

failure to exercise any such right.

7. Mortgagor will keep the mortgaged premises in good order and repair and will not commit or suffer any strip or waste of the mortgaged premises or any violation of any law, regulation, ordinance or contract affecting the mortgaged premises and will not commit or suffer any demolition, removal or material alteration of any of the buildings or improvements (including fixtures) on the mortgaged premises without the written consent of the Mortgagee. If Mortgagee determines in good faith that its security is jeopardized by the failure of Mortgagor to properly maintain and repair the property, Mortgagee may set reasonable standards for maintenance and repair of the property and Mortgagor shall be obligated to maintain and repair the property in accordance with such standards. Mortgagee shall have the right to inspect the property at all reasonable times.

8. Mortgagor agrees that all awards heretofore or hereafter made by any public or quasi-public authority to the present and all subsequent owners of the premises covered by this Mortgage by virtue of an exercise of the right of eminent domain by such authority, including any award for taking of title, possession or right of access to a public way, or for any change of grade of streets affecting said premises, are hereby assigned to the Mortgagee; and the Mortgagee, at its option, is hereby authorized, directed and empowered to collect and receive the proceeds of any such award and awards from the authorities making the same and to give proper receipts and acquittances therefor, and may, at the Mortgagee's election, use such proceeds in any one or more of the following ways: (1) apply the same or any part thereof upon the indebtedness secured hereby, whether such indebtedness be then matured or unmatured, (2) use the same or any part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine, (3) use the same or any part thereof to replace or restore the property to a condition satisfactory to the Mortgagee, or (4) release the same to the Mortgagor; and the Mortgagor hereby covenants and agrees to and with the Mortgagee, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning all such awards to the Mortgagee free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

9. Mortgagor agrees that to the extent that the holders of the senior mortgages described in the first page of this Mortgage do not exercise their rights relative to maintenance of a reserve fund to pay taxes, assessments, liens, and charges on or against the property, Mortgagee may require the Mortgagor to pay to Mortgagee such amounts as the Mortgagee from time to time estimates as necessary to create and maintain a reserve fund from which to pay before the same become due, all taxes, assessments, liens and charges on or against the property hereby mortgaged, and premiums for insurance as is herein covenanted to be furnished by the Mortgagor. Payments from said reserve fund for said purposes may be made by the Mortgagee at its discretion even though subsequent owners of the property described herein may benefit thereby. In the event of any default under the terms of this Mortgage, any part of all of said reserve fund may be applied to any part of the indebtedness hereby secured and in refunding any part of said reserve fund the Mortgagee may deal with whomsoever is represented to be owner of said property at that time.

10. That if any action or proceedings be commenced, excepting an action to foreclose this Mortgage or to collect the debt hereby secured, to which action or proceeding the Mortgagee is made a party by reason of the execution of this Mortgage or the Note which it secures, in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the right and lien created hereby, shall be paid by the Mortgagor together with interest thereon from date of payment at the rate of ten percent (10%) per annum, and any such sum and the interest thereon shall be

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