

NOTE TO PROBATE JUDGE: This Agreement is being recorded as additional security for the Obligations described in a Mortgage of even date herewith between the Company, the Authority and the Bank, which Mortgage is being filed for record concurrently with the recording of this Agreement.

ABSOLUTE ASSIGNMENT OF RENTS AND LEASES

THIS ABSOLUTE ASSIGNMENT OF RENTS AND LEASES (this "Agreement") dated September 1, 1996 is between **BALBOA INVESTMENT GROUP II**, a California general partnership (the "Company"), and **ALABAMA HOUSING FINANCE AUTHORITY**, a public corporation organized under the laws of the State of Alabama (the "Authority"; the Authority and the Company being herein together called the "Assignors"), as assignors, and **AMSOUTH BANK OF ALABAMA**, an Alabama banking corporation (the "Bank"), as assignee.

Recitals

Capitalized terms used in these Recitals have the meanings defined for them above or in Section 1.2. The Company has requested that the Bank extend Credit to the Company under the Credit Documents by issuing its Letter of Credit for the account of the Company. To induce the Bank to extend such Credit, the Assignors have (a) executed and delivered to the Bank a mortgage of even date herewith (the "Mortgage") covering the land described in Exhibit A (the "Land"), which Mortgage is being recorded in the office of the Judge of Probate of the county in which the Land is situated concurrently with the recording of this Agreement, and (b) agreed to execute this Agreement.

Agreement

NOW, THEREFORE, in consideration of the foregoing Recitals, and to induce the Bank to extend Credit to the Company under the Credit Documents, the Assignors agree with the Bank as follows:

ARTICLE 1

Rules of Construction and Definitions

SECTION 1.1 Rules of Construction. This Agreement is subject to the rules of construction set forth in the Mortgage.

SECTION 1.2 Definitions. As used in this Agreement, capitalized terms that are not otherwise defined herein have the meanings defined for them in the Mortgage and the following terms are defined as follows:

(a) **Events of Default** is defined in Section 4.1. An Event of Default shall "exist" if the same has occurred and is continuing.

(b) **Existing Leases** is defined in Section 2.1(a).

(c) **Improvements** is defined in Section 2.1(a).

(d) **Leases** is defined in Section 2.1(a).

(e) **Permitted Encumbrances** means any Liens and other matters affecting title to the Property that are described in Exhibit C.

(f) **Property** is defined in Section 2.1.

(g) **Real Property** is defined in Section 2.1(a).

(h) **Rents** is defined in Section 2.1(c).

ARTICLE 2

Granting Clauses

SECTION 2.1 Assignment. The Assignors do hereby sell, assign, transfer and set over to the Bank, its successors and assigns, and do hereby grant to the Bank, its successors and assigns their respective interests in the following (collectively, the "Property"):

(a) All leases and subleases, written or oral, and all agreements for use or occupancy of any portion of the Land or any improvements, buildings, structures and fixtures now or hereafter located thereon (the "Improvements") (the Land and the Improvements being hereinafter sometimes together called the "Real Property") with respect to which either of the Assignors is the lessor or sublessor, including the existing leases, if any, described on Exhibit B attached hereto and made a part hereof (the "Existing Leases"), any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Land or the Improvements, all such leases, subleases, agreements and tenancies heretofore mentioned (including the Existing Leases), whether entered into before or after the filing by or against either of the Assignors of any petition for relief under the federal Bankruptcy Code, being covered by this assignment and being hereinafter collectively referred to as the "Leases";

(b) any and all guaranties of the lessee's and any sublessee's performance under any of the Leases;

(c) the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which either of

the Assignors may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand or claim, whether paid or accruing before or after the filing of any petition by or against either of the Assignors for relief under the federal Bankruptcy Code, arising or issuing from or out of the Leases or from or out of the Land or the Improvements, or any part thereof, including minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Land or the Improvements, together with any and all rights and claims that either of the Assignors may now or hereafter have against any such lessee under the Leases or against any subtenants or occupants of the Land or any of the Improvements, all such moneys, rights and claims described in this Section 2.1(c) being hereinafter referred to as the "Rents"; provided, however, so long as no Event of Default exists, the Company shall have the right under a license granted hereby to collect, receive and retain the Rents, but except as permitted in Section 3.2(d), no Rents shall be collected in advance of the due date thereof; and ,

(d) any award, dividend or other payment made hereafter to either of the Assignors in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. The Assignors hereby appoint the Bank as the Assignors' irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend or other payment after the occurrence of an Event of Default.

