

DRAWN OUTSIDE  
OF STATE

Harrington Box  
28

FORSYTH COUNTY

(North Carolina)

Executed and  
Delivered in  
Baltimore, Maryland

DEED OF TRUST  
and Security Agreement

THIS DEED OF TRUST, made as of this 9<sup>th</sup> day of April, 1987, by and between B & BB LIMITED PARTNERSHIP, 6158 Greenbelt Road, Greenbelt, Maryland 20770, a limited partnership duly organized and existing under the laws of the State of Maryland (hereinafter sometimes called "Grantor"), LARRY S. LINDENMEYER and JIMMY L. HICKMAN, as Trustees, c/o The Bank of Baltimore, Baltimore and Charles Streets, Baltimore, Maryland 21202 (hereinafter sometimes called "Trustees") and THE BANK OF BALTIMORE, a body corporate duly organized and existing under the laws of the State of Maryland, having its principal office at Baltimore and Charles Streets, Baltimore, Maryland 21202, Beneficiary (hereinafter sometimes called the "Bank"),

WITNESSETH:

WHEREAS, the Bank has agreed to make a loan to Grantor in the amount of Nineteen million seven hundred thousand Dollars (\$19,700,000.00); and to evidence the loan, LZ Co. and Grantor have duly executed and delivered to the Bank a certain Amended and Restated Promissory Note of even date herewith, in the original principal amount of \$12,270,940.00 and Grantor has duly executed a Promissory Note in the original principal amount of \$7,429,060.00, of even date herewith (which are hereinafter collectively called the "Note"), to evidence the repayment of the loan; and

WHEREAS, the entire unpaid balance of principal and interest, if not sooner paid, shall be due and payable on the fifth day of April, 1997; and

WHEREAS, all things necessary to make the Note the valid, binding and legal obligation of Grantor, and to make this Deed of Trust a valid, binding and legal instrument for the security of the Note in accordance with its terms, have been duly performed, and the execution and delivery of the Note and this Deed of Trust by Grantor have been in all respects duly authorized; and

WHEREAS, it has been agreed that the repayment of the said loan with interest, according to the terms of the Note and any alterations, modifications, substitutions, extensions or renewals thereof, and future advances and readvances, as well as the performance of the other covenants, terms and conditions herein, should be secured by the execution of this Deed of Trust, which also shall secure payment by the Grantor of all costs and expenses incurred in respect to the said loan, including reasonable attorney's fees as is hereinafter provided.

NOW, THEREFORE, in consideration of the premises and of other good and valuable considerations, the receipt of which is hereby acknowledged, Grantor grants, assigns, conveys and transfers unto the Trustees, and each of their heirs and each of their successor or successors in the trust and assigns, in

fee simple, the following land situate in the State of North Carolina, and described as follows:

All of that certain lot, piece or parcel of land, with the buildings and improvements erected thereon, situate, lying and being in the City of Winston Salem, County of Forsyth and State of North Carolina and more particularly described as follows:

BEGINNING at an iron stake at the Northeast corner of Clemmonsville Road and Ebert Street; thence along the East side of Ebert Street N 06°-36'-56" E, 305.00 feet to an iron stake; thence along the Southern line of Laurel L. Robbins S 88°-19'-09" E, 206.41 feet to an iron stake passing over an iron stake 6.00 feet from the corner; thence S 03°-30'-56" W, 190.04 feet to an iron stake; thence N 84°-47'-44" W, 27.86 feet to an iron stake; thence S 21°-19'-58" W, 215.39 feet to a nail and cap in the pavement of Waughtown-Clemmonsville Road. Said line passing over an iron stake 16.00 feet back from the corner; thence N 53°-41'-54" W, 153.50 feet to a nail and cap in the pavement the point of beginning containing 1.531 acres and being lots 4-A and 5-E, Block 2308, Forsyth County, N.C. tax map and being also the same property described in Deed Book 742, page 246, Forsyth County, N.C. Registry.

Being known as 2121 Clemmonsville Road, which property is subject to the terms and conditions of a certain Memorandum of Lease between LZ Co., lessor, and Circle K General, Inc., tenant, dated March 1, 1985 and recorded at the Registry of Forsyth County at Book 1478, Page 698, as assigned by an Assignment and Assumption of Lease from LZ Co. to B & BB Limited Partnership, dated July 31, 1986 and recorded at the Registry of Forsyth County at Book 1560, Page 1058.

and

All of that certain lot, piece or parcel of land, with the buildings and improvements erected thereon, situate, lying and being in the City of Greensboro, County of Guilford and State of North Carolina and more particularly described as follows:

BEGINNING at a point in the northern margin of U.S. Highway 1421, Friendship Township, Guilford County, North Carolina:

Said Beginning point being measured South 87° 55' 10" West 456.63 feet from the southwest corner of the property of Custom Stamping, inc. and running thence with the U.S. Highway 1421, South 87° 55' 10" West 200 feet to a point; thence North 04° 13' 00" East 200 feet to a point; thence North 87° 55' 10" East 200 feet to a point; thence South 04° 13' 00" West 200 feet to the place of Beginning. The same being all of Parcel 3 of the property of Kanco Petroleum Marketers, Inc., a plat of which is recorded in Plat Book 64, Page 81, of the Guilford County Public Registry.

Being known as 6118 Market Street, which property is subject to the terms and conditions of a certain Memorandum of Lease between LZ Co., lessor, and Circle K General, Inc., tenant, dated March 1, 1985 and recorded at the Registry of Guilford County at Book 3433, Page 1546, as assigned by an Assignment and Assumption of Lease from LZ Co. to B & BB Limited Partnership, recorded at the Registry of Guilford County at Book 3525, Page 1067.

TOGETHER with all the walks, fences, shrubbery, driveways, fixtures, equipment, machinery, apparatus, fittings, building materials and other articles of personal property of every kind and nature whatsoever, now or hereafter ordered for eventual delivery to the land herein described (whether or not delivered thereto), and all such as are now or hereafter located in or upon any interest or estate in the land herein conveyed or any part thereof and used or usable in connection with any present or future operation of said land now owned or hereafter acquired by Grantor, including, without limiting the generality of the foregoing, all heating, lighting, laundry, clothes washing, clothes drying, incinerating and power equipment, engines, pipes, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire-prevention, fire-extinguishing, refrigerating, ventilating, and communications apparatus, television sets, radio systems, recording systems, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, draperies, curtains, fans, furniture, furnishings, carpeting, linoleum and other floor coverings, screens, storm doors and windows, stoves, gas and electric ranges, refrigerators, garbage disposals, sump pumps, dishwashers, washers, dryers, attached cabinets, partitions, ducts and compressors, landscaping, security systems and including all equipment installed or to be installed or used or usable in the operation of the building or buildings or appurtenant facilities erected or to be erected in or upon the said land but EXCLUDING all gasoline storage tanks, gasoline stations and gasoline dispensing equipment, signs, and walk-in boxes; it being understood that all the aforesaid shall be deemed to be fixtures and part of the said land, but whether or not of the nature of fixtures they shall be deemed and shall constitute part of the security for the indebtedness herein mentioned and shall be covered by this Deed of Trust EXCLUDING, however, only personal property owned by any tenant actually occupying all or part of the premises. Disposition of any of the aforesaid or of any interest therein is prohibited; however, if any disposition is made in violation hereof, the Trustees shall have a security interest in the proceeds therefrom to the fullest extent permitted by the law of North Carolina; and

