

communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances; air-cooling and air-conditioning apparatus; vacuum cleaning systems; elevators, escalators, shades, awnings; screens; storm doors and ducts and compressors; rugs and carpets; draperies; furniture and furnishings; together with all building materials and equipment now or hereafter delivered to the premises and intended to be installed therein; together with all additions thereto and replacements thereof; together with any and all proceeds of their sale or other disposition; excepting, however, all personal property which shall be leased by the Borrower (including furniture for model apartments and laundry equipment), its successors or assigns or which in the ordinary course of Borrower's business would be consumed, sold or otherwise disposed of, or which may be owned by tenants of Borrower or its successors and assigns. All security deposits received by Borrower from tenants of all or part of the property described in Exhibit A attached hereto.

To have and hold the same, together with all privileges, hereditaments and appurtenances thereunto belonging, to Lender and Lender's successors and assigns forever;

And as additional security for said indebtedness Borrower hereby assigns to Lender all the rents, issues, profits and revenues of the Property from time to time accruing reserving only the right to Borrower to collect the same as long as Borrower is not in default hereunder.

All the fixtures and articles of personal property which comprise a part of the Property shall, as far as permitted by law, be deemed to be affixed to the aforesaid land and conveyed therewith. As to the balance of the fixtures and articles of personal property, this Mortgage shall be considered to be a security agreement which creates a security interest in such fixtures and articles of personal property for the benefit of Lender. In that regard Borrower grants to Lender all of the rights and remedies of a secured party under the South Carolina Uniform Commercial Code.

Borrower and Lender covenant, represent and agree as follows:

ARTICLE I
The Loan

1.1 The indebtedness secured by this Mortgage is the result of a loan of money in the principal amount of \$4,000,000.00 (hereafter referred to as the "Loan") to be disbursed by Lender to Borrower.

1.2 The Loan is made pursuant to a construction loan commitment from Lender to Borrower dated August 21, 1980, as amended, if amended, (the "Commitment") and a loan agreement of even date herewith (the "Loan Agreement").

1.3 The Loan is evidenced by that promissory note by Borrower of even date herewith, payable to the order of Lender (the "Note").

1.4 Payment by Borrower of principal and interest on the Loan will be in accordance with the Note, which Note and this Mortgage require payment in full on the Loan not later than October 1, 1985, the maturity date.

1.5 Lender is making the Loan to Borrower for the purpose of financing acquisition of the land and the construction of certain improvements on that land.

ARTICLE II
Borrower's Covenants, Representations and Agreements

2.1 Borrower represents and covenants that it is seized of the Property in fee and has the right to convey the same, that the title to the Property is free and clear of all encumbrances, except the Duke Power Company easements recorded in Book 205 at Page 92 and Book 236 at Page 240 in the Register of Mesne Conveyances Office for Greenville County, South Carolina, and that it will warrant and defend the title to the Property against the claims of all persons or parties.

STATE OF SOUTH CAROLINA
SOUTH CAROLINA TAX COMMISSION
DOCUMENTARY
STAMP
700.00

STATE OF SOUTH CAROLINA
DOCUMENTARY
STAMP
000.00

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