SUBJECT, HOWEVER, to the encumbrances, if any, described on Exhibit C hereto ("Permitted Encumbrances").

ARTICLE 3

Representations, Warranties and Covenants

SECTION 3.1 Representations and Warranties. The Company represents and warrants to the Bank that; except for Permitted Encumbrances:

(a) The Company has good title to the Rents and Leases and good right to assign the same, and no other person has any right, title or interest therein.

(b) The Company has duly and punctually observed and performed all and singular the terms, covenants, conditions and warranties of the Existing Leases on the Company's part to be observed and performed.

(c) The Company has not previously sold, assigned, transferred or granted any Lien on the Leases or the Rents, whether now due or hereafter to become due.

(d) No Rents due for any period subsequent to the month next succeeding the date of this Agreement have been collected, and no payment of any of the Rents has been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised.

(e) The Company has not received any funds or deposits from any lessee in excess of one month's rent for which credit has not already been made on account of accrued rents.

(f) To the best of the Company's knowledge, except as disclosed to the Bank, the lessees under the Existing Leases are not in default under any of the terms thereof.

SECTION 3.2 Covenants of Company. The Company covenants and agrees that the Company shall:

(a) observe and perform all of the Company's obligations under the Leases and give prompt notice to the Bank if the Company fails to do so;

(b) enforce or secure in the name of the Bank the performance of each obligation to be performed by any lessee under the Leases;

(c) appear in and defend any proceeding arising under, or in any manner connected with the Leases or the obligations of the Company and any lessee thereunder, and upon request by the Bank, do so in the name and on behalf of the Bank but at the expense of the Company, and pay all costs and expenses of the Bank, including reasonable attorneys' fees, in any proceeding in which the Bank may appear; -

(d) not receive or collect any Rents from any lessee of any of the Real Property for a period of more than one month in advance, or sell, assign, transfer or grant any Lien on future payments of the Rents;

(e) not waive, excuse, discount, set off, compromise, or in any manner release or discharge any lessee of any of the Real Property from any of the lessee's obligations under any Lease, including the obligation to pay rent as specified in any Lease, except in the ordinary course of its business in the exercise of its reasonable business judgment and under circumstances that would be customary in the Company's business;

(f) not enter into any Leases except on a form approved by the Bank, nor cancel, terminate or consent to the surrender of any Lease, or modify the provisions thereof, except in the ordinary course of its business in the exercise of its reasonable business judgment and under circumstances that would be customary in the Company's business;

(g) not renew or otherwise extend the term of any of the Existing Leases; provided, however, that the Company may, upon the expiration of the term of any of the Existing Leases, lease the property covered thereby to the lessee thereunder by a lease or leases expressly subject and fully subordinate to the Lien of the Mortgage and to this Agreement;

(h) if requested by the Bank, promptly upon the execution by the Company of any future Lease, (1) furnish the Bank with the name and address of the lessee thereunder, the term of such Lease and a description of the premises covered thereby and, upon request of the Bank, a copy of such Lease, and (2) execute all such further assignments of such Lease and the Rents therefrom as the Bank may require;

(i) not, without the prior written approval of the Bank, execute any management or leasing agreements affecting any of the Real Property; and

(j) if required by the Bank, cause each Lease to provide, in a manner approved by the Bank, that the Lease is junior and subordinate to the Lien of the Mortgage and to this Agreement and that the Lessee will recognize as lessor, Bank or any person succeeding to the interest of the Company, upon the foreclosure of the Mortgage or any exercise by the Bank of its rights, powers and remedies under this Agreement or the Mortgage with respect to the Lease.

