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PRESENTED FOR
REGISTRATION
AND INDEXED

OCT 11 3 04 PM '85

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

\$10.00
Forsyth

SATISFACTION: The debt secured by the within Deed of Trust
together with the note(s) secured thereby has been satisfied in full.

This the _____ day of _____, 19____

Signed: _____

Recording: Time, Book and Page

Tax Lot No. _____ Parcel Identifier No. _____

Verified by _____ County on the _____ day of _____, 19____

by _____

Mall after recording to 2100 Wachovia Building, Winston-Salem, NC 27111-2100

Jack T. Lanady, Attorney

This instrument was prepared by T. Winfield Blackwell, Jr.

Brief description for the Index

NORTH CAROLINA DEED OF TRUST

THIS DEED of TRUST made this 11 day of October, 19 85, by and between:

GRANTOR	TRUSTEE	BENEFICIARY
L & S LEASING, INC., a North Carolina corporation of Rowan County, North Carolina	GUARDIAN SECURITY CORPORATION, a North Carolina corporation of Forsyth County, North Carolina	WESTWYNNE CORPORATION, a North Carolina corporation of Forsyth County, North Carolina

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor, Trustee, and Beneficiary as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, That whereas the Grantor is indebted to the Beneficiary in the principal sum of THREE HUNDRED THOUSAND AND NO/100 DOLLARS as balance of purchase money for land, as evidenced by a promissory note of even date herewith, the terms of which are incorporated herein by reference. The final due date for payment of said promissory note, if not sooner paid, is October 11, 1990

NOW, THEREFORE, as security for said debt and a valuable consideration, receipt of which is hereby acknowledged, the Grantor has bargained, sold, given, granted and conveyed and does by these presents bargain, sell, give, grant and convey to said Trustee, his heirs, or successors, and assigns,

the parcel(s) of land situated in the South Fork Township, Forsyth County, North Carolina, and more particularly described as follows:

Being all of the approximately 126-acre tract of land as described on Schedule A, which is attached to this Deed of Trust and made a part hereof.

TO HAVE AND TO HOLD said real property with all privileges and appurtenances thereunto belonging, to the said Trustee, his heirs, successors, and assigns forever, upon the trusts, terms and conditions, and for the uses hereinafter set forth.

If the Grantor shall pay the note secured hereby in accordance with its terms, together with interest thereon, and any renewals or extensions thereof in whole or in part, and shall comply with all of the covenants, terms, and conditions of this deed of trust, then this conveyance shall be null and void and may be cancelled of record at the request of the Grantor. If, however, there shall be any default in any of the covenants, terms, or conditions of the note secured hereby, or any failure or neglect to comply with the covenants, terms, or conditions contained in this deed of trust, then and in any of such events, if the default is not made good within fifteen (15) days, the note shall, at the option of the Beneficiary, at once become due and payable without notice, and it shall be lawful for the Trustee, upon request of the Beneficiary, to sell the land herein conveyed at public auction for cash, after having first given such notice of hearing as to commencement of foreclosure proceedings and obtained such findings or leave of court as may be then required by law and giving such notice and advertising the time and place of such sale in such manner as may be then provided by law, and upon such and any resales and upon compliance with the then law relating to foreclosure proceedings to convey title to the purchaser in fee simple.

The proceeds of the Sale shall after the Trustee retains his commission be applied to the costs of sale, the amount due on the note hereby secured and otherwise as required by the then existing law relating to foreclosures. The Trustee's commission shall be five per cent of the gross proceeds of the sale or the minimum sum of \$750.00, whichever is greater, for a completed foreclosure. In the event foreclosure is commenced, but not completed, the Grantor shall pay all expenses incurred by Trustee and a partial commission computed on five per cent of the outstanding indebtedness or the above stated minimum sum, whichever is greater, in accordance with the following schedule, to wit: one-fourth thereof before the Trustee issues a notice of hearing on the right to foreclose; one-half thereof after issuance of said notice; three-fourths thereof after such hearing; and the greater of the full commission or minimum after the initial sale.

And the said Grantor does hereby covenant and agree with the Trustee as follows:

1. **INSURANCE.** Grantor shall keep all improvements on said land, now or hereafter erected, constantly insured for the benefit of the Beneficiary against loss by fire, windstorm and such other casualties and contingencies, in such manner and in such companies and for such amounts, not exceeding that amount necessary to pay the sum secured by this deed of trust, and as may be satisfactory to the Beneficiary. Grantor shall purchase such insurance, pay all premiums therefor, and shall deliver to Beneficiary such policies along with evidence of premium payment as long as the note secured hereby remains unpaid. If Grantor fails to purchase such insurance, pay the premiums therefor or deliver said policies along with evidence of payment of premiums thereon, then Beneficiary, at his option, may purchase such insurance. Such amounts paid by Beneficiary shall be added to the Note secured by this Deed of Trust, and shall be due and payable upon demand by Grantor to Beneficiary.

