

3



SATISFACTION: The debt secured by this Deed of Trust, as evidenced by the note or other document secured thereby, has been satisfied in full. This the _____ day of _____, 19 _____

Signed: _____

Mail after recording to:

House & Blanco, P.A. Bot

This instrument was prepared by:

George E. Hollodick

RK1769 P3243

PRESENTED FOR
REGISTRATION
AND RECORDED

'93 JAN 29 P2:58

#16.00pt.

L.E. SPEARS
REGISTER OF DEEDS
FORSYTH CO. NC

202

Jim Hager

Recording: Time, Book and Page

Brief description for index:

322 Winding Forest Dr.

Winston-Salem, NC 27104

NORTH CAROLINA (FUTURE ADVANCE) DEED OF TRUST (Collateral is or Includes Fixtures)

THIS DEED OF TRUST AND SECURITY AGREEMENT ("Deed of Trust") is made as of this 29th day of January, 19 93 by and between:

GRANTOR (Include Address)

J & H Property, A NC General Partnership

TRUSTEE

Jerome C. Herring, a resident of North Carolina

BENEFICIARY

BRANCH BANKING AND TRUST COMPANY, a
North Carolina state banking corporation
P. O. Box 1847, Wilson, NC 27894-0361

☐ IF BOX CHECKED, THIS DEED OF TRUST SECURES AN OBLIGATION INCURRED FOR THE CONSTRUCTION OF AN IMPROVEMENT ON LAND.

THE FOLLOWING INFORMATION APPLIES TO THIS DEED OF TRUST:

- The maximum principal amount of the Debt (defined below), including present and future advances, secured by this Deed of Trust is Forty Two Thousand Dollars and 00/100 (\$ 42,000.00) Dollars.
- The Debt, on the date hereof, is evidenced by a Note and or other Document described by name, parties, dollar amount and date as follows:
Note dated January 29, 19 93 in the amount of \$ 42,000.00
executed by J & H Property, A NC General Partnership,
and may be evidenced by and shall be at all times deemed to include, any and all other notes or other Documents now or hereafter evidencing any debt whatsoever incurred by Grantor and payable to Beneficiary, the terms of which are incorporated herein by reference.
- Pursuant to the provisions of Sections 45-67 et seq., of the North Carolina General Statutes, this Deed of Trust secures the payment of the Debt, including present and future advances.
- The current principal amount of the Debt advanced on the date hereof by Beneficiary is \$ NONE (if none, so state).
- No execution of a written instrument or notation shall be necessary to evidence or secure any future advances made hereunder. The period within which future advances are to be made shall be the fifteen year period beginning on the date of this Deed of Trust.
- The real property which is the subject of this Deed of Trust is located in or near the City of Winston-Salem, in the Township of _____, in the County of Forsyth, in the State of North Carolina, and the legal description and the chain of title reference of the real property are set forth as follows

-- See Exhibit A attached hereto and made a part hereof --

K 1769 P 3244

STATEMENT OF PURPOSE: In this Deed of Trust reference shall be made simply to the "Note or other Document", and such a reference is deemed to apply to all of the instruments which evidence or describe the Debt, or which secure its payment, and to all renewals, extensions and modifications thereof, whether heretofore or hereafter executed, and includes without limitation all writings described generally and specifically on the first page of this Deed of Trust in numbered paragraph 2. This Deed of Trust shall secure the performance of all obligations of Grantor and of any third party to Beneficiary which are described in this Deed of Trust, in the Note or other Document, and such performance includes the payment of the Debt. In this Deed of Trust the definition of "Debt" includes: (i) the principal; (ii) all accrued interest including possible fluctuations of the interest rate if so provided in the Note or other Document; (iii) all renewals or extensions of any obligation under the Note or other Document (even if such renewals or extensions are evidenced by new notes or other documents); and (iv) all other obligations of Grantor to Beneficiary which are described in this Deed of Trust, or in the Note or other Document, (for example, payment of the attorneys fees of the Beneficiary, insurance premiums and ad valorem taxes).

