

any of the Loan Documents; provided that the maximum outstanding principal balance of all indebtedness secured hereby shall not at any time exceed the total sum of Twelve Million Dollars (\$12,000,000) together with interest thereon at the rate provided in the Loan Documents, attorneys' fees and disbursements, and costs. The Mortgagee acknowledges and agrees that the principal balance of the indebtedness secured hereby may fluctuate by reason of principal payments made by the Mortgagor and subsequent advances from the Mortgagee to or on behalf of the Mortgagor. Subject to the limitations set forth above, all such subsequent advances shall be secured by this Mortgage.

4. Title to Property. (a) The Mortgagor represents and warrants to the Mortgagee that: (i) it has an indefeasible estate in fee simple in the Premises, the Buildings and the Building Equipment; (ii) it has the good and unrestricted right, full power and lawful authority to give this Mortgage; (iii) it has obtained any and all consents and approvals necessary or required for the making of this Mortgage; (iv) the making of this Mortgage will not violate any contract or agreement to which the Mortgagor is a party, and (v) the Property is free of all liens, encumbrances, leases, licenses, occupancy agreements, adverse claims and other defects of title except those matters (the "Permitted Encumbrances") listed on Schedule B annexed hereto and made a part hereof.