

i. The assumption of the existing mortgage to Carolina Federal; plus

ii. An amount equal to Thirty-Five Thousand Three Hundred Thirty-Six and 14/100 (\$35,336.14) Dollars (\$90,000.00 less \$54,663.86) with interest at twelve (12%) percent per annum reduced by all payments made by the Tenant to the Landlord. Payments shall be Three Hundred Sixty-Three and 47/100 (\$363.47) Dollars per month. Such payments are intended to be the amount necessary to pay Thirty Five Thousand Three Hundred Thirty-Six and 14/100 (\$35,336.14) Dollars at twelve (12%) percent interest amortized over a 360 month period.

iii. A credit equal to the amounts by which the indebtedness to Carolina Federal and the indebtedness to the Landlord is reduced by the monthly payments made by the Tenant.

17. In the event that the Tenant desires to exercise this Option, then the Tenant shall give the Landlord written notice of intent to exercise at least fifteen (15) days ahead of a proposed exercise date.

18. Landlord warrants that plumbing, heating, air conditioning and electrical systems will be in good working order until the time when Tenants take possession. Tenants shall have the right to conduct such inspections of the property as may be necessary to determine the condition of the premises. Landlord makes no representations or warranties of any nature whatsoever (express or implied) concerning the premises. Tenant takes the premises as-is and agrees that any conveyance made pursuant to the Option shall also be as-is without warranty other than Warranty of Title and the warranty set forth

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