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FORSYTH COUNTY NC FEE \$64.00
 PRESENTED & RECORDED
 03/20/2023 11:58:20 AM
LYNNE JOHNSON
 REGISTER OF DEEDS
 BY: OLIVIA DOYLE, ASST
BK: RE 3745
PG: 473 - 482

PREPARED BY:

KRISTI CHARD
Deere Employees Credit Union
3950 38th Avenue
Moline, IL 61265

REFERENCE #:

WHEN RECORDED MAIL TO:

Deere Employees Credit Union
3950 38th Avenue
Moline, IL 61265

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assessor's Property Tax Parcel or Account No.: 6867-65-6251.000



Order No.:

Deed of Trust - Home Equity Line of Credit
 (Governed by N.C.G.S. Chapter 45, Article 9)

Escrow No.:

THIS DEED OF TRUST is given on MARCH 13th, 2023 by ADAM W BAILEY AND MERCEDES E GRUNER-BAILEY, HUSBAND AND WIFE

(hereinafter referred to individually or collectively, as the context may require, as "Trustor") to KURT LEWIN whose address is 3950 38TH AVE, MOLINE, IL 62165 ("Trustee"), for the benefit of Deere Employees Credit Union, its successors and assigns, whose address is 3950 38th Avenue, Moline IL 61265 ("Beneficiary").

Trustor does hereby grant, convey and warrant to Beneficiary, in trust, with power of sale, the following described property located in the County of FORSYTH, State of North Carolina (the "Real Property"):

BEING KNOWN AND DESIGNATED AS LOT 1 OF DILHAST ESTATES A MAP AND PLAT OF WHICH IS RECORDED IN PLAT BOOK 25, PAGE 93, IN THE OFFICE OF THE REGISTER OF DEEDS OF FORSYTH COUNTY, NORTH CAROLINA, REFERENCE TO WHICH MAP IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION.

which has the street address of 5172 Beulah Lane, Kernersville, NC 27284; together with (i) all improvements, buildings or structures of any nature whatsoever, now or hereafter erected on the Real Property, (ii) all fixtures, including all plumbing, heating, air conditioning and ventilating equipment, now or hereafter located under, on or above the property, (iii) all leases, subleases and subtenancies, occupancy

DEED OF TRUST (continued)

agreements and concessions affecting the Real Property, including without limitation, all rents, royalties, income and profits arising from the Real Property or from any lease, subleases, subtenancies, occupancy agreements or concessions, including without limitation, any security deposits; (iv) all appurtenances, easements, rights of way and other privileges or rights relating to the Real Property, together with any present or future interest of the Trustor in the Real Property or any other land or property arising by or constructed on the Real Property; (v) all interest of Trustor in and to any condemnation awards, insurance proceeds or any causes of action, damages or recoveries relating to the Real Property or Trustor's fee estate, (vi) all of Trustor's estate, right, title and interest to any minerals, oil, gas, and other hydrocarbon substances on the Real Property, as well as any development rights, air rights, solar rights, water, water rights, and water stock relating to the Real Property. All of the foregoing property, including the Real Property, is collectively referred to in this Deed of Trust as the "Property."

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

THE PROPERTY IS NOT USED PRINCIPALLY FOR AGRICULTURAL OR FARMING PURPOSES.

This Deed of Trust is for the purpose of securing the payment of all indebtedness, including principal, interest, Advances (as hereinafter defined), all other amounts, finance charges, payments and premiums due and the performance of all obligations that Trustor now or hereafter owes Beneficiary under this Deed of Trust and under that certain agreement governing Trustor's Open-end Home Equity Credit Plan entered into between Trustor and Beneficiary and any other applicable parties thereto of even date herewith ("Agreement"), including all extensions, renewals, substitutions and modifications thereof (all of such obligations being hereinafter referred to as the "Debt"). The Agreement has a credit limit of (and the maximum principal amount which may be secured at any one time under this Deed of Trust shall be) \$ 50,000.00 unless the limit is increased and a notice of such increase is recorded in the records of the Register of Deeds for the county where this Deed of Trust has been recorded. The maturity date of this Deed is 03/25/2048 which is the date by which the Debt under the Agreement and this Deed is due.

