

STATE OF NORTH CAROLINA)
COUNTY OF FORSYTH) DEED AND OPTION AGREEMENT

THIS DEED AND OPTION AGREEMENT, made this 6th day of December, 1988, by LUTHER CARL BECKERDITE, III and wife, PEGGY LYNN SCHOLLEY, (hereinafter called the Sellers); and MARY A. LEIGHT, (hereinafter called the Buyers; references herein to the Buyers refer to the Buyers or the survivor of them, when more than one party is named, and if one buyer, the buyer only, and shall include singular, plural, masculine and feminine, as required by context); and OLD SALEM, INC., a nonprofit corporation of Winston-Salem, Forsyth County, North Carolina;

W I T N E S S E T H:

That the Sellers, in consideration of One Hundred Dollars and other valuable considerations (\$100.00 & O.V.C.) paid to them by the Buyers, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the covenants herein contained, have bargained and sold, and by these presents do bargain, sell and convey unto the Buyers and their heirs and assigns, subject to the terms, conditions and covenants herein set out, that certain tract or parcel of land (hereinafter sometimes called the premises) located in the Old Salem section of Winston-Salem, County of Forsyth, State of North Carolina, and bounded as follows:

See Exhibit A attached hereto and incorporated herein by reference.

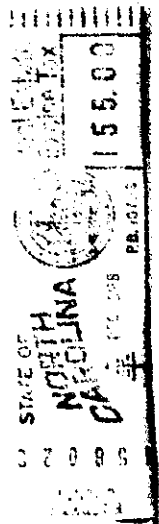
TO HAVE AND TO HOLD the aforesaid tract or parcel of land and all privileges and appurtenances thereunto belonging to the said Buyers and their heirs and assigns forever, subject to the terms, conditions and covenants herein set out.

COVENANTS

(1) The Sellers covenant that they are seized of the premises in fee simple and have the right to convey the same in fee simple, subject to covenants and options stated herein, and that they will warrant and defend the said title to the same against the claims of all persons whatsoever.

(2) Sellers, pursuant to Deed and Option Agreement with Old Salem, Inc. dated August 4, 1983, and in accordance with plans approved by Old Salem, Inc., caused restoration of a house so that its exterior appearance is similar to the original Tilla Stockton House and caused the premises to be landscaped in keeping with said building and surrounding properties. Sellers and Old Salem, Inc., by execution hereof, acknowledge that the

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provisions of paragraph 2 of the covenants contained in the aforementioned deed, pertaining to the above-stated restoration, have been fully complied with and the option reserved to Old Salem, Inc. therein has expired.

(3) The Buyers covenant and agree to maintain the premises in keeping with other properties in Old Salem, with all changes in external appearances and landscaping to be approved in advance, in writing, by Old Salem, Inc., and during any and all times at which the premises are not so maintained or changes in external appearances shall have been made without such prior approval, Old Salem, Inc. shall then have an option to purchase the premises, provided that Old Salem, Inc. shall first give the Buyers written notice of the nature of the deficiency or breach and the Buyers shall have ninety (90) days from and after such notice to correct same in a manner acceptable to Old Salem, Inc. If the Buyers shall fail to correct same in a manner acceptable to Old Salem, Inc. within ninety (90) days next following the giving of such notice, Old Salem, Inc. by giving the Buyers written notice within sixty (60) days after the expiration of said ninety (90) day period of its election to exercise its right to purchase under the provisions of this paragraph, shall have the right to purchase the premises, subject to the provisions of paragraph 7 hereof.

In keeping with the terms of the paragraph hereinabove set out, the Buyers do hereby further covenant and agree as follows:

- (a) To maintain the lawn, gardens, trees, and all exterior plantings located upon the premises herein described in keeping with the guidelines as established by the Landscape Restoration Committee of Old Salem.
- (b) To submit plans to the Landscape Restoration Committee of Old Salem for any proposed landscaping, which plans must be approved by said committee in writing prior to the instigation of the proposed landscaping.
- (c) To remove from the premises any non-conforming plantings and exterior objects including, but not limited to, pots, vases, fences, ornaments and swings, which non-conforming plantings and objects are deemed objectionable by the Landscape Restoration Committee of Old Salem.

If the Landscape Restoration Committee of Old Salem should cease to exist at any time in the future, then and in such case, Old Salem, Inc. or its successors may designate an appropriate substitution committee or landscaping architect to fulfill

the responsibilities designated herein to the existing Landscape Restoration Committee of Old Salem.

(4) The Buyers covenant and agree that if the improvements located upon the herein conveyed premises shall be damaged or destroyed by any hazard normally covered by fire insurance with extended coverage, and if the Buyers shall not restore it to its original condition within eighteen (18) months following such damage or destruction, then Old Salem, Inc. shall have an option to purchase the premises, which option Old Salem, Inc. may exercise at any time within six (6) months after the expiration of said eighteen (18) month period, by written notice to the Buyers of its election to do so, the exercise of such right to purchase being subject to the provisions of paragraph 7 hereof.

