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 to said premises, 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 during its tenure and shall include loss payable clauses in favor of the Mortgagee, and in the event of loss, Mortgagor will give immediate notice thereof to the Mortgagee by registered mail, 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 hereinafter 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 hereinafter provided.

5. That the Mortgagee may at any time require the insurance 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 at the offices of 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 above provided.

7. That if this mortgage secures a "construction loan", the Mortgagor agrees that the principal amount 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 above 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 to a purchaser who is not a S.C. Bona fide Veteran Direct Grantee and the within mortgage indebtedness is not paid in full, the Mortgagor or his purchaser shall be required to file with the Association an application for assumption of the mortgage indebtedness prior to transfer of title as required by the Association for processing the assumption through the Association with respect to the Contract of Sale between the Veteran Direct Grantee and have the interest rate on the loan balance existing at the time of transfer modified by increasing the interest rate on the said loan balance to the maximum rate per annum permitted to be charged at the time by applicable South Carolina law or a lower interest rate as may be determined by the Association. The Association will notify the Mortgagor of the new interest rate and monthly payments and will furnish a payment schedule. Should the Mortgagor or his purchaser not comply with the provisions of the within paragraph the Mortgagee at its option may declare the indebtedness hereby secured to be 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 as herein provided, or should any other default occur under this mortgage, and the same shall be unpaid for a period of thirty days after the same shall become due and payable by law or by the charter of the Mortgagee or under the terms of this mortgage, the Mortgagee may, at its option, sue for the Mortgagor's indebtedness or foreclose this mortgage, or both, and should the Mortgagee elect to foreclose this mortgage for default, the Mortgagee may, at its option, apply for a decree of foreclosure prior to the maturity of the note secured hereby, but the Mortgagee may, at its option, elect to accept payment of the principal and interest due on the note and the Mortgagee may, at its option, extend the time for payment or modify the terms of the loan or for a lower term to the maximum period permitted to be charged at the time by applicable South Carolina law or a lower interest rate as may be determined by the Association. The acceptance of payment by the Mortgagee of any installment after the same is due shall not be construed as a waiver of the Mortgagee's right to declare the entire indebtedness due and payable and may institute any proceedings necessary to collect said indebtedness.

11. That should the Mortgagor fail to make payments of principal and interest as herein provided, or should any other default occur under this mortgage, and the same shall be unpaid for a period of thirty days after the same shall become due and payable by law or by the charter of the Mortgagee or under the terms of this mortgage, the Mortgagee may, at its option, sue for the Mortgagor's indebtedness or foreclose this mortgage, or both, and should the Mortgagee elect to foreclose this mortgage for default, the Mortgagee may, at its option, elect to accept payment of the principal and interest due on the note and the Mortgagee may, at its option, extend the time for payment or modify the terms of the loan or for a lower term to the maximum period permitted to be charged at the time by applicable South Carolina law or a lower interest rate as may be determined by the Association. The acceptance of payment by the Mortgagee of any installment after the same is due shall not be construed as a waiver of the Mortgagee's right to declare the entire indebtedness due and payable and may institute any proceedings necessary to collect said indebtedness.

12. That the Mortgagor hereby assigns to the Mortgagee, its successors and assigns, all the rents, issues and profits accruing from the mortgaged premises, reserving the right to collect the same so long as the Mortgagor is not in default in the payment of principal and interest hereunder, but should any part of the principal and/or interest be in default or should default be made in any other covenant or agreement of the Mortgagor herein, the Mortgagee may, without notice or other proceedings, take over the mortgaged premises, or any part thereof, and operate the same and collect and receive the rents and profits arising therefrom, and after paying the cost of collection, the cost of operating and managing the premises, including reasonable attorney's fees, and other expenses incident to the management of the property, the Mortgagee may apply the net proceeds to the payment of the mortgage debt, whether then due or not, in such manner as the Mortgagee may elect, and the Mortgagee may rent the premises for such rent and upon such terms as it may deem proper, and the Mortgagee may institute and prosecute such actions for the possession of the premises and for the collection of rents and profits as may be necessary or proper, and should the Mortgagee institute any action of foreclosure of this mortgage, or any other action to enforce its rights under this mortgage, the Mortgagee may, without notice, apply for the appointment of a receiver with authority to take possession of said premises and collect the rents and profits, paying the cost of collection to the mortgage debt, whether then due or not, and the rents and profits actually collected.

13. That the Mortgagor, at its option, may require the Mortgagee to pay to the Mortgagee, on the first day of each month until the note secured hereby is fully paid, the following sums in addition to the payments of principal and interest provided for in said note, a sum equal to the premiums that will next become due and payable on policies of insurance covering the mortgaged property, plus taxes and assessments next due on the property (all as estimated by the Mortgagee) less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such premiums, taxes and assessments will be due and payable, such estimate to be based on the most recent bills for taxes and special assessments. Such additional payments shall be held by the Mortgagee in an escrow account, and in determining the escrow account hereunder the Mortgagee may, from time to time, estimate the amount of payments to be made hereunder and the time and amount of payments to be made to the Mortgagor, and vice versa. If the total of the payments made by the Mortgagor under the provisions of this paragraph shall exceed the amount of payments actually made by the Mortgagee for taxes and assessments or insurance premiums as the case may be, such excess may be credited by the Mortgagee on subsequent payments to be made by the Mortgagor for such items. If the total of the payments made by the Mortgagor under the provisions of this paragraph shall be insufficient to pay such taxes and assessments and premiums when due, the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency. The Mortgagee shall notify the Mortgagor at any time the sum paid hereunder shall be insufficient to pay such taxes and assessments and premiums when due, and the Mortgagor shall then pay such amount necessary to make up the deficiency within thirty days from the date of such notice. Mortgagee may, at its option, apply for renewal of mortgage premiums and pay the premiums out of the escrow account, or the Mortgagee may, at its option, pay the premiums out of its own funds and then terminate the escrow account. If the Mortgagee may, at its option, pay the premiums out of its own funds and then terminate the escrow account, the Mortgagee may, at its option, require the Mortgagor to pay such premiums and taxes and assessments for the remaining terms of the note or the Mortgagee may require such premiums and taxes and assessments to be paid by the Mortgagor to the Mortgagee in such amounts as will, in the opinion of the Mortgagee, be sufficient to pay such premiums and taxes and assessments when due, and the Mortgagor shall pay to Mortgagee such premium payment with interest at the rate provided in said note, and the Mortgagee may collect any deficiency over the remaining payment period.

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