

2.12 Borrower will not sell, encumber or otherwise dispose of the fixtures and articles of personal property comprising part of the Property except to incorporate such into the improvements on the land or replace such with goods of quality and value at least equal to that replaced.

2.13 Borrower assigns to Lender any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Property or any rights appurtenant thereto, and Lender may, at its option, either apply the same to the Loan or release the same to Borrower without thereby incurring any liability to any other person. Borrower agrees to execute such further assignments and agreements as may be reasonably required by Lender to assure the effectiveness of this Section. In the event any governmental agency or authority shall require or commence any proceedings for the demolition of any buildings or structures comprising a part of the Property, or shall commence and proceedings to condemn or otherwise take all of the land comprising a part of the Property, than and in any of said events, Lender may, at its option, declare the Loan to be immediately due and payable in full.

2.14 Borrower will pay or reimburse Lender for all reasonable attorney's fees, costs and expenses incurred by Lender in any action, legal proceeding or dispute of any kind which affects the Loan, the interest created herein, or the Property, including but not limited to, any foreclosure of this Mortgage, enforcement of payment of the Note, any condemnation action involving the Property or any action to protect the security hereof. Any such amounts paid by Lender shall be added to the Loan indebtedness secured hereby.

2.15 Borrower shall perform all covenants to be performed by the lessor under any and all leases of the Property or any part thereof and shall not, without the written consent of Lender, cancel, surrender or modify any lease in which Borrower has assigned any rights, or interest to Lender. Upon demand Borrower will furnish Lender with copies of any lease of the Property or any part thereof.

2.16 Borrower will not accept any prepayment of rent or installments of rent for more than two months in advance without the prior written consent of Lender.

2.17 That the Borrower, its agents and tenants, shall keep the aforesaid premises in good order and condition and shall not commit waste or any injury to the premises. Any person authorized by the Lender shall have the right to enter upon and inspect the premises at all reasonable times; and upon failure to perform this covenant, the indebtedness secured by this Mortgage shall become due and payable immediately at the option of the Lender.

2.18 Borrower will not remove or demolish nor alter the design or structural character of any building or other part of the Property without the prior written consent of the Lender.

2.19 Borrower will abstain from and will not permit the commission of waste in or about the Property and will maintain the Property in good condition and repair, reasonable wear and tear excepted. Borrower will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Property or any part thereof.

2.20 Borrower will not convey as loan security, or otherwise, the Property any part thereof, or any interest therein, without the prior written consent of Lender.

2.21 Borrower will not suffer any mechanic's, materialman's, laborer's, statutory or other lien which might or could be prior to or equal to the lien of this Mortgage to be created or to remain outstanding upon any part of the property.

2.22 Borrower agrees that if at any time Larry F. Klang shall, except because of death or being declared legally insane, cease to own at least a 30% interest in either the Property or an entity which owns the Property, without our prior written consent, there shall be at our option immediately due and payable such principal payment on the Loan which will reduce the outstanding principal balance of the Loan by 25%.

2.23 Borrower hereby authorizes Lender and will permit Lender, or its agents, at all reasonable times to enter, pass through or over the Property for the purpose of inspecting same.

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