

law, be considered as annexed to or forming a part of said real property.

TO HAVE AND TO HOLD the said bargained property (all of which is collectively referred to herein as the "Premises") unto Mortgagee forever, in fee simple. Mortgagor warrants that Mortgagor is lawfully seized and possessed of the Premises; has the right to convey the same; and that the Premises are unencumbered, except for those certain prior mortgages identified below; and Mortgagor warrants and will forever defend the Premises against the claims of all persons whomsoever claiming by, through, or under Mortgagor subject to the matters set forth on Exhibit "B" attached hereto and hereby made a part hereof.

This conveyance is subject and subordinate to that certain mortgage in favor of Carolina Federal Savings and Loan Association, dated March 13, 1978, as assigned to Federal Mortgage Corporation, and as corrected, recorded in R.M.C. Book 1425, page 823, of the records of Greenville County, South Carolina, and as assigned in R.M.C. Book 1425, page 833, of said records, and corrective mortgage recorded at Book 1426, at page 674, aforesaid records, and the note secured thereby having an original principal amount of \$1,650,000.00 (the "Prior Mortgage").

Mortgagor hereby expressly transfers and assigns to Mortgagee any surplus funds arising from the foreclosure of the Prior Mortgage or a sale under the power contained in the Prior Mortgage and hereby expressly authorizes payment of any such surplus funds to Mortgagee.

This mortgage is a wraparound mortgage and secures the payment of a debt in the sum of TWO MILLION EIGHTY-THREE THOUSAND THREE HUNDRED FORTY-THREE AND 47/100 DOLLARS (\$2,083,343.47), with interest, as evidenced by that certain Note of even date herewith, in the original principal amount of Two Million Eighty-Three Thousand Three Hundred Forty-Three and 47/100 Dollars (\$2,083,343.47), executed and delivered by Mortgagor to Mortgagee, which Note has a final maturity date of December 31, 1987, and all other sums payable to Mortgagee under the Note, together with all renewals, extensions, consolidations and modifications of the Note or the debt evidenced thereby.

As further consideration for the indebtedness evidenced by the Note, Mortgagor hereby absolutely sells, assigns, sets over and transfers to Mortgagee all of the rents, issues and profits which shall hereafter become due or be paid for the use of the Premises, reserving only the right to Mortgagor to collect said rents so long as there is no default under this deed or in payment of the debt secured hereby.

**MORTGAGOR FURTHER COVENANTS AND AGREES WITH MORTGAGEE AS FOLLOWS:**

1. Mortgagor will pay when due all sums secured hereby.
2. So long as Mortgagor is not in default hereunder and under the Note, Mortgagee shall pay the debt service of principal and interest as and when due under the terms of the Prior Mortgage and the promissory note secured thereby from the proceeds received as payments due under the Note. In the event Mortgagee does not pay said debt service according to the terms thereof, Mortgagor shall be entitled to make such payments directly and to receive a credit therefor against the amounts otherwise due Mortgagee.
3. Mortgagor shall keep the Premises protected and in good order, repair and condition at all times, promptly replacing any part thereof which may become lost, destroyed or unsuitable for