TOGETHER with all and singular the rights, alleys, ways, waters, easements, tenements, privileges, advantages, accessions, hereditaments and appurtenances belonging or in any way appertaining to the aforesaid land and other property described herein, and the reversions and remainders, earnings, revenues, rents, issues and profits thereof and including any right, title, interest or estate hereafter acquired by Grantor in the aforesaid land and other property described herein; and

TOGETHER with all the right, title and interest (but not the obligations) of Grantor, present and future, in and to all present and future accounts, contract rights (including all

fees and other obligations set forth in the Bank's commitment to make the loan), general intangibles, chattel paper, documents and instruments including but not limited to licenses, construction contracts, service contracts, utility contracts, options, permits, public works agreements, bonds, deposits and payments thereunder, relating or appertaining to the aforesaid land and other property described herein and its development, occupancy and use; and

TOGETHER with all of Grantor's right, title, and interest in and to those certain Leaseback Lease Agreements dated as of March 1, 1985 and recorded among the Land Records of each county where a parcel of the aforesaid land is located (collectively, the "Lease"), by and between LZ Co., predecessor in interest to Grantor, as landlord, and Circle K General, Inc., as tenant (hereinafter sometimes called "Tenant"), which Lease has been assigned by Grantor to the Bank as further security for the loan by Assignments dated of even date herewith and recorded or intended to be recorded among the Land Records of each county where the aforesaid land is located.

TO HAVE AND TO HOLD the said land with improvements thereupon and all the rights, easements, profits and appurtenances and other property described above (all of which is hereinafter sometimes called the "trust property") belonging unto and to the use of the Trustees, and their and each of their successor or successors in the trust and assigns, in fee simple forever;

BUT IN TRUST, NEVERTHELESS, for and upon the uses, intents and purposes hereinafter mentioned, that is to say for the benefit and security of the holder of the Note (hereinafter called the "Holder") and for the enforcement of the payment of all sums (hereinafter sometimes called the "indebtedness") secured hereby including those advanced, to be advanced and readvanced, and the compliance with the terms, covenants and conditions, in the Note and in this Deed of Trust, expressed or implied;

PROVIDED, HOWEVER, that if Grantor shall pay or cause to be paid to the Holder all sums secured hereby in the manner stipulated in the Note and this Deed of Trust, then and in such case, the estate, right, title and interest of the Trustees in the trust property shall cease, determine and become void, and upon proof being given to the satisfaction of the Trustees that the Note has been paid or satisfied, in accordance with its terms and upon payment of all fees, costs, charges, expenses and liabilities chargeable or incurred or to be incurred by the Trustees and of any other sums as in this Deed of Trust provided, the Trustees shall, upon receipt of the written request of Holder, and at the expense of Grantor, release and discharge this Deed of Trust of record, and shall transfer and deliver up to Grantor any property at the time subject to this Deed of Trust which may be then in their possession, provided the Trustees hereunder shall be entitled to a fee of Twenty Dollars (\$20.00) each for the release and reconveyance of the trust property or any partial release and reconveyance;

AND THIS DEED OF TRUST FURTHER WITNESSETH, that Grantor has covenanted and agreed and does hereby covenant and agree with the Trustees, and with the Holder as follows:

1. Grantor covenants that at the time of the execution and delivery of this Deed of Trust it has good title to all of the property described in the granting clauses of this Deed of Trust as being presently granted, assigned, conveyed and transferred hereunder, and the trust property is not subject to any mortgage, deed of trust or other lien other than this instrument; Grantor hereby warrants generally and shall defend the title to the trust property, and every part thereof, whether now owned or hereafter acquired, unto the Trustees and their or each of their successor or successors in the trust and assigns, against all claims and demands by any person or entity whatsoever; Grantor covenants that Grantor shall comply with all the terms, covenants and conditions of all agreements and instruments, recorded and unrecorded, affecting the trust property.

2. At any and all times Grantor shall furnish and record all and every such further assurances as may be requisite or as the Trustees shall reasonably require for the better assuring and confirming unto the Trustees the estate and property hereby granted, assigned, conveyed or transferred, or intended so to be whether now owned or hereafter acquired; Grantor shall bear all expenses, charges and taxes in connection therewith.

3. Grantor covenants to duly and punctually pay the principal of and interest and prepayment penalties, if any, on the Note at the date and place and in the manner provided in the Note. Under the Note, the rate of interest may change pursuant to an index not within the control of the Note holder. Grantor covenants to pay all recordation taxes, transfer taxes and similar taxes which have been, are or may be hereafter imposed upon the execution, delivery or recording of this instrument, the Note, or any other document executed by Grantor or any other party in connection with the indebtedness.

4. Grantor shall promptly pay and discharge all taxes, water rents, assessments, public and private and other dues, charges and levies (collectively hereinafter called "taxes") which have been, are or may hereafter be imposed upon the trust property and upon payment thereof will exhibit to Holder, upon demand, the receipted bills therefor or other proof of payment; provided, however, that Grantor shall not be required to pay any such taxes to the extent that the Tenant does so prior to the last day upon which the same can be paid without penalty. If Grantor shall contest the validity or amount of any such taxes, Grantor shall protect the trust property against sale for taxes or sale upon foreclosure of any lien for real estate taxes or assessments, and if requested by Holder, will pay under protest or post a bond for the contested taxes or assessments in accordance with the provisions of applicable law. Nothing contained in this Section shall be deemed to affect any right or remedy of Holder under any provisions of this Deed of Trust or of any statute or rule of law to pay any such amount and to add the amount so paid, together with interest at the rate provided for in the Note, to the indebtedness secured hereby.

5. Grantor (a) shall keep the trust property in good order, condition and repair, and shall not commit, permit or suffer any waste thereof; (b) shall make all needful and proper renewals, replacements and additions of and to the same and shall permit Holder or its designee to enter upon and inspect the trust property at any reasonable time or times during

normal business hours; (c) shall not alter or tear down the improvements on or to be made on the aforesaid land or change them nor permit them to be torn down or changed, without the written consent of Holder except to the extent that Tenant is permitted under the Lease to do so without first obtaining Grantor's prior written consent; (d) shall not make or permit tenants or others to make any improvements to or on the trust property, without the written consent of Holder except to the extent that Tenant is permitted under the Lease to do so without first obtaining Grantor's prior written consent; (e) shall not sell, abandon, cease to own, lease (except to Tenant), assign, transfer or dispose of the trust property or any interest therein, without paying to Holder that portion of the loan secured hereby which Grantor is required to pay under the Note, provided, however, that Grantor may transfer all and not less than all of the "Existing Properties" (as defined in the Note) without payment of any amount to Holder on account of such event, provided that Grantor first obtains Holder's prior written consent to such transfer, such consent not to be unreasonably withheld, and Grantor shall give Holder not less than thirty (30) days prior written notice of the proposed transfer which specifies in reasonable detail the terms of the transfer; and (f) shall not suffer any act to be done or any conditions to exist on the trust property or any part thereof or any thing or article to be brought thereon which may be dangerous, unless safeguarded as required by law, or which may in fact or in law, constitute a nuisance, public or private, or which may void or make voidable any insurance then in force or required by the terms of this Deed of Trust to be in force.

6. Grantor (a) shall keep the trust property free from all liens, claims and other encumbrances of every kind except such as are approved in writing by Holder, which approval shall not be unreasonably withheld, and (b) shall promptly and faithfully comply with and obey all laws, ordinances, rules, regulations, requirements and orders of every duly constituted governmental authority or agent having jurisdiction in the premises with respect to the trust property. In the event Holder consents to an encumbrance on the trust property, a default under the terms of any document creating such an encumbrance shall be a default hereunder.

7. Grantor shall at all times keep the trust property insured against loss or damage by fire by appropriate fire insurance and extended coverage insurance and against such other hazards, casualties and contingencies (including, without limitation, flood, vandalism, malicious mischief and collapse coverage) as may be required from time to time by Holder. Grantor may comply with this covenant either by requiring Tenant to maintain the insurance required by Section 4.1 of the Lease or by maintaining such insurance itself if Tenant fails to do so (or if Tenant fails to provide evidence of such insurance within fifteen (15) days after a request to do so). Grantor shall cause a Mortgagee Clause satisfactory to Holder to be attached to each such policy providing that all payments thereunder shall be made to the sole order of Holder as its interest may appear, and a clause providing that such policy may not be surrendered, cancelled or modified without thirty (30) days' prior written notice to Holder.

In case of any damage to or destruction of the improvements on the trust property, provided that no Event of

Default has occurred and is continuing, and provided further that no event of default under the Lease ("Lease Default") has occurred and is continuing, then Tenant shall have the option, if it gives written notice to Grantor not later than twenty (20) business days following such event, to repair promptly and fully restore any such portion of the trust property, at its sole cost and expense as soon as reasonably possible, in accordance with the requirements of Section 6.1 of the Lease. All insurance proceeds shall be paid to Holder for application in accordance with this Section 7. Holder shall make the insurance proceeds received by Holder available to Tenant to pay for the restoration of the improvements affected by such loss or damage, subject to the following conditions:

(a) no Lease Default shall have occurred and be continuing;

(b) the Lease shall continue after the restoration in full force and effect; and

(c) Holder shall first be given satisfactory proof that such improvements have been fully restored free and clear of all liens, except the lien of this Deed of Trust.

If Holder receives any proceeds of the insurance described above, Holder, at its option, unless otherwise required as stated above, may apply whatever sums are received either to the repair, restoration and replacement of the damaged or destroyed property (without obligation to see the sums are so applied), or toward the payment of the indebtedness secured hereby (in such manner or combination thereof including inverse order of maturity of installments, if any, as Holder, in its sole discretion, may elect). Grantor shall notify Holder of any casualty or loss within twenty-four (24) hours after Grantor has knowledge thereof. In the event of a foreclosure sale of the trust property or part thereof or other transfer of title to the trust property in lieu of foreclosure Holder is authorized, but not obligated, to cancel any or all of the aforesaid policies, and any unearned premium or premiums returned shall be applied to the payment of the indebtedness secured hereby.

Grantor shall at all times keep itself insured, against liability for damages arising from any accident or casualty in or upon the property, either by requiring Tenant to maintain the insurance required by Section 4.2 and 4.3 of the Lease or by maintaining such insurance itself if Tenant fails to do so (or if Tenant fails to provide evidence of such insurance within fifteen (15) days after a request to do so). Grantor shall deliver all such policies (or certificates in form and substance reasonably acceptable to Holder) to Holder at its principal office or at such other place as it may designate in writing, and shall likewise deliver to Holder renewals of such policies (or certificates as aforesaid) thirty (30) days in advance of the expiration of the same, stamped "Paid" by the agent or company issuing same, if applicable.

During any construction, repair, restoration or replacement of improvements on the land, Grantor shall cause all contractors and subcontractors to obtain and keep in effect workmen's compensation insurance to the full extent required by



applicable law and also which shall cover all employees of each contractor and subcontractor; Grantor shall obtain and keep in effect a standard builder's risk policy with extended coverage in the amount of One hundred percent (100%) of the value of the improvements, with a non-contributing mortgagee clause and non-surrender, non-cancellation, non-modification clause as aforesaid and such insurance shall be written in such manner and by such companies as are approved by Holder; upon demand, Grantor shall provide evidence satisfactory to Holder that it is complying with this covenant.

8. Grantor hereby grants, conveys, assigns, and transfers unto the Trustees, for the benefit of Holder, all the right, title, interest and privileges which the Grantor has or may hereafter have in the Lease and any and all leases now existing or hereafter made affecting all or a part of the trust property, as the Lease or any leases may have been or may from time to time be hereafter modified, extended or renewed with all the rents (which word when used in this Deed of Trust shall include, without limitation, all income and profits) due and becoming due therefrom and including without limitation the right of Holder, to the extent that Grantor has such right, to inspect the leased areas and books and records of Tenant or any lessee. Upon demand of Holder, Grantor shall furnish Holder an executed copy of each lease for the trust property other than the "Lease" immediately upon its execution. Notwithstanding the foregoing reference to other leases, Grantor shall not enter into any other lease for the trust property without the prior written consent of Holder. Any termination of the Lease with respect to the trust property may be a default hereunder or may require payment of a part of the indebtedness secured hereby, as provided herein and/or in the Note, and accordingly Holder's consent to any new lease may be withheld in its sole discretion. Grantor shall carry out all of its agreements and covenants as landlord under the Lease, and as a lessor under any other lease, and as Assignor in that certain Assignment of Lessor's Interest in Leases and Guarantees of even date herewith (the "Assignment of Leases") which assigns to Holder all of Grantor's right, title and interest in and to the Lease. No such assignment made or required hereby shall be construed as a consent by Trustees or Holder to any lease or to impose on Trustees or Holder any obligation with respect thereto. Grantor shall not (i) permit a lien or other encumbrance superior to the Lease or any such leases other than this Deed of Trust; or (ii) make any other assignment, hypothecation or pledge of any rents under the Lease or any lease of part or all of the trust property, except one which is subordinate in all respects to the lien of the Holder, pursuant to a subordination agreement with such other lienholder reasonably satisfactory to Holder. Grantor covenants that the holder of any subordinate lien shall have no right, and shall acquire no right, to terminate or modify any lease affecting the trust property whether or not such lien is subordinate to the lien of this Deed of Trust. All payments under the Lease or any lease received by Grantor shall be deemed held by Grantor in trust for the payment of the indebtedness secured hereby.

