

THIS INSTRUMENT PREPARED BY:

Principal Life Insurance Company
c/o Principal Capital Real Estate Investors, LLC, Servicer
801 Grand Avenue
Des Moines, Iowa 50392-1450
ATTN: Jill Byerly

**CONSENT TO TRANSFER OF PROPERTY,
AMENDMENT AND ASSUMPTION OF MORTGAGE AND SECURITY AGREEMENT,
AND ASSUMPTION OF SECURED PROMISSORY NOTE, ASSIGNMENT OF LEASES
AND RENTS, ESCROW SECURITY AGREEMENT, AND ASSIGNMENT OF
CONSTRUCTION WARRANTIES
Loan Number 751811**

THIS CONSENT TO TRANSFER OF PROPERTY, AMENDMENT AND ASSUMPTION OF MORTGAGE AND SECURITY AGREEMENT, AND ASSUMPTION OF SECURED PROMISSORY NOTE, ASSIGNMENT OF LEASES AND RENTS, ESCROW SECURITY AGREEMENT, AND ASSIGNMENT OF CONSTRUCTION WARRANTIES ("Consent and Assumption") is entered into effective as of this 30th day of JULY, 2002 among (i) PRINCIPAL LIFE INSURANCE COMPANY, an Iowa corporation ("Lender"); (ii) MCWHORTER PROPERTIES-HOOVER, L.L.C., an Alabama limited liability company ("Current Borrower"); (iii) LOEWS LIMITED PARTNERSHIP, a Florida limited partnership ("Proposed Borrower"); (iv) EARLON C. MCWHORTER ("Current Guarantor"); and (v) ROBERT B. BALOGH ("Proposed Guarantor").

WITNESSETH:

WHEREAS, Lender provided Current Borrower a loan (the "Loan") in the original principal amount of Nine Million Four Hundred Fifty Two Thousand and no/100 Dollars (\$9,452,000.00) evidenced by secured promissory notes, one in the original principal sum of \$5,452,000.00 and one in the original principal sum of \$4,000,000.00, both dated October 26, 1998 from Current Borrower to Lender (collectively, the "Note") and secured by a Mortgage and Security Agreement dated October 26, 1998 (the "Mortgage") covering the property described therein (the "Property") and recorded as Inst #1998-43183 among the land records of Shelby County, Alabama, and an Assignment of Leases and Rents dated October 26, 1998 (the "Assignment of Leases and Rents") and recorded as Inst #1998-43184 among the land records of Shelby County, Alabama; and

WHEREAS, Current Borrower and Proposed Borrower have requested that Lender consent to the transfer of Current Borrower's interest in the Property to Proposed Borrower and Lender will consent to the transfer of Current Borrower's interest in the Property to Proposed Borrower provided that: (i) Proposed Borrower enters into this Consent and Assumption assuming Current Borrower's obligations under the Note, Mortgage, Assignment of Leases and

✓ FIRST AMERICAN TITLE INS. CO.
ORDER CENTRAL AL / MS
ATTN: J ALLEN MIZE
300 OFFICE PARK DRIVE STE 175
BIRMINGHAM, AL 35223

Rents, Escrow Security Agreement dated October 26, 1998, and Assignment of Construction Warranties dated October 26, 1998 (collectively with this document, the "Loan Documents"); (ii) Proposed Borrower enters into that certain Environmental Indemnity Agreement dated of even date herewith; and (iii) Proposed Guarantor enters into the Guaranty of even date herewith.

NOW, THEREFORE, in consideration of the above premises and of the benefits to be obtained by the covenants contained herein, and for other good, valuable and legal consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto intending to be legally bound hereby agree as follows:

1. Lender hereby consents to the transfer of all of Current Borrower's interest in the Property to Proposed Borrower. Nothing herein shall in any way be construed to impair or affect the first lien priority of the Mortgage.
2. Proposed Borrower hereby agrees to assume all of Current Borrower's obligations under the Loan Documents and abide by the terms thereof.
3. Lender's consent to this transfer and assumption of all of Current Borrower's obligations under the Loan Documents by Proposed Borrower shall not be deemed to be a waiver of Lender's requirements for consent to any future transfer.
4. Lender and Proposed Borrower agree to amend the Mortgage as follows:
 - a) Paragraph 10(h), page 15, delete "Earlon C. McWhorter" and substitute "Robert B. Balogh".
 - b) Paragraph 29(a), page 25, delete "Earlon C. McWhorter" and substitute "Robert B. Balogh".
5. On the date that Proposed Borrower assumes the loan and acquires the ownership interest in the Property from Current Borrower, which shall be the same date as the date this document is recorded ("Transfer Date"), Current Borrower and Current Guarantor shall be released from all obligations under the Loan Documents and Current Guarantor shall be released from all obligations under that certain Guaranty dated October 26, 1998 in connection with the loan documents except Current Borrower and Current Guarantor shall remain liable to Lender its successors and/or assigns for any environmental indemnity obligations specified under that certain Environmental Indemnity Agreement dated October 26, 1998 for any Hazardous Material (as defined in the Environmental Indemnity Agreement) introduced to the Property prior to the Transfer Date or introduced by Current Borrower or Current Guarantor after the Transfer Date. Current Borrower and Current Guarantor shall bear the burden of proof that the introduction of such Hazardous

Materials occurred after the Transfer Date and that Current Borrower or Current Guarantor did not introduce the same.

