

WHEREAS, the Issuer and the Corporation have entered into a Loan Agreement (the "Agreement"), dated as of the date hereof, under which Agreement the Issuer has loaned proceeds of the Series 1982 Bonds to the Corporation to provide for the refunding of the Series 1979 Bonds and to enable the Corporation to acquire, construct, equip and install the Project; and

WHEREAS, in order to induce the future purchasers and holders of the Series 1982 Bonds to purchase the same, the Corporation has agreed to convey to Issuer a first mortgage lien on the real property on which the Hospital Facility and the Project are located (the "Land") and all improvements thereto or thereon and to grant a security interest in machinery, equipment, inventory and other tangible personal property now or hereafter located on the Land and in certain revenues, income, rents and receipts of the Corporation, as security for the payment of the amounts payable under the Agreement and any amendments or substitutes thereto, with such lien and security interests being subject to Permitted Encumbrances (as defined in the Indenture and in Exhibit "B" attached hereto); and

WHEREAS, in order to provide further security for the holders of the Series 1982 Bonds, the Issuer has transferred, conveyed and assigned all its rights, title, interest and privilege in this Mortgage to The Citizens and Southern National Bank of South Carolina, as trustee (the "Trustee"), under an Indenture of Trust of even date herewith between the Issuer and said Trustee (the "Indenture");

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the parties hereto agree as follows:

ARTICLE I

CONVEYANCE TO ISSUER

In order to secure the indebtedness and other obligations of the Corporation hereinafter set forth, the Corporation hereby grants, bargains, sells, conveys and assigns, to the Issuer, its successors and assigns, forever, all the Corporation's right, title and interest in, to and under any and all of the following:

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