

this Mortgage or of any instrument now or hereafter evidencing or securing said debt (including certain notes in the aggregate value of \$200,000 assigned to Mortgagee contemporaneously herewith), all in accordance with the terms of said notes, a copy of which is identified as "Exhibits B and C" and is attached hereto and made a part hereof and is hereinafter referred to collectively as the "note."

2. The Mortgagor is well and lawfully seized of the mortgaged premises as a good and indefeasible estate in fee simple and has good right and full power to sell and convey the same; that the mortgaged premises are free and clear of all encumbrances, except building and use of restrictions of record, zoning ordinances, utility and drainage easements, prior mortgages specified above, leases and taxes and assessments not yet overdue; that the Mortgagor will make any further assurances of title that the Mortgagee may require and will warrant and defend said mortgaged premises against all lawful claims and demands whatsoever.

3. Mortgagor will pay said note in accordance with its terms and will perform and comply with all of the terms and provisions thereof and will promptly assign to Mortgagee all notes received by Mortgagor in payment for any limited partnership interests.

4. Mortgagor will keep protected and in good order, repair and condition at all times the buildings and improvements (including fixtures) now standing or hereafter erected or placed upon the mortgaged premises and any and all appurtenances and articles of personal property, including but not limited to equipment, now or hereafter in or attached to or used in connection with said buildings or improvements, promptly replacing any of the aforesaid which may become lost, destroyed or unsuitable for use, and will keep insured the aforesaid real and personal property and the interests and liabilities incident to the ownership thereof, in manner, forms, companies, sums and length of terms satisfactory to the Mortgagee for the full insurable value of such improvements as determined by insurance company appraisal, in such form and in such insurance company or companies as may be approved by Mortgagee; that all insurance policies are to be held by and, to the extent of its interests, are to be for the benefit of and first payable in case of loss to the Mortgagee and prior mortgagees, and the Mortgagor shall deliver to the Mortgagee a new policy as replacement for any expiring policy at least fifteen (15) days before the date of such expiration, or in lieu thereof shall deliver a paid receipt and binder within such period of time; that all amounts recoverable under any policy are hereby assigned to the Mortgagee and prior mortgagees, and in the event of a loss the amount collected shall, at the option of the Mortgagee, be used in any one or more of the following ways: (1) applied upon the indebtedness secured hereby, whether such indebtedness then be matured or unmatured, (2) used to fulfill any of the covenants contained herein as the Mortgagee may determine, (3) used to replace or restore the property to a condition satisfactory to the Mortgagee, or (4) released to the Mortgagor; the Mortgagee is hereby irrevocably appointed by the Mortgagor as attorney of the Mortgagor to assign any policy in the event of the foreclosure of this Mortgage or other extinguishment of the indebtedness secured hereby.

5. Mortgagor will pay before same become delinquent or any penalty attached thereto for nonpayment, all taxes, assessments and charges of every nature and to whomever assessed that may now or hereafter be levied or assessed, or by reason of nonpayment become a lien prior to this Mortgage upon the mortgaged premises or any part thereof, upon the rents, issues, income or profits thereof, whether any or all of said taxes, assessments or charges be levied directly or indirectly or as excise taxes or as income taxes, and will thereupon submit to the Mortgagee such