

SCHEDULE B

PERMITTED ENCUMBRANCES

PARCEL 1

1. Lien of that certain Real Estate Mortgage granted by Coffee Street Company, a South Carolina general partnership to American Federal Savings and Loan Association dated April 1, 1983 and recorded in the R. M. C. Office for Greenville County in Mortgage Book 1600 at Page 669 on April 4, 1983 securing a Note of even date in the amount of \$637,500.00.
2. Lien of that certain Real Estate Mortgage granted by Coffee Street Company, a South Carolina general partnership to American Federal Savings and Loan Association dated April 1, 1983 and recorded in the R. M. C. Office for Greenville County in Mortgage Book 1600 at Page 678 on April 4, 1983 securing a Note of even date in the amount of \$112,490.00.
3. Lien of Greenville County property taxes for the year 1984 which are not yet due and payable, but which became a lien upon the subject premises as of January 1, 1984.
4. Lien of City of Greenville property taxes for the year 1984 which are not yet due and payable, but which became a lien upon the subject premises as of January 1, 1984.
5. General One Dollar Right of Way to Duke Power Company recorded in the R. M. C. Office for Greenville County, South Carolina in Deed Book 794 at Page 253.
6. Encroachments, overlaps, boundary line disputes and any matters which would be disclosed by current legal survey and inspection of the subject premises.

PARCEL 2

1. Lien of that certain Real Estate Mortgage granted by Hamlin Beattie to First Federal Savings and Loan Association dated November 8, 1977 and recorded in the R. M. C. Office for Greenville County in Mortgage Book 1415 at Page 501 on November 10, 1977 securing a Note of even date in the amount of \$100,000.00.
2. Lien of that certain Real Estate Mortgage granted by Hamlin Beattie to First Federal Savings and Loan Association dated September 16, 1982 and recorded in the R. M. C. Office for Greenville County in Mortgage Book 1580 at Page 651 on September 16, 1982 securing a Note of even date in the amount of \$20,000.00.
3. Lien of that certain Real Estate Mortgage granted by Target Properties, a South Carolina general partnership to Marcy R. Miller, Jr. and Betty Lou H. Miller dated September 6, 1974 and recorded in the R. M. C. Office for Greenville County, South Carolina in Mortgage Book 1322 at Page 315 on September 11, 1974 securing a Note of even date in the original amount of \$100,000.00. (Note: This mortgage, although second in priority according to recordation dates, has been subordinated to a third position by virtue of a Subordinated of Mortgage Agreement dated September 16, 1982 and filed in the R. M. C. Office for Greenville County on September 16, 1982 in Mortgage Book 1580 at Page 712).
4. Lien of that certain Real Estate Mortgage granted by Hamlin Beattie to South Carolina National Bank dated January 3, 1983 and recorded in the R. M. C. Office for Greenville County on January 4, 1983 in Mortgage Book 1590 at Page 795 securing a Note of even date in the original amount of \$54,000.00.