

And the Debtors covenant that the Mortgagor is lawfully seized of the premises hereinabove described in fee simple absolute, that it has good right and is lawfully authorized to sell, convey and encumber the same, and that the premises are free and clear of all liens and encumbrances except as provided herein. The Debtors further, jointly and severally, covenant to warrant and forever defend all and singular the said premises unto the Mortgagee forever from and against the Mortgagor and all persons whomsoever lawfully claiming the same or any part thereof.

And the Mortgagor and the Debtors, jointly and severally, do hereby covenant and agree with the Mortgagee, as follows:

ARTICLE I.

First: PAYMENT OF INDEBTEDNESS. The Debtors will pay the notes according to the tenor thereof and all other sums secured hereby promptly as the same shall become due.

Second: TAXES, LIENS AND OTHER CHARGES.

(a) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Mortgagee, the Mortgagor will promptly pay any such tax; if the Mortgagor fails to make such prompt payment or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Mortgagor from making such payment or would penalize the Mortgagee if the Mortgagor makes such payment, then the entire balance of the principal sum secured by this mortgage and all interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee.

(b) The Mortgagor will pay, before the same becomes delinquent, all taxes, liens, assessments and charges of every character already levied or assessed or that may hereafter be levied or assessed upon or against said premises and all utility charges, whether public or private; and upon demand will furnish the Mortgagee receipted bills evidencing such payment.

(c) The Mortgagor will not suffer any mechanic's, materialman's, laborer's, statutory or other lien which might or could be prior to or equal to the lien of this mortgage to be created or to remain outstanding upon any part of the premises.

Third: INSURANCE. The Mortgagor will keep the buildings, whether now standing on said premises or hereafter erected, continuously insured against loss or damage by fire and against such other hazards, as the Mortgagee, in its sole discretion, shall from time to time require, for the benefit of the Mortgagee; that all such insurance at all times will be in an insurance company or companies and in amounts and terms acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee and will also deliver to the Mortgagee receipts for the premiums paid thereon. Any policies furnished the Mortgagee shall become its property in the event the Mortgagee becomes the owner of said premises by foreclosure or otherwise. The Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the premises, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Mortgagee, instead of to the Mortgagor and Mortgagee jointly. In case of loss under

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