AND THE MORTGAGOR COVENANTS AS FOLLOWS:

1. The Mortgagor will pay the Note in accordance with its terms.

2. The Mortgagor will keep the buildings and improvements now or hereafter erected on the mortgaged premises and all fixtures and articles of personal property covered by this mortgage insured against loss and damage by fire and by such other hazards as the Mortgagee may require, in amounts, with insurers and under forms of policies (including standard mortgagee clause unless otherwise required) satisfactory to the Mortgagee; will deliver all such policies and, at least 15 days prior to their expiration dates, all renewals thereof to the Mortgagee; and will pay all premiums thereon. The Mortgagor will not permit any condition to exist on said premises which would wholly or partially invalidate the insurance thereon. The Mortgagee may on behalf of the Mortgagor adjust and compromise any claims under such insurance and collect and receive the proceeds thereof and are hereby irrevocably appointed attorneys in fact of the Mortgagor for such purposes, and may deduct from such proceeds any expense so incurred by them, and may at their option either apply such proceeds in reduction of the debt secured hereby, whether then matured or not, or release such proceeds to the Mortgagor in whole or in part upon conditions satisfactory to the Mortgagee. Upon any default thereunder all of the Mortgagor's right, title and interest in and to all such policies are hereby assigned to the Mortgagee, including unearned premiums on such policies.

3. The Mortgagor will pay all taxes, assessments and water and sewer rents upon the mortgaged premises and personal property conveyed by this mortgage not less than 30 days prior to the date the same become delinquent. If not so paid by the Mortgagor, such taxes, assessments and rents may be paid by the Mortgagee and any amount so paid shall be due and payable on demand with interest at the lesser of Fifteen (15%) per cent per annum or the highest legal rate and shall be secured by this mortgage.