This Deed of Trust is for the purpose of securing a revolving credit loan and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of Beneficiary, or otherwise, as are made within Twenty-Five (25) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust, although there may be no advances made at the time of the execution of this Deed of Trust and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Deed of Trust shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for recording in the official records of the Register of Deeds in the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which Beneficiary may make under this Deed of Trust, the Agreement or any other document with respect thereof) at any one time outstanding shall not exceed the credit limit set forth above plus interest and late charges accruing thereon and any advances or disbursements which Beneficiary may make pursuant to the terms of this Deed of Trust, the Agreement or any other document with respect thereto, including but not limited to payment for taxes, special assessments or insurance on the Property and the interest on such disbursements. This Deed of Trust is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting taxes and assessments levied on the Property not yet due and payable, to the extent of the maximum amount secured hereby. The unpaid balance of the revolving credit loan may at certain times be zero. A zero balance does not terminate the revolving credit loan or Beneficiary's obligation to advance funds to Trustor. Therefore, the lien of this Deed of Trust will remain in full force and effect notwithstanding any zero balance.

A. REPRESENTATIONS

Trustor hereby represents to Beneficiary as follows:

1. Validity of Security Documents.

(a) The execution, delivery and performance by Trustor of the Agreement, this Deed of Trust and all other documents and instruments now or hereafter furnished to Beneficiary to evidence or secure payment of the Debt (the "Security Documents"), and the borrowing evidenced by the Agreement, will not violate any provision of law, any order of any court or other agency of government, or any mortgage, indenture, trust agreement or other instrument to which Trustor is a party or by which Trustor or any of Trustor's property is bound, or be in conflict

DEED OF TRUST (continued)

with, or will result in a material breach of or constitute (with due notice and/or lapse of time) a default under any such mortgage, indenture, trust agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Trustor's property or assets, except as contemplated by the provisions of the Security Documents; and

(b) The Security Documents, as and when executed and delivered by Trustor, constitute the legal, valid and binding obligations of Trustor in accordance with their respective terms subject to applicable bankruptcy and insolvency laws.

2. Other Information. All other information, reports, papers and data given to Beneficiary, or to Beneficiary's legal counsel, with respect to Trustor, the Property, or the loan evidenced by the Security Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give Beneficiary a true and accurate knowledge of the subject matter.

3. Title. Trustor has good and marketable title in fee simple to the Property free and clear of all encumbrances except for encumbrances of record as of the date of this Deed of Trust and Trustor has the right to convey the same in fee simple. Trustor will preserve its title to the Property and will forever covenant and defend the same to Beneficiary and will forever covenant and defend the validity and priority of the lien of this Deed of Trust.

4. Litigation. There is not now pending or threatened against or affecting the Property, nor, to the knowledge of Trustor, is there contemplated, any action, suit or proceeding at law or in equity or by or before any administrative agency which, if adversely determined, would impair or adversely affect the value or operation of the Property.

5. Environmental Indemnity. Trustor shall indemnify and hold Beneficiary harmless against and from any and all loss, cost, damage, claim or expense (including, without limitation, any and all attorney's fees or expenses of litigation) incurred or suffered by Beneficiary on account of (i) the location on the Property of any chemicals, material, substance, or contaminant (including, without limitation, oil, petroleum products, asbestos, urea, formaldehyde, foam insulation, hazardous waste and/or toxic waste), the presence or storage of which or the exposure to which is prohibited, limited, or regulated by any federal, state, county, regional, or local governmental unit, agency or authority, or which presence, storage, or exposure may pose a hazard to health and safety ("hazardous substance"), or (ii) the failure by Trustor or any prior owner or occupant of the Property to comply with any applicable federal, state, county, regional or local environmental laws, regulations, and court or administrative orders.

B. ADDITIONAL COVENANTS

Until the entire Debt shall have been paid in full, Trustor covenants and agrees as follows:

6. Payment of Indebtedness. Trustor shall timely pay and discharge the Debt or any part thereof in accordance with terms and conditions of the Agreement, this Deed of Trust, and the Security Documents.

