

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, that the said lands are not

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 and explosion insurance and such other hazard insurance as may be required 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 ONE HUNDRED NINETY TWO THOUSAND AND NO/100 DOLLARS (\$192,000.00).

ONE HUNDRED NINETY TWO THOUSAND AND NO/100

Dollars

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 and on the property thereon, shall be attached to the debt hereby secured, shall be constantly assigned, pledged, and delivered to the Mortgagee. For the purpose of the payment thereof and that all renewal policies shall be delivered to the Mortgagee at least three days before the expiration of the term of the policy. With full power hereby conferred to settle and compromise all loss claims, to demand, receive and accept for all money becoming payable or to be paid in the same or to apply toward the payment of said obligations, unless otherwise paid, or in rebuilding or restoring the damaged building, the Mortgagee may elect. If any of said agreements be not performed as aforesaid, then the Mortgagee may effect and procure such repairs and reconstruction at the cost thereof, and for the repayment of all moneys thus paid with interest thereon from the time of payment at the rate of ten 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 unearned premiums or otherwise, on any such policy or policies of insurance, should said policy or policies be payable to the Mortgagor by way of insurance for any cause or upon any ground, and upon the receipt of such unearned premium from such insurer or insurers, to the Mortgagor, or to any person or persons named in the policy or policies of insurance, be it any person or persons, or to his agent. The Mortgagee is hereby further expressly given by the Mortgagor, as agent, to receive the same, in the name, behalf and stead of the Mortgagor, as the same shall be given in payment of said premiums so that the signature of the Mortgagee shall be taken with like effect as if the same were given by the Mortgagor, and the receipt of the Mortgagee for the same shall be taken as the receipt of the Mortgagor. All moneys so received by the Mortgagee may be applied by it to the cost of preparing the vouchers. All such moneys as shall be thus collected and received, and any excess remaining, if any, to be applied toward payment of interest and/or principal then or hereafter 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 furnish to the Mortgagee, upon its request, annual statements of income and expenses of said premises.

SEVENTH: 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 shall become less valuable. If any of said agreements be not performed as aforesaid, without notice or demand, effect and procure all repairs in its opinion necessary to preserve the security of this instrument, and to be good, and for the repayment of all moneys thus paid with interest thereon from the time of payment at the rate of ten per cent per annum, these premises shall be security in like manner and with like effect as for the payment of said note.

[illegible]

NINTH: That nothing herein contained shall be construed or taken as making it the duty of the Mortgagee to advance any money for any purpose whatsoever mentioned in this mortgage.

TENTH: The Mortgagee, before foreclosure hereunder, and the purchasers at any foreclosure sale held hereunder, shall be subrogated to the lien of any prior encumbrance or vendor's lien on said premises paid out of money secured by this mortgage, if any, whether or not said prior lien be released.

FIFTEENTH: Upon request of Mortgagor, or his successors, in title, the Mortgagee or its successors and assigns, at its or their option, at any time before full payment of the note or obligation hereinbefore described and secured hereby, may make further advances to the Mortgagor, or to any of his successors in title, and the amount of any such advances shall be as fully and to the same extent as the original advance secured hereby, and shall be a part of the indebtedness secured by this Mortgage of principal secured by this Mortgage and remaining due at any time specified herein; provided, however, that the total amount exceed the original principal sum hereinbefore described and secured hereby, including any such advance or advances, shall not exceed any such additional advance or advances shall not be later than the time specified herein; and provided further, that the final maturity date of any such advance hereinbefore described and secured hereby. An Additional Advance Agreement may be entered into and accepted with respect to each of these advances, which may provide for different monthly payments and a different interest rate. The express modifications of this advance, which may provide for different monthly payments and a different interest rate, shall be in writing. Mortgagor does hereby covenant and agree to make all such further advances made as aforesaid, together with interest thereon, in accordance with the provisions of such Additional Advance Agreement or Agreements, and that all of the covenants and conditions of such Additional Advance Agreement. This paragraph Fifteenth shall not apply in any way, restrict or affect the right of the Mortgagee, or its successors and assigns, to make advances for taxes, assessments, insurance premiums or to preserve the security of this Mortgage or for any other purpose herein provided for.

TWELFTH: The proceeds of the loan evidenced by the note secured hereby are to be used in the construction of certain improvements on said premises in accordance with the plans and specifications of a Completion Bond dated 10/20/1964, as given by the Mortgagor, as principal and WILLIAM H. HENSEL, JR. as surety, to be used in the construction of improvements on said premises, as evidenced by reference to, which Completion Bond (except such parts thereof as may be inconsistent herewith) is incorporated herein by reference to, and which Completion Bond shall be a condition precedent to the completion of the improvements, and shall not be completed in the manner, at the time or in the manner, as if fully set forth herein; and if the construction of the improvements shall with reasonable diligence, or shall be discontinued at any time for any reason other than such as lock-outs, the Mortgagor shall give written notice in writing to the Mortgagor or any subsequent owner of the premises, within ten (10) days notice in writing to the Mortgagor or any subsequent owner of the premises, of the completion of the improvements, and shall be invested with full and complete authority upon the receipt of such notice to take such action as may be necessary to protect such improvements from depreciation or injury, and to preserve and protect the said premises, employ watchmen to protect such improvements from depreciation or injury, and to preserve and protect the said premises, and to continue any and all outstanding contracts for the erection and completion of such improvements, to make and enter into such contracts as may be necessary, either in its own name or the name of the Mortgagor, and to pay and discharge all debts, obligations and liabilities