

With respect to such collateral security, the Guarantors jointly and severally represent and warrant that:

(a) They have the fee simple title to the property described in the Greenville Post Office Mortgage subject to no liens or encumbrances except:

(i) a first mortgage lien under a mortgage presently held by Bankers Life Company under which the unpaid principal balance on the date hereof is \$ 1,775,443.83; and

(ii) the liens of current taxes, assessments and other charges not delinquent.

(b) The Guarantors have fee simple title to the property described in the Kalamazoo Post Office Mortgage subject to no liens or encumbrances except:

(i) a first mortgage lien under a mortgage presently held by the State of Wisconsin Investment Board under which the unpaid principal balance on the date hereof is \$ 1,514,121.05; and

(ii) the liens of current taxes, assessments and other charges not delinquent.

The Bank may have recourse against this guarantee and such collateral security at any time that the Debtor is in default under the Note or the Loan Agreement; provided, however, that the Guarantors shall not be personally liable upon this guarantee unless and until the Bank shall first realize upon the Kalamazoo Post Office Mortgage and the Greenville Post Office Mortgage, in each case in the following manner:

(a) Completion of a private sale of such mortgage at a price agreed to in writing by each of the Guarantors; or

(b) Payment by the Guarantors, or either of them, to the Bank of a sum agreed upon by the Bank for the release of such mortgage; or

(c) Completion of a sale of the property covered by such mortgage under foreclosure proceedings appropriate to the jurisdiction applicable thereto; and

(d) Application of the net proceeds of such private sale, settlement payment, or foreclosure sale in payment of the Note.

Notwithstanding such restriction on the personal liability of the Guarantors hereunder, the Guarantors shall be personally liable hereunder to the full extent of the unpaid