

assessments, insurance premiums or other obligations secured by this Mortgage for the purpose of establishing a fund to ensure payment when due, or before delinquency, of any or all of such obligations required to be paid as to the Property encumbered hereby. If the amount paid to Mortgagee under the provisions of this Paragraph are insufficient to discharge all such obligations of Mortgagor, as the same may become due or delinquent, Mortgagor shall pay to Mortgagee, upon written demand, such additional sums necessary to discharge the same. Mortgagee may pay such obligations either before or after they become due and payable. In the event of a default in the performance of any of the covenants and obligations of this Mortgage, then any balance remaining from monies paid by Mortgagee under the provisions of this Paragraph may, at the option of Mortgagee, be applied to the payment of principal, interest or other obligations secured hereby in lieu of being applied to any of the purposes for which the escrow account is established. Any excess over the amount required for such purposes shall be held for future use or applied to any indebtedness hereby secured or refunded to Mortgagor at Mortgagee's option. Prior to disbursement or application thereof, Mortgagee shall have the unrestricted use and control of all funds so received, including the right to commingle the same by depositing them in its general account(s). Mortgagee shall have the right to retain all interest and earnings thereon, if any, without the duty to account to Mortgagor or to any other person.

14.1 In the event this Mortgage is subject to a superior mortgage(s) and the mortgagee thereof shall be impounding funds for the payment of taxes, assessments and insurance, then and in such event, the provisions of Paragraph 14 above shall not be applicable.

15. Mortgagor shall deliver to Mortgagee, within thirty (30) days following the end of each calendar quarter, an operating report of the Property, which report shall include information and data regarding income, expense, delinquent rents, occupancy, and the like of the Property for such quarter.

16. To the extent any Property covered by this Mortgage consists of rights in action or property that can be severed from the realty without causing structural damage thereto, this Mortgage constitutes a Security Agreement and is intended to create a security interest in such Property in favor of Mortgagee. This Mortgage shall be self-operative with respect to such Property, but Mortgagor agrees to execute and deliver, on demand, and hereby irrevocably appoints Mortgagee the attorney-in-fact of Mortgagor to execute, deliver and, if appropriate, to file with the appropriate filing officer, such Security Agreement, financing statement(s) and other instruments as Mortgagee may request in order to impose the lien hereof more specifically upon such property. If Mortgagee's security interest in any property be subject to a prior security interest covering such property, then in the event of any default hereunder, all of the right, title and interest of Mortgagor in and to any and all deposits thereon are hereby assigned to Mortgagee together with the benefit of any payments now or hereafter made thereon. Mortgagee shall be entitled to enforce any indebtedness, obligations or liabilities secured hereby and to exercise all rights and powers hereby conferred, although some or all of the indebtedness, obligations and liabilities secured hereby are now or shall hereafter be otherwise secured. Mortgagee's acceptance of this Mortgage shall not affect or prejudice Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee.