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depreciation taken, cash flow including, without limitation a breakdown, source and disposition of all funds of the security property for the Borrower's immediately preceding fiscal year prepared in accordance with sound accounting practice applied on a consistent basis. Such statement shall be prepared after audit and certified without exception by a certified public accountant. Borrower will furnish Lender at the same time as the operating statement mentioned above, a statement listing the leases in effect, the space occupied by each lessee, and the gross income derived from each lessee, such statement shall be certified by Borrower. The failure to furnish any of said statements or any material error or omission therein shall constitute an event of default under this instrument.

Borrower and any guarantors of the Note each shall submit to Lender, in form and detail satisfactory to Lender, within ninety days of the end of each of their respective fiscal years, separate balance sheets as of the end of such year and separate statements of their income for such year and related statements of surplus and retained earnings for such year, prepared in accordance with generally accepted accounting principles applied on a consistent basis stating in comparative form the figures as of and for the previous year of the person or entity submitting the balance sheet and statements; such balance sheets and statements shall be prepared after audit and certified without exception by a certified public accountant.

1.13 Condemnation. If all or any part of the premises shall be damaged or taken through condemnation (which term when used in this indenture shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness secured hereby shall, at the option of the Lender, become immediately due and payable. The Lender shall be entitled to all compensation, awards, and other payments or relief thereof and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or the Borrower'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 the right thereto are hereby assigned by the Borrower to the Lender, who after deducting therefrom all its expenses, including attorney's fees, may release any monies so received by it without affecting the security interest of this deed and may apply the same in such manner as the Lender shall determine, to the reduction of the sum secured hereby, and to any prepayment fee herein or in the Note provided, and any balance of such monies then remaining shall be paid to the Borrower. The Borrower agrees to execute such further assignment of any compensation awards, damages, claims, rights of action and proceeds as the Lender may require.

1.14 Adverse Change in Zoning. Borrower agrees that in the event of the enactment of any law or ordinance, the promulgation of any zoning or other governmental regulation, or the rendition of any judicial decree restricting or affecting the use of the premises or re-zoning the area wherein the same shall be situate which Lender reasonably believes adversely affects the premises, Lender may, upon at least sixty days' written notice to Borrower require payment of the indebtedness secured hereby at such time as may be stipulated in such notice, and the whole of the indebtedness secured hereby, shall thereupon become due and payable.

ARTICLE II

2.01 Event of Default. The term "default" or "event of default", wherever used in this indenture, shall mean any one or more of the following events:

- (a) Failure by the Borrower to pay as and when due and payable any installment of principal, interest, late charges or escrow deposits; or

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