

public charges provided, however, that if such tax, other assessment, water rate or public charge may be paid in installments (together with interest at a rate less than that of the Note), the Mortgagor alternatively at its option may exhibit proof of payment of such installments.

7. If Mortgagor fails to defend against or pay any claim, lien or encumbrance which is alleged to be prior to this mortgage, or, when due, any tax or assessment or insurance premium, or to keep the premises in repair, or shall commit or permit waste, or shall leave the premises or any portion thereof unprotected, unguarded, vacant or deserted, or if there be commenced any action or proceeding affecting the premises or the title thereto, then Mortgagee, at its option, may pay said claim, lien, encumbrance, tax, assessment or premium, with right of subrogation thereunder, may procure such abstracts or other evidence of title as it deems necessary, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, may employ watchmen, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of said purposes Mortgagee may advance such sums of money as it deems necessary and the receipt of the party or authority receiving any such expenditures by Mortgagee shall be conclusive evidence of the amount, validity and fact of payment thereof; provided, however, that Mortgagee's failure to take any such actions shall in no way render Mortgagee liable to Mortgagor. Mortgagee shall have no responsibility with respect to the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment or premium, or of the amount necessary to