

the application of such net income and the item which shall be credited shall be within the sole discretion of Reliance.

The Owner hereby covenants and warrants to Reliance that it has not executed any prior assignment of said leases or rentals, nor has the Owner performed any acts or executed any other instrument which might prevent Reliance from operating under any of the terms and conditions of this assignment, or which would limit Reliance in such operation; and Owner further covenants and warrants to Reliance that it has not executed or granted any modification of said leases either orally or in writing, and that said leases are in full force and effect according to their original terms, and that there are no defaults now existing under said leases. Owner further covenants during the full term of the loan in connection with which this assignment is made to comply with all terms, conditions and covenants of the leases imposed upon the lessor so as to prevent any termination of the leases because of a default by the lessor.

All covenants and agreements hereinabove contained on the part of either party shall apply to and bind their heirs, executors or administrators, successors or assigns.

IN WITNESS WHEREOF, the Owner has executed this assignment on this 30th day of June 1966.

In the Presence Of:

William M. Hagood, III

Shirley D. Stator

NALLEY COMMERCIAL PROPERTIES, INC. (LS)

BY G. B. Nalley, Jr.
President

George B. Nalley, Jr.
Secretary

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