

SATISFACTION: The debt secured by the within Assignment of Lessor's Interest in Leases, Rents and Profits together with the note(s) secured thereby have been satisfied in full. This the _____ day of _____, 19 _____.

Signed: _____

PRESENTED FOR
REGISTRATION
AND RECORDED

AUG 10 11 58 AM '89

L.E. SPEAS
REGISTER OF DEEDS
FORSYTH COUNTY, N.C.

Recording: Time, Book and Page

~~NCNB NATIONAL BANK OF NORTH CAROLINA~~ NCNB National Bank of North Carolina, _____

North Carolina _____

Attention: _____

This instrument prepared by R. Brandt Deal (BOX)

ASSIGNMENT OF LESSOR'S INTEREST IN LEASES, RENTS AND PROFITS
THIS ASSIGNMENT made this 8 day of August, 19 89, by and between:

ASSIGNOR

T & C Properties, a North Carolina
General Partnership
Address: 290 Charlois Boulevard
Winston-Salem, NC 27103

ASSIGNEE

NCNB NATIONAL BANK OF NORTH CAROLINA, a national banking association with its principal offices in Charlotte, Mecklenburg County, North Carolina

Address: 102 West Third Street
Winston-Salem, NC 27102

(hereinafter called "Borrower")

(hereinafter called "Bank")

Enter the name and address for each party in the appropriate block

WITNESSETH, THAT WHEREAS, Borrower is indebted to Bank in the principal sum One Hundred Fifty Five Thousand & no/100 Dollars (\$155,000.00), as evidenced by a promissory note of even date herewith (or dated _____, 19 _____, if otherwise dated) (the "Note"); WHEREAS, Bank is willing to make said loan provided that, among other things, Borrower shall assign to Bank all of Borrower's interest, as lessor and owner, in the leases and rents, issues and profits of the following described property (the "Premises") located in Forsyth County, North Carolina:

FOR DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO

NOW, THEREFORE, in consideration of the debt herein mentioned and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure the full and punctual payment of the Note, including any existing or future modification, extension or renewal thereof, and the interest and other sums thereon, and the full and punctual performance of the covenants, terms, obligations and conditions contained herein, in the Note, and in the other instruments, documents and agreements required by Bank which evidence, secure or otherwise relate to the indebtedness hereby secured (including, without limitation, any commitment, loan agreement, deed of trust, security agreement, and assignments), together with any existing or future amendments, modifications, extensions or renewals thereof (all of which are referred to herein collectively as the "Loan Documents"), Borrower hereby grants, conveys, transfers and assigns to Bank all of the right, title and interest of Borrower in and to all existing and future leases upon all or any part of the Premises, together with any and all amendments, modifications, extensions, renewals and replacements thereof and all guaranties of the lessees' obligations under said leases (each of which is referred to herein separately as the "Lease") and also together with the right (but not the obligation) to collect all of the rents, issues, profits and other sums which may become due under the Lease or from the Premises.

BORROWER WARRANTS that it is the sole owner of the entire lessor's interest in the Lease; that the Lease is valid and enforceable and has not been altered, modified or amended in any manner whatsoever (except as previously disclosed in writing to Bank); that no party is in default under any of the terms, covenants or conditions thereof; that the Lease and the rent reserved in the Lease have not been previously assigned; and that no rent for any period subsequent to the date of this Assignment has been collected more than one (1) month in advance of the time when the same is due under the terms of the Lease.

BORROWER COVENANTS THAT IT WILL faithfully abide by, perform and discharge each and every obligation, covenant and agreement of the Lease to be performed by Borrower; give prompt notice to Bank of any notice of default under the Lease received or given by Borrower, together with an accurate and complete copy of such notice of default; enforce, at the sole cost and expense of Borrower, without terminating the Lease, the performance of each and every obligation, covenant, condition and agreement of the Lease; deliver to the Bank each Lease of all or any part of the Premises which is entered into subsequent hereto; properly maintain and account for any security deposits received under the Lease and deliver said security deposits to Bank at its request; and execute and deliver at the request of Bank all such further assurances and assignments to confirm or effectuate this Assignment as Bank shall from time to time require.

