

deficiencies in the amounts necessary to enable Lender to pay such taxes, assessments and similar charges. Such deposits shall not be, nor be deemed to be, trust funds but may be commingled with the general funds of Lender, and no interest shall be payable in respect thereof. In event of a default under any of the terms, covenants and conditions in the Loan Documents to be kept, performed or observed by the Borrower, Lender may apply to the reduction of the Obligations secured hereby, in such manner as Lender shall determine, any amount under this paragraph 1.04.4 remaining to the Borrower's credit.

1.04.5 No Credit Against the Obligations Secured Hereby.
The Borrower shall not claim, demand or be entitled to receive any credit, against the principal or interest payable on the Obligations for so much of the taxes, assessments or similar impositions assessed against the Property or any part thereof or that are applicable to the Obligations secured hereby or to Lender's interest in the Property. No deduction shall be claimed from the taxable value of the Property or any part thereof by reason of the Obligations, this Mortgage or any other instrument securing the Obligations.

1.04.6 Insurance.

(a) Subject to paragraph 1.04.6(d), the Borrower shall at its sole expense obtain for, deliver to, assign and maintain for the benefit of Lender, during the life of this Mortgage, insurance policies in such amounts as Lender may require, insuring the Property against all insurable hazards, casualties and contingencies (including without limitation loss of rentals or business interruption and liability insurance naming Borrower, its beneficiary and Lender as named insureds), as Lender may require, and shall pay promptly when due any premiums on such insurance policies and on any renewals thereof. The form of such policies and the companies issuing them shall be acceptable to Lender. All such policies and renewals thereof shall be held by Lender and shall contain a non-contributory standard mortgagee's endorsement making losses payable to Lender as its interests may appear. Not less than thirty (30) days prior to the expiration date of the insurance policies required to be maintained by Borrower, Borrower shall deliver to Lender one or more certificates of insurance evidencing renewal of the insurance coverage required hereunder plus such other evidence of payment of premiums therefor as Lender may request. In the event of the foreclosure of this Mortgage or any other transfer of title to the Property in extinguishment of the Obligations secured hereby, all right, title and interest of the Borrower in and to all insurance policies and renewals thereof then in force shall pass to the purchaser or grantee. All such policies shall provide that they shall not be cancelled or terminated without at least thirty (30) days prior written notice to Lender.

(b) Pursuant to its rights granted hereunder in all proceeds from any insurance policies, Lender is hereby authorized and empowered at its option to adjust or compromise any loss under any insurance policies on the Property and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to Lender alone and not to the Borrower and Lender jointly. After deducting from such insurance proceeds any expenses incurred by Lender in the collection or handling of such funds, Lender shall hold the proceeds of any claim of less than \$100,000.00 and disburse the same from time to time to Borrower for use in restoring and repairing the Property, against such evidence of completion as Lender may require, and with respect to any claim in excess of \$100,000.00, Lender may apply the net proceeds, at its option, either toward restoring the Property or as a credit on any portion of the Obligations secured hereby, whether then matured or to mature in the future, in either case without affecting the