

FORSYTH CO, NC 69 FEE: \$ 20.00  
 PRESENTED & RECORDED: 06/06/2001 10:56AM  
 BICKIE C. WOOD REGISTER OF DEEDS BY: HOODVA

Account Number: **4386540110720720**

This instrument was prepared by

**RETURN TO: First Union National Bank**  
**Consumer Loan Operations**  
**P.O. Box 50010, VA0343**  
**Roanoke, VA 24040-9901**

**SEHAM MOSSAD**

(Name)

**DEED OF TRUST**

THIS DEED OF TRUST is made this 24 day of May, 2001, among the Grantor, VICKI DIANA CRAFFORD AKA VICTORIA N and TIMOTHY W NEFF

(herein "Borrower"), and TRSTE, INC. (herein "Trustee") and the Beneficiary, First Union National Bank a national banking association whose address is 301 SOUTH TRYON STREET NC5432, CHARLOTTE, NC 28288-5432 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$52400.00, which indebtedness is evidenced by Borrower's Prime Equity Line Agreement and Disclosure Statement which provides for changes in the interest rate and advances of all or part of the loan proceeds from time to time dated 05/24/01 and extensions and renewals thereof (said agreement referred to in this Deed of Trust as "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on 04/24/21;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby grant and convey to Trustee the following described property located in the County of FORSYTH, State of North Carolina:

DEED DATE: 12/27/89 RECORDED DATE: 01/24/90 BOOK/INST: 1684 PAGE: 3120  
 PARCEL OR TAX ID #: 1626 007

\* SEE ATTACHED FOR LEGAL DESCRIPTION \*

which has the address of 326 N HAWTHORNE RD WINSTON SALEM NC 27103 (herein "Property Address");

This Deed of Trust secures a Prime Equity Line governed by the provisions of Article 9, Chapter 45 of the North Carolina General Statutes. The maximum principal amount which may be secured by this Deed of Trust at any one time is \$52400.00.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are hereinafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note. This Deed of Trust secures payment of said Note according to its terms, which are incorporated herein by reference.
- 2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraph 1 hereof shall be applied by Lender first to interest due on the Note, second to the principal due on the Note, and then to late charges due on the Note.
- 3. Prior Mortgages and Deed of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations, under any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and others charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any.
- 4. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.  
 The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgagee clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

**5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

**6. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

**7. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

**8. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

**9. Borrower Not Released; Forbearance By Lender Not a Waiver.** The Borrower shall remain liable for full payment of the principal and interest on the Note (or any advancement or obligation) secured hereby, notwithstanding any of the following:

(a) The sale of all or a part of the premises, (b) the assumption by another party of the Borrower's obligations hereunder, (c) the forbearance or extension of time for payment or performance of any obligation hereunder, whether granted to Borrower or a subsequent owner of the property, and (d) the release of all or any part of the premises securing said obligations or the release of any party who assumes payment of the same. None of the foregoing shall in any way affect the full force and effect of the lien of this Deed of Trust or impair Lender's right to a deficiency judgement (in the event of foreclosure) against Borrower or any party assuming the obligations hereunder.

Any forbearance by Lender 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.

**10. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 14 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Deed of Trust, but does not execute the Note, (a) is co-signing this Deed of Trust only to grant and convey that Borrower's interest in the Property to Lender under the terms of this Deed of Trust, (b) is not personally liable on the Note or under this Deed of Trust, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Deed of Trust or the Note without that Borrower's consent and without releasing that Borrower or modifying this Deed of Trust as to that Borrower's interest in the Property.

**11. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower or the current owner at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and any other person personally liable on this Note as these person's names and addresses appear in the Lender's records at the time of giving notice, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given the manner designated herein.

**12. Governing Law; Severability.** The state and local laws applicable to this Deed of trust shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Deed of Trust. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Deed of Trust and the Note are declared to be severable. As used herein, "costs", "expenses", and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**13. Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note, this Deed of Trust and Rider(s), if any, at the time of execution or after recordation hereof.

