

Mortgagee that Mortgagor is seized of, and has the right to convey, the premises, in fee simple; that the premises are free and clear of all encumbrances; and that Mortgagor will warrant and defend title to the premises against the lawful claims of all persons whomsoever.

MORTGAGOR COVENANTS with Mortgagee (and its successors and assigns) as follows:

1. **Note Payments.** Mortgagor shall make timely payments of principal and interest on the above mentioned Note in the amounts, in the manner and at the place set forth therein. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.

2. **Taxes.** Mortgagor shall pay all taxes, charges and assessments which may become a lien upon the premises hereby conveyed before any penalty or interest accrues thereon and shall promptly deliver to Mortgagee official receipts evidencing payment thereof. In the event of the passage after the date of this Mortgage of any law changing in any way the laws now in force for state or local taxation of mortgages, deeds of trust or debts secured thereby, or the manner of the collection of any such taxes, so as to affect this Mortgage, the whole principal sum (together with interest) secured by this Mortgage shall at the option of Mortgagee without notice become immediately due and payable.

3. **Insurance.** Mortgagor shall continually maintain insurance against loss by fire, hazards included in the term "extended coverage" and such other hazards as Mortgagee may require in such a manner and in such companies as Mortgagee may from time to time require on the improvements now or hereafter located on the premises and shall promptly pay all premiums, therefor, when due. All insurance policies and renewals thereof shall be held by Mortgagee and have attached thereto a New York Standard Mortgagee Long-Form Loss Payable Clause in favor of and in a form acceptable to Mortgagee, and provide that no such policy can be cancelled without ten days prior notice to Mortgagee. In the event of loss Mortgagor shall give immediate notice by mail to Mortgagee, who may make proof of loss. Each insurance company is hereby directed to make payment for such loss directly to Mortgagee (instead of to Mortgagor and Mortgagee jointly), and the insurance proceeds or any part thereof may be applied by Mortgagee at its option to the debt hereby secured or for the repair or restoration

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