

ARTICLE III
REMEDIES UPON DEFAULT

3.01 Events of Default. Any of the following events shall be deemed an event of default hereunder:

(a) Default shall be made in the payment of any installment of principal or interest or late charge as set forth in the Note or any other sum secured by this Mortgage.

(b) Breach or failure by any party to perform or comply with any term, covenant, condition, or agreement of the Lease, the Assignment of Rents, the Loan Agreement, the Guaranty, the Operating Deficit Agreement or the other Loan Instruments.

(c) An event of bankruptcy ("Event of Bankruptcy") as to Mortgagor, which shall mean the entry of a decree or order by a court having jurisdiction in the premises for relief as to Mortgagor as debtor or bankrupt under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for Mortgagor or a substantial part of its assets and such decree or order shall continue unstayed for ninety consecutive days; insolvency of Mortgagor as finally determined by a court proceeding; the commencement of a voluntary case by Mortgagor as debtor or bankrupt under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect or the consent by Mortgagor as debtor or bankrupt to an order for relief in an involuntary case under any such law; the filing by Mortgagor of a petition or application to accomplish the same or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for Mortgagor or a substantial part of its assets; commencement of any proceedings relating to Mortgagor under any other reorganization, arrangement, insolvency, adjustment of debt or liquidation law of any jurisdiction, whether now in existence or hereinafter in effect, either by Mortgagor or by another, provided that if such proceeding is commenced by another, Mortgagor indicates its approval of such proceeding, consents thereto or acquiesces therein, or such proceeding is contested by Mortgagor and has not been finally dismissed within ninety days.

(d) The entry of any judgment against Mortgagor or the issuance or entry of any attachment or lien against the Property for an amount in excess of \$25,000, if not discharged, bonded or dismissed within thirty days.