

To Have and To Hold the said leasehold estate in said land and premises, including all houses, buildings and improvements and fixtures thereon, with all the rights and appurtenances thereunto belonging or appertaining unto the mortgagee its successors and assigns forever.

And the mortgagor covenants with the mortgagee that it is seized and possessed of said leasehold estate in said land and premises and has the right to convey the same; that the same is free and clear of all incumbrances and that it will warrant and defend the title to same against the lawful claims of all persons whomsoever.

The mortgagor covenants and agrees that it will begin construction of improvements not later than April 5, 1972; will continually prosecute the work and will complete and pay for said improvements on or before December 1st, 1974; and that all the funds to be advanced herein are to be used solely in construction of said improvements, in accordance with a building loan agreement between mortgagor and the mortgagee dated the ~~21st~~ day of March, 1972, which building loan agreement is incorporated herein by reference to the same extent and effect as if fully set forth and made a part of this mortgage.

In the event of any default in any of the covenants or agreements contained in the building loan agreement above referred to, or in this mortgage, the mortgagee may take any action under and invoke the rights and remedies provided in said building and loan agreement and in this mortgage.

The mortgagor covenants and agrees that it will:

1. Furnish to the mortgagee without cost to the mortgagee an annual statement, in form and certified in a manner satisfactory to mortgagee, setting forth all income and expenses derived or incurred from the operation of the mortgagor's business conducted upon said property and the operation of the improvements situate thereon within ninety (90) days from the end of the calendar or fiscal year of such operations, which statement shall contain an unqualified opinion as to amount of "gross annual rental income" as that term is defined in the note secured hereby.

2. Pay the indebtedness as hereinbefore provided.

3. Pay when due, all taxes, assessments, levies, and charges upon or against the property herein described, of every character which are now due or which may hereafter become liens on said premises, including all taxes assessed in South Carolina against the mortgagee on this instrument or the sum hereby secured or evidenced by said note, provided the amount of such latter taxes with the interest on the sum hereby secured does not exceed the maximum permitted by law, but if it does, the excess to be paid by the mortgagee; and will immediately deliver to the mortgagee official receipts therefore.

4. Keep the buildings now or hereafter on said premises insured against loss and damage by fire, tornado and windstorm, and against such other hazards as the mortgagee may require, including business interruption, in amounts satisfactory to the mortgagee, plus an amount sufficient to prevent any co-insurance liability of the owner of the property or the mortgagee, for the benefit of the mortgagee, loss, if any, to be made payable in the policy or policies of insurance to the mortgagee as its interest may appear, the loss payable clauses to be in such form as the mortgagee may require. All insurance shall be in companies approved by the mortgagee and the policies and renewals thereof shall, when issued, be immediately delivered to the mortgagee to be held by it; mortgagor will pay all premiums for such insurance when due and immediately deliver to the mortgagee official receipts therefor, and if the mortgagor fails or refuses to keep said premises so insured the mortgagee may obtain such insurance without prejudice to its right to foreclose hereunder by reason of such default. In the event of loss the mortgagor will give immediate notice by mail to the mortgagee who may make proof of loss if not made promptly by the mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the mortgagee instead of the mortgagor and the mortgagee jointly. The proceeds of any insurance, or any part thereof, may be applied by the mortgagee, at