

prior written consent of Mortgagee, (i) amend or modify any such lease, or (ii) waive any obligation of any tenant thereunder, or accept the surrender or cancellation thereof, or (iii) grant any approval or consent or waiver to any tenant thereunder (including without limitation, an approval or consent to any assignment or subletting), or (iv) cause, permit or omit to take any action which might reasonably result in the impairment of the value to Mortgagee of the security interest of Mortgagee in any such lease, or might reasonably result in any termination (other than by normal expiration) or loss of rental thereunder, (v) collect rents for more than thirty (30) days in advance, or (vi) cause, permit or consent to any default thereunder, or any event or circumstance which might reasonably be expected to ripen into a default with the passage of time or notice.

1.07 EXPENSES. Mortgagor will pay or reimburse Mortgagee for all attorney's fees, costs and expenses incurred by Mortgagee in any legal proceeding or dispute of any kind in which Mortgagee is made a party, or appears as party plaintiff, defendant or otherwise, affecting the indebtedness secured hereby, this Mortgage or the interest created herein, or the Premises or the validity or priority of this indenture including any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by Mortgagee shall be added to the indebtedness secured by the lien of this Mortgage.

1.08 SUBROGATION. Mortgagee shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the indebtedness secured hereby.

1.09 PERFORMANCE BY MORTGAGEE OF DEFAULTS BY MORTGAGOR. If Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of any utility charge, whether public or private; in the payment of insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in any obligation of Mortgagor as landlord under any tenant lease of all or part of the Premises or in the performance or observance of any other covenant, condition or term of this Mortgage, then Mortgagee, at its option, may perform or observe the same, and all payments made for or costs incurred by Mortgagee in connection therewith, shall be secured by this Mortgage and shall be immediately repaid by Mortgagor to Mortgagee with interest thereon. Mortgagee shall be the sole judge of the legality, validity and priority of any such tax, lien, assessment, charge, claim and premium, of the necessity for any such action and of the amount necessary to be paid or incurred in satisfaction thereof. Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor.

1.10 ANNUAL REPORTS. Mortgagee shall have the right to inspect all books and records of Mortgagor pertaining to the operation and leasing of the Premises and any business located thereon, at any reasonable time at the place of business of Mortgagor. Mortgagor shall maintain complete and accurate books and records pertaining to the operation of the Premises, and shall without expense to Mortgagee, furnish within ninety (90) days after the close of the fiscal or operational year of the Premises, a balance sheet and a statement of the operations of the Premises showing in reasonable detail: (i) gross rents itemized by tenant; (ii) any operating expenses such as taxes, assessments, insurance premiums, repairs, maintenance, salaries and wages; (iii) net operating income; and (iv) depreciation claimed for Federal Income Tax purposes. Such reports shall be certified and sworn to by Mortgagor to be correct; however, in the event of default hereunder, Mortgagor on

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