

COLLECTION AGREEMENT

THIS COLLECTION AGREEMENT entered into as of this 1st day of May, 1980, by and between Charles E. Runion ("Seller"), Pelham Associates Limited Partnership, a South Carolina Limited Partnership ("Purchaser") and Citizens and Southern National Bank of South Carolina ("Collection Agent").

W I T N E S S E T H :

WHEREAS, Seller heretofore executed and delivered that certain Promissory Note (hereinafter called the "Prior Note"), a copy of which is attached hereto as Exhibit A and hereby incorporated by reference, payable to the order of the persons therein specified (hereinafter called the "Prior Note Holder"), the payment of the Prior Note being secured by that certain mortgage (hereinafter called the "Prior Mortgage"), a copy of which is attached hereto as Exhibit B and hereby incorporated by reference, covering certain real property (the "Property") described on Exhibit C and hereby incorporated by reference.

WHEREAS, Seller, by Warranty Deed for the consideration and subject to the matters therein set out, conveyed the Property to the Purchaser with Purchaser taking title to the Property subject to, but in no way assuming, the indebtedness evidenced by the Prior Note. Seller is the owner and holder of a certain All-Inclusive Promissory Note (the "Wrap Note"), of even date, executed and delivered by Purchaser and payable to the order of Seller in the original principal amount of \$1,800,000, a copy of which Note is attached hereto as Exhibit D and hereby incorporated by reference. The Wrap Note is secured by the lien and provisions of that certain Mortgage (the "Wrap Mortgage"), of even date, covering the Property, a copy of which is attached hereto as Exhibit E and hereby incorporated by reference.

WHEREAS, under the provisions of the Wrap Mortgage, Seller is obligated to Purchaser, as more particularly set forth therein, to perform such acts and make such payments as are more particularly therein described, with reference to the Prior Note and Prior Mortgage. In order to further secure Purchaser that Seller shall perform the said obligations therein set forth, Seller hereby authorizes the undersigned Collection Agent to follow the instructions set forth below. By its signature below, Purchaser hereby approves these instructions and Collection Agent approves and acknowledges said instructions.

NOW, THEREFORE, the undersigned parties, desiring to be legally bound, and in consideration of the mutual premises and covenants contained herein, do hereby agree as follows:

1. In consideration for this Collection Agreement and to effectuate the purposes hereof, the Purchaser agrees that at all times during the continuance of the Collection Agreement Purchaser will pay to the Collection Agent each installment of principal and interest becoming due and payable on the Wrap Note on the due date of each such installment as specified in said Wrap Note, and that with and in addition to each such payment it will also pay to the Collection Agent all sums to be paid or deposited monthly for taxes and insurance, if any, as provided for herein and in said Prior Mortgage and the Wrap Mortgage.

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