

8. It will give the mortgagee immediate notice by certified mail of any notice of default or notice of cancellation received from any tenant.

9. Any default in any assignment of lessor's interest in leases taken as collateral security for the loan shall, at the option of the mortgagee, constitute a default in the mortgage.

10. In addition to the monthly payments stipulated to be paid in interest and principal, the mortgagor agrees to deposit monthly with the payee approximately 1/12th of the estimated annual City, County and State taxes, and any assessments levied upon the mortgaged property all as estimated by the mortgagee; and also agrees to deposit monthly with the mortgagee sufficient reserves to pay the next due premiums on all Hazard Insurance Policies as such premiums are estimated by the mortgagee. Such deposits for taxes and insurance premiums shall be made throughout the term of the loan, shall not bear interest, shall not constitute a trust fund and, in the event of any default in the mortgage, may be applied in reduction of any amounts due on the loan.

11. In the event of any condemnation or public taking, the mortgagee may apply any award or damages in reduction of the principal indebtedness and such award or damages are hereby assigned to the mortgagee for the purpose of such application.

12. The mortgagor agrees to furnish, without expense to the mortgagee, an annual audit of the Shopping Center operation, showing minimum and percentage rent received from each tenant, balance sheets, and profit and loss statements prepared by a C.P.A. licensed in the State of South Carolina, within 120 days after the close of each fiscal year and also to furnish, without expense to the mortgagee, such interim balance sheets and profit and loss statements as may be required by mortgagee.

IN WITNESS WHEREOF, HUGHES DEVELOPMENT COMPANY, INC. has executed these presents this 25<sup>th</sup> day of October, 1962.

IN THE PRESENCE OF:

William J. Brown  
J. S. Williams

HUGHES DEVELOPMENT COMPANY, INC.

BY: J. I. Hughes  
Resident

Attest: Jannet H. Horton  
Secretary