

GREENVILLE CO. S.C.
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COUNTY CLERK

VOL 1098 PAGE 912

STATE OF SOUTH CAROLINA

MEMORANDUM OF MANAGEMENT AGREEMENT

THIS MEMORANDUM OF MANAGEMENT AGREEMENT made and entered into this 20 day of MARCH, 1979, by and between SWS INVESTMENTS, INC., hereafter referred to as Owner, and HORIZONS HOSPITALITY MANAGEMENT, INC., hereafter referred to as Manager.

WHEREAS, Owner has entered into a contract for the acquisition of property pursuant to which Owner has agreed to purchase from Green Motels, Inc. that property more particularly described in Exhibit A, attached hereto and incorporated by reference herein, with an evidence of the rights of Owner which has been recorded at Deed Book 1098, page 908, in the R.M.C. Office for Greenville County, South Carolina; and

WHEREAS, Owner has engaged Manager to manage such property upon the terms and conditions of a management agreement of even date herewith, and the parties desire to execute and record this Memorandum for the purpose of giving notice to all parties of the rights of Manager with respect to such property;

NOW, THEREFORE, for and in consideration of the sum of One (\$1.00) Dollar in hand paid by each party to the other, the parties hereto, with the intention of being legally bound hereby, have agreed as follows:

1. NOTICE OF MANAGEMENT AGREEMENT. The parties have entered into a Management Agreement of even date herewith pursuant to which Owner has engaged Manager to manage certain activities upon the property described in Exhibit A attached hereto and incorporated by reference herein.
2. RIGHT OF FIRST REFUSAL. Under the Management Agreement Owner has granted to Manager, whether during or following the term of such Management Agreement, a right of first refusal to purchase the property, or either parcel thereof, upon the same terms and conditions as may be offered by any third party.
3. RESTRICTION ON SALE BY OWNER. The Owner has agreed that it will not make any sale of the property, or either parcel thereof, for a period of seven years from the date hereof without securing a release of the personal liability of certain principals of Manager under the Contract of Sale above referred to.
4. OPTION TO PURCHASE. In the event of the termination of the Management Agreement within a period of two years from the date hereof, Owner has granted unto Manager an option to purchase the described property upon the terms and conditions as set forth in the Management Agreement.
5. DEFERRED FEE. Under the Management Agreement, Owner has agreed to pay Manager a fee based partially on net proceeds received by Owner from any sale of the property, and Manager has agreed to render services in connection with such sale. The obligation of Manager to render such services, and the right of Manager to receive such fee, will survive any termination or expiration of the Management Agreement, unless such agreement is terminated for certain specific reasons as set forth in such agreement.

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