

Prepared by: Keenan L. Pawley  
RETURN TO: Quality Control  
First Union National Bank of Virginia  
P.O. Box 13327  
Roanoke, Virginia 24040-7391

BK1945 P2489  
5/14/97

FORSYTH CO, NC 173 FEE: \$ 30.00  
PRESENTED & RECORDED: 05/06/1997 4:56PM  
DICKIE C. WOOD REGISTER OF DEEDS BY: WOHLEF

*actual*

SATISFACTION: The Obligations secured by the within Deed of Trust has been satisfied in full, this  
the \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Signed: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DEED OF TRUST  
AND ABSOLUTE ASSIGNMENT OF RENTS**

This DEED OF TRUST is made May 6<sup>th</sup>, 1997 by and between the following parties:

"Grantor"  
M & B PARTNERS, a North Carolina Partnership  
mailing address  
463 Bing Crosby Drive  
Advance, North Carolina 27006

"Bank" as beneficiary, noteholder and grantee  
FIRST UNION NATIONAL BANK OF NORTH CAROLINA  
mailing address  
301 South Tryon Street  
Charlotte, North Carolina 28202

"Trustee"  
TRSTE, Inc., qualified to do business in North Carolina

Bank is the owner and holder of a certain promissory note dated of even date herewith in  
the original amount of \$1,680,000.00, and made by Grantor payable to Bank (the "Note").

To secure payment and performance of obligations (collectively the "Obligations") under the  
Note, this Deed of Trust, other Loan Documents as defined in the Note (the "Loan Documents")  
and any renewals, extensions, novations, or modifications of the foregoing, and in consideration of  
these premises and for other consideration, Grantor does grant and convey unto Trustee, in fee  
simple, that certain tract of land in the County of Forsyth, State of North Carolina described in  
EXHIBIT A attached hereto and made a part hereof; TOGETHER WITH: (i) all leasehold estate, and  
all right, title and interest of Grantor in and to all leases or subleases covering such land now or  
hereafter existing including, without limitation, all cash or security deposits or advance rentals; (ii)  
all right, title and interest of Grantor in and to all options to purchase or lease such land or any  
interest therein, and any greater estate in such land owned or hereafter acquired by Grantor; (iii) all  
easements, streets, alleys, rights-of-way and rights used in connection therewith or as a means of

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access thereto, and all tenements, hereditaments, and all water rights and appurtenances thereof and thereto; (iv) all buildings, structures and improvements now or hereafter erected thereon; (v) all fixtures now or hereafter affixed to such land, even though they may be detached or detachable, and all building improvement and construction materials, supplies and equipment hereafter delivered to such land contemplating affixation thereon; (vi) all awards and proceeds of condemnation for such land and any improvements thereon or any part thereof to which the Grantor is entitled, and all proceeds, including return premiums and choses in action arising under any insurance policies maintained with respect to all or any part of the foregoing; (vii) all rents, issues and profits of such land and improvements, and all the estate, right, title and interest of every nature whatsoever of the Grantor in and to the same; and (viii) all proceeds, products, replacements, additions, substitutions, renewals, accessions and reversions of any of the foregoing items.

All of the real and personal property and property rights hereby conveyed are referred to individually and collectively as the "Property."

TO HAVE AND TO HOLD the Property and all the estate, right, title and interest, in law and in equity, of Grantor in and to the Property unto Trustee and its successors and assigns, in fee simple, forever.

IN TRUST, HOWEVER that if all Obligations are timely paid and performed and each and every representation, warranty, agreement, and condition of this Deed of Trust and other Loan Documents and any swap agreements is complied with and abided by, this Deed of Trust and the estate hereby created shall cease and be null, void, and canceled of record at the request and expense of Grantor, and if Default occurs, Trustee is authorized to foreclose and sell the Property under power of sale or by judicial proceeding according to applicable law and as provided herein.

