

ARTICLE 8MISCELLANEOUS

8.1 Security Agreement. This Mortgage shall constitute and serve as a "security agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the state in which the personalty and fixtures are located, with respect to the personalty and fixtures, and Mortgagee shall have all rights with respect thereto afforded to it by such Code, in addition to, but not in limitation of, the other rights afforded Mortgagee by the Security Documents.

8.2 Assignment of Security Interest. To secure payment of the indebtedness and performance of the obligations, Grantor hereby sells, grants, transfers and assigns to Mortgagee a security interest in the personalty and fixtures.

8.3 Other Information. Grantor represents and warrants that all information, reports, papers and data given to Mortgagee with respect to Grantor or others obligated under the terms of the Security Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give Grantor a true and accurate knowledge of the subject matter.

8.4 Further Assurances. Grantor, upon the reasonable request of Mortgagee, will execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of the Security Documents and to subject to the liens thereof any property intended by the terms thereof to be covered thereby, and any renewals, additions, substitutions, replacements or betterments thereto.

8.5 Recording and Filing. Grantor, at its expense, will cause the Security Documents and all supplements thereto at all times to be recorded and filed and rerecorded and refiled in such manner and in such places as Mortgagee shall reasonably request, and will pay all such recording, filing, rerecording and refileing taxes, fees and other charges.

8.6 Notice. All notices, demands, requests and other communications required under the Security Documents and the Note shall be in writing and shall be deemed to have been properly given if sent by U.S. First Class Mail, postage prepaid, addressed to the party for whom it is intended at the following addresses:

If to Grantor:

Hunting Ridge Apartments
300 Sulphur Springs Road
Greenville, South Carolina 29611

If to Mortgagee:

First Union National Bank
Corporate Banking Group
301 South Tryon Street, CCO-8
Charlotte, North Carolina 28288

Any party may designate a change of address by written notice to the others, given at least ten (10) days before such change of address is to become effective.

8.7 Mortgagee's Right to Perform the Obligations. If Grantor fails to make any payment or perform any act required by the Note or the Security Documents, Mortgagee, without any obligation or

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