

"2.03 Mortgagee's Power of Enforcement. If an event of Default shall have occurred, Mortgagee may, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy: (a) to enforce payment of the Note or the performance of any term hereof (provided that the Hutton Partnership (and its general and limited partners, excluding Mortgagor, AmReal Corporation, N. Barton Tuck, Jr. and U. S. Shelter, a Massachusetts business trust) shall not, at any time, have any personal liability hereunder, and the Mortgagee shall not be entitled to seek or obtain any personal judgment against such persons or entities (except as set forth above); (b) to foreclose this Mortgage and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property, under the judgment or decree of a court or courts of competent jurisdiction; and (c) to pursue any other remedy available to it under the Note; provided, however, that notwithstanding the foregoing, Holder shall have the right, exercisable whenever it is deemed necessary or desirable by Lender or its counsel, to join the Hutton Partnership in any litigation or other legal or equitable proceeding if such joinder is necessary or desirable under the laws of the State of South Carolina, solely for the purpose of obtaining jurisdiction over the Project and/or the Joint Venture, but Lender, its successors or assigns, shall have no right to claim or pursue any equitable claim or any claim for damages of any nature whatsoever against, or to obtain or enforce a judgment against, the Hutton Partnership. Mortgagee shall take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, or both, as the Mortgagee may determine."

3. Paragraph 2.12(a)-(c) are deleted in their entirety, and the following is substituted in lieu thereof:

"(a) If default shall be made in the payment of any amount due under the Note, this Mortgage or any other instrument securing the Note, then, upon Mortgagee's demand, Mortgagor will pay to Mortgagee the whole amount due and payable under the Note and all other sums secured hereby; and if Mortgagor shall fail to pay the same forthwith upon such demand, Mortgagee shall be entitled to sue any party (but not the Hutton Partnership or its