STATE OF ALABAMA)

SHELBY COUNTY)

DWB CARPET HOLDINGS, ~~INC~~ L.P

MORTGAGE

THIS MORTGAGE is made and entered into on September 30, 1992, by DWB CARPET HOLDINGS, ~~INC~~ L.P ~~[illegible] Carpet Mills, L.P.~~, a Delaware ~~limited~~ limited ~~corporation partnership~~ partnership (the "Mortgagor") in favor of Buck Creek Industries, Inc. (the "Mortgagee").

RECITALS

A. The Mortgagor is indebted to the Mortgagee in the principal amount of $3,600,000, as evidenced by a note in said amount dated of even date herewith (the "Note").

B. In order to secure the Mortgagor's obligations under the Note, the Mortgagor has agreed to execute and deliver this Mortgage and convey the property described herein to the Mortgagee as hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals and in order to induce the Mortgagee to extend the debt evidenced by the Note to the Mortgagor, and in order to secure the prompt payment of the following (hereinafter sometimes referred to collectively as the "Indebtedness"):

(1) Any and all sums, principal, interest and agreed charges, becoming due and payable by the Mortgagor under or with respect to the Note;

(2) Any and all sums becoming due and payable by the Mortgagor to the Mortgagee under the terms of this Mortgage, including but not limited to advancements made by the Mortgagee pursuant to the terms and conditions of this Mortgage; and

(3) All renewals and extensions of any or all of the obligations of the Mortgagor described in (1) and (2) above, whether or not any renewal or extension agreement is executed in connection therewith;

and also to secure the full and complete performance of each and every obligation, covenant, duty and agreement of the Mortgagor contained in this Mortgage:

Inst # 1992-22089

10/02/1992-22089
02:54 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
013 MJS 5436.50

I. GRANTING CLAUSES

The Mortgagor has bargained and sold and does hereby grant, bargain, sell and convey to the Mortgagee, its successors and assigns, the property and interests in property described in the following Granting Clauses A, B and C:

A. The real estate described on Exhibit A attached hereto and made a part hereof (the "Real Estate");

B. All improvements, structures and fixtures now or hereafter located on the Real Estate; and

C. All easements, rights-of-way and permits related to the Real Estate or the improvements located thereon.

All of the property described in the foregoing Granting Clauses A, B and C is herein sometimes together referred to as the "Mortgaged Property".

TO HAVE AND TO HOLD the Mortgaged Property, together with all the rights, privileges and appurtenances thereunto belonging, unto the Mortgagee, its successors and assigns, forever.

II. ASSIGNMENT OF CONDEMNATION AWARDS

As further security for the Indebtedness and the full and complete performance of each and every obligation, covenant, agreement and duty of the Mortgagor contained herein, and to the extent of the full amount of the Indebtedness secured hereby and of the costs and expenses (including reasonable attorneys' fees) incurred by the Mortgagee in the collection of any award or payment, the Mortgagor hereby assigns to the Mortgagee any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Mortgagor with respect to the Mortgaged Property as a result of (A) the exercise of the right of eminent domain, (B) the alteration of the grade or of any street or (C) any other injury to or decrease in value of the Mortgaged Property. All such damages, condemnation proceeds and consideration shall be paid directly to the Mortgagee, and after first applying said sums to the payment of all costs and expenses (including reasonable attorneys' fees) incurred by the Mortgagee in obtaining such sums, the Mortgagee ~~may, at its option,~~ Shall apply the proceeds ~~balance on the Indebtedness in any order and whether or not then due, or~~ to the restoration of the Mortgaged Property, ~~or~~ if requested by the Mortgagor, and release the balance to the Mortgagor.

III. MORTGAGOR'S REPRESENTATIONS AND WARRANTIES

In order to induce the Mortgagee to enter the Agreements with the Mortgagor, the Mortgagor represents and warrants that:

A. Valid Title, etc. The Mortgagor is lawfully seized of an indefeasible estate in fee simple in and to the Mortgaged Property; it has a good right to sell and mortgage the Mortgaged Property; the Mortgaged Property is subject to no liens, encumbrances or security interests other than the liens, encumbrances and security interests more particularly described in Exhibit B attached hereto and made a part hereof ("Permitted Encumbrances"); and the Mortgagor will forever warrant and defend the title to the Mortgaged Property unto the Mortgagee against the claims of all persons whomsoever, except those claiming under Permitted Encumbrances.

