

other evidence of title as it deems necessary, may make such repairs, and take such steps as it reasonably deems advisable to prevent or cure any such breach, and may appear in any such action or proceeding and retain counsel therein and take such action therein as Mortgagee reasonably deems advisable, and for any of said purposes, Mortgagee may advance such sums of money as it reasonably deems necessary. Mortgagee shall consult with Mortgagor and exercise reasonable judgment in determining the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium, of the necessity for any other action herein provided for, and of the amount necessary to be paid in satisfaction thereof.

9. Upon request of Mortgagor, and upon Mortgagor providing satisfactory guarantees of this Mortgage and the note secured hereby, the Mortgagee agrees to subordinate this lien to such construction and/or permanent loan financing as shall be required by Mortgagor to complete the construction of Mortgagor's hotel project. Further, the Mortgagee agrees to provide such Mortgagee consents and waivers to furnishing and equipment financing institutions as shall be required to establish a first lien in favor of such equipment vendor or lessor including but not limited to the leasing of televisions, telephone equipment and Holiday Inn signage. Mortgagee shall not be required to subordinate this Mortgage unless and until each and every one of the makers of the note secured hereby executes and delivers to Mortgagee a guarantee of this mortgage and the note secured hereby, which guarantee is in a general and customary form and substance acceptable to Mortgagee and its counsel. Mortgagee's duty to subordinate this Mortgage is further conditioned upon Julian LeCraw and Lance McFaddin, or either of the two, being among the makers of the note secured hereby and the parties executing the guarantees described herein.

10. If default be made in payment, when due, of any installment of principal or interest of said note or of any part thereof, or in payment when due, of any other sums secured hereby, and provided such default continues for a period of fifteen (15) days after written notice thereof to Mortgagor, or in case of failure to perform any obligation, covenant or agreement hereunder, and provided such default shall continue for a period of fifteen (15) days after written notice of specifying the nature of such default to Mortgagor at the address set out in said note, and further provided that Mortgagor has not commenced good faith efforts to cure such default, then and in such event the entire principal sum and accrued interest secured by this Mortgage shall, at the option of the Beneficiary, become immediately due and payable without further notice.

11. If the note, after default, notice and failure to cure, should be placed in the hands of an attorney for collection or suit, or if, at any time, it should be deemed by the holder thereof necessary for the protection of its interest to place, and the holder should place, the same note and mortgage in the hands of an attorney for any legal proceedings, then and in either of such cases the Mortgagor promises to pay all costs and expenses including a reasonable attorney's fee, these to be added to the mortgage indebtedness, and to be secured under this Mortgage as a part of said debt.

12. The Mortgagee shall be at liberty immediately after any such default and failure to cure, upon a complaint being filed or any other proper legal proceeding being commenced for the foreclosure of this Mortgage, to apply for, and the said Mortgagee shall be entitled as a matter of right, without consideration of the value of the mortgaged premises as security for the amount due the Mortgagee, or of the solvency of any person or persons bonded