

payment of, or on account of, such Taxes, or any portion thereof then unpaid, including all penalties and interest thereon. If the amount of the money and any such security so deposited is insufficient for the payment in full of such Taxes, together with all penalties and interest thereon, the Developer shall forthwith, upon demand, either deposit with the Surety a sum that when added to the funds held on deposit is sufficient to make such payment in full, or, if the Surety has applied funds on deposit on account of such Taxes, restore such deposit to an amount satisfactory to the Surety. Provided that the Developer is not then in Default hereunder, the Surety shall, if so requested in writing by the Developer, after final disposition of such contest and upon the Developer's delivery to the Surety of an official bill for such Taxes, apply the money, if any, so deposited and then held by the Surety hereunder, to the payment of such Taxes or that part thereof then unpaid, together with all penalties and interest thereon.

SECTION 5. MORTGAGE TAXES.

If, by the laws of the United States of America, or of any state or municipality having jurisdiction over the Surety, the Trustee, the Developer or the Premises, any tax is imposed or becomes due in respect of the issuance of the First Secured Note or the recording of this Mortgage or any of the Loan Documents, the Developer shall pay such tax in the manner required by such law. In the event that any law, statute, rule, regulation, order or court decree has the effect of deducting from the value of the Premises for the purpose of taxation any lien thereon, or imposing upon either Co-Mortgagee the payment of the whole or any part of the taxes required to be paid by the Developer, or changing in any material way the laws relating to the taxation of mortgages or debts secured by mortgages or deeds of trust or the interest of either Co-Mortgagee in the Premises, or the manner of collection of taxes so as to affect this Mortgage, the Indebtedness Hereby Secured, the Trustee or the Surety, then, and in any such event, the Developer, upon demand by either Co-Mortgagee, shall pay such taxes, or reimburse the Trustee or Surety therefor on demand, unless the Trustee or Surety determines, in the Trustee's and the Surety's reasonable judgment, that such payment or reimbursement by the Developer is unlawful; in which event the Indebtedness Hereby Secured shall be due and payable within 30 days after written demand by either Co-Mortgagee to the Developer. Nothing in this Section shall require the Developer to pay any income, franchise, excise or similar tax imposed upon a Co-Mortgagee, excepting only such which may be levied against the income of a Co-Mortgagee as a complete or partial substitute for taxes required to be paid by the Developer hereunder.

SECTION 6. INSURANCE COVERAGE.

The Developer will insure the Premises against such perils and hazards, and in such amounts and with such limits as the Co-Mortgagees may from time to time reasonably require, and in any event will continuously maintain the following described policies of insurance (the "Insurance Policies"):

1. All-risk insurance issued with respect to the Project in an amount equal to the full replacement value thereof.
2. Comprehensive general public liability insurance in the amount of \$500,000, including coverage for contractual liability and, during the period prior to the Construction Completion Date, coverage for products/completed operations,

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