

ENVELOPE

2005063936 00126

FORSYTH CO, NC FEE \$0.00
PRESENTED & RECORDED:

09-28-2005 11:14 AM

DICKIE C WOOD
REGISTER OF DEEDSBy: BETTY C CAMPBELL DPTY
CANCELLED PURSUANT TO
G.S. 45-37.2

BK:RE 2603

PG:4011-4014

Do not write above this line

Tax Block: Lot: Parcel Identifier No.:

Property Address: 109 Fairwood Drive Kernersville NC 27284

Mail after recording to: American Partners FCU PO Box 1148 Reidsville NC 27323

Certificate of Satisfaction of a Deed of Trust or Mortgage

FORSYTH COUNTY, NORTH CAROLINA SATISFIED PURSUANT TO N.C. G.S. 45-37.2

THIS INSTRUMENT made this 26 day of September, 2005

GRANTOR/MORTGAGOR	Trustee (leave blank if a mortgage)	BENEFICIARY/MORTGAGEE
Q3 Development, LLC	Robert L. Watt, III	American Partners Federal Credit Union

The designation Grantor, Trustee and Beneficiary as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context

The undersigned owner of note certifies that (s)he is the owner of the indebtedness secured by a Deed of Trust or Mortgage and that the debt in the amount of \$ 75,000.00, secured by the Deed of Trust/Mortgage executed by the Grantor/Mortgagor to the Trustee, if any, for the benefit of the Beneficiary/Mortgagee and recorded in the Forsyth County Register of Deeds office in Book 2548 Page 2231, was satisfied as of the 26th day of July, 2005.

I request that this Certificate of Satisfaction be recorded and the above referenced security instrument be canceled of record

IN WITNESS WHEREOF the Owner of Note has set his hand, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

Individual

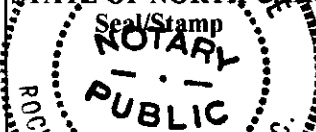
Corporate Name

AMERICAN PARTNERS FEDERAL CREDIT UNION, Owner of Note

By:

Title: PRES/CEO

STATE OF NORTH CAROLINA - Forsyth County



I, Susan D. Justice, a Notary Public do hereby certify that Deborah M. Gibson personally came before me this day and acknowledged that (s)he is CEO President of American Partners FCU and acknowledged on behalf of the corporation, the due execution of the foregoing instrument. Witness my hand and notarial seal this the 26 day of September, 2005.

My commission expires

6-27-2006

Notary Public

STATE OF NORTH CAROLINA - Forsyth County

Seal/Stamp

I, _____, a Notary Public do hereby certify that _____ personally came before me this day and acknowledged the due execution of the foregoing instrument. Witness my hand and notarial seal this the _____ day of _____, 20____.

My commission expires

Notary Public

The foregoing certificate(s) of _____ is/are certified to be correct at the date

STATE OF NC - FORSYTH CO

The foregoing certificate(s) of:

NP(s)

Dickie C. Wood, Register of Deeds for

is certified to be correct at the date of recording shown on the first page thereof,
Dickie C. Wood, Register of Deeds by: _____ Deputy/Asst.

Deputy/Asst.

"CERTIFICATE OF SATISFACTION"

Paid In Full And Satisfied

By American Partners Federal CU
Date 7/24/05

2005 28 2005

F/K/A

TWIU Local 192
Federal Credit Union**REVOLVING DEMAND NOTE**Loan No. 2393749-160

March 8, 2005

\$75,000.00

Reidsville, North Carolina

For value received, the undersigned Q3 Development, LLC, a North Carolina limited liability company, with an address of 416 W. Mountain Street, Kernersville, North Carolina 27284 (the "Borrower"), promises to pay to the order of American Partners Federal Credit Union, a Credit Union with an address of 618 N. Scales Street, Reidsville, North Carolina 27320 (together with its successors and assigns, the "Lender"), ON DEMAND, the principal amount of Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) or, if less, such amount as may be the aggregate unpaid principal amount of all loans or advances made by the Lender to the Borrower pursuant hereto, together with interest from the date hereof on the unpaid principal balance from time to time outstanding until paid in full. The aggregate principal balance outstanding shall bear interest thereon at a per annum rate equal to One Percent (1.00%) above the Wall Street Journal Prime Rate (as hereinafter defined). All accrued and unpaid interest shall be payable monthly in arrears on the 1st day of each month, commencing April 1, 2005.

Wall Street Journal Prime Rate means the highest rate published from time to time by the Wall Street Journal as the Prime Rate, or, in the event the Wall Street Journal ceases publication of the Prime Rate, the base, reference or other rate then designated by the Lender, in its sole discretion, for general commercial loan reference purposes, it being understood that such rate is a reference rate, not necessarily the lowest, established from time to time, which serves as the basis upon which effective interest rates are calculated for loans making reference thereto.

The effective interest rate applicable to the Borrower's loans evidenced hereby shall change as of the first day of any month (each an "Interest Determination Date") if there is a change in the Wall Street Journal Prime Rate as of any such Interest Determination Date.

