TOGETHER WITH all buildings and improvements thereon and all and singular the tenements, hereditaments, and appurtenances thereunto belonging, or in anywise appertaining, and including all after-acquired title, franchise, licenses, or easements; and together with all right, title and interest of the Mortgagor from time to time in and to all heating, lighting, plumbing, cooking, incinerating, venilating, air-conditioning, laundry and refrigerating equipment; all elevators and motors, cabinets, engines and machinery, sprinkler systems; and storm and screen doors, screens, awnings, window shades, and floor coverings; and all other property now or hereafter owned by Mortgagor, or any successor in title, and attached to or used in connection with the real estate hereinabove described; and together with all building materials and equipment located on the premises and intended to be incorporated in the buildings or other improvements; AND ALSO all furnishings and articles of personal property now or hereafter attached to or in and about the building or buildings now erected or hereafter to be erected on the lands herein described which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all goods, chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be, attached to said building or buildings in any manner.

It is hereby mutually agreed between the parties hereto that all the foregoing property shall to the extent permitted by law be deemed to be affixed to the real property.

TO HAVE AND TO HOLD, all and singular the said premises unto the Mortgagee, its successors and assigns forever.

THE MORTGAGOR HEREBY COVENANTS AND AGREES WITH THE MORTGAGEE:

1. That it is lawfully seized of the premises hereinabove described in fee simple absolute, that it has good right and lawful authority to sell, convey, or encumber the same, and that the premises are free and clear of all liens and encumbrances whatsoever. The Mortgagor further covenients to warrant and forever defend all and singular the premises unto the Mortgagee, from and against the Mortgagor and all persons whomsoever lawfully claiming the same or any part thereof;

2. That Mortgagor will pay the Note at the times and in the manner provided therein;

3. That Mortgagor will not permit or suffer the use of any of the property for any purpose other than the use for which the same was intended at the time this Mortgage was executed;

recorded in Book 1415, Page 950, Greenville, S. C. real estate records

4. That the Regulatory Agreement, dated, executed by the Mortgagor and the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, is incorporated in and made a part of this mortgage. Upon default under the Regulatory Agreement and upon the request of the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, the Mortgagee, at its option, may declare the whole of the indebtedness secured hereby to be due and payable;

5. That all rents, profits and income from the property covered by this mortgage are hereby assigned to the Mortgagee for the purpose of discharging the debt hereby secured. Permission is hereby given to Mortgagor so long as no default exists hereunder, to collect such rents, profits and income for use in accordance with the provisions of the Regulatory Agreement;

6. That upon default hereunder Mortgagee shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom;

7. That at the option of the Mortgagor the principal balance secured hereby may be reamortized on terms acceptable to the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner if a partial prepayment results from an award in condemnation in accordance with provisions of Paragraph 9 herein, or from an insurance payment made in accordance with provisions of Paragraph 8 herein, where there is a resulting loss project income;

8. That the Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner upon the insurance of the mortgage and other hazards as may be required from time to time by the Mortgagee, and all such insurance shall be evidenced by standard Fire and Extended Coverage Insurance Policy or policies, in amounts not less than necessary to comply with the applicable Coinsurance Clause percentage, but in no event shall the amounts of coverage be less than 80% of the Insurable Values or not less than the unpaid balance of the insured mortgage, whichever is the lesser, and in default thereof the Mortgagee shall have the right to effect insurance. Such policies shall be endorsed with standard Mortgagee clause with loss payable to the Mortgagee and the Secretary of Housing and Urban Development as interest may appear, and shall be deposited with the Mortgagee;

That if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held as hereinabove provided, the amounts paid by any insurance company in pursuance of the contract of insurance to the extent of the indebtedness then remaining unpaid, shall be paid to the Mortgagee, and, at its option, may be applied to the debt or released for repairing or rebuilding of the premises; The insurance carrier providing insurance shall be chosen by Borrower subject to approval by Lender; provided that such approval shall not be** unreasonably withheld.

9. That all awards of damages in connection with any condemnation for public use of or injury to any of said property, shall be paid to the mortgagee to be applied to the amount due under the Note secured hereby in (1) amounts equal to the next maturing installment or installments of principal and (2) with any balance to be credited to the next payment due under the Note. No amount applied to the reduction of the principal amount due in accordance with (1) shall be considered an option prepayment as the term is used in this Mortgage and the Note secured hereby, nor relieve the mortgagor from making regular monthly payments commencing on the first month following the date of receipt of the awards. The holder of the Note is hereby authorized in the name of the mortgagor to execute and deliver valid acquittances for such awards and to appeal from such awards.

10. That in order more fully to protect the security of this Mortgage, the Mortgagor will pay to the Mortgagee in addition to the monthly payments of interest or of principal and interest under the terms of the Note secured hereby and concurrently therewith monthly on the first day of each month after the date hereof and continuing until the said Note is fully paid the following sums:

(a) An amount sufficient to provide the Mortgagee with funds to pay the next mortgage insurance premium if this instrument and the Note secured hereby are insured, or a monthly service charge, if they are held by the Secretary of Housing and Urban Development, as follows:

(I) If and so long as said Note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the Mortgagee one month prior to its due date the annual mortgage insurance premium, in order to provide such Mortgagee with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder, or

(II) If and so long as said Note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly service charge in an amount equal to 1/12 of 1/2 % of the average outstanding principal balance due on the Note computed for each successive year beginning with the first day of the month following the date of this instrument, if the Secretary of Housing and Urban Development is the mortgagee (beneficiary) named herein, or the first day of the month following assignment, if the Note and this instrument are assigned to the Secretary of Housing and Urban Development, without taking into account delinquencies or prepayment;

(b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other property insurance covering the premises covered hereby, plus water rates, taxes and assessments next due on the premises covered hereby (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, water rates, taxes and assessments will become delinquent, such sums to be held by Mortgagor in trust pay to said ground rents, premiums, water rates, taxes, and special assessments;

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the Notes secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by Mortgagee to the following items in the order set forth:

(I) premium charges under the Contract of Insurance with the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner or service charge;

(II) ground rents, taxes, special assessments, water rates, fire and other property insurance premiums;

**unreasonably withheld.

4328 RV-2