B. Maintenance of Lien Priority. The Mortgagor shall take all steps necessary to preserve and protect the validity and priority of the liens on and security interest in the Mortgaged Property created hereby. The Mortgagor shall execute, acknowledge and deliver such additional instruments as the Mortgagee may deem necessary in order to preserve, protect, continue, extend or maintain the liens and security interests created hereby as first liens on and security interests in the Mortgaged Property, except, as otherwise permitted under the terms of this Mortgage.

IV. COVENANTS OF MORTGAGOR

The Mortgagor covenants and agrees that, until the Indebtedness is paid in full:

A. Payment of Taxes and Other Assessments. The Mortgagor will pay or cause to be paid all taxes, assessments and other governmental, municipal or other public dues, charges, fines or impositions imposed or levied upon the Mortgaged Property or on the interests created by this Mortgage, and any tax or excise on rents or other tax, however described, assessed or levied by any state, federal or local taxing authority as a substitute, in whole or in part, for taxes assessed or imposed on the Mortgaged Property or on the lien and other interests created by this Mortgage. The Mortgagor may, at its own expense, in good faith contest any such taxes, assessments and other governmental charges and, in the event of any such contest, may permit the taxes, assessments or other governmental charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided that during such period enforcement of such contested items shall be effectively stayed.

B. Insurance. The Mortgagor shall keep or cause to be kept the Mortgaged Property insured against loss or damage by fire, windstorm, extended coverage perils, vandalism, malicious mischief and such other hazards, casualties or other contingencies as from time to time may be required by the Mortgagee, in such amounts, in such manner and in such companies as the Mortgagee may approve. All such policies shall provide that any losses payable thereunder shall (pursuant to standard mortgagee clauses, without contribution, to be attached to each policy) be payable to the Mortgagee. In case of a sale pursuant to the foreclosure provisions hereof, or any conveyance of all or any part of the Mortgaged Property in extinguishment of the Indebtedness, complete title to all insurance policies held by the Mortgagee and the unearned premiums with respect thereto shall pass to and vest in the purchaser or grantee of the Mortgaged Property. Insert Rider 1

C. Waste, Demolition, Alteration or Replacement. The Mortgagor will cause the Mortgaged Property and every part thereof to be maintained, preserved and kept in safe and good repair, working order and condition, will not commit or permit waste thereon, will not remove, demolish or alter the design or structural character of any building now or hereafter erected thereon without the express prior written consent of the Mortgagee, will comply with all laws and regulations of any governmental authority with reference to the Mortgaged Property and the manner and use of the same, and will from time to time make all necessary and proper repairs, renewals, additions and restorations thereto so that the value and efficient use thereof shall be fully preserved and maintained. reasonable wear and tear excepted

V. DEFEASANCE

If the Mortgagor shall pay in full: (A) all of the Indebtedness (as defined herein); and (B) all sums becoming due and payable by the Mortgagor under the terms of this Mortgage, including but not limited to, advancements made by the Mortgagee pursuant to the terms and conditions of this Mortgage; and (C) the Mortgagor shall have kept and performed each and every obligation, covenant, duty, condition and agreement herein imposed on or agreed to by the Mortgagor; then this conveyance and the grants and conveyances contained herein shall become null and void, and the Mortgaged Property shall revert to the Mortgagor, and the entire estate, right, title and interest of the Mortgagee will thereupon cease; and the Mortgagee in such case shall, upon the request of the Mortgagor and at the Mortgagor's cost and expense, deliver to the Mortgagor proper instruments acknowledging satisfaction of this instrument; otherwise, this Mortgage shall remain in full force and effect.

VI. EVENTS OF DEFAULT, NOTICE AND RIGHT TO CURE

The Mortgagor shall be in default under this Mortgage upon the happening of any of the following events or conditions, or the happening of any other event of default as defined elsewhere in this Mortgage (hereinafter collectively referred to as "Events of Default"):

(a) default shall be made in the prompt payment of the principal of and interest payable under the terms of the Agreements as and when due and payable;

(b) default shall be made in the due observance or performance of any covenant, condition or agreement on the part of the Mortgagor to be observed or performed pursuant to the terms of this Mortgage; and

(c) the interest of the Mortgagee in the Mortgaged Property shall become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the Indebtedness.

Upon the occurrence of an Event of Default, the Mortgagee shall give the Mortgagor written notice thereof, and the Mortgagor shall have 30 days from the receipt of such notice to cure such Event of Default.