(5) The Buyers covenant and agree that the premises shall be used only for single-family dwelling purposes and shall not be leased to any tenant without the written consent of Old Salem, Inc., provided that such consent shall not be unreasonably withheld, and Old Salem, Inc. agrees that should such consent be withheld, the Buyers shall for six (6) months after Old Salem, Inc.'s refusal to give its consent, have the right to notify (in writing) and compel Old Salem, Inc. to purchase the premises, subject to the provisions of paragraph 7 hereof.

(6) The Buyers covenant and agree that if both of the Buyers shall die, seized of the premises, then Old Salem, Inc. shall, for six (6) months after the death of the Buyer who dies second, have an option to purchase the premises, provided that should the premises be devised to a surviving spouse, direct lineal descendant or descendants of the Buyer, then such devisee or devisees upon binding themselves by recordable instrument of all the conditions and covenants herein contained (substituting themselves for the Buyer with respect to such covenants and conditions), shall have the right, successively, from time to time, to cause said option period to be deferred for any length of time up to the maximum permissible duration of the said option under the rule against perpetuities, minus six (6) months, provided that in no event shall the said option period be deferred for more than ninety-nine (99) years from the death of the Buyer. The foregoing option provisions are subject to the provision of paragraph 7 hereof.

(7) The Buyers and Old Salem, Inc. covenant and agree that any sale of the premises to and any purchase of the premises by Old Salem, Inc., pursuant to the provisions and options set out in paragraphs 3, 4, 5 and 6 above, shall be at a price equal to the then fair market value of the premises, as though held without restrictive covenants, as determined by agreement of the

Buyers (or the then owner and owners, as the case may be) and Old Salem, Inc., or in the absence of such agreement, by a committee of three appraisers, one to be selected by Old Salem, Inc., one to be selected by the Buyers (or the then owner or owners, as the case may be) and the other to be selected by the two appraisers selected by Old Salem, Inc. and the Buyers (or the then owner or owners, as the case may be). Either party shall have the right to apply to the Clerk of the Superior Court of Forsyth County to appoint three disinterested appraisers to make such evaluation if the selection of a committee as hereinabove provided shall be delayed unreasonably, and the parties shall be bound by the appraisal of such appraisers to the same extent as if they had been appointed as hereinabove provided. Forty (40) days shall be deemed a reasonable time for the parties to act. Within thirty (30) days after such evaluation, Old Salem, Inc. shall tender the purchase price to the Buyers and the Buyers shall tender a good and sufficient deed conveying to Old Salem, Inc. title to the premises in fee simple free and clear of all liens and encumbrances; provided that (except for sale under paragraph 5 hereof), Old Salem, Inc. may waive its rights to purchase even after such evaluation has been made; in such event Old Salem, Inc. shall bear the full cost of the appraisal; otherwise, such expense shall be shared equally between Old Salem, Inc. and the Buyers.

(8) The Buyers covenant and agree that the Buyers, their heirs and assigns, shall make no inter vivos conveyance of the premises to a third party or parties except in accordance with the following procedures: (i) The buyers (or the then owner or owners, as the case may be) and Old Salem, Inc. shall determine the fair market value of the premises in accordance with the provisions of paragraph 7 above (but at the sole expense of the then owners). (ii) If, after such appraisal, the Buyers (or the then owner or owners, as the case may be) still desire to dispose of the property, the Buyers (or the then owner or owners, as the case may be), shall then offer to sell the premises to Old Salem, Inc. herein at said fair market value or less for a continuous period of thirty (30) days. (iii) If said offer is not accepted and the property purchased by Old Salem, Inc., the Buyers (or the then owner or owners, as the case may be) shall have the right to sell the premises to a third party or parties, subject nevertheless to the covenants and options contained herein, during the six month period immediately following the expiration of the aforesaid thirty (30) days, provided that the sale price shall be no less than the price at which the Buyers (or the then owner or owners, as the case may be) offered the premises to Old Salem, Inc.; provided, further, that if one Buyer survives the other, he may transfer his interest, or any portion thereof, in the premises to his spouse without the necessity of compliance with the foregoing provisions. Every conveyance by the Buyers, pursuant

to the provisions of this paragraph 8, shall have inserted in it the covenants and options contained in this agreement.

(9) The covenants and options contained in this agreement shall be considered as covenants running with the land and the Buyers agree for themselves, their heirs, successors and assigns, that in the event the premises are sold or otherwise disposed of, said covenants and options shall be inserted in the conveyance or other instrument disposing of the premises.

And the Sellers covenant with the Buyers, that Sellers are seized of the premises in fee simple, have the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Sellers will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions: Easements and rights of way of record, and ad valorem taxes subsequent to 1988.