9. If Grantor shall fail to perform any of the covenants or satisfy any of the conditions contained herein, Holder may make advances or payments towards performance or satisfaction of the same but shall be under no obligation so to



do; and all sums so advanced or paid shall be at once repayable by Grantor and shall bear interest at the rate of one percent (1%) per annum above the rate from time to time as set forth in the Note, from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest as aforesaid, shall become a part of the indebtedness secured hereby; but no such advance or payment shall relieve Grantor from any default hereunder. If Grantor shall fail to perform any of the covenants or satisfy any of the conditions contained herein, Holder may use any funds of Grantor, towards performance or satisfaction of the same but shall be under no obligation so to do; and no such use of funds shall relieve Grantor from any default hereunder.

10. Each of the following events (herein called "Events of Default") shall constitute and be an Event of Default, that is to say:

(a) default shall be made in any payment on account of the principal sum of the Note or interest thereon when and as the same shall become due and payable as herein or in the Note provided and the same not be cured within fifteen (15) days after written notice thereof; or

(b) default shall be made in the observance or performance of one or more of the other terms, covenants or conditions on the part of Grantor contained herein or in the Note or in the commitment of the Bank to make the loan and the same not be cured within thirty (30) days after written notice thereof; or

(c) default shall be made in the observance or performance of one or more of the material terms, covenants or conditions on the part of Grantor contained in the Lease which is not cured within the time allowed under the Lease for such cure; or

(d) default shall be made in the observance or performance of one or more of the terms, covenants or conditions of any document executed in connection with this loan, including the Assignment of Leases, and any and all mortgages and deeds of trust, and any modifications, amendments, or supplements to such mortgages and deeds of trust securing the Note in any other jurisdiction, and the same not be cured within the time provided in such document for such cure which in any event (except as a provided above in (a)) shall not be less than thirty (30) days after written notice of such default; or

(e) any court of competent jurisdiction shall sign an order (i) adjudicating any "Relevant Party" (which means Grantor, Tenant, any guarantor of the indebtedness, and The Circle K Corporation) bankrupt, (ii) appointing

a trustee or receiver of the property, or of a substantial part of the property of any Relevant Party, or (iii) approving a petition for, or effecting, an arrangement in bankruptcy, or any other judicial modification or alteration of the rights of Holder or of other creditors of any Relevant Party; or if any Relevant Party shall (i) file any petition or (ii) consent to any other action seeking any such judicial order; provided, however, that any involuntary proceedings to obtain such an order referred to in this subsection (e), brought against a Relevant Party, shall not constitute an Event of Default if such proceedings are terminated within ninety (90) days after being brought; or if any Relevant Party shall make an assignment for the benefit of creditors or shall admit in writing inability to pay debts generally as they become due; the term "Relevant Party" in this subparagraph shall include any person or entity related to or connected with any Relevant Party if the rights or enforcement of any remedies of Holder or the Trustees are challenged, stayed, or affected in any proceedings involving that person or entity; or

(f) if The Circle K Corporation, or its directors or stockholders shall institute any proceedings for the dissolution or liquidation of the corporation or fail to protect and preserve its independent corporate franchise or pay taxes imposed in connection therewith or comply with any and all additional requirements under applicable laws necessary thereto, or fail to secure and protect a certificate of authority to do its business within the state in which the trust property is located; or

(g) if Tenant, or its directors or stockholders shall institute any proceedings for the dissolution or liquidation of the corporation or fail to protect and preserve its independent corporate franchise or pay taxes imposed in connection therewith or comply with any and all additional requirements under applicable laws necessary thereto, or fail to secure and protect a certificate of authority to do its business within the state in which the trust property is located; or

(h) if Grantor dissolves or permits the dissolution of the limited partnership or fails to protect any certificate of authority to do business in the State of Maryland and in the state in which the trust property is located.

A default under any of the mortgages, deeds of trust and documents referred to in this Section 10 beyond any applicable cure period shall constitute and be deemed a default under all of the mortgages, deeds of trusts and documents

referred to in this Section 10. If one or more of the Events of Default shall occur, the Trustees are authorized and shall have the power and the duty at the direction of Holder to proceed by suit at law or in equity or by any other appropriate remedy to protect and enforce the rights of Holder, whether for the specific performance of any covenant or agreement set forth herein, in aid of the execution of any power herein granted, to enforce payment of the Note, to foreclose this Deed of Trust, and to sell the trust property under the judgment of decree of a court of competent jurisdiction, or otherwise. Grantor, in accordance with the laws of the State of North Carolina relating to mortgages and deeds of trust including any amendments thereof or supplements thereto which do not materially change or impair the remedy, does hereby agree to the initiation of a proceeding and a sale by the Trustees under the power of sale in accordance with the laws of the State of North Carolina, with jurisdiction to lie in the courts of the county where the trust property is located.

11. If one or more of the Events of Default shall occur, the Trustees, at the direction of Holder, and after complying with the requirements of Chapter 45 of the General Statutes of North Carolina relating to sales under powers of sale contained in deeds of trust, shall sell, and in the case of default of any purchaser shall resell, all the trust property as an entirety, or in such parcels as Holder shall in writing request, or, in the absence of such request, as the Trustees may determine, at public auction at some convenient place in the state in which the trust property is located, or in such other place as may be permitted by law, at such time, in such manner and upon such terms as the Trustees may fix and briefly specify in each notice of sale. The notice of sale shall state the time and place of sale, shall contain a brief general description of the property to be sold, and shall be sufficient if published as required by applicable law. The Holder or the Trustees may cause such further public advertisement to be made as they may deem advisable. Any such sale may be adjourned by the Trustees by announcement at the time and place appointed for such sale or for such adjourned sale, and, without further notice or publication except as may be required by law, such sale may be made at the time and place to which the sale shall be adjourned. If one or more leases are subordinated to the lien of this Deed of Trust or entered into or recorded subsequent to the recording of this Deed of Trust, the Trustees, at the direction of the Holder, shall sell subject to any one or more of such tenancies that are designated and selected by the Holder. Any personal property sold need not be present at the place of sale.