Principal and interest shall be payable at the Lender's main office or at such other place as the Lender may designate in writing in immediately available funds in lawful money of the United States of America without set-off, deduction or counterclaim. Interest shall be calculated on the basis of actual number of days elapsed in each year.

This Note is a revolving note and, subject to the foregoing and in accordance with the provisions hereof and of any and all other agreements between the Borrower and the Lender related hereto, the Borrower may, at its option, borrow, pay, prepay and reborrow hereunder at any time prior to demand for payment hereunder or such earlier date as the obligations of the Borrower to the Lender under this Note, and any other agreements between the Lender and the Borrower related hereto, shall become due and payable, or the obligation of the Lender to extend financial accommodations to the Borrower shall terminate; provided, however, that in any event the principal balance outstanding hereunder shall at no time exceed the face amount of this Note. This Note shall continue in full force and effect until all obligations and liabilities evidenced by this Note are paid in full and the Lender is no longer obligated to extend financial accommodations to the Borrower, even if, from time to time, there are no amounts outstanding respecting this Note. Notwithstanding that this Note shall be due and payable ON DEMAND, the Lender's agreement to advance funds respecting this Note shall expire on April 1, 2010 and there shall be no further advances respecting this Note unless the Lender agrees in writing in the sole discretion of the Lender to extend such expiration date; provided, that notwithstanding the expiration date provided in this paragraph, this Note shall be due and payable ON DEMAND.

Any payments received by the Lender on account of this Note shall, at the Lender's option, be applied first, to accrued and unpaid interest; second, to the unpaid principal balance hereof; third to any costs, expenses or charges then owed to the Lender by the Borrower; and the balance to escrows, if any. Notwithstanding the foregoing, any payments received after demand for payment shall be applied in such manner as the Lender may determine. The Borrower hereby authorizes the Lender to charge any deposit account which the Borrower may maintain with the Lender for any payment required hereunder without prior notice to the Borrower.

If pursuant to the terms of this Note, the Borrower is at any time obligated to pay interest on the principal balance at a rate in excess of the maximum interest rate permitted by applicable law for the loan evidenced by this Note, the applicable interest rate shall be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder.

The Borrower represents to the Lender that the proceeds of this Note will not be used for personal, family or household purposes or for the purpose of purchasing or carrying margin stock or margin securities within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. Parts 221 and 224.

The Borrower and each endorser and guarantor hereof grant to the Lender a continuing lien on and security interest in any and all deposits or other sums at any time credited by or due from the Lender (or any

of its Lendering or lending affiliates, or any Lender acting as a participant under any loan arrangement between the Lender and the Borrower, or any third party acting on the Lender's behalf (collectively, the "Lender Affiliates")) to the Borrower and each endorser or guarantor hereof and any cash, securities, instruments or other property of the Borrower and each endorser and guarantor hereof in the possession of the Lender or any Lender Affiliate, whether for safekeeping or otherwise, or in transit to or from the Lender or any Lender Affiliate (regardless of the reason the Lender or Lender Affiliate had received the same or whether the Lender or Lender Affiliate has conditionally released the same) as security for the full and punctual payment and performance of all of the liabilities and obligations of the Borrower and any endorser and guarantor hereof to the Lender or any Lender Affiliate and such deposits and other sums may be applied or set off against such liabilities and obligations of the Borrower or any endorser or guarantor hereof to the Lender or any Lender Affiliate at any time, whether or not such are then due, whether or not demand has been made and whether or not other collateral is then available to the Lender or any Lender Affiliate.

No delay or omission on the part of the Lender in exercising any right hereunder shall operate as a waiver of such right or of any other right of the Lender, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The Borrower and every endorser or guarantor of this Note, regardless of the time, order or place of signing, waives presentment, demand, protest, notice of intent to accelerate, notice of acceleration and all other notices of every kind in connection with the delivery, acceptance, performance or enforcement of this Note and assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of collateral, and to the addition or release of any other party or person primarily or secondarily liable and waives all recourse to suretyship and guarantor defenses generally, including any defense based on impairment of collateral. To the maximum extent permitted by law, the Borrower and each endorser and guarantor of this Note waive and terminate any homestead rights and/or exemptions respecting any premises under the provisions of any applicable homestead laws, including without limitation, Article X of the Constitution of North Carolina.

The Borrower and each endorser and guarantor of this Note shall indemnify, defend and hold the Lender and the Lender Affiliates and their directors, officers, employees, agents and attorneys harmless against any claim brought or threatened against the Lender by the Borrower, by any endorser or guarantor, or by any other person (as well as from attorneys' reasonable fees and expenses in connection therewith) on account of the Lender's relationship with the Borrower or any endorser or guarantor hereof (each of which may be defended, compromised, settled or pursued by the Lender with counsel of the Lender's selection, but at the expense of the Borrower and any endorser and/or guarantor), except for any claim arising out of the gross negligence or willful misconduct of the Lender.

