

such election, proceed with the construction and will thereafter prosecute such work diligently so that the Property will be restored in substantially the same condition for the purposes hereof as prior to such damage or destruction. Mortgagor shall not suffer to be filed against the Property, or any part thereof, any mechanic's, materialman's, laborer's or other lien in connection with such work and shall pay all bills and other charges therefor when due. If there remains any surplus of cash in the hands of Mortgagee after the completion of such repairs, restoration, replacement or rebuilding, such surplus may be used and applied in such proportions and priority as Mortgagee may elect to the reduction of principal whether or not then due and payable, or any other sums included in the Indebtedness.

Mortgagor shall maintain, at its own cost and expense such liability and other insurance as Mortgagee may reasonably require, insuring Mortgagee against liability claims, damage and losses to persons and property arising by reason of its occupation and use of the Property or arising by reason of the continuance and operation of its business. Mortgagor shall provide Mortgagee with all such policies, or certificates of the insurers or of an insurance agency satisfactory to Mortgagee showing that such policies are in force, ten (10) days prior to the expiration of said policies.

In the event of foreclosure of this Mortgage or transfer of title to the Property by any other means in enforcement of the lien hereof, all right, title and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

6. Mortgagor immediately upon obtaining knowledge of the institution of any proceedings for the taking of the Property or any portion thereof by eminent domain shall notify Mortgagee