ARTICLE 4

Default and Remedies

SECTION 4.1 Events of Default. The occurrence of any of the following events shall constitute an event of default (an "Event of Default") under this Agreement (whatever the reason for such event and whether or not it shall be voluntary or involuntary or be effected by operation of law or pursuant to any Governmental Requirement):

(a) any representation or warranty made in this Agreement or in any of the other Credit Documents shall prove to be false or misleading in any material respect as of the time made; or

(b) any report, certificate, financial statement or other instrument furnished in connection with the Credit, this Agreement or any of the other Credit Documents, shall prove to be false or misleading in any material respect as of the time furnished; or

(c) default shall be made in the payment when due of any of the Obligations; or

(d) default shall be made in the due observance or performance of any covenant, condition or agreement on the part of the Company to be observed or performed pursuant to the terms of this Agreement (other than any covenant, condition or agreement, default in the observance or performance of which is elsewhere in this Section 4.1 specifically dealt with) and such default shall continue unremedied until the first to occur of (1) the date that is 30 days after written notice by the Bank to the Company; or (2) the date that is 30 days after the Company first obtains knowledge thereof; or

(e) any default or event of default, as therein defined, shall occur under any of the other Credit Documents (after giving effect to any applicable notice, grace or cure period specified therein).

SECTION 4.2 Rights and Remedies of Bank Upon Default.

(a) **Acceleration of Obligations.** If an Event of Default exists that does not already result in the automatic acceleration of the Obligations under another Credit Document, the Bank shall have the right without further notice to the Assignors (except any such notice as may be specifically required under the other Credit Documents) to declare all of the Obligations immediately due and payable.

(b) **Operation of Real Property.** If an Event of Default exists, in addition to all other rights herein conferred on the Bank, the Bank (or any person designated by the Bank) may, but shall not be obligated to, enter upon and take possession of any or all of the Real Property, exclude the Assignors therefrom, and hold, use, administer, manage and operate the same to the extent that the Assignors or either of them, could do so, without any liability to the Assignors resulting therefrom; and the Bank may collect, receive and receipt for all proceeds accruing from such operation and management, make repairs and purchase needed additional property, and exercise every power, right and privilege of the Assignors with respect to the Real Property.

(c) **Right to Receiver.** If an Event of Default exists, the Bank shall be entitled, as a matter of right, to the appointment by any competent court or tribunal, without notice to the Assignors or any other party, of a receiver of the rents, issues and profits of the Real Property, with power to lease and control the Real Property and with such other powers as may be deemed necessary.

(d) **Rents and Leases.** If an Event of Default exists, the Bank at its option, shall have the right, power and authority without the need to take possession of the Real Property or to obtain the appointment of a receiver, to exercise and enforce any or all of the following rights and remedies with respect to Rents and Leases:

(1) to terminate the license granted to the Company in Section 2.1(c) to collect the Rents, to notify the tenants under the Leases or any other parties in possession of any of the Real Property to pay all Rents directly to the Bank and, without taking possession, in the Bank's own name to demand, collect, receive, sue for, attach and levy the Rents, to give proper receipts, releases and acquittances therefor;

(2) with or without any action or proceeding, through any person or by agent, or by a receiver to be appointed by court, to enter upon, take possession of, manage and operate the Real Property or any part thereof for the account of the Company, to make, modify, enforce, cancel or accept surrender of any Lease, to remove and evict any lessee or sublessee, to increase or reduce rents, to decorate, clean and make repairs, and otherwise to do any act or incur any cost or expenses the Bank shall deem proper to protect the security hereof, as fully and to the same extent as the Assignors could if in possession; and

(3) to take whatever legal proceedings may appear necessary or desirable to enforce any obligation of the Assignors under this Agreement.

