

WHEREAS, Borrower and Bank also desire to consolidate the liens of the First Mortgage and the Second Mortgage, so that as consolidated they will constitute a valid, single, first mortgage lien on the Premises; and

WHEREAS, Borrower and Bank also desire to consolidate the assignments made pursuant to the First Assignment of Leases and COREA and the Second Assignment of Leases and COREA, so that as consolidated they will constitute a valid, single, first priority assignment of Borrower's interest in all leases and the aforesaid Operating Agreement affecting the Premises.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements of the parties hereto, intending to be legally bound hereby, and for the purpose of carrying out the intentions hereinabove expressed, Borrower and Bank hereby covenant and agree as follows:

1. Bank and Borrower confirm that Borrower has, as of the date hereof, repaid to Bank the principal sum of \$65,848.62 under the First Note. Borrower confirms its obligation to pay the outstanding principal balance of the First Note, being the sum of \$11,934,151.38, with interest thereon at the rate of 9 5/8% a year (calculated on the basis of a 360 day year) in 348 consecutive monthly installments of \$102,000.00 each and otherwise at the times and in the manner set forth in the First Note, except as modified herein.

2. Bank and Borrower confirm that Borrower has, as of the date hereof, repaid to Bank the principal sum of \$17,544.00 under the Second Note. Bank and Borrower hereby amend the payment terms of the Second Note as herein set forth. Borrower does hereby covenant and agree to pay the

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