

the aggregate net cash proceeds from such sales will be included for purposes of calculating and distributing Excess Cash Flow on the next succeeding Monthly Payment Date as contemplated by the Agreements.

6. *No Claims Against Mortgagee, etc.* Nothing in this Mortgage shall constitute any consent or request by Mortgagee or the holder of any Note, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Properties or any part thereof, nor as giving any Mortgagor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Mortgagee or the holder of any Note in respect thereof or any claim that any lien based on the performance of such labor or services or the furnishing of any such materials or other property is prior to the lien of this Mortgage.

7. *Insurance.*

7.1. *Risks to be Insured.* Each Mortgagor will maintain or cause to be maintained, with financially sound and reputable insurers, insurance with respect to its Mortgaged Properties (a) against loss, damage or other hazards covered by fire and extended coverage insurance and (b) against loss or damage of the other kinds customarily insured against by corporations of established reputation engaged in the same or similar businesses and similarly situated, of such types and in such amounts as are customarily carried under similar circumstances by such other corporations, provided that such fire and extended coverage insurance shall be in amounts equal to at least 80% of the replacement value of the properties covered or such percentage as is sufficient to avoid the effect of any co-insurance clause, whichever is greater. Policies providing such insurance shall provide for payment to the Mortgagee of the proceeds of such insurance in respect of each loss in excess of \$25,000.

7.2. *Policy Provisions.* All insurance (except workmen's compensation insurance) with respect to the Mortgaged Properties of each Mortgagor (a) shall be written by an insurer or insurers of established reputation, authorized to do an insurance business in the jurisdiction where such Mortgaged Properties are located and satisfactory to Mortgagee; (b) shall name such Mortgagor and Mortgagee as insureds, as their respective interests may appear; (c) shall provide that all insurance proceeds in excess of \$25,000 shall be adjusted by such Mortgagor, subject to the approval of Mortgagee; (d) shall, except in the case of public liability insurance, include effective waivers by the insurer of all rights of subrogation against any named insured and (if obtainable) all claims for insurance premiums against such Mortgagor and Mortgagee, and be payable (without contribution, if obtainable) to Mortgagee; (e) shall provide that all insurance proceeds for losses shall be payable to Mortgagee notwithstanding (i) any act or negligence of such Mortgagor, (ii) the occupation or use of such Mortgaged Properties for purposes more hazardous than permitted by the terms thereof, (iii) any foreclosure or other action or procedures taken by Mortgagee pursuant to any provision of this Mortgage, or (iv) any change in title or ownership of such Mortgaged Properties; (f) shall provide that no cancellation, reduction in amount or material change in coverage thereof shall be effective until at least 20 days after receipt of written notice thereof by Mortgagee; and (g) shall be reasonably satisfactory in all other respects to Mortgagee. Any such insurance may be evidenced by blanket insurance policies covering the Mortgaged Properties and other property or assets of the Company and its Subsidiaries, provided that any such policy shall specify that portion of the total coverage of such policy that is allocated to the Mortgaged Properties and shall, in all other respects, comply with the requirements of this section 7.

8. *Damage or Destruction.*

8.1. *Notice.* In case of any damage to or loss or destruction of any part of the Mortgaged Properties involving estimated Restoration costs of more than \$25,000, the Mortgagor thereof will promptly give written notice thereof to Mortgagee, generally describing the nature and extent of such damage, loss or destruction and specifying the amount of such estimated Restoration costs.

0273

4328 RV-27