

2. Covenants of Title. As of the date hereof the Mortgagor has good and indefeasible title to the entire Collateral, and to the Mortgaged Premises in fee simple, with good right and full power to grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, pledge, hypothecate, set over and confirm unto the Mortgagee the Collateral in whole or in part. The Collateral is free and clear of easements, restrictions, liens, leases and encumbrances, except permitted liens described in Exhibit D attached hereto (hereinafter "Permitted Liens"); and the Mortgagor will warrant and defend the Collateral against all lawful claims and demands whatsoever. The Mortgagee shall have the right, at its option and at such time or times as it, in its sole discretion, shall deem necessary, to take whatever action it may deem necessary to enforce any of its rights hereunder or any obligation secured hereby, including without limitation, the right to institute appropriate legal proceedings for such purposes.

3. Payment of Taxes, Assessments and Charges. The Mortgagor shall pay, when due, and before any interest, collection fees or penalties shall accrue, all ad valorem taxes, special assessments, water and sewer charges or other governmental charges and impositions levied or assessed with respect to the Collateral or any part thereof, except such as may in good faith be diligently contested by Mortgagor, provided that provision is made to the satisfaction of the Mortgagee for the eventual payment thereof in the event it is found that such are payable by the Mortgagor. Should the Mortgagor fail to pay such taxes, special assessments, water and sewer charges or other governmental charges or impositions, the Mortgagee may, at its option, pay the same for the account of the Mortgagor.

4. Payment of Other Obligations. The Mortgagor shall pay any and all other obligations, liabilities or debts which may become liens, security interests, or encumbrances upon or charges against the Collateral for any repairs or improvements that are now completed or are in progress or which may hereafter be made thereon, or for any other goods, services, or utilities furnished in respect of the Collateral, and shall not permit any lien, security interest, encumbrance or charge of any kind securing the repayment of borrowed funds (including the deferred purchase price for any property) to accrue and remain outstanding against the Collateral or any part thereof, or any improvements thereon or thereto except Permitted Liens.

5. Maintenance and Repair; Inspection. The Mortgagor shall keep the Collateral in good order and repair, and the Mortgagor expressly agrees that it shall not commit or permit waste on the Mortgaged Premises nor do any other act whereby the Collateral will become less valuable or the lien hereof may be impaired. Should the Mortgagor fail to effect the necessary repairs, the Mortgagee may at its option make such repairs for

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