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by companies approved by the Mortgagee, and that he will keep in effect rental and rental value insurance coverage in an amount at least adequate to pay the required principal and interest installments on the Promissory Note secured hereby for a period of six (6) months, together with one-twelfth (1/12) of the annual taxes and insurance expenses on the Premises for a period of at least six (6) months. The policies shall provide that losses shall be payable to the Mortgagee, and Mortgagor agrees to deliver to the Mortgagee all of said certified copies of policies and all renewals thereof and at least ten (10) days prior to the date the premiums on each such policy or policies shall become due and payable, all receipts for payment of premiums. Each of such policies shall contain an agreement by the insurer that the same shall not be cancelled without at least ten (10) days' prior written notice to Mortgagee.

If Mortgagor fails to acquire such insurance, the Mortgagee may purchase such insurance, and the amount of the expense thereof shall be due and payable immediately with interest at eight and seven-eighths percent (8 7/8%) per annum and shall be secured by this instrument.

In the event of loss, the Mortgagor shall give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by the Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, shall be applied by the Mortgagee either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged in accordance with the provisions of Article IV hereof, which application shall not be deemed a prepayment subject to premium. In event of foreclosure of this Mortgage, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall

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