

the undersigned shall give immediate notice to said mortgagees, and said mortgagees are hereby authorized to make proofs of loss if the same are not made promptly by the undersigned. Said insurance companies are hereby authorized to make payments for such loss directly to said mortgagees, and the proceeds of such insurance, or any part thereof, may be applied by the mortgagees, at their option, either to the reduction of the indebtedness hereunder or to the restoration or repair of the damaged property. In the event of foreclosure of the mortgage securing the note, or in the event of transfer of title to the mortgaged property in extinguishment of the debts represented by the note, all right, title and interest of the undersigned in and to the insurance policies then in force shall pass to the purchaser or grantee, as the case may be. A sum equal to 1/12th of the estimated insurance premiums shall be paid monthly to said mortgagees upon the regular monthly payment dates, to be used by said mortgagees in paying said premiums. If the fund so created is insufficient to pay said premiums when due, the undersigned agree to pay the difference upon demand, and if said fund is in excess of said premiums, the excess shall be credited to the undersigned. The waiving of such monthly payments for insurance premiums shall not bar said mortgagees from later requiring such payments from the undersigned.

5. To keep and maintain the buildings and other improvements now on said premises or hereafter erected thereon in good condition and repair at all times, and not suffer waste or permit a nuisance thereon.

6. In case of failure to pay all taxes and assessments when the same are by law due and payable, or a like failure to keep in force said policies of insurance, or a failure to make said repairs, said mortgagees may pay said taxes and assessments and maintain said insurance and make said repairs, and the amounts so expended by it shall be a lien on the premises described in said