

will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the mortgagee and the policies and renewals thereof shall be held by the mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee. In event of loss mortgagor will give immediate notice by mail to the 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 of such loss directly to the mortgagee instead of to the mortgagor and the mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage, or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

8. If he default in any of the covenants or agreements contained herein, or in said note, then the mortgagee may perform the same, and all expenditures made by the mortgagee in so doing shall draw interest at the rate of four per centum (4%) per annum, and shall be repayable by the mortgagor to the mortgagee, and, together with interest and costs accruing thereon, shall be secured by this mortgage.

9. Upon the request of the mortgagee, the mortgagor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the mortgagee for the alteration modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at four per centum (4%) per annum and shall be payable in approximately equal payments for such period as may be agreed upon by the mortgagor and mortgagee. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the mortgagee. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

10. If there is a default, regardless of whether the mortgagee elects to foreclose this mortgage, the mortgagee may collect all rents which may become due on the above property, deduct therefrom any necessary operating expenses, and apply the remainder on the balance due on the mortgage.

11. The mortgagee may appear in and defend any action or proceeding purporting to affect the security hereof, and the mortgagor will pay all costs and expenses, including costs of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which the mortgagee may appear.

12. If the mortgagor shall well and truly pay, or cause to be paid, the promissory note secured hereby, with interest as it shall become due and payable, and shall make all other payments provided for herein and therein, and shall otherwise comply with and perform the conditions and covenants herein contained, then this indenture and the estate hereby granted shall be null and void; otherwise, to remain in full force and virtue. If the interest on the aforementioned note, or the principal thereof, shall not be punctually paid when the same becomes due and payable, as is provided in said note, or in case of any other default under the terms of this mortgage, then and in such case the indebtedness hereby secured shall, at the option of the mortgagee, become immediately due and payable, and proceedings may forthwith be had by the mortgagee for recovery of the same, either by suit on said note or by foreclosure on this mortgage, anything in said note or in