

## DEED OF TRUST

STATE OF NORTH CAROLINA,

COUNTY OF FORSYTH AND SURRYTHIS DEED OF TRUST is made this 28th Day of SEPTEMBER 1923among the Grantor(s), C & A ASSOCIATES, a North Carolina General Partnership, and

Ted Y. Matney of Randolph County, North Carolina, (herein "Trustee"), and the Beneficiary, Bankers Trust of North Carolina, whose principal office is located in Greensboro, N.C. (herein "Lender") to Secure to Lender the payment of the indebtedness evidenced by Borrower's note dated SEPTEMBER 28th

1923 (herein "Note"), in the principal sum of ONE HUNDRED FORTY NINE THOUSAND AND NO/100 Dollars (\$149,000.00),

together with the payment of all other sums, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; with interest thereon, providing for payment of principal and interest as follows:

Being due and payable as more fully set out in note of even date and as shown on Schedule "A" attached hereto.

AND WHEREAS, the Borrowers desire to secure the payment of said note, interest, and any renewals or extensions thereof, in whole or in part, and of the additional payments hereinafter agreed to be made, by a conveyance of the lands hereinafter described;

NOW, THEREFORE, in consideration of the premises and for the purposes aforesaid, and in further consideration of the sum of One Dollar (\$1.00) paid to the Borrowers by the Trustee, receipt of which is hereby acknowledged, the Borrowers have given, granted, bargained, and sold, and by these presents do give, grant, bargain, sell and convey unto the said Trustee, his heirs, successors and assigns, the following described lot or parcel of land lying and being in SALEM CHAPEL, BETHANIA & MOUNT AIRY Township, County of FORSYTH AND SURRY, and State of North Carolina, and more particularly described as follows:

SEE ATTACHED SHEET MARKED EXHIBIT "A" FOR COMPLETE DESCRIPTION AND INCORPORATED HEREIN BY REFERENCE.

TO HAVE AND TO HOLD the said land and premises, including all houses, buildings, improvements, and fixtures thereon; now or hereafter erected or attached to the property, with all rights, rents, issues, profits, income, privileges, and appurtenances thereunto belonging or appertaining, to the Trustee, his heirs, successors and assigns, in fee simple forever, upon the first and for the uses and purposes hereinafter set out.

And the Borrowers covenant with the Trustee that, except or stated above, they are seized of said land and premises in fee and have the right to convey the same in fee simple, that the same are free and clear of all encumbrances and that they will warrant and defend the title to the same against the lawful claim of all persons whomsoever.

THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the Borrowers shall pay the note secured hereby in accordance with its terms, together with interest thereon, and any renewals or extensions thereof in whole or in part, and shall comply with all the covenants, terms and conditions of this deed of trust, then this conveyance shall be null and void and may be cancelled of record at the request and at the cost of the Borrowers. If, however, there shall be any default in any of the terms or conditions of the note secured hereby, or in the terms, conditions or covenants contained in this deed of trust, or in the event the property herein conveyed is transferred without the written consent of the Lender; or in the event of actual or threatened demolition or injury or waste to the premises which may impair the value of the property hereby conveyed, or if a receiver should be appointed for, or a petition in bankruptcy filed by or against the Borrowers, or either of them, or if Lender deems itself insecure or its prospects for payment of the note impaired, then and in any of such events, the note shall, at the option of the Lender, become at once due and payable, regardless of the maturity date thereof, and on the application of the Lender it shall be lawful for and the duty of the Trustee, and he is hereby authorized and empowered to expose the hereinbefore described premises and personal property, if any, to foreclosure sale after having first given such notice of hearing as to commencement of foreclosure and sale proceedings and obtained such findings or leave of court as may be then required by law and after giving such notice and advertising such foreclosure and sale as then required by law. Upon such sale the Trustee shall convey title to the purchaser in fee simple. After retaining five per cent (5%) of the proceeds of such sale as compensation to the Trustee, plus all expenses incurred by him, including reasonable attorney's fees for legal services actually performed, the Trustee shall apply the residue of the proceeds, first to the payment of all sums expended by the Lender under the terms of this deed of trust, second, to the payment of the note secured hereby, and the balance, if any, shall be paid to the Borrowers or to such other persons as may be lawfully entitled to receive the same.

The Borrowers agree that in the event of a sale hereunder the Lender shall have the right to bid thereat. The Trustee may require the successful bidder at any sale to deposit immediately with the Trustee, cash or certified check, in an amount not to exceed ten per cent (10%) of his bid, provided notice of such requirement is contained in the advertisement of the sale. The bid may be rejected if the deposit is not immediately made and thereupon the next highest bidder may be declared to be the purchaser. Such deposits shall be refunded in case a resale is had, otherwise it shall be applied to the purchase price. If personal property is sold hereunder, it need not be at the place of sale. The published notice, however, shall state the time and place where such property may be inspected prior to sale.

