

the prior written consent of the Noteholder having been obtained to the purchase, transfer, lease or pledge, to the purchaser, transferee, lessee or pledgee and to the form and substance of any instrument evidencing any such purchase, transfer, lease or pledge. Any such sale, conveyance, transfer, pledge, lease or encumbrance made without the Noteholder's prior written consent shall be void. The Borrower shall not, without the prior written consent of the Noteholder, permit any further assignment of the rents from THE PROPERTY, and any such assignment without the prior express written consent of the Noteholder shall be null and void. The Borrower agrees that in the event the ownership of THE PROPERTY or any part thereof becomes vested in a person other than the Borrower, the Noteholder may, without notice to the Borrower, deal in any way with such successor or successors in interest with reference to this Mortgage and the Note and other sums hereby secured without in any way violating or discharging the Borrower's liability hereunder or upon the Note and other sums hereby secured. No sale of THE PROPERTY and no forbearance to any person with respect to this Mortgage and no extension to any person of the time for payment of the Note and other sums hereby secured given by the Noteholder shall operate to release, discharge, modify, change or affect the original liability of the Borrower either in whole or in part.

1.08 Further Assurances. At any time and from time to time, upon the Noteholder's request, the Borrower shall make, execute and deliver, or cause to be made, executed and delivered, to the Noteholder and where appropriate shall cause to be recorded or filed, and from time to time thereafter to be re-recorded and refiled at such time and in such offices and places as shall be deemed desirable by the Noteholder, any and all such further deeds of trust, instruments of further assurance, certificates and other documents as the Noteholder may consider necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve the obligations of the Borrower under the Note and this Mortgage, and the lien of this Mortgage as a lien upon all of THE PROPERTY, whether now owned or hereafter acquired by the Borrower, subject only to the prior liens described in Schedule "B", and unto all and every person or persons deriving any estate, right, title or interest under this Mortgage. Upon any failure by the Borrower to do so, the Noteholder may make, execute, record, file, re-record or refile any and all such deeds of trust, instruments, certificates and documents for and in the name of the Borrower, and the Borrower hereby irrevocably appoints the Noteholder the agent and attorney-in-fact of the Borrower to do so.

1.09 Security Agreement and Financing Statements. The Borrower (as Debtor) hereby grants to the Noteholder (as Creditor and Secured Party) a security interest in all fixtures, machinery, appliances, equipment, furniture and personal property of every nature whatsoever constituting part of THE PROPERTY, subject only to any prior security interests described in Schedule "B".

This Mortgage is a self-operative security agreement with respect to THE PROPERTY, but the Borrower agrees to execute and deliver on demand such other security agreements, financing statements and other instruments as the Noteholder may request in order to perfect its security interest or to impose the lien hereof more specifically upon any of such property. The Noteholder shall have all the rights and remedies in addition to those specified herein of a secured party under the Uniform Commercial Code.

The Borrower and the Noteholder agree that the filing of a Financing Statement in the records normally having to do with personal property shall never be construed as in anywise derogating from or impairing the express declaration and intention of the parties hereto, hereinabove stated, that everything used in connection with the production of income from THE PROPERTY and/or adapted for use therein and/or which is described or reflected in this Mortgage is, and at all times and for all purposes and in all proceedings both legal or equitable, shall be regarded as part of the real estate encumbered by this Mortgage irrespective of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain equipment items capable of being thus identified in a recital contained herein or in any list filed with the Noteholder, or (iii) any such item is referred to or reflected in any such Financing Statement so filed at any time. Similarly, the mention in any such Financing Statement of (1) rights in or to the proceeds of any fire and/or hazard insurance policy, or (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) the Borrower's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the property mortgaged hereby, whether pursuant to lease or otherwise, shall never be construed as in anywise altering any of the rights of the Noteholder as determined by this instrument or impugning the priority of the Noteholder's lien granted hereby or by any other recorded document, but such mention in the Financing Statement is declared to be for the protection of the Noteholder in the event any court or judge shall at any time hold with respect to (1), (2) and (3) that notice of the Noteholder's priority of interest to be effective against a particular class of persons, including but not limited to the federal government and any subdivisions or entity of the federal government, must be filed in the Uniform Commercial Code records.

1.10 Assignment of Rents. The assignment contained under the section of this Mortgage entitled "THE PROPERTY", in paragraph (E) shall be fully operative without any further action on the part of either party and specifically the Noteholder shall be entitled, at its option, upon the occurrence of an Event of Default hereunder, to all rents, income and other benefits from the property described in paragraphs (A), (B), (C) and (D) hereof whether or not the Noteholder takes possession of such property. The Borrower hereby further grants to the Noteholder the right (i) to enter upon and take possession of THE PROPERTY for the purpose of collecting the said rents, income and other benefits, (ii) to dispossess by the usual summary proceedings any tenant defaulting in the payment thereof to the Noteholder, (iii) to let THE PROPERTY or any part thereof, and (iv) to apply said rents, income and other benefits, after payment of all necessary charges and expenses, on account of the indebtedness and other sums secured hereby. Such assignment and grant shall continue in effect until the indebtedness and other sums secured hereby are paid. The execution of this Mortgage constituting and evidencing the irrevocable consent of the Borrower to the entry upon and taking possession of THE PROPERTY by the Noteholder pursuant to such grant, whether or not foreclosure has been instituted. Neither the exercise of any rights under this paragraph by the Noteholder nor the application of any such rents, income or other benefits to the indebtedness and other sums secured hereby, shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative of all other rights and remedies.

1.11 After Acquired Property. To the extent permitted by and subject to applicable law, the lien of this Mortgage will automatically attach, without further act, to all after acquired property located in or on, or attached to, or used or intended to be used in connection with, or with the operation of, THE PROPERTY or any part thereof.

1.12 Leases Affecting Encumbered Property. The Borrower represents that the schedule of leases set forth in Schedule "C" is true and correct; that all such leases are presently in effect and that no default exists in such leases. As any such lease shall expire or terminate or as any new lease shall be made, the Borrower shall so notify the Noteholder in order that at all times the Noteholder shall have a current list of all leases affecting the property described in paragraphs (A), (B) and (C) hereof. The assignment contained in paragraph (F) hereof shall not be deemed to impose upon the Noteholder any of the obligations or duties of the Borrower provided in any such lease (including, without limitation, any liability under the covenant of quiet enjoyment contained in any lease in the event that any tenant shall have been joined as a party defendant in any action to foreclose this Mortgage and shall have been barred and foreclosed thereby of all right, title and interest and equity of redemption in THE PROPERTY or any part thereof), and the Borrower shall comply with and observe its obligations as landlord under all leases affecting THE PROPERTY or any part thereof. The Borrower, if required by the Noteholder, shall furnish promptly to the Noteholder original or certified copies of all such leases now existing or hereafter created. The Borrower shall not, without the express prior written