

laborers', or statutory or other lien on the Mortgaged Property, which may be or could be held to be equal or prior to the lien of this Mortgage; provided, however, that Red Roof shall not be required to pay or cause to be paid any such tax, assessment, levy, charge or lien so long as the Mortgagor shall in good faith contest the validity or amount thereof and shall make provision for the possible payment thereof as required by Mortgagee, and Red Roof shall promptly notify the Mortgagee of the levy, assessment or imposition of any such tax, assessment, levy or charge or the filing of any such lien and shall take further steps as may be required by Mortgagee in order to prevent the Mortgaged Property, or any part thereof, from being subject to the possibility of loss, forfeiture or sale.

Section 2.04. Covenant with Respect to Maintenance of Insurance - Application of Proceeds. Red Roof will, at all times, keep the Mortgaged Property insured under standard form policies of fire and extended coverage and vandalism and malicious mischief insurance, and such other additional coverage as may from time to time be designated by Mortgagee, including, but not by way of limitation, war damage insurance (as, when, and to the extent such insurance is obtainable from the United States of America, or any agency thereof), with a reliable insurance company or companies licensed to do business in the State of South Carolina, in an amount affording coverage not less than the greater of (a) eighty percent (80%) of the full replacement value of the Mortgaged Property or (b) the outstanding indebtedness due under the Note. All of such policies of insurance shall contain the customary rider which shall protect Mortgagee as its interests may appear, without contribution, and the original or a certified copy of such