

WHEREAS, the County has made the necessary arrangements with House of Fabrics of South Carolina, Inc., a corporation organized and existing under the laws of the State of South Carolina (hereinafter sometimes referred to as the "Lessee"), for the acquisition of new facilities for the warehousing and distribution of fabrics, and the necessary land, easements, buildings (including a water storage tank), machinery and equipment in connection therewith (hereinafter sometimes referred to as the "Project") which will be of the character and accomplish the purpose provided by the Act, and the County has further entered into a Lease Agreement with the Lessee specifying the terms and conditions of the acquisition of the Project and the leasing of the same to the Lessee; and the obligations of the Lessee under which the Lease Agreement have been unconditionally guaranteed by House of Fabrics, Inc., a California corporation (hereinafter referred to as the "Guarantor"); and

WHEREAS, the execution and delivery of this Trust Indenture (hereinafter sometimes referred to as the "Indenture") have been authorized by Resolutions duly adopted by the Greenville County Council (hereinafter sometimes referred to as the "County Board"), as established by Article 2.1, Chapter 39, Title 14, Code of Laws of South Carolina, 1962, as amended, and the County in accordance with the requirements of Section 14 of the Act has submitted its Petition to the State Budget and Control Board of South Carolina, including a general summary of the terms and conditions of the Indenture, and the State Budget and Control Board of South Carolina has duly approved the Project in accordance with the provisions of the Act and thereby authorized the County Board to proceed with the acquisition and financing of the Project. Notice of the approval was duly published in a newspaper having general circulation in Greenville County and notwithstanding