

This instrument shall secure any FUTURE LOANS OR ADVANCES made by mortgagor to mortgagee, including, advances under the Factoring Agreement.

And the mortgagor, for himself, hereby covenants with the mortgagee, as follows:

1. That it will keep or cause to be kept all improvements and buildings erected on the above-described real property in good order and repair, and will not do or permit waste on said property, or remove any buildings without the consent of the mortgagee, its successors or assigns or do or permit any other act whereby the property hereby conveyed shall become less valuable; that it will keep said property free from all other encumbrances which by law may have priority over the lien created by this mortgage, except the prior mortgage described above.

2. That it will pay or cause to be paid all taxes, charges and assessments of every kind and nature that may be levied or charged against the property herein described, whether the same be for federal, state, county or city purposes, as soon as may be due, collectable and payable.

3. That it will effect and keep or cause to be effected and kept in force with an insurance company approved by the mortgagee, such amount of insurance against loss by fire, lightening, windstorm, tornado and such other causes as may be required by the mortgagee upon the property herein described as will be satisfactory to the mortgagee; all such policies shall contain a standard mortgage clause in favor of the mortgagee; with the right and power in the mortgagee to demand, receive and collect any and all money becoming payable thereunder to the extent of its interest, and to apply the same toward the payment of the obligations and indebtedness hereby secured unless the same is otherwise paid.

4. That in the event of the failure of the mortgagor to pay or cause to be paid all taxes, charges and assessments, or to procure or pay or cause to be procured and paid the premiums on said insurance or to keep or cause to be kept in a proper state of repair, or to keep or cause to be kept the property clear of all encumbrances, all as herein provided, the mortgagee shall have the right to pay said taxes, charges and assessments and to pay for or procure and pay for said insurance, or to have repairs made and pay for same, and the mortgagor shall indemnify the mortgagee for all amounts so expended for taxes, charges, assessments and insurance premiums, plus interest at the rate provided for in the Promissory Note.

5. That upon the default by the mortgagor to the mortgagee of the payment of any indebtedness due or the performance of any obligation, whether under this mortgage or any other agreement, or upon termination by either mortgagor or mortgagee of the Factoring Agreement, the mortgagee shall have the right to declare the entire indebtedness of mortgagor to the mortgagee to be immediately due, and to proceed without notice to foreclose this mortgage to enforce the collection of same, together with interest, attorney's fees, and all other amounts secured hereby.

6. That the holder of this mortgage, in any action to foreclose it, shall be entitled, without regard to the value of the mortgaged premises, or the adequacy of any security for the mortgaged debt, to the appointment of a receiver of the rent and profits of the mortgaged premises, and such rents and profits are hereby in the event of any default, assigned to the holder of this mortgage.

7. The covenants herein contained shall bind and the benefits shall enure to the respective heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said Clayton-Brown Furniture Manufacturing, Inc., by and through its officers, has hereunto set(s) its hand and seal this 15 day of October, in the year of our Lord One Thousand Nine Hundred and seventy-nine and in the Two Hundred and Third year of the Sovereignty and Independence of the United State of America.

Signed, Sealed and Delivered in the Presence of

A. Maura Quattlan
Wayne D. McDavid

CLAYTON-BROWN FURNITURE MANUFACTURING, INC.

By: Clayton J. Freeman President
By: Robert W. ... Secretary

(Corporate Seal)

STATE OF SOUTH CAROLINA
DOCUMENTARY
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