2. **TAXES, ASSESSMENTS, CHARGES.** Grantor shall pay all taxes, assessments and charges as may be lawfully levied against said premises within thirty (30) days after the same shall become due. In the event that Grantor fails to so pay all taxes, assessments and charges as herein required, then Beneficiary, at his option, may pay the same and the amounts so paid shall be added to the Note secured by this Deed of Trust, and shall be due and payable upon demand by Grantor to Beneficiary.

3. **PARTIAL RELEASE.** Grantor shall not be entitled to the partial release of any of the above described property unless a specific provision providing therefor is included in this Deed of Trust. In the event a partial release provision is included in this Deed of Trust, Grantor must strictly comply with the terms thereof. Notwithstanding anything herein contained, Grantor shall not be entitled to any release of property unless Grantor is not in default and is in full compliance with all of the terms and provisions of the Note, this Deed of Trust, and any other instrument that may be securing said Note.

4. **WASTE.** The Grantor covenants that he will keep the premises herein conveyed in as good order, repair and condition as they are now, reasonable wear and tear excepted, and that he will not commit or permit any waste.

5. **WARRANTIES.** Grantor covenants with Trustee and Beneficiary that he is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that he 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:

To all easements, restrictions and covenants of record, and to the provisions in a certain letter dated April 30, 1984 from Westwynne Corporation to Larry E. Alexander and Mrs. Peggy H. Alexander. This instrument is also subject to the "Other Conditions" in Exhibit B attached as a part hereof.

6. **SUBSTITUTION OF TRUSTEE.** Grantor and Trustee covenant and agree to and with Beneficiary that in case the said Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for other similar or dissimilar reason become unacceptable to the holder of the Note, then the holder of the Note may appoint, in writing, a trustee to take the place of the Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all the rights, powers, and duties of the Trustee.

7. **CIVIL ACTION.** In the event that the Trustee is named as a party to any civil action as trustee in this Deed of Trust, the Trustee shall be entitled to employ an attorney at law, including himself if he is a licensed attorney, to represent him in said action and the reasonable attorney's fees of the Trustee in such action shall be paid by Beneficiary and charged to the Note and secured by this Deed of Trust.

8. **PRIOR LIENS.** Default under the terms of any instrument secured by a lien to which this deed of trust is subordinate shall constitute default hereunder.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Name)
L & S LEASING, INC.
By: [Signature]
President
Attest: [Signature]
Secretary (Corporate Seal)
USE BLACK INK ONLY
(SEAL)
(SEAL)
(SEAL)
(SEAL)

SEAL-STAMP

NORTH CAROLINA, _____ County.

Use Black Ink

I, a Notary Public of the County and State aforesaid, certify that _____

Grantor,

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

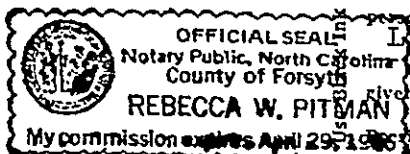
hand and official stamp or seal, this _____ day of _____, 19____.

My commission expires: _____ Notary Public

SEAL-STAMP

NORTH CAROLINA, FORSYTH County.

I, a Notary Public of the County and State aforesaid, certify that H. L. Dorsett, Jr.



personally came before me this day and acknowledged that _____ he is _____ Secretary of

L & S LEASING, INC. _____ a North Carolina corporation, and that by authority duly

given and as the act of the corporation, the foregoing instrument was signed in its name by its _____

President, sealed with its corporate seal and attested by him as its _____ Secretary.

Witness my hand and official stamp or seal, this 11th day of October, 1985.

My commission expires: April 29, 1986 Rebecca W. Pitman Notary Public

The foregoing Certificate(s) of Rebecca W. Pitman, N.P.
Forsyth Co., N.C.

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

I, E. SPEAS
By Janet Ballons REGISTER OF DEEDS FOR FORSYTH COUNTY
Deputy/Assistant-Register of Deeds.

SCHEDULE A

Description of Property:

Lying and being in Southfork Township, Forsyth County, North Carolina, and more particularly described as follows:

Beginning at a point, in the south right-of-way line of the Waughtown-Clemmons Road, also being the northeast corner of property of Bruce T. Nash and wife, running thence along the said south right-of-way line of said Waughtown-Clemmons Road south 85 degrees, 25' 49" east 1,839.92 feet more or less to an iron stake; running thence south 00 degrees 05' 10" west 405.41 feet to an iron stake; running thence south 20 degrees 50' 53" west 1,370.96 feet to an iron stake; running thence south 48 degrees 40' 17" west 289.90 feet to an iron stake; running thence south 62 degrees 42' 04" west 182.49 feet to a point; running thence south 40 degrees 41' 35" west 116.47 feet to a point; running thence south 52 degrees 41' 53" west 203.36 feet to a point; running thence south 64 degrees 50' 50" west 169.88 feet to a point; running thence south 48 degrees 00' 51" west 284.57 feet to a point; running thence south 66 degrees 15' 47" west 91.71 feet to a point; running thence south 51 degrees 26' 18" west 172.04 feet to a point; running thence south 53 degrees 53' 36" west 261.73 feet to a point; running thence south 59 degrees 29' 54" west 110.22 feet to an iron post; running thence north 03 degrees 08' 00" west 542.62 feet to an iron stake; running thence south 88 degrees 06' 08" west 231.00 feet to a Poplar Tree; running thence north 02 degrees 38' 52" west 929.57 feet to an iron stake; running thence south 82 degrees 48' 04" west 800.97 feet to a tree; running thence north 02 degrees 21' 50" west 1,086.05 feet to a stone; running thence south 85 degrees 01' 44" east 502.43 feet to a stone; running thence north 02 degrees 38' 45" east 115.95 feet to an iron post; running thence south 86 degrees 46' 20" east 817.54 feet to an iron stake; running thence north 02 degrees 05' 20" west 463.45 feet more or less to an iron stake in the south right-of-way line of Waughtown-Clemmons Road, also being the point of beginning. Containing approximately 126 acres, more or less.

