

and comply with (and shall be fully protected in so doing) any notice or demand by the Assignee of any rental or other sums which may be or thereafter become due under the Leases, or for the performance of any of lessees' undertakings under the leases, and shall have no right or duty to inquire as to whether any default under this Mortgage, the Note or any other instrument now or hereafter securing or evidencing the indebtedness now evidenced by the Note, has actually occurred or is then existing.

This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents contained in any other document.

This Assignment shall include any extensions and renewals of the Leases and any reference herein to the Leases shall be construed as including any such extensions and renewals.

13. (a) The property described in Exhibit "A", is currently encumbered by a mortgage in favor of ^{Southern Carolina} ~~NATIONAL BANK~~ filed for record 12-24-84, 1984, recorded in Mortgage Book 1615, page 11877, Greenville County, Clerk of Court's Office (hereinafter referred to as "Prior Mortgage"). The Prior Mortgage is a construction loan to provide funds for the construction of the improvements on the property as contemplated under the terms of that certain Contract of Sale and Development Agreement, dated November 15, 1984, between the Mortgagee as Seller, and the Mortgagor as Purchaser, by reason of an Assignment from Southern Atlantic Associates, Inc. (hereinafter referred to as "Contract"). Under the terms of the Contract it is the obligation of the Mortgagee to complete construction of the improvements and to make all payments called for under the terms of the Prior Mortgage and the promissory note that the Prior Mortgage secures. A failure by the Mortgagee to comply with the terms and provisions of the Prior Mortgage and the promissory note that it secures creates certain rights in favor of Mortgagor under the terms of the Contract to withhold payment on the Note that this Mortgage secures. All of the terms and provisions of said Contract are by reference incorporated into this Mortgage as if fully set out herein.
- (b) It is the further obligation of the Mortgagee to provide the Permanent Mortgage as called for in the Section Nine of the Contract for the Property. The failure by the Mortgagee to perform its obligations in reference to the Permanent Mortgage allows the Mortgagor under the terms under Paragraph 6 of Exhibit "Q" to the Contract to withhold payments on the Note that this Mortgage secures and to make certain arrangements in reference to obtaining either replacement permanent mortgage or the reinstatement of the Permanent Mortgage.
- (c) The mortgagor covenants and agrees to execute the closing documents presented by the Permanent Lender to close the Permanent Mortgage SO LONG AS these documents do not create any personal or corporate liability and they substantially comply with the terms and provisions of the Permanent Loan Commitment which is Exhibit "Q" to the Contract. The Mortgagee shall bear the entire cost of closing the Permanent Mortgage, including the payment of reasonably attorney's fees charges by counsel for the Mortgagor.
14. The payments called for under the terms of the Note that this Mortgage secures and the payment due to the Mortgagee under the terms of that certain Management Agreement between the Mortgagor and Mortgagee of even date are subject to reduction and possible total cancellation under the terms and provisions of the Contract. Each and every one of the terms and provisions of said Contract are by reference incorporated herein, and specific reference for possible reduction of the