

The foregoing Second Modification of Mortgage of Real Estate and Security Agreement, in Article I, Section 1.1 (iii) declares that the Mortgaged Property is free from any and all liens and encumbrances, except only as are listed on this "Exhibit A."

There is now outstanding an existing mortgage against the secured property, as follows:

Real Estate Mortgage from John D. Hollingsworth to North Carolina National Bank for \$4,150,000.00, dated August 26, 1977, recorded August 26, 1977, in the office of the Register of Mesne Conveyances for Greenville County, South Carolina, in Mortgage Book 1408 at page 212, as modified by Modification and Amendment to Mortgage of Real Estate and Security Agreement between North Carolina National Bank, Charlotte, North Carolina, as mortgagee, and John D. Hollingsworth, as mortgagor, dated November 23, 1977, recorded December 5, 1977, Book 1417, page 731, RMC Office for Greenville County, South Carolina.

There is outstanding the taxes for the year 1978 and subsequent years, not yet due and payable.

There is outstanding an unrecorded Lease Agreement between John D. Hollingsworth, as Landlord, and John D. Hollingsworth on Wheels, Inc., as Tenant, dated November 21, 1977, leasing 6.77 acres of subject property shown on plat for John D. Hollingsworth, Jr., by Webb Surveying and Mapping Co., dated November, 1977.

EXHIBIT A

RECORDED MAR 1 1978 At 12:44 P.M.

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