NOW, THEREFORE, for the purposes and under the conditions described in this Deed of Trust and in consideration of the Debt and the mutual promises of Grantor and Beneficiary, Grantor hereby conveys to Trustee, in trust, with power of sale, the real property described in this Deed of Trust, together with any improvements, equipment and fixtures existing or hereafter placed on or attached to this real property, all proceeds thereof and all other appurtenant rights and privileges. The term "the Property" shall include this real property, any such improvements, fixtures, and also all appurtenant rights and privileges.

TO HAVE AND TO HOLD the Property, to Trustee, his successors and assigns, but upon the trust, and under the terms and conditions of this Deed of Trust, to which Grantor, Trustee and Beneficiary hereby agree:

1. **PERFORMANCE BY GRANTOR.** Grantor shall fulfill all of Grantor's obligations as specified in this Deed of Trust, the Note or other Document
2. **TAXES, DEEDS OF TRUST, OTHER ENCUMBRANCES.** Grantor shall make timely payment of all ad valorem taxes, assessments or other charges or encumbrances which may constitute a lien upon the Property. Grantor shall timely pay and perform any obligation, covenant or warranty contained in any other deed of trust or writing (herein Other Deed of Trust) which gives rise to any or which may constitute a lien upon any of the Property. Grantor shall upon request of Beneficiary promptly furnish satisfactory evidence of such payment or performance. Grantor shall not enter into, terminate, cancel or amend any lease affecting the Property or any part thereof without the prior written consent of Beneficiary. Grantor shall timely pay and perform all terms of any lease or sublease of the Property or any part thereof.
3. **INSURANCE.** Grantor shall keep insured all improvements which are now existing and which might hereafter become part of the Property, against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required from time to time by Beneficiary; and Grantor shall pay promptly, when due, any premiums on the insurance. All insurance shall be carried with companies approved by Beneficiary, and Grantor shall cause all policies and renewals thereof to be delivered to Beneficiary; and the policies shall contain loss payable clauses in favor of and in form acceptable to Beneficiary. In the event of loss, Grantor shall give immediate notice to Beneficiary, and Beneficiary may make proof of loss if such is not made promptly by Grantor. Any insurer is hereby expressly authorized and directed to make payment for the loss directly and solely to Beneficiary. Further, Beneficiary may apply the insurance proceeds, or any part thereof, in its sole discretion and at its option, either to the reduction of the Debt or to the restoration or repair of any portion of the Property damaged.
4. **ESCROW DEPOSITS.** Upon demand of Beneficiary, Grantor shall add to each payment required under the Note or other Document the amount estimated by Beneficiary to be sufficient to enable Beneficiary to pay as they become due all taxes, charges, assessments, and insurance premiums which Grantor is required to pay. Further, any deficiency occasioned by an insufficiency of such additional payments shall be deposited by Grantor with Beneficiary upon demand.
5. **PRESERVATION AND MAINTENANCE OF THE PROPERTY.** Grantor shall keep the Property in as good order and repair as it now is (reasonable wear and tear excepted) and shall neither commit nor permit any waste or any other occurrence or use which might impair the value of the Property. Grantor shall not initiate or acquiesce in a change in the zoning classification of the Property or make or permit any structural alteration thereof without Beneficiary's prior written consent.
6. **COMPLIANCE WITH LAWS.** Grantor shall regularly and promptly comply with any applicable legal requirements of the United States, the State of North Carolina or other governmental entity, agency or instrumentality relating to the use or condition of the Property.
7. **CONDEMNATION AWARD.** Any award for the taking of, or damages to, all or any part of the Property or any interest therein upon the lawful exercise of the power of eminent domain shall be payable solely to Beneficiary, which may apply the sums so received to payment of the Debt.
8. **PAYMENTS BY BENEFICIARY.** If Grantor shall be in default in the timely payment or performance of any of Grantor's obligations, the Note or other Document, under this Deed of Trust or Other Deed of Trust, Beneficiary may, but it is not obligated to, expend for the account of Grantor any sums, expenses and fees which Beneficiary believes appropriate for the protection of the Property and the maintenance and execution of this trust. Any amounts so expended shall be deemed principal advances fully secured by this Deed of Trust, shall bear interest from the time expended until paid at the rate of interest accruing on the Debt, and shall be due and payable on demand.