In the event this deed of trust is not a first lien on the property conveyed herein, Borrowers agree that any default by them of any of the terms or conditions of a prior deed of trust, or the note it secures, shall also constitute a default of the terms of this deed of trust, thereby authorizing the Lender to invoke any or all of its remedies set forth herein.

The Borrowers covenant and agree that they will pay the indebtedness as hereinbefore provided, and will pay when due, all taxes, assessments, levies, and charges upon or against the property herein described, of every character which are now due or which may hereafter become liens on said premises, including all taxes assessed in North Carolina against the Trustee or the Lender on this instrument or the sum hereby secured or evidenced by said note, and will immediately deliver to the Lender official receipts thereof and will keep the buildings now or hereafter on said premises insured against loss and damage by fire, tornado and windstorm, and against such other hazards as the Lender may require, including business interruption, in amounts satisfactory to the Lender, plus an amount sufficient to prevent any co-insurance liability of the owner of the property or the Lender, for the benefit of the Lender, loss, if any, to be made payable in the policy or policies of insurance to the Lender as its interest may appear, the loss payable clauses to be in such form as the Lender may require. All insurance shall be in companies approved by the Lender and the policies and renewals thereof shall, when issued, be immediately delivered to the Lender to be held by it. The Borrowers will pay all premiums for such insurance when due and immediately deliver to the Lender official receipts therefor, and if the Borrowers fail or refuse to keep said premises so insured the Lender may obtain such insurance without prejudice to its right to foreclose hereunder by reason of such default. In the event of loss the Borrowers will give immediate notice by mail to the Lender who may make proof of loss if not made promptly by the Borrowers, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Lender instead of to the Borrowers and the Lender jointly. The proceeds of any insurance, or any part thereof, may be applied by the Lender, at its option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. It is understood and agreed that the application of such proceeds to the indebtedness shall not extend the due date of the monthly installments or change the amount of such installments. The Lender may, at its option, pay any such insurance premiums, taxes, assessments, levies or charges against the premises of which payment amount and validity thereof the official receipt shall be conclusive evidence and any amounts so expended shall immediately become debts due by the Borrowers, shall bear interest, and their payment shall be secured by this deed of trust.

The Borrowers covenant that they will keep the premises herein conveyed in good order, repair and condition and shall not commit waste or permit impairment or deterioration of the property, and the Lender shall have the right to inspect the premises at all reasonable times, and access thereto shall be permitted for that purpose to it or its authorized agents.

Upon the condemnation of the premises or improvements or any part thereof, the entire unpaid balance of the note secured hereby shall, at the option of the Lender, at once become due and payable, and any amounts paid for such taking shall be paid to the Lender and be applied upon the indebtedness hereby secured.

No delay or forbearance by the Lender in exercising any or all of its rights hereunder or rights otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default as set forth herein or in the event of any subsequent default hereunder, and all such rights shall be cumulative. In case the Lender or the Trustee voluntarily or otherwise shall become a party to any suit or legal proceeding to protect the property herein conveyed or to protect the lien of this deed of trust, the Trustee and the Lender shall be saved harmless and shall be reimbursed by the Borrowers for any amounts paid, including all reasonable costs, charges and attorney's fees incurred in any such suit or proceeding, and the same shall be secured by this deed of trust and its payment enforced as if it were a part of the original debt.

The Lender shall at any time have the irrevocable right to remove the Trustee herein named without notice or cause and to appoint his successor by an instrument in writing, duly acknowledged, in such form as to entitle such written instrument to record in this State, and in the event of the death or resignation of the Trustee herein named, the Lender shall have the right to appoint his successor by such written instrument, and any Trustee so appointed shall be vested with the title to the property hereinbefore described, and shall possess all the powers, duties and obligations herein conferred on the Trustee in the same manner and to the same extent as though he were named herein as Trustee.

The covenants, terms and conditions herein contained shall bind, and the benefits and powers shall inure, to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used herein, the singular number shall include the plural, the plural the singular, and the term "Lender" shall include any payee of the indebtedness hereby secured and any transferee or assignee thereof, whether by operation of law or otherwise.

IN WITNESS WHEREOF, the Borrowers have hereunto set their hands and seals, or if Borrower is a corporate entity, has caused this instrument to be executed by its duly authorized officers and its seal hereunto affixed.

