**Open-end mortgage and security agreement for revolving credit arrangement**

This mortgage deed and security agreement is made this day of

[year], by and between a corporation ("mortgagor"), and , a corporation ("mortgagee").

Know all by these presents, that mortgagor hereby irrevocably grants, transfers and assigns to the mortgagee, with power of sale, the following described tract of land and other property:

1. Land: All those certain lots, pieces or parcels of land situated, lying and being in the county of , State of , more particularly described in Exhibit A annexed to this mortgage and hereby made a part of this mortgage ("premises").
2. Improvements: All buildings and improvements now situated upon the premises or which may be constructed on the premises or added to it, together with all fixtures now or to be owned by mortgagor or in which mortgagor has an interest (but only to the extent of such interest) and placed in or upon the premises or the buildings or improvements.
3. Easements: Any easement, bridge or right-of-way, contiguous or adjoining the premises and the improvements, and all other easements, if any, inuring to the benefit of the premises.
4. Personal property: All and singular the personal property of every kind and description owned by the mortgagor or in which mortgagor has an interest (but only to the extent of such interest) and situated or to be situated upon the premises or in any of the buildings and improvements, together with any renewals, replacements or additions to or substitutions for them, and now or ever used in connection with the operation of the premises.

All of which land, improvements and other property by this mortgage granted, sold and conveyed, or intended so to be, are generally referred to below as the "mortgaged property." Together with:

* 1. Proceeds for damage to the mortgaged property: All proceeds paid for any damage done to the mortgaged property, or any part of it, or for any portion appropriated for any character of public or quasi-public use in accordance with the provisions, terms and conditions set forth below.
  2. Rents: All of the rents, issues, benefits and profits of the mortgaged property effective only upon the occurrence of an event of default (as defined below) and in accordance with the provisions, terms and conditions set forth below.
  3. Leases: All of the landlord's right, title and interest, owned by mortgagor, in and to all leases (which term shall include all occupancy agreements, licenses, concession agreements and all other agreements or tenancies, however denominated, affecting the occupancy of the mortgaged property, or any portion of it) affecting or pertaining to the premises and the improvements and the business operations on it.
  4. Records: All of the records and books of account maintained by mortgagor in connection with the operation of the premises.

Subject, however, to those certain liens, encumbrances and other matters set forth in Exhibit B annexed to this mortgage and hereby made a part of this mortgage.

To have and to hold the mortgaged property to the mortgagee, forever, together with all and singular the tenements, hereditaments and appurtenances belonging or in any way appertaining to it, whether now owned or acquired later, with the reversions, remainders, rents, issues, incomes and profits of it, and all of the estate, right, title, interest and claim whatever which mortgagor now has or which may after this mortgage acquire in and to the mortgaged property. Mortgagor does hereby bind itself, its successors and assigns, to warrant and forever defend the same to the mortgagee against all persons whomever claiming or to claim the same or any part of it.

This conveyance is made for the purposes of securing:

1. Payment of an indebtedness in the principal sum of up to a maximum of $ with interest in accordance with the terms of: (a) a certain revolving credit note of the mortgagor of even date and a certain term note of the mortgagor to be issued in substitution for the revolving credit note, each of which notes (individually and collectively referred to below as the "note") is or shall be issued pursuant to the terms of a certain revolving credit and term loan agreement of even date by and between the mortgagee and the mortgagor (the "loan agreement") which loan agreement and note are hereby incorporated by reference and made a part of this mortgage, and any and all extensions and renewals of the note and performance of every obligation and agreement of mortgagor contained in the note; and (b) two certain guarantees of even date with this mortgage by mortgagor to mortgagee of certain indebtedness and obligations of

, a wholly owned subsidiary of mortgagor, and of , a limited partnership organized and existing under the laws of the State of , respectively, which guarantees are hereby incorporated by reference and made a part of this mortgage;

The maximum amount of unpaid loan indebtedness evidenced by the note, exclusive of interest, and the guarantees which may be outstanding at any time is $ .

1. Performance of each and every obligation of mortgagor in this mortgage contained; or contained in any other instruments executed or delivered by mortgagor for the purpose of further securing the indebtedness by this mortgage secured, or any part of it.

Article I..

Covenants and Warranties Mortgagor covenants, warrants and agrees as follows:

* 1. Mortgagor covenants and agrees to punctually pay all interest, principal and other sums and charges which now are or may after this mortgage be evidenced by the note and/or secured by this mortgage.
  2. Mortgagor is lawfully seized of the mortgaged property and has the right to encumber it with the lien created by this instrument, which is a superior lien on it, subject only to those priorities and encumbrances specifically referred to above. Mortgagor will defend the title to it in any action affecting the rights of the mortgagee under this mortgage and pay all costs of any such action (including, but not limited to, attorney's fees), whether or not such action: (i) progresses to judgment, or (ii) is brought by or against the mortgagee.
  3. In the event that an event of default shall occur under Article V and be continuing, mortgagor will pay (before they become delinquent) all taxes, assessments, water and sewer and other utility charges and other impositions, ordinary or extraordinary, foreseen or unforeseen, which may be levied, assessed or otherwise become a lien upon or charge against the mortgaged property, or the interest created in it by this instrument, and exhibit the receipts to the mortgagee. Within 10 days after written demand by the mortgagee, mortgagor will deposit with the mortgagee or its duly authorized agent, in trust, an amount which bears the same proportion to the real estate taxes assessed against the mortgaged property for the tax year then in effect as the number of months elapsed since the last preceding installment of such real estate taxes became due and payable bears to 12. For the purposes of such computation, the month in which the last preceding installment of real estate taxes became due and payable and the month in which such demand is made shall be deemed to have elapsed. The term "taxes" as used in the paragraph shall be deemed to include all assessments.

