

30. WAIVER OF APPRAISAL. Borrower hereby waives any right of appraisal of the Property. In the event of foreclosure pursuant to paragraph 27 hereof, Lender may, at Lender's option, obtain an appraisal of the Property and any funds expended by Lender for such purpose shall become indebtedness of Borrower to Lender secured by this Instrument.

31. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option so long as this Instrument secures indebtedness held by Lender, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Instrument when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Instrument, not including sums advanced in accordance herewith to protect the security of this Instrument, exceed the original amount of the Note (US\$4,350,000.00) plus the additional sum of US\$1,175,000.00.

32. NATURE OF INSTRUMENT.

A. This instrument is intended to operate and is to be construed as a real estate mortgage creating a second mortgage lien on the Property in favor of the Lender and is made under those provisions of the existing laws of the State of South Carolina relating to real estate mortgages and is given to secure a debt evidenced by a certain note of even date herewith executed by the Borrower payable to the order of the Lender as hereinabove stated. This mortgage also constitutes a security agreement under the South Carolina Uniform Commercial Code and creates a security interest in the personal property included in the Property and the proceeds thereof. Mortgagor shall execute, deliver, file and refile any financing statements or other security agreements Mortgagee may require from time to time to confirm the lien of the Mortgage with respect to such property. Without limiting the foregoing, Mortgagor hereby irrevocably appoints Lender attorney-in-fact for Borrower to execute, deliver and file such instruments for and on behalf of Borrower.

B. This mortgage is subject and subordinate to that certain mortgage dated December 11th, 1979, made between Greenville Associates, Ltd., as mortgagor, and Charles D. Tuller, Jr., as nominee, as mortgagee, which mortgage was recorded in the R.M.C. Office of Greenville, South Carolina on December 11, 1973, in Mortgage Book 1297, page 215, now held of record by Community Savings Bank pursuant to Assignment of Mortgage dated July 20, 1976, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 1373 at Page 277, which mortgage constitutes a first mortgage lien upon the Property described in Exhibit "B" hereof in the original principal sum of \$2,700,000.00, now in the reduced principal amount of \$2,492,639.46, with interest from May 1st, 1984, at the rate of 10% per annum and which mortgage by its terms matures on August 1st, 1986 (such mortgage is hereinafter referred to as the "First Mortgage"); and Borrower represents and warrants the First Mortgage is in good standing and not in default.

C. With respect to the principal indebtedness of Borrower to Lender in the sum of \$4,350,000.00 evidenced by the Note of even date herewith, made by Borrower to Lender and secured by this Mortgage, Lender has paid to Borrower on the execution hereof the sum of \$1,857,360.54 and Borrower and Lender hereby agree that the total balance of said principal indebtednesses (the "Balance") totalling \$2,492,639.46 has been validly incurred by Lender hereby agreeing to retain such Balance, and to pay to the holders of the First Mortgage the balance as the unpaid principal balance of the First Mortgage becomes due.

D. (i) Borrower agrees to comply with all of the terms and conditions of the First Mortgage other than with respect to the payment of principal and interest due after May 1st, 1984, under said First Mortgage.

(ii) In the event Borrower shall fail to so comply with all of the terms, provisions and conditions of the First Mortgage so as to result in default thereunder (other than with respect to payments of principal and interest due thereunder after May 1st, 1984, which shall be Lender's obligation) such failure on the part of the Borrower shall constitute a default under this Mortgage and shall entitle Lender, at its option, to exercise any and all rights and remedies given Lender in the event of a default hereunder.

(iii) Any and all expenses, including, but not limited to, title company charges, recording and filing fees, legal fees of the attorneys for the Holder of the First Mortgage in preparation of an assignment of either mortgage and any tax, if any, that may be hereafter imposed by any taxing authority in connection with the compliance by Lender with the provision hereof dealing with the payments made or to be made to the Holder of the First Mortgage shall be paid by the Borrower or any subsequent owner of the premises when requested by the title company and/or the attorneys representing the Holder of the First Mortgage.

E. (i) Lender agrees to pay to the holder of the First Mortgage \$2,492,639.46 which Borrower hereby represents to Lender is the total outstanding principal balance of the First Mortgage, together with all interest thereon accruing thereunder from May 1st, 1984, as and when required by the terms of said First Mortgage i.e., by paying monthly principal and interest payments of \$23,985.00 on the 1st day of each and every month until the 1st day of August, 1986, at which time Lender shall advance the unpaid principal balance on the First Mortgage of \$2,399,791.97.