

1.02. Performance of Loan Agreement. Corporation shall perform, observe and comply with all provisions of the Loan Agreement.

1.03. Warranty of Title. (a) Lessor covenants and warrants that it is seized of an indefeasible estate in fee simple in the Land and real property hereby mortgaged, and has good right, full power and lawful authority to convey, mortgage and encumber the same as provided herein; that Mortgagee may at all time peaceably and quietly enter upon, hold, occupy and enjoy the Land and real property hereby mortgaged and every part thereof; that the Land and real property hereby mortgaged is free and clear of all liens, security interests, charges and encumbrances whatsoever, except for lien for property taxes not yet due and payable and encumbrances as may be approved in writing by Mortgagee. Lessor shall and will make such further assurances to perfect Mortgagee's fee simple title to the Land and real property hereby mortgaged, as may be reasonably required. Lessor fully warrants the title to the Land hereby mortgaged and will forever defend the same against the claims of all persons whomsoever. (b) Corporation covenants and warrants that it is seized of a leasehold estate in the Land and real property hereby mortgaged, has good and absolute title to all existing personal property hereby mortgaged or made subject to the security interest hereby created and has good right, full power and lawful authority to convey, mortgage and encumber the same as provided herein; that Mortgagee may at all times peaceably and quietly enter upon, hold, occupy and enjoy leasehold interest in the Land and real property hereby mortgaged and every part thereof; that the Land, real property and all existing personal property hereby mortgaged or made subject to the security interest hereby created is free and clear of all liens, security interests, charges and encumbrances whatsoever, the lien for property taxes not yet due and payable and except for Permitted Encumbrances as defined in the Loan Agreement. Corporation shall and will make such further assurances to perfect Mortgagee's interest in the leasehold estate hereby mortgaged, and the title to the personal property hereby mortgaged or made subject to the security interest hereby created as may reasonably be required. Corporation fully warrants the title to all existing personal property made subject to the security interest hereby created and every part thereof, and will forever defend the same against the claims of all persons whomsoever.

1.04. Zoning and Environmental Laws. Corporation and Lessor covenant and warrant that all applicable zoning laws, ordinances and regulations affecting the Land permit, the use and occupancy of the Improvements and further covenant and warrant to comply with all environmental and

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