

B. Mortgagor covenants and agrees to pay any Senior Note and perform all of its covenants and obligations under any Senior Mortgage in a timely manner. A default under either a Senior Note or Senior Mortgage shall be deemed a default hereunder.

3. Representations.

Mortgagor represents and warrants to Mortgagee that (i) it has good, right and lawful authority to convey the same as provided in and by this Mortgage; (ii) the Mortgaged Premises is free and clear of all liens, encumbrances and other matters whatsoever done or suffered to be done by Mortgagor; (iii) no financing statement under the Uniform Commercial Code of South Carolina (the "Code") has been signed or permitted to be signed by Mortgagor with respect to any personal property. The foregoing is qualified, however, by the lien filed against the Mortgaged Premises by Middleton Apartments, Inc. for the benefit of C. Douglas Wilson & Co. in the original amount of \$996,700.00 and assigned to First Federal Savings and Loan Association of Greenville.

4. Further Assurance.

At any and all times, upon request by Mortgagee, Mortgagor will execute and/or deliver forthwith to Mortgagee any and all additional instruments, including, without limitation, those required by the Code, and further assurances, including, without limitation, evidence of the timely payment of taxes and assessments and do all other acts and things, as may be reasonably necessary or proper, in Mortgagee's opinion, to effect the intent of every provision herein, more fully evidence and perfect the

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