

ceeds and then toward payment of the Mortgage Indebtedness or any portion thereof, whether or not then due or payable.

In the event of a foreclosure of this Mortgage, the purchaser of the Mortgaged Premises shall succeed to all of the rights of the Mortgagor under said insurance policies payable to the Mortgagee, including any right to unearned premiums and the right to receive the proceeds of any insurance payable by reason of any loss theretofore or thereafter occurring.

The Mortgagor shall cause all policies of insurance required above to name the Mortgagee as a mortgagee or loss payee as its interest may appear pursuant to a form of endorsement acceptable to the Mortgagee and providing the Mortgagee with thirty (30) days prior written notice of cancellation.

7. Proceeds of Insurance or Condemnation. In the event that title to, or the temporary use of, the Collateral or any part of the Collateral shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, acting under governmental authority, or the Collateral or any part thereof is damaged by fire or other casualty, the Mortgagor shall apply the net proceeds of any condemnation, eminent domain or insurance award received by it to (i) if both the Mortgagor and the Mortgagee so agree, promptly repair or replace the property affected in a manner acceptable to the Mortgagee, and otherwise (ii) prepay the Mortgage Note in accordance with the terms thereof. In no event shall the Mortgagor voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceeding or insurance claim with respect to the Collateral or any part thereof that materially diminishes the value, utility or function of the Collateral, without the written consent of the Mortgagee. Notwithstanding any taking under the power of eminent domain, alteration of the grade of any street, or other injury to or decrease in value of the Collateral by any public or quasi-public authority or corporation, or by any fire or other casualty, the Mortgagor shall continue to pay the Mortgage Indebtedness in accordance with the terms of the Mortgage Note or of any promissory note or notes then evidencing the same, and any reduction in the principal sum resulting from the application by the Mortgagee of any condemnation or insurance award or payment shall be deemed to take effect only upon the receipt by the Mortgagee of such award. The Mortgagor hereby assigns the entire proceeds of any such award or payment to the Mortgagee.

8. Reimbursement of Advances by Mortgagee. The Mortgagor shall pay to the Mortgagee, upon demand, all sums expended by the Mortgagee (a) to pay taxes, assessments, water and sewer charges and other governmental charges and impositions and insurance premiums, with respect to the Collateral, or (b) to maintain or repair the Collateral, as provided herein, whether

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