

judge of the legality, validity and priority of any such tax lien, assessment, charge, claim or premium; of the necessity for any such actions and of the amount necessary to be paid in satisfaction thereof. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any person in possession holding under the Mortgagor.

Twelfth: ACCOUNTS. With respect to the said premises and the operations thereof the Mortgagor will keep or cause to be kept, in accordance with generally accepted accounting principles, consistently applied for a cash basis method of accounting, such books of record and account as may be required to accurately reflect its interest in said premises and operations. The Mortgagee shall have the right to examine said books of record and account annually, or more often upon the occurrence of any default under this instrument, at such reasonable times and intervals as the Mortgagee may elect. The Mortgagor will furnish to the Mortgagee within one hundred twenty (120) days after the end of each fiscal year of the Mortgagor a statement of income and expenses accurately setting forth the operation of its interest in said premises and operations for such fiscal year in reasonable detail certified by a general partner of the Mortgagor, also a rent schedule (as of the end of the fiscal year) showing units occupied classified by size or type, rents per month per unit and also showing vacant units and proposed rent therefrom.

Thirteenth: CONDEMNATION. If all or any part of the premises shall be damaged or taken through condemnation (which term when used in this mortgage 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 Mortgagee, become immediately due and payable. The Mortgagee shall be entitled to all compensation, awards, and other payments or relief therefor 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 the right thereto are hereby assigned by the Mortgagor to the Mortgagee, who after deducting therefrom all its expenses, including attorney's fees, may release any monies so received by it without affecting the lien of this mortgage and may apply the same in such manner as the Mortgagee shall determine, to the reduction of the sum secured hereby and to any prepayment fee provided in the note or herein provided, and any balance of such monies then remaining shall be paid to the Mortgagor. The Mortgagor agrees to execute such further assignment of any compensation, awards, damages, rights of action and proceeds as the Mortgagee may require.

Fourteenth: PREPAYMENT OF RENT. The Mortgagor will not accept any prepayment of rent or installments of rent for more than two months in advance without the prior written consent of the Mortgagee. On demand, the Mortgagor will furnish to the Mortgagee copies of any and all leases. Further, the Mortgagor, upon request, will furnish to the Mortgagee information relative to the occupancy and vacancy rates on the mortgaged property.

Fifteenth: TRANSFERS. No interest or title in or with respect to the mortgaged premises shall be transferred without the prior written approval of the Mortgagee. The interests of the present partners of the partnership borrower (the Mortgagor herein) shall not be diminished, liquidated or transferred, without the prior written approval of the Mortgagee, except by will or under the applicable intestate laws of descent and distribution. In the event of any violation of these provisions, the entire unpaid balance of the principal indebtedness, together with all interest thereon and all other sums secured by or due with respect to the mortgage shall become due and payable immediately, without notice to the Mortgagor and shall be recoverable by the

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