6. Proposed Guarantor agrees to enter into the Guaranty and abide by the terms thereof.
7. This Consent and Assumption may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
8. Except as herein specifically modified and consented to, the Loan Documents shall remain in full force and effect as written.
9. This Consent and Assumption shall be governed by the laws of the state of Alabama and be binding upon and inure to the benefit of the parties hereto, their successors and assigns.
10. If more than one, all obligations of Current Borrower and Proposed Borrower and Current Guarantor and Proposed Guarantor hereunder are joint and several.

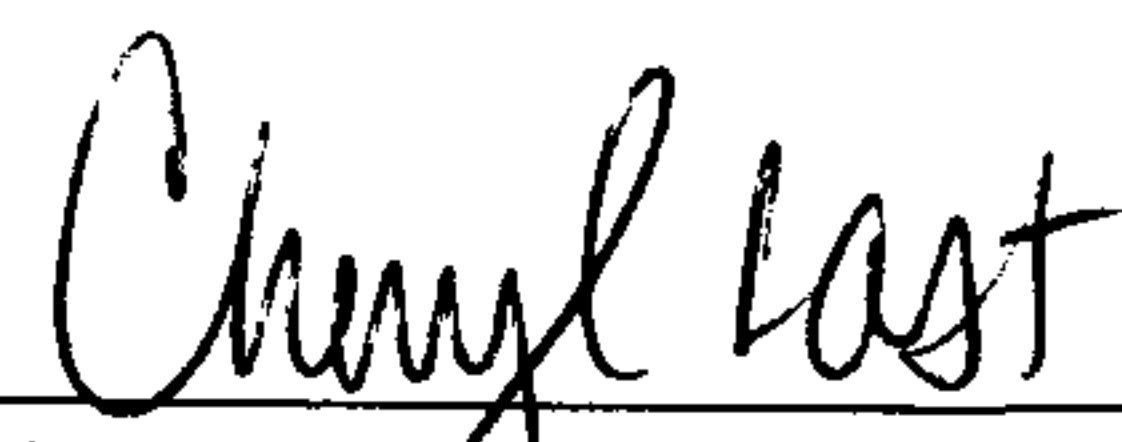
IN WITNESS WHEREOF, the parties have signed and sealed this agreement as of the date and year above written.

LENDER:

PRINCIPAL LIFE INSURANCE COMPANY, an
Iowa corporation

By: PRINCIPAL CAPITAL REAL ESTATE
INVESTORS, LLC, a Delaware limited
liability company, its authorized signatory

By 
Name: Dixie C. Parsons
Title: Senior Commercial Loan Administrator

By 
Name: Cheryl Last
Title: Director
Loan Administration Operations

CURRENT BORROWER:

MCWHORTER PROPERTIES-HOOVER, L.L.C.,
an Alabama limited liability company

By Earlon C. McWhorter
Name:
Title:

CURRENT GUARANTOR:

EARLON C. MCWHORTER

By Earlon C. McWhorter
Earlon C. McWhorter, individually

PROPOSED BORROWER:

