

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 the holder of the Underlying Indebtedness and shall be entitled to receive a credit in the amount of such payment against the next payment or payments due and payable under the wrap-around note secured hereby.

(d) The obligation of the Mortgagee to make the payments required to be made by the Mortgagee hereunder to the holder of the Underlying Indebtedness shall terminate, unless sooner terminated by Mortgagor's default under this wrap-around mortgage, on the <sup>1st</sup> day of ~~December, 1987~~ July, 1993, at which time the final installment of principal and interest shall be due and payable by the Mortgagor to the Mortgagee under the terms of the wrap-around note secured hereby; from and after said date the Mortgagor shall take the remaining indebtedness owed under the Underlying Indebtedness and shall pay directly to the holder thereof the remaining installments of principal and interest required to be paid thereunder.

(e) In the event the unpaid balance of the Underlying Indebtedness is reduced by the holder thereof applying insurance proceeds in reduction thereof or by prepayments permitted by the Mortgagee as provided by the wrap-around