall pay all bills and other charges therefor when due. If there remains any surplus of cash in the hands of mortgagee after the completion of such repairs, restoration, replacement or rebuilding, such surplus may be used and applied by mortgagee to the prepayment of the note.

In the event of foreclosure of this Mortgage or transfer of title to the Mortgaged Property by any other means in enforcement of the lien hereof, all right, title and interest of mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

3. No building or other property now or hereafter covered by the lien of this mortgage shall be removed, demolished or materially altered, nor shall any other improvements 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, however, that nothing contained herein shall prohibit the removal of fixtures and replacements thereof with articles of like kind and quality.

4. In the event the debt secured hereby shall be declared due and payable by the mortgagee pursuant to article 38, mortgagee may forthwith exercise concurrently or otherwise, any and all rights and remedies available to mortgagee pursuant to the mortgage note or this mortgage, or available by law, equity, statute or otherwise, including but not by way of limitation, (i) institution by mortgagee of any appropriate actions or proceedings to foreclose this mortgage; (ii) entry upon and taking possession of the Mortgaged Property and, upon so doing, mortgagee may, in mortgagee's discretion and in addition to all other rights, as mortgagee in possession, alter, improve or repair the same or any part thereof, and in so doing, mortgagee shall have the right to expend such amounts for that purpose as mortgagee shall deem best, all of which, with interest thereon shall be included in the indebtedness evidenced by the mortgage note and shall be secured hereby, and may in the name of mortgagor or mortgagee operate or lease the same or any part thereof upon such terms and conditions as mortgagee shall deem best; and (iii) with or without taking physical possession of the Mortgaged Property, collection and receipt of all income, rents, issues and profits therefrom, and after deducting the cost of all such alterations, improvements and repairs, incurred by the mortgagee in doing any of the foregoing, applying the net income to the sums secured hereby in such manner as mortgagee in mortgagee's discretion shall determine.

5. In the event of any default in the performance of any of the mortgagor's covenants or agreements herein, the mortgagee may, at the option of the mortgagee and upon written notice of the mortgagee to the mortgagor,