

e. That the execution and delivery of this Agreement has been duly authorized by First Mortgagee.

2. WARRANTIES OF SECOND MORTGAGEE. Second Mortgagee hereby warrants to First Mortgagee as follows:

a. That Second Mortgagee is the owner and holder of the Second Loan Documents;

b. That the Second Loan Documents have not been amended in any way except as herein expressly indicated;

c. That Second Mortgagee knows of no defaults or events of default or events which, with the passage of time or the giving of notice or both, would constitute a default or an event of default under the Second Loan Documents.

d. That the execution and delivery of this Agreement have been duly authorized by Second Mortgagee.

3. NOTICE AND CURE. First Mortgagee agrees with Second Mortgagee that, as soon as reasonably possible after First Mortgagee has actual knowledge of the existence of a default or an event of default under the First Loan Documents, First Mortgagee will give Second Mortgagee written notice of such default or event of default; and, prior to acceleration of the First Mortgage Indebtedness or commencement of any foreclosure proceedings by First Mortgagee, First Mortgagee will give Second Mortgagee a reasonable opportunity to cure such default or event of default. For purposes of this Agreement, a reasonable opportunity so to cure shall be conclusively deemed to mean (a) as to monetary defaults (i.e., non-payment of principal, interest, escrows, etc.), payment to First Mortgagee of the amount then due and payable to it within thirty (30) days after receipt of said notice by Second Mortgagee and (b) as to non-monetary defaults, the commencement by Second Mortgagee of action reasonably designed to cure such default and the diligent pursuit of said action, not, however, in any event to extend beyond ninety (90) days from the date of receipt of said notice by Second Mortgagee.

0253

4328 RV-2