7. Payment of Taxes and Assessments. Trustor shall duly pay and discharge, or cause to be paid and discharged all real estate and personal property taxes and other taxes and assessments, public or private; water and sewer rates and charges; all other governmental or nongovernmental charges applicable to the Property; any interest or costs or penalties with respect to any of the foregoing; and charges for any easement or agreement maintained for the benefit of the Property; general and special, ordinary or extraordinary, foreseen or unforeseen, of any kind and nature whatsoever which may at any time prior to or after execution of this Deed of Trust, be assessed, levied, or imposed upon the Property or the rent or income received therefrom, or any use or occupancy thereof. All of the foregoing are hereinafter collectively referred to as "Assessments." Trustor shall provide Beneficiary with satisfactory proof of payment of any Assessments within ten (10) days of the date any such Assessments are due. In the event Trustor fails to timely pay any such Assessments, Beneficiary may, but shall not be obligated to, make such payments and any amounts so paid by Beneficiary shall constitute Advances in accordance with Paragraph 16 hereof.

8. Hazard Insurance. Trustor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which Beneficiary requires insurance. If the Property is located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Trustor agrees to obtain Federal Flood Insurance to the extent such insurance is required for the term of the loan and in an amount equal to the maximum amount allowable by law. The insurance carrier providing the insurance shall be chosen by Trustor subject to Beneficiary's approval which shall not be unreasonably withheld.

DEED OF TRUST (continued)

All insurance policies and renewals shall be acceptable to Beneficiary and shall include a standard mortgagee clause. Beneficiary shall have the right to hold the policies and renewals. If Beneficiary requires, Trustor shall name Beneficiary as "loss-payee" and shall promptly give to Beneficiary all receipts of paid premiums and renewal notices. In the event of loss, Trustor shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Trustor.

Except as otherwise provided herein, insurance proceeds shall be applied to restoration or repair of the Property damaged. If in Beneficiary's sole judgement, Beneficiary's security interest in the Property has been impaired, Beneficiary may, at its election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Debt, payment of any lien affecting the Property, or the restoration and repair of the Property. If the proceeds are to be applied to restoration and repair, Trustor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Beneficiary. Even if Beneficiary has determined that its security interest in the Property has not been repaired, Beneficiary may, at its election, receive and retain the proceeds of the insurance and control disbursement of the proceeds for the repair or restoration of the Property. Lender shall, upon satisfactory proof of expenditure, pay or reimburse Trustor from the proceeds for the reasonable costs of repair or restoration if Trustor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Beneficiary has not committed to the repair or restoration of the Property will be applied first to any amount owing to Beneficiary under this Deed of Trust, then to pay accrued interest, and the remainder, if any, will be applied to the principal balance of the Debt. If Beneficiary holds any proceeds after payment in full of the Debt, those proceeds will be paid to Trustor as Trustor's interest may appear.

Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 6 or change the amount of the payments. If under Paragraph 21 the Property is acquired by Beneficiary, Trustor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

9. Repair and Maintenance. Trustor shall keep the Property in good order and condition and make all necessary or appropriate repairs, replacements and renewals thereof. Trustor agrees not to permit or allow any waste of the Property or make or permit to be made any material alterations or additions to the Property that would have the effect of diminishing the value thereof or that will in any way increase the risk of any fire or hazard arising out of the construction or operation thereof. Trustor agrees not to alter or remove any structure or fixture in the Property without Beneficiary's prior written consent. Trustor shall prevent any act or thing which might adversely effect or impair the value or usefulness of the Property.

Trustor represents and warrants to Beneficiary that: (a) during the time Trustor has held an interest in the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous substance by any person on, under, about or from the Property; (b) Trustor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Beneficiary in writing, any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous substance on, under, about or from the Property by any prior owners or occupants of the Property or any actual or threatened litigation or claims of any kind of any person relating to such matters; and (c) except as previously disclosed to and acknowledged by Beneficiary in writing, neither Trustor nor any tenant, contract, agent or authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any hazardous substance on, under, about or from the Property and any such activity shall be in compliance with all applicable federal, state and local laws, regulations and ordinances. The provisions of this section of the Deed of Trust regarding hazardous substances, and the obligation to indemnify in accordance with Section 5 of this Deed of Trust, shall survive the payment of the Debt and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Beneficiary's acquisition of any interest in the Property, whether by foreclosure or otherwise.