**14. Transfer of the Property or a Beneficial Interest in Borrower, Assumption.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by Federal law as of the date of this Security Instrument.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

This Deed of Trust may not be assumed by a purchaser without the Lender's consent. If an assumption is allowed, the Lender may charge an assumption fee and require the person(s) assuming the loan to pay additional charges as authorized by law.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

**15. Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums under the Note secured by this Deed of Trust, Lender, at Lender's option, may declare all of the sums secured by this Deed of Trust to be immediately due and payable without demand or notice unless required by law or the Note and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

In addition to the remedies provided on Borrower's breach of any covenant or agreement of the Borrower in this Deed of Trust, Lender may declare Borrower in default under this Deed of Trust if any of the following events occur:

(a)if Borrower fails to make the payments within 10 days of the due date; (b)if Borrower writes Drafts in excess of the available credit limit or the maximum credit limit; (c)if a petition is filed or other proceedings started under the Federal Bankruptcy code or any state insolvency statute or if a receiver is appointed or writ or order of attachment, levy or judgment is issued against Borrower or the Property, assets or income that affects the ability to repay this Agreement in accordance with the terms of this Agreement or that adversely affects Lender's security rights in the Property; (d)if Borrower permits any other lienholder to gain or appear to gain priority over Lender, except whatever first mortgage, deed of trust or deed to secure debt is outstanding on the Property, as Lender agrees, at the time of recording of Lender's Security Instrument to secure this Agreement; (e)if the Property is condemned or is totally or partially destroyed by fire or other hazards or any proceeding is commenced which materially affects Lender's interest in the Property; (f)if the secured note for any prior mortgage, deed of trust or deed to secure debt or lien on the real Property is in default by failure to pay principal, interest, charges, fees, escrow items or the commencement of a foreclosure proceeding or collection action that adversely affects Lender's security interest in the Property; (g)if Lender believes, in good faith, that Borrower has allowed the Property to deteriorate, committed waste or destructively used or failed to maintain the Property; (h)if Borrower commits fraud or misrepresent any information in the loan application, this Agreement or the Security Instrument at any time; (i)if Borrower fails to disclose any known environmental condition or hazard which adversely affects Lender's security interest in the Property; (j)if Borrower fails to maintain adequate insurance coverage on the Property naming Lender as insured; (k)if Borrower fails to pay taxes and assessments on the Property that results in a filing of a lien senior to Lender's lien that impairs Lender's security interest in the Property; or (l)if Borrower transfers any interest or title to the Property without Lender's consent as set forth in the terms of the Security Instrument or transfer of title occurs due to Borrower's death or by governmental action such as condemnation, however, Borrower understands Lender will not terminate this Agreement and accelerate payment if such action is prohibited by federal law as of the date of this Agreement.

In case of a conflict between the terms of the Note and this Security Instrument governing remedies on default or termination of advances, the priority of controlling terms shall be the Note and then this Security Instrument.

If Lender invokes the power of sale, Lender or Trustee shall give to Borrower (and the owner of the Property, if a different person) notice of sale in the manner prescribed by applicable law. Trustee shall give public notice by advertising, in accordance with applicable law, once a week for two successive weeks in a newspaper having general circulation in the county or city in which the Property or some portion thereof is located, and by such additional or different form of advertisement as the Trustee may deem advisable, if any. Trustee may sell the Property on the eighth day after the first advertisement, or any day thereafter, but not later than 30 days following the last advertisement. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by advertising in accordance with applicable law. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold with special warranty of title. The recitals in Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, Trustee's fees of 5% of the gross sale price, reasonable attorney's fees and costs of title evidence; (b) to the discharge of all taxes, levies and assessments on the Property, if any, as provided by applicable law; (c) to all sums secured by this Deed of Trust; and (d) the excess, if any, to the person or persons legally entitled thereto. Trustee shall not be required to take possession of the Property prior to the sale thereof or to deliver possession of the Property to the purchaser at such sale.

**16. Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 15 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 15 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Deed of Trust. The receiver shall be liable to account only for those rents actually received.

**17. Loan Charges.** If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (2) any sums already collected from Borrower which exceed permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

**18. Legislation.** If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note, the Deed of Trust or any Equity Line of Credit Rider, unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in the Deed of Trust or any Equity Line of Credit Rider, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Deed of Trust to be immediately due and payable.

