

COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS made as of the 3rd day of July, 1979, by Ingles Markets, Inc., of Asheville, North Carolina (hereinafter called the "Assignor"), to LIFE INSURANCE COMPANY OF GEORGIA, a Georgia corporation with its principal office at 600 West Peachtree Street, Atlanta, Georgia 30308 (hereinafter called the "Assignee").

WITNESSETH:

WHEREAS, contemporaneously herewith, the Assignor has executed and delivered to the Assignee a certain promissory note in the principal sum of Eight Hundred Thousand and no/100 (\$800,000.00) Dollars (hereinafter referred to as the "Note"), secured by a first mortgage (hereinafter referred to as the "Mortgage") on the premises of the Assignor in the County of Greenville, South Carolina more particularly described in Exhibit "A" annexed hereto, together with all buildings and improvements now or hereafter constructed thereon (all of such premises being hereinafter collectively referred to as the "Mortgaged Premises"); and

WHEREAS, as additional security for the Note and the obligations of the Assignor thereunder, the Assignor has executed and delivered to the Assignee this Collateral Assignment of Leases and Rents.

NOW, THEREFORE, for value received and as security for the payment of said obligations of the Assignor, the Assignor, for itself and for its successors and assigns, does hereby transfer, assign and deliver unto the Assignee, its successors and assigns, all of the right, title and interest of the Assignor in and to (1) all leases, subleases, tenancies and any other agreement affecting the use of the Mortgaged Premises, whether written or oral, now or hereafter existing with respect to any portion or portions of the Mortgaged Premises, together with any renewals or extensions thereof and leases, subleases, tenancies, and such agreements in substitution therefor (all of which are hereinafter collectively referred to as the "Assigned Leases"), (2) all rents and other payments of every kind due or payable and to become due or payable to the Assignor by virtue of the Assigned Leases, or otherwise due or payable and to become due or payable to the Assignor as the result of any use, possession or occupancy of any portion or portions of the Mortgaged Premises, and (3) all right, title and interest of the Assignor in and to all guarantees of the Assigned Leases.

TO HAVE AND TO HOLD the same unto the Assignee, its successors and assigns, until such time as the indebtedness secured by the Mortgage shall have been paid in full,