

shall deliver to the Mortgagee such additional monies as are required to make up any deficiencies in the amounts necessary to enable the Mortgagee to pay such taxes, assessments and similar charges.

(e) The Mortgagor shall not claim, demand or be entitled to receive any credit against the principal or interest payable under the terms of the Note or on any other sums secured hereby, for so much of the taxes, assessments or similar impositions assessed against THE MORTGAGED PROPERTY or any part thereof as are applicable to the indebtedness secured hereby or to the Mortgagee's interest in THE MORTGAGED PROPERTY. No deduction shall be claimed from the taxable value of THE MORTGAGED PROPERTY or any part thereof by reason of the Note, this Mortgage or any other instrument securing the Note.

1.04.2 Insurance.

(a) Subject to paragraph 1.04.2(d), the Mortgagor shall at its sole expense obtain for, deliver to and maintain for the benefit of the Mortgagee, during the life of this Mortgage, insurance policies in such amounts as the Mortgagee may reasonably require, insuring THE MORTGAGED PROPERTY (which term, for the purposes of this paragraph 1.04.2, shall include any Building Equipment not otherwise included in the Improvements) against fire, extended coverage and such other insurable hazards, casualties and contingencies

as the Mortgagee may reasonably require, and shall pay promptly when due any premiums on such insurance policies and on any renewals thereof. The form of such policies and the companies issuing them shall be reasonably acceptable to the Mortgagee. All such policies and renewals thereof shall be held by the Mortgagee and shall contain a non-contributory mortgagee endorsement making losses payable to the Mortgagee as its interests may appear. The coverage under such policies shall be limited to the Improvements (and any Building Equipment not otherwise included therein) now or hereafter located on THE MORTGAGED PROPERTY. At least fifteen (15) days prior to the expiration date of all such policies, renewals thereof satisfactory to the Mortgagee shall be delivered to the Mortgagee. The Mortgagor shall deliver to the Mortgagee receipts evidencing the payment of all premiums on such insurance policies and renewals. In the event of loss, the Mortgagor will give immediate written notice to the Mortgagee and the Mortgagee may make proof of loss if not made promptly by the Mortgagor. In the event of the foreclosure of this Mortgage or any other transfer of title to THE MORTGAGED PROPERTY in extinguishment of the indebtedness and other sums secured hereby, all right, title and interest of the Mortgagor in and to all insurance policies and renewals thereof then in force shall pass to the purchaser or grantee. All Such policies shall provide that they shall not be cancelled or terminated without at least ten (10) days' prior written notice to the Mortgagee.

(b) Pursuant to its rights in all proceeds from any insurance policies as Additional Security, the Mortgagee is hereby authorized and empowered at its option to adjust or compromise any loss under any insurance policies on THE MORTGAGED PROPERTY and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Mortgagee alone and not to the Mortgagor and the Mortgagee jointly. After deducting from such insurance proceeds any out of pocket expenses actually incurred and paid by the Mortgagee in the collection or handling of such funds, the Mortgagee may apply the net proceeds, at its option, either toward restoring the Improvements (and any Building Equipment not

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