VII. RIGHTS OF MORTGAGEE UPON DEFAULT

Upon the continuance of an Event of Default after the cure period provided in Article VI above, the Mortgagee shall have the following rights:

A. Acceleration of Indebtedness. The Mortgagee may at its option and without demand or further notice to the Mortgagor, declare the Indebtedness, all or any part thereof, immediately due and payable.

B. Operation of Property by the Mortgagee. The Mortgagee (or any person, firm or corporation designated by the Mortgagee), may, but will not be obligated to, enter upon and take possession of any or all of the Mortgaged Property, exclude the Mortgagor therefrom, and hold, use, administer, manage and operate the same to the extent that the Mortgagor could do so, without any liability to the Mortgagor resulting therefrom; and the Mortgagee may collect, receive and receipt for all proceeds accruing from such operation and management, make repairs and purchase needed additional property, and exercise every power, right and privilege of the Mortgagor with respect to the Mortgaged Property. When and if the expenses of such operation and management have been paid and the Indebtedness has been paid, the Mortgaged Property shall be returned to the Mortgagor, provided there has been no foreclosure sale. This provision is a right created by this Mortgage and is cumulative of, and shall in no way affect, the right of the Mortgagee to the appointment of a receiver given the Mortgagee by law.

C. Judicial Proceedings; Right to Receiver. The Mortgagee, in lieu of or in addition to exercising the power of sale hereinafter given, may proceed by suit for a foreclosure of its lien on and security interest in the Mortgaged Property, to sue the Mortgagor for damages on account of or arising out of said default or breach, or for specific performance of any provision contained herein, or to enforce any other appropriate legal or equitable right or remedy. The Mortgagee shall be entitled, as a matter of right, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Mortgage, to the appointment by any competent court or tribunal, without notice to the Mortgagor or any other party, of a receiver of the rents, issues and profits of the Mortgaged Property, with power to lease and control the Mortgaged Property and with such other powers as may be deemed necessary.

D. Foreclosure Sale. This Mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past due mortgages, and the Mortgagee shall be authorized, at its option, whether or not possession of the Mortgaged Property is taken, after giving 21 days' notice by publication once a week for three consecutive weeks of the time, place and terms of each such sale by publication in some newspaper published in the county wherein the Mortgaged Property or part thereof is located, to sell the Mortgaged Property (or such part or parts thereof as the Mortgagee may from time to time elect to sell) in front of such county's courthouse door, at public outcry, to the highest bidder for cash. The Mortgagee, its successors and assigns, may bid at any sale or sales had under the terms of this Mortgage and may purchase the Mortgaged Property, or any part thereof, if the highest bidder therefor. The purchaser at any such sale or sales shall be under no obligation to see to the proper application of the purchase money. At any foreclosure sale, any part or all of the Mortgaged Property, real, personal or mixed, may be offered for sale in parcels or en masse for one total price, the proceeds of any such sale en masse to be accounted for in one account without distinction between the items included therein or without assigning to them any proportion of such proceeds, the Mortgagor hereby waiving the application of any doctrine of marshalling or like proceeding. In case the Mortgagee, in the exercise of the power of sale herein given, elects to sell the Mortgaged Property in parts or parcels, sales thereof may be held from time to time, and the power of sale granted herein shall not be fully exercised until all of the Mortgaged Property not previously sold shall have been sold or all the Indebtedness secured hereby shall have been paid in full.

E. <u>Mortgagor's Warranties after Sale</u>. The Mortgagor
hereby authorizes and empowers the Mortgagee or the auctioneer at
any foreclosure sale had hereunder, for and in the name of the
Mortgagor, to execute and deliver to the purchaser or purchasers of
any of the Mortgaged Property sold at foreclosure good and
sufficient deeds of conveyance or bills of sale thereto, and the
title of such purchaser or purchasers when so made by the Mortgagee
or such auctioneer, the Mortgagor binds itself to warrant and
forever defend to the extent of the right, title and interest
therein of the Mortgagor.

F. <u>Application of Proceeds</u>. The proceeds of any and
all foreclosure sales of the Mortgaged Property shall be applied as
follows:(i) to the payment of all necessary expenses incident to
the execution of said sale or sales, (ii) to the payment of the
Indebtedness, to the amount of the accrued interest and principal
legally due thereon and all other sums secured hereby, and (iii)
the remainder, if any, shall be paid to the Mortgagor or such other
person or persons as may be entitled thereto by law.