Grantor warrants and represents that Grantor is lawfully seized of the Property, in fee simple, absolute, that Grantor has the legal right to convey and encumber the same, and that the Property is free and clear of all liens and encumbrances. Grantor further warrants and will forever defend all and singular the Property and title thereto to Trustee, Bank, and their respective successors and assigns, against the lawful claims of all persons whomsoever.

To protect the security of this Deed of Trust, Grantor further represents and agrees with Trustee and Bank as follows:

**Payment of Obligations.** That the Obligations shall be timely paid and performed.

**Future Advances.** This Deed of Trust is given to secure not only existing Obligations, but also future advances made within fifteen (15) years of the date of this Deed of Trust to the same extent as if such future advances are made on the date of the execution of this Deed of Trust. The principal amount (including any swap agreements and future advances) that may be so secured may decrease or increase from time to time, but the total amount so secured at any one time shall not exceed the maximum principal amount of \$1,680,000.00, plus all interest, costs, reimbursements, fees and expenses due under this Deed of Trust and secured hereby. Grantor shall not execute any document that impairs or otherwise impacts the priority of any future advances secured by this Deed of Trust. The amount of present obligations secured hereby is \$0.00.

**Leases, Subleases and Easements.** Grantor shall maintain, enforce and cause to be performed all of the terms and conditions under any lease, sublease or easement which may constitute a portion of the Property. Grantor shall not, without the consent of Bank, agree to the cancellation or surrender under any lease or sublease now or hereafter covering the Property or any part thereof, or prepayment of rents, issues or profits, other than rent paid at the signing of a lease or sublease, nor modify any such lease or sublease so as to shorten the term, decrease the rent,

accelerate the payment of rent, or change the terms of any renewal option; and any such purported cancellation, surrender, prepayment or modification made without the consent of Bank shall be void as against Bank.

**Required Insurance.** Grantor shall maintain with respect to the Property: (i) insurance against loss or damage by fire and other casualties and hazards by insurance written on an "all risks" basis, including specifically windstorm and/or hail damage (and flood and earthquake coverage, where available), in an amount not less than the replacement cost thereof, naming Bank as loss payee and mortgagee; (ii) liability insurance providing coverage in such amount as Bank may require but in no event less than \$1,000,000.00 combined single limit, naming Bank as an additional insured; and (iii) such other insurance as Bank may require from time to time.

All casualty insurance policies shall contain an endorsement or agreement by the insurer in form satisfactory to Bank that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Grantor and the further agreement of the insurer waiving rights of subrogation against Bank, and rights of set-off, counterclaim or deductions against Grantor.

All insurance policies shall be in form, provide coverages, be issued by companies and be in amounts in each company, satisfactory to Bank, and Grantor shall furnish Bank with an original of all policies. At least thirty (30) days prior to the expiration of each such policy, Grantor shall furnish Bank with evidence satisfactory to Bank of the payment of premium and the reissuance of a policy continuing insurance in force as required by this Deed of Trust. All such policies shall provide that the policy will not be canceled or materially amended without at least thirty (30) days prior written notice to Bank. In the event Grantor fails to provide, maintain, keep in force, and furnish to Bank the policies of insurance required by this paragraph, Bank may procure such insurance or single-interest insurance in such amounts, at such premium, for such risks and by such means as Bank chooses, at Grantor's expense; provided however, Bank shall have no responsibility to obtain any insurance, but if Bank does obtain insurance, Bank shall have no responsibility to Grantor or other persons that insurance obtained shall be adequate or provide any protection to Grantor.

**Insurance Proceeds.** After occurrence of any loss to any of the Property, Grantor shall give prompt written notice thereof to Bank.

In the event of such loss all insurance proceeds shall be payable to Bank, and Grantor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Bank. Bank is hereby authorized by Grantor to settle, adjust or compromise any claims for loss or damage under any policy or policies of insurance and Grantor appoints Bank its attorney-in-fact to receive and endorse any insurance proceeds to Bank, which appointment is coupled with an interest and shall be irrevocable as long as any Obligations remain unsatisfied.

