

Prepared by

DEED OF TRUST

THIS INDENTURE, made and entered into this 17th day of September, 1965, by and between ROBERT J. O'TOOLE and wife, JOAN C. O'TOOLE

, party of the first part (whether one or more persons), and LAWRENCE G. PFEFFERKORN, Trustee(s), party of the second part, and WINSTON-SALEM BOND & MORTGAGE COMPANY

, a corporation organized and existing under the laws of NORTH CAROLINA, party of the third part,

WITNESSETH, that whereas the party of the first part is indebted to the party of the third part in the principal sum of-----FOURTEEN THOUSAND ONE HUNDRED and no/100-----Dollars (\$14,100.00), as evidenced by a promissory note of even date herewith, the terms of which are incorporated herein by reference, with interest from date, at the rate of Five and one-fourth per centum (5 1/4 %) per annum on the unpaid balance until paid, principal and interest being payable at the office of Winston-Salem Bond & Mortgage Company, 202 West Third Street, in Winston-Salem, North Carolina, or at such other place as the holder may designate in writing, in monthly installments of-----SEVENTY-SEVEN and 97/100-----Dollars (\$ 77.97), commencing on the first day of November, 1965, and on the first day of each month thereafter until principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of October, 1995.

NOW, THEREFORE, in consideration of the aforesaid indebtedness and the sum of One Dollar (\$1) cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part has bargained, sold, given, granted and conveyed and does by these presents bargain, sell, give, grant, and convey to the party of the second part, his successors and assigns, all that certain lot or parcel of land situated in the Township of Winston, county of Forsyth, State of North Carolina, and more particularly designated and described as follows:

BEING KNOWN AND DESIGNATED as Lot No. 2 on the Map of

Mrs. F.O. and W. H. Watkins, Plat Book 11 at Page 11 in the Office of the Register of Deeds of Forsyth County, North Carolina, reference to which is made for a more particular description.

together with all heating, plumbing and lighting fixtures and equipment now or hereafter attached to or used in connection with the said real estate.

To HAVE AND TO HOLD the same, with all the rights, privileges and appurtenances thereunto belonging, to the party of the second part, his successors and assigns, forever. The party of the first part covenants with the party of the second part that he is seized of the premises in fee and has the right to convey the same in fee; that the same are free and clear of all encumbrances and that he will warrant and forever defend the premises unto the party of the second part from and against the lawful claims of all persons whomsoever.

D. T. BOOK 936 PAGE 726

The Lincoln National Life Insurance Co.
S. P. Adams, Jr.
April 30, 1968
[Signature]

Prepared by

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D. I. 936 AL 726

The original of this instrument with the notes or bonds secured thereby having this day been exhibited to the undersigned marked paid and satisfied by

By S. P. Adams as required by law, the same is hereby cancelled of record by virtue of authority contained in Section 45-57 of the General Statutes of N. C.

This April 30, 19 68

Register of Deeds

IN TRUST, HOWEVER, For the uses and purposes following:

If the party of the first part shall well and truly perform all the terms and conditions of this Deed of Trust and of the note secured hereby, then this conveyance shall be null and void, and shall be properly canceled of record. If, however, there shall be a default under this Deed of Trust, or under the note secured hereby, and if such aggregate monthly payment is not paid in full prior to the due date of the next such monthly payment, then all sums owing by the party of the first part to the party of the third part under this Deed of Trust or under the note secured hereby shall immediately become due and payable at the option of the party of the third part; and, on the application of the party of the third part, it shall be lawful for and the duty of the party of the second part, and he is authorized and empowered, to sell the lands and premises hereinbefore described at public auction to the highest bidder for cash at the usual and customary place for such sales at the courthouse in the aforesaid County, after first giving notice of the time, place, and terms of such sale by posting the same at the courthouse door, and after due advertisement as provided by law in the State of North Carolina for sales of real estate under mortgages or deeds of trust; and upon such sale the party of the second part shall collect the purchase money and convey title to the purchaser in fee simple; and after retaining one per centum (1%) of the proceeds of such sale as compensation for the making thereof and for all services performed, and after retaining also all expenses incurred, including reasonable attorney's fees, the party of the second part shall apply so much of the residue as may be necessary to pay off the debt secured hereby, including accrued interest thereon, as well as any other sums owing to the party of the third part by the party of the first part pursuant to this instrument, and he shall pay the surplus, if any, to the party of the first part. The party of the first part agrees that in the event of a sale hereunder the party of the third part shall have the right to bid thereat. If the party of the third part, its successors or assigns, shall for any reason desire to replace the party of the second part, or any of his successors, as Trustee hereunder, the party of the third part, its successors or assigns, shall have the right to remove the said Trustee and appoint his successor by an instrument in writing, duly acknowledged or proved so as to entitle the same to record in this State, and the new trustee shall thereupon become successor to the title of the said property and the same shall become vested in him in trust for the purposes and uses of these presents, with all the powers, duties and obligations herein conferred on the party of the second part in the same manner and to the same effect as though he were named herein as Trustee.

