

casualty loss or condemnation, to the extent such proceeds are required to defray the expense of such restoration; provided, however, that the insufficiency of any such insurance or condemnation proceeds to defray the entire expense of restoration shall in no way relieve Mortgagor of its obligation to restore. In the event all or any portion of the Mortgaged shall be damaged or destroyed by fire or other casualty or by condemnation, Mortgagor shall promptly deposit with Mortgagee a sum equal to the amount by which the estimated cost of the restoration of the Property (as determined by Mortgagee in its good faith judgment) exceeds the actual net insurance or condemnation proceeds received by Mortgagee in connection with such damage or destruction, which deposit will be disbursed by Mortgagee to defray the expense of restoration. If, after restoration, any insurance proceeds remain, Mortgagee shall have the right to apply same in reduction of the Note.

(f) No such work as described in Paragraph 2.02(e) shall be undertaken until plans and specifications therefor, prepared by an architect or engineer satisfactory to Mortgagee, have been submitted to and approved in writing by Mortgagee.

ARTICLE THREE DEFAULTS

3.01 Event of Default. The phrase "Event of Default," wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Mortgagor to pay, as and when due and payable, any installments of principal or interest due under the Note, or any deposits for taxes and assessments or insurance premiums due hereunder or any other sums to be paid by Mortgagor hereunder or under any other instrument securing the Note.

(b) Failure by Mortgagor duly to keep, perform and observe any other covenant, condition or agreement in this Mortgage.

(c) The occurrence of a default or event of default under the Note, any loan agreement (including, without limitation, the Loan Agreement herein defined), Assignment of Leases and Rents or any other agreement now or hereafter evidencing, securing or otherwise relating to the Note or this Mortgage or the indebtedness secured hereby.

(d) In the event that Mortgagor either:

(i) files a voluntary petition in bankruptcy or (ii) is adjudicated as a bankrupt or insolvent, or (iii) files any petition or answer seeking or acquiescing in any reorganization, management, corporation, readjustment, liquidation, dissolution, or similar relief for itself under any law relating to bankruptcy, insolvency or other relief for debtors; or (iv) seeks or consents to or acquiesces in the appointment of any trustee, receiver, master or liquidator of itself or of all or any substantial part of the Mortgaged Property or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or (v) makes any general assignment for the benefit of creditors; or (vi) makes an admission in writing of its inability to pay its debts generally as they become due; or (vii) has entered by a court of competent jurisdiction of any order, judgment or decree approving a petition filed against it, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for debtors, which order, judgment or decree remains unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the date of entry thereof, or the appointment of any trustee, receiver or liquidator of Mortgagor or of all or any substantial part of the Mortgaged Property or of any or all of the rents, revenues, issues, earnings, profits or income thereof, without the prior written consent of Mortgagee, which appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive).