

Return to H.B. & O. DOK RAM



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This document was prepared by:  
Deborah E. Glass, Esq.  
Hansell & Post  
56 Perimeter Center East, Suite 500  
Atlanta, Georgia 30346

ASSIGNMENT OF LESSOR'S INTEREST IN LEASES

THIS ASSIGNMENT OF LESSOR'S INTEREST IN LEASES (this "Assignment"), made this 2nd day of May, 1988, by and between TOWERGATE ASSOCIATES ("Borrower"), a general partnership created pursuant to the laws of the state of North Carolina, the mailing address of which is 1338 Westgate Center Drive, Winston-Salem, North Carolina 27103; and METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation having an address of One Madison Avenue, New York, New York 10010 (hereinafter called "Lender"),

W I T N E S S E T H :

FOR VALUE RECEIVED, Borrower hereby grants, transfers and assigns to Lender and its successors and assigns all right, title and interest of Borrower in and to those certain leases more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof which are now or hereafter in effect with respect to occupancy of space located within the apartment complex commonly known as Towergate Apartments located on approximately 14.7238 acres of land more particularly described on Exhibit "B" attached hereto and by this reference made a part hereof (hereinafter referred to as the "Property") together with (i) any extensions, modifications or renewals thereof and (ii) any guarantees of the lessees' obligations thereunder (all of said leases, together with all such guarantees, modifications, extensions or renewals thereof, being hereinafter collectively referred to as the "Leases"), and (iii) any and all security deposits received by Borrower or any agent of Borrower in connection therewith, for the purpose of securing (a) payment of all sums now or at any time hereafter due Lender and secured by a certain Deed of Trust and Security Agreement (hereinafter called the "Deed") made by Borrower to a designated trustee for the benefit of Lender, dated of even date herewith and recorded, or to be recorded, in the Office of the Registry of Forsyth County, North Carolina, together with any renewals or extensions thereof and any future advances made thereunder to the extent permitted under North Carolina law, and (b) performance and discharge of each obligation, covenant and agreement of Borrower contained herein or contained in the Deed or the note secured thereby (hereinafter referred to as the "Note"; such Note, together with the Deed and any other instruments now or hereafter evidencing, securing or otherwise relating to the indebtedness evidenced by the Note hereinafter collectively referred to as the "Loan Documents"). This Assignment is intended to be an absolute, present assignment from Borrower to Lender. The rents, issues and profits of the Property are hereby assigned absolutely by Borrower to Lender, contingent only upon the occurrence of an Event of Default hereunder as defined hereinbelow.

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ARTICLE I.

WARRANTIES AND COVENANTS

1.01 Warranties of Borrower. Borrower hereby warrants and represents to Lender that:

(a) Borrower is the sole owner of landlord's interest under the Leases, is entitled to receive the rents, issues, profits and security deposits under the Leases and from the Property, and has good right to sell, assign, transfer and set over the same and to grant to and confer upon Lender the rights, interests, powers and authorities herein granted and conferred.

(b) Borrower has neither made nor permitted to be made any assignment other than this Assignment of any of its rights under the Leases to any person or entity.

(c) Borrower has not done any act nor omitted to do any act which might prevent Lender from, or limit Lender in, acting under any of the provisions of this Assignment.

(d) Borrower has not accepted rent under any of the Leases more than sixty (60) days in advance of its due date.

(e) To the best knowledge of Borrower, there is no default by any of the lessees under the terms of any of the Leases except for customary and insubstantial rental delinquencies and other possible minor violations of the Leases which Borrower will, in the ordinary course of business, cause to be cured or pursued in accordance with the terms of the Leases.

(f) Borrower is not prohibited under any agreement with any other person or entity or under any judgment or decree from the execution and delivery of this Assignment or of the Leases, from the performance of each and every covenant of Borrower hereunder and under the Leases, or from the meeting of each and every condition contained herein or in the Leases.

(g) No action has been brought or threatened which in any way would interfere with the right of Borrower to execute this Assignment and perform all of Borrower's obligations herein contained.

(h) The Leases, except as specifically recited in that certain Certification of Rent Roll and Lease Status from Borrower to Lender of even date herewith, are unmodified and are in full force and effect.

1.02 Covenants of Borrower. Borrower hereby covenants and agrees with Lender as follows:

(a) Borrower shall (i) fulfill, perform and observe each and every condition and covenant of Borrower contained in the Leases; (ii) give prompt notice to Lender of any claim of default under any of the Leases given by any of the lessees thereunder to Borrower or given by Borrower to any of such lessees (all other than in the ordinary course of business), together with a complete copy of any such claim; (iii) at the sole cost and expense of Borrower, diligently seek to enforce, short of termination of the Lease except in the ordinary course of business, the performance and observance of each and every covenant and condition of the Leases to be performed or observed by the lessees thereunder; and (iv) appear in and defend any action growing out of, or in any manner connected with, any of the Leases or the obligations or liabilities of Borrower, as lessor thereunder, or of any of the lessees or guarantors thereunder.

(b) Borrower shall not without the prior written consent of Lender (i) modify any of the Leases; (ii) terminate the term or accept the surrender thereof; (iii) waive, or release the lessees from, the performance or observance by the lessees of any obligation or condition of the Leases; (iv) permit the prepayment of any rents under any of the Leases for more than sixty (60) days prior to the accrual thereof; (v) give any consent to any assignment by any of the lessees of any of the Leases or any sublease of any part or portion of the Property; provided that with respect to (i), (ii), (iii) and (v), Borrower shall be entitled to undertake said activities in the ordinary course of the business of operation of an apartment complex of similar size and location without the approval or consent of Lender.

(c) Borrower shall authorize and direct, and does hereby authorize and direct each and every present and future tenant under the Leases to pay rental directly to Lender upon receipt of written demand from Lender to so pay the same.

(d) Lender shall not be obligated to perform or discharge any obligation of Borrower under any of the Leases, and Borrower agrees to indemnify and hold Lender harmless from and against any and all liability, loss or damage which Lender may incur under any of the Leases or under or by reason of this Assignment and from and against all claims and demands whatsoever which may be asserted against it by reason of an act of Lender under this Assignment or under any of the Leases.

1.03 Covenants of Lender. Lender, by acceptance hereof, covenants and agrees with Borrower that:

(a) Although this Assignment constitutes a present and current assignment of all rents, issues and profits of the Property, so long as there shall exist no Event of Default as hereinafter defined, on the part of Borrower, Borrower shall have the right (i) to collect, but not more than sixty (60) days

prior to accrual, all such rents, issues and profits from the Property and to retain, use and enjoy the same, and (ii) to maintain the security deposits in a separate, identifiable account in a bank acceptable to Lender.

(b) Upon the payment in full of all indebtedness secured hereby, as evidenced by the recording or filing of an instrument of satisfaction or full release of the Deed without the recording of another deed of trust or other real property security instrument in favor of Lender affecting the Property, this Assignment shall become and be void and of no further effect.

(c) Lender agrees that (i) it will not seek any judgment for a deficiency against Borrower in any action to foreclose on the Property either pursuant to the remedy of foreclosure contained in the Deed or as otherwise provided by law, and (ii) except in the event of an action by Lender against Borrower for waste, conversion, misrepresentation or fraud, if any suit is brought on the Deed, on the Note, or under any other of the Loan Documents, then any judgment, decree or other judicial or administrative order obtained in such a suit, which judgment, decree or order requires, either directly or indirectly, the payment of money, will be enforced only against the Property, the rents, issues and profits derived therefrom after the default on which such suit is based, any insurance proceeds or condemnation awards payable in respect of the Property, and any other funds held by or delivered to Lender pursuant to the Deed and this Assignment, including security deposits and escrow funds. Nothing herein contained shall (a) be deemed to be a release or impairment of the existence of the indebtedness evidenced by the Note or the enforceability of the lien and security interest created by any of the Loan Documents, nor (b) preclude Lender from exercising any of Lender's rights hereunder or under any other of the Loan Documents (including without limitation the remedy of foreclosure), or under the terms of any lease, guaranty, bond, policy of insurance or other agreement or any other loan documents relating to any other indebtedness to which Borrower is a party, nor (c) preclude Lender from seeking, commencing or enforcing any action against Borrower, or the partners of Borrower personally, for damages or injunctive relief if, and to the extent that: (i) Borrower collects rentals in advance in violation of the provisions of any of the Loan Documents, or, after Borrower's Event of Default hereunder or under any other of the Loan Documents, Borrower collects rentals which are not properly applied to the indebtedness evidenced hereby; (ii) Borrower holds security deposits and does not promptly deliver same to Lender if and as required to do so under the Loan Documents; (iii) Borrower comes into possession of any funds constituting (1) income from the Property, accruing after the date of any default under any of the Loan Documents, (2) insurance proceeds payable in respect of the Property, or (3) awards resulting from any condemnation (or settlement in lieu of condemnation) of the Property or any part thereof, and fails to promptly deliver all such funds to Lender; or (iv) Borrower fails to indemnify Lender in accordance with Paragraph 1.14 of the Deed.

## ARTICLE II.

### DEFAULT

2.01 Event of Default. The occurrence of any one of the following events shall constitute an "Event of Default" hereunder:

(a) the failure by Borrower to perform or observe any covenant of Borrower contained in this Assignment after the expiration of any applicable notice and cure periods set forth in the Security Deed;

(b) the failure by Borrower to cause to be true and not misleading any warranty of Borrower contained herein;

(c) the occurrence of any Event of Default under any of the Loan Documents; or

(d) A default by Borrower under any of the Leases.

2.02 Remedies. Upon the occurrence of any Event of Default, Lender may at its option, with or without notice or demand of any kind (except as may be provided in any of the Loan Documents), exercise any or all of the following remedies:

(a) Declare any part or all of the indebtedness evidenced by the Loan Documents to be due and payable, whereupon the same shall become immediately due and payable;

(b) Perform any and all obligations of Borrower under any or all of the Leases or this Assignment and exercise any and all rights of Borrower herein or therein as fully as Borrower itself could do, including, without limiting the generality of the foregoing: enforcing, modifying, extending or terminating any or all of the Leases; collecting, modifying, compromising, waiving or increasing any or all of the rents payable thereunder; and obtaining new tenants and entering into new leases on the Property on any terms and conditions deemed desirable by Lender; and, to the extent Lender shall incur any costs in connection with the performance of any such obligations of Borrower, including costs of litigation, then all such costs shall become a part of the indebtedness secured by the Loan Documents, shall bear interest from the incurrence thereof at the default interest rate specified in the Note, and shall be due and payable on demand;

(c) In Borrower's or Lender's name, institute any legal or equitable action which Lender in its sole discretion deems desirable to collect and receive any or all of the rents, issues and profits assigned herein;

(d) Collect the rents, issues and profits and any other sums due under the Leases with respect to the Property, and apply the same in such order as Lender in its sole discretion may elect against (i) all costs and expenses,

including reasonable attorneys' fees actually incurred, in connection with the operation of the Property, the performance of Borrower's obligations under the Leases and collection of the rents thereunder; (ii) all the costs and expenses, including reasonable attorneys' fees actually incurred in the collection of any or all of the indebtedness secured by the Loan Documents, including all costs, expenses and reasonable attorneys' fees actually incurred in seeking to realize on or to protect or preserve Lender's interest in any other collateral securing any or all of the indebtedness secured by the Loan Documents; and (iii) any or all unpaid principal and interest on the indebtedness secured by the Loan Documents. Any amounts remaining after such application shall be applied to the payment of the indebtedness secured by the Loan Documents in such order as Lender may determine, and if Lender elects to apply such amounts to the principal payment due at the maturity of the indebtedness secured by the Loan Documents or to monthly payments thereof, regular monthly payments of said indebtedness shall continue to be due in accordance with the instrument evidencing same and without reduction or interruption, and upon the payment in full of the indebtedness secured by the Loan Documents, then this Assignment and all rights of Lender hereunder shall cease and terminate.

(e) Entry upon and taking possession of the Property and the collection of the rents and the application thereof as aforesaid, shall in no wise operate to cure or waive any default hereunder or under any other of the Loan Documents, or prohibit the taking of any other action by Lender under any of the Loan Documents or at law or in equity to enforce the payment of such indebtedness or to realize on any other security. Lender shall have full right to exercise any or all of the foregoing remedies without regard to the adequacy of security for any or all of the indebtedness, and with or without the commencement of any legal or equitable action or the appointment of any receiver or trustee, and shall have full right to enter upon, take possession of, use and operate all or any portion of the Property which Lender in its sole discretion deems desirable to effectuate any or all of the foregoing remedies. In no event shall Lender be liable to any lessee under any of the Leases for the return of any security deposit in any amount in excess of the amount delivered to Lender by Borrower.

### ARTICLE III.

#### GENERAL PROVISIONS

3.01 Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon Borrower and Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Assignment to "Borrower" or "Lender", such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Borrower or Lender.

3.02 Terminology. All personal pronouns used in this Assignment, whether used in the masculine, feminine or neuter gender, shall include all other genders, and the singular shall include the plural, and vice versa. Titles of Articles are for convenience only and neither limit nor amplify the provisions of this Assignment.

3.03 Severability. If any provision of this Assignment or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Assignment and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

3.04 Applicable Law. This Assignment shall be interpreted, construed and enforced according to the Laws of the State of North Carolina.

3.05 No Third Party Beneficiaries. This Assignment is made solely for the benefit of Lender and its assigns. No tenant under any of the Leases nor any other person shall have standing to bring any action against Lender as the result of this Assignment, or to assume that Lender will exercise any remedies provided herein, and no person other than Lender shall under any circumstances be deemed to be a beneficiary of any provision of this Assignment.

3.06 No Oral Modifications. Neither this Assignment nor any provisions hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

3.07 Cumulative Remedies. The remedies herein provided shall be in addition to and not in substitution for the rights and remedies vested in Lender in any of the Loan Documents or in law or equity, all of which rights and remedies are specifically reserved by Lender. The remedies herein provided or otherwise available to Lender shall be cumulative and may be exercised concurrently. The failure to exercise any of the remedies herein provided shall not constitute a waiver thereof, nor shall use of any of the remedies herein provided prevent the subsequent or concurrent resort to any other remedy or remedies. It is intended that this clause shall be broadly construed so that all remedies herein provided or otherwise available to Lender shall continue and be each and all available to Lender until the indebtedness evidenced by the Loan Documents shall have been paid in full.

3.08 Cross-Default. An Event of Default by Borrower under this Assignment shall constitute an Event of Default under all other Loan Documents.

3.09 Counterparts. This Assignment may be executed in any number of counterparts all of which taken together shall constitute one and the same instrument, and any of the parties or signatories hereto may exercise this Assignment by signing any such counterpart.

3.10 Further Assurance. At any time and from time to time, upon request by Lender, Borrower will make, execute and deliver, or cause to be made, executed and delivered, to Lender and, where appropriate, cause to be recorded and/or filed and from time to time thereafter to be re-recorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Lender, any and all such other and further assignments, deeds to secure debt, mortgages, deeds of trust, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the reasonable opinion of Lender be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve (a) the obligations of Borrower under this Assignment and (b) the security interest created by this Assignment as a first and prior security interest upon the Leases and the rents, issues, profits and security deposits from the Property. Upon any failure by Borrower so to do, Lender may make, execute, record, file, re-record and/or refile any and all such assignments, deeds to secure debt, mortgages, deeds of trust, security agreements, financing statements, continuation statements, instruments, certificates and documents for and in the name of Borrower, and Borrower hereby irrevocably appoints Lender the agent and attorney-in-fact of Borrower so to do.

3.11 Notices. Any and all notices, elections or demands permitted or required to be made under this Assignment shall be made in accordance with the provisions relating to notice set forth in the Deed.

3.12 Modifications, etc.. Borrower hereby consents and agrees that Lender may at any time and from time to time, without notice to or further consent from Borrower, either with or without consideration, surrender any property or other security of any kind or nature whatsoever held by it or by any person, firm or corporation on its behalf or for its account, securing the indebtedness evidenced by the Loan Documents; extend or renew the Note or any other of the Loan Documents for any period; grant releases, compromises and indulgences with respect to the Note or any other of the Loan Documents to any persons or entities nor or hereafter liable thereunder or hereunder; release any guarantor or endorser of the Note, the Deed or any other of the Loan Documents; or take or fail to take any action of any type whatsoever; and no such action which Lender shall take or fail to take in connection with the Loan Documents, or any of them, or any security for the payment of the indebtedness evidenced by the Loan Documents or for the performance of any obligations or undertakings of Borrower, nor any course of dealing with Borrower or any other person, shall release Borrower's obligations hereunder, affect this Assignment in any way or afford Borrower any recourse against Lender. The provisions of this Assignment shall extend and be applicable to all renewals, amendments, extensions, consolidations and modifications of the Loan Documents and the Leases, and any and all references herein to the Loan Documents or the Leases shall be deemed to include any such renewals, amendments, extensions, consolidations or modifications thereof.



IN WITNESS WHEREOF, Borrower, intending to be legally bound, has executed this Assignment under seal as of the date first above written.


BORROWER:

TOWERGATE ASSOCIATES, a general partnership created pursuant to the laws of the state of North Carolina (SEAL)

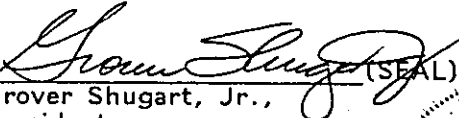
By:  (SEAL) ✓  
Phillip H. McKinley,  
Managing General Partner


By:  (SEAL) ✓  
Stephen H. Homer,  
Managing General Partner

By: B & D INVESTMENTS, a North Carolina general partnership, Managing General Partner ✓

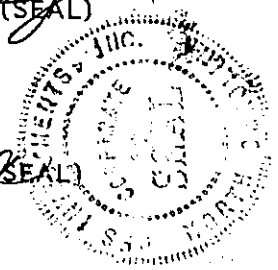
By:  (SEAL) ✓  
Paul H. Bailey,  
General Partner

By: GFS INVESTMENTS, INC., a North Carolina corporation, Managing General Partner ✓

By:  (SEAL)  
Grover Shugart, Jr.,  
President

Attest:  (SEAL)  
Secretary

[CORPORATE SEAL]



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STATE OF NORTH CAROLINA

COUNTY OF Forsyth

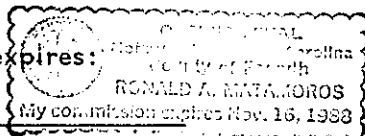
I, Ronald A. Matamoros, a Notary Public, hereby certify that Phillip H. McKinley personally came before me this day and acknowledged that he is a Managing General Partner of TOWERGATE ASSOCIATES, a North Carolina general partnership and that by authority duly given and as the act of TOWERGATE ASSOCIATES, the foregoing instrument was signed with its name and attested by himself as its Managing General Partner.

Witness my hand and notarial seal, this 28 day of <sup>April</sup>~~May~~, 1988.

Ronald A. Matamoros  
Notary Public

[Notary Seal]

My commission expires:



STATE OF NORTH CAROLINA

COUNTY OF Forsyth

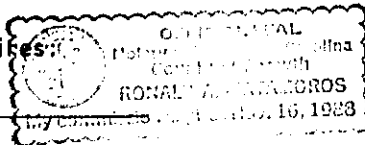
I, Ronald A. Matamoros, a Notary Public, hereby certify that Stephen H. Homer personally came before me this day and acknowledged that he is a Managing General Partner of TOWERGATE ASSOCIATES, a North Carolina general partnership and that by authority duly given and as the act of TOWERGATE ASSOCIATES, the foregoing instrument was signed with its name and attested by himself as its Managing General Partner.

Witness my hand and notarial seal, this 27 day of <sup>April</sup>~~May~~, 1988.

Ronald A. Matamoros  
Notary Public

[Notary Seal]

My commission expires:



STATE OF NORTH CAROLINA

COUNTY OF Forsyth

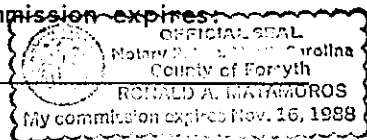
I, Ronald A. Matamuros, a Notary Public, hereby certify that Paul H. Bailey personally came before me this day and acknowledged that he is a General Partner of B & D Investments, a North Carolina general partnership, that B & D Investments is a Managing General Partner of TOWERGATE ASSOCIATES, a North Carolina general partnership and that by authority duly given and as the act of B & D Investments and as the act of TOWERGATE ASSOCIATES, the foregoing instrument was signed with its name and attested by himself as its General Partner and its Managing General Partner, respectively, and acknowledged said instrument to be the act and deed to said partnership.

Witness my hand and notarial seal, this 27 day of <sup>April</sup>~~May~~, 1988.

Ronald A. Matamuros  
Notary Public

[Notary Seal]

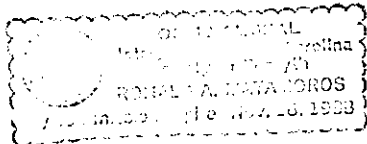
My commission expires:



STATE OF NORTH CAROLINA - County of Forsyth ) :

I, Ronald A. Matamoros, a Notary Public of Forsyth County, North Carolina, certify that KAYE W. SHUGART personally appeared before me this day and acknowledged that (s)he is the Secretary of GFS INVESTMENTS, INC., a North Carolina corporation, as General Partner of TOWERGATE ASSOCIATES, a North Carolina General Partnership, 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 KAYE W. SHUGART as its Secretary, on behalf of said General Partnership.

WITNESS my hand and official seal this the 27TH day of April, 1988.



Ronald A. Matamoros  
Notary Public

My Commission Expires: 11/16/88

STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate 5 of Ronald A. Matamoros, D.P.  
(here give name and official title of the officer signing the certificate — passed upon)

Forsyth Co., PRESENTED FOR  
REGISTRATION  
AND RETURNED  
45 (are) certified to be correct. This the 2 day of APRIL, 1988.

Probate and Filing Fee \$ 68.00 paid.

MAY 2 11 35 AM '88  
E. SPEAS, Deputy-Assistant  
REGISTER OF DEEDS  
FORSYTH CO., N.C.

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EXHIBIT "A"

Schedule of Leases

Any and all leases affecting the Property, now or hereafter existing, including, without limitation, those certain lease agreements set forth as follows:

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>
1-01	TERESA NANCE	2/17/88 2/28/89
1-02	STANLEY/ATWOOD	1/ 1/88 0/ 0/ 0
1-03	JAMES HAYES	1/ 1/88 0/ 0/ 0
1-04	SHERRON MURPHY	6/ 1/87 0/ 0/ 0
1-05	OFFICE	
1-06	BONNIE DANCE	8/ 1/87 7/31/88
1-07	VACANT	0/ 0/ 0 0/ 0/ 0
1-08	JEANETTE & WILLIE WILKINS	6/ 1/87 5/30/88
1-09	CELIA CORBETT	9/ 1/87 8/31/88
1-10	JOHN E. CRAVEN	12/ 1/87 5/31/89

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>
2-01	CHARLES CRAFT	1/13/88 0/ 0/ 0
2-02	CHARLES R. POSEY JR.	11/ 1/87 4/30/88
2-03	JERRY CHILDRESS	9/ 1/87 11/30/87
2-04	CHERYL STEWART	1/ 1/88 12/31/89
2-05	MARY NOLAN	1/ 1/88 12/31/89
2-06	WAYNE CURTIS JAMES	6/ 1/87 5/31/88
2-07	SHERRI LYNNE CLANNON	8/-1/87 7/31/88
2-08	BRETTON ROSS	5/ 1/87 10/31/87
2-09	MARY E. REESE	12/ 1/87 11/30/88
2-10	WALTER BOWMAN	11/ 1/87 10/31/88
2-11	DAVID AND WANDA TABOR	9/ 1/87 8/31/88
2-12	CAMPBELL DENDY	9/ 1/87 8/31/88
3-01	DON JOINER/LATASHA MCDUFFIE	9/ 1/87 8/31/88
3-02	KEVIN BIGGS	3/16/88 3/31/89

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
3-03	LEE ANN COLLINS	8/ 1/87	7/31/88
3-04	JOHN AND AMY IERNA	10/ 1/87	9/30/88
3-05	VACANT		
3-06	KIMBERLEY BODCH	8/ 1/86	7/31/87
3-07	ANTONIO THOMPSON	1/ 1/88	12/31/88
3-08	EVERETT	2/ 1/88	1/31/89
3-09	PATRICIA GREENE	3/ 1/88	2/28/89
3-10	SYLVIA WALSER	2/ 1/88	1/31/89
3-11	CHRISTOPHER CLANEY	1/ 9/88	12/31/88
3-12	TYRONE DAVIS	12/ 1/87	11/30/88
3-13	RICHARD HUFF	11/30/87	0/ 0/ 0
3-14	ALICIA OWENS	10/ 1/86	10/31/87
4-01	SHARON W. BROWN	10/ 1/87	3/31/88
4-02	VACANT		

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
4-03	VACANT	0/ 0/ 0	0/ 0/ 0
4-04	VACANT	0/ 0/ 0	0/ 0/ 0
4-05	BOBBY AND DENISE BARNES	4/ 1/87	3/31/88
4-06	RAYMOND THOMAS	11/ 1/87	10/31/88
4-07	JUDY FLEMMING	11/ 1/87	10/31/88
4-08	TIMOTHY CHALMERS	11/ 1/87	10/31/88
4-09	VACANT	0/ 0/ 0	0/ 0/ 0
4-10	MARILYN HAMILL	9/ 1/87	2/28/88
5-01	KENNETH BAILEY	10/ 1/87	0/ 0/ 0
5-02	PARL STARKS/PATRICIA MASSIE	10/ 1/87	9/30/88
5-03	VACANT	0/ 0/ 0	0/ 0/ 0
5-04	JOHN WILLIAMS JR.	3/ 1/88	2/28/89
5-05	VACANT	0/ 0/ 0	0/ 0/ 0
5-06	ANTHONY TYSON	12/ 1/87	11/30/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
5-07	MURRAY L. MILLER	11/ 1/86	10/31/87
5-08	DARNELL AND KEITH DAVIS	11/23/87	11/30/88
5-09	PEYTON NELON	1/ 1/88	6/30/88
5-10	MARILYN LORRAIN ROBINSON/CRUMP	1/16/88	1/31/89
6-01	VERONICA PETREE	3/ 1/88	2/28/89
6-02	RICK SPEAR	2/ 1/88	1/31/89
6-03	VIRGINIA EAKES	2/ 1/88	1/31/89
6-04	ROSE EVANS/BROWN	11/ 1/87	10/31/88
6-05	RANDALL E. PARSONS/CHRISTI KRO	7/ 1/87	6/30/88
6-06	GREGORY AND BRIDGETT WILSON	9/ 1/87	8/31/88
6-07	MARILYN FAYNE	10/ 1/87	9/30/88
6-08	TEFFY BALLENDER	8/ 1/86	7/31/87
6-09	MORRIS COOPER	2/15/88	8/31/88
6-10	ROBERT DAVIS		

