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5.06 <u>Captions</u>. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

- of this Mortgage is invalid or unenforceable as to any part of the Mortgaged Estate, the unsecured or partially secured portion of the debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the debt and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Mortgage.
- 5.08 <u>Subrogation</u>. To the extent that proceeds of the Note are used to pay any outstanding lien, charge or prior encumbrance against the Mortgaged Estate, such proceeds have been or will be advanced by Mortgagee at Mortgagor's request and Mortgagee shall be subrogated to any and all rights and liens owned by any owner or holder of such outstanding liens, charges and prior encumbrances irrespective of whether said liens, charges or encumbrances are released.
- 5.09 No Merger. If both the Lessor's and Lessee's estates under any lease or any portion thereof which constitutes a part of the Mortgaged Estate shall at any time become vested in one owner, this Mortgage and the Lien created hereby shall not be destroyed or terminated by application of the doctrine of merger and, in such event Mortgagee shall continue to have and enjoy all of the rights and privileges of Mortgagee as to the separate estates. In addition, upon the foreclosure of the lien created by this Mortgage on the Mortgaged Estate pursuant to the provisions hereof, any leases or subleases then existing and created by Mortgagor shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Mortgagee or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Mortgagee or any such purchaser shall constitute a termination of any lease or sublease unless Mortgagee or such purchaser shall give written notice thereof to such tenant or subtenant.
- 5.10 Notice of Default to Ground Lessor. If any lease or ground lease constitutes a portion of the Mortgaged Estate, and said lease or ground lease is subject and subordinate to this Mortgage, the Mortgagee shall, in the event of an event of default hereunder and prior to any election by the