

of said note; and shall duly, promptly and fully perform, discharge, execute, effect, complete, comply with and abide by each and every covenant, agreement, obligation, condition and stipulation of said promissory note and of this mortgage deed, each and every, then this mortgage and the estate hereby created shall cease and be null and void.

AND THE MORTGAGOR DOES HEREBY COVENANT AND AGREE WITH THE MORTGAGEE, AS FOLLOWS:

1. To pay all of the said sums of money, both principal and interest, specified in said note at the times therein designated.

2. To leave with the mortgagee during the existence of said note any abstract of title furnished to the mortgagee. In the event of any foreclosure sale hereunder the mortgagee may deliver such abstract to the purchaser at such sale and it shall become the property of such purchaser.

3. To pay (a) before the same become delinquent, all taxes, assessments, water and other charges upon or against the premises or upon or against this mortgage or said note, levied or assessed in South Carolina; and (b) any other charges, liens, or encumbrances which shall appear to be a lien prior to the lien of this mortgage upon the premises or the buildings or other fixtures thereon. In default thereof, the mortgagee may, without demand or notice, either (a) pay and discharge the same, or (b) may appear in any action for the enforcement thereof and defend or settle the same, and its determination as to the validity, priority and amount thereof shall be binding upon the mortgagor.

4. To keep such buildings and other fixtures upon the premises insured against such hazards and in such amounts as may be required by the mortgagee. All policies of insurance and the renewals thereof shall be written upon forms and in companies satisfactory to the mortgagee, be made payable, in case of loss, to the mortgagee, and shall, with premiums fully paid by the mortgagor, be delivered at least fifteen (15) days before the expiration of any old policy, to the mortgagee and held by it. In default thereof, mortgagee may procure such insurance and pay the premiums thereon.

In case of loss, mortgagee is authorized and empowered at its option to collect and receive the proceeds from any such policy, and after deducting from such insurance proceeds any expenses incurred by it in the collection or handling thereof, to apply the net proceeds, at its election, either to the restoration of the property damaged or as a credit on any portion of the unpaid balance of said note whether then matured or to mature in the future.

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5. To commit or permit no waste on the premises and to keep the buildings and other fixtures thereon in good condition and repair. In default thereof, the mortgagee may at its option remedy any waste or make any repairs and its determination as to the advisability or necessity thereof shall be binding on the mortgagor. The mortgagee is hereby authorized to enter upon and take possession of the premises for such purposes.

6. To pay the mortgagee, immediately and without demand, all sums which it shall advance pursuant to the provisions of Paragraphs 3, 4, and 5 above, including cost of any title evidence and reasonable attorney's fees, together with interest thereon from date of any such advancement until paid at the rate of seven percent (7%) per annum, and if not so paid by the mortgagor, all such advances shall be added to the debt and secured hereby.

7. The mortgagee, by any authorized agent or employee, may enter upon and inspect the premises at any reasonable time, and may inspect the books and records of the mortgagor.

8. The net proceeds of any judgment, award or settlement in any condemnation or other proceeding for any damage to the premises, buildings or other fixtures thereon, shall be paid to the mortgagee and shall, at its option, either be applied as a credit on any portion of the unpaid balance of said note whether then matured or to mature in the future, or be released to the mortgagor.

9. The mortgagee shall be subrogated to the lien, notwithstanding its release of record, of any prior vendor's lien, mortgage or other encumbrance on the premises paid or discharged from the proceeds of said note.

10. The mortgagee, at the request of mortgagor, may from time to time and without notice, extend or postpone the payment of any installment of principal or interest provided in said note or execute and deliver any partial release for any part of the premises from the lien of this mortgage, without affecting either the personal liability of any person liable for the payment of said note or the lien of this mortgage upon the remainder of the premises for the full amount of the note then remaining unpaid. The rights of any subsequent purchaser, of any junior lienholder or of any other person or corporation in all or any part of the premises shall be subject to such right of the mortgagee to extend or postpone such payments or to execute and deliver such partial releases.

11. No timber on the premises may be cut or removed therefrom except such timber as may be cut or removed in accordance with a separate cutting agreement made with the mortgagee in writing. But in the event of any damage to any timber by fire, windstorm, disease, pests or other hazards, mortgagor shall promptly cut it or take such other reasonable and prompt measures as may be necessary to protect it from further damage in accordance with good forestry practice, and it may thereafter be removed from the premises but only in accordance with a separate removal agreement made with mortgagee in writing providing for a periodic accounting for the amount of timber removed and for payment to mortgagee of its reasonable market value less its cost of cutting and removing, any such payments to be applied to the unpaid principal installments of the note in the inverse order of their maturity.

Mortgagor shall at all times employ all reasonable methods of fire protection to the end that the timber on the premises may be protected from loss by fire, by cutting and maintaining fire lines, using fire patrols, and taking such other fire prevention methods as may be desirable or expedient. Mortgagor shall also promptly and at all times comply with all laws, regulations and requirements of all governmental bodies applying to protection of timber.

12. The entire debt secured hereby shall, at the election of the mortgagee and without notice or demand, become immediately due and payable and this mortgage may be foreclosed in the event of (a) any default in the payment of any installment of principal or interest on said note or in the keeping and performance of any of the covenants or agreements hereunder, or (b) if the mortgagor, without first obtaining written consent of the mortgagee thereto, shall assign the rents or any part thereof, from the premises, or shall consent to the cancellation or surrender of any lease of the premises or any part thereof, now existing or hereafter to be made, and having an unexpired term of one year or more, or shall modify any such lease so as to shorten the unexpired term thereof, or so as to decrease the amount of rent payable thereunder, or shall in any other manner impair the value of the premises or the security of the mortgagee for the payment of the debt hereby secured.

13. In the event of any foreclosure hereof—

(a) The mortgagor shall pay all costs and expenses thereof, including the cost of any title evidence and reasonable attorney's fees, which sums, if not paid before suit is commenced, shall be added to the debt and secured hereby.

(b) The mortgagee shall be entitled, without notice, to the appointment of a receiver to take charge of the mortgaged property, to collect the rents, issues and profits therefrom, and to care for same, without proving insolvency of the mortgagor, inadequacy of the security, or any grounds for extraordinary relief, and the mortgagor hereby consents to such appointment, and such appointment shall be made by the court having jurisdiction thereof as a matter of right to the mortgagee and without reference to the adequacy or inadequacy of the security or to the solvency or insolvency of the mortgagor.

14. The transfer of the rents, issues and profits from the premises, hereinabove made, is specific in nature and irrevocable. So long as no default exists in the payment of said note or in the keeping and performance of mortgagor's covenants hereunder, the mortgagor may collect and retain the currently accruing rents, issues and profits as they accrue, but in no event in advance of their normal accrual date. In the event, however, of any such