9. **RENTS AND PROFITS.** Grantor hereby assigns to Beneficiary all future rents and profits from the Property as additional security for the payment of the Debt and for the performance of all obligations secured by this Deed of Trust. Grantor hereby appoints Beneficiary as Grantor's attorney-in-fact to collect any rents and profits, with or without suit, and to apply the same, less expenses of collection, to the Debt or to any obligations secured by this Deed of Trust in any manner as Beneficiary may desire. However, until default under the Note or other Document or under this Deed of Trust, Grantor may continue to collect and retain the rents and profits without any accountability to Beneficiary. Beneficiary's election to pursue the collection of the rents or profits shall be in addition to all other remedies which Beneficiary might have and may be put into effect independently of or concurrently with any other remedy.
10. **SECURITY INTEREST.** All the fixtures and equipment which comprise a part of the Property shall, as far as permitted by law, be deemed to be affixed to the aforesaid land and conveyed therewith. As to the balance of the fixtures, this Deed of Trust shall be considered to be a security agreement which creates a security interest in such fixtures for the benefit of Beneficiary. In that regard, Grantor grants to Beneficiary all of the rights and remedies of a secured party under the North Carolina Uniform Commercial Code. Grantor agrees to execute and deliver to Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the security interest created hereby. Grantor hereby irrevocably (as long as the Debt remains unpaid) makes, constitutes and appoints Beneficiary as the true and lawful attorney of Borrower to sign the name of Grantor on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests. However to the extent allowed by law, this Deed of Trust shall be a financing statement sufficient to perfect and maintain any security interest created hereby in the Property and its Proceeds.
11. **GRANTOR'S CONTINUING OBLIGATION.** This Deed of Trust shall remain as security for full payment of the Debt and for performance of any obligation evidenced by the Note or other Document, notwithstanding any of the following: (a) the sale or release of all or any part of the Property; (b) the assumption by another party of Grantor's obligations under this Deed of Trust, the Note or other Document; (c) the forbearance or extension of time for payment of the Debt or for performance of any obligations under this Deed of Trust, the Note or other Document, whether granted to Grantor or to a subsequent owner of the Property; or (d) the release of any party who has assumed payment of the Debt or who assumed any other obligations under this Deed of Trust, the Note or other Document. None of the foregoing shall, in any way, affect the full force and effect of the lien of this Deed of Trust or impair Beneficiary's right to a deficiency judgment in the event of foreclosure against Grantor or any party who had assumed payment of the Debt or who assumed any other obligations the performance of which is secured by this Deed of Trust.
12. **SUBSTITUTION OF TRUSTEE.** Beneficiary shall have the unqualified right to remove the individual designated as Trustee on the first page of this Deed of Trust, and to appoint one or more substitute or successor Trustees by instruments filed for registration in the County Registry where this Deed of Trust is recorded. Any such removal or appointment may be made at any time and from time to time without notice, without specifying any reason therefor and without any court approval. Any such appointee shall become fully vested with title to the Property and with all rights, powers and duties conferred upon the individual originally designated as Trustee, in the same manner and to the same effect as though that party were named herein as the original Trustee.
13. **INDEMNIFICATION IN EVENT OF ADVERSE CLAIMS.** In the event that Beneficiary or Trustee voluntarily or otherwise shall become parties to any suit or legal proceeding involving the Property, they shall be saved harmless and shall be reimbursed by Grantor for any amounts paid, including all 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 payable upon demand.
14. **INSPECTION.** Beneficiary may at any reasonable time and from time to time make or cause to be made reasonable entries upon, investigations and inspections of the Property, including without limitation any inspections or investigations such as sampling and testing which may be necessary or desirable to review compliance with Environmental Laws.
15. **WARRANTIES.** Grantor covenants with Trustee and Beneficiary that Grantor is seized of the Property in fee simple, has the right to convey the same in fee simple, that title to the Property is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, subject only to any declarations, easements, restrictions or encumbrances listed in the title opinion or title insurance policy which Beneficiary obtained in the transaction in which Beneficiary obtained this Deed of Trust.

