

5. Even though the balance due, including both principal and interest, on the \$2,000,000.00 note, dated February 1, 1973, shall have been paid in full by Holly Tree Plantation, a Limited Partnership, if the Holly Tree Country Club, Inc., note and mortgage to the Mortgagee of even date herewith remains unpaid and with a principal balance due in excess of the sum of \$400,000.00, then and in such event all of the above mentioned mortgages given by the Mortgagor to the Mortgagee as well as the Release provisions hereinabove set forth shall remain in full force and effect until such time as the aforesaid Holly Tree Country Club, Inc., note and mortgage has been reduced to a sum of \$400,000.00 or less, it being intended by the terms of this Agreement that said notes and mortgages shall be collateral for the Holly Tree Country Club, Inc., indebtedness aforesaid until said indebtedness has been reduced to the sum of \$400,000.00 or less, entitling the Mortgagee to foreclose upon the same in the event of a default in the terms and conditions of said Holly Tree Country Club, Inc., note and mortgage as hereinabove provided in Paragraph 1.

6. In the event that the principal and interest on the indebtedness due by the Mortgagor to the Mortgagee is paid in full, but that said mortgages remain in full force and effect as provided under the terms of the immediately preceding paragraph, any release amounts paid by Mortgagor to Mortgagee under the terms of said mortgages and Release Agreements, which shall continue in effect, shall be set aside in an escrow account with a Federal or State chartered bank or savings and loan association mutually acceptable to the Mortgagor and the Mortgagee, and invested in savings accounts or certificates of deposit with such terms and at such rates of interest as shall mutually be acceptable to both Mortgagor and Mortgagee. Any interest accruing on said escrow funds shall be added back to and become a part of the escrow account. Said mortgage releases shall continue and said escrow funds shall continue to be accumulated until such time as the balance in the escrow account is equal to the difference between the amount due on the note given by Holly Tree Country Club, Inc. in the original sum of \$1,072,500.00 and the sum of \$400,000.00, after which no further release sums shall be collectible by the Mortgagee from the Mortgagor pursuant to the Release Agreements under the aforesaid mortgages given by Mortgagor to the Mortgagee. To the extent that surplus funds shall on January 1 of each calendar year be greater than the difference between the remaining balance due on the original Holly Tree Country Club, Inc., note of \$1,072,500.00 aforesaid and the sum of \$400,000.00, then and in such event such surplus funds, including principal and accrued interest shall be paid over to the Mortgagor from said escrow account. After the note of Holly Tree Country Club, Inc. to Mortgagee in the sum of \$1,072,500.00 shall have been paid to \$400,000.00 or less, all remaining sums in said escrow account, including both principal and accrued interest, shall be disbursed and paid over to the Mortgagor and said escrow account shall be closed and terminated. In computing the remaining balance from time to time due on the \$1,072,500.00 note given by Holly Tree Country Club, Inc. and for the purposes of the escrow account established under the terms of Paragraph 5, and 6 hereof, any readvances of funds by the Mortgagee to Holly Tree Country Club, Inc., under said \$1,072,500.00 note and mortgage shall not be counted.

7. Notwithstanding the provisions contained in the immediately preceding paragraph with regard to the establishment of an escrow account, the Mortgage hereby pledges, assigns, transfers and sets over to the Mortgagee to secure the indebtedness due on the Holly Tree Country Club, Inc., note of \$1,072,500.00, or the balance thereof and any sums due on the mortgage which said note secures, the escrow account hereinabove established and maintained under the provisions of Paragraph 6. It is expressly agreed that this pledge of said escrow funds may at the option of the Mortgagee be used to remedy any default or delinquency in the Holly Tree Country Club, Inc., note and