

MAIL TO: North Carolina Federal Savings and Loan
Post Office Box 17210
Winston-Salem, N.C. 27106 Attn: Cathy B. Leach

Deed Of Trust 134

STATE OF NORTH CAROLINA

COUNTY OF Forsyth

THIS INDENTURE, made and entered into on September 17, 1985, by and between MYRON M. CHENAULT, Partner and JOHN S. KELLEY, Partner, d/b/a M & J PROPERTIES, a N.C. General Partnership of 1307 Excelsior Street, City of Winston-Salem County of Forsyth, State of North Carolina, Grantor, Richard A. Harper of 600 Matthews-Mint Hill Road, City of Matthews County of Mecklenburg, State of North Carolina, Trustee, and N. C. FEDERAL SAVINGS AND LOAN ASSOCIATION of 317 South Tryon Street, Charlotte, North Carolina 28232, Beneficiary, witnesseth: that, whereas, Grantor is indebted to Beneficiary in the principal amount of Fifteen thousand eight hundred dollars and no/100

(\$ 15,800.00) Dollars for money loaned, as evidenced by a promissory note of even date herewith, and for such additional sums as may be payable under the term of said note or under the provisions of this Deed of Trust, the terms of which are incorporated herein by reference, with interest at the rate of thirteen and 25/100 Percent (13.25%) per annum, principal and interest payable all in 60 consecutive monthly installments of which the first is due September 17, 1990.

NOW, THEREFORE, in consideration of the aforesaid indebtedness, and good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, the said Grantor has granted, bargained and sold and by these presents does grant, bargain, sell and convey unto the said Trustee, its successors or assigns, all of the following described lot or lots, tract or parcels of land, including therewith and as a part thereof, any improvements and all the rights, privileges, hereditaments and appurtenances now or hereafter in anywise appertaining or belonging thereto, situated in the County of Forsyth State of North Carolina, hereinafter called "premises," and more particularly designated and described as follows:

Beginning at an iron stake in the north line of Ardmore Street (now known as Excelsior Street) 317.16 feet east from the intersection of Ardmore Street (now Excelsior Street) and Cumberland Street (now known as South Cleveland Avenue); thence eastwardly along the north line of Excelsior Street 50 feet to an iron stake; thence northwardly 100 feet to an iron stake in the south line of an alley; thence westwardly along the south side of said alley 50 feet to an iron stake; thence southwardly 100 feet to an iron stake in the north line of Excelsior Street, the place of beginning, being known and designated as Lot No. 23 as shown on the Plat of Excelsior Heights, said plat recorded in Plat book 108, page 550, in the Office of the Register of Deeds of Forsyth County, North Carolina. Also being known and designated as Block 527 Lot 23, Forsyth County Tax Maps.

THIS INSTRUMENT DRAFTED BY:
[Signature]
(Signature of Draftsman)

TO HAVE AND TO HOLD these premises unto the said Trustee, his successors and assigns, in trust for the uses and purposes hereinafter limited, described and declared. And the said Grantor covenants with the said Trustee that the Grantor is seized of said premises in fee, and has the right to convey the same in fee simple; that the same are free and clear of all encumbrances, except as hereinafter otherwise recited, and that the Grantor will warrant and defend the title to the same against the claims of any and all persons whomsoever.

The premises are subject only to the following described encumbrances: A Deed of Trust in favor of _____, dated _____ and recorded in the office of the Register of Deeds of _____ County, N. C., in Deed Book _____, Page _____.

Grantor does hereby covenant and agree with Beneficiary, its successors and assigns, that so long as any part of the above debt shall remain unpaid:

1. Grantor will pay the indebtedness as hereinbefore provided.
2. Grantor will pay all taxes and assessments against the property and all water and other governmental or municipal charges, fines or impositions, and that Grantor will promptly deliver the official receipts therefor to Beneficiary; that Grantor will also pay taxes that may be levied on the interest of Beneficiary in the real estate and improvements, and which may be levied on this deed of trust or the debt secured hereby (but only to the extent that such is not prohibited by law and only to the extent that such will not make this loan usurious), and will file official receipts showing such payment with Beneficiary. On violation of this undertaking to pay the taxes, or if Grantor is prohibited by any law now or hereafter existing from paying the whole or any portion of such taxes, or on the rendering of any court decree which provides that any amount so paid by Grantor shall be credited on the indebtedness, Beneficiary shall have the right to require the payment of the entire indebtedness, and the note in debt shall become immediately due and payable and collectible, anything in the note or deed of trust to the contrary notwithstanding.
3. This Deed of Trust and the lien thereof shall be security for this debt and for any and all loans that may be made by Beneficiary to Grantor at any future time.
4. Grantor will keep the improvements which are now or may hereafter be on the land unceasingly insured for the benefit of Beneficiary, in such manner, amounts, and companies as Beneficiary may select or approve, until the principal debt hereby secured is fully paid, and will keep the policy or policies and renewals thereof, with satisfactory mortgage clause attached, constantly assigned or pledged and delivered to Beneficiary, and will pay all insurance premiums when due. If the premises covered hereby, or any part thereof, are damaged by fire or other hazard against which insurance is held, as herein provided, the amounts paid by any insurance

company pursuant to the contract of insurance shall, to the extent of the indebtedness then remaining unpaid, be paid to Beneficiary and, at its option, may be applied to the debt or released for the repairing or rebuilding of the premises. If the insurance money so collected is applied on the debt, it may be applied on the indebtedness last falling due, or in such other manner as Beneficiary may desire.

