

default hereunder by Mortgagor, or in the event Mortgagor fails at any time to pay real estate taxes or insurance premiums when due, Mortgagee may thereafter require Mortgagor (if the holder of the Underlying Mortgages does not then require such deposits) to deposit with Mortgagee monthly, together with the installment for principal and/or interest then due, one-twelfth (1/12) of the annual real estate taxes and insurance premiums and maintain reserve fund (the "Reserve Fund") from which to pay same. An adjustment, if necessary, shall be made in accordance with the actual amounts becoming due for such taxes, assessments and insurance premiums, and if the deposits made by Mortgagor should be insufficient, Mortgagor will deposit the deficiency before due date.

5. To keep said land and the buildings and improvements now or hereafter situate thereon in good order and repair, and to permit, commit or suffer no waste, impairment or deterioration of said property or any part thereof.

6. To pay all reasonable attorney's fees and expenses which may be incurred by Mortgagee in any suit to which it may become a party where this Mortgage is in any way involved.

7. To comply, as far as they affect the mortgaged property, with all statutes, laws, ordinances, decrees and orders of the United States, the State of South Carolina and of any political subdivision thereof.

8. In case Mortgagor shall fail to promptly discharge any obligation or covenant as provided herein within the applicable grace period, the Mortgagee shall have the option, but no obligation, to perform on behalf of the Mortgagor any act to be performed by Mortgagor in discharging such obligation or covenant, and any such amount which Mortgagee may expend in performing such act, or in connection therewith, with interest thereon at the rate equal to the then prime rate of Chemical Bank, a New York banking corporation, and together with all expense, including reasonable attorney's fees, incurred by Mortgagee, shall be immediately payable by Mortgagor and shall be secured by this mortgage; and Mortgagee shall be subrogated to any rights, equities and liens so discharged. In the event that Mortgagor shall fail to provide satisfactory hazard insurance Mortgagee may procure, on Mortgagor's behalf and at Mortgagor's expense, insurance in favor of Mortgagee alone.

9. Subject to the terms and provisions of any Underlying Mortgage, in the event the mortgaged property or any part thereof is taken under power of eminent domain, the entire proceeds of the award shall be paid direct to Mortgagee and shall be applied on the indebtedness hereby secured in whatever manner Mortgagee may deem advisable.

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