

PROVIDED ALWAYS that in the event (a) that Mortgagor shall perform, observe and comply with all of the covenants, agreements, conditions, terms and provisions of the Lease on the part of the lessee thereunder to be performed, observed and complied with thereunder from and after the date hereof, as aforesaid, or in lieu of such performance, observance and compliance the lessor under the Lease shall execute, acknowledge and deliver to Mortgagee an instrument in recordable form releasing Mortgagee from all responsibility whatsoever under or in connection with the Lease, and (b) that Mortgagor shall perform, observe and comply with all of the covenants, agreements, conditions, terms and provisions of the Mortgage Assumption Agreement on the part of Mortgagor to be performed, observed and complied with thereunder from and after the date hereof, as aforesaid, or in lieu of such performance, observance and compliance the holder of the note and first mortgage referred to in the Mortgage Assumption Agreement shall execute, acknowledge and deliver to Mortgagee an instrument in recordable form releasing Mortgagee from all responsibility whatsoever under or in connection with said note and first mortgage, then upon the occurrence of all such events in (a) and (b) of this paragraph provided, these presents and the estate hereby granted, shall cease, determine and be void.

AND Mortgagor covenants with Mortgagee as follows:

1. That Mortgagor will perform, observe and comply with all of the covenants, agreements, conditions, terms and provisions of the Motel Assignment, Lease Assignment, Lease and Mortgage Assumption Agreement on the part of Mortgagor to be performed, observed and complied with thereunder.
2. That in the event of the occurrence of any default by Mortgagor (a) in the performance, observance or compliance with any of the covenants, agreements, conditions, terms or provisions of the Lease, which default has neither been cured within the grace period therein provided (if any) nor has the lessor under the Lease theretofore executed, acknowledged and delivered to Mortgagee an instrument in recordable form releasing Mortgagee from all responsibility whatsoever under or in connection with the Lease, or (b) in the performance, observance or compliance with any of the covenants, agreements, conditions, terms or provisions of the note and/or first mortgage referred to in the Mortgage Assumption Agreement, which default neither has been cured within the grace period therein provided (if any) nor has the holder of said note and mortgage theretofore executed, acknowledged and delivered to Mortgagee an instrument in recordable form releasing Mortgagee from all responsibility whatsoever under or in connection with said note and first mortgage, then and thenceforth, upon the occurrence of either of the events referred to in (a) or (b) of this paragraph, it shall be lawful for Mortgagee, its successors and assigns, to take immediate possession of said premises, motel and above-mentioned property, and to sell, transfer and set over, all the rest, residue and remainder of the said term of years then yet to come under the Lease, and all the right, title and interest of Mortgagor in and to the Lease, said motel, the motel business, motel furniture, furnishings, fixtures and equipment which may now or then be owned by Mortgagor, subject to the rights, if any, of the lessor under the Lease, and together with the appurtenances and all the estate and rights of Mortgagor in and to said premises under and by virtue of the Lease, the Lease Assignment and the Motel Assignment, at public auction, according to any act in such case made and provided, or by private sale. And as attorney of Mortgagor, for that purpose by these presents duly authorized, constituted and appointed, to make, seal, execute and deliver to the purchaser thereof (who may be Mortgagee), a good and sufficient assignment, transfer or other conveyance in law, covering the Lease and the aforementioned property; and out of the moneys arising from such sale to retain a sum equal to the aggregate of (i) the costs and charges of advertisements and sale, plus (ii) all sums expended by Mortgagee under the terms hereof, not then repaid, with accrued interest at six (6%) percent per annum, plus (iii) all amounts that should have been paid or expended by Mortgagor to the date of the sale in performing the obligations of the lessee under the Lease, plus (iv) all amounts that should have been