

shall be released from complying thereafter with the undertakings and assumptions made in such instrument and shall have no further liability or obligation by reason thereof, except any liability or obligation, actual or contingent, that may have accrued at or prior to the time of any such sale or transfer by such purchaser or transferee.

SECTION 2.02. The Company, immediately upon obtaining knowledge of the institution of any condemnation proceeding affecting the Property, shall notify the Mortgagee of the pendency of such proceeding. The Mortgagee may participate in such proceeding, and the Company will deliver or cause to be delivered to the Mortgagee any instruments requested by it to permit such participation. If the Mortgaged Property or any portion thereof is taken in or by any such condemnation proceeding or otherwise, the award or compensation payable to the Company shall be paid to the Mortgagee. The Mortgagee shall pay the same to the Lessee to the extent that the Lessee is entitled to receive the same under the provisions of the Lease; provided, that no such payments shall be made to the Lessee if any default has happened and is continuing under the Lease.

SECTION 2.03. Moneys received by the Mortgagee as Basic Rent under the Lease shall be applied to the interest payment or installment payment required to be made on the Note on or about the date on which such rent payments are due, and any balance of said moneys shall, if no default under this Mortgage then exists, be paid to the Company or its order; moneys received by the Mortgagee as additional rent under the Lease shall be applied to the purpose or purposes for which such moneys were paid.

SECTION 2.04. All moneys received by the Mortgagee as payment for any loss under any policy of insurance (except a policy of mortgage title insurance) on the Property shall be paid over to the Lessee to the extent that the Lessee is entitled to receive the same under the provisions of the Lease; provided, that no such payments shall be made to the Lessee if any default has happened and is continuing under the Lease.