

tion. The Mortgagor will permit no waste upon the mortgaged premises.

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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 May 5, 1949, 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 depreciation 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 of four per centum (4%) per annum, 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 (bond) 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.

That upon default by the Mortgagor in the payment of interest or of any installment of principal, or of any part thereof, or of any monthly installment for ground rents, taxes, assessments, water rates, or other municipal or governmental rates, charges, impositions or liens, or any premium of fire or other insurance not made good prior to due date of the next such payment, or default in any other payments to be made by the Mortgagor hereunder; or in the event the Mortgagor shall fail to comply with the laws, rules, regulations and ordinances made or promulgated by lawful authority which are now or may hereafter become applicable to the mortgaged premises, within sixty (60) days after a notice in writing given by the said Mortgagee to the Mortgagor; or if any building, structure, or other improvement on the premises shall be removed or demolished by the Mortgagor or owner, or its agents or servants, without the written consent of the Mortgagee; or should any default be made by the Mortgagor in the performance of any covenants or agreements in the note (bond) secured hereby or in this mortgage, or in the building loan agreement hereinbefore mentioned, or should proceedings be instituted for the foreclosure or collection of any mortgage or other lien prior to or subordinate to said mortgage affecting the mortgaged premises, or should proceedings be instituted by or against the Mortgagor or owner under any bankruptcy or insolvency law, or should the Mortgagor commit any act of bankruptcy or should title to, or possession of, the mortgaged premises pass to any receiver or trustee or assignee for benefit of creditors; then, in any of these cases, the aforesaid principal indebtedness or so much thereof as may remain unpaid with all arrearages of interest charges and all advancements, at the option of the Mortgagee, shall become and be due immediately thereafter.

That Mortgagor hereby assigns all the rents, issues, and profits of the mortgaged premises from and after any default hereunder to the Mortgagee and hereby irrevocably appoints the Mortgagee its agent and attorney to collect all the said rents and apply them to the payment of the debt secured hereby.

That the holder of this mortgage, in any action to foreclose, shall be entitled to the appointment of a receiver of the rents and profits of the mortgaged premises as a matter of right and without notice, with power to collect the rents, issues, and profits of said mortgaged premises, due and becoming due during the pendency of such foreclosure suit, without regard to the value of the mortgaged premises or the solvency of any person or persons liable for the payment of the mortgage indebtedness. The Mortgagor for itself and any subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the mortgage of any other right, remedy, or privilege it may now have under the law to have a receiver appointed. The provision for the appointment of a receiver of the rents and profits and the assignment of such rents and profits is made an express condition upon which the loan hereby secured is made.

That the rights and remedies provided for in the two preceding paragraphs shall be held to be in addition to and not in limitation of those provided by law.

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 (bond) 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 (bond) 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.

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.

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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.

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.

IN WITNESS WHEREOF, the Mortgagor has caused this instrument to be duly executed in its behalf by its President, attested by its Secretary, and its corporate seal to be affixed hereto the 5th day of May, 1949.

COURTLAND APARTMENTS, INC.

Signed, sealed, and delivered in the presence of—

By B. E. Hughes President.

Madah M. Bray

[CORPORATE SEAL]

ATTEST: Mary C. Hughes Secretary.

Patrick C. Fant Witnesses.

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