The party of the first part does hereby covenant and agree as follows:

1. That he will pay the indebtedness as hereinbefore provided. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and provided further that in the event the debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, he will pay to the party of the third part an adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall the adjusted premium exceed the aggregate amount of premium charges which would have been payable if this Deed of Trust and the note secured hereby had continued to be insured until maturity; such payment to be applied by the party of the third part upon its obligation to the Federal Housing Commissioner on account of mortgage insurance.

2. That, together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the party of the third part, on the first day of each month until the note is fully paid, the following sums:

(a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Federal Housing Commissioner, as follows:

- (i) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Federal Housing Commissioner pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or
- (ii) If and so long as said note of even date and this instrument are held by the Federal Housing Commissioner, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth ($\frac{1}{12}$) of one-half ($\frac{1}{2}$) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments;

(b) A sum equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, and taxes on personalty and polls, levied on said real property, which are required to be paid with the taxes on said real property, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by the party of the third part) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by party of the third part in trust to pay said ground rents, premiums, taxes, and special assessments, before the same become delinquent; and

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together, and the aggregate amount thereof shall be paid by the party of the first part each month in a single payment to be applied by the party of the third part to the following items in the order set forth:

- (i) premium charges under the contract of insurance with the Federal Housing Commissioner, or monthly charge (in lieu of mortgage insurance premium), as the case may be;
- (ii) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
- (iii) interest on the note secured hereby; and
- (iv) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the party of the first part prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. The party of the third part may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. If the total of the payments made by the party of the first part under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the party of third part for ground rents, taxes and assessments or insurance premiums, as the case may be, such excess shall be credited by the party of the third part on subsequent payments to be made by the party of the first part. If, however, the monthly payments made by the party of the first part under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes, assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then the party of the first part shall pay to the party of the third part any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the party of the first part shall tender to the party of the third part, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the party of the third part shall, in computing the amount of such indebtedness, credit to the account of the party of

the first part all payments made under the provisions of (a) of paragraph 2 hereof which the party of the third part has not become obligated to pay to the Federal Housing Commissioner, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby or if the property is otherwise acquired after default, the party of the third part shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under the note secured hereby, and shall properly adjust any payments which shall have been made under (a) of paragraph 2.

4. That he will keep the improvements now existing or hereafter erected on the said premises, insured as may be required from time to time by the party of the third part, against loss by fire and other hazards, casualties and contingencies, including war damage, in such amounts and for such periods as may be required by the party of the third part and will pay promptly, when due, any premiums on such insurance, provision for payment of which has not been made hereinbefore. All insurance shall be carried in companies, approved by the party of the third part, and the policies and renewals thereof shall be held by the party of the third part and have attached thereto loss payable clauses in favor of and in form acceptable to the party of the third part. In event of loss he will give immediate notice by mail to the party of the third part, who may make proof of loss if not made promptly by the party of the first part, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the party of the third part instead of to the party of the first part and the party of the third part jointly, and the insurance proceeds, or any part thereof, may be applied by the party of the third part at its option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all right, title and interest of the party of the first part in and to any insurance policies then in force shall pass to the purchaser or grantee.

5. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and that he will promptly deliver the official receipts therefor to the party of the third part, and in default thereof the party of the third part shall have the right to pay the same. The party of the third part shall also have the right to make any payment which the party of the first part should have made, and the party of the third part may also pay any other sum that is necessary to protect the security of this instrument. All such sums, as well as all costs paid by the party of the third part pursuant to this instrument, shall be secured hereby and shall bear interest at the rate provided for in the principal indebtedness.

