

knows of no Default (as hereinafter defined), nor of any circumstances which after notice or lapse of time or both would constitute a Default, which has occurred and is continuing or, if any such Default has occurred and is continuing, specifying the nature and period of existence thereof and the action the Borrower has taken or proposes to take with respect thereto and, except as otherwise specified, stating that the Borrower has fulfilled all of the Borrower's obligations under this Mortgage which are required to be fulfilled on or prior to the date of such affidavit.

1.16 Use and Management of Premises. The Borrower shall not be permitted to alter or change the use of the Premises without the prior written consent of Lender.

1.17 Conveyance of Premises. The Borrower hereby acknowledges to the Lender that (i) the identity and expertise of the Borrower were and continue to be material circumstances upon which the Lender has relied in connection with, and which constitute valuable consideration to the Lender for, the extending to the Borrower of the indebtedness evidenced by the Note and (ii) any change in such identity or expertise could materially impair or jeopardize the security for the payment of the Note granted to the Lender by this Mortgage. The Borrower therefore covenants and agrees with the Lender, as part of the consideration for the extending to the Borrower of the indebtedness evidenced by the Note, that the Borrower shall not encumber, mortgage, pledge, convey, transfer or assign any or all of its interest in the Premises without the prior written consent of the Lender.

1.18 Acquisition of Collateral. The Borrower shall not acquire any portion of the personal property covered by this Mortgage subject to any security interest, conditional sales

0797

17328-1003

S