16. ATTORNEYS' FEES. In the event that Grantor shall default in its obligations under this Deed of Trust, the note or other Document, and Beneficiary employs an attorney to assist in the collection of the Debt or to enforce compliance of Grantor with any of the provisions of this Deed of Trust, the Note or other Documents or in the event Beneficiary or Trustee shall become parties to any suit or legal proceeding (including any proceeding conducted before any United States Bankruptcy Court) concerning the Property, concerning the lien of this Deed of Trust, concerning collection of the Debt or concerning compliance by Grantor with any of the provisions of this Deed of Trust, the Note or other Document, Grantor shall pay Beneficiary's reasonable attorneys' fees and all of the costs that may be incurred, and such fees and costs shall be secured by this Deed of Trust and its payment enforced as if it were a part of the Debt. Grantor shall be liable for such attorneys' fees and costs whether or not any suit or proceeding is commenced.

17. ANTI-MARSHALLING PROVISIONS. Trustee and Beneficiary may grant releases at any time and from time to time of all or any portion of the Property (whether or not such releases are required by agreement among the parties) agreeable to Trustee and Beneficiary without notice to or the consent, approval or agreement of other parties and interests, including junior lienors and purchasers subject to the lien of this Deed of Trust, and such releases shall not impair in any manner the validity of or priority of this Deed of Trust on that portion of the Property remaining subject to this Deed of Trust, nor release Grantor from personal liability for the Debt. Notwithstanding the existence of any other security interests in the Property held by Beneficiary or by any other party, Beneficiary shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies available to Beneficiary, and Beneficiary shall further have the right to determine the order in which any or all portions of the Debt are satisfied from the proceeds realized upon the exercise of any remedy it has. Grantor, or any party who consents to this, or any party who has actual or constructive notice hereof, hereby waives any and all rights to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

18. ENVIRONMENTAL ISSUES. Grantor for itself, its successors and assigns represents, warrants and agrees that (a) neither Grantor nor any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Property or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Property; (b) neither Grantor nor any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Property; (c) the Property are presently in compliance with all Environmental Laws; there are no circumstances presently existing upon or under the Property, or relating to the Property which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against Grantor relating to the Property (or against any other party relating to the Property) seeking to enforce any right or remedy under any of the Environmental Laws; (d) the Property shall be used to generate, manufacture, transport, treat, store, handle, dispose, or process Hazardous Materials only in accordance with all applicable Environmental Laws; (e) Grantor shall not cause nor permit the improper installation of Hazardous Materials in the Property nor a release of Hazardous Materials on the Property; (f) Grantor shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Property and shall keep the Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (g) the Grantor has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws (the "Permits") and the Grantor is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; (h) Grantor shall immediately give the Beneficiary oral and written notice in the event that Grantor receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Property and shall conduct and complete all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Property in accordance with all applicable Environmental Laws. The Grantor hereby agrees to indemnify the Beneficiary and hold the Beneficiary harmless from and against any and all losses, liabilities, damages, injuries (including, without limitation, attorneys' fees) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Beneficiary for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Property of any Hazardous Material regardless of whether or not caused by or within the control of Grantor, (b) the violation of any Environmental Laws relating to or affecting the Property, whether or not caused by or within the control of Grantor, (c) the failure by Grantor to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by Grantor in this paragraph being false or untrue in any material respect. For purposes of this Deed of Trust, "Hazardous Material" means and includes petroleum products, any flammable explosives, radioactive materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Deed of Trust, "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, any "Super Fund" or "Super Lien" law, or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any petroleum products, any flammable explosives, radioactive materials, asbestos or any material containing asbestos, and/or hazardous, toxic or dangerous waste, substance or material, as may now or at any time hereafter be in effect. The obligations and liabilities of Grantor under this paragraph shall survive the foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, the cancellation of the Note, or if otherwise expressly permitted in writing by the Bank, the sale or alienation of any part of the Property.

