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SECTION 14. SURETY'S PERFORMANCE OF DEVELOPER'S OBLIGATIONS.

In case of an Event of Default, the Surety (either before or after acceleration of the Indebtedness Hereby Secured or the foreclosure of the lien hereof and during the period of redemption, if any) may, but shall not be required to, make any payment or perform any act herein required of the Developer (whether or not the Developer is personally liable therefor) in any form and manner deemed expedient to the Surety. The Surety may, but shall not be required to, rent, operate, and manage the Premises and any part or all of the Improvements and pay reasonable operating costs and expenses, including management fees, of every kind and nature in connection therewith, so that the Premises shall be operational and useable for their intended purposes. All moneys paid, and all expenses paid or incurred in connection therewith, including attorney's fees and other moneys advanced by the Surety to protect the Premises and the lien hereof, to rent, operate and manage the Premises or to pay any such operating costs and expenses thereof or to keep the Premises operational and useable for their intended purposes shall be so much additional Indebtedness Hereby Secured, whether or not the Indebtedness Hereby Secured, as a result thereof, shall exceed the face amount of the Note, and shall become immediately due and payable on demand, and with interest thereon at the Default Rate specified in the Note (herein called the "Default Rate"). Inaction of the Surety shall never be considered as a waiver of any right accruing to either of them on account of any Default nor shall the provisions of this Section or any exercise by the Surety of any rights hereunder prevent any default from constituting a Default. The Surety, in making any payment hereby authorized (a) relating to Taxes, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) for the purchase, discharge, compromise or settlement of any lien; or (c) in connection with the completion of construction, furnishing or equipping of the Premises or the rental, operation or management of the Premises or the payment of operating costs and expenses thereof, may do so in such amounts and to such persons as the Surety may deem appropriate. Nothing contained herein shall be construed to require the Surety to advance or expend moneys for any purpose mentioned herein, or for any other purpose.

SECTION 15. SECURITY AGREEMENT.

To further secure the Indebtedness Hereby Secured, the Developer is granting a security interest in all property described in the Second Security Agreement (including, without limitation, certain of the Mortgaged Property which is more appropriately covered by a "security agreement", within the meaning of the Uniform Commercial Code for the State of South Carolina, than by this Mortgage).

SECTION 16. RESTRICTIONS ON TRANSFER.

The Developer will not cause or permit any sale, transfer or assignment of, or Lien upon, the Mortgaged Property or any interest therein, except:

- (a) Sales or other dispositions of fixtures and personal property (herein called "Obsolete Collateral") no longer useful in connection with the operation of the Premises, provided that prior to the sale or other disposition such Obsolete

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