C & A ASSOCIATES  
a North Carolina General Partnership  
BY [Signature] (SEAL)  
(Corporate Name) GLENN S. COOKE, General Partner (SEAL)  
By: \_\_\_\_\_ President BY: [Signature] (SEAL)  
Attest: \_\_\_\_\_ Secretary EDWARD C. ASEE, III, General Partner (SEAL)  
(Seal) \_\_\_\_\_ Secretary \_\_\_\_\_ (SEAL)

STATE OF NORTH CAROLINA, COUNTY OF FORSYTH  
I, BARBARA S. LAGGINS, Notary Public of STOKES County, N.C. do hereby certify that  
GLENN S. COOKE and EDWARD C. ASEE, III, General Partners of C & A ASSOCIATES, personally appeared  
before me this day and acknowledged the due execution of the foregoing instrument.  
Witness my hand and notarial seal, this 28th day of September 1993  
My Commission expires 5/6/99  
[Signature]  
Notary Public

STATE OF NORTH CAROLINA, COUNTY OF \_\_\_\_\_  
I, \_\_\_\_\_, Notary Public, certify that \_\_\_\_\_  
personally came before me this day and acknowledged that he is \_\_\_\_\_ Secretary of \_\_\_\_\_  
\_\_\_\_\_, a corporation, and that, by authority duly given and as the act of the corporation, the foregoing instrument  
was signed in its name by its \_\_\_\_\_ President, sealed with its corporate seal, and attested by him as its  
Secretary.  
Witness my hand and notarial seal, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
My Commission Expires \_\_\_\_\_  
PRESENTED FOR \_\_\_\_\_ Notary Public

AND FOR DEED FORSYTH  
NORTH CAROLINA - County of Forsyth  
The foregoing certificate(s) of Barbara S. Laggins  
'93 OCT -4 A9:36 Notary Public Of Stokes  
County, N.C. \_\_\_\_\_  
is (are) certified to be correct. This instrument was presented for registration and recorded in this office at Book \_\_\_\_\_  
Page \_\_\_\_\_ day of Oct, 1993 o'clock \_\_\_\_\_ M.  
REGISTER OF DEEDS  
FORSYTH CO. N.C.  
L.E. SPEAS, REGISTER OF DEEDS  
[Signature]  
Deputy Register of Deeds

EXHIBIT "A"TRACT NO. 1: (Forsyth County, Salem Chapel Township)

BEGINNING at an iron pin located on the Northern right of way of N.C. Highway 66, said iron pin being located, North 78 degrees 07 minutes 20 seconds West 69.00 feet from the intersection of the Northern right of way of N.C. Highway 66 and the Western right of way of Davis Road; thence along the Northern right of way of N.C. Highway 66, North 78 degrees 07 minutes 20 seconds West 102.44 feet to an iron pin; running thence North 11 degrees 52 minutes 40 seconds East 200 feet to an iron pin; running thence North 78 degrees 07 minutes 20 seconds West 60.53 feet to an iron pin; thence North 11 degrees 52 minutes 40 seconds East 165.65 feet to an iron pin in the line of Remington Ridge Subdivision; thence along the line of Remington Ridge Subdivision, South 75 degrees 31 minutes 20 seconds East 156.19 feet to an iron pin, the common corner of Delmar Lawson with Remington Ridge Subdivision; thence along the Southern line of Delmar Lawson, South 75 degrees 31 minutes 20 seconds East 200.06 feet to an iron pin located on the western right of way of Davis Road; thence along the Western right of way of Davis Road, South 29 degrees 59 minutes 10 seconds West 157.27 feet to an iron pin; thence leaving said right of way, North 78 degrees 07 minutes 20 seconds West 144.04 feet to an iron pin; thence South 11 degrees 52 minutes 40 seconds West 200.0 feet to the POINT OF BEGINNING. CONTAINING 1.67 acres and being a portion of Tax Lots 25A and 25K, Block 5151, as shown on Forsyth County Tax Maps.

TRACT NO. 2: (Forsyth County, Bethania Township)

BEGINNING at an iron in the Southern property line of Oak View Development, Plat Book 13, Page 145(2), said iron being South 86 degrees 38 minutes 54 seconds East 299.37 feet from the intersection of the Southern property line of Oak View Development with the Eastern right of way margin of N.C. Highway 65; thence from point of Beginning and running with the Southern property line of Oak View Development, South 86 degrees 38 minutes 54 seconds East 483.90 feet to an iron stake located at the Northwest corner of a .614 acre lot deeded to James Hodges and wife, recorded in Book 1381, Page 946; running thence South 06 degrees 58 minutes 54 seconds East 216.17 feet to a point in the Northern right of way of Forum Parkway; thence with the North right of way line of Forum Parkway, North 86 degrees 46 minutes 05 seconds West 522.53 feet to an iron, said iron being the Southeastern corner of S.R. Gwyn property; thence with the Gwyn line North 03 degrees 16 minutes 04 seconds East 214.46 feet to the POINT AND PLACE OF BEGINNING. Containing 2.471 acres. Being the same property as described in Book 1381, Page 949, Forsyth County Registry. Also designated as Lot 201B, Block 4942 Bethania Township, as shown on Forsyth County Tax Maps.

