

1424 057  
1428 980

hereby.

Section 2.3 Subrogation. If the Mortgagee pays any prior lien from the proceeds of this mortgage, it shall be subrogated to the rights of the holder of such prior lien as fully as if such lien had been assigned to the Mortgagee.

ARTICLE III

CONDEMNATION

Section 3.1 Condemnation. If all or any part of the Mortgaged Premises are damaged, taken or acquired, either temporarily or permanently, by exercise of the right of eminent domain, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the remaining unpaid indebtedness secured by this instrument, is hereby assigned to the Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefor in the name of the Mortgagor, and the same shall be paid forthwith to the Mortgagee, who at its option, may release any such award or monies so received to the Mortgagor or apply the same in accordance with the provisions of Article IV hereof. Such application shall not be deemed a prepayment subject to premium.

ARTICLE IV

USE OF FIRE INSURANCE AND CONDEMNATION PROCEEDS FOR RECONSTRUCTION PURPOSES

Section 4.1 Construction Funds. In the event of payment to Mortgagee of condemnation awards or insurance proceeds Mortgagee, after first applying said awards or proceeds to the payment of all costs and expenses incurred by the Mortgagee in obtaining said proceeds, may, at its option, apply the balance on the indebtedness, in any order and whether or not then due, or to the restoration of the Premises or release the balance to Mortgagor. Said application or release shall not cure or waive any default.

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