12. Upon the completion of any sale and compliance with all the terms thereof, the Trustees shall execute and deliver to the purchaser a trustees' deed conveying the property sold. Payment to the Trustees of the entire purchase money shall be full and sufficient discharge of any purchaser of the property sold for the purchase money. No such purchaser, or the representatives, successors or assigns of such purchaser, after paying such purchase money and receiving the deed shall be bound to see to the application of such purchase money.

13. In the case of any sale of the trust property or of any part thereof, proceeds and any other sums which may then

be held as security under this Deed of Trust shall be applied as follows:

FIRST, to pay all proper costs, charges, attorneys' fees and expenses, including the fees and costs herein provided for, to pay or repay to Holder, or the Trustees, all taxes due upon the trust property at the time of sale, and to pay a commission to the person making the sale equal to three percent (3%) of the amount of the sale, but in no event more than \$10,000.00 or less than \$5,000.00;

SECOND, to pay whatever may then remain unpaid, of the Note, the interest thereon to the date of payment, whether due or not, and all of the Indebtedness;

THIRD, to pay the remainder of such proceeds, if any, less the expense, if any, of obtaining possession, to Grantor or other party lawfully entitled to receive such proceeds, upon the delivery and surrender of possession of the trust property sold and conveyed and delivery of all records, books, bank accounts, leases, agreements, security deposits of the lessees and all other material relating to the operation of the trust property to such purchaser.

14. In the event foreclosure is terminated upon the request of Grantor prior to delivery of the deed or deeds by the Trustees as aforesaid, Grantor shall pay unto the Trustees all costs and expenses incident to said foreclosure, including as compensation for the services of the Trustees an amount equal to fifty percent (50%) of the compensation to which the Trustees would have been entitled to upon delivery of the deed or deeds if such termination is prior to any hearing then required by applicable law; seventy-five percent (75%) of such amount if such termination is after such hearing but before any sale hereunder; and the full amount if such termination is at any time after such sale, together with reasonable attorney's fees for legal services actually performed to the date of such termination and reasonable attorney's fees, if any, as provided in the evidence of indebtedness secured by this Deed of Trust. Holder shall not be required to receive the principal and interest in satisfaction of the indebtedness secured hereby, but such sale may proceed unless, prior to the day appointed therefor, tender is made of the principal, interest, premium, if any, commissions and all expenses and costs incident to such sale and all other sums that are part of the indebtedness secured hereby.

15. If one or more of the Events of Default shall occur, Holder, at its option, may declare the entire unpaid principal amount of the Note, if not already due and payable, to be due and payable immediately. Upon any sale of all or any part of the trust property, such unpaid principal amount shall automatically and without notice become due and payable.

Acceleration of maturity, once declared by Holder, may be rescinded at the option of Holder by written acknowledgement to that effect by Holder. The tender and acceptance of partial payments alone shall not rescind or affect in any way any acceleration of maturity.

16. If one or more of the Events of Default shall occur, Grantor shall, upon demand, forthwith surrender the actual possession, and, to the extent permitted by law, Holder, by such officers or agents as it may appoint, may enter and take possession of the trust property and may exclude Grantor, its agents and servants, wholly therefrom, and having and holding the same, may use, operate, manage and control the trust property or any part thereof, and upon every such entry Holder, at the expense of Grantor and of the trust property, from time to time may make all necessary or proper repairs, renewals, replacements and useful or required alterations, additions, betterments and improvements to and upon the trust property as to it may seem judicious and pay all costs and expenses of so taking, holding and managing the same, including reasonable compensation to its employees and other agents (including, without limitation, attorney's fees and management and rental commissions) and any taxes, assessments and other charges prior to the lien of this Deed of Trust which Holder may deem it wise or desirable to pay, and in such case Holder shall have the right to manage the trust property and to carry on the business and exercise all rights and powers of Grantor, either in the name of Grantor, or otherwise, as Holder shall deem advisable; and Holder shall be entitled to collect and receive all rents thereof and therefrom. After deducting the expenses of operating the trust property and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments, improvements and all payments which it may be required or may elect to make for taxes or other proper charges on the trust property, or any part thereof, as well as just and reasonable compensation for all its employees and other agents (including, without limitation, attorney's fees and management and rental commissions) engaged and employed, the moneys arising as aforesaid shall be applied to the indebtedness secured hereby. Whenever all that is due upon the principal of and interest on the Note and under any of the terms of this Deed of Trust shall have been paid and all defaults made good, Holder shall surrender possession to Grantor. The same right of entry, however, shall exist if any subsequent Event of Default shall occur.

17. Until one or more of the Events of Default shall occur (but not thereafter), Grantor shall have possession of the trust property and shall have the right to use and enjoy the same and to receive the rents thereof and therefrom and to distribute such amounts in Grantor's discretion. If one or more of the Events of Default shall occur, Holder shall be entitled as a matter of right and to the extent permitted by law, without notice to Grantor, and without regard to the adequacy of the security, to the immediate appointment of a receiver of the trust property and of the rents thereof and therefrom, with all such other powers as the court or courts making such appointment shall confer, and the rents thereof and therefrom are hereby assigned to Holder as additional security under this Deed of Trust. Grantor shall deliver to the receiver appointed pursuant to the provisions of this Section, or to Holder in the event of entry pursuant to the terms of the preceding Section, all original records, books, bank accounts, leases, agreements, security deposits of the lessees and all other materials relating to the operation of the trust property.

18. If one or more Events of Default shall occur, Holder may at its discretion require Grantor to assemble such

items of the trust property which consist of personal property as may be designated by Holder and make them available to the Trustees at a place reasonably convenient to both parties to be designated by Holder or the Trustees. Upon a default under this Deed of Trust, Holder shall have the right to take possession of such items of the trust property as Holder may elect. In taking possession Holder may proceed without judicial process if this can be done without breach of the peace. Holder shall have the further right to remove such items of the trust property as it may choose to any location or locations selected by Holder, and Grantor shall pay the costs of such removal and for the storage and protection of such items immediately upon demand therefor. If Holder elects to direct the Trustees to proceed under the North Carolina Uniform Commercial Code to dispose of some of the trust property, the Trustees shall give Grantor notice by certified mail, postage prepaid, return receipt requested, of the time and place of any public sale of any of such property or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to Grantor at least ten (10) days before the time of the sale or other disposition, which provisions for notice Grantor and the Trustees agree are reasonable; provided, however, that nothing herein shall preclude Holder and the Trustees from proceeding as to all the trust property in accordance with the rights and remedies of Holder and the Trustees in respect of the real property, as provided in Section 25-9-501(4) of the General Statutes of North Carolina, as amended from time to time.