6. That he will keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear excepted.

7. That if there be a sale of the premises herein conveyed, as provided above, the party of the first part shall become tenant at will of the purchaser and shall be entitled to possession for only ten (10) days after the date of delivery of the deed to the purchaser; and after such period the party of the first part does hereby release and relinquish all right, title and interest in and to said premises, or the possession thereof, and assigns to the purchaser all the rents or profits accruing therefrom, together with the right to collect the same.

8. That if any of the proceeds of the loan made by the party of the third part to the party of the first part, the repayment of which is secured hereby, or if any money paid or advanced by the party of the third part, be used directly or indirectly to pay off, discharge or satisfy in whole or in part any prior lien or encumbrance upon the premises above described, or any part thereof, then the party of the third part shall be subrogated to any additional security held by the holder of such lien or encumbrance.

9. The party of the first part further agrees that should this Deed of Trust and the note secured hereby not be eligible for insurance under the National Housing Act within 90 days from the date hereof (written statement of any officer of the Federal Housing Administration or authorized agent of the Federal Housing Commissioner dated subsequent to the said time from the date of this Deed of Trust, declining to insure said note and this Deed of Trust, being deemed conclusive proof of such ineligibility), the party of the third part or the holder of the note may, at its option, declare all sums secured hereby immediately due and payable.



10. That no sale of the premises described above and no forbearance on the part of the party of the third part and no extension of the time for the payment of the debt secured hereby given by the party of the third part shall operate to release, discharge, modify, change or affect the original liability of the party of the first part herein, either in whole or in part.

11. That if foreclosure proceedings are instituted under this Deed of Trust, the party of the second part is authorized to take possession of the premises above described, and collect any rental, accrued or to accrue; or he may let the premises or any part thereof, receive the rents, income and profits therefrom, and hold the proceeds subject to the order of the court for the benefit of the party of the third part, pending the final decree in the foreclosure proceeding, and during any period allowed by law for the redemption from any sale ordered in such proceeding; and the party of the second part may act irrespective of the value of the property described or its adequacy to secure or discharge the indebtedness then owing.

12. The party of the first part covenants and agrees that so long as this Deed of Trust and the said note secured hereby are insured under the provisions of the National Housing Act, he will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed. Upon any violation of this undertaking, the party of the third part may, at its option, declare the unpaid balance of the debt secured hereby immediately due and payable.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors or assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, The parties of the first part have hereunto set their hand(s) and seal(s) the day and year first above written.


Robert D. O'Toole [SEAL]

Joan C. O'Toole [SEAL]
_____[SEAL]
_____[SEAL]

STATE OF NORTH CAROLINA,
COUNTY OF Forsyth

I, Agnes H. Gordon, do hereby certify that
Robert P. O'Toole and Joan C. O'Toole
his wife, personally appeared before me this day and acknowledged the due execution of the foregoing instrument

WITNESS my hand and official seal this the 17th day of September, 1965.

Agnes H. Gordon
Notary Public.
My commission expires November 9, 1966

STATE OF NORTH CAROLINA,
COUNTY OF Forsyth

The foregoing certificate of *Agnes H. Gordon*, a Notary Public of the County
of Forsyth, duly authenticated by his Notarial Seal thereto attached, is adjudged to be correct.
Let the instrument and the certificates be registered.

This 17th day of September, 1965.

For record

9160

Burt Sumner, Deputy
Clerk Superior Court, Forsyth County, N. C.

STATE OF NORTH CAROLINA

LOAN NO.

Deed of Trust

ROBERT J. O'TOOLE
and wife
JOAN C. O'TOOLE

TO

LAWRENCE G. PFEFFERKORN,
and
WINSTON-SALEM BOND & MORTGAGE
COMPANY

Filed for registration in FORSYTH

County. Registry this

day of SEPTEMBER, 1965, at

Book o'clock . M. Recorded in

day of at page this

Verified and properly indexed same date.

FILED FOR REGISTRATION
EUNICE AYERS
REGISTER OF DEEDS
FORSYTH COUNTY, N. C.

Register of Deeds,
County, N. C. SEP 17 4 56 PM '65

* U.S. GOVERNMENT PRINTING OFFICE: 1964 O-355266
GPO 355266

DEPUTY

DEED OF TRUST

This form may be used as the security
instrument in connection with Deeds of
Trust to be insured under Sections 203 and
207, and in connection with "individual mort-
gages" to be insured under Sections 213,
220, 221, 222, 209 and 810 of the National
Recording Act.