

any condemnation proceedings and to participate in the determination of any awards heretofore or hereafter made by reason of a taking or condemnation of the Mortgaged Property or any part thereof or any right appurtenant thereto and hereby irrevocably appoints the Mortgagee, subject to the rights of the First Mortgagee, its attorney-in-fact to collect and receive any such awards from the authorities making the same, to give receipts and acquittances therefor and to apply the same to in accordance with this Paragraph 2. The Mortgagor will execute and deliver to the Mortgagee on demand such assignments and other instruments as the Mortgagee may require for such purposes and will reimburse the Mortgagee for its costs (including reasonable counsel fees) in the collection of such awards.

(b) In the event of a partial taking by condemnation, the award in any condemnation proceeding shall be paid to and held by the Mortgagee in a special fund or account. The Mortgagee, upon receipt of a certificate of Mortgagor that payments are required for such purpose, shall apply so much as may be necessary of such award to the payment of the costs of the restoration of the Mortgaged Property either on completion thereof or as the restoration progresses, at the option of the Mortgagor. In the event such award is not sufficient to pay in full the costs of such restoration, and the Mortgagor has elected to undertake such restoration, the Mortgagor shall nonetheless complete such restoration and shall pay from its own moneys that portion of the costs thereof in excess of such award. Any balance of such award remaining after payment of all costs of such restoration shall be paid to the Mortgagee and used to pay amounts due pursuant to Section 4.3 of the Agreement with respect to the principal of the Note.

(c) In the event of a total taking by condemnation, (i) any award shall be apportioned and paid in the order and in the amounts specified in subparagraphs 1(a) and 1(b) hereof as if it were a sale to a bona fide good faith purchaser for fair market value, or (ii) Mortgagor may elect to provide Mortgagee with Substitute Collateral in the manner and on the conditions permitting release of this Mortgage pursuant to Paragraph 24, in which event Mortgagor shall receive the entire condemnation award.

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