

SMR-182  
(Cancels SMR-63)

ARIZ., COLA., N.M., FLA., S.C.

2

MORTGAGOR covenants with Shell: that Mortgagor is lawfully seized of the Premises in fee simple and has good right and lawful authority to sell, convey and mortgage the same; that the Premises are free of all liens and encumbrances; and that Mortgagor will warrant and defend the title to the Premises against the lawful claims and demands of all persons whomsoever. Mortgagor hereby waives and releases all rights of homestead, dower and courtesy in the Premises.

MORTGAGOR further covenants and agrees with Shell as follows:

1. SECURED DEBT. Mortgagor shall pay the Secured Debt and every part thereof, promptly and fully as it becomes due.
2. TAXES-LIENS. Mortgagor shall pay all taxes, assessments and other governmental charges ever imposed on the Premises, before they become delinquent, as well as all obligations that are or may become liens thereon, when the same become due; and if Mortgagor fails so to do, Shell shall have the right, at its option, to pay the same, charge to Mortgagor all expenditures therefor, and be subrogated to all rights of the holders of such lien obligations.
3. REPAIRS-REPLACEMENTS. Mortgagor shall maintain the Improvements in good condition and repair, shall make all repairs thereof necessary to that end, and shall promptly repair or replace any of the Improvements ever damaged or destroyed by any cause whatsoever. If Mortgagor ever fails to make such necessary repairs, or fails, within 30 days after the occurrence of any such damage or destruction, to make the necessary repairs and replacements, Shell shall have the right, at its option, to make such repairs and replacements and charge to Mortgagor all expenditures therefor. Mortgagor shall never remove or substantially alter the Improvements or any part thereof, without the prior written consent of Shell.
4. INSURANCE. Mortgagor shall obtain and maintain in force insurance of the improvements to their full insurable value, against all perils covered by a standard fire and extended coverage policy; each policy of which insurance shall be by an insurer satisfactory to Shell, and shall be payable to Shell as its interest may appear, and deposited with Shell. If Mortgagor ever fails to obtain or maintain such insurance, Shell shall have the right, at its option, to do so and charge to Mortgagor all sums expended therefor. Any proceeds of such insurance ever received by Shell may be applied, at Shell's option: (a) to payment of the Secured Debt, whether or not then due, or (b) to reimbursement of Mortgagor for Mortgagor's actual expenditures for repairing and replacing the damage or destruction for which such proceeds were received, or (c) to reimbursement of Shell's expenditures for such repairing and replacing, if it undertakes the same upon Mortgagor's failure to do so. Any ultimately unapplied balance of the proceeds shall be paid to Mortgagor.
5. CONDEMNATION. If all or any part of the Premises is ever acquired, by negotiation or condemnation, for public or quasi-public use, Mortgagor shall give Shell prompt notice of the initiation of such negotiation or condemnation; and out of any compensation payable to Mortgagor for the acquisition there shall be paid (and Mortgagor hereby assigns) to Shell an amount equal to the then-unpaid balance of the Secured Debt, whether or not then due. This article shall not waive, limit or affect in any way Shell's rights, then accrued or thereafter accruing, in any condemnation proceeding, award or settlement.
6. CHARGES. All sums charged to Mortgagor by Shell under the provisions of this Mortgage shall be payable by Mortgagor on demand, with interest at the rate of 6% per annum from the dates of their expenditure, and shall be added to the Secured Debt.
7. EVENTS OF DEFAULT. Each of the following shall be an Event of Default: Mortgagor's default in payment of the Secured Debt or any part thereof when and as due, or in performance of any obligation of Mortgagor under this Mortgage, or of any mortgage which is a prior lien on the Premises; Mortgagor's entry into bankruptcy, insolvency, receivership or any other proceeding for relief of debtors (either voluntarily or involuntarily); Mortgagor's making an assignment for the benefit of creditors; or Mortgagor's commission or permission of waste of the Premises.