19. Grantor hereby assigns to Trustees for the benefit of Holder any award made hereafter to it in any court procedure involving Tenant or any other lessee in any bankruptcy, insolvency or reorganization proceeding in any state or federal court and any and all payments by Tenant or any other lessee in lieu of rent.

20. Neither the Trustees nor Holder shall be obligated to perform or discharge any obligation or duty to be performed or discharged by Grantor under any lease; and Grantor hereby agrees to indemnify the Trustees and Holder for and to save them harmless from, any and all liability arising from any lease, or this assignment thereof and this assignment shall not place the responsibility for the control, care, management or repair of the trust property upon the Trustees or Holder, nor make said Trustees or Holder liable for any negligence in the management, operation, upkeep, repair or control of the trust property resulting in loss or injury or death to any lessee, agent or stranger.

21. Grantor shall provide competent and responsible management, maintenance and operation of the trust property and shall keep true books, records and accounts (collectively the "books") in which full, true and correct entries in accordance with sound accounting practice and principles applied on a consistent basis from year to year shall be made of all dealings or transactions with respect to the trust property. Grantor represents and covenants that it keeps all such books at Grantor's address set forth above and will continue to keep such books at Grantor's address set forth above. Holder and its designees shall have the right to audit all books to verify reports and statements delivered under this Section. Grantor shall submit to Holder, in form and detail reasonably satis-

factory to Holder, within ninety (90) days of the end of each of Grantor's fiscal years, a statement of changes in financial position showing depreciation taken, cash flow including, without limitation, a breakdown, source and application of all funds of the trust property for the Grantor's immediately preceding fiscal year prepared in accordance with sound accounting practice applied on a consistent basis from year to year. Such statement shall be prepared from the books and records of Grantor by a certified public accountant, provided however, upon demand by Holder, such statement shall be prepared after audit and certified without exception objectionable to Holder by an independent certified public accountant. The guarantor of the Note, Sidney J. Brown, shall submit to Holder, in form and detail satisfactory to Holder, within ninety (90) days of the end of guarantor's fiscal year, a statement of net worth, certified under oath by such guarantor; provided, however, that in the event of the death of Sidney J. Brown, such statement will be provided on behalf of his estate in the form of a balance sheet. Grantor shall cause The Circle K Corporation and all subsidiaries of The Circle K Corporation, including Tenant, to submit to Holder, in form and detail satisfactory to Holder, within ninety (90) days of the end of each of their respective fiscal years, separate balance sheets as of the end of such year, changes in financial position and separate statements of their income for such year and related statements of surplus and retained earnings for such year, prepared in accordance with generally accepted accounting principles applied on a consistent basis from year to year stating in comparative form the figures as of and for the previous year of the entity submitting the balance sheets and statements. The balance sheets and statements of The Circle K Corporation shall be prepared after audit and certified without exception objectionable to Holder by an independent certified public accountant. In the event Grantor fails to furnish or cause to be furnished any such balance sheets or statements of Grantor or the guarantor, Holder may, at the expense of Grantor, cause a certified public accountant designated by Holder to prepare such balance sheets and statements and the costs thereof shall become part of the principal secured hereby until repaid with interest at the rate required by the Note.

22. Should any part of the trust property be condemned or taken through eminent domain proceedings, then all proceeds shall be paid to Holder. Holder shall pay such portion thereof to Grantor as Grantor may then be entitled under the Lease to receive, provided that no Event of Default has occurred and is continuing, or Holder shall pay such proceeds to Tenant upon the acceptance by Holder of a Substitute Property in accordance with the Note.

23. Grantor shall pay all costs, charges and expenses, including reasonable attorney's fees, which Holder or the Trustees may incur in defending or enforcing the validity or priority of the lien of this Deed of Trust, or any term, covenant or condition hereof, or in collecting any sum secured hereby, or in protecting the security of the Holder including without limitation being a party in any condemnation, bankruptcy or administrative proceedings, or, if an Event of Default shall occur, in administering and executing the trust hereby created and performing their powers, privileges and duties hereunder. Holder or the Trustees may make advances or



payments for such purposes but all advances or payments made by Holder or the Trustees for such purposes shall be repayable immediately by Grantor and shall bear interest at the rate of one percent (1%) per annum above the rate from time to time as set forth in the Note, from the date the same shall become due and payable until the date paid, and any such sum or sums with interest as aforesaid shall become a part of the indebtedness secured hereby; but no such advance or payment shall relieve Grantor from any default hereunder.

24. Holder may at any time, and from time to time, extend the time for payment of the indebtedness secured hereby, or any part thereof, or interest thereon, and waive, modify or amend any of the terms, covenants or conditions in the Note, in this Deed of Trust or in any other paper or document executed in connection with this loan, in whole or in part, either at the request of Grantor or of any person having an interest in the trust property, accept one or more notes in replacement or substitution of the Note, consent to the release of all or any part of the trust property from the lien of this Deed of Trust (and the Trustees may so release), take or release other security, release any party primarily or secondarily liable on the Note or hereunder or on such other security, grant extensions, renewals or indulgences therein or herein, apply to the payment of the principal and interest and premium, if any, of the indebtedness secured hereby any part or all of the proceeds obtained by sale or otherwise as provided herein, without resort or regard to other security, or resort to any one or more of the securities or remedies which Holder may have and which in its absolute discretion it may pursue for the payment of all or any part of the indebtedness secured hereby, in such order and in such manner as it may determine, all without in any way releasing Grantor or any party secondarily liable from any of the terms, covenants or conditions of the Note, this Deed of Trust, or other paper or document executed in connection with this loan, or relieving the unreleased trust property from the lien of this Deed of Trust for all amounts owing under the Note and this Deed of Trust. Holder and Grantor recognize and agree that the provisions of this Deed of Trust, the Note, and the other instruments executed in connection with the loan transaction may be modified by them or their successors or assigns at any time before or after default (which modification may involve increasing the rate of interest in the Note, agreeing that other charges should be paid, or modifying any other provision in any such instruments). The Trustees acting pursuant to the written direction of Holder may extend the time of payment, may agree to alter the terms of payment of the indebtedness, and may grant partial releases of any portion of the property included herein. No such modification by Holder and Grantor nor any such action by Holder or Trustees referred to above shall be a substitution or novation of the original indebtedness or instruments evidencing or securing the same, but shall be considered a possible occurrence within the original contemplation of the parties.

25. The Trustees shall be protected in acting upon any notice, request, consent, demand, statement, note or other paper or document believed by them to be genuine and to have been signed by the party or parties purporting to sign the same. The Trustees shall not be liable for any error of judgment, nor for any act done or step taken or omitted, nor for any mistake of law or fact, nor for anything which they may

do or refrain from doing in good faith nor generally shall a Trustees have any accountability hereunder except for his own individual wilful default.