19. EVENTS OF DEFAULT. Grantor shall be in default under this Deed of Trust upon the occurrence of any of the following:

- (a) Default in the payment or performance of any of the obligations, or of any covenant or warranty, in this Deed of Trust, in the Note or other Document, or in any other note of Grantor to Beneficiary or any contract between Grantor and Beneficiary, or in any contract between any third party and Beneficiary made for the benefit of Grantor; or
- (b) Any warranty, representation or statement made or furnished to Beneficiary by or on behalf of Grantor in connection with this transaction proving to have been false in any material respect when made or furnished; or
- (c) Loss, theft, substantial damage, destruction to or of the Property, or the assertion or making of any levy, seizure, mechanic's or materialman's lien or attachment thereof or thereon; or
- (d) Death, dissolution, termination of existence, insolvency, business failure, appointment of a Receiver for any part of the property of, assignment for the benefit of creditors by, or the inability to pay debts in the ordinary course of business of the Grantor or any co-maker, endorser, guarantor or surety for Grantor; or
- (e) Failure of a corporate Grantor or co-maker, endorser, guarantor or surety for Grantor to maintain its corporate existence in good standing, or
- (f) Upon the entry of any monetary judgment or the assessment or filing of any tax lien against Grantor, or upon the issuance of any writ of garnishment or attachment against any property of debts due or rights of Grantor; or
- (g) The sale (including sale by land contract upon delivery of possession), transfer or encumbrance of all or any part of the Property or any interest therein, or any change in the ownership or control of any corporate or partnership Grantor, without Beneficiary's prior written consent, or
- (h) If Beneficiary should otherwise deem itself, its security interests, the Property or the Debt unsafe or insecure, or should Beneficiary otherwise believe that the prospect of payment or other performance is impaired.

20. REMEDIES OF BENEFICIARY UPON DEFAULT. Upon the occurrence of any event of default, Beneficiary may, at its option, without prior notice to Grantor, declare the Debt to be immediately due and payable in full, and, on application of Beneficiary, Trustee shall foreclose this Deed of Trust in any manner permitted by North Carolina law, including selling the Property or any part thereof at public sale to the last and highest bidder for cash, free of any equity of redemption, homestead, dower, curtesy or other state or federal exemption, all of which are expressly waived by Grantor, after compliance with applicable North Carolina laws relating to foreclosure sales under power of sale, and Trustee shall execute and deliver to the purchaser a Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. The proceeds of any such sale shall be applied in the manner and in the order prescribed by applicable North Carolina law, it being agreed that the expenses of any such sale shall include a commission of five per cent of the gross sales price to Trustee for holding such sale and for all services performed by him hereunder excluding expenses incurred in making sale. In the event a foreclosure suit or special proceeding is commenced, and no sale is held, then the Grantor shall pay to the Trustee 1. all expenses incurred by Trustee and 2. a partial commission computed on five per cent of the balance of the unpaid Debt. Beneficiary may bid and become the purchaser at any sale under this Deed of Trust. At any such sale Trustee may at his election require the successful bidder immediately to deposit with Trustee cash in an amount equal to all or any part of the successful bid, and notice of any such requirement need not be included in the advertisement of the notice of such sale. If foreclosure proceedings are instituted under this Deed of Trust, Trustee is hereby authorized to take possession of the Property and collect any rental accrued or to accrue; or Trustee may lease the Property or any part thereof, receive the rents and profits therefrom, and hold the proceeds remaining after payment of the expenses of managing and operating the Property subject to the order of the court for the benefit of Beneficiary pending final disposition of the foreclosure proceedings, and during any period allowed by applicable law for the redemption from any foreclosure sale ordered in such proceedings, and Trustee may act irrespective of the value of the Property or its adequacy or inadequacy to secure or discharge the indebtedness then owing.

21. RELEASE AND CANCELLATION. Upon fulfillment of all of obligations the performance of which is secured by this Deed of Trust, and upon payment of the Debt, this Deed of Trust and the Note or other Document shall be marked "Satisfied" and returned to Grantor, and this conveyance shall be null and void and may be cancelled of record at the request and cost of Grantor and title to the Property shall revert as provided by law.

22. MISCELLANEOUS. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and shall not be used to interpret or define any provisions. All remedies provided herein are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively. All covenants contained herein shall bind and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors or assigns of the parties to this Deed of Trust, and the designations "Grantor", "Trustee" and "Beneficiary" include the parties, their heirs, executors, administrators, successors and assigns. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall be applicable to all genders. This Deed of Trust shall be governed by and construed under North Carolina law. Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Beneficiary shall not be a waiver of Beneficiary's right to accelerate the maturity of the Debt. Time is of the essence in the payment or performance of any of the obligations, or of any covenant or warranty contained in this Deed of Trust or in the Note, or other Document.

