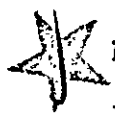


... Peebles Box

222 BK1811 P1766 /



NORTH CAROLINA)
FORSYTH COUNTY)

MODIFICATION OF NOTE

THIS AGREEMENT AND MODIFICATION entered into this 28 day of December, 1993, and between MICHAEL L. DAWSON and wife, GLENDA DAWSON, hereinafter referred to as "Borrower"; STAFFORD R. PEEBLES, JR., hereinafter referred to as "Trustee"; and N. DAVID CARTER, INC., hereinafter referred to as "Lender":

W I T N E S S E T H:

WHEREAS, Michael L. Dawson and wife, Glenda Dawson executed and delivered to N. David Carter, Inc. a certain Note and Deed of Trust dated November 16, 1988 in the principal sum of SEVENTY THOUSAND AND 00/100 (\$70,000.00) of even date therewith, recorded in Book 1654, Page 3167, Forsyth County Registry, describing as collateral for the Note the house and lot located at 245 Kramer Court, Winston-Salem, North Carolina 27106, more particularly described as follows:

BEING KNOWN AND DESIGNATED as Lot 4, as shown on the Map of ROBIN HOOD PARK, recorded in Plat Book 23 at Page 103 in the Office of the Register of Deeds of Forsyth County, North Carolina, to which map reference is hereby made for a more particular description.

WHEREAS, the parties have agreed to modify the Note to change the interest rate to seven and one half (7 1/2%) per annum effective December 1, 1993 with new payments based on the reduced interest rate to commence January 1, 1994 for a period of twelve (12) years; and

WHEREAS, the parties have agreed that except for the modifications herein contained, that the terms of the original Note and Deed of Trust shall remain in full force and effect.

NOW THEREFORE, in consideration of the mutual promises and benefits made and received by each of the parties hereto, the parties hereto, for themselves, their heirs, successors and assigns, do hereby agree and covenant as follows:

1. The principal balance outstanding on the Note is SIXTY EIGHT THOUSAND THREE HUNDRED SEVENTEEN AND 34/100 (\$68,317.34)

2. The interest rate provided for in the Note is hereby amended to read "at the rate of seven and one half (7 1/2%) per annum effective December 1, 1993 on the unpaid principal balance until paid or until default...."; and

3. Repayment of the present outstanding indebtedness of SIXTY EIGHT THOUSAND THREE HUNDRED SEVENTEEN AND 34/100

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(\$68,317.34) shall be due and payable in two hundred forty four (240) equal monthly installments of Five Hundred Fifty and 36/100 (\$550.36), beginning on the first day of January, 1994, and continue thereafter on the first day of each successive month until paid in full.

4. If not sooner paid, the entire remaining indebtedness shall be due and payable on December 1, 2014.

5. Stafford R. Peebles, Jr., Trustee, joins the execution of this agreement and modification for the purposes of acknowledging the terms hereof and expressing its consent hereto.

6. All parties hereto do hereby agree that the note and deed of trust except as herein amended and modified, shall remain in full force and effect.

IN WITNESS WHEREOF, all parties hereto have caused this agreement and modification to be executed and sealed.

Michael L. Dawson (SEAL)
~~MIKE DAWSON~~ MICHAEL L. DAWSON

Glenda Dawson (SEAL)
GLENDA DAWSON

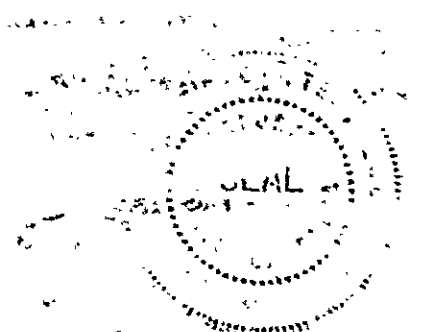
N. DAVID CARTER, INC.

ATTEST:

Dawn C. Carter
Secretary

BY: N. David Carter (SEAL)
PRESIDENT

Stafford R. Peebles, Jr. (SEAL)
STAFFORD R. PEEBLES, JR.
Trustee



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NORTH CAROLINA)

FORSYTH COUNTY)

I, Ellen M. Mander, a Notary Public of Forsyth County do hereby certify that Michael L. Dawson personally appeared before me this day and acknowledged the due execution of the foregoing Modification of Note.

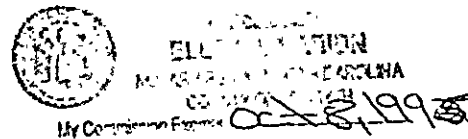
Witness my hand and notarial seal this the 28 day of December, 1993.

Ellen M. Mander
Notary Public

My Commission Expires: _____

NORTH CAROLINA)

FORSYTH COUNTY)



I, Ellen M. Mander, a Notary Public of Forsyth County do hereby certify that Glenda Dawson personally appeared before me this day and acknowledged the due execution of the foregoing Modification Note.

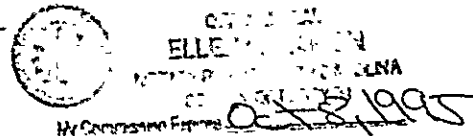
Witness my hand and notarial seal this the 28 day of December, 1993.

Ellen M. Mander
Notary Public

My Commission Expires: _____

NORTH CAROLINA)

FORSYTH COUNTY)



This the 3 day of ^{January} ~~December~~, 1994,
personally came before me, Ellen M. Mander, a Notary Public,
Dawn C. Carter, who being by me duly sworn says that
he knows the Common Seal of N. DAVID CARTER, INC., and is
acquainted with Dawn C. Carter who is the President of said
Corporation, and that he, the said Dawn C. Carter is the
Secretary of the said Corporation, and saw the said
President sign the foregoing instrument, and saw the Common Seal
of said Corporation affixed to said instrument by said
President, and that he, the said Dawn C. Carter signed
his name in attestation of the execution of said instrument in the
presence of the said _____ President of said Corporation.

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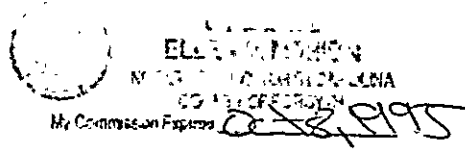
Witness my hand and notarial seal, this the 3 day of
December, 1993.

January 4

Ellen M. Marion
Notary Public

My Commission Expires: _____

NORTH CAROLINA)
FORSYTH COUNTY)

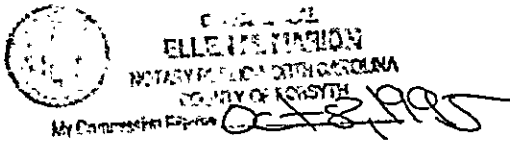


I, *Ellen M. Marion*, a Notary Public of Forsyth
County do hereby certify that Stafford R. Peebles, Jr. personally
appeared before me this day and acknowledged the due execution of
the foregoing Modification of Note.

Witness my hand and notarial seal this the 28 day of
December, 1993.

Ellen M. Marion
Notary Public

My Commission Expires: _____



STATE OF NORTH CAROLINA FOR
FORSYTH County

The foregoing (or annexed) certificate of *Ellen M. Marion N.P.*
(there give name and official title of the officer signing the certificate passed upon)

is (are) certified to be correct. This the 10 day of Jan 19 94

L. E. SPEAS
REGISTER OF DEEDS
FORSYTH CO. N. C.

L. E. Speas, Register of Deeds

By *Jessie Holden* Deputy ~~Assistant~~

Probate and Filing Fee \$ 14.00 paid *B. Plunkett*