

ADDENDUM TO MORTGAGE BETWEEN
CLARKDALE, INC. ("Mortgagor") AND
OLD STONE BANK ("Mortgagee")

1. DEFINITIONS

(a) "Notes" means the promissory notes of Mortgagor in favor of Mortgagee in the original principal amounts of \$2,000,000 and \$1,500,000, respectively.

(b) "Indebtedness" means: (i) payment of the indebtedness evidenced by the Notes, the interest thereon and any other sums payable pursuant to the Notes; (ii) repayment of any advances or expenses of any kind incurred by Mortgagee pursuant to the provisions of or on account of the Notes or this Mortgage; (iii) payment of all sums to be paid by Mortgagor hereunder; and (iv) the performance and observance of all the terms, provisions, covenants and agreements of this Mortgage and the Notes.

(c) "Real Property" means that certain real property, as more particularly described in Schedule A attached hereto and made a part hereof, and all and singular the tenements, hereditaments, easements and appurtenances thereunto belonging, or in any way appertaining.

(d) "Building Equipment" means all machinery, apparatus, equipment, fittings, fixtures and other articles of personal property of every kind and nature whatsoever now or hereafter located on or in the Real Property or any part thereof, and used or usable in connection with any present or future occupancy of the Real Property and now owned or hereafter acquired by Mortgagor (hereinafter called "Building Equipment") including but without limiting the generality of the foregoing, all heating, lighting, laundry, incinerating and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating, and communications apparatus, air cooling and air conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, attached cabinets, partitions, ducts, and compressors; it being understood and agreed that all Building Equipment is part and parcel of the Real Property and appropriated to the use thereof and whether affixed or annexed to the Real Property or not, shall for the purpose of this mortgage be deemed conclusively to be real estate and mortgaged hereby, and Mortgagor agrees to execute and deliver from time to time such further instruments as may be requested by Mortgagee to confirm the lien of this mortgage on any Building Equipment.

(e) "Mortgaged Property" means the Real Property and the Building Equipment.

(f) "Event of Default" means each and every event specified in Section 11 of this Addendum.

2. WARRANTY OF TITLE

Mortgagor hereby covenants with and represents and warrants to Mortgagee that Mortgagor has good, marketable fee simple title to the Mortgaged Property, subject only to (i) those matters set forth on Schedule A; (ii) those matters set forth in a Commitment for Title Insurance issued by Lawyers Title Insurance Company or an affiliate thereof, true copies of which Mortgagor has delivered to Mortgagee; and (iii) prior mortgages of record in favor of Bankers Life Insurance Company and Bo-Lomb South, Inc.; and has full power and lawful authority to sell, convey, transfer and mortgage the same to Mortgagee and to execute this Mortgage and to perform the covenants, terms,

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