COCK 1/6 9/88 2492 31/88

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
6-11	BRIAN KENNY	1/26/88	1/21/89
6-12	VALERIE GOINES	3/ 1/88	2/28/89
7-01	VACANT	0/ 0/ 0	0/ 0/ 0
7-02	GENENE KELLEY	2/ 1/88	1/31/89
7-03	NINA MCDANIEL	11/ 1/87	10/31/88
7-04	TAISEN SIAO	9/ 1/87	5/31/88
7-05	MATTHEW MYERS	2/20/88	2/28/89
7-06	ANTHONY F SCOTTI JR.	2/ 1/88	7/31/88
7-07	JAMES ROBERT WEST JR.	6/ 1/87	5/31/88
7-08	DEAN AND SUSAN SANDERS	9/ 1/87	5/31/88
7-09	BETTY BARTLETT	11/ 1/87	4/30/88
7-10	MARY R. CORON	8/ 1/87	7/31/88
7-11	MARTHA FONTAINE	2/ 1/88	1/31/89
7-12	JACQUE BETTS/ALAN ABBAS	10/ 1/87	9/30/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
8-01	MELODI AND STEPHANIE HAYES	12/ 1/87	5/31/88
8-02	VACANT	0/ 0/ 0	0/ 0/ 0
8-03	DANA SAPP	10/ 1/86	9/30/87
8-04	VACANT	0/ 0/ 0	0/ 0/ 0
8-05	DIANNA GLADISH	12/ 1/87	11/30/88
8-06	VACANT	0/ 0/ 0	0/ 0/ 0
8-07	BERNADETTE WEISS SPELL	9/ 1/87	2/28/88
8-08	RICK VAN METER	8/ 1/87	7/31/88
8-09	LORETTA WILLIAMS	9/ 1/87	8/31/88
8-10	ARTRICE W. MATTHEWS	10/ 1/86	0/ 0/ 0
9-01	DIANN HAMPTON	4/ 1/87	3/31/88
9-02	VACANT	0/ 0/ 0	0/ 0/ 0
9-03	JEFFREY CREECH	10/ 1/86	9/30/87
9-04	BYRON ROBINSON	6/ 1/87	5/31/88

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
9-05	VACANT	0/ 0/ 0	0/ 0/ 0
9-06	VACANT	0/ 0/ 0	0/ 0/ 0
9-07	CHARLES & MARGARET BILLINGSLEY	10/-1/86	9/30/87
9-08	RUSSELL BROWN	3/12/88	11/30/88
10-01	WILLIAM SMITH/BOWMAN	10/ 1/87	9/30/88
10-02	VACANT	0/ 0/ 0	0/ 0/ 0
10-03	VACANT	0/ 0/ 0	0/ 0/ 0
10-04	WAYNE CRUTCHFIELD	9/ 1/87	8/31/88
10-05	VACANT	0/ 0/ 0	0/ 0/ 0
10-06	AMY COFER & KRISTI KROKER	2/ 1/88	1/31/89
10-07	ANGELA WHITMIRE	11/ 1/86	10/31/87
10-08	VACANT	0/ 0/ 0	0/ 0/ 0
11-01	MARK HOLBROOK/LOCKETTE	1/-1/88	12/31/88
11-02	MILDRED SPRINKLE	2/ 1/88	1/31/89

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
11-03	WM. TONY MANKINS	1/23/88	1/31/89
11-04	GREGORY LENIEUX	1/14/88	12/31/88
11-05	WILLIE HALE	11/ 1/87	10/30/88
11-06	VACANT	0/ 0/ 0	0/ 0/ 0
11-07	JUANITA MOSES	1/ 1/88	12/31/88
11-08	GLORIA ROGERS	12/ 1/87	11/30/88
11-09	ELIANA PHILLIPS	7/ 1/87	6/30/88
11-10	ALLEN JONES	11/ 1/86	10/31/87
12-01	JOHN MCINTYRE	1/ 1/88	6/30/88
12-02	VACANT	0/ 0/ 0	0/ 0/ 0
12-03	REBECCA SPENCE	4/ 1/87	3/31/88
12-04	CINDY HARTLEY	12/ 1/87	11/30/88
12-05	HOPE LEWIS/NELSON	1/ 1/88	12/31/88
12-06	FRANKIE LAWSON	3/ 1/88	2/28/89

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
12-07	STEVE FINGER	12/ 1/87	11/30/88
12-08	CELESTE CHANEY	1/ 1/87	12/31/87
12-09	JOANNE LANCASTER	2/ 1/88	7/31/88
12-10	RODNEY YOUNG	1/ 1/88	12/31/88
12-11	DONNA NYLUND	12/ 1/87	5/31/88
12-12	MILDRED RAFT & HENRY WILLIAMS	1/ 1/88	12/31/88
12-13	SHARI JOHNSON	1/ 1/87	12/31/87
12-14	MARK R. TICKLE	8/ 1/87	1/31/88
13-01	WAYNE CLEARY	11/ 1/86	10/31/87
13-02	LANEY BOWMAN	12/ 1/87	5/31/88
13-03	ANGELA UHL / DAVID SLAYDON	3/ 1/88	8/31/88
13-04	CHARLES CEARLEY	12/ 1/86	11/30/87
13-05	BUDDY JONES	3/ 1/88	8/31/88
13-06	MELANIE DAVIDSON TOMLIN	3/ 1/88	2/28/89