On the first day of each and every following month, mortgagor will deposit with the mortgagee or its duly authorized agent an amount equal to 1/12 of the real estate taxes for the then current tax year so that as each installment of such taxes shall become due and payable to the taxing authorities, mortgagor shall have then deposited with the mortgagee or its agent, amounts sufficient, in the aggregate, to pay the same in full. Such deposits shall be received and held by the mortgagee or its agent, without interest, and applied to the payment of each installment of such taxes as it becomes due and payable and mortgagor shall furnish to the mortgagee or its agent, promptly upon receipt, the tax bills with respect to it. If the amount of such taxes has not been definitely ascertained at the time when the initial or any monthly deposit is required under this mortgage to be made, mortgagor shall make such deposits based upon the amount of the taxes and assessments for the next preceding taxable year, subject to adjustment as and when the actual amount of them for the then current year is ascertained. If, at the time any installment of such

taxes becomes due, mortgagor shall not have deposited sufficient monthly amounts, in the aggregate, to pay such installment, mortgagor shall, within 5 days after demand, deposit the amount of the deficiency with the mortgagee or its agent. If mortgagor shall have deposited amounts in the aggregate more than sufficient to pay such taxes, the excess shall be applied by the mortgagee toward the deposits next required to be made under this mortgage or at its election shall be repaid to mortgagor, without interest. All of mortgagor's interest in such deposits is hereby assigned by mortgagor to the mortgagee as additional security for the payment of the indebtedness secured by this mortgage in the event that an event of default shall occur under this mortgage. Upon payment in full of all indebtedness secured by this mortgage, any monthly deposits then held by the mortgagee or its agent shall be repaid to mortgagor, without interest.

* 1. Mortgagor will also pay (before they become delinquent) all other charges and encumbrances which are or may be a lien upon the mortgaged property, including, without limitation, taxes and assessments levied against any personal property included in the mortgaged premises.
  2. Mortgagor will commit or permit no waste on the mortgaged property and will keep all improvements now or after this mortgage erected on the premises in a sound condition and in a first-class state of decoration and repair, and mortgagor will neither do nor permit to be done anything to the mortgaged property that may impair the value of it. Mortgagor shall, within 30 days after demand by the mortgagee (or immediately upon demand in case of emergency), make such repairs, replacements, renewals or additions, or perform such items of maintenance, to the mortgaged property (including without limitation the personal property comprising a part of it) as the mortgagee may reasonably require in order to maintain the mortgaged property at the standards required by this section.
  3. With regard to all improvements constituting a part of the mortgaged property (including, but not limited to, any part presently designated as automobile parking and landscaped areas), mortgagor will:
     1. Promptly repair, restore, rebuild or alter as necessary any portion of such improvements which may be damaged or destroyed by fire or other casualty, or taken by condemnation, and provide adequate personal property to replace any personal property so damaged or destroyed, in either case as nearly as possibly to the condition such improvements were in prior to such damage, destruction or taking, without regard to the availability or adequacy of insurance proceeds or condemnation awards. Mortgagor will give the mortgagee prompt notice of damage to such improvements or personal property in excess of $5,000;
     2. Pay when due all claims for labor and materials thereof;
     3. Provide management satisfactory to the mortgagee;
     4. Not remove or demolish any such improvements, and make no change or alteration to such improvements as would change their general character or size, without the prior consent of the mortgagee. Mortgagor further covenants that it will not make, authorize or permit to be made any structural alterations, or any alteration the estimated cost of which exceeds $25,000, without the prior consent of the mortgagee, which consent shall not be unreasonably withheld or delayed. As a condition to its granting of any consent under this subsection, the mortgagee may require: (i) that plans and specifications for the proposed work, prepared by a reputable architect satisfactory to the mortgagee, be submitted to the mortgagee for approval, and (ii) that mortgagor obtain a payment and performance bond in form satisfactory to the mortgagee of the contractor performing the work. All work performed by mortgagor in accordance with this subsection shall be in compliance with all applicable laws, ordinances, rules and regulations of all governmental authorities having jurisdiction, and all departments, bureaus and officers of them, and with all requirements of insurers of the mortgaged property and with the local and national board of fire underwriters or comparable bodies. No fixtures or personal property shall be removed from the premises or such improvements during the course of any work performed in accordance with this subsection except as authorized in section 7.12, without the prior consent of the mortgagee. The provisions of this subsection shall apply to any change, alteration or addition made or required to be made by mortgagor in the course of complying with the provisions of any other section contained in this mortgage, and shall also apply to the construction of any new or additional building, structure or improvement on the premises.
  4. Mortgagor will keep proper and separate books of account, in accordance with generally accepted accounting practice, and make, or cause to be made, full and true entries of all dealings and transactions of every kind relating to the mortgaged property, which books and records will be open to inspection by the mortgagee, its agents, accountants and representatives, at all reasonable times at the premises.
  5. With regard to all leases assigned to the mortgagee as collateral security for the debt, mortgagor covenants and agrees:
     1. Mortgagor will not (without prior written consent of the mortgagee):
        1. Cancel any lease;
        2. Accept surrender of it;
        3. Modify any lease so as to reduce the rent payable under or shorten the term of it;
        4. Grant any concessions to tenants under it;
        5. Consent to any assignment or subletting of a tenant's interest in any lease which would release the original tenant from further liability;
        6. Collect or accept payments of rent more than one month in advance.

All leases after this mortgage executed to which the provisions of this subsection 1.8.1 are applicable shall contain provisions which prohibit the tenant from taking or consenting to any action mentioned in this subsection 1.8.1 without the mortgagee's prior written consent.

* + 1. Mortgagor will observe, keep and perform all covenants and agreements imposed upon the landlord in every lease of (or which may be after this mortgage made of) all or any portion of the mortgaged property.
    2. Mortgagor will require all tenants under leases of (or which may be after this mortgage made of) all or any portion of the mortgaged property to observe, keep and perform all covenants and agreements imposed on the tenants in such leases.
  1. All leases of all or any portion of the mortgaged property after this mortgage made by mortgagor will be subordinated to the lien created by this mortgage, and shall provide that following sale of the mortgaged property through foreclosure, the tenant under each such lease will, upon 10 days' written notice from the purchaser of the mortgaged property (or purchaser's assignee) given within 30 days after the sale, attorn to such purchaser or assignee as the direct tenant of such purchaser or assignee. No such lease, with a term of more than three years, will be executed by mortgagor without prior written approval of the mortgagee. Mortgagor will, from time to time, promptly upon demand, deliver to the mortgagee a true and correct schedule of all such leases then in effect, showing the name of the tenant, the space occupied, the rental rate and the expiration date of the term.
  2. Mortgagor will continuously operate the mortgaged property in compliance with all applicable laws, ordinances, rules, regulations and directions of government authorities having jurisdiction of the premises, and also in compliance with the requirements of all policies of insurance on the mortgaged property and of the national or local boards of fire underwriters. Mortgagor will also procure, pay for and maintain all permits, licenses and other authorizations needed for the operation of such premises.