TRACT NO. 3: (Surry County Mount Airy Township)

BEING KNOWN AND DESIGNATED as Lot Numbers 1, 2 and 94, as shown on the Map of Mary Herring Locklear property, as recorded in Plat Book 4, Page 165, in the Office of the Register of Deeds of Surry County, North Carolina, reference to which is hereby made for a more particular description.

C & A Associates, a North Carolina General Partnership

BY: [Signature]

Glen S. Cooke, General Partner

DATE: 9/28/93

BY: [Signature]

Edward C. Ashby, III, General Partner

DATE: 9/28/93

Schedule "A" to Deed of Trust dated  
September 28, 1993 in the amount of \$149,000.00 between  
C & A Associates, N.C. General Partnership  
("Borrower") and Bankers Trust of  
North Carolina ("Lender")

The interest rate due under the Note and the Repayment schedule for the note shall be as follows:

1. Interest Rate. From closing date until September 4, 1996, interest shall accrue hereunder at the floating rate of Bankers Trust of North Carolina's Prime Rate plus one percent (P+1%). Beginning on September 4, 1996 and every third annual anniversary of such date, to and including September 4, 2002 (each of such dates shall be referred to as a "Recomputation Date"), Bankers Trust of North Carolina and the Borrower shall agree on the interest rate, to be in effect hereunder during the next three (3) years. The interest rate so agreed upon may be either a fixed rate or a variable rate. Once agreed upon, the new interest rate shall be in effect from the relevant Recomputation Date under and including the day immediately preceding the next Recomputation Date. If at any Recomputation Date, the Borrower and Bankers Trust of North Carolina are unable to agree on the new interest rate by a date specified by Bankers Trust of North Carolina, then Bankers Trust of North Carolina, at its option, may immediately accelerate the maturity date of the indebtedness and declare this Note immediately due and payable. In the event of such acceleration, the rate of interest due hereunder from the relevant Recomputation Date until the entire balance outstanding hereunder, including all accrued but unpaid interest, is paid in full shall be the rate per annum equal to the Bankers Trust of North Carolina's Commercial Lending Rate plus One Percent (P+1%), as that rate may change from time to time said changes to occur on the date Lender's Prime Rate changes, subject to no floor or cap. Interest shall be computed on the basis of a three hundred sixty (360) day year for the actual number of days in each interest period.

2. Payments. Beginning on October 4, 1993, principal and interest due hereunder shall be due and payable in one hundred forty-four (144) consecutive monthly installments to and including the 4th day of September, 2005, on which date the entire principal balance remaining outstanding hereunder, together with all accrued but unpaid interest thereon shall be due and payable. The first thirty-five (35) monthly installments of principal and interest shall be in the amount of One Thousand Eight Hundred Seventy-Eight and 00/100 Dollars (\$1,878.00). Said payments shall be applied first to interest accrued and then the remainder to principal. At each Recomputation Date after the new interest rate has been set forth as in paragraph one (1) above, the amount of each of the next thirty-five (35) monthly installment payments due hereunder shall be determined by Bankers Trust of North Carolina. In the event the newly agreed interest rate is a fixed interest rate for the coming three (3) year period, the amount of each of such thirty-five (35) monthly installment payments shall be set at the amount equal to the monthly payment that would be necessary to provide for level monthly amortization of principal and interest of a note having the following features: (a) a principal balance equal to the principal balance outstanding hereunder on the relevant Recomputation Date after giving effect to the payment due on that date; (b) an interest rate equal to the interest rate going into effect on the relevant Recomputation Date; and (c) a term to maturity of the number of months equal to (i) one hundred forty-four (144) months (ii) the number of monthly installment payments that have become due hereunder from the first such payment to and including the

BK 1798 P 3539

payment due on the relevant Recomputation Date. In the event that the newly agreed interest rate is a variable rate, then the amount of each of the next such thirty-five (35) monthly installments shall be that amount equal to the total of: (x) the amount of interest that accrued hereunder during the immediately preceding month at the interest rate in effect for that month plus (y) an amount of principal equal to the total principal outstanding hereunder on the relevant Recomputation Date (after giving effect to the payment due on that date) divided by the number equal to (I) one hundred forty-four (144) months minus (II) the number of monthly installments due hereunder from the first such installment to and including the installment due on the relevant Recomputation Date. However, in no case shall the monthly payments of principal and interest be less than One Thousand Eight Hundred Seventy-Eight and 00/100 Dollars (\$1,878.00).

This 28th day of September, 1993.

C & A Associates, A N.C. General Partnership

BY: Edward C. Ashby, III  
Edward C. Ashby, III  
General Partner

BY: Glenn Stewart Cooke  
Glenn Stewart Cooke  
General Partner