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it is stipulated and agreed in said mortgage by the parties thereto that the avails or proceeds of any such fire or other casualty insurance policies may be applied, at the option of the Lender, to the indebtedness secured by said mortgage;

WHEREAS, it is the intent and desire of the parties hereto to set forth more fully and agree upon the manner in which any avails or proceeds of all such fire or other casualty insurance will be applied, handled and disbursed;

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, each to the other in hand paid, the receipt of which is hereby acknowledged by each, and in further consideration of the promises and covenants herein made, one unto the other, the Borrower and Lender hereby agree as follows:

(1) That in the event of any fire or other casualty loss in any amount less than \$100,000.00 as to any improvements located on the property described in said mortgage, and in the event the Borrower is then obligated to rebuild or repair the damaged or destroyed premises pursuant to the terms of the Lease on the same, then the avails or proceeds from any and all insurance policies covering said premises shall be held by the Lender and disbursed to the Borrower through an attorney or escrow company of the Lender's choice, all at the expense of the Borrower, upon completion of such rebuilding or repairing as is required under said Lease and by the Lender so as to place the premises in at least as good a condition as existed immediately prior to such loss, and upon re-inspection by the Lender of the premises, and upon receipt of a certificate by the Lender from said attorney or escrow company to the effect that the lien of the aforementioned

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