Article II.. Insurance

* 1. Mortgagor will at all times (a) keep the mortgaged property insured, for the mutual benefit of mortgagor and the mortgagee, as their respective interests may appear, in amounts sufficient to prevent the mortgagor or the mortgagee from becoming a coinsurer of any loss under the applicable policies but in any event in amounts not less than 100% of the full insurable value (as defined below) of the mortgaged property, against loss or damage by: (i) fire, lightning, windstorms, tornados, hail and such other risks and hazards as now are or after this mortgage may be insured under standard "extended coverage" forms or endorsements, (ii) explosion of boilers, heating apparatus

and other pressure vessels, (iii) war risk (whenever such war risk insurance shall be required by the mortgagee and shall be obtainable at substantially the prevailing rates for like properties through any governmental agency or a corporation organized under any instrumentality of the United States Government), and (iv) such other risks of damage, hazards, casualties and contingencies as the mortgagee shall from time to time reasonably require, provided that insurance against such other risks, hazards, casualties or contingencies shall then be commonly carried by prudent owners or lessees of buildings or improvements in the locality similar in character, construction, use and occupancy to the improvements then constituting a portion of the mortgaged property; (b) maintain general accident, public liability, boiler and, if appropriate, elevator and sidewalk hoist insurance against all claims for bodily injury, death or property damage occurring upon, in or about the premises or the improvements on it, or any elevator or escalator in it, or any vault space or sidewalk adjoining the premises, or any area or passageway adjacent to the premises which is under the control of mortgagor, such insurance to afford protection to the limits of not less than $1,000,000 in respect of bodily injury or death to any one person and $2,000,000 in respect of any one occurrence, and to the limit of

$500,000 for property damage.

* 1. All such insurance shall be evidenced by valid and enforceable policies in form and substance, and issued by such insurers of recognized responsibility authorized to do business in the State of , which are approved by the mortgagee and which have a policyholder's rating of A or A+ in Best's latest rating guide. The originals of all such policies provided for in subdivision (a) of section 2.1 of this mortgage, and duplicate copies or certificates of the policies provided for in subdivision (b) of this mortgage, shall be delivered to the mortgagee concurrently with the execution and delivery of this mortgage, and thereafter all renewals or replacement policies (or in the case of the insurance provided for in subdivision (b) of section 2.1, duplicate copies or certificates) shall be so delivered to the mortgagee not less than 15 days prior to the expiration date of the policy or policies to be renewed or replaced, in each case accompanied by evidence satisfactory to the mortgagee that all premiums currently payable with respect to such policies have been paid in full by mortgagor.
  2. All policies of insurance of the character described in subdivision (a) of section 2.1 of this mortgage shall:
     1. Contain a standard noncontributory form of mortgage clause satisfactory to the mortgagee, which clause shall name the mortgagee;
     2. Provide, to the extent obtainable, that such policies may not be cancelled or amended without at least 10 days' prior written notice to the mortgagee, that the mortgagee shall in no event be responsible for the payment of any premiums on or assessments under them, and that no act of negligence of mortgagor, its agents, servants or employees, or any tenant or other occupant of all or any portion of the mortgaged property which might otherwise result in a forfeiture of such insurance or any part of it, shall in any way affect the validity or enforceability of such insurance insofar as the mortgagee is concerned.

All policies of insurance of the character described in subdivision (b) of section 2.1 of this mortgage shall provide, to the extent obtainable, that such policies may not be cancelled or amended without at least 10 days' prior written notice to the mortgagee.

* 1. Mortgagor will furnish to the mortgagee, within 10 days after demand, receipted bills or other evidence satisfactory to the mortgagee of payment of all premiums due on all insurance policies required to be maintained under this mortgage. Mortgagor will deposit with the mortgagee or its duly authorized agent, in trust the aggregate total of amounts which bear the same proportion to the total premium due under each policy for the calendar year then in effect as the number of months elapsed since the last preceding premium became due and payable under that policy bears to 12. For the purposes of such computation the month in which the last preceding premium of each policy became due and payable and the month in which such demand is made shall be deemed to have elapsed. In the event that an event of default under Article V of this mortgage shall occur and be continuing, on the first day of each and every following month, mortgagor will deposit with the mortgagee or its duly authorized agent an amount equal to 1/12 of the aggregate total of premiums for all insurance for the then current calendar year so that as the insurance premiums on all insurance policies required under this mortgage shall become due and payable, mortgagor shall have then deposited with the mortgagee or its agent amounts sufficient, in the aggregate, to pay the same in full. Such deposits shall be received and held by the mortgagee or its agent, without interest, and applied to the payment of the premium for each insurance policy required under this mortgage as it becomes due and payable and mortgagor shall furnish to the mortgagee or its agent, promptly upon receipt, the insurance bills with respect to it. If the amount of any such insurance premium has not been definitely ascertained at the time when the initial or any monthly deposit is required under this mortgage to be made, mortgagor shall make such deposits based upon the amount of the premium for the next preceding calendar year, subject to adjustment as and when the actual amount for the then current year is ascertained. If, at the time any premium becomes due, mortgagor shall not have deposited sufficient monthly amounts, in the aggregate, to pay such premium, mortgagor shall, within 5 days after demand, deposit the amount of the deficiency with the mortgagee or its agent.

If mortgagor shall have deposited amounts in the aggregate more than sufficient to pay premiums under all insurance policies required under this mortgage, the excess shall be applied by the mortgagee toward the deposits next required to be made under this mortgage or at its election shall be repaid to mortgagor, without interest. All of mortgagor's interest in such deposits is hereby assigned by mortgagor to the mortgagee as additional security for the payment of the indebtedness secured by this mortgage in the event that an event of default shall occur under this mortgage. Upon payment in full of all indebtedness secured by this mortgage, any monthly deposits then held by the mortgagee or its agent shall be repaid to mortgagor, without interest.

