

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)

GREENVILLE CO. S. C.
JUL 3 11 34 AM '78
DUNNIE S. TAYLOR
R. C.

BOOK 1437 PAGE 45

MORTGAGE OF REAL ESTATE

THIS MORTGAGE, made the 29th day of June, 1978, between SOUTHERN WORSTED HILLS, INC., a Delaware corporation with its principal office at Greenville, South Carolina 29602, P. O. Box 2147 (the "Mortgagor") and FNB FINANCIAL COMPANY, a Massachusetts business trust with its principal office at 100 Federal Street, Boston, Massachusetts 02110 (the "Mortgagee").

WITNESSETH, that to secure (a) the payment of an indebtedness in the sum of ONE MILLION FIVE HUNDRED THOUSAND AND 00/100 Dollars (\$1,500,000.00), lawful money of the United States to be paid with interest thereon according to a certain note or obligation issued pursuant to the Loan Agreement; (b) the payment of all sums which are now due or which may hereafter become due from Mortgagor to Mortgagee arising out of or in connection with a certain agreement entitled Agreement For Purchase of Accounts Receivable dated December 9, 1977 by and between Mortgagor and Mortgagee as the same may be amended from time to time, together with interest thereon at the rate specified therein; (c) the payment of the principal and interest of any and all notes given or to be given by the Mortgagor to Mortgagee prior to the discharge hereof and any and all renewals or extensions of said notes and any and all other indebtedness from the Mortgagor to Mortgagee hereafter arising by reason of loans or advances as may be made by Mortgagee to or for the account of the Mortgagor or hereafter arising under the Guaranty Agreements executed by Mortgagor pursuant to the Loan Agreement, whether or not the same are secured by real or personal property belonging to the Mortgagor, together with interest thereon at the rate agreed upon between the Mortgagor and Mortgagee; (d) the payment of all Obligations of Mortgagor to Mortgagee as that term is defined in that certain loan agreement between Mortgagee, Mortgagor, and its wholly-owned subsidiaries, Classic Weaving Corp., Woolmark Corp., and Goshen Finishing, Inc. dated February, 1978 (the "Loan Agreement"); (e) the payment of all other moneys secured hereby; and (f) the performance of the covenants and agreements hereinafter contained and contained in the Loan Agreement, the Agreement For Purchase of Accounts Receivable, the Guaranty Agreements and all other agreements and instruments executed in connection with the aforesaid agreements as well as all amendments, modifications, renewals and extensions thereof, all of the foregoing described in Section (a) through (f) above hereinafter collectively referred to as the Secured Obligations, all in the aggregate not to exceed \$1,500,000.00, the Mortgagor does hereby grant, bargain, sell, convey, assign, transfer and mortgage to the Mortgagee and to its successors and assigns.

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All that piece, parcel or tract of land, with the improvements thereon, situate, lying and being North of the right of way of Seaboard Coast Line Railroad (formerly Piedmont and Northern Railway), near the City of Greenville, County of Greenville, State of South Carolina, and having, according to a plat of the property of Southern Worsted Corporation, prepared by Lockwood Greene & Co., Engineers, May, 1924, the following metes and bounds:

5.5001

STATE OF SOUTH CAROLINA
DOCUMENTARY
STAMP
TAX
JUL 3 78
600.00
F3.1218

9.045

4328 RV.2