

all Encumbrances as herein agreed or otherwise defaults in the performance of Mortgagor's Obligations, Mortgagee, at its sole election, may cause such repairs or replacements to be made, obtain such insurance, pay such Encumbrances or perform such Obligations. Any amounts paid by Mortgagee in taking such action, together with interest thereon at the Default Rate from the date of Mortgagee's payment thereof until repaid by Mortgagor to Mortgagee, shall be due and payable by Mortgagor to Mortgagee upon demand, and, until paid, shall constitute a part of Mortgagor's Liabilities secured by this Mortgage. Notwithstanding the foregoing, such advances by Mortgagee shall not be deemed to relieve Mortgagor from an Event of Default hereunder or impair any right or remedy consequent thereon. The exercise of the right to take such action shall be optional with Mortgagee and not obligatory upon Mortgagee and Mortgagee shall not in any case be liable to Mortgagor for failure or refusal to exercise any such right. In making any payments pursuant to the exercise of any such right, Mortgagee may rely upon any bills delivered to it by Mortgagor or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

3.5 Without the prior written approval of Mortgagee, which approval shall not be unreasonably withheld or delayed, Mortgagor shall not enter into any lease for space at the Mortgaged Property which (i) exceeds five (5) years in term; (ii) covers more than ten percent (10%) of the total rentable square footage of the Mortgaged Property; or (iii) contains a rental rate which is less than ninety percent (90%) of the prevailing fair market rental value for comparable space in the vicinity of the Mortgaged Property at the time each such lease is to be executed.

(a) In the event Mortgagor enters into a lease in breach of paragraph 3.5(i), Mortgagee, may, at its option, not declare an Event of Default, but in lieu thereof, consider any such lease having a term of more than five (5) years as providing for full fair market rental for the term remaining after the first five (5) years thereof for the purposes of determining Adjusted Cash Flow and Appraised Value.

(b) In the event Mortgagor enters into a lease in breach of paragraph 3.5(iii), Mortgagee may, at its option, not declare an Event of Default, but in lieu thereof, consider any such lease as having an imputed rental rate of ninety percent (90%) of the prevailing fair market rental value for comparable space in the vicinity of the Mortgaged Property at the time such lease is to be executed.

4. TAXES, INSURANCE AND CONDEMNATION

4.1 (A) Mortgagor, at all times, shall keep and maintain the Mortgaged Property fully insured (without co-insurance): (i) against loss or damage by, or abatement of rental income, resulting from, fire and such other hazards, casualties and contingencies as Mortgagee, from time to time, may require in companies, amounts and for such periods as is satisfactory to Mortgagee, but, in any event, in the form of "Agreed Amount Replacement Cost Insurance With an Inflation Protection Endorsement" with an initial face amount of \$6,000,000.00, without deduction for depreciation; (ii) with flood insurance whenever required under the National Flood Insurance Program; (iii) with rental insurance in favor of Mortgagee in an amount equal to not less than nine (9) months gross rent from the Mortgaged Property [which shall be determined annually on the rental income insurance renewal date and based upon seventy-five percent (75%) of (the sum of the actual