

Said note further provides that if default be made in the payment of any part of said money, either principal or interest, when the same becomes due and payable, then all of said principal and all interest due at the time of such default shall, at the option, of the legal holder or legal holders, become due and payable, and both principal and interest are to bear interest at the rate of eight per cent per annum after maturity.

and

WHEREAS, The Mortgagor does for himself and for his heirs, representatives, grantees and assigns, the owners of said lands, hereby expressly warrant, covenant, agree and stipulate to and with the Mortgagee and its successors, vendees and assigns:

FIRST: That the lien created by this instrument is a first and prior lien and encumbrance on the above described land and improvements.

SECOND: To pay the indebtedness as in said note provided.

THIRD: To procure and maintain policies of fire, windstorm, explosion, and war damage insurance on the buildings erected and to be erected upon the above described premises in a company or companies acceptable to the Mortgagee to the amount of TWENTY FIVE THOUSAND AND

NO/100-

-Dollars (\$ 25,000.00 )

with no co-insurance clauses in the policies of insurance unless the Mortgagee shall consent thereto in writing, the losses, if any, payable to the Mortgagee. It is further agreed that all policies of insurance of whatever nature and of whatever amount, taken out on said improvements or fixtures thereto attached during the existence of the debt hereby secured; shall be constantly assigned, pledged and delivered to the Mortgagee for further securing the payment thereof and that all renewal policies shall be delivered to the Mortgagee at least three days before the expiration of the old policies, with full power hereby conferred to settle and compromise all loss claims, to demand, receive and receipt for all moneys becoming payable thereunder, and the same to apply toward the payment of said obligations, unless otherwise paid, or in rebuilding or restoring the damaged building as the Mortgagee may elect. If any of said agreements be not performed as aforesaid, then the Mortgagee may effect and procure such insurance, paying the cost thereof, and for the repayment of all moneys thus paid with interest thereon from the time of payment at the rate of eight per cent per annum, these presents shall be security in like manner and with like effect as for the payment of said note.

The Mortgagee is hereby expressly authorized and empowered by the Mortgagor to collect and receive from any insurer issuing policies of any kind covering said premises all such amounts as may be due or payable to the Mortgagor by way of unearned premiums or otherwise, on any such policy or policies of insurance, should said policy or policies of insurance be at any time cancelled for any cause or upon any ground, and upon the receipt of such unearned premium from such insurer or insurers, the Mortgagee is hereby authorized and directed to give a receipt therefor in the name, behalf and stead of the Mortgagor, as his agent. The Mortgagee is hereby further expressly given by the Mortgagor full power to endorse his name upon any checks or vouchers given in payment of said premiums so that the signature of the Mortgagee shall be taken with like effect as if the Mortgagor had individually signed or endorsed said checks or vouchers. All such moneys as shall be thus collected and received by the Mortgagee may be applied by it to the cost of procuring other insurance on the property conveyed by this deed, and any excess remaining, if any, to be applied toward payment of interest and/or principal then or thereafter accruing.

In the event of foreclosure hereunder, the Mortgagee shall have full and complete power to assign to the purchaser or purchasers at such foreclosure sale any and all policies of insurance which may then be in force and effect upon the property hereby conveyed for the full unexpired term of such policy or policies, and the Mortgagor shall not be entitled to have said insurance cancelled and to receive the unearned premium thereon.

FOURTH: That the whole of said principal sum, or so much thereof as shall remain unpaid, shall become due at the option of the Mortgagee in the case of the actual or threatened demolition or removal of any building erected upon said premises, or in the case of the acquisition for public use, condemnation of, or exercise of the right of eminent domain by any public authority with respect to any portion of said lands and improvements, anything herein contained to the contrary notwithstanding.

FIFTH: To execute any further necessary assurance of the title to said premises and will forever warrant said title.

SIXTH: To keep all buildings and other improvements on said premises in good repair and neither to commit nor suffer any waste upon said premises, nor to do any other act whereby the property hereby conveyed shall become less valuable. If any of said agreements be not performed as aforesaid, the Mortgagee may, without notice or demand, effect and procure all repairs in its opinion necessary to preserve the security of this instrument, paying the cost thereof, and for the repayment of all moneys thus paid with interest thereon from the time of payment at the rate of eight per cent per annum, these presents shall be security in like manner and with like effect as for the payment of said note.

SEVENTH: To pay forthwith all taxes, assessments and public charges, general and special, and penalties, now existing against said lands and improvements, and to pay when due and payable, all taxes, assessments and public charges, general and special, and penalties, hereafter becoming due thereon or therefor, and to exhibit to the Mortgagee all receipts or other satisfactory evidence of such payment; and to keep said lands and improvements free from all liens and claims of every kind, whether statutory or otherwise, and to protect the title and possession of said premises so that this mortgage shall be and remain a first lien thereon. If any of said agreements be not performed as aforesaid, the Mortgagee, without notice or demand from the Mortgagor, may pay such tax, assessment, charge and penalties, or any part thereof, and may also pay the final judgment of any lien, or any other claim which is or may become a lien, charge or encumbrance on said land and/or improvements, including attorney's fees and all costs incurred or expended in the defense of any lien, claim or suit, and the Mortgagor agrees to repay any amount so paid, to the Mortgagee, with interest thereon at the rate of eight per cent per annum, without notice or demand, and for such repayment with interest these presents shall be security in like manner and with like effect as for the payment of said note. Anything herein contained to the contrary notwithstanding, the whole amount hereby secured, if not then due, shall thereupon, if the Mortgagee so elect, become due and payable forthwith, and the receipt of the proper officer for such taxes, assessments, charges and penalties shall be, as between the Mortgagee and the Mortgagor, conclusive evidence of the amount and validity of such taxes, assessments, charges and penalties.