



**BUILDING LOAN AGREEMENT**

THIS AGREEMENT, made the 7th day of July 1969, by and between

PIEDMONT MANOR, INC.

a corporation organized and existing under the laws of THE State of South Carolina with an office and place of business in Charleston, County of Charleston and State of South Carolina (hereinafter called the "Borrower"), and

The Chase Manhattan Bank, N.A., a corporation organized and existing under the laws of the United States of America, having an office and place of business in New York, County of and State of New York (hereinafter called the "Lender").

WHEREAS, the Borrower as the owner in fee simple of, or the owner of the leasehold estate in, the property described in Exhibit "A", attached hereto and made a part hereof, has applied to the Lender for a mortgage loan of Two Million Four Hundred Thousand Nine Hundred Dollars (\$ 2,400,900.00---) to aid the Borrower in the construction on said property of a project (identified as FHA Project No. 054-35017-LDC-SUP in accordance with Drawings and Specifications hereinafter referred to; and

WHEREAS, the Borrower understands that the Lender has received a commitment from the Federal Housing Commissioner (hereinafter called the "Commissioner") for insurance of said loan under the provisions of the National Housing Act and intends upon execution of the hereinafter-mentioned Note and Mortgage to have said Note endorsed for insurance by the Commissioner.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set out and of other valuable considerations, the undersigned agree as follows:

(1) The Lender shall make and the Borrower shall take a building loan in the principal sum of - - - - - Two Million Four Hundred Thousand Nine Hundred and No/100ths (\$2,400,900.00) Dollars (\$ 2,400,900.00 ), to be advanced as hereinafter provided, and to bear interest from the date of each advance at the rate of Seven and one-half percent ( 7.5 %) per annum. Said loan shall be evidenced by a credit instrument (hereinafter called the "Note") dated the 7th day of July 19 69, shall be payable in monthly installments, and shall have a maturity date of March 1st, 2011 . Said Note shall be executed by the Borrower and payable to the Lender, or order, and shall be secured by a mortgage (hereinafter called the "Mortgage"), of even date, on the property described in Exhibit "A". The Mortgage shall constitute a valid first lien on said property and the improvements to be erected thereon, and the only lien thereon except for liens for taxes and assessments not yet payable and other liens acceptable to the Lender and the Commissioner.

(2) The Borrower shall complete on the aforesaid property, by February 9 1971, a project in accordance with Drawings and Specifications filed with the Commissioner and designated Drawing Sheets 1-46 and attached list of specifications (see Exhibit C) Piedmont Manor, Greenville, South Carolina

FHA Project No. 054-35017-LDC-SUP, dated May, 1969 (See Exhibit C attached hereto) Such Drawings and Specifications, which include "General Conditions of the Contract for Construction" (AIA Document A201) and "Supplementary Conditions of the Contract for Construction" (FHA Form No. 2554), have been identified by the Borrower, the Design Architect, the Architect administering the Construction Contract (hereinafter called the "Architect"), the Contractor and the Contractor's Surety.

(3) Changes in the Drawings and Specifications, or changes by altering or adding to the work contemplated, or orders for extra work must have the prior written approval of the Architect. In addition, any such change or order which will result in a net construction cost increase, or will change the design concept, or will result in a net cumulative construction cost decrease of more than 2% of the contract amount may be effected only with the prior written approval of the Lender and the Commissioner and under such conditions as either the Lender or the Commissioner may establish.

(4) (a) The Borrower shall make monthly applications on FHA Form No. 2403 for advances of mortgage proceeds from the Lender. Applications for advances with respect to construction items shall be for amounts equal to (i) the total value of classes of the work acceptably completed; plus (ii) the value of materials and equipment not incorporated in the work, but delivered to and suitably stored at the site; less (iii) 10 percent (holdback) and less prior advances. The "values" of both (i) and (ii) shall be computed in accordance with the amounts assigned to classes of the work in the "Contractor's and/or Mortgagor's Cost Breakdown", attached hereto as Exhibit "B", and made a part hereof. Each application shall be filed at least ten days before the date the advance is desired, and the Borrower shall be entitled thereon only to such amount as may be approved by the Lender and the Commissioner.