

2. AND IT IS HEREBY COVENANTED, by and between said parties, that the said Mortgagor, his heirs, executors, administrators or assigns, will pay said Note with interest thereon as the same becomes due and payable; and will pay all taxes and assessments on said lands and premiums of insurance against said premises before the same become delinquent, and will keep all fences, buildings, and other improvements now on said premises, and hereafter put thereon, in good condition and repair and will do no act by which the value of said premises may be impaired.

3. AND IT IS FURTHER COVENANTED that Mortgagor shall keep the property in good repair and shall not commit waste or permit impairment or deterioration of the property and if the said Mortgagor, his heirs, executors, administrators or assigns shall abandon the property and/or commit waste thereof and/or permit impairment or deterioration of the property, then said Mortgagee, its successors or assigns may, at its sole discretion and without notice to the Mortgagor, do all that it deems appropriate to prevent waste, impairment or deterioration of the property and the charges therefore of whatsoever nature shall be added to the mortgage debt and the repayment thereof with interest at the rate provided for in the Note shall be secured by this Mortgage, and shall be forthwith due and payable.

4. AND IT IS FURTHER COVENANTED that the said Mortgagor, his heirs, executors, administrators, or assigns, will insure the buildings on said premises against loss by fire and extended coverage for their insurable value in some responsible insurance company, approved by the said Mortgagee, its successors or assigns, with loss, if any, payable to the said Mortgagee, its successors, or assigns, as their interests may appear, and deliver the policies of insurance to said Mortgagee, and if any more insurance is taken on the property that all policies for same be delivered to said Mortgagee and loss made payable to said Mortgagee, its successors or assigns, the same as in the required policy, and in case the insurable improvements on said real estate are destroyed or damaged by fire, or extended coverage, the said Mortgagee, its successors or assigns, shall have the right to apply the moneys collected from the insurance in payment of the debt secured hereby, whether due or not.

5. AND IT IS FURTHER COVENANTED that if the said Mortgagor, his heirs, executors, administrators, or assigns, shall fail to pay said taxes and assessments, or shall fail to procure and keep up said insurance, as herein agreed, then said Mortgagee, its successors or assigns, may pay said taxes and assessments, and effect said insurance, and charge the sum so paid against said Mortgagor, his heirs, executors, administrators or assigns, and said premises; and the money so advanced for the payment of such taxes, assessments, insurance, or any charge of whatsoever nature on the property hereby conveyed shall be added to the mortgage debt, and the repayment thereof, with interest at the rate specified in the Note, shall be secured by this Mortgage, and shall be forthwith due and payable; and the said Mortgagee, its successors or assigns, shall be subrogated to all the rights of the person to whom such payments have been made.

6. AND IT IS FURTHER COVENANTED that if the said Mortgagor, his heirs, executors, administrators, or assigns, shall make such payments as herein specified, then this Mortgage shall be void, but if the said Mortgagor, his heirs, executors, administrators, or assigns, shall fail to keep any of the covenants herein contained or to pay any of said moneys as they become due and payable by the terms of the said Note, as stipulated to be paid herein, or if default be made in the payment of said taxes or assessments; or if default be made in the said insurance agreement, as provided herein; or if the buildings and improvements are not kept in good repair; or in the event of the passage, after the date of this Mortgage, of any law deducting any lien thereon from the value of land for the purpose of taxation, or changing in any way the laws now in force for the taxation of mortgages or debts secured by mortgage or the manner of the collection of any such taxes, so as to affect this Mortgage, the whole of the principal sum secured by this Mortgage, together with the interest due thereon, shall, at the option of the said party of the second part, without notice, become immediately due and payable, and this Mortgage may be foreclosed for the whole amount of said moneys, interest, costs, taxes, advancements, and attorney's fees.