10. Restoration Following Uninsured Casualty. In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, not covered by any insurance policy, resulting in damage to or destruction of the Property, Trustor shall give notice thereof to Beneficiary and Trustor shall promptly at Trustor's sole cost and expense, commence and diligently continue to restore, repair, replace, rebuild or alter the damaged or destroyed Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

11. Compliance With Laws. Trustor shall promptly and faithfully comply with, conform to and obey or contest by appropriate proceedings in good faith all present, and use its best efforts as to future, laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency and of every board of

DEED OF TRUST (continued)

fire underwriters having jurisdiction, or similar body exercising functions, which may be applicable to it or to the Property or to the use and manner of use, occupancy, possession, operation, maintenance or reconstruction of the Property, whether or not such law, ordinance, rule, order, regulation or requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Property.

12. Performance of Other Agreements. Trustor shall duly and punctually perform all covenants and agreements expressed as binding upon it under any agreement of any nature whatsoever that involves the Property, including, without limitation, all rules and regulations of a homeowners or condominium association if the Property is part of a condominium, cooperative, phased developed or other homeowners association.

13. Inspection. Trustor shall permit Beneficiary, and parties designated by Beneficiary, at all reasonable times, to inspect the Property.

14. Hold Harmless. Trustor shall, at Trustor's sole cost and expense, save, indemnify and hold the Trustee and Beneficiary, and their respective officers, directors, employees and agents, harmless against and from any injury, claim, demand, suit, judgment, execution, liability, debt, damage or penalty (hereinafter collectively referred to as "Claims") affecting the Property, or the value of any of the Security Documents, arising out of, resulting from, or alleged to arise out of or result from, any action or inaction by Trustor, except as may be the direct result of Beneficiary's negligence. Trustor shall pay all expenses incurred by the Trustee and Beneficiary in defending itself with regard to any and all Claims. These expenses shall include all out-of-pocket expenses, such as attorneys' and experts' fees, and shall also include the reasonable value of any services rendered by any employee of Beneficiary.

15. Attorney's Fee; Expenses. Trustor shall pay or reimburse Trustee and Beneficiary for all reasonable attorneys' fees, reasonable costs and expenses paid or incurred by Trustee or Beneficiary in any action, proceeding or dispute of any kind in which Trustee or Beneficiary is made a party or appears as party plaintiff or defendant, involving any of the Security Documents, Trustor, or the Property, including, without limitation, to the foreclosure or other enforcement of this Deed of Trust, any condemnation involving the Property, any action to protect the security hereof, or any proceeding in probate or bankruptcy, and any such amounts paid or incurred by Trustor shall constitute Advances in accordance with Paragraph 16 hereof.

If Beneficiary institutes any action to enforce any of the terms of this Deed of Trust, Beneficiary shall be entitled to recover its reasonable attorney's fees at trial and on any appeal. Regardless of whether a court action is involved, all reasonable expenses incurred by Beneficiary, which in Beneficiary's option are necessary for the protection of its interest or the enforcement of its rights shall become part of the Debt payable on demand and shall bear interest as set forth in the Agreement from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, subject to limits under applicable law, Beneficiary's attorney's fees whether or not there is a suit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, costs of searching records, obtaining title reports, surveyor's reports, appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Trustor shall also pay any court costs, in addition to other sums provided by law.

16. Advances. In the event Trustor fails to perform any act required of Trustor by any of the Security Documents or to pay when due any amount required to be paid by any of the Security Documents, Beneficiary may, but shall not be obligated to, make such payment or perform such act. Such payment or performance by Beneficiary shall not have the effect of curing any Event of Default or of extending the time for making any payment due hereunder or under the Agreement. All amounts so paid by Beneficiary, together with all expenses incurred in connection therewith, shall be deemed advances ("Advances") under this Deed of Trust and the Agreement, shall be immediately due and payable, and shall be added to the Debt. Advances shall bear interest from the date expended at the rate specified in the Agreement and shall be secured by this Deed of Trust as though originally a part of the principal amount of the Debt.

17. Use Violations. Trustor shall not use the Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering or affecting the use or occupancy thereof, or suffer any act to be done or any condition to exist on the Property or any article to be brought thereon, that may be dangerous, unless safeguarded as required by law, or that may, in law, constitute a nuisance, public or private.

