

Mail to: Glenn Orr, President, Forsyth Bank and Trust Company, 110 S.
Stratford Road, Winston-Salem, North Carolina 27104

NORTH CAROLINA)
FORSYTH COUNTY)

DEED OF TRUST

THIS INDENTURE, made this 26th day of January, 1979, by and among Weston P. Hatfield, General Partner of H & A Company, a general partnership; and C. Edwin Allman, General Partner of H & A Company, a general partnership; parties of the first part; and Richard E. Glaze, Trustee; party of the second part; and Forsyth Bank and Trust Company; party of the third part;

W I T N E S S E T H :

WHEREAS, H & A Company, a general partnership, is indebted to the party of the third part in the principal sum of Seventy-five Thousand and No/100 Dollars (\$75,000.00) for money lent, as evidenced by a promissory note of even date herewith, the terms of which note are incorporated herein by reference as fully as though set out verbatim herein and the payment of which H & A Company, by and through the parties of the first part, as authorized by its partnership agreement, desires by these presents to secure;

NOW, THEREFORE, in consideration of the premises, the parties of the first part have granted, bargained, and sold and by these presents do grant, bargain, sell, and convey unto the party of the second part, his heirs, successors, and assigns, a certain tract of land in Winston Township, Forsyth County, North Carolina, as follows:

BEGINNING at an iron stake in the east line of Cherry Street, 88 feet northwardly from an iron stake at the north-east intersection of Cherry and Fourth Streets, said beginning corner being 62 feet southwardly from the northwest corner of Lot 147 on the Plat of Salem and Winston; running thence eastwardly and parallel to Fourth Street 161.83 feet to an iron stake in the west line of Lot 142; thence northwardly with the west line of Lots 142 and 143 and parallel to Cherry Street 44 feet to an iron stake; thence westwardly on a new line, parallel to Fourth Street 161.83 feet to an iron stake on the east side of Cherry Street 18 feet southwardly from the northwest corner of said Lot 147; thence southwardly with the east line of Cherry Street 44 feet to the BEGINNING.

Drawn by:

DOUGHTON and NEWTON

By: Bobby F. Newton

Bobby F. Newton
2225 Wachovia Building
Winston-Salem, NC 27101
Tel. (919) 725-0433

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Being informally known as 411 North Cherry Street, Winston-Salem, North Carolina 27101.

Being in all respects the same property as that described in the deed from Norman Stockton, Inc., to H & A Company, a general partnership, as duly recorded in the Forsyth County Registry.

Being known and designated as Lot 102, Block 28, in the tax records for Winston Township as the same are now constituted.

TO HAVE AND TO HOLD the said premises, together with all privileges and appurtenances thereunto belonging, to the party of the second part, his heirs, successors, and assigns, IN TRUST NEVERTHELESS, for the uses and the purposes hereinafter limited, described, and declared. And the parties of the first part DO COVENANT to and with the party of the second part that H & A Company is seized of the premises in fee; that it has the right to convey the same in fee simple; that the same are free of all liens and encumbrances except a first deed of trust in favor of Piedmont Federal Savings and Loan Association and except 1979 ad valorem taxes; and that they will, on behalf of H & A Company, warrant and defend the title to the same, subject to the aforesaid exceptions to the warranty against liens and encumbrances, against the claims of all persons whomsoever.

PROVIDED, NEVERTHELESS, and on this express condition, that, if H & A Company shall fail or neglect to pay the aforesaid note according to its terms or shall violate any other covenant hereof or of the promissory note the repayment of which this deed of trust secures, it shall be the privilege and option of the party of the third part or its assigns to accelerate the maturity hereof and to declare the entire balance due hereunder immediately due and payable, whereupon it shall be the duty of the party of the second part or his heirs or successors or assigns, at the request of the party of the third part or its assigns, to sell the land at public auction to the highest bidder for cash at the Forsyth County Hall of Justice, Winston-Salem, North Carolina, after first advertising the same according to law, and shall make and deliver to the purchaser thereof a deed therefor; and the party of the second part or his heirs or successors or assigns, after deducting commissions of five percentum (5%) for making the said sale, and after paying all expenses necessarily incurred in properly executing the trust herein declared, shall apply the proceeds of the said sale to the discharge and the payment of the aforesaid note and interest, then pay the surplus, if any there be, to the party or parties entitled to the same according to law.


IT IS STIPULATED AND AGREED that, in case H & A Company shall pay the said note according to its terms and shall discharge fully the trust herein declared before such sale, the aforesaid premises shall be reconveyed to H & A Company or the title hereto be revested according to the provisions of law. And the parties of the first part, on behalf of H & A Company, promise and agree that H & A Company will keep all ad valorem taxes which may be assessed against the premises promptly paid and that, in case the said taxes should at any time be paid by the party of the


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third part or its successors or its assigns, the amounts so expended shall become debts due, shall bear interest at the rate of six percentum (6%) per annum, and their payment will be secured by this deed of trust.

THE IRREVOCABLE POWER to appoint a substitute trustee or trustees is hereby expressly granted to the party of the third part, its successors and assigns, to be exercised at any time hereafter, without notice and without specifying any reason therefor, by filing for record in the Forsyth County Registry an instrument of substitution and appointment. The parties of the first part, for and on behalf of H & A Company, and its successors and assigns, and the party of the second part named herein or substitutive hereunder, expressly waive notice of the exercise of this power and waive any necessity for making oath or giving bond by any trustee, as well as any requirement for application to any court for the removal or the appointment or the substitution of any trustee hereunder; and the party of the third part, its successors or assigns, may elect to appoint a substitute trustee or substitute trustees in accordance with the laws of North Carolina.

IN WITNESS WHEREOF, the parties of the first part have hereunto put their respective hands and seals, on the day and the year first hereinabove written.

 (SEAL)
Weston P. Hatfield, General
Partner of H & A Company

 (SEAL)
C. Edwin Allman, General
Partner of H & A Company

NORTH CAROLINA

Forsyth County

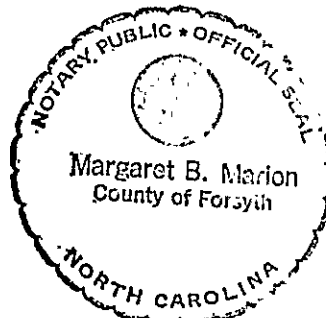
I, Margaret B. Marion, a Notary Public of Forsyth County, North Carolina, do certify that Weston P. Hatfield, General Partner of H & A Company; and C. Edwin Allman, General Partner of H & A Company; personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

This 26 day of January, 1979, witness my hand and notarial seal.


Notary Public

My commission expires:

June 18, 1981



STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate of Margaret B. Marion NP (here give name and official title of the officer signing the certificate, passed upon)

Forsyth Co NC PRESENTED FOR
REGISTRATION

is (are) certified to be correct. This the 27 day of Jan 1979

JAN 31 11 48 AM '79

Eunice Ayers, Register of Deeds

Probate fee \$1.00 paid.

EUNICE AYERS
REGISTER OF DEEDS
FORSYTH CTY. N.C.

By [Signature] Deputy-~~Assistant~~

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