The Assignors hereby release any claims against any tenants under the Leases or any other parties in possession of any of the Real Property for any Rents or other sums paid to the Bank in accordance with this Agreement. The collection of the Rents and application thereof as aforesaid or the entry upon and taking possession of the Real Property or both shall not cure or waive any default or waive, modify or affect any notice of default under this Agreement, or invalidate any act done pursuant to such notice, and the enforcement of such right or remedy by the Bank, once exercised, shall continue for so long as the Bank shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default.

(e) **Order of Application of Proceeds.** All payments received by the Bank as proceeds of any of the Real Property, as well as any and all amounts realized by the Bank in connection with the enforcement of any right or remedy under this Agreement, shall be applied by the Bank as set forth in the Mortgage.

(f) **Waiver of Certain Laws.** Each of the Assignors waives, to the fullest extent permitted by law, the benefit of all laws now existing or hereafter enacted providing for (1) any appraisal before disposition of any portion of the Property (commonly known as appraisal laws), or (2) any extension of time for the enforcement of the collection of the Obligations or any creation or extension of a period of redemption from any disposition made in collecting the Obligations (commonly known as stay laws and redemption laws). Each of the Assignors also waives any and all rights the Assignors, or either of them, may have to a hearing before any Governmental Authority prior to the exercise by the Bank of any of its rights or remedies under the Credit Documents and applicable law.

SECTION 4.3 Default Rate. If an Event of Default exists, the Obligations shall bear interest at the Default Rate, until the earlier of (a) such time as all of the Obligations are paid in full or (b) no such Event of Default exists.

SECTION 4.4 Remedies Cumulative. The rights, powers and remedies of the Bank under this Agreement are cumulative and not exclusive of any other rights, powers or remedies now or hereafter existing at law or in equity.

ARTICLE 5

Miscellaneous

SECTION 5.1 Notices.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Agreement shall be given in the manner, and shall be effective at the time, provided in Section 6.1 of the Credit Agreement.

(b) Five Business Days' written notice to the Assignors, or either of them, as provided above shall constitute reasonable notification to the Assignors when notification is required by law; provided, however, that nothing contained in the foregoing shall be construed

as requiring five Business Days' notice if, under applicable law and the circumstances then existing, a shorter period of time would constitute reasonable notice.

SECTION 5.2 Expenses. The Company shall promptly on demand pay all costs and expenses, including the fees and disbursements of counsel to the Bank, incurred by the Bank in connection with (a) the negotiation, preparation and review of this Agreement (whether or not the transactions contemplated by this Agreement shall be consummated), (b) the enforcement of this Agreement, (c) the custody and preservation of the Property, (d) the protection or perfection of the Bank's rights and interests under this Agreement in the Property, (e) the filing or recording of this Agreement or any related financing, continuation or termination statements, or similar documents (including any stamp, documentary, mortgage, recording and similar taxes and fees), (f) the exercise by or on behalf of the Bank of any of its rights, powers or remedies under this Agreement and (g) the prosecution or defense of any action or proceeding by or against the Bank, the Company, the Authority, any other Obligor, or any one or more of them, concerning any matter related to this Agreement, the Real Property, any of the Property, or any of the Obligations. All such amounts shall bear interest from the date demand is made at the Default Rate and shall be included in the Obligations. The Company's obligations under this Section 5.2 shall survive the payment in full of the Obligations and the termination of this Agreement.

SECTION 5.3 Heirs, Successors and Assigns. Whenever in this Agreement any party hereto is referred to, such reference shall be deemed to include the heirs, successors and assigns of such party, except that the Company may not assign or transfer this Agreement without the prior written consent of the Bank; and all covenants and agreements of the Assignors contained in this Agreement shall bind the Assignors' respective heirs, successors and assigns and shall inure to the benefit of the successors and assigns of the Bank.

