

GREENVILLE CO. S. C.  
 STATE OF SOUTH CAROLINA }  
 COUNTY OF GREENVILLE } LOAN AGREEMENT

THIS AGREEMENT made and entered into by and between HOLLY TREE COUNTRY CLUB, INC., a South Carolina corporation having its principal place of business in Greenville County, South Carolina, herein called "Borrower", and FIDELITY FEDERAL SAVINGS AND LOAN ASSOCIATION, a Federal Savings and Loan Association, having its principal place of business in Greenville County, South Carolina, herein called "Mortgagee".

W I T N E S S E T H :

WHEREAS, Mortgagee has on this date made a loan to the Borrower in the sum of \$1,072,500.00 covering 259.55 acres of land, buildings and equipment as evidenced by the Borrower's note, mortgage and security agreement to the Mortgagee of even date herewith in said amount, which loan has been made by the Mortgagee to the Borrower upon the following additional terms, covenants and conditions which the Borrower has agreed to comply with and perform at all times during the terms of said loan.

NOW, THEREFORE, for and in consideration of the making of the said \$1,072,500.00 loan by the Mortgagee to the Borrower and in further consideration of the sum of \$1.00 in hand paid by the Mortgagee to the Borrower upon the execution hereof, the receipt and sufficiency whereof are hereby fully acknowledged, the Mortgagee and Borrower do hereby covenant, contract and agree as follows:

1. All terms, covenants and conditions set forth in the within Loan Agreement are a part and parcel of the terms and conditions, and incorporated therein by reference, of the note of even date herewith in the sum of \$1,072,500.00 given by the Borrower to the Mortgagee, which note is secured by a mortgage of even date in said amount covering 259.55 acres known as the Holly Tree Country Club, in Austin Township, Greenville County, South Carolina, and is recorded in the RMC Office for Greenville County, S. C., in Mortgage Book 1376 page 420. A default in the terms and conditions of the within covenants and agreements shall constitute a default in the terms and conditions of the above mentioned note, mortgage and security agreement.

2. Holly Tree Country Club, Inc., has been duly organized as a business corporation under the laws of the State of South Carolina and has been promoting the public sale of 1600 shares of one class of common stock known as "Certificates", or "Membership Certificates" as authorized by the Securities Commissioner of the State of South Carolina under the terms of a Prospectus dated November 15, 1975. The Borrower covenants to remain a duly organized corporation and to continue the adequate promotion and sale of said Certificates upon such terms and to the extent permitted by law. All of the proceeds derived from the sale of said 1600 shares of capital stock or Certificates will be used to retire the aforesaid \$1,072,500.00 indebtedness in accordance with the first 1250 Certificates sold and the passage of time over a period of five (5) years, as a mandatory prepayment of the amount due on said note as follows, to-wit:

- a. The first \$125,000.00 received during 1976, or from the first 250 Certificates sold, whichever occurs first.
- b. The first \$180,000.00, plus any deficiency in the priority application from a prior year which has