2. Mortgagor is seized of an indefeasible estate in fee simple in said mortgaged premises, and Mortgagor warrants title to said premises. As part of this warranty, the mortgagor agrees to pay all fees in connection with the filing of financing statement renewals under the Uniform Commercial Code.

3. The mortgagor will pay to mortgagee, to the extent requested by said mortgagee, on dates upon which interest is payable, such amounts as mortgagee from time to time estimates as necessary to create and maintain a reserve fund from which to pay, before the same become due, all taxes, assessments, liens and insurance premiums and charges on or against the property hereby mortgaged and as additional security for the debt secured by this mortgage. There shall be no interest due to mortgagor on such deposits. Payments from said reserve fund for said purposes may be made by the mortgagee at its discretion even though subsequent owners of the property described herein may benefit thereby. In the event of any default under the terms of this mortgage, any part or all of said reserve fund may be applied to any part of the indebtedness hereby secured and in refunding any part of said reserve fund the mortgagee may deal with whomsoever is represented to be the owner of said property at that time. The right to any return premiums on any insurance policies covered by this mortgage is hereby assigned to Mortgagee, and in the event of a default, Mortgagee shall be entitled without notice to mortgagor to all such return premiums to apply on the indebtedness if the Mortgagee elects to exercise its right under this paragraph.

4. Mortgagor shall not make any change in the use of the mortgaged premises which will create a fire or other hazard not in existence on the date hereof, nor shall Mortgagor in any way increase any hazard. Without the prior written consent of Mortgagee, no additional buildings may be erected on the mortgaged premises, nor may the Mortgagor materially alter any buildings, improvements or present uses of the mortgaged premises.

5. Mortgagor shall keep the property, and all equipment, appurtenances and accessories constantly in good order and repair; shall comply with all laws, ordinances, and regulations now or hereafter affecting the herein described property or any part thereof; and shall not permit, suffer or commit any waste, impairment or deterioration of said property, or any part thereof.

6. The Mortgagor agrees that Mortgagee shall have the privilege of making inspections of the mortgaged premises at reasonable times during the life of this Mortgage.

7. Mortgagor will not allow any lien prior to this mortgage lien attach to the hereinabove described property and will take such action as Mortgagee shall deem necessary to protect mortgagee's interest hereunder.

8. Mortgagor will, during the term of this mortgage, pay all taxes and assessments that may for any and all purposes be payable, assessed or imposed on said premises, or any part thereof, or the income therefrom and will pay them before the same become subject to any penalty. If Mortgagor fails to pay when due any tax, assessment, water rent, or any other item which must be paid to avoid a default or any claim, lien or encumbrance which is prior to this Mortgage hereunder, then Mortgagee, at its option, may pay said tax, assessment, water rent, claim, lien, encumbrance, or such other item with right of subrogation thereunder, and for any of said purposes Mortgagee may advance such sums of money as is necessary. Mortgagee shall be the sole judge of the legality, validity and priority of any such tax, assessments, water rent, claim, lien or encumbrance and of the amount necessary to be paid in satisfaction thereof.

9. Mortgagor shall execute and/or cause to be executed such further assurances of title to the mortgaged property, and to take and cause to be taken, such steps, including legal proceedings, as may at any time appear to the mortgagee to be desirable to perfect the title to such property in said mortgagee. Upon a failure

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