

indefeasible title to the entire mortgaged premises in fee simple and with good right and full power to sell, mortgage and convey the same; the mortgaged premises are free and clear of easements, restrictions, liens, leases and encumbrances, except those easements, restrictions, liens, leases and encumbrances to which this Mortgage is expressly subject, whether presently existing or which may hereafter be created in accordance with the terms hereof; and the Mortgagor will warrant and defend the mortgaged premises against all lawful claims and demands whatsoever. The Mortgagee shall have the right, at its option and at such time or times as it, in its sole discretion, shall deem necessary, to take whatever action it may deem necessary to enforce any of the rights of the Mortgagee hereunder or any obligation secured hereby, including without limitation, the right to institute appropriate proceedings for such purposes.

3. Funds for Taxes, Insurance and Other Charges. ~~Subject to applicable law or to a written waiver by~~ Mortgagee, Mortgagor shall pay to Mortgagee on the day monthly installments of principal or interest are payable under the Note (or on another day designated in writing by Mortgagee), until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of (a) taxes and assessments which may be levied on the mortgaged premises, (b) the yearly ground rents, if any, (c) the yearly premium installments for fire and other hazard insurance, rent loss insurance and such other insurance covering the mortgaged premises as Mortgagee may require pursuant to paragraph 6 hereof, (d) the yearly premium installments for mortgage insurance, if any, and (e) if this mortgage is on a leasehold, the yearly fixed rents, if any, under the ground lease, all as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments and bills and reasonable estimates thereof. Any waiver by Mortgagee of a requirement that Mortgagor pay such Funds may be revoked by Mortgagee, in Mortgagee's sole discretion, at any time upon notice in writing to Mortgagor. Mortgagee may require Mortgagor to pay to Mortgagee, in advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Mortgagor or the Property which Mortgagee shall reasonably deem necessary to protect Mortgagee's interests (herein "Other Impositions"). Unless otherwise provided by applicable law, Mortgagee may require Funds for Other Impositions to be paid by Mortgagor in a ~~lump sum or in periodic installments, at Mortgagee's option.~~ RA

4. Payment of Other Obligations. The Mortgagor shall also pay any and all other obligations, liabilities or debts which may become liens, security interests, or encumbrances