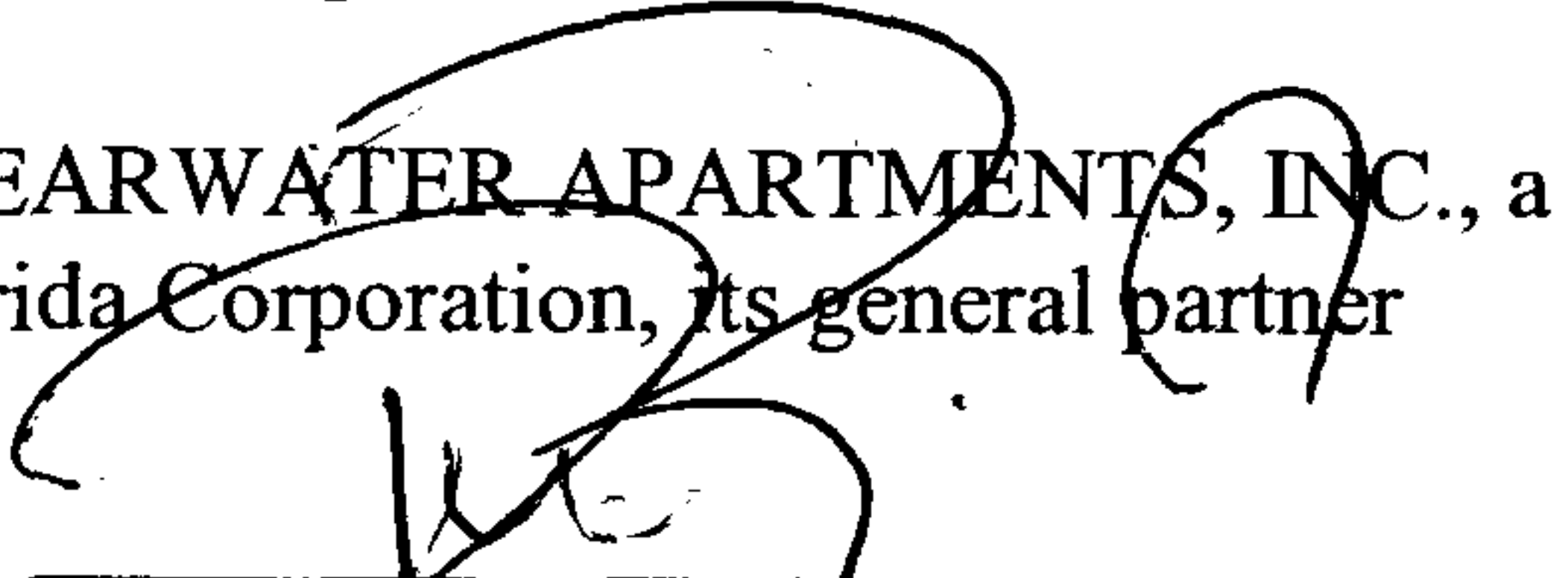
LOEWS LIMITED PARTNERSHIP, a Florida
limited partnership

By: ~~CLEARWATER APARTMENTS, INC., a~~
~~Florida Corporation, its general partner~~

By

Name:

Title:


Robert Balogh
President

PROPOSED GUARANTOR:

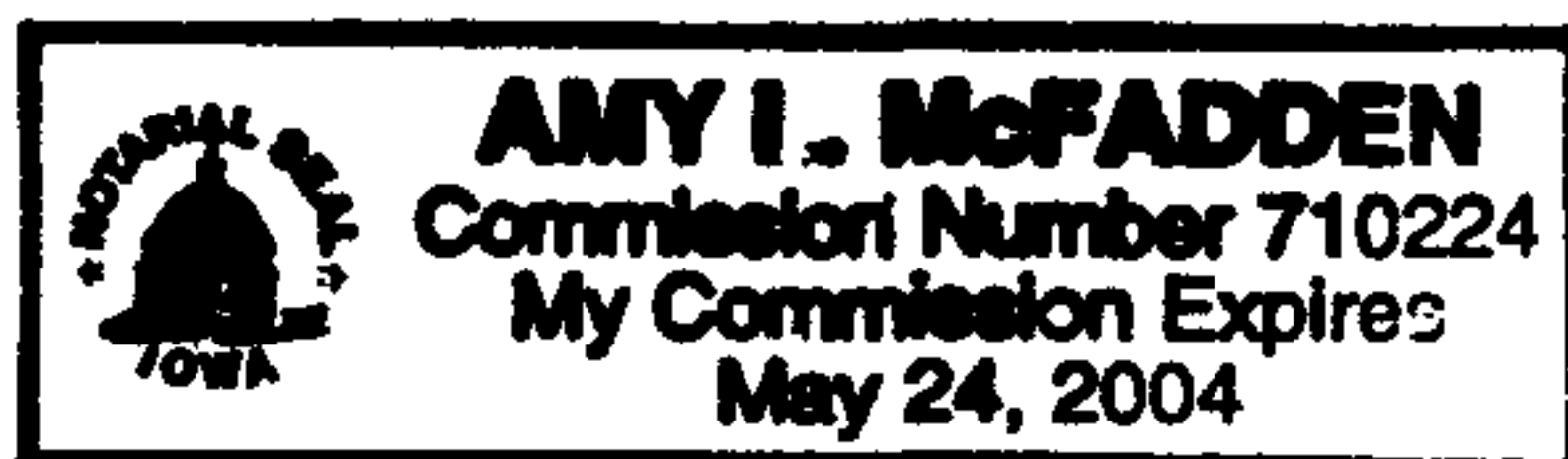
ROBERT B. BALOGH

By


Robert B. Balogh, individually

STATE OF IOWA)
)
COUNTY OF POLK)

