TOGETHER with all the rights, easements, hereditaments, [illegible] appurtenances and fixtures now or hereafter attached to, appurtenant to or used in connection with said premises, including all heating, air conditioning, plumbing, lighting, [illegible] and all other equipment and fixtures now or hereafter attached to said premises, it being the intention of the parties hereto that all such fixtures and equipment shall be deemed to be a part of the realty.

TO HAVE AND TO HOLD all and singular the said premises unto the Mortgagee, [illegible]

The Mortgagor represents and warrants that said Mortgagor is seized of the premises [illegible] that the premises described herein are free and clear of all liens and encumbrances except as [illegible] and that the Mortgagor will forever warrant and defend the title to said premises against the Mortgagee and every person whomsoever lawfully claiming or to claim the same or any part thereof.

THE MORTGAGOR COVENANTS AND AGREES AS FOLLOWS:

1. That the Mortgagor will promptly pay the principal and interest on the indebtedness evidenced by said note and any prepayment premium at the times and in the manner therein provided.

2. That this mortgage will secure the Mortgagee for any additional loans, advances, or other indebtedness that the Mortgagor may owe the Mortgagee, for the payment of taxes or public assessments levied on the premises, or for any other purpose authorized by the provisions of this mortgage and, [illegible] the Mortgagor and the Mortgagee under the authority of Sec. 45-55, 1962 Code of Laws of North Carolina, [illegible] all such indebtedness shall be secured by this mortgage and shall bear interest at the same rate or rates as that provided in said note, unless otherwise agreed in writing. It is provided that the amount of the Mortgage, unless otherwise provided in writing,

3. That Mortgagor will keep the improvements on the mortgaged premises, whether now existing or hereafter erected, insured against loss by fire, windstorm and other hazards in an amount not less than the balance due on the note secured hereby, or such other amount as may be required by the Mortgagee, and Mortgagor hereby assigns the policy or policies of insurance to the Mortgagee, and Mortgagor covenants that all such policies shall be held by the Mortgagee should the same be required by the Mortgagee, and in the event of loss, Mortgagor will give immediate notice thereof to the Mortgagee, [illegible] If the Mortgagor shall fail to keep said premises insured, or shall fail to pay the premiums therefor when due, the Mortgagee may, at its option, insure said premises in such amount as it may deem necessary for its protection, and such expenditures to be secured by the lien of the Mortgagee and shall be due and payable on demand, with interest as herein provided.

4. That the Mortgagor will keep all improvements upon the mortgaged premises in good repair, and should the Mortgagor fail to do so the Mortgagee may, at its option, enter said premises and make such repairs as it may deem necessary, and charge the expense to such repairs to the mortgage debt and collect the same under this mortgage with interest as herein provided.

5. That the Mortgagor may at any time, in the exercise and discretion of said mortgagee, pay the taxes or assessments levied against the mortgaged premises, or any part thereof, and to take an assignment of the tax lien, and, at the option of the Mortgagee, pay the Mortgagee may pay said taxes or assessments and charge the amount so paid to the mortgage debt.

6. That Mortgagor agrees to pay all taxes and other public assessments levied against the mortgaged premises on or before the date the same shall become delinquent, and the payment of the Mortgagee, [illegible] and should the Mortgagor fail to pay such taxes and assessments when the same shall fall due, the Mortgagee may, at its option, pay the same and charge the amount so paid to the mortgage debt and collect the same under this mortgage with interest as herein provided.

7. That if the mortgage secures a "Construction Loan", the Mortgagor agrees that the proceeds of the indebtedness hereby secured shall be disbursed to the Mortgagor in periodic payments as construction progresses in accordance with the terms and conditions of a Construction Loan Agreement which is separately executed by the Mortgagor and made a part of this mortgage and incorporated herein by reference.

8. That the Mortgagee will have the right to inspect the premises from time to time to protect the security of the Mortgagee, and should the Mortgagor [illegible] the Mortgagee may, at its option, make such repairs as may be necessary to protect the indebtedness hereby secured to be immediately due and payable and bear interest and be secured by this indebtedness.

