

3. INSURANCE. Mortgagors will keep all improvements and fixtures which are now or hereafter part of the Property insured by such company or companies as Mortgagee may reasonably approve for the full insurable value thereof against all risks including, if coverage is available, flood and earthquake. Such insurance will be payable to Mortgagee as the interest of Mortgagee may appear pursuant to the New York standard form of mortgagee clause or such other form of mortgagee clause as may be required by the Mortgagee and will not be cancelable by either the insurer or the insured without at least ten (10) days prior written notice to Mortgagee. Mortgagors hereby assign to Mortgagee the right to collect and receive any indemnity payment otherwise owed to Mortgagors upon any policy of insurance insuring any portion of the Property, regardless of whether Mortgagee is named in such policy as a person entitled to collect upon the same. Any indemnity payment received by Mortgagee from any such policy of insurance may, at the option of Mortgagee, (i) be applied by Mortgagee to payment of any sum secured by this Mortgage in such order as Mortgagee may determine or (ii) be applied in a manner determined by Mortgagee to the replacement, repair or restoration of the portion of the Property damaged or destroyed or (iii) be released to Mortgagors upon such conditions as Mortgagee may determine or (iv) be used for any combination of the foregoing purposes. No portion of any indemnity payment which is applied to replacement, repair or restoration of any portion of the Property or which is released to Mortgagors shall be deemed a payment against any sums secured by this Mortgage. Mortgagors will keep the Property continuously insured as herein required and will deliver to Mortgagee the original of each policy of insurance required hereby. Mortgagors will pay each premium coming due on any such policy of insurance and will deliver to Mortgagee proof of such payment at least ten (10) days prior to the date such premium would become overdue or delinquent. Upon the expiration or termination of any such policy of insurance, Mortgagors will furnish to Mortgagee at least ten (10) days prior to such expiration or termination the original of a renewal or replacement policy of insurance meeting the requirements thereof. If Mortgagors fail to insure the Property as herein required, Mortgagee may after giving ten (10) days written notice to Mortgagors so insure the Property in the name of Mortgagors or in the name of Mortgagee or both, and the premiums for any such insurance obtained by Mortgagee shall be the obligation of Mortgagors. Upon foreclosure of this Mortgage, all right, title and interest of Mortgagors in and to any policy of insurance upon the Property which is in the custody of Mortgagee, including the right to unearned premiums shall vest in the purchaser of the Property at foreclosure, and Mortgagors hereby appoint Mortgagee as the attorney-in-fact of Mortgagors to assign all right, title and interest of Mortgagors in and to any such policy of insurance to such purchaser. This appointment is coupled with an interest and shall be irrevocable.

4. TAXES AND ASSESSMENTS. Mortgagors will pay all taxes, assessments and other charges which constitute or are secured by a lien upon the Property which is superior to the lien of this Mortgage and will deliver to Mortgagee proof of payment of the same not less than ten (10) days prior to the date the same becomes delinquent; provided, however, that so long as the collection of the same by foreclosure of the lien upon the Property is stayed during the pendency of such proceedings and Mortgagors deposit with the authority to which such tax, assessment or charge is payable or with Mortgagee appropriate security for payment of the same, together with any applicable interest and penalties, should the same be determined due and owing.