* 1. Mortgagor, at its expense, will furnish to the mortgagee, within 90 days after demand (but not more frequently than one in each consecutive period of 24 calendar

months) proof of the then full insurable value of the mortgaged property, such proof to be by appraisals satisfactory in form and substance to the mortgagee and prepared by an appraiser (who may be an appraiser for the insurance company insuring such property) designated and paid for by mortgagor and approved by the mortgagee. As used in this article, the term "full insurable value" shall mean actual replacement value (exclusive, as to insurance called for by subdivision (a)(i) of section 2.1, of costs of excavation, foundations and footings below the lowest basement floor in the case of the buildings, structures and improvement upon the premises), less actual physical depreciation.

Article III..

Damage by Fire, Etc.

* 1. In the event that any building, structure or improvement upon the premises shall be damaged or destroyed, in whole or in part, by fire or other casualty, mortgagor shall promptly restore, replace, rebuild or alter the improvement as provided in subsection 1.6.1. If the damage be of such nature as to require mortgagor to construct a replacement for, or to alter in any material or substantial way, the damaged or destroyed building, structure or improvement, before commencing any such work mortgagor shall submit copies of the plans and specifications for it to the mortgagee for the approval of the mortgagee. If, by reason of any such damage or destruction any sums are paid under any insurance policy mentioned in or contemplated by Article II hereof, such sums shall be paid as follows:
     1. If the aggregate insurance proceeds received by reason of any single instance of such damage or destruction shall be $25,000 or less, such insurance proceeds shall be paid over to the mortgagee and mortgagor jointly or, at the option of the mortgagee, to mortgagor alone, to be held as a trust fund to be used first for the payment of the entire cost of restoring, repairing, rebuilding or replacing the damaged or destroyed building, structure or improvement, and the personal property located in it, before using the same for any other purpose; provided, however, that if any event of default shall exist under this mortgage at the time such proceeds are so to be paid over, such proceeds shall be paid over to the mortgagee alone, to be applied as provided in subsection 3.1.2 of this mortgage.
     2. If the aggregate insurance proceeds received by reason of any single instance of such damage or destruction shall exceed $25,000, such proceeds shall be paid to the mortgagee alone, to be applied, at the option of the mortgagee, toward reimbursement of all costs and expenses of the mortgagee in collecting such proceeds; toward payment of all amounts payable by mortgagor to the mortgagee under this mortgage; toward payment of the indebtedness secured by this mortgage or any portion of it, whether or not due and payable, or to the repair, restoration, rebuilding or replacement of that part of the mortgaged property so damaged or destroyed. The mortgagee is authorized: (i) to adjust and compromise such loss without the consent of the mortgagor, (ii) to collect, receive and receipt for such proceeds in the name of the

mortgagee and the mortgagor, and (iii) to endorse the mortgagor's name upon any draft or check in payment.

* 1. All proceeds of business interruption insurance payable as a result of the occurrence of any fire or other casualty which affects the mortgaged property shall be paid to the mortgagee. The mortgagee shall hold such proceeds in trust and shall apply or cause the same to be applied to the payment of those items referred to in subsection 2.1(c) of this mortgage from and after the date of the occurrence of such restoration or replacement, any remainder of such business interruption insurance shall be applied to any necessary restoration or replacement by mortgagor or until the exhaustion of such proceeds, whichever first occurs. Upon completion of such restoration or replacement, any remainder of such business interruption insurance proceeds in the hands of the holder of the mortgagee shall be paid to mortgagor without interest.
  2. Nothing in this article contained shall relieve mortgagor of its duty to repair, restore, rebuild or replace all buildings, structures, improvements, and personal property at the premises following damage or destruction by fire or other casualty in the event that no or inadequate proceeds of insurance are available to defray the cost of such repairing, restoring, rebuilding or replacement, except that, in the event that the mortgagee shall apply all or any part of the insurance proceeds payable as a result of the occurrence of any fire or other casualty which affects the mortgaged property other than to the repair, restoration, rebuilding or replacement of that part of the mortgaged property so damaged, after 90 days' prior written notice to the mortgagee of its intention to make such payment, mortgagor shall have the right to pay the mortgagee the entire principal balance of the note, together with all accrued and unpaid interest under it to the date of such payment and all other sums, if any, then due under this mortgage. In addition, nothing contained in this mortgage shall relieve mortgagor of its duty to pay all installments of principal and interest and to make all other payments called for or required by the note and this mortgage subsequent to the occurrence of any fire or other casualty, except to the extent that any proceeds of business interruption insurance are applied by the mortgagee in accordance with section 3.2 above to pay any of the same.

Article IV.. Condemnation

* 1. Promptly upon receipt by mortgagor of notice of the institution of any proceeding or negotiations for the taking of the mortgaged property, or any part of it, in condemnation or by the exercise of the power of eminent domain, mortgagor shall give notice of it to the mortgagee. The mortgagee may appear in any such proceedings and participate in any such negotiations and may be represented by counsel. Mortgagor, notwithstanding that the mortgagee may not be a party to any such proceeding, will promptly give to the mortgagee copies of all notices, pleadings, judgments, determinations and other papers received by mortgagor. Mortgagor will not enter into any agreement for the taking of the mortgaged property, or any part of it, with anyone

authorized to acquire the same in condemnation or by eminent domain unless the mortgagee shall first have consented.