SECTION 5.4 Joint and Several Liability. If the Company is comprised of more than one person, all of the Company's representations, warranties, covenants and agreements under this Agreement shall be joint and several and shall be binding on and enforceable against either, any or all of such persons comprising the Company. If any one or more of the persons comprising the Company is in default, the Bank may exercise its remedies on default against any or all of the persons comprising the Company.

SECTION 5.5 Independent Obligations. The Assignors agree that each of the obligations of the Assignors to the Bank under this Agreement may be enforced against the Assignors without the necessity of joining any other Obligor, any other holders of Liens in any Property or any other person, as a party.

SECTION 5.6 Governing Law. This Agreement shall be construed in accordance with and governed by Title 9 of the U.S. Code and the internal laws of the State of Alabama (without regard to conflict of law principles) except as required by mandatory provisions of law and except to the extent that the validity and perfection of the assignment of the Property hereunder are governed by the laws of any jurisdiction other than the State of Alabama.

SECTION 5.7 Date of Agreement. The date of this Agreement is intended as a date for the convenient identification of this Agreement and is not intended to indicate that this Agreement was executed and delivered on that date.

SECTION 5.8 Separability Clause. If any provision of the Credit Documents shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 5.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same agreement.

SECTION 5.10 Waiver and Election. The exercise by the Bank of any option given under this Agreement shall not constitute a waiver of the right to exercise any other option. No failure or delay on the part of the Bank in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. No modification, termination or waiver of any provisions of the Credit Documents, nor consent to any departure by the Company or the Authority therefrom, shall be effective unless in writing and signed by an authorized officer of the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Company or the Authority in any case shall entitle the Company or the Authority to any other or further notice or demand in similar or other circumstances.

SECTION 5.11 No Obligations of Bank; Indemnification. The Bank does not by virtue of this Agreement or any of the transactions contemplated by the Credit Documents assume any duties, liabilities or obligations with respect to any of the Real Property or the Property unless expressly assumed by the Bank under a separate agreement in writing, and this Agreement shall not be deemed to confer on the Bank any duties or obligations that would make the Bank directly or derivatively liable for any person's negligent, reckless or wilful conduct. The Company agrees to indemnify and hold the Bank harmless against and with respect to any damage, claim, action, loss, cost, expense, liability, penalty or interest (including attorney's fees) and all costs and expenses of all actions, suits, proceedings, demands, assessments, claims and judgments directly or indirectly resulting from, occurring in connection with, or arising out of: (a) any inaccurate representation made by the Company or any Obligor in this Agreement or any other Credit Document; (b) any breach of any of the warranties or obligations of the Company or any Obligor under this Agreement or any other Credit Document; and (c) the Real Property, or the assignment to the Bank of the Property. The provisions of this Section 5.11 shall survive the payment of the Obligations in full and the termination, satisfaction and release (in whole or in part) of this Agreement.

SECTION 5.12 Advances by the Bank. If the Company or the Authority shall fail to comply with any of the provisions of this Agreement, the Bank may (but shall not be required to) make advances to perform the same, and where necessary enter the Real Property for the purpose of performing such Assignor's obligations under any such provision. The Company

agrees to repay all such sums advanced upon demand, with interest from the date such advances are made at the Default Rate, and all sums so advanced with interest shall be a part of the Obligations. The making of any such advances shall not be construed as a waiver by the Bank of any Event of Default resulting from the Company's failure to pay such amounts.

SECTION 5.13 Rights and Obligations Absolute. All rights of the Bank hereunder and all obligations of the Assignors hereunder shall be absolute and unconditional and shall not be affected by (a) any lack of validity or enforceability as to any other person of any of the Credit Documents, (b) any change in the time, manner or place of payment of, or any other term of the Obligations, (c) any amendment or waiver of any of the provisions of the Credit Documents as to any other person, and (d) any exchange, release or non-perfection of any other collateral or any release, termination or waiver of any guaranty, for any of the Obligations.

