

RESOLUTION NO.: R-2001-014

*Authorizing City Manager to execute a First Amendment
to Intercreditor Agreement for Wardlaw Apartments Limited Partnership*

BE IT RESOLVED that the City Manager is authorized to execute the attached First
Amendment to Intercreditor Agreement for Wardlaw Apartments Limited Partnership.

Approved this 28th day of March, 2001.

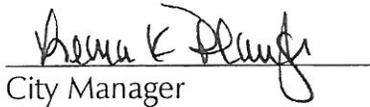
ORIGINAL
STAMPED IN RED

Requested by:



Mayor

Approved by:



City Manager

Approved as to form:



City Attorney

ATTEST:



City Clerk

Introduced: 3/28/2001

Final Reading: 3/28/2001

FIRST AMENDMENT TO INTERCREDITOR AGREEMENT

THIS FIRST AMENDMENT TO INTERCREDITOR AGREEMENT ("Amendment") is made effective as of February 2, 2001, by and among AMERICAN TAX CREDIT CORPORATE FUND VIII, L.P., a Delaware limited partnership ("Limited Partner"), BRANCH BANKING AND TRUST COMPANY, a South Carolina corporation ("BB&T"), WARDLAW APARTMENTS LIMITED PARTNERSHIP, a South Carolina limited partnership ("Borrower"), and THE CITY OF COLUMBIA, SOUTH CAROLINA ("City").

WHEREAS, the parties entered into that certain Intercreditor Agreement dated January 13, 1999 (the "Agreement") in regard to the construction and rehabilitation of a sixty-six (66) unit low income senior apartment development located at the corner of Park Street and Elmwood Avenue in the city of Columbia, South Carolina ("Project"); and

WHEREAS, in conjunction with the Project, BB&T has made a construction loan to Borrower in the amount of \$5,000,000 (the "Construction Loan"), which is secured by that certain Mortgage and Security Agreement dated January 13, 1999, by and between Borrower and BB&T (the "BB&T Mortgage"); and

WHEREAS, the Construction Loan matured on January 13, 2001 (the "Maturity Date"), and Borrower has requested that BB&T extend the Maturity Date until November 2, 2001 pursuant to that Note Modification Agreement attached hereto as Exhibit A and made a part hereof (the "Extension"); and

WHEREAS, Limited Partner and City also desire the Extension and have agreed to acknowledge and consent to the Extension as more particularly set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereby agree that the Agreement shall be and is hereby amended as follows:

1. Capitalized Terms. For purposes of this Amendment, capitalized terms shall have the meanings ascribed to them in the Agreement unless otherwise defined herein.

2. Consent to Extension. Limited Partner and City acknowledge and consent to the Extension, and agree that the any interests either may have in the Project, directly or indirectly, shall at all times remain subordinate to the Construction Loan (as modified by the Extension) and the BB&T Mortgage.

3. Subordination. City expressly acknowledges and agrees that notwithstanding the Extension, its rights pursuant to that certain Real Estate Mortgage dated January 13, 1999, granted to City by Borrower, shall at all times remain subordinate to the BB&T Mortgage, in accordance with the terms, covenants and conditions set forth in that certain Subordination Agreement dated January 13, 1999, by and among City, Borrower and BB&T.

4. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the parties to this Agreement, their successors and assigns.

5. Governing Law. This Agreement shall be governed by and construed under the laws of South Carolina.

6. Ratification. Except as modified by the Extension and this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and affirmed. The terms of this Amendment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. In the event of any conflict between the terms contained in this Amendment and the Agreement, the terms herein contained shall supersede and control the rights and obligations of the parties.

7. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be an original and all of which, when taken together, shall constitute one document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Borrower has executed, delivered and sealed this Agreement on the day and year first above written.

WARDLAW APARTMENTS LIMITED PARTNERSHIP,
a South Carolina Limited Partnership (SEAL)

By its General Partners:

PIEDMONT FOUNDATION OF SOUTH
CAROLINA, INC., a South Carolina non-profit
corporation (SEAL)

By: Walter C. McGill, Jr.

Name: WALTER C. MCGILL, JR

Title: PRESIDENT

UNITED HOUSING ASSOCIATES, INC.,
a South Carolina non-profit corporation (SEAL)

By: Ronald R. Hinson

Name: RONALD R. HINSON

Title: PRESIDENT

IN WITNESS WHEREOF, Limited Partner has executed, delivered and sealed this Agreement on the day and year first above written.

AMERICAN TAX CREDIT CORPORATE FUND VIII,
L.P., a Delaware limited partnership (SEAL)

By Its General Partner:

BROADWAY STREET VIII, L.P.,
a Delaware limited partnership (SEAL)

By Its General Partner:

PARAMOUNT PROPERTIES, INC.,
a Delaware corporation (SEAL)

By: Michael J. Menzer

Name: Michael J. Menzer

Title: President

IN WITNESS WHEREOF, City has executed, delivered and sealed this Agreement on the day and year first above written.

CITY OF COLUMBIA, SOUTH CAROLINA (SEAL)

By: Anna K. Plough

Name: Anna Plough

Title: City Manager