

(ii) the amount of damage caused by such breach of covenant or warranty is liquidated;

(iii) the offset may be exercised against this Note only with respect to any breach of covenant or warranty affecting this Property, and not with respect to any breach of covenant or warranty affecting any other property included in the Contract.

H. The occurrence of any one or more of the following shall constitute a default hereunder:

(i) the failure to make any payment when due;

(ii) the acceleration of maturity of any Underlying Obligation caused by any act or omission of Maker; provided, however, that any such acceleration caused by Payee's failure to perform its obligations under Paragraph E hereof shall not be a default hereunder;

(iii) the failure of Maker to supply to Payee a copy of a quarterly operating statement of the income and expenses of the Property within thirty days after written notice from Payee to do so.

At any time after the occurrence of such default, the unpaid balance of principal hereof, together with all accrued interest, shall become immediately due and payable at the option of Payee, without notice or demand, subject to applicable provisions of law or the Security Instrument for the curing of such default.