

STATE OF SOUTH CAROLINA)
) SUBORDINATE MORTGAGE AND SECURITY AGREEMENT
COUNTY OF GREENVILLE)

THIS MORTGAGE AND SECURITY AGREEMENT, made this 14th day of June, 1978, between GREENVILLE MALL PARTNERS, a Texas partnership having an address c/o Sam Glast, Esq., 2001 Bryan Tower, 40th Floor, Dallas, Texas 75201, "Mortgagor", and FIRST HARTFORD REALTY CORPORATION, a Delaware corporation having an address at 685 Parker Street, Manchester, Connecticut, "Mortgagee".

W I T N E S S E T H :

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of THREE MILLION DOLLARS (\$3,000,000.00), together with interest thereon after default, as evidenced by that certain promissory note of even date herewith (the "Note"), which by reference is made a part hereof to the same extent as though set out in full herein, executed by Mortgagor and delivered to Mortgagee, the final payment of which is due on or before the Final Payment Date, as such term is defined in the Note and referred to in that certain Agreement of Sale between Mortgagee, as Seller, and Metroplex Equities, Inc., d/b/a Harrison Freedman Associates (which was assigned to Mortgagor) dated concurrently herewith (the "Agreement of Sale").

NOW, THEREFORE, to secure the performance and observance by Mortgagor of all covenants and conditions in the Note, in the Agreement of Sale, and in this Mortgage and in order to charge the properties, interest and rights hereinafter described with such payment, performance and observance, and for and in consideration of the sum of One Dollar (\$1.00) paid by Mortgagee to Mortgagor this date, and for other valuable considerations, the receipt of which is hereby acknowledged, Mortgagor does hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, deliver, set over, warrant and confirm unto Mortgagee, its successors and assigns, forever, all right, title and interest of Mortgagor in and to the following, all subject, however, to those matters set out in Exhibit "B" attached hereto and made a part hereof:

THE MORTGAGED PROPERTY

(A) The Land. All the land located in the County of Greenville, State of South Carolina (the "Land") described in Exhibit "A" attached hereto and made a part hereof.

(B) The Improvements. TOGETHER WITH all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, machinery, appliances, equipment, furniture and personal property of every nature whatsoever now or hereafter owned by Mortgagor and located in or on, or attached to, or used or intended to be used in connection with or with the operation of, the Land, buildings, structures or other improvements, including all extensions, additions, improvements, betterments, renewals and replacements to any of the foregoing, and all of the right, title and interest of Mortgagor in and to any such personal property or fixtures subject to any lien, security interest or claim together with the benefit of any deposits or payments now or hereafter made by Mortgagor or on its behalf (the "Improvements").