In the event of any damage to or destruction of the Property, Bank shall have the option of applying or paying all or part of the insurance proceeds to (i) the Obligations in such order as Bank may determine, (ii) restoration of the Property, or (iii) Grantor. Nothing herein shall be deemed to excuse Grantor from restoring, repairing and maintaining the Property as required herein.

**Impositions.** Grantor will pay before they are due all taxes, levies, assessments and other fees and charges imposed upon or which may become a lien upon the Property under any law or ordinance (all of the foregoing collectively "Impositions").

**Use of Property.** Grantor shall use and operate, and require its lessees or licensees to use and operate, the Property in compliance with all applicable laws and ordinances, covenants, and restrictions, and with all applicable requirements of any lease or sublease now or hereafter affecting

the Property. Grantor shall not permit any unlawful use of the Property or any use that may give rise to a claim of forfeiture of any of the Property. Grantor shall not allow changes in the stated use of Property from that disclosed to Bank at the time of execution hereof. Grantor shall not initiate or acquiesce to a zoning change of the Property without prior notice to, and written consent of, Bank.

**Maintenance, Repairs and Alterations.** Grantor shall keep and maintain the Property in good condition and repair and fully protected from the elements to the satisfaction of Bank. Grantor will not remove, demolish or structurally alter any of the buildings or other improvements on the Property (except such alterations as may be required by laws, ordinances or regulations) without the prior written consent of Bank. Grantor shall promptly notify Bank in writing of any material loss, damage or adverse condition affecting the Property.

**Eminent Domain.** Should the Property or any interest therein be taken or damaged by reason of any public use or improvement or condemnation proceeding ("Condemnation"), or should Grantor receive any notice or other information regarding such Condemnation, Grantor shall give prompt written notice thereof to Bank. Bank shall be entitled to all compensation, awards and other payments or relief granted in connection with such Condemnation and, at its option, may commence, appear in and prosecute in its own name any action or proceedings relating thereto. Bank shall be entitled to make any compromise or settlement in connection with such taking or damage. All compensation, awards, and damages awarded to Grantor related to any Condemnation (the "Proceeds") are hereby assigned to Bank and Grantor agrees to execute such further assignments of the Proceeds as Bank may require. Bank shall have the option of applying or paying the Proceeds in the same manner as insurance proceeds as provided herein. Grantor appoints Bank as its attorney-in-fact to receive and endorse the Proceeds to Bank, which appointment is coupled with an interest and shall be irrevocable as long as any Obligations remain unsatisfied.

**Environmental Condition of Property and Indemnity.** Grantor warrants and represents to Bank, except as reported by Grantor to Bank in writing, that: (i) Grantor has inspected and is familiar with the environmental condition of the Property; (ii) the Property and Grantor, and any occupants of the Property, are in compliance with and shall continue to be in compliance with all applicable federal, state and local laws and regulations intended to protect the environment and public health and safety as the same may be amended from time to time ("Environmental Laws"); (iii) the Property is not and has never been used to handle, treat, store or dispose of oil, petroleum products, hazardous substances in any quantity, hazardous waste, toxic substances, regulated substances or hazardous air pollutants ("Hazardous Materials") in violation of any Environmental Laws; and (iv) no Hazardous Materials (including asbestos or lead paint in any form) are located on, in or under the Property or emanate from the Property. Further, Grantor represents to Bank that no portion of the Property is a protected wetland. Grantor agrees to notify Bank immediately upon receipt of any citations, warnings, orders, notices, consent agreements, process or claims alleging or relating to violations of any Environmental Laws or to the environmental condition of the Property.