SECTION 5.14 Absolute Assignment. The assignment of the Property by the Assignors to the Bank under this Agreement is intended to be an absolute assignment and not merely a conditional assignment or security interest. The Property is intended to be, and hereby is, assigned absolutely by the Assignors to the Bank, to the extent of their respective interests therein, subject only to the license granted to the Company under Section 2.1(c), which license is terminable at the option of the Bank upon the occurrence of an Event of Default.

SECTION 5.15 Re-Assignment of Leases and Rents. When the Obligations are paid in full and such payment is evidenced by a recorded written instrument of satisfaction of the Mortgage, the Bank shall, upon written request by the Company, transfer, assign and set over to the Company all of the Bank's right, title and interest in, to and under the Property.


SECTION 5.16 Arbitration. This Agreement incorporates by reference requirements for arbitration of disputes set forth in the Credit Agreement.

IN WITNESS WHEREOF, the undersigned Balboa Investment Group II has caused this Agreement to be executed by its duly authorized managing partner on the date of the acknowledgment of the Company's signature below and the Alabama Housing Finance Authority has caused this Agreement to be executed by its duly authorized officer on the date of the acknowledgment of the Authority's signature below.

BALBOA INVESTMENT GROUP II


By 
Its GENERAL PARTNER

ALABAMA HOUSING FINANCE AUTHORITY

By 
Its Vice Chairman

[S E A L]

ATTEST:


Its: Assistant Secretary

California
STATE OF ~~ALABAMA~~)
COUNTY OF Los Angeles)

I, the undersigned authority, a Notary Public in and for said county in said State, hereby certify that Patrick A. Stacker, whose name as general partner of Balboa Investment Group II, a California general partnership, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such general partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this the 12 day of September, 1996.

Mary M. Duesent
Notary Public

[AFFIX SEAL]

My commission expires: 11-17-98

STATE OF ALABAMA)
COUNTY OF LOWNDES)



I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that TED B. WATTS, whose name as VICE CHAIRMAN of Alabama Housing Finance Authority, a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 16th day of September, 1996.

Vickie Wallace
Notary Public

[AFFIX SEAL]

My commission expires:
My Commission Expires
May 16, 1999

This instrument prepared by:

Kathleen A. Collier
MAYNARD, COOPER & GALE, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2602
(205) 254-1000

EXHIBIT A

(Land Description)

A tract of land in the Southwest 1/4 of the Northeast 1/4 of Section 5, Township 19 South, Range 1 West, Shelby County, Alabama, more particularly described as follows:

Begin at the Northeast corner of said Southwest 1/4 of Northeast 1/4 and run west along the north line thereof for 661.23 feet; thence turn left 88 degrees 57 minutes 22 seconds and run southerly for 330.66 feet; thence turn right 89 degrees 02 minutes 14 seconds and run westerly for 258.06 feet to a point on the easterly right of way line of U.S. Highway 280; thence turn left 85 degrees 52 minutes 30 seconds and run southeasterly along said easterly right of way line for 60.32 feet; thence turn left 84 degrees 07 minutes 30 seconds and run easterly for 286.78 feet to the beginning of a curve to the right having a radius of 189.87 feet and a central angle of 90 degrees 34 minutes 50 seconds; thence easterly and southerly along the arc of said curve for 300.17 feet; thence southerly tangent to said curve for 148.50 feet; thence turn left 90 degrees and run easterly 254.15 feet; thence turn right 90 degrees 27 minutes 45 seconds and run southerly for 218.26 feet; thence turn left 90 degrees and run easterly for 176.0 feet to a point on the east line of said Southwest 1/4 of Northeast 1/4; thence turn left 90 degrees and run northerly along said east line for 956 feet to the point of beginning; being situated in Shelby County, Alabama.

EXHIBIT B

(Existing Leases)

Leases to tenants occupying apartments at the Facilities.

EXHIBIT C

(Permitted Encumbrances)

1. **The Mortgage.**
2. **Permitted Encumbrances listed in Exhibit C to the Mortgage.**

Inst # 1996-30696

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**09/17/1996-30696
C-1 01:50 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
015 MCD 44.50**