9. That should the Mortgagee desire to sell the mortgaged premises to a qualified Single Family Dwelling Unit Owner and the mortgage indebtedness hereby secured, all the Mortgagee or its assigns shall be required to deal with the Association an application for an assumption of the mortgage indebtedness plus the transfer fee as required by the Association for processing the assumption through the Association with assignment of the Contract of Sale, Deed of Trust or Deed of Conveyance, and have the interest rate on the loan balance existing at the time of the sale, and be assuming the interest rate on the said loan balance to the maximum rate per annum permitted to be charged at that time by applicable South Carolina Law, or a lower or greater interest rate as may be determined by the Association. The Association will notify the Mortgagor of the new interest rate and monthly payments and will send him a new payment schedule. Should the Mortgagor or his legal representatives default in the payments and the provisions of the within paragraph, the Mortgagee at its option may declare the indebtedness hereby secured to be immediately due and payable and may institute any proceedings necessary for collection of the indebtedness.

10. That should the Mortgagor fail to make the payments of principal and interest as due on the promissory note and the same shall be unpaid for a period of thirty (30) days or more after the same shall become due and payable, or in case of the death or dissolution of the Mortgagor, or any stipulations set out in this mortgage, the Mortgagee, at its option, may write to the Mortgagor at his last known address giving him thirty (30) days in which to cure the default, and should the Mortgagor fail to cure said default within the said thirty days, the Mortgagee may, at its option, declare the interest due on the loan balance for the remaining term of the loan or for a lesser term to the maximum rate per annum permitted to be charged at the time by applicable South Carolina Law, or a lesser increase rate as may be determined by the Association. The monthly payments will be adjusted accordingly.

11. That should the Mortgagor fail to make payments of principal and interest as due on the promissory note and should any monthly installment become past due for a period in excess of 15 days, the Mortgagee may collect a "late charge" not to exceed an amount equal to five (5) per centum of any such past due installment in order to cover the extra expense incident to the handling of such delinquent payments.

12. That the Mortgagor hereby assigns to the Mortgagee, its successors and assigns, all the rents, issues and profits accruing from the mortgaged premises, retaining the right to collect the same so long as the debt hereby secured is not in arrears of payment, but should any part of the principal or interest, taxes, or fire insurance premiums, be past due and unpaid, the Mortgagee may without notice or further proceedings take over the mortgaged premises, if then vacant, or if then occupied by a tenant or tenants, and collect said rents and profits and apply the same to the indebtedness hereby secured, without liability to account for anything more than the rents and profits actually collected, less the cost of collection, and no tenant is authorized upon request by Mortgagee to make all rental payments direct to the Mortgagee without liability to the Mortgagor, and credited to the contract by the Mortgagee, and should said premises at the time of such default be occupied by the Mortgagor, the Mortgagee may apply to the Judge of the Circuit Court or to any Judge of the Court of Common Pleas who shall be resident or presiding in the county aforesaid for the appointment of a receiver with authority to take possession of said premises and collect such rents and profits, apply the said rents, after paying the cost of collection, to the mortgage debt without liability to account for anything more than the rents and profits actually collected.

13. That the Mortgagee, at its option, may require the Mortgagor to pay to the Mortgagee, on the first day of each month until the note secured hereby is fully paid, the following sums in addition to the payments of principal and interest provided in said note: a sum equal to the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged premises, all as estimated by the Mortgagee, less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such premiums, taxes and assessments will be due and payable, such sums to be held by Mortgagee to pay said premiums, taxes and special assessments. Should these payments exceed the amount of payments actually made by the Mortgagee for taxes, assessments or insurance premiums, the excess may be credited by the Mortgagee on subsequent payments to be made by the Mortgagor, but if, however, said sums shall be insufficient to make said payments when the same shall become due and payable, the Mortgagor shall pay to the Mortgagee any amounts necessary to make up the deficiency. The Mortgagor further agrees that at the end of ten years from the date hereof, Mortgagee may, at its option, apply for renewal of mortgage insurance or such insurance as applicable covering the balance then remaining due on the mortgage debt, and the Mortgagor may, at its option, pay the said premium required for the remaining years of the term or the Mortgagee may pay such premium and add the same to the mortgage debt, in which event the Mortgagor shall repay to Mortgagee such premium payment, with interest at the rate specified in said promissory note, in equal monthly installments over the remaining payment period.

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