18. Other Liens. Trustor shall not, without the prior written consent of Beneficiary, create or permit to be created or to remain, any mortgage, pledge, lien, encumbrance or charge on, security interest in, or conditional sale of or other title retention agreement on (whether prior or subordinate to the liens of the Security Documents) the Property or income therefrom other than the Security Documents ("Liens"). In the event Trustor fails to promptly discharge any such Liens, Beneficiary may, but shall not be obligated to, do so and any amounts paid or incurred by Beneficiary (including reasonable attorney's fees in connection therewith), shall be treated as Advances in accordance with Paragraph 16 hereof.

DEED OF TRUST (continued)

19. Transfer of the Property. Trustor shall not sell, convey, transfer or assign the Property or any beneficial interest therein or any part thereof, whether by operation of law or otherwise, without the prior written consent of Beneficiary. In the event of such a sale, conveyance, transfer or assignment, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by applicable law as of the date of this Deed of Trust.

If Beneficiary exercises Beneficiary's option to require immediate payment in full, Beneficiary shall give Trustor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Trustor must pay all sums secured by this Deed of Trust. If Trustor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Trustor.

20. Events of Default. The term Event of Default, as used in the Security Documents, shall mean the occurrence or happening, from time to time, of any one or more of the following: (a) Trustor fails to make any payment required by this Deed of Trust or the Agreement when it is due; (b) Trustor fails to comply with any of the covenants, terms or conditions of this Deed of Trust, the Agreement or any of the Security Documents and such failure affects Beneficiary's collateral or Beneficiary's rights in the collateral; (c) Trustor has engaged in or engages in fraud or material misrepresentation, either by act or omission, in connection with this Deed of Trust or the Agreement at any time during the application process or during the term of this Deed of Trust or the Agreement; or (d) Trustor acts or fails to act in a way that adversely affects the security under this Deed of Trust, including, without limitation, the following: (i) Trustor transfers title to the Property or sells the Property without the consent of Beneficiary; (ii) Trustor fails to maintain the insurance required to be carried by Trustor according to the terms of this Deed of Trust; (iii) Trustor fails to pay any Assessments on the Property; (iv) Trustor permits the filing of a lien against the Property senior to that held by Beneficiary; (v) the death of Trustor (in the event of more than one Trustor, the death of the last remaining Trustor who executed the Agreement); (vi) the Property is taken by condemnation or power of eminent domain; or (vii) the holder or beneficiary of any mortgage or deed of trust covering the Property commences foreclosure of such mortgage or deed of trust.

21. Remedies. If an Event of Default shall occur and be continuing, Beneficiary may at its option, after providing Trustor with at least thirty (30) days advance notice of and opportunity to cure the Event of Default, exercise any, some or all of the following remedies:

(a) **Acceleration.** Beneficiary may declare the unpaid portion of the Debt to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Trustor), whereupon the Debt shall become immediately due and payable, anything in the Agreement or in the Security Documents to the contrary notwithstanding; provided further that the unpaid portion of the Debt shall be immediately and automatically due and payable without action of any kind on the part of Beneficiary.

(b) **Enforcement of Deed of Trust.** Beneficiary, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(i) request in writing that the Trustee or Trustee's authorized agent sell the Property pursuant to the power of sale contained in this Deed of Trust and apply the proceeds of the sale as provided by law. Any person, including Beneficiary, may bid and become the purchaser at the Trustee's sale. Upon any foreclosure sale, the Trustee shall be entitled to a commission of five percent (5%) of the gross proceeds of the sale for a completed foreclosure, together with all costs and expenses incurred by Trustee, including reasonable attorneys' fees. In the event foreclosure is commenced, but not completed, the Trustee shall pay all costs and expenses incurred by Trustee, including reasonable attorneys' fees, and a partial commission computed on five percent (5%) of the outstanding indebtedness, in accordance with the following schedule, to-wit: one-fourth (1/4) thereof before the Trustee issues a notice of hearing on the right to foreclosure; one-half (1/2) thereof after issuance of said notice; three-fourths (3/4) thereof after such hearing; and the greater of the full commission or minimum sum after the initial sale. Upon sale of the Property at a Trustee's sale, the Trustee shall deliver to the purchaser at such sale, a Trustee's deed, which shall convey to the purchaser the interest in the Property which Trustor had or had the power to convey at the time of the execution of this Deed of Trust, and such as Trustor may have acquired thereafter. The Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value;

(ii) collect any rents, profits, or other amounts due Trustor from any lease, land contract, or other agreement by which Trustor is leasing or selling any interest in the Property, and exercise Trustor's rights and remedies under