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
13-07	DAWN FOWLER	2/ 5/88	2/28/89
13-08	ALAN GUTHRIE	11/ 1/87	10/31/88
13-09	SCOTT AND LAURIE LAWSON	6/ 1/87	5/31/88
14-01	EDITH MCCRAY	9/ 1/86	8/30/87
14-02	DOUGLAS ALLAN	10/ 1/87	9/30/88
14-03	TERRI S. VANCE/JAMISON	12/ 1/87	11/30/88
14-04	RICKY EMERSON	10/ 1/87	9/30/88
14-05	SUSAN VAN HOY	1/ 1/88	12/31/88
14-06	TERESA DARDEN	12/ 1/87	5/31/88
14-07	LOWELL COVINGTON	12/ 1/87	10/31/88
14-08	MICHAEL LORD	1/ 1/88	6/30/88
14-09	TRACY HICKS	9/ 1/87	8/31/88
14-10	VACANT	0/ 0/ 0	0/ 0/ 0
14-11	WILLIAM & RUSSYE DARDEN	9/ 1/86	8/31/87

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
14-12	VALERIE CONNOR	9/ 1/87	8/31/87
15-01	PHILIP & DONNA HONAKER	2/ 1/88	1/31/89
15-02	BRIAN LYNCH	2/ 1/88	1/31/89
15-03	OCTAVIA DUFEN SMITH	6/ 1/87	5/31/88
15-04	JOHNNY FOUST	11/ 1/87	10/31/88
15-05	PAMELA CARSON	2/ 1/88	1/31/89
15-06	VACANT	0/ 0/ 0	0/ 0/ 0
15-07	VACANT	0/ 0/ 0	0/ 0/ 0
15-08	JAMIE DUMAS	12/16/87	12/31/88
16-01	HILDA SUMMERS	11/ 1/87	10/31/88
16-02	TONEY WILSON	9/ 1/87	8/31/88
16-03	VACANT	0/ 0/ 0	0/ 0/ 0
16-04	JEFF & ERIN RYCE	8/ 1/87	7/31/88
16-05	PATRICIA STOVER	9/ 1/87	8/31/88



<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
16-06	LINDA GRAHAM	1/ 1/88	12/31/88
16-07	KATHY GRUBBS	12/ 1/87	11/30/88
16-08	CHARLES STAMPER	10/ 1/87	9/30/88
17-01	ESSICK WILLIAMS	10/ 1/87	9/30/88
17-02	PATRICIA H. VENABLE	10/ 1/87	0/ 0/ 0
17-03	VACANT		
17-04	JOHN LANTIS	3/12/88	0/ 0/ 0
17-05	THOMAS CLARKSON	12/ 1/87	11/30/88
17-06	RICHARD UMBERGER	1/ 1/88	12/31/88
17-07	LAURA MCNEIL	10/ 1/87	3/31/88
17-08	PAMELA WOOTEN	2/ 1/88	1/31/89
17-09	JACQUELINE JOHNS	2/ 1/88	1/31/89
17-10	ADRIENNE MORGAN	10/ 1/86	9/30/87
17-11	RUSSELL BROWN	11/10/87	11/30/88

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
17-12	JONI CLARK	2/ 1/88	1/31/89
17-13	KERRY JAMES		
17-14	TAMMY WINTON	8/ 1/87	7/31/88
		11/ 1/87	10/31/88
18-01	THOMAS HAWKINS-BRAMNER	3/ 1/88	0/ 0/ 0
18-02	THOMAS FOSTER		
		1/ 1/88	6/30/88
18-03	LLOYD PUGH		
		11/ 1/87	10/31/88
18-04	PAMELA COLEMAN		
		3/ 1/88	0/ 0/ 0
18-05	ARCHIE FOSTER		
		3/12/88	3/31/89
18-06	CHARLES MCCOULOUGH		
		7/ 1/87	6/30/88
18-07	LARRY WITTE, JR.		
		12/ 1/87	5/31/88
18-08	BENNY L DAVIS		
		12/ 1/87	5/31/88
18-09	KIM AND KIMBERLY EASTBURN		
		12/ 1/87	11/30/88
18-10	CHARLES BRACKENRIDGE, JR.		
		12/ 1/87	11/30/88
18-11	SIDNEY WILKINS		
		6/ 1/87	5/31/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
18-12	JO ANNE FENNELL	3/ 1/88	8/31/88
18-13	PAUL MANN III	2/ 1/88	0/ 0/ 0
18-14	SUSAN RADZIKOWSKI	2/ 1/88	1/31/89
19-01	CHARLES AND LINDA MILLER	9/ 1/87	8/31/88
19-02	JAMES L. FLOYD	8/ 1/87	7/31/88
19-03	VACANT	0/ 0/ 0	0/ 0/ 0
19-04	RANDY BLACK	11/ 1/87	10/31/88
19-05	KEITH YOUNG	10/ 1/87	3/31/88
19-06	VACANT	0/ 0/ 0	0/ 0/ 0
19-07	JENNY BURTON	9/ 1/87	8/31/88
19-08	REGINA MOORE	10/ 1/87	9/30/88
19-09	LISA MISTEC/ MARIA GAGNE	8/ 1/87	7/31/88
19-10	<del>VACANT</del> WILLIE WILLIAMS	0/ 0/ 0 3/17/88	0/ 0/ 0 3/31/89
20-01	CAROL CLARK	1/ 1/88	12/31/88

