

mortgagors and mortgagee and shall be applied to the repair and restoration of the improvements to a condition as good as or better than the condition existing just prior to the loss or damage, it being understood that such restoration or repair shall be performed under the supervision of a reputable architect licensed under the laws of South Carolina, and shall be performed by a reputable contractor under a contract calling for the prompt repair and restoration to such condition, and that such contractor shall provide, if so requested by the mortgagee, a performance and completion bond of 100% of the contract price issued by the United States Fidelity & Guaranty Company, or other nationally recognized surety company, naming the mortgagors, the mortgagee and the lessee of such improvements as obligees, as their respective interests appear. Such contractor shall also provide evidence to the mortgagors and the mortgagee that he has in force Workman's Compensation Insurance and Public Liability Insurance. All such insurance moneys will be released by a joint check either as the work progresses and is certified by the architect or upon completion, certification by the architect, and acceptance by lessee of mortgagors. The amount so released shall not be deemed a payment on this indebtedness. Any funds exceeding the amount actually required for repair or restoration shall be applied to the mortgage indebtedness. In the event the mortgagor or any lessee of the mortgaged premises does not within ninety days after the loss make such a contract for such repair and restoration in accordance with the above terms, then the mortgagee may at its option apply the proceeds of said insurance to the mortgage indebtedness and release any excess to the mortgagors. Mortgagors further covenant to carry business interruption insurance or rents insurance commensurate with the rent to be received from the mortgaged premises. The mortgagors hereby appoint the mortgagee attorney irrevocable of the mortgagors to assign each such policy in the event of the foreclosure of this mortgage. In the event the mortgagors shall at any time fail to keep the buildings and improvements on the property insured as above provided, then the mortgagee may cause the same to be insured and reimburse itself for the premium, with interest, under this mortgage; or the mortgagee at its election may on such failure declare the debt due and institute foreclosure proceedings.

In case of default in the payment of any part of the principal indebtedness, or of any part of the interest, at the time the same becomes due, or in the case of failure to keep insured for the benefit of the mortgagee the houses and buildings on the premises against fire and tornado risk, and other casualties or contingencies, as herein provided, or in case of failure to pay any taxes or assessments to become due on said property within the time required by law; in either of said cases the mortgagee shall be entitled to declare the entire debt due and to institute foreclosure proceedings.

And it is further covenanted and agreed that in the event of the passage, after the date of this mortgage, of any law of the State of South Carolina deducting from the value of land, for the purpose of taxing any lien thereon, or changing in any way the laws now in force for the taxation of mortgages or debts secured by mortgage for State or local purposes, or the manner of the collection of any such taxes, so as to affect this mortgage, the whole of the principal sum secured by this mortgage, together with the interest due thereon, shall, at the option of the said mortgagee, without notice to any party, become immediately due and payable.

And in case proceedings for foreclosure shall be instituted, the mortgagors agree to and do hereby assign the rents and profits arising or to arise from the mortgaged premises as additional security for this loan, and agree that any Judge of jurisdiction may, at chambers or otherwise, appoint a receiver of the mortgaged premises, with full authority to take possession of the premises, and collect the rents and profits and apply the net proceeds (after paying costs of receivership) upon said debt, interests, costs and expenses, without liability to account for anything more than the rents and profits actually received.

The following prepayment privileges are reserved: (1). On any interest payment date to make additional principal payments; provided, however, that the total of such payments made during any twelve month period calculated from the date of the note, or any anniversary thereof, shall not exceed \$5,000.00; (2). On any interest payment date to make additional principal payments in excess of the amount provided under (1) above up to, and including, the entire balance due on the loan with a charge of 3% of such excess as consideration during first five years of