DEED OF TRUST (continued)

such agreements, to the extent permitted by law. Beneficiary shall have no obligation to make any demand or inquiry as to the nature or sufficiency of any payment Beneficiary receives or to present or file any claim or take any other action to collect or enforce the payment of any amounts Beneficiary is entitled to under this Deed of Trust;

(iii) pay on Trustor's behalf all or any part of the debt and obligations then secured by any prior mortgage, Deed of Trust or other lien, whether or not they are then due and payable and whether or not Trustor is then in default under the prior mortgage, Deed of Trust or lien. However, Beneficiary will not be required to do so. Any payment Beneficiary makes shall become part of the Debt, and shall be payable on Beneficiary's demand, together with interest at the same rate as the Debt bears from time to time;

(iv) obtain or update commitments for title insurance, tax histories or title searches concerning the Property. Any amounts that Beneficiary spends in doing so will become part of the Debt;

(v) exercise any of Trustor's rights and options under any lease, land contract, or other agreement by which Trustor is leasing or purchasing any interest in the Property, including any option to purchase the Property or to renew or extend the term of the lease, land contract, or other agreement, or to prepay in whole or in part the lease, land contract or other agreement. Beneficiary will have no obligation to exercise any such right or option; or

(vi) enforce this Deed of Trust or any provision contained herein any other manner permitted under the laws of the State of North Carolina, including without limitation, judicial foreclosure of this Deed of Trust;

(c) **Appointment of Receiver.** At any time before or after the commencement of an action to foreclose this Deed of Trust, Beneficiary shall be entitled to and may apply to the court for the appointment of a receiver of the Property, without notice or the requirement of bond (any and all such notice and bond being hereby expressly waived) and without regard to the solvency or insolvency of Trustor at the time of application for such receiver and without regard to the then value of the Property. Such receiver shall have power to collect the receipts, rents, issues and profits of the Property, including during the pendency of such foreclosure action and, in case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as during any further times (if any) when Trustor, except for the intervention of such receiver, would be entitled to collect such receipts, rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property. Such receiver shall have all of the rights and powers permitted under the laws of the State of North Carolina. The receiver shall be authorized to apply the net income in its hands in payment in whole or in part of: (a) the Debt or any order or judgment foreclosing the lien of this Deed of Trust, or any tax, special assessment or other lien which may be or become superior to the lien and security interest hereof or the lien of such order or judgment, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a foreclosure sale and deficiency. The reasonable expenses, including receiver's fee, counsel's fees, costs and agent's commission incurred pursuant to the powers herein contained shall be secured hereby.

(d) **Remedies Cumulative and Concurrent.** The rights and remedies of Beneficiary as provided in the Security Documents shall be cumulative and concurrent and may be pursued separately, successively or together against Trustor or the Property, or any one of them, at the sole discretion of Beneficiary, and may be exercised as often as occasion therefor shall arise, all to the maximum extent permitted by applicable laws, rules and regulations. If Beneficiary elects to proceed under one right or remedy under this Deed of Trust or the Agreement, Beneficiary may at any time cease proceeding under such right or remedy and proceed under any other right or remedy under this Deed of Trust or the Agreement. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof. Nothing in the Agreement or this Deed of Trust shall affect Trustor's obligations to pay the Debt and perform its obligations in accordance with the terms thereof.

(e) **No Conditions Precedent to Exercise of Remedies.** Neither Trustor nor any other person now or hereafter obligated for timely payment of all or any part of the Debt shall be relieved of such obligation by reason of the acceptance by Beneficiary of any payment after its due date, or the failure of Beneficiary to comply with any request of Trustor or any other person so obligated to take action to foreclose on this Deed of Trust or otherwise enforce any provisions of this Deed of Trust or the Agreement, or by reason of the release, regardless of consideration, of all or any part of the security held for Debt, or by reason of any agreement or stipulation between any subsequent owner of the Property and Beneficiary extending the time of payment or modifying the terms of this Deed of Trust or the Agreement without first having obtained the consent of Trustor or such other person; and in the latter event Trustor and all such other persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement, unless expressly released and discharged in writing by Beneficiary.