Grantor shall indemnify, hold harmless, and defend Bank and Trustee from and against any and all damages, penalties, fines, claims, suits, liabilities, costs, judgments and expenses, including attorneys', consultants' or experts' fees of every kind and nature incurred, suffered by or asserted against Bank or Trustee as a direct or indirect result of: (i) representations made by Grantor in this section being or becoming untrue in any material respect; or (ii) Grantor's violation of or failure to meet the requirements of any Environmental Laws; or (iii) Hazardous Materials which, while the Property is subject to this Deed of Trust, exist on the Property. Bank shall have the right to arrange for or conduct environmental inspections of the Property from time to time (including the taking of soil, water, air or material samples). The cost of such inspections made after Default or which are required by laws or regulations applicable to Bank shall be borne by Grantor. Grantor's obligations under this paragraph shall continue, survive and remain in full force and effect notwithstanding

foreclosure, satisfaction of this Deed of Trust or full satisfaction of the Obligations. However, Grantor's indemnity shall not apply to any negligent or intentional act of Bank which takes place after foreclosure or satisfaction of this Deed of Trust.

**Appraisals.** Grantor agrees that Bank may obtain an appraisal of the Property when required by the regulations of the Federal Reserve Board or the Office of the Comptroller of the Currency or at such other times as Bank may reasonably require. Such appraisals shall be performed by an independent third party appraiser selected by Bank. The cost of such appraisals shall be borne by Grantor. If requested by Bank, Grantor shall execute an engagement letter addressed to the appraiser selected by Bank. Grantor's failure or refusal to sign such an engagement letter, however, shall not impair Bank's right to obtain such an appraisal. Grantor agrees to pay the cost of such appraisal within ten (10) days after receiving an invoice for such appraisal.

**Inspections.** Bank, or its representatives or agents, are authorized to enter at any reasonable time upon any part of the Property for the purpose of inspecting the Property and for the purpose of performing any of the acts it is authorized to perform under the terms of this Deed of Trust.

**Liens and Subrogation.** Grantor shall pay and promptly discharge all liens, claims and encumbrances upon the Property. Grantor shall have the right to contest in good faith the validity of any such lien, claim or encumbrance, provided: (i) such contest suspends the collection thereof or there is no danger of the Property being sold or forfeited while such contest is pending; (ii) Grantor first deposits with Bank a bond or other security satisfactory to Bank in such amounts as Bank shall reasonably require; and (iii) Grantor thereafter diligently proceeds to cause such lien, claim or encumbrance to be removed and discharged.

Bank shall be subrogated to any liens, claims and encumbrances against Grantor or the Property that are paid or discharged through payment by Bank or with loan proceeds, notwithstanding the record cancellation or satisfaction thereof.

**Waiver of Grantor's Rights.** Grantor waives any: (i) rights of homestead or other exemption with regard to any of the Property; (ii) rights or claims of equitable or statutory redemption; (iii) rights of appraisal; and (iv) rights to require marshaling of assets.

**Payments by Bank; Indemnification.** In the event of default in the timely payment or performance of any of the Obligations, Bank, at its option and without any duty on its part to determine the validity or necessity thereof, may pay the sums for which Grantor is obligated. Further, Bank may pay such sums as Bank deems appropriate for the protection and maintenance of the Property including, without limitation, sums to pay impositions and other levies, assessments or liens, maintain insurance, make repairs, secure the Property, maintain utility service, intervene in any condemnation, advances made under a construction loan to enable completion of construction and pay attorneys' fees and other fees and costs to enforce this Deed of Trust or protect the lien hereof (including foreclosure) or collect the Obligations, including without limitation, those incurred in any proceeding including Bankruptcy or arbitration. Any amounts so paid shall bear interest at the default rate stated in the Note and shall be secured by this Deed of Trust.

In the event either Bank or Trustee shall become party to any suit or legal proceeding by reason of its status as beneficiary of this Deed of Trust or trustee hereunder, Grantor shall indemnify and hold harmless Bank and Trustee and reimburse Bank and Trustee for any amounts paid or incurred by Bank or Trustee, including all reasonable costs, charges and attorneys' fees in any such suit or proceeding.