* 1. In the event of a taking of all or substantially all of the mortgaged property in condemnation or by eminent domain, the whole of the principal sum and interest evidenced and secured by the note and this mortgage, together with all other amounts, if any, then secured by it, shall become due and payable, at the option of the mortgagee, and all awards paid or payable on account of such taking shall be paid to the mortgagee; provided, however, that to the extent that such award or awards exceed the amount required to pay in full the principal, interest and all other sums and charges then secured by this mortgage, the mortgagee shall pay over to the person or persons legally entitled to it the amount of such excess; and provided further, however, that until the actual vesting of title in such proceeding or pursuant to any agreement in lieu or in settlement of it, the obligations of mortgagor to perform the terms, covenants and conditions of the note and this mortgage shall continue unimpaired. As used in this section, a taking of all or substantially all of the mortgaged property shall mean a taking of so much as leaves a balance which cannot economically be operated for the purposes for which the same was operated prior to such taking.
  2. In the event of a taking of less than substantially all of the mortgaged property in condemnation or by eminent domain, or by agreement in lieu of it, all awards payable as a result of such taking shall be paid to the mortgagee, and the proceeds of such awards shall, at the option of the mortgagee, be applied towards the payment of the principal, interest (at the rate or rates provided for in this mortgage or in the note, as the case may be, notwithstanding any lesser interest rate required to be paid by the authorities making such awards) and all other sums and charges then secured by this mortgage, or such portion of them (in such priority as the mortgagee shall determine) as the same shall be sufficient to pay; provided, however, that to the extent that the award or awards so received by the mortgagee shall exceed the amount required to pay in full such principal, interest and other sums and charges, the mortgagee shall pay over to the person or persons legally entitled to them the amount of such excess. In no event shall the mortgagee be required to satisfy or discharge this mortgage until the principal, interest and all other sums and charges then secured by this mortgage are paid in full. In the event of any such taking, mortgagor shall promptly, at its own expense, repair, restore and alter the mortgaged property to the extent required as a result of such taking, or any damage occasioned by it, as provided in subsection 1.6.1 of this mortgage. At the option of the mortgagee, the award payable to the mortgagee pursuant to this section, or so much of it as may be required for such purpose, shall be applied to pay the cost of such repairing, restoration and alteration.
  3. Mortgagor shall promptly notify the mortgagee if the whole or any portion of the mortgaged property shall be taken in condemnation for a temporary use or occupancy. If any award payable to mortgagor on account of such taking is made in a lump-sum or is paid in other than equal monthly installments, mortgagor shall pay over such award to the mortgagee promptly upon receipt, and the mortgagee shall apply such award as provided in section 3.2 of this mortgage; provided, however, that any unapplied portion of such

award held by the mortgagee when such taking ceases or terminates, or after the indebtedness secured by this mortgage shall have been paid in full, shall be paid to the person or persons legally entitled to it.

Article V..

Default Provisions

The happening and continuance for the period, if any, indicated below, of any of the following events will constitute an event of default under this mortgage;

* 1. Occurrence of an event of default as defined in Article VI of the loan agreement;
  2. Failure of mortgagor to pay any amount payable under this mortgage, or any supplement, modification or extension of this mortgage;
  3. Failure of mortgagor to perform any of its other obligations, covenants, or agreements contained in this mortgage or any instrument executed concurrently with this mortgage or supplemental to this mortgage, pertaining to the debt or the security for it, and the continuance of such failure for 15 days after written notice from the mortgagee to mortgagor; provided, however, that if the curing of such default cannot be accomplished with due diligence within the period of 15 days, provided mortgagor commences to cure such default promptly after receipt of notice of it from the mortgagee, such period of 15 days shall be extended to a period of time necessary to cure such default with all due diligence.
  4. If the mortgagor shall excavate any portion of the mortgaged property or conduct any other land development activities or any building construction activities relating to the mortgaged property without the consent of mortgagee.
  5. Any direct or indirect mortgage, pledge, hypothecation or encumbrance or any sale, lease, assignment or other transfer of the mortgaged property is made by the mortgagor (other than leases made in the ordinary course of business by the mortgagor), without the prior written consent of the mortgagee, which consent shall not be unreasonably withheld; or the mortgaged property shall otherwise become subject to any mechanics' lien or other encumbrance which shall not be removed within 30 days from the date it is placed upon the mortgaged property.
  6. Any representation or warranty made by mortgagor if not true in any material respect as of the date of the issuance or making of it as contained in:
     1. This mortgage;
     2. Any commitment letter, statement or certificate furnished or signed by mortgagor or on behalf of mortgagor pursuant or incident to the application for, or the closing of, the transaction establishing the indebtedness secured by this mortgage.

5.7. For the purposes of section 5.5 in this mortgage, the term "mortgagor" shall be deemed to include mortgagor named in this mortgage, or any other person, firm, corporation or other entity which is then the owner of all or substantially all of the mortgaged property.

Article VI..

Remedies Upon Default

* 1. Upon the occurrence of any event of default under this mortgage, the mortgagee, at its option, without presentment, demand, protest or notice of any kind, may declare the indebtedness evidenced by the note and secured by this mortgage immediately due and payable. However, the mortgagee need not, and is not obligated to, declare the indebtedness due as a condition precedent to exercising its rights under the several remedies upon default set forth in this mortgage.
  2. Upon the occurrence of any event of default under this mortgage:
     1. The mortgagee, at its option, without obligation to do so, without notice to, or demand on, mortgagor and without releasing mortgagor from any liability under the note or this mortgage, may:
        1. Insure the improvements on the premises (and the personal property contained in it), or pay any due and unpaid premiums on insurance policies, so as to keep in full force and effect all insurance on it as may be required by the mortgagee;
        2. Pay any due and unpaid taxes or assessments on the mortgaged property;
        3. Make any payment or perform any act which mortgagor is obligated to pay or do under the terms of this mortgage;
        4. Prosecute or defend any actions preserving the prior lien of this mortgage on the mortgaged property.
     2. In exercising any of the rights set forth under subsection 6.2.1 above, the mortgagee may incur any liability and expend whatever amounts it may deem necessary. All such amounts, without notice or demand, shall be immediately due and payable to the mortgagee by mortgagor with interest, to the extent permitted by law, at the maximum rate permitted by law, and shall be deemed a part of the debt secured by this mortgage;
     3. If the mortgagee shall pay or discharge any lien, rents or claim on the mortgaged property, or pay any delinquent tax, assessment or similar charge, the

mortgagee shall be subrogated to the rights of the holder of such lien, rents or claim or to the rights of such taxing authority.

