

STATE OF SOUTH CAROLINA)
)
)
 COUNTY OF CHARLESTON)

AMENDMENT TO AGREEMENT AS
 TO RESTRICTIVE COVENANTS
 (BAY CLUB)

WHEREAS, Bay Club, a limited partnership organized and existing under the laws of the State of South Carolina (the "Original Developer"), was the owner of certain property located in or near Summerville in Charleston County, South Carolina (the "County"), (such property being hereinafter referred to as the "Property"); and

WHEREAS, the Original Developer requested the South Carolina State Housing Finance and Development Authority (the "Authority") to assist it under the provisions of the South Carolina Housing Authority Act of 1977 (the "Act") by providing permanent financing at favorable rates for the development of a 160-unit multifamily rental housing project known as Bay Club Apartments Project (the "Project") on the Property; and

WHEREAS, the Original Developer requested the Authority, and the Authority agreed to provide and did provide funds for the making of a mortgage loan (the "Original Loan") used by the Original Developer for the construction and permanent financing of the Project on the Property; and

WHEREAS, the Authority issued \$6,400,000 Multifamily Housing Revenue Bonds, Series 1986 (Bay Club Apartments Project) (the "Original Bonds") to provide funds for the making of the Original Loan to the Original Developer; and

WHEREAS, pursuant to an Agreement as to Restrictive Covenants between the Original Developer and the Authority dated September 5, 1986 (the "Restrictive Covenants") and filed September 11, 1986 in the Office of the Register of Mesne Conveyances for Charleston County in Deed Book L-157 at Page 615, the Original Developer and the Authority set forth certain restrictions as to the use of the Property and the Project in connection with the Original Loan and Original Bonds; and

WHEREAS, Bay Club Project Investors, Inc. (the "Prior Developer") acquired title to the Property in 1989;

WHEREAS, the Prior Developer requested the Authority, and the Authority agreed to provide and did provide funds for the making of a mortgage loan (the "Prior Loan") used by the Prior Developer for the refunding of the Original Bonds;

WHEREAS, the Authority issued \$6,400,000 Multifamily Housing Revenue Bonds, Series 1990 (Bay Club Project) (the "Prior Bonds") to provide funds for the refunding of the Original Bonds;

WHEREAS, the Property has been purchased by JRC Mount Pleasant Limited Partnership (the "New Developer");

WHEREAS, at the time of the purchase, the New Developer assumed the obligations of the Original Developer and the Prior Developer under the Restrictive Covenants;

WHEREAS, the New Developer has requested the Authority, and has agreed to provide for the making of a mortgage loan (the "New Loan") to provide funds for the refunding of the Prior Bonds;

WHEREAS, pursuant to the Act and the request of the New Developer, the Authority has issued \$6,400,000 Multifamily Rental Housing Revenue Refunding Bonds, Series 2001 (Bay Club Apartments Project), (the "New Bonds") to provide funds for the refunding of the Prior Bonds; and

WHEREAS, It is the intent of the Authority and the New Developer to amend the Restrictive Covenants in effect with respect to the Property.

NOW, THEREFORE, in consideration of the benefits to be derived by the parties hereto from the consummation of the transactions referred to herein and the mutual covenants and agreements of the parties hereto, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the New Developer and the Authority, intending to be legally bound, do hereby agree as follows:

1. The Restrictive Covenants are hereby amended as follows:
 - (a) The written consent of the trustee for the New Bonds, which consent shall not be unreasonably withheld, shall be required prior to any further amendment to the Restrictive Covenants.
 - (b) Notwithstanding the repayment of the Prior Loan and the Prior Bonds through the issuance of the New Bonds, the covenants set forth in the Restrictive Covenants shall remain in effect with respect to the Property and the Project for the Qualified Project Period which shall terminate on January 21, 2004.
 - (c) Section 4(b) is deleted in its entirety and the following is substituted in lieu thereof:
 - (b) Use. The Developer will use the proceeds of the New Loan to refund the Prior Bonds.
 - (d) All references in the Restrictive Covenants to (i) the "Loan Agreement" shall mean and refer to the Loan Agreement dated as of June 1, 2001 by and between the Authority and the New Developer governing the New Loan; (ii) the "Indenture" shall mean and refer to the Indenture of Trust dated as of June 1, 2001 by and between the Authority and The Bank of New York, as trustee, pursuant to which the New Bonds are issued; (iii) the "Bonds" shall mean and refer to the New Bonds; (iv) the "Loan" shall mean and refer to the New Loan; and (v) the "Developer" shall mean and refer to the New Developer.
2. Except as amended herein, the Restrictive Covenants shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereof have set their hands as of June 1, 2001.

WITNESSES:

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT
AUTHORITY

April C. F.

By: [Signature]
Its: Chairman

Donna Louise Williams

JRC MOUNT PLEASANT LIMITED
PARTNERSHIP
an Illinois limited partnership

By: JRC MOUNT PLEASANT, INC.
an Illinois corporation,
its general partner

By: Madeline Sebonia
Madeline Sebonia
Its: Senior Vice President

[Signature]
Alice J. Russell

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that s/he saw the within-named South Carolina State Housing Finance and Development Authority, by Dan J. Rawls, its Chairman, sign, seal, and as its act and deed deliver the within-written instrument and that s/he with ~~the other witnesses~~ witnessed the execution thereof.

April C. P.

SWORN to and subscribed before me

this 21th day of June ____, 2001.

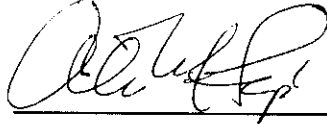
Alice J. Russell (L.S.)
Notary Public for South Carolina

My Commission Expires: 8-15-2010

STATE OF SOUTH CAROLINA)
COUNTY OF Charleston)

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that s/he saw the within-named JRC Mount Pleasant Limited Partnership, by JRC Mount Pleasant, Inc.* its general partner by Madeline Sebonia, its Senior Vice President, sign, seal, and as its act and deed deliver the within-written instrument and that s/he with Alice F. Ansell witnessed the execution thereof.



SWORN to and subscribed before me

this 27th day of June, 2001.

Alice F. Ansell (L.S.)
Notary Public for South Carolina

My Commission Expires: 8-11-2010

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

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UPON RECORDATION, PLEASE RETURN TO:
NEXSEN PRUET JACOBS & POLLARD, LLP
P. O. DRAWER 2426
COLUMBIA, S. C. 29202
ATTENTION: REAL ESTATE DEPARTMENT

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