**Assignment of Rents.** Grantor hereby absolutely assigns and transfers to Bank all the leases, rents, issues and profits of the Property (collectively "Rents"). So long as no Default exists, Bank

gives to and confers upon Grantor the license and authority to collect Rents and to demand, receive and enforce payment, give receipts, releases and satisfactions, and sue in the name of Grantor for all Rents. Grantor represents there has been no prior assignment of leases or Rents, and agrees not to further assign such leases or Rents. Upon the occurrence of a Default, Bank may, without notice, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Obligations, revoke and cancel the license and authority of Grantor to collect Rents, and (i) enter upon and take possession of the Property, (ii) notify tenants, subtenants and any property manager to pay Rents to Bank or its designee, and upon receipt of such notice such persons are authorized and directed to make payment as specified in the notice and disregard any contrary direction or instruction by Grantor, and (iii) in its own name, sue for or otherwise collect Rents, including those past due, and apply Rents, less costs and expenses of operation and collection, including attorneys' fees, to the Obligations in such order and manner as Bank may determine. Bank's exercise of any one or more of the foregoing rights shall not cure or waive any Default or notice of Default hereunder.

**Due on Sale or Further Encumbrance.** The direct or indirect sale, assignment, or conveyance of the Property, or any interest therein, or the further encumbrance of the Property, without Bank's written consent shall, at Bank's option, constitute a Default under this Deed of Trust.

**Remedies of Bank on Default.** Failure of Grantor or any other person liable to timely pay or perform any of the Obligations is a default ("Default") under this Deed of Trust. Upon the occurrence of Default the following remedies are available to Bank, without limitation. (i) Bank may exercise any or all of Bank's remedies under this Deed of Trust or other loan documents including, without limitation, acceleration of maturity of all payments and Obligations. (ii) Bank may take immediate possession of the Property or any part thereof (which Grantor agrees to surrender to Bank) and manage, control or lease the same to such persons and at such rental as it may deem proper and collect and apply Rents as provided herein. The taking of possession shall not prevent concurrent or later proceedings for the foreclosure sale of the Property. (iii) Bank may apply to any court of competent jurisdiction for the appointment of a receiver for all purposes including, without limitation, to manage and operate the Property or any part thereof, and to apply the net Rents therefrom to the payment of any of the Obligations. In event of such application, Grantor consents to the appointment of a receiver, and agrees that a receiver may be appointed without notice to Grantor, without regard to the adequacy of any security for the Obligations, and without regard to the solvency of Grantor or any other person, firm or corporation who or which may be liable for the payment of the Obligations. (iv) Upon application of Bank, Trustee shall sell the Property and pay the proceeds of sale according to the following terms and conditions: (a) Trustee shall foreclose upon this Deed of Trust and sell the Property, or any part of the Property, at public sale conducted according to applicable law (referred to as "Trustee's Sale"); (b) Trustee shall provide such notice and shall advertise a Trustee's Sale in the manner required by applicable law; (c) Trustee shall conduct additional Trustee's Sales as may be required until all of the Property is sold or the Obligations are satisfied; (d) Trustee, may receive bids at Trustee's Sale from the Bank and may accept from Bank as successful bidder, credit against the Obligations as payment of any portion of the purchase price; (e) Trustee may receive a reasonable fee for Trustee's services hereunder, not to exceed the maximum fee allowed by applicable law; and (f) Trustee shall apply the proceeds of Trustee's Sale, first to any permitted Trustee's fee, second to expenses of foreclosure and sale, third to the Obligations, and any remaining proceeds as required by law.

