

person, firm or corporation acting under governmental authority, the Corporation and Lessor shall notify the Mortgagee as to the nature and extent of such loss. The disposition of amounts payable pursuant to any such taking shall be governed by the provisions of the Loan Agreement.

1.08. Care of Property.

(a) Corporation shall preserve and maintain the Mortgaged Property in good condition and repair. Neither the Corporation nor Lessor shall remove, demolish, materially alter or materially change the use of any building, structure or other improvement presently or hereafter on the Land without the prior written consent of Mortgagee, except as provided in the Loan Agreement. Corporation shall not permit, commit or suffer any waste, impairment or deterioration of the Mortgaged Property or of any part thereof, and will not take any action which will increase the risk of fire or other hazard to the Mortgaged Property or to any part thereof.

(b) Except as otherwise provided in this Mortgage, or the Loan Agreement, no fixture, personal property or other part of the Mortgaged Property owned by Corporation shall be removed, demolished or altered, without the prior written consent of Mortgagee. Corporation may sell or otherwise dispose of, free from the lien of this Mortgage, furniture, furnishings, equipment, tools, appliances, machinery, fixtures or appurtenances, subject to the lien hereof, which may become worn out, undesirable or obsolete only if they are replaced immediately with similar items of at least equal value which shall, without further action, become subject to the lien of this Mortgage, except as otherwise provided in this Mortgage or the Loan Agreement; provided, however, that this provision (b) shall not apply to any such property which by operation of law, lease agreement, or otherwise remain the property of a Lessee of the Mortgaged property.

(c) Mortgagee may enter upon and inspect the Mortgaged Property at any reasonable time during the life of this Mortgage.

(d) Corporation will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Mortgaged Property or any part thereof.

(e) Except as otherwise provided in the Loan Agreement, if all or any part of the Mortgaged Property shall be lost, damaged or destroyed by fire or any other cause, Corporation will give immediate written notice thereof to Mortgagee and shall promptly restore the Mortgaged Property to the equivalent of its original

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