26. The Trustees may act hereunder and may sell and convey the trust property as herein provided, although the Trustees have been, may now be or may hereafter be, attorneys or agents of any Holder, in respect of any matter or business whatsoever.

27. Grantor shall not, without the prior written permission of Holder, place any personal property upon the premises herein conveyed or any part thereof or attach any fixture that is subject to a title retention agreement, security agreement, or other encumbrance, whether said lien or interest is prior to the lien of this Deed of Trust or subsequent thereto, nor shall Grantor place or permit to be placed any personal property upon the premises herein conveyed, or any part thereof, other than the personal property of Grantor or any tenant actually occupying all or part of said premises.

28. Holder shall be entitled to remove, substitute, or add a Trustee or Trustees, at its option, with or without cause or notice, by instrument duly executed, acknowledged and recorded among the Land Records of the city or county where this Deed of Trust is recorded, and thereupon such additional or successor Trustees or Trustees, without any further act, deed or conveyance, shall become vested with all the estates, property, title, rights, powers, privileges, discretions, trusts, duties and obligations of his or their co-trustees, or predecessor or predecessors in the trust hereunder with like effect as if originally named as Trustees or Trustees hereunder; exercise of said power, no matter how often, shall not be an exhaustion thereof. Holder will endeavor to send a notice to Grantor of the exercise of any such power.

29. To the extent not prohibited by law, the rights, powers, privileges, discretions, duties, obligations, and trust hereby created and reposed in the Trustees may be executed by either of the Trustees with the same legal force, effect and virtue as though executed by both of them.

30. Holder may bid and become the purchaser at any sale under this Deed of Trust. If Holder is the purchaser at any such sale, Holder may apply the outstanding indebtedness against all or any portion of the purchase price, including the deposit.

31. Upon an Event of Default under this Deed of Trust any funds on deposit with the Bank in the name of the Grantor, whether as collateral security or held in escrow or otherwise, is hereby assigned to the Bank, shall be held by it as additional security and may be applied to the payment of any sums due it under the terms of the Note; this security assignment shall be effective only during the time when the Bank is Holder and shall terminate if the Note is sold and assigned by the Bank.

32. Grantor, upon request, made either personally or by mail, shall, within fifteen (15) days in case the request is made personally, or within twenty (20) days after the mailing

of such request in case the request is made by mail, certify, by a writing duly acknowledged, to Holder or to any proposed assignee of the Note, the amount of principal and interest then owing on the Note and whether any offsets or defenses exist against the indebtedness secured hereby. At the request of Holder, such certificate shall also contain a statement that the Grantor knows of no Event of Default nor of any other default which, after notice or lapse of time or both, would constitute an Event of Default, which has occurred and remains uncured as of the date of such certificate, or, if any such Event of Default or other default has occurred and remains uncured as of the date of such certificate, then such certificate shall contain a statement specifying the nature thereof, the time for which the same has continued and the action which the Grantor has taken or proposes to take with respect thereto.

33. In the event of the passage after date of this Deed of Trust of any law changing in any way the laws for the taxation of deeds of trust or debts secured by deeds of trust, or the manner of collection of any such taxation so as to affect this Deed of Trust, Holder may give thirty (30) days' written notice to Grantor requiring the payment of the indebtedness secured hereby. If such notice be given, the indebtedness secured hereby shall become due and payable at the expiration of said thirty (30) days; provided, however, that such requirement of payment shall be ineffective if Grantor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty or charge thereby accruing to Holder, and if Grantor in fact pays such tax prior to the date upon which payment is required by such notice.

34. Until this Deed of Trust is released of record, Holder may make additional advances and readvances to Grantor from time to time and said advances and readvances shall become part of the indebtedness secured hereby to the fullest extent permitted by law.

35. This Deed of Trust and the Trustees, as additional security, are hereby subrogated to the lien or liens and to the rights of the owners and holders thereof of each and every mortgage, lien or other encumbrance on the trust property, or any part thereof, or any claim or demand which is paid or satisfied, in whole or in part, out of the proceeds of the indebtedness secured hereby and the respective liens of said mortgages, liens and other encumbrances and claims and demands shall pass to and be held by the Trustees as additional security for the indebtedness to the Holder to the same extent that they would have been preserved and would have been passed to and been held by the Holder had they each been duly and regularly assigned, transferred, set over and delivered to the Holder by separate deed of assignment, notwithstanding the fact the same may be or may have been satisfied and cancelled of record, it being the intention of the parties hereto that the same will be satisfied and cancelled of record at or about the time they are paid or satisfied out of the proceeds of the loan described herein or secured hereby.

36. Any notice or demand upon Grantor which may be given or made hereunder or with reference to this Deed of Trust Note shall be a sufficient notice or demand if made in writing

and delivered to, or if deposited in any United States Government mail receptacle, enclosed in a postpaid envelope, sent by certified mail, addressed to Grantor at:

Sidney J. Brown, Esquire  
6158 Greenbelt Road  
Greenbelt, Maryland 20770

with a copy by certified mail to:

Sidney J. Brown, Esquire  
Suite 714  
4200 Massachusetts Avenue, N.W.  
Washington, D.C. 20016

Mailed notices shall be considered to have been given three days after the time they are deposited. Notwithstanding the aforesaid procedures, any notice or demand upon Grantor, in fact received, shall be sufficient notice or demand.

37. Notwithstanding anything to the contrary contained herein or pertaining to the loan, the Note and the terms of payment of indebtedness evidenced and secured by this Deed of Trust shall be construed, governed by and according to the law of the State of Maryland (excluding Maryland conflict of laws) and this Deed of Trust and the supporting loan documents shall be construed according to and governed by the laws of the State of Maryland (excluding Maryland conflict of laws), except to the extent North Carolina law or procedures are mandatorily applicable or expressly herein made applicable to some of the security for payment of the loan because some of the security is located in North Carolina.

38. Grantor at all times shall operate the premises as a convenience store operated by Circle K General, Inc., or a subsidiary of The Circle K Corporation; provided, however, that the Holder's consent to an assignment by Tenant will not be unreasonably withheld from Grantor.

39. No provision of this Deed of Trust or of the Note shall require the payment or permit the collection of interest in excess of the maximum permitted by applicable law. If any excess of interest in such respect is herein or in the Note provided for, or shall be adjudicated to be so provided for herein or in the Note, neither the Grantor nor its successors or assigns shall be obligated to pay such interest in excess of the amount permitted by applicable law, and the right to demand the payment of any such excess shall be and hereby is waived, and this provision shall control any other provision of this Deed of Trust and the Note.

