

And the said Mortgagee covenants and agrees that he is lawfully secured by the first mortgage to be made by the Mortgagee to

Collateral Investment Company

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in the Greenville 1265 and 139 that he has a good and lawful right to sell and convey the same forever against the lawful claims and demands of all persons and that he will pay all taxes due and to become due on the property and all other taxes levied on the property and keep the buildings thereon insured against loss by fire and other causes and the Mortgagee, its successors or assigns, in such responsible insurance for the full value of the property as the Mortgagee, its successors or assigns, in an amount satisfactory to said Mortgagee, its successors or assigns, and a clause satisfactory to the Mortgagee attached to said policy, and the Mortgagee, its successors or assigns, shall have the right to receive the amount of the insurance money paid shall be applied to the payment of the taxes levied on the property and in rebuilding and restoring the damaged buildings as the Mortgagee may elect. And it is further agreed that in the event that the Mortgagor shall fail to pay and keep up said taxes, assessments for the property or other taxes levied on the property or the Mortgagee or its successors or assigns are hereby authorized to do so and the amount of such taxes, assessments and charges shall be paid by the Mortgagee and shall bear interest from the date of payment at the rate of six percent per annum.

PROVIDED ALWAYS THAT THE MORTGAGOR shall pay or cause to be paid unto the said Mortgagee, its successors or assigns, the sums secured by this mortgage, with interest thereon if any shall be due, according to the true intent and meaning of this mortgage and of said note and the conditions therein written, then this deed of bargain and sale shall cease and be void of force and effect in full force and authority.

And it is also covenanted and agreed that in the event of default in the payment of said promissory note above described, or on our failure to pay the said taxes, assessments for other taxes levied and insurance as agreed, or on failure of the Mortgagor to keep and perform any of the covenants herein contained, then in any one of these events, the whole amount of the indebtedness hereby secured, together with interest thereon, shall, at the option of the lawful owner and holder of said note and of this security be and become due and payable to the holder of said note contained to the contrary notwithstanding; such option to be exercised with or without notice.

And it is covenanted and agreed that if all or any part of the property or an interest therein is sold or transferred by Mortgagor without Mortgagee's prior written consent, (a) the mortgage shall remain subordinate to this mortgage, (b) the creation of a purchase money security interest in the property by device, descent or by operation of law upon the death of a joint tenant or (d) the grant of any lease of the property for a term of years or less not containing an option to purchase, Mortgagee may at its option, declare all the sums secured by this mortgage immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer of the property, and if the property is to be sold or transferred reach agreement in writing that the credit of such person is satisfied by the Mortgagee and that the interest payable on the sums secured by this mortgage shall be at such rate as Mortgagee shall request, and if the required escrow fee is paid. If Mortgagee has waived the option to accelerate and if Mortgagor's successor in interest later makes a similar assumption agreement accepted in writing by Mortgagee, Mortgagee shall release Mortgagor from all obligations under this mortgage and note. If Mortgagee exercises such option to accelerate, Mortgagee shall mail Mortgagor notice of acceleration which shall be effective if mailed not less than 30 days from the date the notice is mailed within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Mortgagee, invoke any remedies permitted under this mortgage.

And it is covenanted and agreed that the said Mortgagor does hereby assign, set over and transfer to the said Mortgagee, its successors or assigns, all of the rents, issues and profits of the said mortgaged premises accruing and falling due from and after the service of summons issued in an action to foreclose this mortgage after default in the conditions thereof. In the event Mortgagee exercises its option to accelerate or in the event the mortgage premises are sold, Mortgagee shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the mortgaged premises and to collect the rents, issues and profits of the mortgaged premises, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the mortgaged premises and collection of rents, including, but not limited to, receiver's fees, premiums or receiver's bonds and reasonable attorney's fees, and then to the sums secured by this mortgage. And it is further agreed that in the case of foreclosure of this mortgage, by suit or otherwise, the Mortgagee shall recover of the Mortgagor the expense of advertising, selling and conveying, including reasonable attorney's fees and other reasonable costs of foreclosure, which shall be secured by this mortgage, and shall be included in judgment of foreclosure. And it is further agreed that in case a lien is being prosecuted or commenced which mutually affects Mortgagee's interest in the mortgaged premises, Mortgagee shall recover from Mortgagor on demand the expense incurred in protecting its interest, including but not limited to reasonable attorney's fees and costs expended.

And it is covenanted and agreed that no third party, Mortgagee, its successors or assigns to exercise any option to declare the maturity of any debt secured by this mortgage, or to exercise or demand, as a matter of its right to exercise such option, or to declare such forfeiture, either as to any part of the debt, and it is further agreed that no terms or conditions contained in this mortgage can be waived, altered or changed except in writing and agreed to by all parties hereto.

The noteholder hereunder is authorized to take any of the following actions: (a) to take any required payments under any lien prior hereto, or under this mortgage, the non-payment of which would constitute a default, including but not limited to principal and/or interest payments, taxes and fire insurance premiums. All sums so advanced shall bear interest at the highest rate allowed under South Carolina law, from the date of the advance to the date of payment, (b) to exercise any and all part of the lien created hereunder shall become payable at any time on demand and the failure to do so shall constitute a default hereunder giving rise to all of the remedies herein provided in the event of such default.

The Mortgagor shall have the right to anticipate the payment of all or any part at any time and shall receive a rebate for any unearned interest which shall be paid to the Mortgagee in full.

All appraisements and horizontal lines shall be subject to the approval of the Mortgagee.