

independent public accountants selected by Greenville, who have reviewed Greenville's accounts for said year, to the effect that such independent public accountants in making the review necessary to their report or opinion upon Greenville's financial statements for such period have obtained no knowledge from such review of any default by Greenville in the fulfillment of any of the terms, covenants, provisions or conditions of the Mortgage, Note or, if such independent public accountants shall have obtained from such review knowledge of such default, they shall disclose in such statement the default or defaults and the nature thereof; but the independent public accountants shall not be liable, directly or indirectly, to anyone for any failure to obtain knowledge of any default.

(c) In addition to the foregoing, Greenville shall file with Mortgagee quarterly, an income statement, a balance sheet and profit and loss statement of Greenville certified by an executive officer of Greenville. Mortgagee shall have the right to inspect the property and all of the books and records of Greenville during regular business hours.

6. Assignment of Leases. Upon request of the Mortgagee, Greenville shall collaterally assign for security purposes to Mortgagee all leases in effect as of that time wherein Greenville is either lessee or lessor with such assignment being in form acceptable to Counsel for Mortgagee.

7. Events of Default. An event of default hereunder shall be deemed to have occurred if any of the following specified events shall occur:

(a) Failure to Pay. Greenville shall default in payment of principal or interest of the Note of Mortgage in accordance with the terms thereof or of principal or interest, if any, of any other indebtedness secured hereby as and when the same shall become due and payable, whether at maturity or when accelerated pursuant to any power to accelerate Note or Mortgage or other evidence of indebtedness, and such default shall have continued more than ten (10) days beyond Mortgagee's giving of notice of such default by registered letter addressed and mailed to Greenville Community Hotel Corporation, Jack Tar Poinsett Hotel, Greenville, South Carolina 29602, or such other address as Greenville shall designate to Mortgagee in writing.

(Continued on next page)