<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
20-02	HELEN SAELINGER	8/ 1/87	7/31/88
20-03	MICHAEL BENZ	4/ 1/87	9/30/87
20-04	SUSAN JOHNSON	2/ 1/88	1/31/89
20-05	CONSTANCE HARDING & MAC MURCH?	1/ 1/88	6/30/88
20-06	BURNISH JOHNSON	11/11/87	11/30/88
20-07	EUGENE PRATT	1/ 1/88	12/31/88
20-08	MICHAEL CRUTHERS	2/ 1/86	1/31/87
20-09	RAMSON L. BROWN/VALENCIA	7/ 1/87	6/30/88
20-10	ARTHUR AND ANGELA MOORE	9/ 1/87	8/31/88
20-11	RICHARD & TINA HANN	8/ 1/87	7/31/88
20-12	HOYT ALLEN	1/ 1/88	12/31/88
20-13	SUSAN COOK	1/ 1/88	12/31/88
20-14	SHARON SCOTT/MARK POWERS	4/ 1/87	3/31/88
21-01	BARBARA & BRAD BARFIELD	12/ 1/87	11/30/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
21-02	JAMES & JACKIE GRAY	6/ 1/86	5/31/87
21-03	VACANT	0/ 0/ 0	0/ 0/ 0
21-04	ROCKIE & DEBBIE BOGGESS	3/ 1/88	2/28/89
21-05	ANDREA SOOTS	8/ 1/87	7/31/88
21-06	JOEL CAMPBELL	2/ 1/87	1/31/87
21-07	CHRISTOPHER & PAMELA JOHNSON	3/ 1/88	0/ 0/ 0
21-08	CARUTHERS	0/ 0/ 0	0/ 0/ 0
22-01	TEMPY GOE-SAIN	3/ 1/88	2/28/89
22-02	KELLY L. REED	9/ 1/87	8/31/88
22-03	KEVIN NEAL	2/24/88	2/28/89
22-04	DAVIE MILLS	1/30/88	0/ 0/ 0
22-05	VIRGINIA BUTNER	12/19/87	12/31/88
22-06	PATTY HINES	2/13/88	2/28/89
22-07	LAUREN BELCHER	9/ 1/87	8/31/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
22-08	GEORGETTE BOSTON	12/ 1/87	11/30/88
22-09	VALERIE M. SICILIANO	8/ 1/87	7/31/88
22-10	ARLENE FEREEHEE	8/ 1/87	7/31/88
22-11	MICHELL DAVIS	8/ 1/87	7/31/88
22-12	ADRIAN MEYERS	8/ 1/87	7/31/88
23-01	VACANT	0/ 0/ 0	0/ 0/ 0
23-02	BRUCE KENDALL/ANTIONETTE SPEAS	8/ 1/87	7/31/88
23-03	DONNA AND KENNETH SMITH	8/ 1/87	7/31/88
23-04	JENNIFER BROWN/SONJA WILHELM	1/ 1/88	6/30/88
23-05	MAMIE MCCOLLUM	9/ 1/87	8/31/88
23-06	TIM BAKER	3/ 1/87	2/29/88
23-07	TIM & BRENDA McILWAIN	1/16/88	1/31/89
23-08	CARMEN CARTER	2/ 1/88	1/31/89
23-09	MATHEW & DEMETRIS WILLIAMS	7/ 1/87	6/30/88

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<u>Unit No.</u>	<u>Resident</u>	<u>Term of Lease</u>	
23-10	CHRISTOPHER EDWARDS	8/ 1/87	7/31/88
24-01	RHONDA JORDAN	7/ 1/87	6/30/88
24-02	WANDA RHINEHARDT	3/ 1/88	8/31/88
24-03	BRIDGETTE BROWN	6/ 1/87	5/31/88
24-04	VERONICA YOUNG	6/ 1/87	5/31/88
24-05	JAMES & LORRAINE ALLISON	8/ 1/87	7/31/88
24-06	MICHAEL & PAMELA DIXON	8/ 1/87	4/30/88
24-07	PHYLLIS A STARKS	7/ 1/87	6/30/88
24-08	<del>WILLIAM</del> Vicki DUNNIGAN	4/ 1/88 0/ 0/ 0	0/ 0/ 0
24-09	LUTHER BURNETTE/JANET BROWN	9/ 1/87	8/31/88
24-10	DAVID PHIPPS	1/ 1/88	6/30/88

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EXHIBIT 6

LEGAL DESCRIPTION

ALL THAT TRACT or parcel of land lying and being in Old Town Township, Forsyth County, North Carolina, and being more particularly described as follows: BEGINNING at an iron pin, said iron pin being located at the northeasterly corner of the property now or formerly owned by Clara R. York as recorded in Book 999 at Page 771, Forsyth County Registry of Deeds; and running thence from said point of Beginning, South  $86^{\circ} 34' 52''$  East 967.19 feet to an iron pin located in the westerly right-of-way of Bethabara Road; running thence with said right-of-way along a curve to the left, South  $41^{\circ} 45' 23''$  East a chord distance of 249.49 feet to a point; running thence along a curve to the left, South  $48^{\circ} 42' 28''$  East a chord distance of 22.52 feet to a point; running thence along a curve to the left, South  $50^{\circ} 41' 09''$  East a chord distance of 55.01 feet to an iron pin; running thence South  $52^{\circ} 19' 24''$  East 297.45 feet to an iron pin; running thence South  $55^{\circ} 35' 00''$  West 112.15 feet to an iron pin; running thence South  $57^{\circ} 10' 15''$  West 85.86 feet to a control corner; running thence North  $87^{\circ} 40' 56''$  West 922.40 feet to a stone; running thence North  $84^{\circ} 04' 19''$  West 389.14 feet to a control corner; running thence North  $05^{\circ} 16' 14''$  East 509.90 feet to an iron pin, the point and place of Beginning. BEING THE SAME PROPERTY designated as "Towergate" as shown on a survey prepared by Gupton-Foster Associates P.A., dated April 22nd, 1988.

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