

159
 FORSYTH CO, NC FEE: \$ 32.00
 PRESENTED & RECORDED: 02/18/2004 1:59PM
 DICKIE C. WOOD REGISTER OF DEEDS BY: POINDE

BK2446 P 820 - P 826

**MODIFICATION OF NOTE
 AND
 DEED OF TRUST**

Loan Number 2000001619
 Reference Number 2000001619
 Date 01-22-2004
 Loan/Line Amount at Modification 247,251.84
 Present Outstanding Principal Balance 247,251.84

Return to House Box #162

Drafted By: George Hollodick

STATE OF NORTH CAROLINA)
)
 COUNTY OF FORSYTH)

THIS MODIFICATION OF NOTE AND DEED OF TRUST is entered into this 22 nd day of JAN, 2004,
 by and between ZEVELY HOUSE RESTAURANT, LLC & Z HOUSE R-E, LLC

hereinafter referred to as "Borrower"; SCBT, INC., as Trustee, hereinafter referred to as "Trustee";
SOUTHERN COMMUNITY BANK AND TRUST, hereinafter referred to as "Beneficiary/Bank" and other person(s) or entities
 signing below who have executed a Deed of Trust but not the Note described below.

W I T N E S S E T H :

WHEREAS, Borrower executed and delivered to Beneficiary/Bank a certain debt instrument, hereinafter referred to as "Note", dated
12-11-1998, in the original principal amount of \$ 320,000.00, which Note is secured by a Deed of Trust
 of even date therewith to secure to Beneficiary/Bank the repayment of the indebtedness evidenced by said Note, which Deed of Trust
 appears of record in the Office of the Register of Deeds of FORSYTH County, North Carolina, in Book 2041,
 Page 584; Register of Deeds of _____ County, North Carolina, in Book _____, Page _____;
 Register of Deeds of _____ County, North Carolina, in Book _____, Page _____; and

WHEREAS, the parties have agreed to modify and/or extend the terms of Note and Deed of Trust, the principal balance of the Note
 being, as of this date, \$ 247,251.84.

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

1. The terms of the Note and the Deed of Trust are hereby amended and modified as follows:

The payment schedule is hereby amended as follows:

59 monthly payments of \$2,883.12 beginning 02-23-2004, and a like amount on the same day of each consecutive month thereafter, and 1 final payment of all unpaid Principal & Interest due on 01-23-2009

The collateral or other item was changed as follows:

PRIOR VERSIONS OF THE NOTE AND MODIFICATION INCORRECTLY SET FORTH THE NAME OF Z HOUSE R-E, LLC, BUT ALL PARTIES, INCLUDING Z HOUSE R-E, LLC, ACKNOWLEDGE THAT Z HOUSE R-E, LLC IS AND HAS BEEN A PARTY TO, AND OBLIGATED UNDER THE LOAN DOCUMENTS, INCLUDING, WITHOUT LIMITATION THE NOTE & DEED OF TRUST.

2. The maturity date of the Note and Deed of Trust are extended to 01-23-2009. [If this paragraph is left blank the maturity date will be unaffected by this Agreement.]
3. In connection with this modification, Borrower agrees to pay Beneficiary/Bank a fee of \$ _____ and/or a Life of Loan Flood Fee of \$ _____.
4. The Trustee joins in executing this Agreement to acknowledge and consent to the modifications shown above.
5. All parties hereto agree that the Note and Deed of Trust, except as herein amended and modified, shall remain in full force and effect, including, without limitation, the rights of the Beneficiary/Bank to accelerate and collect indebtedness and foreclose on any collateral for the indebtedness in the event of a default. The Borrower and any other person or entity signing below hereby waive any right or claim they may have against the Beneficiary/Bank in connection with the Note, any collection activities of the Beneficiary/Bank with respect to the Note (including, without limitation, any foreclosure activities) and statements, if any, of the Beneficiary/Bank to credit reporting agencies or others with respect to the delinquencies or defaults which may have occurred before the date hereof and Borrower acknowledges and agrees that it is bound to repay the principal account referenced above without offset or deduction according to the terms of the Note as modified by this Agreement.

Reference Number 2000001619

IN TESTIMONY WHEREOF, each individual signing below has executed this Agreement under seal, and each party which is not an individual has caused this Agreement to be executed under seal by its duly authorized officer, partner or manager and each person or entity signing which is not a corporation adopts as the seal of such person or entity the word "(SEAL)" appearing beside the name of such person or entity.

Borrower/Grantor

Witness

(SEAL)

Witness

(SEAL)

Witness

(SEAL)

Witness

(SEAL)

Attest

Name of Corporation

By: _____

Title

Secretary (Corporate Seal)

ZEVELY HOUSE RESTAURANT, LLC

(SEAL)

Name of Partnership or Limited Liability Company

By: _____

(SEAL)

WILLIAM G. BENTON

MANAGER

By: _____

(SEAL)

By: _____

(SEAL)

Z HOUSE RESTAURANT, LLC

(SEAL)

By: _____

(SEAL)

William G. Benton

Manager

By: _____

(SEAL)

Witness

Witness

Witness

Witness

Witness

Reference Number 2000001619

APPROVAL OF GUARANTORS -- Each of the undersigned agrees to the modifications referenced above; agrees that our obligations will not be affected by such modifications; and agrees that the undersigned will continue to be obligated under the guaranty agreement executed by the undersigned.

