

11. Leases.

Mortgagor agrees that each of the Leases executed after the date hereof be in all respects subject and subordinate to this Mortgage.

12. Use.

Mortgagor agrees that it will at all times operate and use the Mortgaged Premises as an apartment building and will comply (i) with all valid governmental laws, ordinances and regulations applicable to the Mortgaged Premises and its ownership, use and operation, and (ii) with all easements, restrictions, agreements, covenants and conditions with respect to or affecting the Mortgaged Premises, or any part thereof.

13. Income Statement.

Mortgagor agrees to furnish Mortgagee monthly and/or annual itemized statements of income and expense with respect to the Mortgaged Premises which it has prepared either for its own purposes or to satisfy the requirements of the holder of a Senior Note.

14. Existence.

Mortgagor agrees that it will continuously maintain its existence and its right and authority to do business in South Carolina so long as Mortgagor is indebted to Mortgagee.

15. Financial Statement.

From time to time, upon request of Mortgagee, which request shall be reasonably made, Mortgagor agrees to furnish

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