

7. The Mortgagor will maintain an accounting system satisfactory to the Mortgagee and will maintain such system without change except as may be authorized in writing by the Mortgagee; will allow the Mortgagee to inspect at any time all records, including books of account, stock and transfer books, contracts, documents and papers pertaining to the mortgaged property and to all its plans and projects, properties, equipment, buildings, plans, offices, apparatus and appurtenances; and will furnish promptly and fully at any time, upon written request and in such form as the Mortgagee may require, certified audits of the Mortgagor's books of account with respect to said property and any and all additional information concerning the mortgaged property and the Mortgagor's business, past operations, and prospects; provided, however, that so long as this mortgage and the Note are insured by the Federal Housing Administrator an accounting system satisfactory to said Administrator shall be approved by the Mortgagee.

8. All judgments, decrees and awards for injury or damage to the mortgaged property and all awards pursuant to proceedings for condemnation thereof are hereby assigned in their entirety to Mortgagee who may apply the same to the indebtedness secured hereby in such manner as it may elect, and Mortgagee is hereby authorized in the name of Mortgagor to execute and deliver valid acquittance for, and to appeal from, any such award, judgment or decree.

9. Notice, demand or request in any case arising under this mortgage or required by the provisions hereof or pursuant to any requirements of law may be in writing and may be served in person or by mail. Any such notice, demand or request may be mailed by depositing the same at any post office, sub-station, or letterbox, enclosed in a post-paid envelope addressed to the Mortgagor at the last address actually furnished in writing to the Mortgagee or, in default thereof, at the mortgaged premises.

10. During such time as this mortgage and Note are insured pursuant to the provisions of Title 11 of the National Housing Act, as amended,

(a) The Mortgagor will, on the first day of the month next succeeding the date hereof and on the first day of each and every month thereafter, pay to the Mortgagee, together with and in addition to all other payments required by the Note or by this mortgage, an ^{amount} equal to one-twelfth (1/12) of the annual mortgage insurance premium which is next due and payable for the purpose of putting the Mortgagee in funds with which to pay to the Federal Housing Administrator premiums on the insurance of this mortgage and note;

(b) The Mortgagor will comply with the provisions of Title 11 of the National Housing Act as amended, all regulations promulgated by the Federal housing Administrator pursuant thereto, and all contracts and agreements entered into by the Mortgagor with the Mortgagee and the Administrator, or either of them, pursuant thereto (all of which are hereby incorporated into this Mortgage as fully as though herein set forth at length).

11. The Mortgagor will establish out of its capital assets and thereafter maintain out of the income of the property before payment of dividends a working capital fund which shall not be less than One Thousand Eight Hundred Dollars (\$1,800). Such working capital fund shall be deposited in a depository approved by the Mortgagee.

12. The Mortgagor will establish and thereafter maintain at all times out of the income from the property subject to the lien of this mortgage, after paying or providing for the payment of all current and maturing obligations, including operating expenses, but before the payment of any dividends of whatsoever nature in respect to the capital stock of the Mortgagor, in cash or in securities issued or fully guaranteed as to principal and interest by the United States of America, and in a depository approved by the Mortgagee, the following reserves:

(a) A reserve for replacements to be created by the deposit monthly of the sum of Eighty Dollars and Forty-Two Cents (\$80.42) in a separate account of the Mortgagor, to be designated as a "Special Account", such reserve to be withdrawn by the Mortgagor only upon the consent in writing of the Mortgagee, and only for the purpose of effecting major repairs to and replacements of structural elements of the property subject to the lien of this Mortgage and furnishings or mechanical equipment of the Mortgagor, or for such other purposes as may be consented to in writing by the Mortgagee;

(b) A general reserve to be created by the deposit monthly by the Mortgagor in a separate account, to be designated as a "Special Account" of Two Hundred thirty-three Dollars and Thirty-four Cents (\$233.34) until there has been accumulated in such account the sum of Eight Thousand Four Hundred Dollars (\$8,400), such reserve to be withdrawn or applied upon the consent in writing of the Mortgagee and only for the purpose of paying any indebtedness of the Mortgagor which is due and payable and for the payment of which no other funds of the Mortgagor are available.