

payable to the Mortgagee by attachment of the Standard Mortgage Clause for further securing of said note, and the proceeds thereof shall at the option of the Mortgagee be applied in payment of the indebtedness secured by this Mortgage; provided, however, notwithstanding the option of the Mortgagee to apply the proceeds to said indebtedness if the building(s) are partially or wholly destroyed at such time or under such conditions as to require Mortgagor to restore the building(s) under the terms of the tenants' lease(s), and provided said tenants' lease(s) is(are) not terminated by either party thereto or by its terms, the proceeds shall be held by the Mortgagee and disbursed for the rebuilding, reconstructing and repairing of the aforesaid premises upon request as the work progresses to Mortgagor, through the medium of a title insurance company selected by Mortgagee, (the charges and expenses of which shall be paid by the Mortgagor) and upon assurance of the title company that no mechanic's or materialmen's liens have attached to the property, and upon a certificate of a licensed architect or engineer in charge of the work stating that:

(a) The sum requested is fully due to the contractors, sub-contractors, materialmen, laborers, engineers, and/or other persons, firms or corporations rendering services or supplying material for such work, or is fully required to reimburse the Mortgagor for expenditures made by it in connection with such work, and when added to all sums previously paid out by Mortgagee does not exceed the value of the work done to the date of such certificate; and