

Granting clauses, Paragraphs 1, 2, 3

GRANTING CLAUSE SIXTH

Proceeds

All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other liquidated claims, including without limitation, all proceeds of insurance and condemnation awards and payments.

TO HAVE AND TO HOLD all and singular the Granted Property, whether now owned or held or hereafter acquired, unto the Company, its successors hereunder and assigns, forever:

SUBJECT, HOWEVER, to the exceptions and reservations and matters herein recited and to Permitted Encumbrances; with power of sale, for the benefit and security of the Lessor's Note, and for the enforcement of the payment of the principal of, premium, if any, and interest on the Lessor's Note in accordance with its terms, and all other sums payable under this Mortgage, and compliance with the provisions of this Mortgage, all as herein provided.

IT IS HEREBY COVENANTED, DECLARED AND AGREED that the Lessor's Note is to be secured, and the Granted Property is to be held, dealt with and disposed of upon and subject to the provisions of this Mortgage.

1. **Title; First Lien.** (a) Lessor warrants that it has good and marketable title to the Property in fee simple absolute, free and clear of all Liens except Permitted Encumbrances, and that it has full power, authority and legal right to execute and deliver the Lessor's Note and this Mortgage and to Grant the Granted Property in the manner and form herein done or intended. Lessor will forever warrant and defend the title to the Granted Property against the claims and demands of all persons.

(b) Lessor warrants that this Mortgage is and will remain a valid and enforceable first lien on the Granted Property, subject to Permitted Encumbrances. Lessor will not create or permit to be created or to remain, and will promptly discharge or cause to be discharged, without cost to the Company, any Lien upon the Granted Property other than Permitted Encumbrances. If the validity, enforceability or priority of the Lien of this Mortgage on the Granted Property or any portion thereof, or the validity, enforceability or priority of the Assignment shall be endangered or attacked, directly or indirectly, the Company shall be authorized to take, and Lessor shall bear all reasonable costs in connection with, all necessary, reasonable and proper action in defense thereof, including the retention of legal counsel, the prosecution or defense of litigation and the compromise or discharge of claims.

2. **Further Assurances; Collection of Money.** (a) Lessor shall, at its expense and from time to time, execute, acknowledge and deliver any and all such instruments of further assurance and other instruments, and do any and all such acts, or cause the same to be executed, acknowledged and delivered or done, as the Company may deem necessary or advisable to better Grant to the Company the Granted Property, or to carry out more effectually the purposes of this Mortgage.

(b) The Company may demand payment or delivery of and shall receive and collect all money and other property payable to or receivable by the Company pursuant or with respect to any instrument or property included in the Granted Property or pursuant to this Mortgage. The Company shall hold all such money and property received by it as part of the Granted Property, and shall apply it as provided in this Mortgage.

3. **Advances.** If Lessor shall be in default in the observance or performance of any of the provisions of this Mortgage, the Company may, in addition and without prejudice to any other right or remedy which it may have, correct the default, and Lessor hereby agrees to repay any sums advanced by the Company pursuant to this paragraph 3, on demand, with interest thereon at the rate of 10% per annum (or at the highest rate permitted by applicable law, whichever is less) from the date of the advance, and all sums so advanced, with interest thereon as aforesaid, shall be secured by this Mortgage.