

FIRST MORTGAGE

THIS FIRST MORTGAGE (herein, together with all supplements and amendments hereto, referred to as this "Mortgage") made as of October 1, 1984, from GREENVILLE-OXFORD ASSOCIATES LIMITED PARTNERSHIP, a Maryland limited partnership (the "Developer"), to SOUTH CAROLINA STATE HOUSING AUTHORITY, a public instrumentality and body politic and corporate, organized and existing under the laws of the State of South Carolina (being hereinafter referred to as the "Authority"), and CONTINENTAL CASUALTY COMPANY (being hereinafter referred to as the "Surety") (the "Authority" and the "Surety" are herein together referred to as the "Co-Mortgagees");

RECITALS:

A. The terms which are capitalized herein shall have the meanings specified in the granting clauses hereof and in Section 1.

B. The Authority has adopted the Indenture, which has been accepted by the Trustee, to create and secure its Multifamily Housing Revenue Bonds (Greenville-Oxford Associates Limited Partnership Project) (the "Bonds") in the aggregate principal amount of \$5,430,000 the proceeds of which will be loaned to the Developer pursuant to the Loan Agreement.

C. The Loan Agreement and the rights of the Authority thereunder (except the Authority's rights to its administrative fee and certain expense and indemnification payments) have been assigned, pledged and hypothecated to the Trustee under the Indenture to provide for and secure the payment of the Bonds.

D. The Developer has executed and delivered to the Trustee the First Secured Note of the Developer payable to the Trustee in the principal sum of \$5,430,000, bearing interest and payable as set forth therein (a form of which is attached as Exhibit A hereto).

E. The obligations of the Developer under the Loan Agreement and the First Secured Note are secured by this Mortgage, the First Collateral Assignment of Leases and Rents, the First Security Agreement and the other Loan Documents.

F. The Surety has issued its Surety Bond insuring, for the account of the Developer, the payment of any Deficiency (as defined in the Surety Bond) through the period ending October 1, 1996, and the purchase price payable for Bonds tendered or required to be tendered during such period; and the Surety is to be subrogated to the rights of the Authority and the Trustee under all the Loan Documents to the extent of the payments made by the Surety under its Surety Bond.

G. The Developer and the Surety have entered into the Reimbursement Agreement under which the Developer has agreed to reimburse and indemnify the Surety with respect to any payments or advances which the Surety shall make under the Surety Bond, the Indenture, the Loan Documents or the Second Mortgage Documents.

H. To evidence the obligation of the Developer to the Surety under the Reimbursement Agreement, the Developer has executed and delivered to the Surety the

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