

the deficiency or pay the charge before the same become delinquent or subject to interest or penalties and in default thereof the Mortgagee may pay the same. All sums paid by the Mortgagee and any sums which the Mortgagee may be required to advance to pay mortgage insurance premiums shall be added to the principal of the debt secured hereby and shall bear interest from the date of payment at the rate specified in the Note and shall be due and payable on demand. In case of termination of the Contract of Mortgage Insurance by prepayment of the Mortgage in full, or otherwise (except as hereinafter provided), accumulations under (a) of the preceding paragraph hereof not required to meet payments due under the Contract of Mortgage Insurance, shall be credited to the Mortgagee. If the property is sold under foreclosure or is otherwise acquired by the Mortgagee after default, any remaining balance of the accumulations under (b) of the preceding paragraph shall be credited to the principal of the Mortgage as of the date of the commencement of foreclosure proceedings or as of the date the property is otherwise acquired; and accumulations under (a) thereof shall be likewise credited unless required to pay sums due the Federal Housing Commissioner under the Contract of Mortgage Insurance;

12. That the Mortgagor will pay all ground rents, if any, taxes, assessments, water rates, and other governmental or municipal charges or impositions to the extent provision therefor has not been made by monthly payments as hereinbefore provided before the same become delinquent or subject to interest or penalties, and in default thereof the Mortgagee may pay the same. All such sums so paid by the Mortgagee plus any sums which the Mortgagee has advanced to pay mortgage insurance premiums or fire and other hazard insurance premiums not provided for by monthly payments hereunder shall be added to the principal of this Mortgage, shall bear interest at the rate specified in the Note from the date of the advance and shall be due and payable to the Mortgagee upon demand;

13. That if the Mortgagee is made or becomes a party to any suit or action, by reason of this Mortgage or the indebtedness hereby secured, the Mortgagor will pay all expenses incurred by the Mortgagee therein, including a reasonable attorney's fee;

14. That if the Mortgagor shall assign or attempt to assign the rents, issues, or profits or any part thereof of the premises mortgaged hereby without the written consent of the Mortgagee, or in case of the actual or threatened demolition or removal of any building on or to be erected upon said premises, then, at the option of the Mortgagee, the debt hereby secured shall immediately become due;

15. That if it default in any of the covenants or agreements contained herein, or in said Note, then the Mortgagee may perform the same, and all expenditures made by the Mortgagee in so doing shall draw interest at the rate specified in the Note, and shall be repayable by the Mortgagor to the Mortgagee, and, together with interest and costs accruing thereon, shall be secured by this Mortgage;

16. That the Mortgagor will not voluntarily create or permit to be created against the property subject to this Mortgage any lien or liens inferior or superior to the lien of this Mortgage and further that it will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises, and on the failure of the Mortgagor to perform these covenants, or any part thereof, thereupon the principal and all arrears of interest shall, at the option of the Mortgagee, or any holder of the Note secured by this Mortgage, become due and payable, anything contained herein to the contrary notwithstanding;

17. That the improvements about to be made upon the premises above described and all plans and specifications comply with all municipal ordinances and regulations made or promulgated by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the fire rating or inspection organization, bureau, association or office which are now or may hereafter become applicable to the premises above described;

18. That Mortgagor will not commit, permit, or suffer waste, impairment, or deterioration of said property or any part thereof, and in the event of the failure of the Mortgagor to keep the buildings on said premises and those to be erected on said premises, or improvements thereon, in good repair, the Mortgagee may make such repairs as in its discretion it may deem necessary for the proper preservation thereof, and any sums paid for such repairs shall bear interest from the date of payment at the rate specified in the Note, shall be due and payable on demand and shall be fully secured by this Mortgage;

19. That so long as this Mortgage and the said Note secured hereby are insured or held under the provisions of the National Housing Act, it will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color or creed;