The Borrower and each endorser and guarantor of this Note agree to pay, upon demand, costs of collection of all amounts under this Note including, without limitation, principal and interest, or in connection with the enforcement of, or realization on, any security for this Note, including, without limitation, to the extent permitted by applicable law, reasonable attorneys' fees and expenses. Upon demand for payment of any amounts hereunder, interest shall accrue at a rate per annum equal to the aggregate of 0.0% plus the rate provided for herein. If any payment due under this Note is unpaid for 10 days or more, the Borrower shall pay, in addition to any other sums due under this Note (and without limiting the Lender's other remedies on account thereof), a late charge equal to 5.0% of such unpaid amount.

This Note shall be binding upon the Borrower and each endorser and guarantor hereof and upon their respective heirs, successors, assigns and legal representatives, and shall inure to the benefit of the Lender and its successors, endorsees and assigns.

The liabilities of the Borrower and any endorser or guarantor of this Note are joint and several; provided, however, the release by the Lender of the Borrower or any one or more endorsers or guarantors shall not release any other person obligated on account of this Note. Any and all present and future debts of the Borrower to any endorser or guarantor of this Note are subordinated to the full payment and performance of all present and future debts and obligations of the Borrower to the Lender. Each reference in this Note to the Borrower, any endorser, and any guarantor, is to such person individually and also to all such persons jointly. No person obligated on account of this Note may seek contribution from any other person also obligated, unless and until all liabilities, obligations and indebtedness to the Lender of the person from whom contribution is sought have been satisfied in full. The release or compromise by the Lender of any collateral shall not release any person obligated on account of this Note.

The Borrower and each endorser and guarantor hereof each authorizes the Lender to complete this Note if delivered incomplete in any respect. A photographic or other reproduction of this Note may be made by the Lender, and any such reproduction shall be admissible in evidence with the same effect as the original itself in any judicial or administrative proceeding, whether or not the original is in existence.

This Note is delivered to the Lender at one of its offices in North Carolina, shall take effect as a sealed instrument and shall be governed by the internal laws of the State of North Carolina.

The Borrower and each endorser and guarantor of this Note each irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in North Carolina, over any suit, action or proceeding arising out of or relating to this Note. Each of the Borrower and each endorser and guarantor irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may

now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient forum. Each of the Borrower and each endorser and guarantor hereby consents to any and all process which may be served in any such suit, action or proceeding, (i) by mailing a copy thereof by registered and certified mail, postage prepaid, return receipt requested, to the Borrower's, endorser's or guarantor's address shown below or as notified to the Lender and (ii) by serving the same upon the Borrower(s), endorser(s) or guarantor(s) in any other manner otherwise permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Borrower or such endorser or guarantor.

THE BORROWER AND EACH ENDORSER AND GUARANTOR ACKNOWLEDGE THAT THIS NOTE IS A DEMAND NOTE AND THE RIGHT OF THE LENDER TO DEMAND PAYMENT OF THIS NOTE IN WHOLE OR IN PART AT ANY TIME SHALL BE ABSOLUTE, UNCONDITIONAL AND IN THE SOLE DISCRETION OF THE LENDER. THE INCLUSION OF EVENTS OF DEFAULT AND COVENANTS IN ANY LOAN DOCUMENTS BETWEEN THE LENDER AND THE BORROWER OR ANY ENDORSER OR GUARANTOR OR OTHER PARTY DELIVERED IN CONNECTION WITH THIS NOTE OR OTHERWISE SHALL NOT IN ANY WAY LIMIT THE DEMAND NATURE OF THIS NOTE AND THE LENDER MAY MAKE DEMAND FOR PAYMENT AT ANY TIME FOR ANY OR NO REASON, WHETHER OR NOT AN EVENT OF DEFAULT HAS OCCURRED UNDER ANY SUCH LOAN DOCUMENTS.

THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE LENDER EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AND AFTER AN OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL, (A) WAIVES ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING IN CONNECTION WITH THIS NOTE, ANY OF THE OBLIGATIONS OF THE BORROWER, EACH ENDORSER AND GUARANTOR TO THE LENDER, AND ALL MATTERS CONTEMPLATED HEREBY AND DOCUMENTS EXECUTED IN CONNECTION HERewith AND (B) AGREES NOT TO SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CAN NOT BE, OR HAS NOT BEEN, WAIVED. THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE LENDER EACH CERTIFIES THAT NEITHER THE LENDER NOR ANY OF ITS REPRESENTATIVES, AGENTS OR COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT IN THE EVENT OF ANY SUCH PROCEEDING SEEK TO ENFORCE THIS WAIVER OF RIGHT TO TRIAL BY JURY.

Executed as an instrument under seal as of March 8, 2005.

Borrower:

Q3 Development, LLC

By:


Richard Scott Van Eerden, Member

By:


James M. Pierce, Member

416 W. Mountain Street
Kernersville, North Carolina
27284