

proceedings shall be instituted by or against Grantor with respect to all or any part of Grantor's property under the United States Bankruptcy Code or other law of the United States or of any state or other competent jurisdiction, and if such proceedings were instituted against Grantor, it shall consent thereto or shall fail to cause the same to be discharged within sixty (60) days, or if any judgment shall be entered against the Grantor or mechanics' or materialmen's lien or attachment lien or any other kind or type of lien shall remain on or affect the subject property and not be discharged or released within ten (10) days of the entry, filing or effective date of such lien.

4.5 Laws Affecting Obligations and Indebtedness. If subsequent to the date of this Mortgage, the state whose laws govern the loan or the state in which the subject property is located passes any law which renders payment of the indebtedness or performance of the obligations by Grantor unlawful, or which prohibits Mortgagee from exercising any of its rights and remedies under the Security Documents.

4.6 Transfers. If all or any part of the subject property or my interest therein is conveyed, sold or transferred, or Grantor grants or creates any lien or encumbrance subordinate to this Mortgage, except for a mortgage to Eastland Properties, Inc. securing a loan (the "junior loan") in the amount of \$125,000.00 with interest to accrue thereon at the rate of ten (10%) percent per annum which is due and payable as follows:

Interest only at the rate of ten (10%) percent per annum to be paid semi-annually with entire principal balance and any unpaid accrued interest to be due and payable in full on or before May 1, 1987.

Loan Terms. The terms of the junior loan shall not be modified without Mortgagee's express written consent, and a default under the junior loan shall constitute an event of default under this Mortgage. Any change in the legal or equitable title to the subject property (or any interest therein) or the beneficial ownership of same, whether or not of record and whether or not for consideration or a sale, or any disposition of any partnership interest in Grantor shall be deemed to be the transfer of an interest in the subject property. The grant of any leasehold interest in an apartment unit located on the subject property not containing an option to purchase, and for a period of not more than twelve (12) months shall not constitute a transfer hereunder.

ARTICLE 5

5.1 Remedies. If an event of default shall occur and be continuing, Mortgagee may, at its option, exercise any or all of the following remedies: