

gagee, become immediately due and payable. Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights of action and proceeds, and any other payments or relief, and the right thereto, are hereby assigned by Mortgagor to Mortgagee, who, after deducting therefrom all its expenses including attorney's fees, may release any monies so received by it without affecting the lien of this Mortgage or may apply the same, in such manner as Mortgagee shall determine, to the reduction of the sum secured hereby and to any prepayment charge provided in the Note, this Mortgage or other instrument securing the Note. Any balance of such monies then remaining shall be paid to Mortgagor. Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as Mortgagee may require. Notwithstanding the foregoing provisions of this Paragraph 2.03, Mortgagee agrees to make available to Mortgagor for restoration of the Mortgaged Property pursuant to Paragraph 2.04(e) hereof, any net condemnation proceeds received by Mortgagee under this Mortgage as a result of any condemnation, provided (i) the total net proceeds received by Mortgagee as to any one condemnation do not exceed \$2,000,000.00, (ii) Mortgagor advises Mortgagee in writing within thirty (30) days after such condemnation occurs that Mortgagor desires to restore, and (iii) there are no Defaults then outstanding and uncured under this Mortgage.

2.04 Maintenance of Property.

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair. Mortgagor shall not remove, demolish, alter or change the use of any building, structure or other improvement presently or hereafter on the property without the prior written consent of Mortgagee. Mortgagor 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, no fixture, personal property or other part of the Mortgaged Property shall be removed, demolished or altered, without the prior written consent of Mortgagee. Mortgagor 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. All replacement items contemplated hereby shall be owned by Mortgagor free and clear of all liens and other encumbrances (including, without limitation, title retention agreements) at the time of such substitution.

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

(d) Mortgagor 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) If all or any part of the Mortgaged Property shall be lost, damaged or destroyed by fire or any other cause, Mortgagor will give immediate written notice thereof to Mortgagee and shall promptly restore the Mortgaged Property to the equivalent of its original condition regardless of whether or not there shall be any insurance proceeds therefor. If a part of the Mortgaged Property shall be lost, physically damaged, or destroyed through condemnation, Mortgagor will promptly restore, repair or alter the remaining property in a manner satisfactory to Mortgagee. Notwithstanding the foregoing, Mortgagor shall not be obligated to so restore unless in each instance, Mortgagee agrees to make available to Mortgagor (pursuant to an escrow and disbursement procedure satisfactory to Mortgagee) any net insurance or condemnation proceeds actually received by Mortgagee hereunder in connection with such

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