

shall not limit or expand or otherwise affect any of the terms hereof.

3.04 Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in the Note, this Mortgage or any other instrument securing the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note and any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby.

3.05 Changes, etc. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the Party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

3.06 Governing Law. This Mortgage is made by Mortgagor and accepted by Mortgagee in the State of South Carolina, with reference to the laws of such State, and shall be construed, interpreted, enforced and governed by and in accordance with such laws (excluding the principles thereof governing conflicts of law).

3.07 Default Rate. The Default Rate shall be as provided in the Note.

ARTICLE FOUR

LENDING PROVISIONS

4.01 Partial Foreclosure. In the event the Mortgaged Property is comprised of more than one parcel of real property, Mortgagor hereby waives any right to require Mortgagee to foreclose or exercise any of its other remedies against all of the Mortgaged Property as a whole or to require Mortgagee to foreclose or exercise all of said remedies against one portion of the Mortgaged Property prior to the foreclosure or exercise of said remedies against other portions of the Mortgaged Property.

4.02 Covenants of Guarantors. As a part of the inducement to Mortgagee to make the loan evidenced by the Note, Mortgagor has caused certain other persons, firms or corporations to enter into certain guaranty agreements with Mortgagee pertaining to the financing and payment for construction of improvements on the Land. Mortgagor covenants and agrees that such persons, firms or corporations shall fully perform, comply with and abide by such agreements. It is further understood and agreed by Mortgagor that such representation and agreements by the other persons shall constitute, for the purpose of his obligations hereunder, covenants on behalf of Mortgagor.

ARTICLE FIVE

SECURITY AGREEMENT

5.01 Grant of Security Interest. With respect to the real and personal property hereinabove described this First Mortgage and Security Agreement shall constitute a security agreement between Mortgagor and Mortgagee, and, cumulative of all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the Uniform Commercial Code (South Carolina). Mortgagor will execute and deliver to Mortgagee to establish and maintain the validity and priority of the Mortgagee's security interest in such property such financing statements to be executed in the manner and form required by law and to the satisfaction of Mortgagee. Mortgagor agrees to pay