

**FIRST
UNION**

Prepared by Carolyn D. Clark and after
recording return to:
First Union National Bank of Virginia
PO Box 13327
Roanoke, Virginia 24040-7391

FORSYTH CO. NC INST NO: 34 FEE: \$ 16.00
PRESENTED & RECORDED: 09/03/1996 11:09AM
JOHN HOLLEMAN REGISTER OF DEEDS BY: GORDONK

Handwritten signature/initials

MODIFICATION AND EXTENSION OF DEED OF TRUST

THIS MODIFICATION AND EXTENSION, is made August 30, 1996, by J & F Partners, a North Carolina General Partnership, whose address is 5100 Lansing Drive, Winston-Salem, North Carolina 27105 ("Grantor") and delivered to First Union National Bank of North Carolina, a national banking association ("Bank"), whose address is 301 South Tryon Street Charlotte, North Carolina 28202.

RECITALS

Bank is owner and holder of a certain Deed Of Trust (the "Deed of Trust") wherein George L. Anderson, Jr. is the trustee, dated June 24, 1991, recorded in Book 1718, page 2002, of the public land records of the County of Forsyth, State of North Carolina.

Bank is owner and holder of a certain promissory note and security agreement (the "Note") in the original amount of \$780,000.00, dated June 24, 1991, made by J & F Partners, a North Carolina General Partnership, payment of which is secured by the Deed of Trust.

Bank and J & F Partners, a North Carolina General Partnership, the Grantor under the Deed of Trust ("Grantor") have modified, renewed and extended the Note and accordingly have agreed to modify, renew and extend the Deed of Trust.

WITNESSETH

In consideration of the foregoing premises Grantor and Bank hereby modify the Deed of Trust as follows:

Note Modified, Renewed And Extended. Bank and J & F Partners, a North Carolina General Partnership have executed a Promissory Note (the "Modified Note") dated August 30, 1996, that modifies the terms of the Note. It is hereby certified that the stated principal amount due under the Modified Note is \$950,000.00. The Modified Note matures and is due on September 30, 2001.

Modified Note Secured. Grantor acknowledges and agrees (i) that the Modified Note is a modification, renewal and extension of the Note, (ii) that the payment and performance of the Obligations (as the term "Obligations" is defined in the Modified Note) is secured by the Deed of Trust, (iii) that there are no defenses or impediments to enforcement of the lien of the Deed of Trust, and (iv) that the Modified Note evidences the same indebtedness as the Note and is not a novation.

Deed of Trust Confirmed. Grantor acknowledges and agrees that the Deed of Trust, except

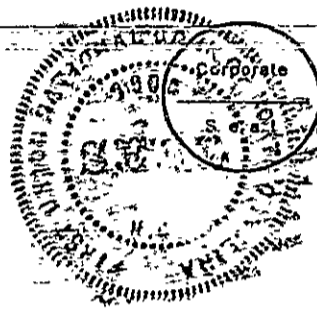
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as expressly modified by this Modification And Extension shall remain in full force and effect as originally executed and the terms of this Modification And Extension shall be part of the Deed of Trust.

Document Taxes. Grantor shall pay the full amount of any documentary stamp tax, intangible tax, interest, filing fees and penalties, if any, charged incident to the loan transaction and modification(s) described in or created by this Modification And Extension and the filing of this Agreement. If Grantor fails to pay the obligations under this paragraph, Bank may pay such obligations. Any amounts so paid by Bank shall bear interest at the default rate stated in the Modified Note and shall be secured by the Deed of Trust.


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




Bank

First Union National Bank of North Carolina

By:


George L. Anderson, Jr., Vice President

Attest:


Asst., Secretary


Grantor

J & F Partners, a North Carolina General Partnership

By:


Faiger M. Blackwell, Partner (SEAL)

By:

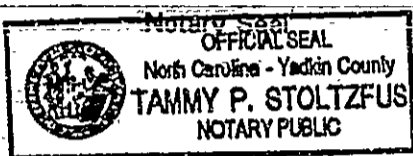

Jerry R. Chapman, Partner (SEAL)

State of North Carolina
City/County of Yadkin

BANK ACKNOWLEDGMENT

I certify that J. Roy Douglas personally came before me this day and acknowledged that he/she is Secretary of First Union National Bank of North Carolina, a North Carolina bank, and that by authority duly given and as the act of the bank, the foregoing instrument was signed in its name by its Vice President, George L. Anderson, Jr., sealed with its corporate seal, and attested by himself/herself as its Secretary.

Witness my hand and official seal, this 30 day of August, 19 96.



Tammy P. Stoltzfus, Notary Public

Tammy P. Stoltzfus
(Printed Name of Notary)

My Commission expires: 11/19/96

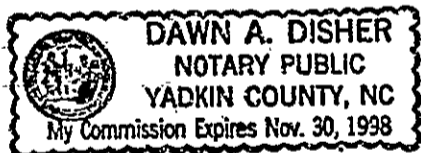
State of North Carolina
City/County of Yadkin

PARTNERSHIP ACKNOWLEDGMENT

I certify that before me appeared this day, Faiger M. Blackwell, a person known to me, who after being sworn said he/she is partner of J & F 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 30th day of August, 19 96.

Notary Seal



Dawn A. Disher, Notary Public

Dawn A. Disher
(Printed Name of Notary)

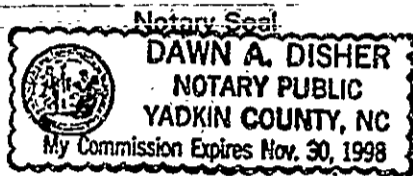
My Commission expires: 11-30-98

State of North Carolina
City/County of Yadkin

PARTNERSHIP ACKNOWLEDGMENT

I certify that before me appeared this day, Jerry R. Chapman, a person known to me, who after being sworn said he/she is partner of J & F 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 30th day of August, 1996.



Dawn A. Disher Notary Public.

Dawn A. Disher
(Printed Name of Notary)

My Commission expires: 11-30-98

CLERK'S CERTIFICATE

The foregoing certificate(s) of Emmy P. Stoltzfus & Dawn A. Disher ^{2re}
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.

~~JOHN HOLLEMAN, REGISTER OF DEEDS~~ REGISTER OF DEEDS FOR FORSYTH COUNTY

By Jimmy R. Y
Deputy/Assistant Register of Deeds

(A-04548) Tax Block 6210, Lot 001; PIN #6847 35 5662; 5100 Lansing Drive, Winston-Salem, North Carolina, Middlefork Township, Forsyth County, North Carolina;

BEING all that tract containing 8.082 acres, more or less, shown on that plat of survey entitled "Forsyth Villa", which plat is duly recorded in plat book 33, page 147, Forsyth County Registry, to which plat reference is hereby made for a more complete and accurate description.

SUBJECT, however, to the following:

1. Sanitary sewer and greenway easements to the City of Winston-Salem as recorded in book 1670, page 1662, and as shown on plat recorded in plat book 33, page 147.
2. The dedication of a public right-of-way to the City of Winston-Salem as recorded in book 1670, page 1662, and as shown on plat recorded in plat book 33, page 147.
3. Water line easement to the City of Winston-Salem as recorded in book 1699, page 276.
4. Water line easement to the City of Winston-Salem as recorded in book 1722, page 855.
5. All easements, restrictions and conditions of record.

For reference purposes for source of title see: that deed in book 1670, page 1666.

BK1916 P2753