

(c) Mortgagor will not suffer any mechanic's, materialman's, laborer's, statutory or other lien which might or could be prior to or equal to the lien of this Mortgage to be created, or to remain outstanding upon any part of the Property.

Fourth: INSURANCE. Mortgagor will keep the buildings, whether now standing on the real property portion of the Property, or hereafter erected, continuously insured against loss or damage by fire and against other hazards, as Mortgagee, in its sole discretion, shall from time to time reasonably require, for the benefit of Mortgagee and the holders of the Prior Indebtednesses; that all such insurance at all times will be in an insurance company or companies and in an amount and terms reasonably acceptable to Mortgagee, with loss, if any, payable to Mortgagee, the holders of the Prior Indebtednesses, and the holder of any other indebtedness secured by a lien on the Property, as their respective interests may appear, pursuant to a mortgagee clause which shall be reasonably satisfactory to Mortgagee; and that forthwith upon the issuance of such policies, Mortgagor will deliver the same and all renewals thereof to Mortgagee and will also deliver to Mortgagee, upon request, receipts for the premiums paid thereon. Any policies furnished Mortgagee shall become its property in the event Mortgagee becomes the owner of the Property by foreclosure or otherwise.

Fifth: PROCEEDS OF INSURANCE. Mortgagor will give the Mortgagee prompt written notice of any damage to or destruction of the Property or any part thereof, and, subject to the rights, if any, of the holders of the Prior Notes:

(a) In case of loss covered by policies of insurance, the Mortgagee is hereby authorized at its option either (i) to settle and adjust any claim under such policies or (ii) to allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss, provided, that the Mortgagor may itself adjust losses aggregating not in excess of Ten Thousand and No/100 Dollars (\$10,000.00) if such adjustment is carried out in a competent and timely manner, and provided that in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds