

award after Mortgagee exercises its aforesaid options shall be refunded by Mortgagee to Mortgagor.

9. Mortgagor shall pay to Mortgagee, or to Mortgagee's nominee or agent, if Mortgagee so requests, on each date upon which installments are payable under the Purchase Money Wraparound Note, such amounts as Mortgagee from time to time reasonably estimates as necessary to pay, as the same become due, all insurance premiums, taxes, and assessments to be paid by Mortgagor, or any one or more of such items thereof, Mortgagee hereby reserving the right to determine the adequacy of the amounts to be paid pursuant to this paragraph, but such amounts to be no greater than the amount required by the holders of the Prior Mortgages. Mortgagee shall not be required to hold the sums so paid in a separate account pending payment or application thereof as herein provided and Mortgagee shall not be liable for interest thereon. Payments from said sums for said purposes shall be made by Mortgagee at its discretion, and upon default may be applied first to the payment of any obligation of Mortgagor under the Note. Mortgagee may use said sums to pay any of such premiums, taxes, assessments, charges and fees although such use may benefit subsequent owners of the Premises. Mortgagee may at any time refund part or all of said sums to whomever is represented to Mortgagee to be the then owner of the Premises. Mortgagee shall remit out of the fund so deposited an amount required to be deposited with any holder of the Prior Mortgages with regard to payment of taxes and insurance.

10. Mortgagor will deliver to Mortgagee within ninety (90) days after the expiration of each fiscal year of Mortgagor, a statement of annual income and expense in connection with the Premises for such fiscal year, a financial statement of operations with respect to the Premises and the business conducted thereat for such fiscal year, and a current rent roll with respect to the Premises, all in detail satisfactory to Mortgagee, and, if required by the terms of the Prior Mortgages, such statements shall bear C.P.A. certification. In addition, Mortgagor shall permit Mortgagee to examine such records, books and papers of Mortgagor which reflect upon the financial condition of and the income and expenses relative to the Premises and the business conducted thereat; and Mortgagor, upon fifteen (15) business days' request, will furnish Mortgagee with a written statement containing the names of all tenants of said Premises, the terms of their respective tenancies, the spaces occupied and the rentals paid therefor. Each of said written statements shall be certified by a general partner of Mortgagor.

11. Mortgagee shall be subrogated to any encumbrance, lien, claim or demand (including all the rights therein and securities for the payment thereof) paid or discharged with the proceeds of the indebtedness secured hereby, or by Mortgagee under the provisions hereof.

12. Mortgagor does hereby absolutely assign to Mortgagee, Mortgagor's interest in any and all leases, tenant contracts, rental agreements and other contracts, licenses and permits now or hereafter affecting the Premises or any part thereof, such assignments to be made by instruments in form and substance satisfactory to Mortgagee, provided that Mortgagee authorizes Mortgagor to collect all rents affecting the Premises unless there exists a default hereunder, in which case Mortgagor's right to collect said rents is absolute, subject only to the rights of Prior Mortgage holders. No such assignment shall be construed as a consent by Mortgagee to any lease, tenant contract, rental agreement or other contract, license or permit, or to impose upon Mortgagee any obligation with respect thereto. Mortgagor hereby agrees to use its best efforts to obtain, for each apartment unit