

institute foreclosure proceedings under appropriate law. It is agreed that if any legal proceedings are instituted for the foreclosure of this Mortgage, all costs and expenses incurred by the Mortgagee, including a reasonable fee for Mortgagee's attorney, shall thereupon become due and payable immediately as a part of the debt secured hereby and may be secured and recovered hereunder.

8. It is agreed that Mortgagor shall hold and enjoy the Premises until there is a default under this Mortgage or under the Note secured hereby. It is the true meaning of this instrument that if the Mortgagor shall fully perform all the terms, conditions, and covenants of this Mortgage and of the Note secured hereby and shall well and truly pay to the Mortgagee all monies owed to Mortgagee, then this Mortgage shall be utterly null and void, otherwise to remain in full force and virtue; provided, however, in no event shall the Secured Indebtedness exceed \$650,000.00 plus any amount advanced by Mortgagee for Mortgagor's account for payment of taxes, assessments, and insurance.

9. Subject to the provisions of Article 16 herein, the rights of Mortgagee granted and arising under the clauses and covenants contained in this Mortgage and the Note shall be separate, distinct, and cumulative of other powers and rights herein granted, and all other rights that Mortgagee may have in law or equity, and none of them shall be in exclusion of the others; and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under mortgages, and preservation of security as provided at law.

10. Any and all notices, elections, or demands permitted or required to be made under this Mortgage shall be in writing, signed by the party giving such notice, election, or demand, and shall be delivered personally, or sent by registered or certified mail, postage prepaid, return receipt requested, to the other party at the address set forth below, or at such other address as may be supplied in writing. The date of personal delivery or the date of receipt, if mailed, as the case may be, shall be the date of such notice, election, or demand. For the purposes of this Mortgage:

The address of Mortgagor is:

Bent Oak Associates  
c/o The Robert A. McNeil Corporation  
2855 Campus Drive  
San Mateo, California 94403

Attention: Senior Vice President  
and Counsel

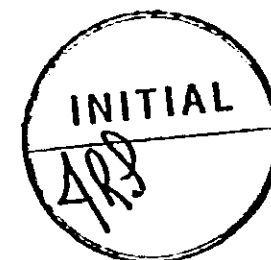
With a copy to:

Sanford H. Zatcoff, Esq.  
Alston, Miller & Gaines  
1200 C&S National Bank Building  
35 Broad Street  
Atlanta, Georgia 30335

The address of Mortgagee is:

Runion-Williams  
Post Office Box 909  
Greer, South Carolina 29651

Attention: Mr. Edward Runion



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