

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE) ss:

MORTGAGE OF REAL ESTATE

TO ALL WHOM THESE PRESENTS MAY CONCERN:

WHEREAS, GREENVILLE FINISHING COMPANY, a South Carolina joint venture, with its principal office at Rutherford Road, Greenville, South Carolina, (the "Mortgagor") is well and truly obligated unto SOUTHERN WORSTED MILLS, INC., a Delaware corporation having an office and place of business at 1450 Broadway, New York, New York 10018 (the "Mortgagee"), in the principal sum of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS with interest thereon, to be paid in accordance with the terms, covenants and conditions of that certain note (the "Note") of even date herewith made by the Mortgagor to the Mortgagee in said principal amount, which Note is secured by this Mortgage and the terms, covenants and conditions of which Note are hereby made a part hereof;

NOW, KNOW ALL MEN, in order to secure the following (collectively the "Obligations"): the full and prompt payment and performance of all of the indebtedness, obligations and liabilities of the Mortgagor to the Mortgagee, together with all interest and other charges thereon, whether direct or contingent, existing, future, contingent or otherwise, due or to become due, under or arising out of or in connection with: (i) the Note of even date herewith between the Mortgagee and the Mortgagor; and (ii) the performance by the Mortgagor of each covenant, term, condition and agreement contained in this Mortgage; and in consideration of the sum of ONE (\$1.00) DOLLAR in hand well and truly paid by the Mortgagee, the receipt whereof is hereby acknowledged, the Mortgagor has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the Mortgagee, and to its successors and assigns forever, the following described property (hereinafter sometimes collectively called the "Property"):

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STATE OF SOUTH CAROLINA
SOUTH CAROLINA TAX COMMISSION
DOCUMENTARY
STAMP
JUN 28 '84 TAX 200.00
26 11216

1058 637

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