

Mortgagor will give immediate notice by mail to Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Any and all amounts received by Mortgagee under any of such policies over and above restoration costs may be applied by Mortgagee on the indebtedness secured hereby in such manner as Mortgagee may, in its sole discretion, elect or, at the option of Mortgagee, the entire amount so received or any part thereof may be released. Such insurance policies shall be delivered to and held by Mortgagee. The Mortgagor further covenants to deliver to the Mortgagee at least ten (10) days before the expiration of any such insurance policy, a renewal of such policy or policies, together with official receipts for the payment of the premium thereon. In event of foreclosure of this Mortgage or other transfer of title to the Premises in extinguishment of the indebtedness secured hereby, all right, title and interest of Mortgagor in and to such insurance policies shall become the absolute property of Mortgagee. In case of loss under any such policy of insurance, Mortgagee shall permit Mortgagor to use the net proceeds to fulfill any restoration obligation of Mortgagor under any lease demising all or part of the Premises, and in the event Mortgagor has no such obligation or chooses not to repair or restore where Mortgagor has the option not to do so, Mortgagee may apply the net proceeds to the payment of the indebtedness hereby secured, whether due or not, or the Mortgagee may require the improvements to be repaired or replaced by the use of said net proceeds.

7. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the Mortgaged Property by any public or quasi-public authority or corporation, Mortgagor shall continue to pay interest at the rate set forth in the Note on the entire principal sum secured

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