

ARTICLE V

Assignment of Leases

5.1 Assignment. Mortgagor hereby assigns to Mortgagee all of Mortgagor's interest as Lessor in any and all leases now or hereafter existing with respect to any part of the Mortgaged Property, and all rentals due or which may become due to Mortgagor under the terms of such leases.

5.2 Rights of Mortgagor Prior to Default. So long as no Event of Default exists hereunder, Mortgagor shall have the right to collect all rents due or which may become due under any of the assigned leases (provided that Mortgagor may not accept prepayment of any rent due more than one month in advance), to execute new leases, to renew and extend leases, to enforce any covenants or conditions of such leases, and otherwise to deal with such leases as if Mortgagor were the owner thereof. In no event, however, shall Mortgagor, without prior written permission of Mortgagee, accept a surrender of any such lease, or modify any such lease so as to reduce the rental due thereunder or to relax the terms thereof.

5.3 Rights of Mortgagee Upon Default. From and after the occurrence of any event of default hereunder, Mortgagor shall no longer have any rights with respect to any leases assigned hereby, and Mortgagee shall be entitled to notify any lessees to pay all rentals due, or which may thereafter become due, under such leases directly to Mortgagee, and in all other respects to exercise all the rights and privileges of ownership of such leases, either in its own name or in Mortgagor's name. Mortgagee shall have no duty to collect rentals due or that may become due under such leases, but shall apply any rentals actually collected to payment of the Secured Indebtedness in such order as Mortgagee may elect. Payment to Mortgagee shall constitute full acquittance to any lessee with respect to such rentals, and such lessee shall have no duty to ascertain the existence of any default or to see to the application of such rentals by Mortgagee.

5.4 Receipt of Rents; Trust Fund. If Mortgagor receives any rentals pursuant to any lease or leases assigned by this Article after the occurrence of an Event of Default hereunder, then such rentals shall be received by Mortgagor as agent for Mortgagee, and such funds shall constitute in the hands of Mortgagor a trust fund for the benefit of Mortgagee.

5.5 Reassignment. Upon final release of this Mortgage, Mortgagee shall reassign to Mortgagor or its successors all leases assigned by this Article.

ARTICLE VI - Miscellaneous Provisions

6.1 Definitions. This Mortgage is executed and delivered pursuant to a Loan Agreement of even date herewith between Mortgagor and Mortgagee. All terms defined in the said Loan Agreement and used herein shall have the same meaning herein as assigned to such terms in the Loan Agreement unless a different meaning is expressly stated herein.

6.2 Security Agreement; Financing Statement. As to such portion of the Mortgaged Property as is personal property, this instrument constitutes a Security Agreement within the meaning of Article IX of the Uniform Commercial Code as the same is in force and effect in South Carolina. In addition, as to such portion of the Mortgaged Property as is or may become fixtures, affixed to the real estate described in Exhibit "A" hereto, this instrument shall constitute a Financing Statement, perfected as to such fixtures from the time of the filing hereof in the Real Estate Mortgage Records of the county where such real estate is located. The following information is accordingly included:

- (a) The name of the debtor is PARK ASSOCIATES.
- (b) The name of the secured party is FIRST TEXAS SAVINGS ASSOCIATION.