

The Mortgagor covenants that she is lawfully seized of the premises hereinabove described in fee simple absolute, that she has good right and lawful authority to sell, convey, or encumber the same, and that the premises are free and clear of all liens and encumbrances whatsoever unless the same shall be specifically excepted herein. The Mortgagor further binds herself and her heirs, executors, administrators, and assigns to warrant and forever defend all and singular the said premises unto the Mortgagee forever, from and against the Mortgagor, her heirs, executors, administrators and assigns, and any other persons whomsoever lawfully claiming the same or any part thereof.

The Mortgagor further covenants and agrees as follows:

1. That she will promptly pay the principal and interest on the indebtedness evidenced by the said note, at the times and in the manner therein provided;

2. That this mortgage shall also secure the Mortgagee for (a) such further sums as may be advanced hereafter, at the option of the Mortgagee, for the payment of taxes, insurance premiums, public assessments, repairs or other purposes; (b) any further loans, advances, readvances or credits that may be made hereafter to the Mortgagor by the Mortgagee and; (c) any and all other debts or liabilities of Mortgagor to Mortgagee now existing or hereafter arising; and that all sums so advanced, credits made, or amounts owing shall bear interest at the same rate as the Mortgage debt and shall be payable on demand of the Mortgagee, unless otherwise provided in writing, and the lien of this mortgage securing such advances and readvances shall be superior to the rights of the holder of any intervening lien or encumbrance.

3. That she will keep the improvements upon said premises constantly and satisfactorily insured in an insurance company or companies to be approved by the Mortgagee, until said note is paid, against loss by fire and the risks covered under the Extended Coverage Endorsement, in an amount equal to 100% of the replacement cost of the improvements, said coverage to be endorsed with a Replacement Cost Endorsement, the amount reviewed annually and increased if necessary so as to provide coverage at all times in an amount necessary to restore the improvements to the condition existing just prior to the destruction or damage. Such policy or policies shall be deposited with and made payable to the Mortgagee by attachment of the Standard Mortgagee Clause for further securing of said note, and the proceeds thereof shall at the option of the Mortgagee be applied in payment of the indebtedness secured by this Mortgage; provided, however, notwithstanding the option of the Mortgagee to apply the proceeds to said indebtedness, if the building is partially or wholly destroyed at such time or under such conditions as to require Mortgagor to restore the building under the terms of the lease therefor and provided said lease is not terminated by either party thereto or by its terms, the proceeds shall be held by the Mortgagee and disbursed for the rebuilding, reconstructing and repairing of the aforesaid premises upon request as the work progresses to Mortgagor, through the medium of a title insurance company selected by Mortgagee, (the charges and expenses of which shall be paid by the Mortgagor) and upon assurance of the title company that no mechanic's or materialmen's liens have attached to the property, and upon a certificate of a licensed architect or engineer in charge of the work stating that:

(a) The sum requested is fully due to the contractors, subcontractors, materialmen, laborers, engineers, and/or other persons, firms or corporations rendering services or supplying material for such work, or is fully required to reimburse the Mortgagor for expenditures made by her in connection with such work, and when added to all sums paid out by Mortgagee does not exceed the value of the work done to the date of such certificate; and

(b) That the insurance money remaining in the hands of the Mortgagee will be sufficient upon the completion of such work to pay for the same in full.