G. <u>Multiple Sales</u>. The Mortgagee shall have the option
to proceed with foreclosure, either through the courts or by
proceeding with foreclosure as provided for in this Mortgage, but
without declaring the whole Indebtedness due, and provided that if
any sale is made because of such Event of Default, such sale may be
made subject to the unmatured part of the Indebtedness secured by
this Mortgage, and such sale, if so made, shall not in any manner
affect the unmatured part of the Indebtedness secured by this
Mortgage, but as to such unmatured part of the Indebtedness this
Mortgage shall remain in full force and effect as though no sale
had been made under the provisions of this paragraph. Several
sales may be made under the provisions of this paragraph without
exhausting the right of sale for any remaining part of the
Indebtedness whether then matured or unmatured, the purpose hereof
being to provide for a foreclosure and sale of the Mortgaged
Property for any matured part of the Indebtedness without
exhausting any power of foreclosure and the power to sell the
Mortgaged Property for any other part of the Indebtedness, whether
matured at the time or subsequently maturing.

H. <u>Waiver of Appraisement Laws</u>. The Mortgagor waives,
to the fullest extent permitted by law, the benefit of all laws now
existing or hereafter enacted providing for (i) any appraisement
before sale of any portion of the Mortgaged Property (commonly
known as appraisement laws), or (ii) any extension of time for the
enforcement of the collection of the Indebtedness ~~or any execution~~
~~or extension of a period of redemption from any sale made in~~
~~collecting the Indebtedness~~ (commonly known as stay laws)~~and~~.
~~redemption laws)~~.

VIII. MISCELLANEOUS PROVISIONS

A. Waiver and Election. The exercise by the Mortgagee of any option given under the terms of this Mortgage shall not be considered as a waiver of the right to exercise any other option given herein, and the filing of a suit to foreclose the lien and security interest granted by this Mortgage, either on any matured portion of the Indebtedness or for the whole of the Indebtedness, shall not be considered an election so as to preclude foreclosure under power of sale after a dismissal of the suit; nor shall the publication or necessary notices for foreclosure, as provided in this Mortgage, preclude the prosecution of a later suit thereon.

B. Landlord-Tenant Relationship. Any sale of the Mortgaged Property under this Mortgage shall, without further notice, create the relationship of landlord and tenant at sufferance between the purchaser and the Mortgagor.

C. Enforceability. If any provision of this Mortgage is now or at any time hereafter becomes invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and the remaining provisions hereof shall be construed in favor of the Mortgagee to effectuate the provisions hereof.

D. Application of Payments. If the lien or the security interest created by this Mortgage is invalid or unenforceable as to any part of the Indebtedness or is invalid or unenforceable as to any part of the Mortgaged Property, the unsecured or partially secured portion of the Indebtedness shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the Indebtedness, and all payments made on the Indebtedness, whether voluntary or under foreclosure or other enforcement action or procedures, shall be considered to have been first paid on and applied to the full payment of that portion of the Indebtedness which is not secured or not fully secured by said lien or security interest created hereby.

E. Meaning of Particular Terms. Whenever used, the singular number shall include the plural and the plural the singular, and the words "the Mortgagor" and "the Mortgagee" shall include their respective successors and assigns.

F. Advances by the Mortgagee. If the Mortgagor shall fail to comply with the provisions hereof with respect to the securing of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property in repair, or any other term or covenant herein contained, the Mortgagee may (but shall not be required to) make advances to perform the same, and where necessary enter the Mortgaged Property for the purpose of performing any such term or covenant. The Mortgagor agrees to repay all sums advanced upon demand.

G. Release or Extension by the Mortgagee. The Mortgagee, without notice, may release any part of the Mortgaged Property or any person liable for the Indebtedness without in any way affecting the rights of the Mortgagee hereunder as to any part of the Mortgaged Property not expressly released and may agree with any party with an interest in the Mortgaged Property to extend the time for payment of all or any part of the Indebtedness or to waive the prompt and full performance of any term, condition or covenant of the Note, this Mortgage or any other instrument evidencing or securing the Indebtedness.

H. Partial Payments. Acceptance by the Mortgagee of any payment of less than the amount due on the Indebtedness shall be deemed acceptance on account only, and the failure of the Mortgagor to pay the entire amount then due shall be and continue to constitute an Event of Default, and at any time thereafter and until the entire amount due on the Indebtedness has been paid, the Mortgagee shall be entitled to exercise all rights conferred on it by the terms of this Mortgage in case of the occurrence of an Event of Default.

I. Titles Not To Be Considered. All section, paragraph, subparagraph or other titles contained in this Mortgage are for reference purposes only, and this Mortgage shall be construed without reference to said titles.