20. That the funds to be advanced herein are to be used in the construction of certain improvements on the lands herein described, in accordance with a building loan agreement between the Mortgagor and Mortgagee, dated January 17, 1972, which building loan agreement (except such part or parts thereof as may be inconsistent herewith) is incorporated herein by reference to the same extent and effect as if fully set forth and made a part of this Mortgage; and if the construction of the improvements to be made pursuant to said building loan agreement shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason other than strikes or lock-outs, the Mortgagee, after due notice to the Mortgagor or any subsequent owner, is hereby invested with full and complete authority to enter upon the said premises, employ watchmen to protect such improvements from depredation or injury and to preserve and protect the personal property therein, and to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and enter into any contracts and obligations wherever necessary, either in its own name or in the name of the Mortgagor, and to pay and discharge all debts, obligations, and liabilities incurred thereby. All such sums so advanced by the Mortgagee (exclusive of advances of the principal of the indebtedness secured hereby) shall be added to the principal of the indebtedness secured hereby and shall be secured by this Mortgage and shall be due and payable on demand with interest at the rate specified in the Note, but no such advances shall be insured unless same are specifically approved by the Federal Housing Commissioner prior to the making thereof. The principal sum and all other charges provided for herein shall, at the option of the Mortgagee or holder of this mortgage and the Note secured hereby, become due and payable on the failure of the Mortgagor to keep and perform any of the covenants, conditions, and agreements of said building loan agreement. This covenant shall be terminated upon the completion of the improvements to the satisfaction of the Mortgagee and the making of the final advance as provided in said building loan agreement;

21. That in the event of default in making any monthly payment provided for herein or in the Note secured hereby, and if such default is not made good prior to the due date of the next such installment or in the event of a breach of any other stipulation, agreement, condition and covenant of the Mortgagor, then in any such event, the whole principal sum of said Note shall, at the option of the Mortgagee, be deemed to have become immediately due, and the same with interest thereon and with all other costs and charges, shall thereupon be collectible by foreclosure of this Mortgage, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any other time;

22. That the rights and remedies provided for herein shall be held to be in addition to and not in limitation of those provided by law;

23. It is agreed that the Mortgagor shall hold and enjoy the premises above conveyed until there is a default under this mortgage or in the Note secured hereby. It is the true meaning of this instrument that if the Mortgagor shall fully perform all the terms, conditions, and covenants of this Mortgage, and of the Note secured hereby, that then this Mortgage shall be utterly null and void; otherwise to remain in full force and virtue. If there is a default in any of the terms, conditions, or covenants of this Mortgage, or of the Note secured hereby, this Mortgage may be foreclosed. The Mortgagor waives the benefit of any appraisal laws of the State of South Carolina. Should any legal proceedings be instituted for the foreclosure of this Mortgage, or should the Mortgagee become a party to any suit involving this Mortgage or the title to the premises described herein, or should the debt secured hereby or any part thereof be placed in the hands of an attorney at law for collection by suit or otherwise, all costs and expenses (including continuation of abstract) incurred by the Mortgagee, and a reasonable attorney's fee, shall thereupon become due and payable immediately or on demand, at the option of the Mortgagee, as a part of the debt secured hereby, and may be recovered and collected hereunder;

24. In case of foreclosure and sale of the mortgaged premises, said premises may be sold in one parcel. If the proceeds of the sale should be insufficient to pay all costs and expenses of the sale, attorney's fees and all charges, and the principal and interest on the debt secured hereby, including any and all advances made hereunder by or for the account of the Mortgagee, the Mortgagee shall be entitled to a judgment for the deficiency;

25. This Mortgage has been executed by authority of the Board of Directors of the Mortgagor and with the consent of the holders of not less than two-thirds of the outstanding shares of its capital stock entitled to vote thereon;

26. That no waiver of any covenant herein or of the Note secured hereby shall at any time thereafter be held to be a waiver of the terms hereof or of the Note secured hereby;

27. This Mortgage and every covenant and agreement therein contained shall be binding upon and inure to the benefit of the Mortgagor and the Mortgagee and their respective successors and assigns, and to the extent permitted by law shall bind every subsequent owner of the mortgaged premises.

Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

28. The covenant of the Maker(s) to pay principal and interest is included in the Note secured hereby for the purpose of establishing and continuing the existence of the indebtedness. However, it is a condition of said covenant and those contained herein that in the event of default under the terms hereof, the Holder shall take no action against the Maker(s) except such as may be necessary to subject to the satisfaction of the indebtedness the property described herein and any chattels appurtenant to the use thereof; PROVIDED, that nothing in this condition and no action so taken shall operate to impair any obligation of the Maker(s) under the Building Loan Agreement and the Regulatory Agreement herein referred to and made a part hereof.