**Substitute Trustee.** Bank may, at any time and from time to time, without notice, at the Bank's discretion, remove Trustee and appoint a substitute trustee ("Substitute Trustee") by filing in the records where this Deed of Trust is recorded an instrument affecting such removal and appointment. A Substitute Trustee shall be vested with title to the Property and with all rights, powers, and duties of the original Trustee herein and all provisions hereof pertaining to the Trustee shall similarly affect any Substitute Trustee. Any oath or bond by the Trustee is hereby waived.

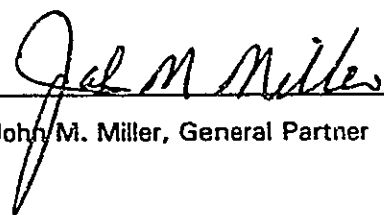
**Miscellaneous Provisions.** Grantor agrees to the following: (i) All remedies available to Bank with respect to this Deed of Trust or available at law or in equity shall be cumulative and may be pursued concurrently or successively. No delay by Bank in exercising any remedy shall operate as a waiver of that remedy or of any Default. Any payment by Bank or acceptance by Bank of any partial payment shall not constitute a waiver by Bank of any Default; (ii) The provisions hereof shall be binding upon and inure to the benefit of Grantor, its heirs, personal representatives, successors and assigns including, without limitation, subsequent owners of the Property or any part thereof, and shall be binding upon and inure to the benefit of Bank, its successors and assigns and any future holder of the Note or other Obligations; (iii) Any notices, demands or requests shall be sufficiently given Grantor if in writing and mailed or delivered to the address of Grantor shown above or to another address as provided herein and to Bank if in writing and mailed or delivered to Bank's office address shown above, or such other address as Bank may specify from time to time and in the event that either party hereto changes its address at any time prior to the date the Obligations are paid in full, that party shall promptly give written notice of such change of address by registered or certified mail, return receipt requested, all charges prepaid; (iv) This Deed of Trust may be terminated or modified only by an instrument in writing signed by the Bank and Grantor and may be modified without the Trustee joining or signing such instrument; (v) The captions or headings at the beginning of each paragraph hereof are for the convenience of the parties and are not a part of this Deed of Trust; (vi) If the lien of this Deed of Trust is invalid or unenforceable as to any part of the Obligations, the unsecured portion of the Obligations shall be completely paid (and all payments made shall be deemed to have first been applied to payment of the unsecured portion of the Obligations) prior to payment of the secured portion of the Obligations and if any clause, provision or obligation hereunder is determined invalid or unenforceable the remainder of this Deed of Trust shall be construed and enforced as if such clause, provision or obligation had not been contained herein; (vii) This Deed of Trust shall be governed by and construed under the laws of the jurisdiction where this Deed of Trust is recorded; (viii) Grantor by execution and Bank by acceptance of this Deed of Trust agree to be bound by the terms and provisions hereof.

IN WITNESS WHEREOF, Grantor has signed and sealed this instrument as of the day and year first above written.

Grantor

M & B Partners

By:

 (SEAL)  
John M. Miller, General Partner

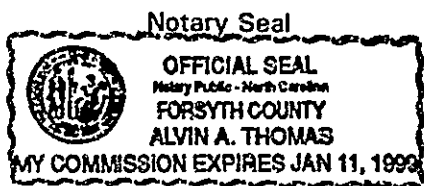
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State of North Carolina  
City/County of Yadkin

### Partnership Acknowledgment

I certify that before me appeared this day, John M. Miller, a person known to me, who after being sworn said he/she is general partner of M & B Partners, a North Carolina General Partnership, and is duly authorized to act on behalf of said partnership, and being informed of the contents thereof, acknowledged execution of the foregoing instrument on behalf of said partnership.

Witness my hand and official seal, this 6 day of May, 1997.



Alvin A. Thomas, Notary Public

Alvin A. Thomas  
(Printed Name of Notary)

My Commission expires: \_\_\_\_\_

### Clerk's Certificate

The foregoing certificate(s) of Alvin A. Thomas NP is certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.