AND BORROWER FURTHER COVENANTS THAT IT WILL NOT, WITHOUT THE PRIOR WRITTEN CONSENT OF BANK, in any way alter the terms of the Lease; cancel or terminate the Lease or accept a surrender thereof; do or permit anything to impair the security of the Lease; execute any other assignment of lessor's interest in the Lease or assignment of the rents, issues and profits arising or accruing from the Lease or the Premises; or consent to any assignment of or subletting under the Lease.

THIS ASSIGNMENT is also made on the following terms, covenants and conditions:

1. As long as no default shall exist under this Assignment, the Note and the other Loan Documents, Borrower shall collect upon accrual, but not prior thereto, all rents, issues and profits from the Lease and Premises.

2. Upon the occurrence of any default under this Assignment, the Note or other Loan Documents, Bank, at its option and without waiving any such default, may take any action deemed by it necessary or proper and use all measures, legal or equitable, to enforce this Assignment and collect the rents, issues and profits assigned hereunder, with or without taking possession of the Premises. Bank is hereby vested with full power and authority to notify the lessees under the Lease and all other tenants and occupants of the Premises, or any part thereof, to pay all rents, issues and profits under the Lease or from the Premises directly to Bank, and Bank may demand, sue for, or otherwise collect and receive the same. Borrower hereby irrevocably authorizes and directs each such lessee and other tenant and occupant to pay all such rents, issues and profits directly to Bank upon receipt of written notice for such payment from Bank and to continue to do so until otherwise notified by Bank. Bank, at its option and without waiving any such default, may also take possession of the Premises and have, hold, manage, lease and operate the same on such terms and for such period of time as Bank deems proper. Bank shall apply such rents, issues and profits collected hereunder, in such order or priority as Bank may determine, notwithstanding any statute, law, custom or usage to the contrary, to the payment of (i) the indebtedness secured hereby, (ii) the costs and expenses of collecting the same and of taking and retaining possession of the Premises (including, without limitation, attorneys' fees and other legal costs), and (iii) the costs and expenses of managing, operating and maintaining the Premises and of making any alterations, renovations, repairs or replacements thereto as Bank may deem necessary or desirable.

3. In the event of any default by Borrower under the Lease, Bank shall have the right (but not the obligation) to enter the Premises and take possession thereof forthwith to the extent necessary to effect the cure or correction of any such default on the part of Borrower as lessor under the Lease.

4 Bank shall not be obligated to perform or discharge, nor does Bank hereby undertake to perform or discharge, any obligation, duty or liability under the Lease. Borrower shall, and does hereby agree to indemnify Bank against, and hold Bank harmless from, any and all liability, loss, cost, expense or damage incurred by Bank under the Lease or under or by reason of this Assignment. Borrower shall reimburse Bank for the amount of any such liability, loss, cost, expense or damage (including, without limitation, attorneys' fees and legal costs) upon demand by Bank, and such amount shall be secured hereby and by the other Loan Documents. Upon failure of Borrower to reimburse Bank as required hereby, Bank may at its option declare all sums secured hereby and by the other Loan Documents immediately due and payable. Bank shall not be liable for any loss sustained by Borrower resulting from Bank's failure to let the Premises or from any other act or omission of Bank in managing the Premises, after a default has occurred, unless such loss is caused by the willful misconduct and bad faith of Bank. It is further understood that this Assignment shall not operate to place responsibility upon Bank for the control, care, management or repair of the Premises or for the carrying out of any of the terms and conditions of the Lease, nor shall it operate to make Bank responsible or liable for any waste committed on the Premises by the lessees or any other persons, or for any dangerous or defective condition of the Premises, or for any negligence in the management, upkeep, repair or control of the Premises resulting in loss, injury or death to any lessee, licensee, employee or other person, or their property.

5 Nothing contained in this Assignment and no act done or omitted by Bank pursuant to the powers and rights granted hereunder shall be deemed to be a waiver by Bank of its rights and remedies under the Note and other Loan Documents, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Bank under the terms thereof. The rights of Bank to collect said indebtedness and to enforce any other security therefor may be exercised by Bank either prior to, simultaneously with or subsequent to any action taken by Bank hereunder.

6 This Assignment, together with the covenants and warranties herein contained, shall inure to the benefit of Bank and any subsequent holder of the Note, and shall be binding upon Borrower and Borrower's heirs, successors, personal representatives and assigns and any subsequent owner of the Premises. Bank shall have the right to assign the Borrower's right, title and interest in the Lease and rents, issues and profits of the Premises to any subsequent holder of the Note, subject to the provisions of this Assignment, and to assign the same to any person acquiring title to the Premises, or any portion thereof, through foreclosure or sale under power of sale under any deed of trust securing the Note or transfer in lieu thereof. After Borrower shall have been barred and foreclosed of all right, title, interest and equity of redemption in the Premises, or any portion thereof, no assignee of Borrower's interest in the Lease shall be liable to account to Borrower for the rents, issues or profits.

