

the same, and apply the net income therefrom to the preservation and protection of the mortgaged property and to the payment of the mortgage indebtedness in such manner as the court may direct.

10. That the mortgagors will faithfully perform all covenants and conditions required to be performed by landlord under that certain lease entered into as of February 4, 1970, between the mortgagors as landlord, and the Housing Authority for the City of Greenville, South Carolina as tenant, covering the premises herein mortgaged, and the mortgagors agree that any default by the landlord under said lease shall, at the option of the mortgagee, constitute a default in this mortgage. The mortgagors also covenant that they will not terminate or permit said lease to be terminated prior to its full term of twenty years without the prior written approval of the mortgagee. The mortgagors also covenant that they will purchase and maintain in full force, and effect public liability insurance and loss of rents or business interruption insurance in such amounts and for such periods as may be required by the mortgagee and will pay promptly, when due, any premiums on such insurance as hereinabove provided. All such insurance shall be carried in companies approved by the mortgagee; and the policies and renewals thereof shall be held by the mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee. In the event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the mortgagors in and to any such insurance policies then in force shall pass to the purchaser or grantee.

11. That the mortgagors will furnish to the mortgagee, without expense to the mortgagee, an annual operating statement, in form satisfactory to the mortgagee, of the Housing Authority of the City of Greenville, South Carolina, pertaining to the operation of the apartment project on the mortgaged premises, said statement to be furnished within three months after the closing of each fiscal year.