HK 1769 P 3245

IN TESTIMONY WHEREOF, the above corporate Grantor has caused this instrument to be executed in its corporate name by its

President,
attested by its _____ Secretary,
and its corporate seal to be hereto affixed all by the lawful order of its
Board of Directors first duly given, with this sealed instrument being
delivered on the date first above written.

(CORPORATE NAME)

By: _____

President

By: _____

ATTEST: _____

(CORPORATE SEAL) _____ Secretary

IN TESTIMONY WHEREOF, each individual Grantor has hereunto
set his hand and adopted as his seal the word "SEAL" appearing beside
or near his signature, this sealed instrument being executed and
delivered on the date first above written.

Grantor: _____ (SEAL)

Grantor: _____ (SEAL)

Grantor: _____ (SEAL)

Grantor: _____ (SEAL)

J & H Property, A NC General Partnership (Seal)
PARTNERSHIP NAME

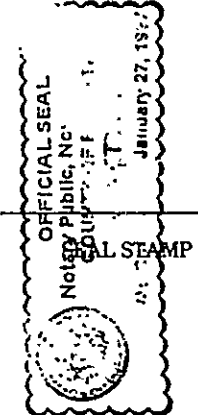
By: M. Todd Jackson (SEAL)
GENERAL PARTNER

By: Jeanne King Holmes (SEAL)
GENERAL PARTNER

By: Jerry D. Holmes, Jr. (SEAL)
GENERAL PARTNER

By: Todd Jackson (SEAL)
GENERAL PARTNER

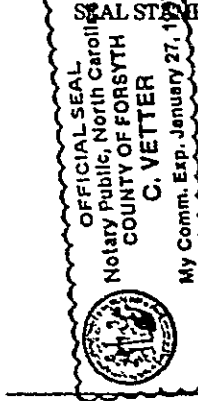
SEAL STAMP



STATE OF NORTH CAROLINA, COUNTY OF Forsyth
I, C. Vetter a Notary Public, do hereby certify that
Jerry D. Holmes, Jr., Jeanne King Holmes, M. Todd Jackson,
personally appeared before me this day and acknowledged the execution of this Deed of Trust.
Witness my hand and official stamp or seal, this 29 day of Jan 19 93
My Commission Expires: 1-27-97 C. Vetter
NOTARY PUBLIC

STATE OF NORTH CAROLINA, COUNTY OF _____
I, _____ a Notary Public, do hereby certify that
_____ Grantor,
personally appeared before me this day and acknowledged the execution of this Deed of Trust.
Witness my hand and official stamp or seal, this _____ day of _____ 19 _____
My Commission Expires: _____
NOTARY PUBLIC

SEAL STAMP



STATE OF NORTH CAROLINA, COUNTY OF _____
I, _____ a Notary Public, do hereby certify that
_____ personally appeared before me this day and acknowledged that they are all the general partners (or that he is the sole
general partner) of _____,
a partnership, and further acknowledged the due execution of this Deed of Trust on behalf of the partnership
Witness my hand and official stamp or seal, this _____ day of _____ 19 _____
My Commission Expires: _____
NOTARY PUBLIC

SEAL STAMP

STATE OF NORTH CAROLINA, COUNTY OF _____
I, _____ a Notary Public, do hereby certify that
_____ personally came before me this day and after being by me duly sworn, says that he is the President (or Vice President)
of _____,
a corporation, that the seal affixed to this Deed of Trust is the corporate seal of the corporation, and that this Deed of
Trust was signed and sealed by him, on behalf of the corporation by its authority duly given, and further acknowledged
this Deed of Trust to be the act and deed of the corporation. Witness my hand and official stamp or seal, this _____
day of _____ 19 _____
My Commission Expires: _____
NOTARY PUBLIC

The foregoing Certificate(s) of C. Vetter N.P. Forsyth Co NC

is, are 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.

