

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)

BOOK 1509 PAGE 274

MORTGAGE

TO ALL WHOM THESE PRESENTS MAY CONCERN:

The Undersigned, INGLES MARKETS, INC., a North Carolina corporation (hereinafter referred to as Mortgagor), SENDS GREETINGS:

WHEREAS, the Mortgagor is well and truly indebted unto SOUTHERN BANK & TRUST COMPANY, Greenville, South Carolina, (hereinafter referred to as Mortgagee) as evidenced by the Mortgage Note of Mortgagor of even date herewith, the terms of which are incorporated herein by reference, in the principal sum of EIGHT HUNDRED THOUSAND AND 00/100 (\$800,000.00) DOLLARS, with interest thereon from the date of advances to be made under said Note on the unpaid balance thereof, at the rate of one (1%) per cent per annum in excess of the prime commercial lending rate of Mortgagee, said interest to be payable on the first day of each month following the initial advance of principal with principal and accrued interest due on March 31, 1981.

Provided, however, if this Mortgage and the Note secured hereby are acquired by Provident Life and Accident Insurance Company (Provident) on or before March 31, 1981, in accordance with the terms of a Buy-Sell Agreement dated the 30 day of July, 1980, or within such additional time period as may be mutually agreed upon between the parties thereto, thereafter (i.e. after said purchase by Provident), the note secured by this Mortgage shall no longer bear interest at the rate of one (1%) per cent per annum in excess of the prime commercial lending rate of Mortgagee, and shall no longer become due on March 31, 1981, but shall thereafter bear interest at the rate of Thirteen and one-half (13.50%) per cent and shall be payable in monthly installments as follows, to wit: Nine Thousand Three Hundred Twenty-seven and 00/100 (\$9,327.00) Dollars, commencing on the first day of the second month following acquisition by Provident; and a like amount on the first day of each and every month thereafter for 120 months, on which date the entire unpaid balance of principal and interest then owing, if not sooner paid, shall become immediately due and payable. The said principal and interest shall be payable at the office of Professional Mortgage Company, Inc., Greenville, South Carolina, or at such other place as the holder of the Note may from time to time designate in writing, in lawful money of the United States of America which shall be legal tender at the time of payment. The aforesaid payments are to be applied first on the interest then due and the balance of such payment shall be applied on account of principal. Prepayment privilege is in accordance with the terms of the Mortgage Note of even date herewith.

WHEREAS, the Mortgagor may hereafter become indebted to the said Mortgagee for such further sums as may be advanced or readvanced to or for the Mortgagor's account for taxes, insurance premiums, public assessments, repairs, or for any other purposes:

NOW, KNOW ALL MEN, that the Mortgagor, in consideration of the aforesaid debt, and in order to secure the payment thereof and of any other and further sums for which the Mortgagor may be indebted to the Mortgagee at any time for advances made to or for its account by the Mortgagee, and also in consideration of the further sum of Three Dollars (\$3.00) to the Mortgagor in hand well and truly paid by the Mortgagee at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the Mortgagee, its successors and assigns, the following described piece, parcel or lot of land, with all improvements thereon, or hereafter constructed thereon:

SEE SCHEDULE "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE

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