

PAYMENT SCHEDULE

I. The initial advance shall be \$3,231,076.00

II. The lender will advance, on a monthly basis, the amounts shown on the requisition described in A, subject to compliance with the following conditions precedent, provided the lender may retain 10% of each advance after the initial advance which retainage shall be the final advance:

A. The requisition of the borrower's architect (or the borrower, if the borrower does not employ an architect during construction) on American Institute of Architects Documents G-702 and G-703, for the payment of the costs of the improvements by the borrower to the date of the requisition showing the following:

(1) the current requests for the payment of the costs;

(2) the total payments received by the borrower to date; and

(3) the estimate of the architect of the remainder of the costs to complete the improvements.

B. The supervising architect or engineer shall deliver a certificate to the effect that:

(1) the matters recited in the requisition described in A are correct;

(2) all work in place on the date of the certificate is in accordance with the detailed plans and specifications approved by the lender and conforms with all applicable building codes, zoning ordinances and the building permit; and

(3) the percentage of completion evidenced by the work in place on the date of the certificate.

C. Continuation of the recertified title certificate to the date of the advance, updating of the survey as provided in the agreement and compliance with such other provisions of the agreement as the lender may request.

D. Inspection and approval by the lender as to all of the matters covered in A, B and C.