7 No failure on the part of Bank to exercise any right, option, privilege or remedy available to Bank hereunder shall operate as a waiver thereof, nor shall any single or partial exercise or waiver of any such right, option, privilege or remedy preclude any other or further exercise thereof to its fullest extent or the exercise of any other right, option, privilege or remedy.

8 All notices, requests, demands and other communications provided for herein shall be in writing and shall be deemed to have been given when sent by registered or certified United States mail, return receipt requested, addressed to the appropriate party at its address set forth on the first page of this Assignment or such other address as shall be designated by such party by written notice to the other party as herein provided.

9 The invalidity of any provision of this Assignment as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

10 If more than one person or entity is named as Borrower herein, this Assignment shall be binding upon all such persons and entities jointly and severally.

11 This Assignment shall not be modified, amended or otherwise changed except in writing signed by the parties hereto.

12 This Assignment shall be governed by and construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, Borrower has hereunto set his hand and seal, or if a corporation, has caused this Assignment to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, all as a sealed instrument, as of the day and year first above written.

BORROWER:

T & C PROPERTIES, A North Carolina
General Partnership

(Name of Borrower)

By: _____
President

Attest: _____
Secretary

by _____ (SEAL)
Charles E. Talton, Jr., partner (SEAL)
Terry T. Barber, partner (SEAL)

CORPORATE SEAL

FOR INDIVIDUAL BORROWER OR PARTNERSHIP

State of North Carolina, County of Forsyth

I, Tamara L. Smith, a Notary Public of the County and State aforesaid, certify that Charles E. Talton, Jr., and Terry T. Barber, partners of T & C Properties, a N. C. General Partnership personally came before me today and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal or stamp, this 8 day of August, 1989

TAMARA L. SMITH
NOTARY PUBLIC
FORSYTH COUNTY, NC

NOT My Commission Expires August 25, 1990

Notary Public

My commission expires August 25, 19 90

FOR CORPORATE BORROWER

State of North Carolina, County of _____

I, _____, a Notary Public of said County and State, do hereby certify that _____, personally came before me this day and acknowledged that he is the _____ Secretary of _____, a _____ corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal, and attested by himself (herself) as its _____ Secretary.

WITNESS my hand and official seal or stamp, this _____ day of _____, 19 _____.

Notary Public

NOTARY SEAL OR STAMP

My commission expires: _____, 19 _____

The foregoing Certificate(s) of Tamara L. Smith N-P Forsyth Co NC.

is certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

By L. E. SPEAS, REGISTER OF DEEDS 1673-1519 REGISTER OF DEEDS FOR Forsyth COUNTY
Deputy/Assistant-Register of Deeds.

BK 1673 P. 1519

EXHIBIT "A"

BEGINNING at an iron stake in the north line of South Stratford Road, Silas Creek Parkway ramp, running thence with the North right-of-way of said ramp; South 87 degrees 27 minutes West 153.18 feet to an iron stake, thence North 89 degrees 16 minutes West 20.10 feet to an iron stake, a new corner; running thence on a new line, North 06 degrees 21 minutes East 247.55 feet to an iron stake in the south line of a new street; to be called Charlois Boulevard; thence with the south line of said street, South 83 degrees 32 minutes East 193.97 feet to an iron stake; thence on a curve to the right which has a radius of 23 feet and an arc distance of 34.93 feet and having a chord direction and distance of South 40 degrees 1.5 minutes East 31.67 feet to an iron stake in the west line of a new street to be named Mall Boulevard; thence with said line, South 3 degrees 29 minutes West 117.46 feet to an iron stake; thence North 86 degrees 32 minutes West 12.96 feet to an iron stake, the point and place of beginning. Containing 1.113 acres, and being a portion of the P.H. Hanes Knitting Company Property conveyed to Hanes Properties, Inc., lying on the north side of South Stratford Road-Silas Creek Parkway ramp.

Being informally known as Block 3804 Lot C, Forsyth County Tax Maps as presently constituted.

1673 P 1520