

public or quasi-public authority or corporation ("Taking"), all proceeds (that is, the award or agreed compensation for the damages sustained) allocable to Mortgagor shall be applicable first to payment of the Indebtedness, or toward payment to Mortgagor, on such reasonable terms as Mortgagee may specify, to be used for the sole purpose of altering, restoring or rebuilding any part of the Mortgaged Property which may have been altered, damaged or destroyed as a result of the Taking. Mortgagee shall make any proceeds of any Taking received by Mortgagee available for restoration or repair of the property so taken from time to time as the work progresses if (i) there is no existing uncured Event of Default and (ii) such proceeds, together with such other funds as Mortgagor shall deposit with an institution approved by Mortgagee and Mortgagor, shall be sufficient to pay the entire cost of restoring and rebuilding the Mortgaged Property to substantially the same condition that existed immediately prior to the Taking. No settlement for less than that required to fully pay this Mortgage shall be made by Mortgagor without Mortgagee's prior written approval, which shall not be unreasonably withheld.

(b) If prior to the receipt of the proceeds by Mortgagee the Mortgaged Property shall have been sold on foreclosure of this Mortgage, Mortgagee shall have the right to receive the proceeds to the extent of any deficiency found to be due to Mortgagee in connection with the foreclosure sale, with legal interest thereon.

(c) Nothing herein shall limit the rights otherwise available to Mortgagee, at law or in equity, including the right to intervene as a party to any Taking.

7. Compliance with Law and Regulations. Mortgagor shall at all times comply or cause the Mortgaged Property to comply with all laws, ordinances, regulations and orders of all federal, state, municipal and other governmental authorities ("Requirements") relating to the Mortgaged Property. If Mortgagor in good faith and by appropriate legal action shall contest the validity of any Requirements, then Mortgagor shall not be required to so comply so long as the contest is maintained and prosecuted with diligence and shall not have been terminated or discontinued adversely to Mortgagor.

8. Inspection. Mortgagee and any persons authorized by Mortgagee shall have the right, at any time, upon reasonable notice to Mortgagor, to enter the Mortgaged Property at a reasonable hour to inspect its condition, subject to the rights of the tenants under their leases.

9. Right to Remedy Defaults. Upon the occurrence of an Event of Default, Mortgagee may, at Mortgagee's option, pay any such unpaid taxes, assessments, liens, governmental charges, any other charges or amounts or perform such other obligation of Mortgagor as Mortgagor has failed to perform. All amounts so advanced by Mortgagee and all necessary expenses so incurred, shall constitute a part of the Indebtedness and shall be due and payable upon demand, together with interest thereon from the date of each such advance at the default rate provided in the Note.

10. Default. Any of the following shall constitute an Event of Default:

(a) If Mortgagor fails to pay any amounts due under the Note or this Mortgage when due, and after 15 days' notice of such default from Mortgagee;

(b) If Mortgagor fails to keep or perform any of its other covenants or agreements contained in this Mortgage or the Note after 30 days' notice (or such longer period as necessary to cure such default with the exercise of reasonable diligence provided Mortgagor commences curing within such 30 day period) of such default from Mortgagee to Mortgagor;

(c) If (i) Mortgagor makes a general assignment for the benefit of its creditors, (ii) a receiver, custodian, liquidator, trustee or like officer is appointed to take custody, possession or control over any property of Mortgagor and not be discharged within 60 days after such appointment, (iii) any proceedings under the Bankruptcy Code are brought against Mortgagor as debtor and remain undismissed for a period of 60 days thereafter, (iv) Mortgagor admits in writing its inability to pay its debts generally as they become due or voluntarily consents to any bankruptcy of receivership proceedings, or (v) Mortgagor files a voluntary petition in bankruptcy;