By: Paty Rous REGISTER OF DEEDS FOR Forsyth COUNTY
Deputy Assistant Register of Deeds

EXHIBIT A

BEING KNOWN AND DESIGNATED as Unit No. 322 as shown on a plat or plats entitled "FOREST OAKS, PHASE THREE-A" recorded in Condominium and Unit Ownership Book 2, at pages 103, through 105, in the Office of the Register of Deeds of Forsyth County, North Carolina; reference to which is hereby made for a more particular description; and an undivided fee simple interest, which is subject to reduction, as hereinafter stated, in and to the common area shown on the referenced recorded plat and the plats of "FOREST OAKS, PHASE ONE" recorded in Condominium and Unit Ownership Book 1, pages 131 through 134, "FOREST OAKS, Amenities Area" recorded in Unit Ownership Book 2, pages 10 through 11, "FOREST OAKS, PHASE TWO," recorded in Condominium and Unit Ownership Book 1, at pages 138 through 142, and revised in Book 2, page 9, and "FOREST OAKS, PHASE THREE," recorded in Condominium and Unit Ownership Book 2 at pages 77 and 78.

TOGETHER with all rights and easements appurtenant to said unit as specifically enumerated in the "Declaration of Condominium" issued by Forest Oaks Associates recorded in the Office of the Register of Deeds of Forsyth County, in Book 1358, page 1391, et seq., as amended in Book 1362, page 948, et seq., amended by Shugart Enterprises, Inc. in Book 1398, page 113, et seq. and re-recorded in Book 1398, page 1090, et seq., and amended by Shugart Development Company, Inc., in Book 1447, page 311 et seq., and Book 1462, page 810 and pursuant thereto membership in Forest Oaks Homeowners Association, Inc., a North Carolina Non-Profit Corporation, recorded with the Declaration of Condominium as Exhibit "D".

TOGETHER with all rights in and to the limited common areas and facilities, if any, appurtenant to said unit; and

TOGETHER with a non-exclusive easement for ingress, egress and regress with all 25-foot wide roadways as shown on the Condominium Plats of Phase One, Phase Two, Phase Three, Amenities Area and Phase Three-A above referred to; and

Subject to the said Declaration of Condominium, amendments thereto and the Exhibits annexed thereto, which are incorporated herein as if set forth in their entirety, and by way of illustration and not by way of limitation, provide for:

- (1) 1.2253% as the percentage of undivided fee simple interest appertaining to the above unit in the common areas and facilities, which percentage may be reduced as provided therein; (2) Use and restriction of use of unit for residential and lodging accommodation purposes, and other uses reasonably incidental thereto; (3) Property rights of Purchaser, in and to the Common Area; (4) Obligations and responsibility of the Purchaser for regular monthly assessments and special assessments and the effect of non-payment thereof as set forth in said Declaration and By-Laws annexed thereto; (5) Limitations upon use of Common Areas; (6) Obligations of Purchaser and the Association for maintenance; (7) Restrictions upon use of the unit ownership in real property conveyed hereby; and (8) Retention of interest in Forest View Drive and Winding Forest Drive by Seller and Lender for access to adjoining property.

CONDOMINIUM RIDER BK 1769 P 3248

THIS CONDOMINIUM RIDER is made this 29th day of JANUARY, 1993, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to
BRANCH BANKING AND TRUST COMPANY

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
322 Winding Forest Drive, Winston-Salem, NC 27104

[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Forest Oaks

[Name of Condominium Project]

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 10.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

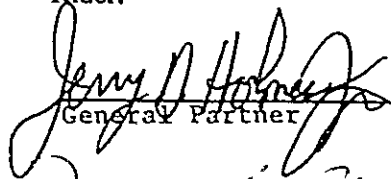
(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

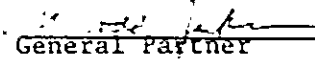
F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.


J & H PROPERTY, a North Carolina general partnership


General Partner

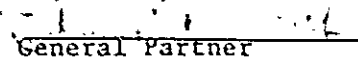
(Seal)
-Borrower


General Partner

(Seal)
-Borrower


General Partner

(Seal)
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General Partner

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