

This Mortgage is made subject to the following covenants, stipulations and conditions which shall be binding upon Borrower and Lender and their respective heirs, successors and assigns.

1. Payment of Indebtedness. Borrower will pay the Note according to the tenor thereof and all other sums secured hereby promptly as the same shall become due and payable.

2. Insurance. Borrower will at all times keep the building and other improvements on the Property insured to their full insurable value against loss or damage by fires, storm and other hazards under a policy or policies of fire and extended coverage, and Borrower agrees to secure and maintain such additional insurance coverage as Lender may from time to time reasonably require to protect its security. Such insurance policy or policies shall be in a form acceptable to Lender and licensed to do business in the State of South Carolina. Such policy or policies shall contain a mortgagee loss payable clause making all losses, if any, payable to Lender, its successors and assigns, and the original of such policy or policies, and all renewals thereof, shall be delivered to Lender as additional security. In the event of loss and payment by an insurance company, the amount of insurance proceeds shall be paid to the Lender to the extent of the outstanding indebtedness secured hereby, and such proceeds shall be applied to rebuild and restore the damaged improvements if the Borrower is required to do so under the terms of the leases affecting the Property; otherwise, Lender may, at its option, apply such proceeds to (a) the reduction of the indebtedness secured hereby, whether then matured or not, or (b) to rebuilding or restoring the premises or (c) Lender may release such insurance proceeds to Borrower. Borrower shall give prompt written notice to Lender of any loss, and Lender is hereby authorized to make proof of loss if the same is not promptly made by Borrower. Any insurance company insuring the improvements is hereby authorized, empowered and directed to make payment for any loss directly to the Lender instead of to Borrower and Lender jointly.

3. Taxes. Borrower covenants and agrees to pay, when due, all taxes and assessments, both general and special, that are or may become due and payable on or with respect to the Property under any law, ordinance or regulations, whether made by federal, state or municipal authority. Upon request, Borrower will provide Lender with evidence that all such taxes and assessments have been paid.

4. Payments by Lender. If Borrower fails to keep the Property and improvements in good repair, or if it fails to maintain the insurance coverage required hereunder, or if it fails to pay, when due, all taxes and assessments on the Property and improvements, the Lender may, at its option, make such repairs, procure such insurance, pay such taxes and assessments or redeem the Property from tax sale if it has been sold or pay any other sum that is necessary to protect the security of this Mortgage, and any and all sums so paid by Lender together with interest thereon as herein stipulated from the date the same shall have been paid, shall be added to the indebtedness secured hereby and be due and payable on the date of the next principal and interest installments due under the terms of the Note. In the event Lender elects to advance insurance premiums and/or taxes and assessments, the receipt of any agent of the insurance company or companies from which such insurance is procured shall, with respect to such insurance premiums, be conclusive evidence as between the parties to this Mortgage of the amount and fact of payment thereof, and the receipt of the proper public official shall, with respect to taxes and assessments, be conclusive as between the parties to this Mortgage of the amount and validity of such taxes and assessments and the fact of the payment thereof.