

7. Default and Foreclosure.

7.1 Remedies: If an Event of Default shall occur, Mortgagee may, at Mortgagee's election, exercise any or all of the following rights, remedies and recourses:

7.1.1 Acceleration: Declare the Principal Balance (defined hereby as meaning the then unpaid principal balance on the Note), the accrued interest and any other accrued but unpaid portion of the Indebtedness to be immediately due and payable, without further notice, presentment, protest, demand or action of any nature whatsoever (each of which hereby is expressly waived by Mortgagor), whereupon the same become immediately due and payable.

7.1.2 Entry on Mortgaged Property: To the extent permitted by law, enter upon the Mortgaged Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Mortgagor remains in possession of all or any part of the Mortgaged Property after an Event of Default and without Mortgagee's prior written consent thereto, Mortgagee may invoke any and all legal remedies to dispossess Mortgagor, including specifically one or more actions for forcible entry and detainer, trespass to try title and damages in connection therewith. Nothing contained in the foregoing sentence shall, however, be construed to impose any greater obligation or any prerequisites to acquiring possession of the Mortgaged Property after an Event of Default than would have existed in the absence of such sentence.

7.1.3 Operation of Mortgaged Property: To the extent permitted by law, hold, lease, manage, operate or otherwise use or permit the use of the Mortgaged Property, either itself or by other persons, firms or entities, in such manner, for such time and upon such other terms as Mortgagee may deem to be prudent and reasonable under the circumstances (making such repairs, alterations, additions and improvements thereto and taking any and all other action with reference thereto, from time to time, as Mortgagee shall deem necessary or desirable), and apply all Rents and other amounts collected in connection therewith in accordance with the provisions of Paragraph 7.8 hereinbelow.

7.1.4 Foreclosure and Sale: Institute foreclosure proceedings in accordance with applicable law.

7.1.5 Receiver: Upon, or at any time after, commencement of foreclosure of the lien and security interest