

(d) Whether or not any offsets or defenses exist against the secured indebtedness and, if so, the specific nature thereof;

(e) The amounts of principal and interest then due and owing on the secured indebtedness and the amounts of principal and interest yet to be paid from the date of the certificate until maturity.

12. To maintain full and correct books and records showing in detail the earnings and expenses relating to the Premises and to permit representatives of the holder of the Note to examine such books and records and all supporting vouchers and data at any time and from time to time as the holder of the Note may reasonably request at the Premises or at such other place as such books and records are customarily kept. In addition, Mortgagor shall, at his own expense, furnish an annual audit of operations carried out on the Premises, showing in reasonable detail the leases relating to the Premises and the total rents or other income received and total expenses, together with annual balance sheets and profit and loss statements, certified by a certified public accountant, within one hundred twenty (120) days after the close of each fiscal year.

13. To duly perform, comply with, and abide by each and every the stipulations, conditions, and covenants in said Note, Loan Commitment, Construction Loan Agreement, and in this Mortgage set forth.

14. Upon the occurrence of any one of the following events (herein called an "event of default"):

(a) Should Mortgagor fail to make any payments payable by virtue of said Note secured hereby, or any part thereof, or any other payments secured hereby, within thirty (30) days next after the same became due and payable;

(b) Should any warranty of Mortgagor herein contained, or contained in any instrument, transfer, conveyance, assignment, loan commitment, or loan agreement given with respect to the Note, or in the Note itself, prove untrue or misleading in