

receiver with authority to take possession of said premises and collect the rents and profits, and after paying costs of collection apply the proceeds to the payment of said debt, interest, costs and expenses, without liability, however, to account for anything more than the rents and profits actually collected.

6. If the note and mortgage or either of them shall be placed in the hands of an attorney for collection or foreclosure, or if Mortgagee voluntarily or involuntarily becomes or is made a party to any suit or proceeding relating to the premises or to this mortgage or said note, Mortgagors shall reimburse Mortgagee for its reasonable attorney's fees and costs, costs of collection, including ten per cent of the principal and interest on the amount involved as attorney's fees in the event of collection, suit, action or foreclosure, and expense of procuring abstracts or other evidences of title and title insurance in connection therewith, all of which charges and fees, together with all costs and expenses, are hereby secured and may be recovered in any suit or action hereupon or hereunder.

7. All payments made under the provisions of this mortgage, or the note hereby secured which may be construed as interest shall not, in the aggregate over the term hereof, exceed the rate that may now be lawfully contracted for in writing.

8. Any award of damages under condemnation for injury to, or taking of, any part or all of said property is hereby assigned to Mortgagee with authority to apply or release the moneys received, as above provided for insurance loss proceeds.

9. As additional security for the repayment of the indebtedness hereby secured, Mortgagors hereby assign to Mortgagee all rights and interests of the lessors in and to all existing leases and all future leases upon or affecting the mortgaged premises, together with any extensions or renewals of such leases, and all rentals and income arising from said premises; provided that, so long as there is no default in any of the terms or conditions of this mortgage or of the note hereby secured, or of any extension or renewal thereof, Mortgagors shall continue to manage said premises as owners and collect all income arising therefrom, but only as it accrues, rendering such reports as may be required by Mortgagee.

In the event of any default in the performance of any agreement or covenant in said note or this mortgage, Mortgagors, upon demand, will immediately deliver to Mortgagee, or its appointee, all leases or agreements for occupancy of space in said premises, together with a separate and specific assignment of each of them to Mortgagee, or its appointee; in form approved by Mortgagee; and Mortgagee, with or without such specific assignment, may take possession and assume the management of said premises and collect the rentals and other income therefrom, execute all powers and authority reserved to the lessor under the lease terms, including any right or power therein to forfeit or cancel such lease, and modify the provisions of present leases and make new leases or rental contracts in the name of the owner of the property, or otherwise; and the lessees and other occupants of said premises are hereby authorized and directed, upon demand, to pay to Mortgagee, or any person designated by it for that purpose, all amounts due or to become due from them under said leases and any extensions or renewals thereof, or by reason of such occupancy; and such possession and management by Mortgagee shall not in any way affect its rights of foreclosure and the appointment of a receiver as hereinbefore provided.

Mortgagee may from time to time waive its right hereunder to collect rents and other income but any such waiver shall not prejudice Mortgagee's right to make such collections thereafter so long as and whenever a default exists under this mortgage or the note hereby secured. Mortgagee shall have the right, but shall not be required, to sue for collection of rents, possession of premises or other remedy, but shall not be liable for failure to collect rents or other income and shall be held accountable for only such amounts as are actually received. Funds received by the Mortgagee shall be applied at its discretion to expenses of collection, including reasonable attorney's fees, necessary repairs, taxes and insurance on the mortgaged premises, and on account of the indebtedness hereby secured.

No change or modification of a lease or rental contract which is subordinate hereto shall be binding on Mortgagee unless consented to in writing by Mortgagee.

IN WITNESS WHEREOF, said Mortgagors have caused their seals to be hereto affixed and this mortgage to be executed by their respective officers thereunto duly authorized.

Signed, Sealed and Delivered
in the presence of

Leroy Robinson

Patricia E. Waters
Notary Public for North Carolina

Leroy Robinson

Patricia E. Waters
Notary Public for North Carolina

BELK-SIMPSON CO.

By John M. Belk
John M. Belk President
Thomas M. Belk
Asst. Secretary

BELK-SIMPSON REALTY COMPANY

By John M. Belk
John M. Belk President
Thomas M. Belk
Asst. Secretary