

fire and such other hazards and casualties, and in such amounts, as may be required from time to time by the Mortgagees, but in no event shall the amount of such coverage be less than the mortgage debt. Such insurance shall be in companies acceptable to Mortgagees, and a copy of such policies and renewals thereof shall be delivered to the Mortgagees and have attached thereto loss payable clauses in favor of, and in form acceptable to the Mortgagees. Mortgagor will pay all premiums therefor when due, and, subject to the rights of the holder of the Prior Mortgage, it does hereby assign to the Mortgagees the proceeds of any policy insuring the Mortgaged Property and does hereby authorize each insurance company concerned to make payment for a loss jointly to the Mortgagor and Mortgagees to the extent of the balance owing on the mortgage debt, whether due or not, provided that, and at Mortgagor's option such proceeds may be applied to the debt or released for repairing or rebuilding of the Mortgaged Property so long as the improvements are repaired do not diminish Mortgagees' security hereunder.

14. In the event of any condemnation for public use of, or injury to, any of the Mortgaged Property, all awards therefor allocable to Mortgagor after satisfying the requirements of the Prior Mortgage shall, at Mortgagor's option, be applied to repair or replacement of the Mortgaged Property or as a prepayment of the indebtedness secured hereby. No settlement for the damages sustained shall be made by Mortgagor without Mortgagees' prior written approval, which shall not be unreasonably withheld. Receipt by Mortgagees of any proceeds less than the full amount of the then outstanding debt shall not alter or modify Mortgagor's obligation to continue to pay the installments of principal, interest and other charges specified in the Note and herein.

15. At the option of Mortgagees, Mortgagor will pay to the Mortgagees (unless required to pay the holder of the Prior Mortgage) in addition to the monthly payments of interest or of principal and interest under the terms of the Note and concurrently therewith a sum equal to the premiums that will next become due and payable on policies of fire and other property insurance covering the Mortgaged Property plus taxes, assessments and water rates next due on the

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