

decrease in the value of the Mortgaged Premises by any public or quasi-public authority or corporation or by settlement with any body having the power of eminent domain, all proceeds (that is, the award or agreed compensation for the damages sustained) in excess of award to the First Mortgagee, shall be applicable first to payment of the indebtedness secured hereby, if Mortgagee so elects. No settlement for the damages sustained shall be made by Mortgagor without Mortgagee's prior written approval which shall not be unreasonably withheld. Receipt by Mortgagee of any proceeds less than the full amount of the then outstanding debt shall not alter or modify Mortgagor's obligation to continue to pay the installments of principal, interest and other charges specified in the Note and herein. All the proceeds shall be applied in the order and in the amounts that Mortgagee, in Mortgagee's sole discretion, may elect, to the payment of principal (whether or not then due and payable), interest or any sums secured by this Mortgage, or toward payment to Mortgagor, on such reasonable terms as Mortgagee may specify, to be used for the sole purpose of altering, restoring or rebuilding any part of the Mortgaged Premises which may have been altered, damaged or destroyed as a result of the taking, alteration of grade or other injury to the Mortgaged Premises.

If the amount of the initial award of damages for the condemnation is insufficient to pay in full the indebtedness secured hereby with interest and other appropriate charges, Mortgagee shall have the right to prosecute to final determination or settlement an appeal or other appropriate proceedings in the name of Mortgagee or Mortgagor, for which Mortgagee is hereby appointed irrevocably as attorney-in-fact for Mortgagor, which appointment, being for security, is irrevocable. In that event, the expenses of the proceedings, including reasonable counsel fees, shall be paid first out of the proceeds, and only the excess, if any, paid to Mortgagee shall be credited against the amounts due under this Mortgage.

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