

GREENVILLE CO. S. C.

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USDA-PHA
Form PHA 427-1
(Rev. 11-2-70)

ELIZABETH DIDDLE
REAL ESTATE MORTGAGE FOR SOUTH CAROLINA
(INSURED LOANS TO INDIVIDUALS CORPORATION)

KNOW ALL MEN BY THESE PRESENTS, Dated July 7, 1972

WHEREAS, the undersigned Blue Ridge Rural Water Company, Inc. Route 2, Greer, South Carolina residing in Lumberville, Greenville County, South Carolina, whose post office address is Route 2, Greer, South Carolina 29651

herein called "Borrower," are (he) justly indebted to the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, herein called the "Government," as evidenced by one or more certain promissory notes (or assumption agreements), herein called "note" (if more than one note is described below the word "note" as used herein shall be construed as referring to each note singly or all notes collectively, as the context may require), said note being evidenced by the being payable to the order of the Government in installments as specified therein, authorizing acceleration of the entire indebtedness of the option of the Government upon any default by Borrower, and being further described as follows:

Date of Instrument	Principal Amount	Annual Rate of Interest	Due Date of Final Installment
July 7, 1972	\$500,000.00	5%	July 7, 2012
July 7, 1972	\$500,000.00	5%	July 7, 2012
July 7, 1972	\$500,000.00	5%	July 7, 2012
July 7, 1972	\$500,000.00	5%	July 7, 2012
July 7, 1972	\$291,000.00	5%	July 7, 2012

WHEREAS, the note evidences a loan to Borrower in the principal amount specified therein, made with the proceeds and advance from the Government, at any time, may assign the note and insure the payment thereof pursuant to the Consolidated Farmers Home Administration Act of 1961, or Title V of the Housing Act of 1949; and

WHEREAS, when payment of the note is insured by the Government, it may be assigned from time to time and each holder of the note, in turn, will be the insured lender, and

WHEREAS, when payment of the note is insured by the Government, the Government will execute and deliver to the insured lender with the note an insurance endorsement insuring the payment of all amounts payable to the insured lender in connection with the note; and

WHEREAS, when payment of the note is insured by the Government, the Government by agreement with the insured lender and for the insurance endorsement may be entitled to a specified portion of the payments on the note, to be designated the "annual charge"; and

WHEREAS, a condition of the insurance of payment of the note will be that the holder will forego his rights and benefits against Borrower and any others in connection with the loan evidenced thereby, as well as any benefit of this instrument, and assign the benefits of such insurance in lieu thereof, and upon the Government's request will assign the note to the Government; and

WHEREAS, if at the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government or in the event the Government should assign the instrument without insurance of the note, this instrument shall secure payment of the note, but as to the note is held by an insured lender, this instrument shall not secure payment of the note of default in the note evidenced thereby, but as to the note and each debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance endorsement by reason of any default by Borrower.

NOW, THEREFORE, in consideration of the loan(s) and (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, including any provision for the payment of an amount to be designated as "charge," (b) at all times when the note is held by an insured lender, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as provided herein, and the performance of every covenant and agreement of Borrower contained herein or in any supplementary agreement, Borrower hereby grant, bargain, sell, release, and assign unto the Government, with general warranty, the following property situated in the State of South Carolina, County (044) of Greenville, between Bramlett Drive and Canal Road,

(S. C. Hwy. 101), approximately ten miles North of Greer, S.C. and being designated as Tract No. 1 on a plat for Blue Ridge Rural Water Company, Inc., (Pax Mountain Site) prepared by Fred J. Hager, R. L. S., dated March 30, 1972, and having according to said plat the following metes and bounds-to-wit:

BEGINNING at an old iron pin on the right of way of Canal Road and running thence South 18-40 West 25 feet to another pin; thence N. 65-45 W. 500 feet to an iron pin; thence N. 8-04 W. 150.8 feet to an iron pin near Bramlett Drive; thence N. 70-50 E. 100 feet to an old iron pin (said road partially fronts on Bramlett Drive); thence S. 47-02 E. 333.6 feet to the beginning corner.

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