A. Steele Hall
Witness

A. Steele Hall
Witness

A. Steele Hall
Witness

Witness

Attest

Secretary (Corporate Seal)

Witness

Witness

Witness

Witness

Witness

William G. Benton (SEAL)
WILLIAM G. BENTON

Thomas Alexander (SEAL)
THOMAS ALEXANDER

Margaret Merrell (SEAL)
MARGARET MERRELL

(SEAL)

Name of Corporation

By: _____

Title

Name of Partnership or Limited Liability Company (SEAL)

By: _____ (SEAL)

By: _____ (SEAL)

By: _____ (SEAL)

By: _____ (SEAL)

By: _____ (SEAL)

Reference Number 2000001619Beneficiary/BankTrustee

(SEAL)

OR

SOUTHERN COMMUNITY BANK AND TRUSTSCBT, INC.By: 7/1/04

Title

By: A. Steele Hall Jr.

Title

STATE OF NORTH CAROLINA)
COUNTY OF Davidson)

BANK ACKNOWLEDGMENT

I, Bonnie U. Beck, Notary Public of said County and State, certify that Hugh Roberts personally came before me this day and acknowledged that he/she is SVP of SOUTHERN COMMUNITY BANK AND TRUST, a banking corporation/association, and that he/she as SVP, being authorized to do so, executed the foregoing on behalf of the banking corporation/association.

WITNESS my hand and official seal, this the 22 day of JANUARY, 2004.Bonnie U. Beck Notary Public

(Notary Seal)

My Commission Expires: 2-5-06STATE OF NORTH CAROLINA)
COUNTY OF Davidson)

TRUSTEE ACKNOWLEDGMENT

I, Bonnie U. Beck, Notary Public of said County and State, do hereby certify that A. Steele Hall Jr. VP SCBT, Inc. Trustee, personally came before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and notarial stamp or seal, this 22 day of JANUARY, 2004.

Bonnie U. Beck Notary Public

(Notary Seal)

My Commission Expires: 2-5-06STATE OF NORTH CAROLINA)
COUNTY OF Fo)

BORROWER/GRANTOR ACKNOWLEDGMENT-INDIVIDUAL(S)

I, _____, Notary Public of said County and State, do hereby certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and notarial stamp or seal, this _____ day of _____.

Notary Public

(Notary Seal)

My Commission Expires: _____

Reference Number

2000001619

STATE OF NORTH CAROLINA)
COUNTY OF _____)

GUARANTOR ACKNOWLEDGMENT-INDIVIDUAL

I, _____, Notary Public of the County and State aforesaid, certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this _____ day of _____.

Notary Public

(Notary Seal)

My Commission Expires: _____

STATE OF NORTH CAROLINA)
COUNTY OF _____)

GUARANTOR ACKNOWLEDGMENT-INDIVIDUAL

I, _____, Notary Public of the County and State aforesaid, certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this _____ day of _____.

Notary Public

(Notary Seal)

My Commission Expires: _____

STATE OF NORTH CAROLINA)
COUNTY OF _____)

GUARANTOR ACKNOWLEDGMENT-INDIVIDUAL

I, _____, Notary Public of the County and State aforesaid certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this _____ day of _____.

Notary Public

(Notary Seal)

My Commission Expires: _____

STATE OF NORTH CAROLINA)
COUNTY OF Davidson)

Borrower/Grantor
~~GUARANTOR/DEBTOR~~ ACKNOWLEDGMENT-CORPORATE

I, Bonnie U. Beck, Notary Public of said County and State, do hereby certify that William G. Benton personally came before me this day and acknowledged that he/she is MANAGER ~~Secretary of~~ Z House R-E, LLC, a corporation, and that, by the authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its MANAGER ~~President~~, sealed with its corporate seal, and attested by himself/herself as its MANAGER ~~Secretary~~.

WITNESS my hand and official seal, this the 22 day of JANUARY, 2004.

Bonnie U. Beck
Notary Public

(Notary Seal)

My Commission Expires: 2-5-06

Reference Number

2000001619

STATE OF NORTH CAROLINA)
COUNTY OF _____)

BORROWER/GRANTOR ACKNOWLEDGMENT-INDIVIDUAL(S)

I, _____, Notary Public of said County and State, do hereby certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and notarial stamp or seal, this _____ day of _____, _____.

Notary Public

(Notary Seal)

My Commission Expires: _____

STATE OF NORTH CAROLINA)
COUNTY OF Davidson)

BORROWER/GRANTOR ACKNOWLEDGMENT-CORPORATE

I, Bonnie U. Beck, Notary Public of said County and State, do hereby certify that William G. Benton personally came before me this day and acknowledged that he/she is MANAGER Secretary of Zevely House Restaurant, LLC, a corporation, and that, by the authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its MANAGER President, sealed with its corporate seal, and attested by himself/herself as its MANAGER Secretary.

WITNESS my hand and official seal, this the 22 day of JANUARY, 2004.

Bonnie U. Beck Notary Public

(Notary Seal)

My Commission Expires: 2-5-06

STATE OF NORTH CAROLINA)
COUNTY OF Davidson)

GUARANTOR ACKNOWLEDGMENT-INDIVIDUAL

I, Bonnie U. Beck, Notary Public of the County and State aforesaid, certify that William G. Benton, Thomas Alexander + Margaret McReel, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this 22 day of JANUARY, 2004.

Bonnie U. Beck Notary Public

(Notary Seal)

My Commission Expires: 2-5-06

STATE OF NORTH CAROLINA)
COUNTY OF _____)

GUARANTOR ACKNOWLEDGMENT-INDIVIDUAL

I, _____, Notary Public of the County and State aforesaid, certify that _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this _____ day of _____, _____.

STATE OF NC - FORSYTH CO

Bonnie U. Beck The foregoing certificate(s) of:

NP(s)

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.

(Notary Seal)