5. Grantor will protect the improvements on the property by proper repairs and maintain them in good repair and condition and will not do, permit, or suffer any act or thing whatsoever whereby the security herein conveyed might or could be impaired. Additionally, Grantor will pay such expenses and fees as may become necessary or be incurred in the protection of the property and the maintenance and execution of this trust.

6. No sale of the premises described above, no forbearance on the part of Beneficiary and no extension of time for the payment of the debt secured hereby given by Beneficiary, shall operate to release, discharge, modify, change, or affect the original liability of Grantor, either in whole or in part.

7. Irrevocable power to appoint a substitute Trustee or Trustees is hereby expressly granted to Beneficiary, its successors or assigns, to be exercised at any time hereafter, without notice and without specifying any reason therefor, by filing a deed of appointment for record in the office where this instrument is recorded. Grantor for himself, his heirs, executors, administrators, successors and assigns, and trustee herein named or that may be substituted hereunder, expressly waives notice of the exercise of this power and any necessity for making oath or giving bond by any Trustee, as well as any requirement for application to any court for the removal, appointment, or substitution of any Trustee hereunder; and Beneficiary, its successors or assigns, may elect to appoint a substitute Trustee in accordance with the laws of North Carolina.

8. If Grantor pays and discharges the obligations and interest on any notes given in renewal of the notes herein or any notes given as evidence of interest, or any extension of time of payment of the debt herein secured when the same shall become due, and pays such sums as are necessary to discharge taxes and maintain insurance and repairs and the costs, fees, and expenses of making, enforcing, and executing this trust when they severally become due and payable, then this conveyance shall become void and be released by Beneficiary at the expense of Grantor, and in case of failure of Beneficiary to release this deed of trust, all claims for statutory penalties or damages are hereby waived; otherwise to be of full force and effect.

9. If Grantor fails to pay the debt or any installment thereof or interest thereon, or fails to pay any sum necessary to satisfy and discharge taxes or to maintain insurance or repairs or the necessary expenses of protecting the property and executing this trust, after demand by Beneficiary for such amounts, or any of them, and fails to comply with or conform to any of the foregoing covenants and agreements, then the debt herein secured, at the option of the owner thereof, shall become due and payable immediately, without notice, regardless of maturity, and this deed of trust may be foreclosed by judicial proceedings or the Trustee, or his successors, is hereby authorized and empowered to enter and take possession of the property, and before or after entry to advertise the same by posting notice at the courthouse in Forsyth County, after first giving notice of the time, place, and terms of such sale by posting the same at the courthouse door, and after due advertisement as provided by law in the State of North Carolina for sales of real estate under mortgages or deeds of trust, and at such time and place to sell the land and premises above described to the highest bidder, free from the equity of redemption, homestead, dower and courtesy, and all other exemptions, all of which are hereby expressly waived, and Trustee, or his successors, shall execute a conveyance in fee simple and deliver possession to the purchaser; and in case of such sale by Trustee or his agent, such sale shall create the relation of landlord and tenant at will between the purchaser at such sale and Grantor, his heirs, representatives, lessees, and assigns, without notice, and on default of such tenant in surrendering possession of the property herein conveyed, such tenant may be removed by a writ of ejection at the suit of either the purchaser or Trustee for the use and benefit of the purchaser. Beneficiary, its successors or assigns, may bid and become the purchaser at any sale under this conveyance.

10. The proceeds of the sale shall be applied first, to pay the debts and obligations herein secured or intended to be secured, second, to pay the surplus, if any, to the person or persons legally entitled thereto.

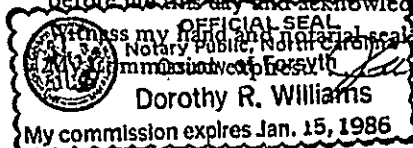
11. The terms Grantor, Trustee, and Beneficiary shall be taken to be singular or plural, masculine, feminine, or neuter gender, individual or representative, as the context may require, and all of these designations shall include the successors in interest and/or assigns of the respective parties.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and sealed the day and year first above written.

Attest/Witness

Myron M. Chenault Partner MSJ Properties
John S. Kelley Partner MSJ Properties
MSJ Properties

STATE OF NORTH CAROLINA—COUNTY OF Forsyth ss.
I, DOROTHY R. WILLIAMS, a Notary Public of Forsyth County, N.C., do hereby certify that
MYRON M. CHENAULT, Partner and JOHN S. KELLEY, Partner personally appeared
before me this day and acknowledged the due execution of the foregoing instrument. MSJ Properties



Sarah L. Williams
Notary Public

STATE OF NORTH CAROLINA—COUNTY OF Forsyth ss.
I, Dorothy R. Williams, a Notary Public of Forsyth County, N.C., do hereby certify that
Myron M. Chenault, Partner and John S. Kelley, Partner personally appeared
before me this day and acknowledged the due execution of the foregoing instrument.
Witness my hand and notarial seal, this 17th day of September, 1985.
My commission expires: Jan. 15, 1986

Notary Public

STATE OF NORTH CAROLINA—COUNTY OF Forsyth ss.
The foregoing certificate of Dorothy R. Williams, a Notary Public of Forsyth County, North Carolina
is certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the office of the
Register of Deeds of Forsyth County, N.C., in Book 1505, Page 1875. This the 17th
day of September, 1985, at 4:42 o'clock, P.M.

PRESENTED FOR
REGISTRATION
AND RECORDED

L. E. Speas, Register of Deeds

PROBATE FEE \$1.00 PAID SEP 17 4 42 PM '85

L. E. SPEAS
REGISTER OF DEEDS
FORSYTH CTY. N.C.

JB \$5.50 pd.

1505-1875