40. Grantor covenants and agrees to cause (i) all loan documents required by Holder to be recorded or filed, including this Deed of Trust, and (ii) the title insurance policies, in accordance with the title binders previously accepted by Holder, to be delivered to Holder within seventy (70) days from the date hereof, or such longer period of time as may be required on account of the failure of any recording office to return to the title company any documents necessary to prepare such title policies.

41. Grantor:

(a) hereby represents and warrants to Holder that, to its knowledge, there are no materials presently located on or near the trust property which, under federal, state, or local law, statute, ordinance or regulation, or administrative or court order or decree, or private agreement (hereinafter collectively called "Environmental Requirements"), require special handling in use, generation, collection, storage, treatment, or disposal, or payment of response costs or for similar economic loss. Such materials include those that violate any national or local contingency plan or the release or threatened release of which may violate the Environmental Requirements. Such materials also include (a) asbestos in any form, (b) urea formaldehyde foam insulation, (c) paint containing lead, or (d) transformers or other equipment which contains dielectric fluid containing polychlorinated biphenyls. Grantor further represents and warrants to Holder that, to its knowledge, the trust property is not now being used nor has it ever been used in the past for any activities involving the use, generation, collection, storage, treatment, or disposal of any of the aforesaid materials. Grantor will not place or permit to be placed any such materials on or near the trust property.

(b) Grantor hereby covenants and agrees that, if at any time it is determined that there are materials located on the trust property which under any Environmental Requirement require special handling in use, generation, collection, storage, treatment, or disposal, Grantor shall, within thirty (30) days after written notice thereof, begin to take or cause to be taken, at Grantor's sole expense, such actions as may be necessary to comply with all Environmental Requirements, and shall diligently and continuously continue to take or cause to be taken such actions until achieving compliance, which must in any event be completed within six months after such notice. If Grantor shall fail to take such action, Holder may make advances or payments towards performance or satisfaction of the same but shall be under no obligation so to do; and all sums so advanced or paid, including all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, including, without limitation, reasonable attorneys' fees, fines, or other penalty payments, shall be at once repayable by Grantor and shall bear interest at the rate of one percent (1%) per annum above the rate from time to time as set forth in the Note, from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest as aforesaid, shall become a part of the indebtedness secured hereby. Failure of Grantor to comply with all Environmental Requirements shall constitute and be a default under this Deed of Trust.

(c) Grantor hereby agrees to indemnify and hold harmless Holder for all loss, liability, damage, cost and expense, including reasonable attorney's fees, for failure of the trust property to comply in all respects with the Environmental Requirements or a breach by Grantor of any representation or warranty herein. The covenants, agreements, representations, and warranties of Grantor contained in this Section No. 41 shall survive payoff, release, or foreclosure of this Deed of Trust.

42. Time is of the essence of the obligations of Grantor in this Deed of Trust and each and every term, covenant and condition made herein by or applicable to Grantor.

43. The rights, powers, privileges and discretions specifically granted to the Trustees and those specifically granted to Holder under this Deed of Trust are not in limitation of but in addition to those to which they are entitled under any general or local law relating to deeds of trust and mortgages in the State of North Carolina, now or hereafter existing. The rights, powers, privileges and discretions (hereinafter collectively called the "rights") to which Holder may be entitled shall inure to the benefit of its successors and assigns. All the rights of Holder and of the Trustees are cumulative and not alternative and may be enforced successively or concurrently. Failure of Holder or of the Trustees to exercise any of their rights shall not impair any of their rights nor be deemed a waiver thereof, and no waiver of any of their rights shall be deemed to apply to any other such rights, nor shall it be effective unless in writing and signed by the party waiving the right. The acceptance by Holder of any partial payment after default of an Event of Default, with or without knowledge of the default or Event of Default, shall not be a waiver of the default or Event of Default unless Holder shall specifically state in writing that the acceptance waives the default or Event of Default or states further conditions which must be satisfied to constitute such a waiver.

The terms and conditions agreed to by Grantor and the covenants of Grantor shall be binding upon the personal representatives, successors and assigns of Grantor and of each of them, but this provision does not waive any prohibition of assignment or any requirement of consent to an assignment under the other provisions of this Deed of Trust; any consent to an assignment shall not be consent to any further assignment, each of which must be specifically obtained in writing. Whenever used herein the singular shall include the plural and the plural the singular, and the use of any gender shall include all genders.

Grantor executes this instrument as a Debtor under the North Carolina Uniform Commercial Code, it being intended that this Deed of Trust shall constitute and be a security agreement and financing statement under the laws of North Carolina.

The liability of Grantor shall be limited to the security described in the mortgages and deeds of trust securing the Note, including but without limitation, insurance proceeds and proceeds from condemnation or eminent domain proceedings; provided, however, the foregoing provisions shall not in any way impair the validity of the indebtedness secured hereby, affect or impair the lien of this Deed of Trust or the right of Bank to foreclose this Deed of Trust or one or more of the mortgages or deeds of trust, or avail itself of any other remedy it may have under the Note or under this Deed of Trust upon the occurrence of an Event of Default hereunder or under any of the mortgages and deeds of trust or impair the personal liability of other parties who may become liable for the payment of the Note.

IN WITNESS WHEREOF, Grantor has caused this Deed of Trust to be duly executed on its behalf and its seal to be hereunto affixed.

WITNESS: B & BB LIMITED PARTNERSHIP (SEAL)

Ed Uline

By: Sidney J. Brown, General Partner (SEAL)

STATE OF MARYLAND)

ss:

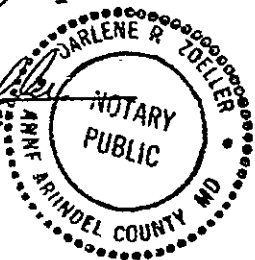
City of Baltimore

I, a Notary Public of the State of Maryland, do hereby certify that Sidney J. Brown personally came before me this day and acknowledged that he is one of the two General Partners of B & BB Limited Partnership, a Maryland limited partnership, the within named Grantor, and that by authority duly given and as the act of the limited partnership, the foregoing instrument was signed in its name by Sidney J. Brown as a General Partner.

April Witness my hand and official seal, this the 9th day of March, 1987.

My commission expires: July 1, 1990

Darlene R. Zoeller  
Notary Public



STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate of Darlene R. Zoeller, NP (give name and official title of the Officer signing the certificate passed upon)

Anne Arundel Co., MD

is not certified to be correct. This the

28th day of April 1987  
PRESENTED FOR  
REGISTRATION  
AND RECORDED

APR 28 10 43 AM '87

E. Speas, Register of Deeds

By K. R. Prince

Deputy

Probate and Filing Fee \$

36.50

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

VGP

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