IN TESTIMONY WHEREOF, the Sellers, LUTHER CARL BECKERDITE, III and wife, PEGGY LYNN SCHOLLEY, and the Buyers, MARY A. LEIGHT have hereunto set their hands and seals and OLD SALEM, INC., has caused these presents to be signed by its President, attested by its Secretary, and has caused the Common Seal of Old Salem, Inc. to be affixed hereto.

SELLERS:

Luther Carl Beckerdite III (SEAL)
Luther Carl Beckerdite, III

Peggy Lynn Scholley (SEAL)
Peggy Lynn Scholley

BUYERS:

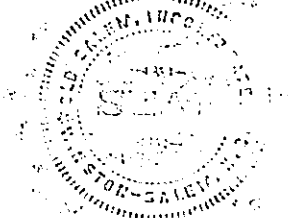
Mary A. Leight (SEAL)
Mary A Leight

OLD SALEM, INC

By: W. H. Alderman
President

ATTEST:

Richard C. Barron
Assistant Secretary
[CORPORATE SEAL]

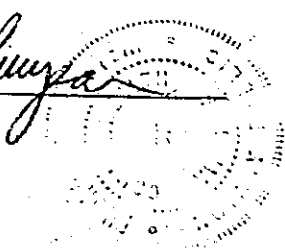


VIRGINIA
STATE OF ~~NORTH CAROLINA~~
~~COUNTY OF FORSYTH~~

I, Rhonda T. Puryear, a Notary Public of Richmond, VA
~~Forsyth County, North Carolina~~, do hereby certify that LUTHER
CARL BECKERDITE, III and wife, PEGGY LYNN SCHOLLEY, personally
appeared before me this day and acknowledged the execution of the
foregoing instrument.

Witness my hand and notarial seal or stamp this the 9th
day of December, 1988.

Rhonda T. Puryear
Notary Public



My Commission Expires: 11/6/91

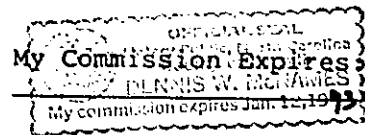
STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

I, Dennis W. McNames, a Notary Public of Forsyth
County, North Carolina, do hereby certify that MARY A. LEIGHT
personally appeared before me this day and acknowledged the exe-
cution of the foregoing instrument.

Witness my hand and notarial seal or stamp this the 18th
day of December, 1988.

Dennis W. McNames
Notary Public

My Commission Expires:
11/6/91



STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

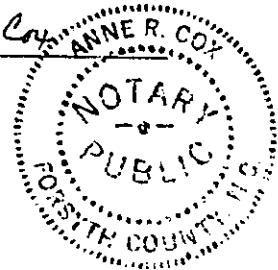
This 6th day of December, 1988, personally came before me, Anne R. Cox, a Notary Public, Richard C. Barron, who, being by me duly sworn, says that (s)he knows the Common Seal of OLD SALEM, INC. and is acquainted with William T. Alderson, who is the President of said Corporation, and that (s)he, the said Richard C. Barron, is the Assistant Secretary of said Corporation, and saw the said Common Seal of said Corporation affixed to said instrument by said William T. Alderson President, and that he, the said Richard C. Barron, signed his/her name in attestation of the execution of said instrument in the presence of said William T. Alderson President of said Corporation.

Witness my hand and notarial seal, this the 6th day of December, 1988.

Anne R. Cox
Notary Public

My Commission Expires:

January 14, 1993



STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

N.P. Richmond, VA. The foregoing (or annexed) certificates S of Rhonda T. Purgator Denia W. McNamee & Anne R. Cox Notary is (are) certified to be correct. Public Forsyth Co NC

This 13 day of Dec, 1988

L. E. Speas, Register of Deeds

By: James Hobbins Deputy -

Probate and Filing Fee of

\$ _____

PRESENTED FOR
REGISTRATION
AND RECORDED

DEC 13 12 04 PM '88

L.E. SPEAS
REGISTER OF DEEDS
FORSYTH COUNTY, NC

BOOK 1656 P 2395

EXHIBIT "A"

Being known and designated as that certain lot fronting 60 feet on South Main Street and of that width extending eastwardly 180 feet, same being those premises described in Deed Book 4 at Page 478 and Deed Book 8 at Page 559, recorded in the office of the Register of Deeds of Forsyth County, North Carolina, and being subsequently combined into one description in that certain deed recorded in Deed Book 906 at Page 364 in the office of the Register of Deeds of Forsyth County, North Carolina, and being more accurately designated as the northernmost 50 feet of Lot No. 83 and the southernmost 10 feet of Lot No. 84 as set out upon the Plat of Salem, recorded in Plat Book 8 at Page 66 in the office of the Register of Deeds of Forsyth County, North Carolina, and being further designated as Tax Lot 108, Tax Block 558, as set out upon the Tax Maps as they are presently constituted in the office of the Forsyth County Tax Supervisor.

BOOK 1656 P 2396