

Mortgagor gives and the Mortgagee accepts this "Wrap-Around Mortgage" upon the following agreements and understandings, each to the other:

(a) Mortgagee agrees, so long as this wrap-around mortgage is in effect and not in default by reason of nonpayment of the wrap-around note secured hereby, to pay to the holder of the Underlying Indebtedness all installments of principal and interest due and payable thereon and accruing thereunder from the date hereof, as and when required by the terms of the Underlying Indebtedness.

(b) All such payments or obligations provided to be paid, performed or complied with by Mortgagee pursuant to the provisions of subparagraph (a) of the paragraph 18 hereof, shall be made or accomplished by Mortgagee, so long as the Mortgagor is not in default by reason of nonpayment of the wrap-around note secured hereby, before the expiration of the applicable grace periods provided for the same as contained in the Underlying Indebtedness; provided, however, the Mortgagor agrees to make the payments to the Mortgagee as required by the wrap-around note secured hereby in a timely manner so as to enable the Mortgagee to in turn make the installment payments to the holder of the Underlying Indebtedness within the applicable grace period, and upon its failure to do so Mortgagor agrees to pay any penalty or late fee which may be charged by the holder of the Underlying Indebtedness.

(c) Mortgagee agrees that, in the event Mortgagee shall default in the making of any payment required to be made by Mortgagee hereunder to the holder of the Underlying Indebtedness, at a time when the Mortgagor shall not be in default hereunder by reason of nonpayment of the wrap-around note secured hereby, the Mortgagor may make such payments to