

proceeds of any such claim, shall be assigned to Mortgagee. Mortgagor hereby assigns to Mortgagee all amounts recoverable under any policy. The amount collected by Mortgagee may, at the option of the Mortgagee, be used, at Mortgagee's sole discretion, in any one or more of the following ways: (1) applied to the payment of any sums payable to Mortgagee which are in default, (2) used to fulfill any of the covenants contained herein which Mortgagor has failed to fulfill as Mortgagee may determine, (3) paid to Mortgagee to restore Mortgaged Property to a condition satisfactory to Mortgagee on such terms and conditions as Mortgagee may determine, (4) released to Mortgagor provided that if any sums remain after satisfaction of items (1) through (3) above, inclusive, Mortgagee may, at its election, apply the same against the Indebtedness, whether such Indebtedness then be matured or unmatured. Mortgagee is hereby irrevocably appointed by Mortgagor as attorney-in-fact of Mortgagor to assign any policy in the event of the foreclosure of this Mortgage or other extinguishment of the Indebtedness, and Mortgagor shall have no right to reimbursement for premiums unearned at the time of any such assignment.

7. SALE, ASSIGNMENT OR MORTGAGE OF MORTGAGED PROPERTY

Except for the disposition of Building Equipment as provided in Paragraph 4, Mortgagor will not, without the prior written consent of Mortgagee, sell, assign, transfer, further mortgage, grant a deed of trust, pledge or otherwise dispose of or further encumber, whether by operation of law or otherwise, any or all of its interest in the Mortgaged Property and/or in the rents, issues or profits from the Mortgaged Property and any such sale, assignment, transfer, mortgage, deed of trust, pledge, change or other disposition or encumbrance made without Mortgagee's prior written consent shall be null and void and of no force and effect and, without limiting the generality of any breach of covenants being a default under this Mortgage, the making thereof shall constitute a default under this Mortgage.

8. PRIORITY OF LIEN

This Mortgage is and will be maintained as a valid first mortgage lien on the Mortgaged Property and Mortgagor will not, directly or indirectly, create or suffer or permit to be created, or to stand against the Mortgaged Property, or any portion thereof, or against the rents, issues and profits therefrom, any lien (including any liens arising with respect to the payment of Impositions), security interest, encumbrance or charge, except in favor of Mortgagee. Mortgagor will keep and maintain the Mortgaged Property free from all liens of persons supplying labor and maintenance on any building or improvement. If any such liens shall be filed against the Mortgaged Property, Mortgagor agrees to discharge the same immediately or, if not filed, as soon as Mortgagor has notice