DEED OF TRUST (continued)

(f) **Discontinuance of Proceedings.** In case Beneficiary shall have proceeded to enforce any right under any of the Security Documents and such proceedings shall have been discontinued or abandoned for any reason, then in every such case, Trustor and Beneficiary shall be restored to their former positions and the rights, remedies and powers of Beneficiary shall continue as if no such proceedings had been taken.

22. **Substitute Trustee.** In the event of the death, dissolution, incapacity, disability or resignation of Trustee, Beneficiary shall appoint in writing a substitute trustee, and upon the recording of such appointment in the official records of the Register of Deeds in the county in which the Property is located, the successor trustee shall be vested with all powers of the original trustee.

23. **Release by Trustee.** Trustee shall release all or any part of the Property to the person entitled thereto, on written request of Beneficiary, or upon satisfaction of the Debt and written request for reconveyance made by Beneficiary or the person entitled thereto. The Trustee may collect a fee for release of this Deed of Trust in an amount not to exceed that permissible by applicable law.

24. **Condemnation.** In the event of the taking by eminent domain proceedings or the like of any part or all of the Property by any federal, state, municipal or other governmental authority or agency thereof, all awards or other compensation for such taking shall be paid to Beneficiary for application on the Debt, provided that no such application shall result in additional interest or have the effect of curing any Event of Default or extending the time for making any payment due hereunder or under the Agreement.

25. **Prior Deed of Trust.** If this Deed of Trust is subject to a prior mortgage or deed of trust, the lien of which is superior to the lien of this Deed of Trust, Trustor agrees to pay each installment of the debt secured by the prior mortgage or deed of trust when it is due, whether by acceleration or otherwise. Trustor also agrees to pay and perform all other obligations of the mortgagor or Trustor under the prior mortgage or deed of trust. Trustor agrees to provide Beneficiary with proof of payment or performance under the prior mortgage or deed of trust whenever Beneficiary requests it. If Trustor fails to pay any installment of principal or interest when it is due or if Trustor fails to pay or perform any other obligation under the prior mortgage or deed of trust, Beneficiary shall have the right, but not the obligation, to pay the installment or to pay or perform such other obligation on Trustor's behalf any amounts Beneficiary spends in performing Trustor's obligations will become part of the Debt, payable by Trustor on Beneficiary's demand, and will bear interest at the same rate as the Debt bears from time to time. Beneficiary may rely upon any written notice of default under the prior mortgage or deed of trust that Beneficiary receives from the holder of the prior mortgage or deed of trust even though Trustor questions or denies the existence, extent, or nature of the default. Trustor shall not renew, extend or modify the prior mortgage or deed of trust, and shall not increase the debt secured by the prior mortgage or deed of trust, without Beneficiary's prior written consent.

26. **Survival of Warranties and Covenants.** The warranties, representations, covenants and agreements set forth in the Security Documents shall survive the making of the loan and the execution and delivery of the Agreement, and shall continue in full force and effect until the Debt shall have been paid in full.

27. **Further Assurances.** Trustor shall, upon the reasonable request of Beneficiary, execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of the Security Documents and to subject to the liens thereof any property intended by the terms thereof to be covered thereby and any renewals, additions, substitutions, replacements or betterments thereto.

28. **Recording and Filing.** Trustor shall cooperate with Trustee to cause those Security Documents for which constructive notice must be given to protect Trustee (and all supplements thereto) to be at all times recorded and filed, and re-recorded and re-filed, in such manner and in such places as Trustee shall reasonably request, and Trustor shall pay all such recording, filing, re-recording, re-filing taxes, fees and other charges to the maximum extent permitted by the laws of the State in which the recording or filing takes place.

29. **Loan Expenses.** Trustor shall pay all applicable costs, expenses and fees set forth in the Agreement.

30. **No Representation by Beneficiary.** By accepting or approving anything required to be observed, performed or fulfilled, or to be given to Beneficiary, pursuant to this Deed of Trust, including (but not limited to any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey or appraisal), Beneficiary shall not be deemed to have arranged or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Beneficiary.

DEED OF TRUST (continued)

31. **Notice.** Except for any notice required under applicable law to be given in another manner, any notice provided for in this Deed of Trust shall be in writing and shall be deemed properly delivered three days after deposit thereof in any main or branch United States Post Office, certified or first class United States Mail, postage prepaid, addressed to each party's address as listed on page 1, or at such other address as may be designated by notice as provided herein.

