

basis of assessments and bills and reasonable estimates thereof. Mortgagee shall apply the funds to pay taxes, assessments and insurance premiums as they become due and upon notice from Grantor that they are due. Mortgagee may maintain such funds in its own account, and shall pay to Grantor interest on the funds at passbook rate or at such other rate as may be agreed on. Upon request, Mortgagee, without charge, shall provide Grantor with an accounting of the funds. The funds are pledged as additional security for the sums secured by this Mortgage. If the amount of the funds held by Mortgagee shall not be sufficient to pay taxes, and insurance premiums, as they fall due, Mortgagee shall not be obligated to make payment of such amounts, and Grantor shall make up any deficiency within thirty (30) days after notice of such deficiency. The failure to cure any deficiencies shall be an event of default as defined hereunder.

**8.16 Additional Remedies.** In addition to all other powers of foreclosure, sale and possession contained herein, or as may now or hereafter be provided under any applicable laws Mortgagee shall, upon any default hereunder, or default on the provisions of the Mortgage Loan Commitment dated N/A, or default on the Promissory Note, or default or breach of any of the provisions of the Security Documents, have the right at its option to take possession of the subject property and by its agents or servants, operate the subject property and pay salary, wages and other costs and expenses of operating the same and charge the same against the obligations to be secured hereby, together with any loss which may be sustained by Mortgagee in operating the subject property. In such event, Mortgagee shall have the full and absolute right and privilege to operate the subject property in a manner in its sole discretion, as it deems best. Such right to operate the property shall include, but not be limited to, storing, selling or disposing of the personalty; collecting debts and accounts receivable owing on the subject property; continuing any and all outstanding contracts or entering into new contracts for the erection and completion of improvements, selling, leasing or otherwise disposing of any portion of the subject property; submitting the subject property to the Horizontal Property Act and selling portions thereof as Units; employing watchmen to protect the improvements and to preserve and protect the subject property and the personalty; and any and all other acts deemed by the Mortgagee to be prudent and reasonable.

**8.17 Major Improvements.** Notwithstanding anything to the contrary contained herein, Grantor shall not make any major improvements or modifications to the subject property, until the plans, specifications and costs of such improvements have been approved in writing by Mortgagee. "Major improvements" as used in this paragraph is deemed to mean any improvements, repairs or modifications, the costs of which exceed the sum of Five Hundred Dollars (\$500.00), but is not deemed to include minor maintenance, improvements or collections which are necessary in accordance with good property management. Violation of this paragraph shall be an event of default as defined herein.

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