* 1. Upon the occurrence of any event of default under this mortgage, the mortgagee, at its option, without notice, without any liability to mortgagor, and without regard to the adequacy of the security for the debt, may:
     1. Enter upon and take possession of the mortgaged property (with or without bringing any action or proceeding in court); or
     2. Demand and receive payment of all rents, benefits and profits of the mortgaged property, including those past due and unpaid (whether or not the mortgagee has taken possession of the mortgaged property); or
     3. As a matter of right and to the extent permitted by law, have a receiver immediately appointed for the mortgaged property and the earnings, revenues, rents, issues, profits and other income of and from it, with all such powers as the court making such appointment shall confer.
  2. If the mortgagee enters upon and takes possession of the mortgaged property as provided in section 6.3, the mortgagee may operate and manage the mortgaged property and perform any acts which the mortgagee, in its sole discretion, deems necessary or desirable to protect and preserve the rentability, increase the income, or conserve the value of the mortgaged property, including (but not limited to) the right to:
     1. Demand and receive payment of all rents, benefits and profits, including those past due and unpaid;
     2. Grant, cancel, modify or enforce leases and make concessions to tenants;
     3. Obtain and eject tenants; all in the manner and to the same extent as mortgagor might have done.

Notwithstanding the continuance in possession of the mortgaged property by the mortgagee, or the collection and application of the rents, benefits and profits, the mortgagee shall be entitled to exercise every right provided for in this mortgage or by law upon the occurrence of an event of default. After payment of all fees, costs and expenses, including reasonable attorney's fees, the mortgagee shall credit the net income received by it from the mortgaged property upon any indebtedness secured by this mortgage, in such order as the mortgagee may determine.

* 1. Upon the occurrence of an event of default under this mortgage:
     1. The mortgagee may, if and to the extent and in the manner permitted by law, itself, or by such agents and attorneys as it may appoint, with or without entry or taking possession, sell the mortgaged property as an entirety or in such separate lots or

parcels as the mortgagee may determine, at public sale and, except as otherwise provided by law, at such place or places (whether or not the mortgaged property be present), at such time or times, upon such terms (including credit, whether secured or unsecured) and upon such notice (by publication or otherwise), if any, as the mortgagee in its discretion may determine.

* + 1. The mortgagee is irrevocably appointed the agent and attorney-in-fact of mortgagor in its name and stead and on its behalf, for the purposes of effectuating any sale for the enforcement of this mortgage, whether under the power of sale by this mortgage given or pursuant to judicial proceedings or otherwise, to execute and deliver all such deeds, conveyances, bills of sale, assignments, transfers and other instruments as the mortgagee may consider necessary or appropriate, and to substitute one or more persons with like power, mortgagor by this mortgage ratifying and confirming all that the mortgagee, or such substitute or substitutes, shall lawfully do by virtue of this mortgage. In addition, if so requested by the mortgagee or by any purchaser, mortgagor shall ratify and confirm any such sale by executing and delivering to the mortgagee or to such purchaser or purchasers all such proper deeds, conveyances, assignments, instruments of transfer and releases as may be designated in any such request.
  1. If an event of default shall occur which consists of the failure to pay any installment of interest on or principal of the note secured by this mortgage, the mortgagee shall have the option to proceed with foreclosure in satisfaction of such item in default either through the courts as if under a full foreclosure or by conducting such sale as in this mortgage provided, without declaring the whole debt due and if sale is made because of default of such installment or part of such installment, such sale may be made subject to the unmatured part of the note and debt secured by this mortgage, and it is agreed that such a sale, if so made, shall not in any manner affect the unmatured part of the debt secured by this mortgage, but as to such unmatured part this mortgage shall remain in full force and effect just as though no sale had been made under the provisions of this section. Several sales may be made under this mortgage without exhausting the right of sale for any unmatured part of the debt secured by this mortgage, it being the purpose of this mortgage to provide for a foreclosure and sale of the mortgaged property for any matured portion of the debt secured without exhausting the power to foreclose and to sell the mortgaged property for any other part of the debt secured whether matured at the time or subsequently maturing.
  2. Upon the occurrence of an event of default under this mortgage, the mortgagee, at its option, may bring any action in any court of competent jurisdiction to (but not limited to):
     1. Sue for collection of the note;
     2. Foreclose this instrument as a mortgage;
     3. Appoint a receiver;
     4. Enforce any of the covenants contained in this mortgage or contained in any other instrument executed by mortgagor (or by someone on behalf of mortgagor) pertaining to the debt or the security for it.
  3. Acceptance by the mortgagee of any payment in an amount less than the amount then due on the debt shall be deemed an acceptance on account only and the failure to pay the entire amount then due shall be and continue to be an event of default; until the entire amount then due on the debt has been paid, the mortgagee shall be entitled to exercise all rights conferred upon it in this instrument upon the occurrence of an event of default.
  4. If at the time of the occurrence of an event of default any part of the mortgaged property is also subject to a conditional sale agreement or mortgage, the benefits of any deposits or payment made on it by mortgagor shall inure to the benefit of the mortgagee.
  5. No remedy in this mortgage conferred upon the mortgagee shall be exclusive of any other remedy in this mortgage or by law provided or permitted, but such shall be cumulative and in addition to every other remedy given in this mortgage or now or after this mortgage existing at law.
  6. The exercise of any option in this instrument by the mortgagee shall not be deemed a waiver of its rights to exercise any other option; and the filing of a suit for collection of the note and foreclosure of this instrument as a mortgage or for any other default under this mortgage shall not preclude sale pursuant to the power of sale contained in this instrument after a dismissal of the suit. No provision of this mortgage shall be deemed to release mortgagor's obligation to pay the interest, principal and other sums and charges secured by this mortgage until such time as all of them have been paid to the mortgagee in full.
  7. If foreclosure should be commenced by the mortgagee, at any time before the sale of the mortgaged property, the mortgagee may abandon such sale and may at any time or times again commence such sale, or the mortgagee may sue for collection of the note and foreclosure of this instrument in the courts; if the mortgagee should sue for such collection and/or foreclosure, it may at any time before entry of final judgment dismiss the suit and sell the mortgaged property pursuant to the power of sale contained in this mortgage.
  8. At any foreclosure sale, whether pursuant to the power of sale contained in this instrument, or pursuant to the judgment of a court, all of the mortgaged property, including all personal property, at the option of the mortgagee and without notice to mortgagor, may be sold as a whole and it shall not be necessary to have the personal property present at the place of sale. The recitals in the bill of sale to any purchaser at such sale shall be full and conclusive evidence of the truth of the matters stated in it, and all prerequisites to such sale shall be presumed to have been performed and such sale and bill of sale shall be conclusive against mortgagor.
  9. Mortgagor agrees, to the extent that it may lawfully so agree, that if an event of default shall occur under this mortgage, neither mortgagor nor anyone claiming through or under mortgagor shall or will set up, seek or claim to take advantage of any appraisement, valuation, stay, extension, redemption, moratorium or marshalling laws now or after this mortgage in force in the locality where the property subject to the lien of this mortgage may be situated, in order to prevent or hinder the enforcement or foreclosure of this mortgage, or the absolute sale of the mortgaged property, or the final or absolute putting into possession of it, immediately after such sale, of the purchaser, and mortgagor for itself and its successors and assigns hereby waives, to the full extent that it may lawfully do so, the benefit of all such laws and any and all right to have the estates comprised in the security intended to be created by this mortgage marshalled upon any foreclosure of the lien of this mortgage, and agrees that the mortgaged property may be sold as an entirety.
  10. Mortgagor, to the extent that it may lawfully do so, hereby submits to the jurisdiction of: (i) the courts of the State of and the United States District Court for the district of ; (ii) the courts of the State of and the United States District Court for the district of \_\_\_\_\_\_\_\_\_\_; and (iii) the courts of the State of and the United States District Court for the district of ; as well as to the jurisdiction of all courts from which an appeal may be taken from the above courts, for the purpose of any suit, action or other proceeding arising out of the breach by mortgagor of any of its obligations under or with respect to the note or this mortgage, and expressly waives any and all objections it may have as to venue in any of such courts.
  11. Mortgagor irrevocably designates and appoints the secretary of state of the State of as its attorney-in-fact to receive service of process in any suit; action or proceeding arising out of any of its obligations under or with respect to this mortgage or the note secured by this mortgage, it being expressly stipulated and agreed by mortgagor that service upon such attorney-in-fact shall constitute personal service upon mortgagor. Concurrently with the service of process upon any such attorney-in-fact, copies of the papers so served shall be sent by registered mail to mortgagor as provided in section 7.9 of this mortgage.