J. Construction of Mortgage. This Mortgage may be construed as a mortgage, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the lien hereof and security interest created hereby and the purposes and agreements herein set forth.

K. Subsequent Encumbrances. It is anticipated that the Mortgagor may grant junior mortgages to other parties to secure debts to such parties, and the Mortgagee hereby consents to such junior mortgages. The Mortgagee shall give written notice of any Event of Default to any junior lienholder of which it has actual knowledge, and the junior lienholder shall have the same and simultaneous right as the Mortgagor to cure said Event of Default. The Mortgagor authorizes the Mortgagee to disclose to any junior lienholder the status of the Indebtedness, the outstanding principal balance thereof, and any other information related to the Indebtedness or this Mortgage that such junior lienholder may request.

IN WITNESS WHEREOF, Deerfield Carpet Mills, L.P., by its duly authorized general partner, has executed this instrument on the day and year first above written.

DWB CARPET HOLDINGS, [redacted]. L.P.
~~DEERFIELD CARPET MILLS, L.P.~~

~~By DCC Carpet Corp.~~
~~Its General Partner~~
BY: DWB CARPET HOLDINGS, INC.,
General Partner

By [illegible]

Its President

STATE OF GEORGIA)
FULTON COUNTY)

DWB Carpet Holdings, Inc.

~~Corporation~~

I, the undersigned, a Notary Public in and for said county in said State, hereby certify that Robert J. Edgreen whose name as President of ~~DCC Carpet Corp., as general partner of Deerfield Carpet Mills, L.P., a~~ Delaware ~~limited partnership~~, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such President of such corporate general partner and with full authority, executed the same voluntarily for and as the act of said limited partnership.

as general partner of DWB Carpet Holdings, ~~Bros~~ L.P., a Delaware limited partnership

Given under my hand and seal this 30th day of September, 1992.

Barbara Anderson
Notary Public

AFFIX SEAL

My commission expires: 6-12-95

BARBARA ANDERSON NOTARY PUBLIC GWINNETT COUNTY, GA.
My Commission Expires June 12, 1995.

This instrument prepared by:

Kay K. Bains
WALSTON, STABLER, WELLS, ANDERSON & BAINS
505 N. 20th Street, Suite 500
P. O. Box 830642
Birmingham, Alabama 35283-0642
(205) 251-9600

Riders to
Buck Creek Mortgage

Rider 1 - Insert in Article IV, B at page 4:

"All insurance proceeds shall be paid directly to the Mortgagee, and after first applying such sums to the payment of all costs and expenses (including reasonable attorney's fees) incurred by the Mortgagee in obtaining such proceeds, the Mortgagee shall apply the proceeds to the restoration of the Mortgaged Property, if requested by the Mortgagor, and release the balance to the Mortgagor."

T224E4
(082492)

EXHIBIT A

The following described real estate situated in Shelby County, Alabama, to wit:

Commence at the Northeast corner of the SE 1/4 of the NE 1/4 of Section 26, Township 21 South, Range 1 West, and run south along the East line of said 1/4 - 1/4 Section a distance of 264.00 feet; thence turn an angle of 61°30' to the right and run a distance of 269.00 feet; thence turn an angle of 25°00' to the right and run a distance of 525.71 feet; thence turn an angle of 86°13'59" to the left and run a distance of 21.35 feet to the point of beginning; thence continue in the same direction a distance of 152.98 feet; thence turn an angle of 1°53'16" to the left and run a distance of 519.60 feet; thence turn an angle of 88°41' to the right and run a distance of 50 feet; thence turn an angle of 88°41' to the left and run a distance of 87.00 feet; thence turn an angle of 88°41' to the right and run a distance of 143.78 feet to the Northeast right-of-way of the L & N Railroad; thence turn an angle of 69°23'25" to the right and run along said right-of-way a distance of 648.13 feet; thence turn an angle of 108°16'43" to the right and run a distance of 242.40 feet; thence turn an angle of 81°43'30" to the left and run a distance of 186.36 feet; thence turn an angle of 109°59'00" to the right and run a distance of 84.78 feet; thence turn an angle of 23°30' to the left and run a distance of 106.18 feet to the point of beginning. Situated in the SE 1/4 of the NE 1/4 of Section 26, Township 21 South, Range 1 West, Shelby County, Alabama.

Together with all the rights, tenements, hereditaments and appurtenances thereto belonging or in any way appertaining.

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