

FEDERAL HOUSING ADMINISTRATION

REGULATORY AGREEMENT FOR MULTI-FAMILY HOUSING
PROJECTS EXCEPT NON-PROFIT AND SECTION 213

Project No. 054-42027

Mortgagee Dry Dock Savings Bank

Amount of Mortgage Note \$74,900.00

Date Jan. 3, 1950

Mortgage: Recorded: State South Carolina County Greenville

Date Nov. 10, 1950

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Originally endorsed for insurance under Section 608

This Agreement entered into this 16th day of July, 1966, between
Patewood Corporation
whose address is P. O. Box 1925, Greenville, South Carolina

their successors, heirs, and assigns (jointly and severally, hereinafter referred to as Owners) and the under-
signed Federal Housing Commissioner and his successors, (hereinafter called Commissioner).

In consideration of the endorsement for insurance by the Commissioner of the above described Note or in
consideration of the consent of the Commissioner to the transfer of the mortgaged property or the sale and con-
veyance of the mortgaged property by the Commissioner, and in order to comply with the requirements of the Na-
tional Housing Act and the Regulations adopted by the Commissioner pursuant thereto, Owners agree for them-
selves, their successors, heirs and assigns, that in connection with the mortgaged property and the project op-
erated thereon and so long as the Contract of Mortgage Insurance continues in effect, and during such further
period of time as the Commissioner shall be the owner, holder or reinsurer of the mortgage, or during any time
the Commissioner is obligated to insure a mortgage on the mortgaged property:

1. Owners, except as limited by paragraph 17 hereof, assume and agree to make promptly all payments due
under the Note and Mortgage.
2. (a) Owners shall establish or continue to maintain a reserve fund for replacements by the allocation to
such reserve fund in a separate account with the Mortgagee or in a safe and responsible depository des-
ignated by the Mortgagee, concurrently with the beginning of payments towards amortization of the princi-
pal of the Mortgage insured or held by the Commissioner of an amount equal to \$ 26.84 per
month unless a different date or amount is approved in writing by the Commissioner.

PROVIDED THAT, so long as the Owner maintains in force a contract, approved by the Com-
missioner, for the maintenance and replacement of elevator equipment, the amount of such
monthly payment may be reduced by \$ _____
(This proviso is applicable only where an elevator contract is executed.)

Such fund, whether in the form of a cash deposit or invested in obligations of, or fully guaranteed as to
principal by, the United States of America shall at all times be under the control of the Mortgagee. Dis-
bursements from such fund, whether for the purpose of effecting replacement of structural elements, and
mechanical equipment of the project or for any other purpose, may be made only after receiving the con-
sent in writing of the Commissioner. In the event of a default in the terms of the Mortgage, pursuant to
which the loan has been accelerated, the Commissioner may apply or authorize the application of the
balance in such fund to the amount due on the mortgage debt as accelerated.

(b) Where Owners are acquiring a project already subject to an insured mortgage, the reserve fund for re-
placements to be established will be equal to the amount due to be in such fund under existing agree-
ments or charter provisions at the time Owners acquire such project, and payments hereunder shall begin
with the first payment due on the mortgage after acquisition, unless some other method of establishing
and maintaining the fund is approved in writing by the Commissioner.

3. Real property covered by the mortgage and this agreement is described in Schedule A attached hereto.