Article VII..

Miscellaneous Provisions

* 1. Without affecting the liability of mortgagor, or any other person (except any person expressly released in writing), for payment of the debt or for the performance of any obligations set forth in this mortgage, and without affecting the lien or other rights of the mortgagee with respect to any property or other security not expressly released in writing, the mortgagee at any time, and from time to time, either before or after maturity of the note, and without notice or consent, may:
     1. Release any person liable for payment of the debt, or for the performance of any obligation;
     2. Make any agreement extending the time, or otherwise altering the terms of payment of the debt, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with any lien securing payment of the note;

have;

* + 1. Exercise or refrain from exercising or waive any right the mortgagee may
    2. Accept additional security of any kind;
    3. Release or otherwise deal with any property, real or personal, securing the debt, including all or any part of the mortgaged property.
  1. In the event that the mortgagor conveys its interest in the mortgaged property to parties not appearing in this instrument, the mortgagee may, without notice to mortgagor, deal with such successor or successors in interest with reference to this mortgage and the note secured by this mortgage, either by way of forbearance on the part of the mortgagee or extension of the time of payment of the debt or any sum by this mortgage secured, without in any way modifying or affecting the conveyance under this mortgage or the original liability of the mortgagor or any other party on the note secured by this mortgage, either in whole or in part.
  2. All payments on the debt and advancements, if any, by this mortgage secured shall be applied, first to advancements, if any, in the order of maturity, and second, to the payment of the indebtedness evidenced by the note described above and secured by this mortgage. Proceeds from foreclosure sales shall be applied in the same manner.
  3. At any time, and from time to time until payment of the indebtedness, and upon request of the mortgagee, mortgagor will promptly execute and deliver to the mortgagee such additional instruments as may be reasonably required to further evidence the lien of this mortgage and further to protect the security position of the mortgagee with respect to the property subject to this mortgage, including, without limitation, additional chattel mortgages, security agreements, financing statements, continuation statements and the like, covering items of personal property, replacements and additions.
  4. In the event of any sale of the mortgaged property under the provisions of this mortgage, mortgagor shall promptly surrender possession to the purchaser. Upon failure to do so mortgagor shall become a tenant at sufferance of such purchaser, and upon its failure to surrender possession of the mortgaged property upon demand, such purchaser, purchaser's heirs or assigns, shall be entitled to institute and maintain an appropriate action for possession of the mortgaged property.
  5. Upon payment in full of the indebtedness secured by this mortgage, this instrument shall become null and void.
  6. All agreements between mortgagor and the mortgagee contained in this mortgage are hereby expressly limited so that in no contingency or event whatever, whether by reason of acceleration of maturity of the note, or otherwise, shall the amount paid or agreed to be paid to the mortgagee for the use, forbearance or detention of the principal amount evidenced by the note and secured by this mortgage exceed the maximum permissible under applicable law. If, from any circumstance, fulfillment of any provision of the note and this mortgage, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any circumstances the mortgagee should ever receive as interest under the note or this mortgage an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced by the note and secured by this mortgage and not to the payment of interest. This provision shall control every other provision of all agreements between mortgagor and the mortgagee.
  7. In case any one or more of the provisions contained in the note or in this mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this mortgage or of the note, but each shall be construed as if such invalid, illegal or unenforceable provision had never been included.
  8. All notices, requests, demands, consents or other communications given under or in connection with this mortgage (for the purposes of this section collectively called "notices") shall be in writing and shall be sent by registered mail, return receipt requested, postage prepaid, addressed to the party to receive such notice at its address as follows:

If to Mortgagor:

If to Mortgagee:

Either party may, by notice given as above, change its address for all subsequent notices. Notices shall be deemed given when mailed. All notices by or on behalf of the mortgagee in this mortgage named shall be deemed sufficient if signed by any one of its officers, or its counsel and if otherwise given or made in compliance with this section.

