

declare the indebtedness and other sums secured hereby to be due and payable upon the occurrence of an Event of Default under paragraph 2.01(g), the Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of, any damage or taking through condemnation and is hereby authorized, at its option, to commence, appear in and prosecute in its own or the Mortgagor's name any action or proceeding relating to any condemnation and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights of action and proceeds, and any other payments or relief, and the right thereto, are included in THE MORTGAGED PROPERTY and the Mortgagee, after deducting therefrom all its expenses including attorneys' fees, may release any monies so received by it to the Mortgagor without affecting the lien of this Mortgage or may apply the same, in such manner as the Mortgagee shall determine, to the reduction of the sums secured hereby and to any prepayment charge provided in the Note, this Mortgage or other instrument securing the Note. If the holder of each approved prior encumbrance who may have any similar rights to which the rights of the Mortgagor may be subject agrees to the application of such monies to a restoration of THE MORTGAGED PROPERTY (and any Building Equipment not otherwise included therein) the Mortgagee shall, if directed by the Mortgagor, apply any such monies to the restoration of THE MORTGAGED PROPERTY provided: (i) no Event of Default exists under this Mortgage or the Note; (ii) in the event such monies are, in the opinion of the Mortgagee insufficient to fully restore the damage to its prior condition or better, the Mortgagor shall have deposited with the Mortgagee the amount of the deficiency; (iii) the then unpaid portion of the indebtedness secured hereby shall remain in full force and effect and the Mortgagor shall not be excused in the payment thereof; and (iv) any such monies held by the Mortgagee for restoration shall be paid out from time to time and applied toward restoring the damage to THE MORTGAGED PROPERTY or toward constructing new improvements thereon against monthly certificates of an authorized representative of the Mortgagor as to the costs of such work and the material delivered to the site during the month preceding the date of such certificate or, at the election of the Mortgagee, of a representative selected by the Mortgagee, as to the costs of such work and the material delivered to the site during the month preceding the date of such certificate. Any monies not so expended on restoration shall, upon the completion thereof to the Mortgagee's satisfaction and full payment of all costs thereof, be paid to the Mortgagor but if THE MORTGAGED PROPERTY shall not be so restored or if an Event of Default shall exist, any such remaining monies shall be retained by the Mortgagee, and applied first to accrued interest and then to principal. The Mortgagor agrees to execute such further assignments of any compensation awards, damages, claims, rights of action and proceeds as the Mortgagee may require. Notwithstanding any such condemnation, the Mortgagor shall continue to pay interest, computed at the rate reserved in the Note, on the entire unpaid principal amount thereof, until the award or compensation for such condemnation shall have been actually received by the Mortgagee.

1.06 Care of Property.

(a) The Mortgagor shall preserve and maintain THE MORTGAGED PROPERTY in good condition and repair. The Mortgagor shall not remove, demolish or materially alter any of the Improvements presently or hereafter comprising a part of THE MORTGAGED PROPERTY without the prior written consent of the Mortgagee unless to do so would have no material adverse effect upon the Mortgagee's security. The Mortgagor shall not permit, commit or

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