32. **Covenants Running With the Land.** All covenants contained in this Deed of Trust shall run with the Land.

33. **Successors and Assigns.** All of the terms of this Deed of Trust shall apply to and be binding upon, and inure to the benefit of, the successors and assigns of Trustor and Beneficiary, respectively, and all persons claiming under or through them; provided that nothing in this Paragraph shall be construed to permit a transfer, conveyance or assignment other than as expressly permitted by this Deed of Trust.

34. **Multiple Grantors.** Trustor's covenants and agreements hereunder shall be joint, several and primary. Any Trustor who co-signs this Deed of Trust but does not execute the Agreement: (a) is co-signing this Deed of Trust only to mortgage, grant and convey the Property; (b) is not personally obligated to pay the Debt; and (c) agrees that Beneficiary and any other Trustor may agree to extend, modify, forebear or make any accommodations with regard to the terms of this Deed of Trust or the Agreement without that Trustor's consent.

35. **Severability.** In case any one or more of the obligations or the provisions of this Deed of Trust or of the Agreement shall be determined to be invalid, illegal or unenforceable in any respect, the validity of the remaining obligations or provisions of this Deed of Trust shall be in no way affected, prejudiced or disturbed thereby.

36. **Modification.** This Deed of Trust may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.

37. **Applicable Law.** This Deed of Trust shall be governed by and construed according to the laws of the State of North Carolina.

38. **Strict Performance.** Any failure by Beneficiary to insist upon strict performance by Trustor of any of the terms and provisions of this Deed of Trust or any of the Security Documents shall not be deemed to be a waiver of any of the terms or provisions of this Deed of Trust or any of the Security Documents, and Beneficiary shall have the right thereafter to insist upon strict performance by Trustor of any and all of them.

39. **Heading.** The headings and the section and paragraph entitlements hereof are inserted for convenience of reference only, and shall in no way alter or modify the text of such paragraphs, sections and subsections.

40. **Riders.** If one or more riders are attached to and made a part of this Deed of Trust, the covenants and agreements for each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust.

The following riders are attached to this Deed of Trust: Other (describe): N/A

DEED OF TRUST (continued)

IN WITNESS WHEREOF, the Trustor has executed this instrument the day and year first above written.
TRUSTOR:

X Adam W Bailey (Seal) X (Seal)
ADAM W BAILEY

X (Seal) X (Seal)

Non-Borrower Owner(s): BY SIGNING BELOW, Non-Borrower accepts and agrees to the terms and covenants contained in this Deed of Trust and in any rider(s) executed by Non-Borrower and recorded with it, which means you can lose your home if Borrower defaults. However, by signing, Non-Borrower is in no way obligated to repay the Debt contemplated in this Deed of Trust. If Non-Borrower is also Trustor's Spouse, Non-Borrower also hereby releases and waives all rights regarding homestead and/or an elective life estate under North Carolina law.

X X

Non-Owner Spouse: BY SIGNING BELOW, Non-Owner Spouse hereby releases and waives all rights regarding homestead and/or an elective life estate under North Carolina law. However, Non-Owner Spouse is in no way obligated under the Debt contemplated in this Deed of Trust.

MERCEDES E GRUNER-BAILEY X Mercedes E Gruner Bailey 3/13/2023
Print Name of Non-Owner Spouse Non-Owner Spouse Dated

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust, or other encumbrance with a lien which has priority over this Deed of Trust to give Notice to Lender, at Lender's address set forth on page one of this Deed of Trust, of any default under the superior encumbrance and of any sale or other foreclosure action.

STATE OF North Carolina)
COUNTY OF Forsyth) SS

On this day before me, the undersigned Notary Public, personally appeared

Adam W. Bailey and Mercedes E. Gruner-Bailey

To me known to be the individual(s) described in and who executed the Deed of Trust, and acknowledged that they signed the Deed of Trust as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 13th day of March 2023
By Christie J. Devine residing at 4226 H Street Archdale NC 27223

Notary Public in and for the State of North Carolina

My commission expires 4/19/2027

Christie J. Devine
Notary Public

This Deed of Trust prepared by:
Deere Employees Credit Union
3950 38th Avenue
Moline, IL 61265

CHRISTIE J. DEVINE
Notary Public - North Carolina
Randolph County
My Commission Expires April 19 2027