**19. Release.** When the balance of all outstanding sums secured by the Security Instrument including outstanding Drafts, finance charges or other charge if any, is zero, the Lender shall upon request of the Borrower, release the Security Instrument without a charge to the Borrower, however Borrower will pay all cost of recordation, if any, of the satisfaction or release. Absent a request

from the Borrower, the Security Instrument shall remain in full force and effect for the term set forth above. Lender, at Lender's option, may allow a partial release of the Property on terms acceptable to the Lender may charge a release fee.

20. Substitute Trustee. Lender may from time to time in Lender's discretion remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

21. Termination of Lender's obligation to Advance Funds. Borrower acknowledges that Lender may cancel its obligation to make any future credit extensions on further advances under the Note in accordance with the provisions of the Note. Borrower acknowledges that its obligation under the Note will continue until all sums owed by Borrower to Lender have been paid.

22. Additional Representations, Warranties and Covenants. Borrower further represents, warrants and agrees that:

- (a) Borrower is the owner of the Property;
- (b) All representations made by Borrower in the loan application are correct and there has not been any material adverse change in the financial condition of Borrower from the date of the application;
- (c) Borrower has no knowledge of any environmental condition or hazard which adversely affects the Property;
- (d) No work has been done on or materials furnished to or improvements made to the Property within the last 90 days, except such improvements, work and materials, if any, as have been paid in full;
- (e) There are no lien rights, or possibility of lien rights, judgments, executions, suits or bankruptcies, which may be or have been asserted against the Property except for any lien or encumbrance listed below;
- (f) Borrower will indemnify and save harmless Noteholder from loss or damage which it may suffer on account of any lien claims, valid or invalid, that may be asserted against the Property;
- (g) The Property is used as Borrower's principal dwelling;
- (h) The only liens or encumbrances on the Property in addition to the lien created by this Deed of Trust are as follows:

FUNB

- (i) If the proceeds of this loan are being used to purchase the Property, the total purchase price of \$ \_\_\_\_\_ is being paid to \_\_\_\_\_ (Seller) and no credits of any type, including, but not limited to, rent credits or credits of any improvement to the Property, will reduce the purchase price; and
- (j) If the Property is a condominium, this Deed of Trust is permitted under any condominium documents and if any approvals are required, such approvals have been obtained.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust and adopted as his seal the word "(SEAL)" appearing beside his name.

*Vicki Diana Crafford Victoria N* (SEAL)  
 VICKI DIANA CRAFFORD AKA VICTORIA N -Borrower

*Timothy W Neff* (SEAL)  
 TIMOTHY W NEFF -Borrower

\_\_\_\_\_  
 (SEAL)  
 -Borrower

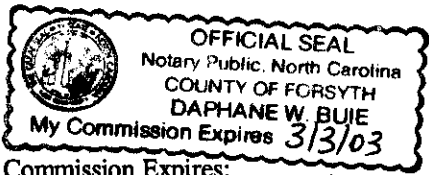
\_\_\_\_\_  
 (SEAL)  
 -Borrower

STATE OF NORTH CAROLINA  
 COUNTY OF Forsyth Co

I, Daphane W Buie, a Notary Public of the County of Forsyth, State of North Carolina, do hereby certify that VICKI DIANA CRAFFORD AKA VICTORIA N TIMOTHY W NEFF

personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal this 24<sup>th</sup> day of May 24, 2001



*Daphane W Buie*  
 Notary Public

My Commission Expires: 3/3/03

Dalhousie W. Burrell, Jr.

NP(s)

is/are certified to be correct at the date of recordation shown on the first page thereof.

Dickie C. Wood, Register of Deeds by: [Signature]

Deputy/Asst

**Legal Description**

Reference Number: 0111501971

Beginning at the Southwest corner of the intersection of High School Drive (now North Hawthorne Road) and Wiley Avenue and running thence Westwardly along the South side of said Wiley Avenue 136.1 feet to the Northeast corner of Lot No. 8 on the plat hereafter referred to; running thence in a Southwardly direction along the East line of Lot No. 8, 53.55 feet; thence Eastwardly along the North line of Lot No. 6 a

distance of 147.3 feet to a point in the West margin of High School Drive; thence Northwardly along the West margin of High School Drive 43 feet and continuing in a Northerly and Northwesterly direction along a curve to the point and place of beginning and being known and designated as Lot 7 on the plat of Comenius Place, recorded in Plat Book 3, Page 2 (2) in the Office of the Register of Deeds of Forsyth County, North Carolina.

SR