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building tract and the amount of the tax as assessed has been duly escrowed pending resolution of the dispute as to the proper amount of said tax.

(i) There are no actions, suits or proceedings pending or threatened against the Mortgage Company or any of its subsidiaries or affiliated joint ventures or partnerships or officers of any of the same in law or equity or before any governmental agency which, if determined adversely to any such parties would materially affect the consolidated properties, assets or liabilities of the Mortgage Company, or its right or its subsidiaries' or affiliated joint ventures or partnerships' right to conduct business as presently conducted.

(j) The Mortgage Company, its subsidiaries and affiliated joint ventures or partnerships, have good and marketable title to all properties, interest in properties, and other assets, real and personal, tangible and intangible, which are reflected on or included in the balance sheet referred to in paragraph 9(d) above or which have been acquired since that date and said properties, interests in properties and other assets are free and clear of all liens and encumbrances except as noted on said balance sheet and no asset included in said balance sheet has been valued in excess of its cost less depreciation and each and every note held by the Mortgage Company or any subsidiary thereof or any affiliated joint venture or partnership is fully secured by a valid first lien on applicable real estate which has a fair market value at least as great as the outstanding balance on each note.

(k) The Mortgage Company has delivered to the Holding Company the following: (i) a description and location of the real property owned by the Mortgage Company or its subsidiaries, (ii) a brief description and location of real property covered by any lease to which the Mortgage Company is a party including a copy of each such lease, and (iii) a brief description and location of personal property covered by any lease, purchase or sale contract, or any similar agreement to which Mortgage Company is a party including a copy of each such lease, contract or agreement.

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