* 1. The mortgagee and its agents may enter and inspect the mortgaged property during usual business hours.
  2. As between the parties to this mortgage and all others except holders of prior liens it is agreed that all improvements and additions to buildings on the premises, all new buildings, structures and improvements, all machinery used in connection with present or future buildings, structures and improvements on them, all heating and cooling appliances, all equipment used in connection with the electrification of the premises,

including any interest in equipment and power lines owned jointly with others, all machinery and equipment in connection with the water supply and all other machinery, equipment and fixtures useful in the operation and management of the mortgaged property regardless of the manner in which they are attached to the buildings, are a part of the land (or shall become a part of the land if after this mortgage placed on them), and are, or shall be upon affixation, subject to the lien of this mortgage. This provision shall be cumulative and not exclusive.

* 1. It is the intent of the parties to it that this instrument shall constitute a security agreement within the meaning of the Uniform Commercial Code with respect to all fixtures, chattels and personal property above referred to and all replacements of them, substitutions for or additions to them (the property being sometimes referred to below as the "collateral"), and that, a security interest shall attach to it for the benefit of the mortgagee to secure the indebtedness evidenced by the note and secured by this mortgage, and all other sums and charges which may become due under this mortgage or the note. Mortgagor hereby authorizes the mortgagee to file financing and continuation statements with respect to the collateral without the signature of mortgagor whenever lawful. In the event of default under this mortgage, the mortgagee, pursuant to Uniform Commercial Code 19.501(d), shall have the option of proceeding as to both real and personal property in accordance with its rights and remedies in respect of the real property, in which event the default provisions of the Uniform Commercial Code shall not apply. The parties agree that in the event the mortgagee elects to proceed with respect to the collateral separately from the real property, 5 days' notice of the sale of the collateral shall be reasonable notice. Mortgagor agrees that, without the written consent of the mortgagee, mortgagor will not remove or permit to be removed from the premises or the improvements on it any of the collateral unless the same is immediately replaced with unencumbered fixtures, chattels or articles of personal property, as the case may be, of a quality and value equal or superior to those which they replace. All such replacements, renewals and additions shall become and be immediately subject to the security interest of this mortgage and this agreement and be covered by it: The foregoing shall not prohibit mortgagor from leasing or purchasing on conditional bill of sale, security agreement or other title retention agreement, and the lien of the mortgagee on it shall be subject and subordinate to the rights or lien of the lessee, conditional vendor or other lienor thereof; provided, however, that mortgagor shall duly and punctually pay, perform, observe and comply with, or cause to be paid, performed, observed or complied with, each and every obligation of mortgagor under any such lease, conditional bill of sale, security agreement or other title retention agreement to the end that no default shall occur under it which would allow any lessee, conditional vendor or other lienor to reclaim possession of the property in question. Mortgagor shall, from time to time, on request of the mortgagee, deliver to the mortgagee an inventory of the collateral in reasonable detail, including an itemization of all items leased to mortgagor or subject to conditional bill of sale, security agreement or other title-retention agreement.
  2. Mortgagor, to the extent reasonably within its control, will maintain, preserve and renew all rights-of-way, easements, grants, privileges, licenses and franchises reasonably necessary for the use of the mortgaged property from time to time

and will not, without the prior consent of the mortgagee, initiate, join in or consent to any private restrictive covenant or other public or private restriction as to the use of the mortgaged property. Mortgagor shall, however, comply with all restrictive covenants which may at any time affect the mortgaged property, zoning ordinances and other public or private restriction as to the use of the mortgaged property.

* 1. Mortgagor will, on 10 days' written notice from the mortgagee, furnish a written statement duly acknowledged of the amount due on the note and this mortgage and whether any offsets or defenses exist against the mortgage debt.
  2. If at any time any governmental body shall impose a stamp, income or other tax on the note, this mortgage, the debt secured by it or the income generated from it, or any modification, amendment, extension or consolidation of either, mortgagor will pay the same within 10 days after demand by the mortgagee.
  3. The term "mortgagor" as used in this mortgage shall mean the mortgagor named in this mortgage, the mortgagor's successors and assigns as owners of any portion of the mortgaged property then subject to the lien of this mortgage, so that if the mortgaged property shall after this mortgage be sold, conveyed or otherwise transferred in whole or in part, each reference in this mortgage to "mortgagor" shall be deemed to include the mortgagor named in this mortgage, and each subsequent owner of all or any part of the mortgaged property. The term "mortgagee" as used in this mortgage shall mean company and its successors and assigns as holders of the note and this mortgage.
  4. This instrument shall inure to and bind the successors and assigns of the parties, and shall be so construed that whenever applicable with reference to any of the parties to this mortgage, the use of the singular number shall include the plural number, the use of the plural number shall include the singular number, the use of the masculine gender shall include the feminine gender, and shall likewise be so construed as applicable to and including a corporation or corporations or any other entity that may be a party or parties to this mortgage. This mortgage may not be waived, changed or discharged orally, but only by an agreement in writing signed by the party against whom any waiver, change or discharge is sought.
  5. It is understood and agreed that the validity, construction and interpretation of this mortgage will be construed in accordance with the laws of the State of , except to the extent that the laws of the State of may govern matters of title, enforcement of remedies and like matters.
  6. Mortgagee agrees to release from the lien of this mortgage all or such parcel or parcels of the mortgaged property as may be required by the provisions of section 7.3 of the loan agreement.

Executed this day of [month] [year], .

[Signatures and acknowledgements]

Exhibit B..

Liens, Encumbrances, Easements, Etc. (For example)

1. Taxes for the [year], due and payable in [year].
2. Right-of-way grant to city , dated and recorded

as instrument No. .

1. Rights-of-way for drainage tiles, ditches, feeders, and laterals, if any.
2. Rights of the public, the State of , and the municipality in and to that part of the premises in question taken or used for road purposes.

[Signatures] [Acknowledgment]

[Attach property description as Exhibit A]