

fixtures, appliances, ventilating and air conditioning equipment, toilets, basins, electric heating and lighting plants, lighting fixtures, power machinery, now or hereafter located in the buildings upon said land, and all other machinery, appliances and apparatus now or hereafter placed on said premises, either in renewal or replacement of fixtures, machinery, appliances and appurtenances originally installed on said premises, in connection with the completion thereof or in addition thereto, which may hereafter be placed upon the above-described land, and which said fixtures, machinery, appliances and appurtenances the Grantor warrants shall be free from any encumbrances, retention of title or other claims in favor of any other person and that this deed shall be a first lien thereon. All of the property hereinabove mentioned is hereafter referred to as the "mortgaged property."

TO HAVE AND TO HOLD all and singular the mortgaged property hereby conveyed, mortgaged, pledged or assigned by the Grantor onto the Grantee, its successors and assigns, forever.

And the Grantor covenants with the Grantee that the Grantor has full power and lawful right to convey said mortgaged property as aforesaid; that it shall be lawful for the Grantee at all times peaceably and quietly to enter upon, hold, occupy and enjoy said mortgaged property; that the same is free from all encumbrances except as herein specifically set forth; that the Grantor will make such further assurances to perfect the title to said mortgaged property in the Grantee as may reasonably be required; and that the Grantor hereby fully warrants the title to said mortgaged property and will defend the same against the lawful claims of all persons whomsoever.

This Mortgage Deed is executed and delivered for the purpose of securing the performance of the covenants and agreements contained herein and in any Construction Loan Agreement of even date herewith, or other loan agreement made with respect to any loan secured hereby, and to secure the payment when due of:

- (a) the principal and interest of the Note hereinbefore described, executed and delivered by Grantor to Grantee in the principal sum of Two Million Eight Hundred Thousand and No/100 Dollars (\$2,800,000), with interest at the rate specified in said Note, with option in the Grantee to declare the unpaid balance due and payable forthwith upon the occurrence of an event of default as hereinafter defined;
- (b) all sums expended or advanced by Grantee pursuant to any term or provision of this Mortgage Deed or of any Construction Loan Agreement executed in connection with the indebtedness secured hereby;
- (c) all unpaid advances made by Grantee for the payment of taxes, insurance premiums, public assessments, repairs or other purposes pursuant to the covenants herein contained;
- (d) the unpaid balances of any loan advances and all other liabilities and indebtedness of Grantor to Grantee, direct or contingent, now or hereafter owing by Grantor to Grantee in connection with the above-described property to the extent that the total unpaid loan indebtedness secured hereby, exclusive of the interest thereon, does not exceed the sum of Two Million Eight Hundred Thousand and No/100 Dollars (\$2,800,000). All sums so advanced shall bear interest at the same rate as the mortgage debt unless herein otherwise specified and shall be payable on demand of the Grantee unless otherwise provided in writing.

For the consideration aforesaid, Grantor covenants and agrees with Grantee as follows:

1. Grantor will keep all buildings and other insurable property now located or hereafter erected or placed in or on said mortgaged property insured against loss by fire and other hazards, casualties and contingencies, in such amounts and for such periods as may be required by the Grantee. All such insurance shall be carried in companies approved by the Grantee and shall include a provision satisfactory to it making loss payable to Grantee as its interest may appear. Certificates for all policies of insurance shall be delivered to Grantee and Grantor will promptly pay when due all premiums for such insurance. Not less than ten days prior to the expiration of any policy of insurance Grantor will deliver to Grantee certificates for renewal or new policies in like amounts.