~~DICKIE C. WOOD, REGISTER OF DEEDS~~ REGISTER OF DEEDS FOR FORSYTH COUNTY

By [Signature]  
Deputy/Assistant-Register of Deeds

29908



## SCHEDULE "A"

## M &amp; B PARTNERS

Lying and being in Southfork Township, Forsyth County, North Carolina and BEGINNING at an existing iron pipe located in the Northern line of the property of Abiding Faith Evangelical Lutheran Church, now or formerly (Bk 1680, Page 2028, Forsyth County Registry; Tax Lot 25A of Tax Block 3899, Forsyth County Tax Records); the Southwest corner of the property of R. J. Shutt, Jr., now or formerly (Bk 822, Page 237, Forsyth County Registry; Tax Lot 7D of Tax Block 3899, Forsyth County Tax Records); running thence with the Northern line of Abiding Faith, North 88 deg. 57 min. 04 sec. West, crossing an iron placed at 656.01 feet a total distance of 661.13 feet to an iron pipe found in the Eastern right of way line of Jonestown Road; running thence North 88 deg. 57 min. 04 sec. West 19.85 feet to a point within the right of way of Jonestown Road; running thence North 17 deg. 42 min. 24 sec. East 360.45 feet to a point in the right of way of Jonestown Road; thence North 89 deg. 59 min. 11 sec. East 41.15 feet to an existing iron pipe in the Eastern right of way line of Jonestown Road; thence North 89 deg. 59 min. 11 sec. East, crossing an iron placed at 3.67 feet with the property line of Dewey C. Bodenhamer (Bk 1821, Page 3189, Forsyth County Registry, Tax Lot 9 of Tax Block 3899, Forsyth County Tax Office) a total distance of 548.82 feet to an iron found; thence along Shutt's line South 03 deg. 00 min. 42 sec. West, 356.48 feet to the place of beginning containing 4.8341 acres more or less as shown on a plat prepared by Ronald G. Kale, R.L. S. dated 1/31/97 and updated 2/7/97. Being portion of Tax Lot 6 of Block 3899 Forsyth County Tax Maps.

Also conveyed herewith is second tract restricted in use as a buffer zone only and described as:

Lying and being in Southfork Township of Forsyth County, N. C. and beginning at an iron found in the East right of way of Jonestown Road (SR 1122), said iron found being located at the Southwest corner of Tax Lot 6 of Block 3899 and being located at the Northwest corner of Tax Lot 25A of Block 3899, said iron found being the POINT OF BEGINNING; running thence with the common line between Tax Lot 6 of Block 3899 and Tax Lot 25A of Block 3899 South 88 deg. 57 min. 04 sec. East 5.12 feet to a iron placed; continuing thence with the common line between Tax Lot 6 and 25A of Block 3899 South 88 deg. 57 min. 04 sec. East 656.01 feet to an iron found at the common corner of Tax Lots 6, 7D and 25A of Block 3899; thence with a new line into Tax Lot 25A South 03 deg. 00 min. 42 sec. West 9.01 feet to an iron placed; thence with a new line North 88 deg. 57 min. 04 sec. West 664.05 feet to an iron placed on the East right of way line of Jonestown Road; thence with the East right of way line of Jonestown Road North 20 deg. 45 min. 48 sec. East 9.56 feet to an iron found at the point and place of BEGINNING. Being Tax Lot 25L of Block 3899 Forsyth

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SCHEDULE "A" CONTINUED

M & B PARTNERS

County Tax Maps and containing 5.963 square feet as shown on a plat prepared by Ronald G. Kale, R.L.S. dated 1/31/97 and updated 2/7/97.

Save and excepted from the foregoing property is that portion lying within the Jonestown Road right of way and specifically that portion deeded to the City of Winston-Salem, N. C. for a new right of way as described in Deed Book 1935 Page 820 and containing 1,517 square feet.