On this 26th day of July, 2002, before me, the undersigned, a Notary Public in and for the said State, personally appeared Dixie C. Parsons and Cheryl Last, to me personally known to be the identical persons whose names are subscribed to the foregoing instrument, who being by me duly sworn, did say that they are the Senior Commercial Loan and Director, respectively, of PRINCIPAL CAPITAL REAL ESTATE INVESTORS, LLC, a Delaware limited liability company, authorized signatory of PRINCIPAL LIFE INSURANCE COMPANY, an Iowa corporation, and that the seal affixed to the instrument is the seal of Principal Capital Real Estate Investors, LLC; that the instrument was signed and sealed on behalf of the corporation by Principal Capital Real Estate Investors, LLC, as authorized signatory of Principal Life Insurance Company, by authority of the Board of Directors of Principal Life Insurance Company; and that the aforesaid individuals each acknowledged the execution of the foregoing instrument to be the voluntary act and deed of Principal Capital Real Estate Investors, LLC, as authorized signatories of said corporation, by it and by them voluntarily executed.

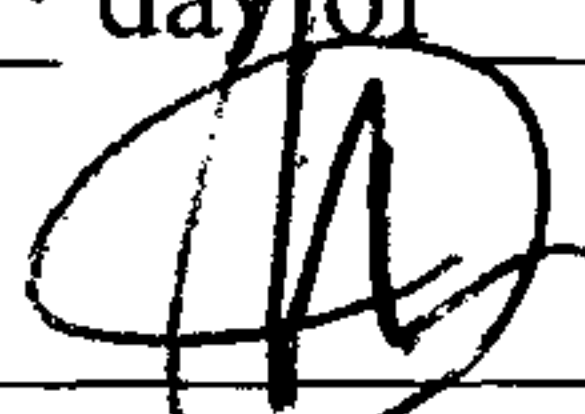


Amy I. McFadden
Notary Public in and for said State

STATE OF ALABAMA
COUNTY OF CALHOUN

I, the undersigned, a Notary Public in and for said State and County, hereby certify that **Earlon C. McWhorter** whose name as Manager of **MCWHORTER PROPERTIES-HOOVER, L.L.C.**, an Alabama limited liability company, 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 the instrument, he, in his capacity as Manager and with full authority, executed the same voluntarily on behalf of MCWHORTER PROPERTIES-HOOVER, L.L.C., on the day the same bears date.

Given under my hand and seal this 30TH day of JULY, 2002.



NOTARY PUBLIC

My Commission Expires: _____

[NOTARIAL STAMP OR SEAL]

JAY F. PUMROY - Notary Public
STATE OF ALABAMA
My Commission Expires April 25, 2003.

STATE OF ALABAMA
COUNTY OF CALHOUN

I, the undersigned, a Notary Public in and for said State and County, hereby certify that **Earlon C. McWhorter** whose name 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 the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 30TH day of JULY, 2002.



NOTARY PUBLIC

My Commission Expires: _____

[NOTARIAL STAMP OR SEAL]

JAY F. PUMROY - Notary Public
STATE OF ALABAMA
My Commission Expires April 25, 2003.

20020801000357140 Pg 8/8 32.00
 Shelby Cnty Judge of Probate, AL
 08/01/2002 09:14:00 FILED/CERTIFIED

STATE OF FLORIDA :
 COUNTY OF DADE :

I, the undersigned, a Notary Public in and for said State and County, hereby certify that Robert Balogh whose name as President of CLEARWATER APARTMENTS, INC., a Florida Corporation, as general partner of Loews Limited Partnership, a Florida limited 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 the instrument he/she, in his/her capacity as President of Clearwater Apartments, Inc., a Florida Corporation and with full authority, executed the same voluntarily on behalf of Loews Limited Partnership on the day the same bears date.

Given under my hand and seal this 29 day of July, 2002.

Susan Ellingsworth
 NOTARY PUBLIC

My Commission Expires: APRIL 25, 2003



Susan Ellingsworth
 Commission # CG 829488
 Expires Apr. 25, 2003
 Bonded Thru
 Atlantic Bonding Co., Inc.

STATE OF FLORIDA :
 COUNTY OF DADE :

I, the undersigned Notary Public in and for said County, in said State, hereby certify that ROBERT B. BALOGH, whose name 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 executed the same voluntarily on the day the same bears date.

GIVEN under my hand and official seal on this 29 day of July, 2002.

Susan Ellingsworth
 NOTARY PUBLIC

My Commission Expires: APRIL 25, 2003



Susan Ellingsworth
 Commission # CG 829488
 Expires Apr. 25, 2003
 Bonded Thru
 Atlantic Bonding Co., Inc.