

thereof to proceed as herein provided for any other default under the terms of this Mortgage. The Mortgagee may, at its option, defer a foreclosure proceeding to sell the premises and may invoke the rights and remedies provided in said loan agreement and this Mortgage. It is agreed that as of the date on which the improvements are completed and this Mortgage and the Note secured hereby are purchased by THE NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY, or any other third party, said loan agreement shall be void and of no further force and effect.

18. It is agreed that so long as any portion of the principal indebtedness herein remains unpaid, the mortgaged premises and personal property affixed thereto shall remain free and clear of all encumbrances, liens, mortgages, security interests and secondary financing except those approved in writing by Mortgagee.

19. If any payments due hereunder or under the Note secured hereby are not paid when due, Mortgagor shall pay, in addition to the said payment, a late charge in the amount of ten percent (10%) per month of the payment then due, prorated daily from the day which said payment was due up to and through the date of payment of said installment. Said late charge shall not exceed the maximum amount permitted by the laws of the State of South Carolina.

20. After ten (10) years from the date of the first quarterly installment as provided in the Note hereby secured, the privilege is reserved to pay the entire principal and interest due and owing on any installment payment date upon giving the holder of said Note sixty (60) days' written notice of the intention to pay in full the entire principal and interest and by paying a premium of five percent (5%) of the amount prepaid if prepaid during the eleventh loan year, said prepayment premium declining one-half (1/2) of one percent (1%) each loan year thereafter until a minimum premium of one percent (1%) is reached. There shall be no right to prepay the Note in part.