

promptly pay to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor under the Note and pursuant to the provisions of this Mortgage and of every other instrument securing the Note when payment shall become due, all without deduction or credit for taxes or other similar charges paid by Mortgagor.

1.02 Performance of Loan Agreement. Mortgagor shall perform, observe and comply with all provisions of the Loan Agreement.

1.03 Warranty of Title. Mortgagor covenants and warrants that it is seized of an indefeasible estate in fee simple in the Land and real property hereby mortgaged or made subject to the security interest hereby created and has good right, full power and lawful authority to convey, mortgage and encumber the same as provided herein; that Mortgagor may at all times peaceably and quietly enter upon, hold, occupy and enjoy the Land and real property hereby mortgaged and every part thereof; that the Land, real property and all existing personal property hereby mortgaged or made subject to the security interest hereby created is free and clear of all liens, security interests, charges and encumbrances whatsoever, except for any vendor's purchase money security interest, any lessor's security interest, the lien for property taxes not yet due and payable and those permitted encumbrances, if any, described in Exhibit B attached hereto and made a part hereof. Mortgagor shall and will make such further assurances to perfect Mortgagee's fee simple title to the Land and the real property hereby mortgaged, and the title to the personal property hereby mortgaged or made subject to the security interest hereby created as may reasonably be required. Mortgagor fully warrants the title to the Land, real property and all existing personal property hereby mortgaged or made subject to the security interest hereby created and every part thereof, and will forever defend the same against the claims of all persons whomsoever.

1.04 Zoning and Environmental Laws; Utilities; Certificate of Occupancy. Mortgagor covenants and warrants that all applicable zoning laws, ordinances and regulations affecting the Land permit the construction and the use and occupancy of the Improvements and further covenants and warrants to comply with all environmental and ecological laws, ordinances and regulations affecting the Mortgaged Property. Mortgagor further covenants and warrants that all utilities (including, without limitation, water, electricity, sanitary sewer, and telephone) necessary to serve the Improvements are available and are or can be connected to the Improvements. Mortgagor further covenants and warrants that Mortgagor will deliver to Mortgagee a true and correct copy of each certificate of occupancy or comparable certificate hereinafter known by Mortgagor to exist with respect to any of the Improvements; and, if Mortgagor is ever unable to provide said copy of said certificate, that Mortgagor is unaware of any claim by any governmental authority to the effect that the Improvements may not be lawfully occupied for their intended purposes.

1.05 Taxes and Liens.

(a) Mortgagor shall pay or bond promptly, when and as due, and shall promptly exhibit to Mortgagee receipts for the payment of all taxes, assessments, rates, dues, charges, fees, levies, fines, impositions, liabilities, obligations and encumbrances of every kind whatsoever now or hereafter imposed, levied or assessed upon or against the Mortgaged Property or any part thereof, or upon or against this Mortgage or the indebtedness or other sums secured hereby, or upon or against the interest of