7. AND IT IS FURTHER COVENANTED that with respect to the personal property, if any, located on the hereinabove described real property, this Mortgage shall constitute a security agreement between Mortgagor and Mortgagee, and, accumulative of all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the Uniform Commercial Code. Mortgagor agrees to execute one or more financing statements covering such personal property, in the manner and form required by law and to the satisfaction of Mortgagee. Mortgagor agrees to pay Mortgagee's charge, to the maximum amount permitted by law, for any statement by Mortgagee regarding the obligations secured by this Mortgage requested by Mortgagor or on behalf of Mortgagor. On demand, Mortgagor will promptly pay all costs and expenses of filing financing statements, continuation statements, partial releases and termination statements deemed necessary or appropriate by Mortgagee to establish and maintain the validity and priority of the security interest of Mortgagee, or any modification thereof, and all costs and expenses of any searches reasonably required by Mortgagee. Mortgagee may exercise any or all of the remedies of a secured party available to it under the Uniform Commercial Code with respect to such personal property, and it is expressly agreed that if upon default Mortgagee should proceed to dispose of the collateral in accordance with the provisions of the Uniform Commercial Code, ten (10) days' notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the Uniform Commercial Code requiring such notice; provided, however, that Mortgagee may at its option dispose of the collateral in accordance with Mortgagee's rights and remedies in respect of the real property pursuant to the provisions of this Mortgage in lieu of proceeding under the Uniform Commercial Code.

8. AND AS A FURTHER SECURITY for the payment of the debt and interest secured hereby, and for the performance of all the covenants of said Note and this Mortgage, the said Mortgagor does hereby transfer, set over, and assign to the said WACHOVIA MORTGAGE COMPANY, its successors or assigns, all of the rents and income of the said mortgaged premises for each and every year that the said debt and interest may be unpaid, together with all rights and remedies for enforcing the collection of the same; and that, upon filing suit of foreclosure, said WACHOVIA MORTGAGE COMPANY, its successors or assigns, shall be entitled to have a Receiver appointed to take charge of the said mortgaged premises, together with all the rents, profits, crops, and proceeds arising therefrom during such litigation, and in case of commencement of suit for foreclosure of this Mortgage or the placing thereof in the hands of an attorney for collection by reason of any default by said Mortgagor, his heirs, executors, administrators, or assigns, said Mortgagor, his heirs, executors, administrators, or assigns, hereby agree to pay to the holder and owner of said Note and Mortgage ten per cent of the amount secured by this Mortgage as an attorney's fee for the foreclosure of said Mortgage or the collection of the amount due, which attorney's fee shall be secured by this Mortgage the same as any other moneys herein mentioned.

9. AND IT IS FURTHER COVENANTED that the said Mortgagor, his heirs, executors, administrators, or assigns, shall hold and enjoy the said premises until default in payments, as provided in said Note, or a breach of any of the covenants of this Mortgage shall be made.

10. THE MORTGAGEE may release for such consideration, or none, as it may require, any portion of the above described land without, as to the remainder of the security, in any wise impairing or affecting the liens and priorities herein provided for the Mortgagee compared to any subordinate lienholder.

11. IN CASE THE SAID MORTGAGEE, or its successors or assigns, shall be made party to any suit at law or in equity, including condemnation and bankruptcy proceedings, by reason of this Mortgage, the reasonable charges for services in such suit or proceedings of attorneys of said Mortgagee, its successors or assigns, which may be fixed by the court in any such suit or proceeding, and all expenses in that behalf incurred, shall be immediately due and payable, with interest thereon at the rate specified in the Note and become so much additional indebtedness secured by this Mortgage.

12. The Mortgagor waives the benefit of any appraisal laws of the State of South Carolina.

Plural or singular words used herein to designate the undersigned, the parties of the first part, shall be construed to refer to the maker or makers of this Mortgage whether one or more persons, or a corporation; and the use of any gender shall be applicable to all genders and all covenants and agreements herein made by the undersigned, shall bind the heirs, personal representatives, successors, and assigns of the undersigned, and every option right, and privilege herein reserved or secured to the Mortgagee shall inure to the benefit of its successors and assigns.

WITNESS my hand and seal on the 1st day of November, 19 82.

SOUTH-HILL BUILDERS & DEVELOPERS, INC.

Signed, sealed and delivered in the presence of:

W. D. Pharr

By: James W. Hayes President

Steve G. Gentry

(SEAL)

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(SEAL)

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