

with a courtesy copy to:

VOL 1636 PAGE 236

Freytag, Marshall, LaForce,
Rubenstein, Stutzman & Teofan
1800 Skyway Tower
400 North Olive
Dallas, Texas 75201
Attention: Jeffrey R. LaForce

To Mortgagee:

Balcor Pension Investors III
c/o Balcor Mortgage Advisors
P.O. Box C1036
Skokie, Illinois 60076
Attention: Barry Jackson
Thomas Meador

with a courtesy copy to:

Schwartz & Freeman
401 North Michigan Avenue
Chicago, Illinois 60611
Attention: Martin M. Fleisher

The failure to send a courtesy copy of any notice to any person specified above shall not render defective any notice to the Mortgagor or Mortgagee.

7.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

7.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors and assigns, or heirs and personal representatives, as the case may be, of the Mortgagor and Mortgagee.

7.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects (except the legality of the interest charged under the Note and described herein), by the laws and decisions of the State of South Carolina.

7.5 In this Mortgage, the use of the word "including" shall not be deemed to limit the generality of the term or clause to which it has reference, whether or not nonlimiting language (such as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret, define or limit the provisions hereof. Whenever the term Mortgagor is used herein, the term shall mean either or both of the undersigned as the context may require.

7.6 Wherever a power of attorney is conferred upon Mortgagee hereunder, it is understood and agreed that such power of attorney is conferred with full power of substitution, and Mortgagee may elect in its sole discretion to exercise such power itself or to delegate such power, or any part thereof to one or more sub-agents.

7.7 The pleadings of any statute of limitations as a defense to any and all obligations secured by this Mortgage is hereby waived to the fullest extent permitted by law.

7.8 Any provision of this Mortgage which is unenforceable in any state in which this Mortgage may be filed or recorded or is invalid or contrary to the law of such state, or the inclusion of

0230

828-172