

Concerning Additional Collateral of even date herewith by and between Borrower and Lender; or

- (d) Default by Borrower in the performance of any covenant or agreement contained in the Senior Mortgages.

In the event of a default, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of Lender without notice or demand which are hereby expressly waived, and this Mortgage may be foreclosed pursuant to the provisions of law and the premises sold in whole or in part pursuant to the Judgment or Decree of a court of competent jurisdiction provided, however, irrespective of whether Lender accelerates the maturity of the indebtedness secured hereby or institutes foreclosure proceedings, Lender may nevertheless collect the rents, issues and profits of the premises and may enter and take possession thereof and manage and operate the same and take any action which, in Lender's judgment, is necessary or proper to conserve the value thereof and to collect the rents, issues and profits hereof. Either Lender or a receiver may also take possession of, and for these purposes use, any and all personal property contained in the premises used by the Borrower in the renting or leasing thereof or any part thereof. The right to enter and take possession of the premises and to use any personal property therein, to manage, operate and conserve the same, and to collect the rents, issues and profits thereof, whether by a receiver or otherwise, shall be in addition to all other rights or remedies of Lender hereunder, or afforded by law, and may be exercised concurrently therewith, or independently thereof, all without regard to the value of the premises or the solvency of any person party liable for the payment of the amount then owing. After paying costs of collection and any other expenses incurred, the proceeds shall be applied to the payment of the indebtedness secured hereby in such order as Lender shall elect, and Lender shall not be liable to Borrower for any action taken pursuant hereto other than to account for any rents actually received by Lender.

25. Definitions. As used herein the terms "Borrower", "Lender", and other terms shall refer to the singular, plural, neuter, masculine and feminine as the context may require and shall include, be binding upon and inure to the benefit of their respective heirs, successors, legal representatives and assigns.

IN WITNESS WHEREOF, the Mortgage has been duly signed and delivered by Borrower by its Managing Partner the day and year first above written.

ASSOCIATED REALTY INVESTORS/PIEDMONT CENTER,
A NORTH CAROLINA LIMITED PARTNERSHIP

WITNESSES

Virgil John Foster
Daniel H. Jones

By: SYNCO, Inc., Managing Partner

By: [Signature]
Vice President

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