The within assignment shall also become effective in the event Owner and his spouse, by sale, reorganization, or otherwise, cease to continue to own a majority shareholder interest in T-N-T Distributors, Inc.

the loan in connection with which this assignment is made to comply with all of the terms, conditions and covenants of the lease imposed upon OWNER so as to prevent any termination of the lease because of a default by OWNER

OWNER irrevocably consents that the tenant under said lease, upon demand and notice from MORTGAGEE of OWNER'S default under the aforesaid mortgage or note, shall pay the rents, issues and profits under said lease to MORTGAGEE without liability to the tenant for the determination of the actual existence of any default claimed by MORTGAGEE.

MORTGAGEE shall have the right to assign the OWNER'S right, title and interest in said lease to any subsequent holder of said mortgage, subject to the provisions of this instrument, and to assign the same to any person acquiring title to the mortgaged premises through foreclosure or otherwise. After OWNER shall have been barred and foreclosed of all right, title and interest and equity of redemption in said premises, no assignee of the OWNER'S interest in said lease shall be liable to account to OWNER for the rents, income and profits thereafter accruing.

OWNER agrees to indemnify and hold the MORTGAGEE harmless of and from any and all liability, loss or damage which MORTGAGEE may incur under said lease or by reason of this assignment, and of and from any and all claims and demands whatsoever which may be asserted against MORTGAGEE by reason of any alleged obligation or undertaking to be performed or discharged by MORTGAGEE under the said lease or this assignment. Nothing herein contained shall be construed to bind MORTGAGEE to the performance of any of the terms and provisions contained in said lease, or otherwise to impose any obligation on MORTGAGEE. Prior to actual entry and taking possession of the premises by MORTGAGEE, this assignment shall not operate to place responsibility for control, care, management or repair of said premises upon MORTGAGEE, nor for the carrying out of any of the terms and provisions of said lease. Should MORTGAGEE incur any liability mentioned in this paragraph, or loss or damage under said lease or under or by reason of this assignment, or in the defense of any such claims or demands, OWNER shall immediately upon demand reimburse MORTGAGEE for the amount thereof, including costs and expenses and reasonable attorney's fee, and MORTGAGEE may retain possession and collect the rents, income and profits and, from time to time, apply them in or toward satisfaction of or reimbursement for said loss or damage.

OWNER hereby assigns any portion of an award payable by reason of condemnation action under the right of eminent domain and directs that such award shall be paid direct to MORTGAGEE, Greenville, South Carolina.

OWNER, as additional security, specifically assigns to MORTGAGEE, any purchase proceeds receivable by reason of tenant's exercising any first refusal option or any option to purchase the property as may be provided in the above referred to lease, additions, amendments and/or supplements thereto.

Upon payment in full of the entire indebtedness secured hereby, as evidenced by a recorded satisfaction or release of the basic security instrument, this assignment shall be void and of no effect and said recorded satisfaction or release shall automatically operate to release this assignment of record.

All the 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, OWNER has executed this assignment on this 26th day of July, 19 78.

Signed, sealed and delivered in the Presence of:

Joseph Toates (SEAL)
Owner

By _____
Title

and _____
Title

NOTE: The assignment should be executed, witnessed and acknowledged or probated so as to be in form for recording in accordance with the law of the state in which it will be recorded. The assignment and the assigned lease or a memorandum thereof should be recorded in the county records.

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

PROBATE

PERSONALLY appeared before me M. R. Johnson, Jr. and made oath that he saw Joseph W. Toates sign, seal and as his act and deed deliver the within written Conditional Assignment of Lease, and that he, with Mark D. Sullivan, II witnessed the execution thereof.

M. R. Johnson Jr.

SWORN TO before me this 26th day of July, 1978.

(LS)
Notary Public for South Carolina
My Commission Expires: 6/21/83

RECORDED JUL 26 1978 at 12:16 P.M.

Conditional Assignment of Lease

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