TOGETHER with all and singular the rights, members, hereditaments and appurtenances to the said premises belonging or in any way incident or appertaining, including all built-in stoves and refrigerators, heating, air conditioning, plumbing and electrical fixtures, wall to wall carpeting, fences and gates, and any other equipment or fixtures now or hereafter attached, connected or fitted in any manner, it being the intention of the parties hereto that all such fixtures and equipment (other than household furniture) be considered a part of the realty.

TO HAVE AND TO HOLD all and singular the said premises unto the Mortgagee, its successors and assigns forever.

The Mortgagor represents and warrants that said Mortgagor is seized of the above-described premises in fee simple absolute, that the above described premises are free and clear of all liens or other encumbrances, that the Mortgagor is lawfully empowered to convey or encumber the same, and that the Mortgagor will forever defend the said premises unto the Mortgagee, its successors and assigns, from and against the Mortgagor and every person whomsoever lawfully claiming or to claim the same or any part thereof.

THE MORTGAGOR COVENANTS AND AGREES AS FOLLOWS:

1. That the Mortgagor will promptly pay the principal and interest on the indebtedness evidenced by said promissory note at the times and in the manner therein provided.

2. That this mortgage will secure the Mortgagee for any additional sums which may be advanced hereafter, at the option of the Mortgagee, for the payment of taxes, or public assessments, hazard insurance premiums, repairs or other such purposes pursuant to the provisions of this mortgage, and also for any loans or advances that may hereafter be made by the Mortgagee to the Mortgagor under the authority of Sec. 45-55, 1962 Code of Laws of South Carolina, as amended, or similar statutes, and all sums so advanced shall bear interest at the same rate or rates as that provided in said note unless otherwise agreed upon by the parties and shall be payable at the demand of the Mortgagee, unless otherwise provided in writing.

3. That Mortgagor will keep the improvements on the mortgaged premises, whether now existing or hereafter to be erected, insured against loss by fire, windstorm and other hazards in a sum not less than the balance due hereunder at any time and in a company or companies acceptable to the Mortgagee, and Mortgagor does hereby assign the policy or policies of insurance to the Mortgagee and agrees that all such policies shall be held by the Mortgagee should it so require and shall include loss payable clauses in favor of the Mortgagee, and in the event of loss, Mortgagor will give immediate notice of the same to the Mortgagee who may make proof of loss if not made promptly by Mortgagor, and should the Mortgagor at any time fail to keep said premises insured or fail to pay the premiums for such insurance, then the Mortgagee may cause such improvements to be insured in the name of the Mortgagor and reimburse itself for the cost of such insurance with interest as hereinabove provided.

4. That the Mortgagor will keep all improvements upon the mortgaged premises in good repair, and should Mortgagor fail to do so the Mortgagee may, at its option, enter upon said premises and make whatever repairs are necessary and charge the expenses for such repairs to the mortgage debt and collect the same under this mortgage with interest as herein provided.

5. That the Mortgagee may at any time require the issuance and maintenance of insurance upon the life of any person obligated under the indebtedness secured hereby in a sum sufficient to pay the mortgage debt with the Mortgagee as beneficiary, and if the premiums are not otherwise paid, the Mortgagee may pay said premiums and any amount so paid shall become a part of the mortgage debt.

6. That Mortgagor agrees to pay all taxes and other public assessments levied against the mortgaged premises on or before the due dates thereof and to exhibit the receipts therefor to the Mortgagee immediately upon payment, and should the Mortgagor fail to pay such taxes and assessments when the same shall fall due, the Mortgagee may at its option pay the same and charge the amounts so paid to the mortgage debt and collect the same under this mortgage with interest as herein provided.

7. That if this mortgage secures a "construction loan", the Mortgagee agrees that the proceeds of the indebtedness hereby secured shall be disbursed to the Mortgagor in periodic payments as construction progresses in accordance with the terms and conditions of a Construction Loan Agreement which is separately executed but is made a part of this mortgage and incorporated herein by reference.

8. That the Mortgagor will not further encumber the premises hereinabove described without the prior consent of the Mortgagee, and should the Mortgagor so encumber such premises the Mortgagee may, at its option, declare the indebtedness hereby secured to be immediately due and payable and may institute any proceedings necessary to collect said indebtedness.

9. That should the Mortgagor alienate the mortgaged premises by a Contract for Sale, Bond for Title, or Deed of Conveyance and the within mortgage indebtedness is not paid in full, the Mortgagee or its assigns shall be required to deal with the Association an assumption of the mortgage indebtedness plus the usual fee set forth in the Association's fee schedule for processing the assumption through the Association with respect to the Contract for Sale, Bond for Title or Deed of Conveyance, and have the interest rate on the loan balance existing at the time of transfer modified to a new interest rate on the loan balance to the maximum rate per annum permitted by the laws of the State of South Carolina, which rate shall be the current cost rate as may be determined by the Association. The Association will notify the Mortgagor of the new interest rate and monthly payments and will, if loan is not assumed, notify the Mortgagee of such transfer and monthly payments. Failure to comply with the provisions of this paragraph shall at the option of the Mortgagee be deemed a default under the within mortgage, the Mortgagee, at its option, may declare the indebtedness hereunder immediately due and payable and may institute any proceedings necessary to collect said indebtedness.

10. That should the Mortgagor fail to make payments of principal and interest on the said promissory note, and the same shall be unpaid for a period of thirty (30) days after the same shall become due and payable, or fail to keep the covenants of the Mortgagor or any agreement contained in this mortgage, the Mortgagee may, at its option, declare the Mortgagor to be in default and if such default continues for a period of thirty (30) days after written notice to the Mortgagor at its last known address, or any address given by the Mortgagor in writing to the Mortgagee for the purpose of notice, and if such default continues for the said thirty (30) days after the Mortgagee has given the notice, then the Mortgagee may declare the entire unpaid balance of the loan or, for a lesser term, to the maximum period permitted by the laws of the State of South Carolina, at a lower interest rate as may be determined by the Association. The said [illegible]

11. That should the Mortgagor default in the payment of any installment of principal and interest or any other payment due under the terms of the note secured hereby or in the payment of any other sum required to be paid hereunder, the Mortgagee may, at its option, require the Mortgagor to pay a sum equal to one twelfth (1/12) of the annual hazard insurance premium, one twelfth (1/12) of the annual taxes and assessments on the mortgaged property, plus one twelfth (1/12) of the annual premium for mortgage insurance, if any, to the Mortgagee, in addition to the regular payments provided for in the note secured hereby, such payments to be held by the Mortgagee without interest to pay such taxes, assessments, premiums and charges as they become due. Should these payments exceed the amount required to pay such taxes, assessments, premiums and charges when due, the excess may be credited by the Mortgagee on subsequent payments to be made by the Mortgagor for such purposes, or, at the option of the Mortgagee, the excess may be refunded to the Mortgagor. If the total of the payments made by the Mortgagor under this paragraph shall be insufficient to pay such taxes, assessments, premiums and charges when due, the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency on or before the date when payment of such item is due. If the Mortgagee shall require the Mortgagor to pay such taxes, assessments, premiums and charges, the Mortgagee shall not be required to pay the Mortgagor any interest or earnings on the funds held pursuant to this paragraph. Upon default in any of the covenants or agreements of the Mortgagor, the Mortgagee may apply any funds held by it at the time of such default as a credit against the sums secured by this mortgage.

0539

4328 RV.2