Also hereby conveying to the above-named Grantee all right, title and interest which Grantor, Westwynne Corp., may have in a roadway easement and right-of-way 30 feet wide on the west side of the approximately 3.93 acre tract previously conveyed by Westwynne Corporation to Bruce T. Nash and wife, which 30 foot right-of-way easement runs from the northeast corner of James R. Sealey property in the centerline of the Waughtown-Clemmons Road, running east 30 feet south 79 degrees 05' east, and extending southwardly, being 30 feet wide for 501.7 feet more or less to the rear and south boundary line of the said approximately 3.93 acre tract of Bruce T. Nash and wife.

EXHIBIT B

OTHER CONDITIONS

1. Partial release of security by Trustee.

Subject to the terms and conditions hereinafter set forth pertaining to releases, the Trustee, Guardian Security Corporation, or any successor Trustee, shall be, and is hereby authorized to release any lots or parcels of real estate herein described on the terms and conditions hereof to the same extent as if the beneficiary - Noteholder hereunder, had joined with the Trustee in the execution of the release. It is the intent of this provision that the signature and the execution of a release, or a Quitclaim Deed by the Trustee alone is required for the full and complete release of such real property as is described in said release or Quitclaim Deed, from the terms and conditions of this Deed of Trust, without the necessity of the joinder by the Noteholder or any other party.

2. Partial release and prepayment.

The Trustee shall, at the request of the Grantor, or its successor, effect, execute, and deliver to the Grantor instruments of release releasing from the lien of this Deed of Trust such portions of the real estate herein described and encumbered as the Grantor may require, and when the requirements of the following conditions shall have been fulfilled.

- A. Notwithstanding anything else herein written, no part of the property subject to this Deed of Trust will be released until the Purchase Money Note shall have been reduced to \$220,000.00.
- B. Under no conditions will any property be released within the 60 foot wide proposed roadway as shown in Exhibit D, copy of which is in possession of Grantor and of Grantee and of Trustee, bearing signatures of Grantor and Grantee.
- C. The Grantor in this Deed of Trust, or its successor in interest, will pay and remit to the Noteholder, hereby secured, 80% of the sales price (less any brokerage commission paid) of any acreage sold, and with the following minimum amount per acre:
 - (1) Reference is hereby made to a map, not recorded, of the entire property described above in Exhibit D, on which map are shown: the location of the 60 foot wide proposed roadway referred to above, and the location of the property within "the flood way", and location of property within "the flood plain", and location of the property between the flood way and the line of the flood plain; and

- (2) The acreage not situated either within the flood plain or within the flood way.

Such sales price less brokerage will be paid by the Grantor named in this Deed of Trust, or its successor in interest, to the Noteholder as follows: 80% of such sales price, or the following minimum per acre amounts, whichever shall be the larger: \$2,000.00 per acre located within the flood way; \$5,000.00 per acre located within the flood plain; and \$7,500.00 per acre for acreage not located either in the flood plain or the flood way.

3. Notwithstanding anything else herein written, no tract will be released of a size less than 10 acres in the area shaded in yellow on Exhibit D, which area is all of the acreage covered by this Deed of Trust except for acreage within the floodway or within the flood plain.
4. Until this Deed of Trust shall have been fully paid and satisfied and cancelled, as to principal and interest, no asphalt trucks or concrete trucks will be allowed to travel or move on the proposed roadway shown in Exhibit D. This is a restrictive covenant running with the land and applying to the original Grantor in this Deed of Trust and to any subsequent owner or assignee of the property.
5. The locations of the property within the flood way and the property between the flood way and the boundary of the flood plain, and the location of the 60 foot wide proposed roadway, and the locations of the other areas as shown on the map designated as Exhibit D, shall also be further identified by an official map, entitled "National Flood Insurance Program - Flood Way - Flood Boundary and Flood Way Map - City of Winston-Salem in Forsyth County, North Carolina, Sheet 118 of 142; Community - Sheet 375360 0118, Map Revised: January 5, 1984; Issued by the Federal Emergency Management Agency of the United States Government." Any lack of clearness in the above description in Exhibit D shall be controlled by the above-mentioned Federal Emergency Management Agency official map.