

(iii) The Mortgagee, in its sole and absolute discretion, may enter upon all or any portion of the Premises in accordance with and do all things provided for in paragraph 1(n) hereof.

(iv) The Mortgagee, in its sole and absolute discretion, may appoint a receiver or other manager of the Premises who shall be specifically obligated to reimburse the Mortgagee out of the rents, issues and profits of the Premises for all of the Mortgagee's costs, including reasonable attorneys' fees, in appointing such receiver or manager pursuing its remedies hereunder (whether or not, in each instance, litigation has been commenced).

(b) If the Mortgagor fails to observe or perform any of the covenants, conditions or agreements on the part of the Mortgagor to be performed hereunder, then the Mortgagee may, but shall not be obligated to, perform or pay the same and all costs incurred by the Mortgagee in performing the Mortgagor's covenants, conditions and agreements, including reasonable counsel fees, shall be repaid by the Mortgagor upon demand, together with interest thereon at the rate of 3.5% plus the Prime Rate (as said term is defined in the Note) for each month or fraction thereof such payment has not been made (such rate of interest being referred to herein as the "Default Rate"). The Mortgagee is hereby empowered to enter, and to authorize others to enter, upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant or agreement without thereby becoming liable to the Mortgagor or any person in possession holding under the Mortgagor. The Mortgagee shall be subrogated to any encumbrances, liens, claims or demands of all persons, including lessees under occupancy leases paid or discharged with the proceeds of the indebtedness secured hereby or by Mortgagee under the provisions hereof. Any sums expended by the Mortgagee in curing any default by the Mortgagor under this Mortgage will be added to the principal amount being secured by this Mortgage.

4. The proceeds of any sale on foreclosure shall be applied in the following order of priorities: (a) to the payment of the costs and expenses of the foreclosure proceedings (including reasonable counsel fees and advertising costs and expenses), liabilities and advances made or incurred under this Mortgage, and receivers' and trustees' fees and commissions together with interest at the Default Rate; (b) to the payment of any other sums to have been paid by the Mortgagor paid by the Mortgagee and not repaid to it, together with interest at the Default Rate separately computed for each failure to make payment calculated from and after the date of the occurrence of each Event of Default, (c) to the payment of the principal of, and accrued interest on (at the Default Rate), the Note and on any other indebtedness owing by the Mortgagor to the Mortgagee, and (d) to the payment of any surplus to the person legally entitled thereto.

5. This Mortgage shall constitute a security agreement under the Uniform Commercial Code of the State of South Carolina. At any time and from time to time upon request of the Mortgagee, the Mortgagor shall make, execute and deliver to the Mortgagee, and where appropriate, pay the cost of recording