

Mortgagee's sole opinion to prevent the commission of waste, impairment or deterioration of said Property, or any part thereof, or to perfect the title to or the lien on said Property in Mortgagee or to perform any of the terms, covenants or conditions hereof or of any of the Loan Documents which are in default or to perform such other acts or expend such other sums as Mortgagee shall deem appropriate or necessary to exercise, defend, enforce or otherwise protect Mortgagee's rights, titles and interests herein or in any or all of the Loan Documents. Mortgagor hereby irrevocably designates Mortgagee as its attorney-in-fact, coupled with an interest, to perform all or any one or more of the terms, covenants and conditions of the Loan Documents regardless of whether a default exists therein and without Mortgagee being a mortgagee in possession; provided, however, Mortgagee shall not be required under any conditions to so perform, but may so perform as often and to whatever extent it so elects subject to Mortgagee's right to terminate or modify any such election at any time and from time to time without notice to Mortgagor. All sums expended by Mortgagee in the doing of, or on account of, any of the terms, covenants and conditions of this Mortgage or any of the other Loan Documents will automatically be a part of the debt secured by this Mortgage and will automatically be secured by the lien hereof as fully as the principal debt and interest thereon is secured. Such sums will bear interest at the rate of three (3%) percent per annum*from the date of the expenditure thereof by Mortgagee (except that all advances made Mortgagee for the payment of taxes, public assessments, insurance premiums and repairs shall bear interest at the then applicable legal rate of interest only) and shall, together with said interest thereon, be repaid by the Mortgagor before the expiration of a period of five (5) days thereafter. In advancing any funds pursuant to this paragraph or any other provision of this Mortgage or the other Loan Documents, no notice need be given to Mortgagor or any junior or senior lienholders or any other person or entity except to the extent required by law or deemed desirable by Mortgagee to protect Mortgagee's pertinent interests. Notwithstanding the foregoing provisions of this paragraph 8, there is no obligation of any nature whatsoever upon Mortgagee to make such payments or take such actions, nor shall any act of Mortgagee or any failure to act under the powers invested in them by this Mortgage or any of the other Loan Documents, nor any lapse of time, be construed as the waiver of any breach of the terms, covenants and conditions contained herein or contained in any of the other Loan Documents. Mortgagor hereby agrees to indemnify and hold harmless Mortgagee from and against all loss, cost or liability of every nature whatsoever suffered or incurred by Mortgagee in exercising, defending, enforcing or protecting its rights, titles and interests in the Note or in any of the other Loan Documents or in any security or collateral now or hereafter securing said Note, together with all loss, cost or liability of every nature incurred by Mortgagee in connection with any of the Loan Documents.

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9. As additional security for the indebtedness secured by this Mortgage, Mortgagor will pay to Mortgagee, or its designee, to the extent requested by Mortgagee, on dates upon which interest is payable, such amounts as Mortgagee from time to time estimates as necessary to create and maintain a reserve fund from which to pay, at least one calendar month before the same become due, all taxes, assessments, public charges and insurance premiums on or with respect to said Property. There shall be no interest paid or credited on account of such deposits. Mortgagor agrees that such funds will not be, nor be deemed to be, trust funds and may be commingled with the general funds of Mortgagee or any other entity holding such funds at the request of Mortgagee. Payments from said reserve fund for said purposes may be made by the Mortgagee or Mortgagee's designee at its discretion even though subsequent owners of said Property may benefit thereby. In the event of any default under the terms, covenants or conditions of any Loan Documents, any part or all of said reserve fund, together with any other amounts belonging to Mortgagor or others which are held by Mortgagee or its designee pursuant to any of the Loan Documents (including without limitation any amounts held pursuant to paragraphs 2 or 3 hereof), may be applied to any part of the indebtedness hereby secured and in whatever order and manner of application Mortgagee designates, and in refunding any part of said reserve fund the Mortgagee or Mortgagee's designee may deal with whomever is represented to be the owner of the Property herein conveyed at that time. The right to any return premiums on any insurance policies covered by this Mortgage is hereby assigned to Mortgagee; and in the event of a default hereunder, Mortgagee shall be entitled to receive all such return premiums and to apply same on the indebtedness secured hereby in whatever order or manner of application Mortgagee elects.

10. Mortgagor does hereby assign and set over unto Mortgagee all rents and other income derived from said Property directly or indirectly or now or hereafter accruing with respect thereto, including without limitation, all guarantees of any obligations of any lessees or others (hereinafter called "Income" in this paragraph 10) as additional security for the indebtedness secured hereby and the other sums,
*IN EXCESS OF THE RATE OF INTEREST THEN IN EFFECT WITH RESPECT TO THE NOTE

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