

Mortgagor covenants and agrees with Mortgagee as follows:

ARTICLE ONE

COVENANTS OF MORTGAGOR

1.01 Performance of Notes, Mortgage, etc. Mortgagor shall perform, observe and comply with all provisions hereof, of the Notes and of every other instrument evidencing or securing the Obligations, and will promptly pay to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor with respect to the Obligations and pursuant to the provisions of this Mortgage and of every other instrument evidencing or securing such Obligations, when payment shall become due, all without deduction or credit for taxes or other similar charges paid by Mortgagor.

1.02 Performance of Financing Agreement. Mortgagor shall perform, observe and comply with all provisions of the Financing Agreement.

1.03 Warranty of Title. Mortgagor covenants and warrants that it is seized of an indefeasible estate in fee simple in the Land and real property hereby mortgaged or made subject to the security interest hereby created and has good right, full power and lawful authority to convey, mortgage and encumber the same as provided herein; that Mortgagee may at all times peaceably and quietly enter upon, hold, occupy and enjoy the Land and real property hereby mortgaged and every part thereof; that the Land, real property and all existing personal property hereby mortgaged or made subject to the security interest hereby created is free and clear of all liens, security interests, charges and encumbrances whatsoever, except for any lien for property taxes not yet due and payable and those permitted encumbrances, if any, described in Exhibit "B" attached hereto and made a part hereof. Mortgagor shall and will make such further assurances to perfect Mortgagee's fee simple title to the Land and the real property hereby mortgaged, and title to the personal property hereby mortgaged or made subject to the security interest hereby created as may be reasonably required. Mortgagor fully warrants the title to the Mortgaged Property hereby mortgaged or made subject to the security interest hereby created and every part thereof, and will forever defend the same against the claims of all persons whomsoever.

1.04 Zoning and Environmental Laws. Mortgagor covenants and warrants that all applicable zoning laws, ordinances and regulations affecting the Land permit the use and occupancy of the Improvements and further covenants and warrants to comply with all environmental and ecological laws, ordinances and regulations affecting the Mortgaged Property.

1.05 Taxes and Liens.

(a) Mortgagor shall pay or bond promptly, when and as due, and shall promptly exhibit to Mortgagee receipts for the payment of all taxes,

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