

such extent as it may deem necessary to protect the security of this Mortgage, and Mortgagor shall pay Mortgagee on demand, all amounts advanced on behalf of Mortgagor pursuant to this Section 1.09. Interest shall accrue on each amount so advanced, and be payable by Mortgagor to Mortgagee from the date on which that amount is advanced until the date on which Mortgagee receives payment of the amount advanced by it, at the Default Rate. In addition, because the parties hereto recognize that it would be impracticable or extremely difficult to establish the amount of the actual damages under this Mortgage if any amount advanced on Mortgagor's behalf as hereinabove provided is not paid within seven days of Mortgagee's giving notice demanding payment of the amount advanced, Mortgagor shall pay to Mortgagee a late charge of 6% of the amount so advanced and not repaid within the foregoing seven day period. In connection therewith (without limiting its general powers), upon an event of default set forth in Section 3.01 of this Mortgage, Mortgagee shall have (and is hereby given) the right, but not the obligation, to enter upon and take possession of the Property and further, without taking possession of the Property, (i) to make additions, alterations, repairs and improvements to the Property which it may consider necessary or proper to keep the Property in good condition and repair, (ii) to appear and participate in any action or proceeding affecting or which may affect the security of this Mortgage or the rights or powers of Mortgagee, (iii) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in its judgment may affect or appear to affect the security of this Mortgage or be prior or superior to the lien of this Mortgage, and (iv) in exercising such powers, to pay necessary expenses, including the expenses of employing counsel or other necessary or desirable consultants. Mortgagor shall, immediately upon demand therefor by Mortgagee, pay all reasonable costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation reasonable costs of evidence of title, court costs, appraisals, surveys and attorneys' fees.

1.10 Condemnation. Should the Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or sold in lieu thereof ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding or sale, Mortgagor shall give prompt written notice thereof to Mortgagee.