

INSTRUMENT # 2005010242

# NORTH CAROLINA DEED OF TRUST AND SECURITY AGREEMENT

(Collateral Includes Fixtures)

SATISFACTION: The debt secured by this Deed of Trust, as evidenced by the note or other document secured thereby, has been satisfied in full. This the \_\_\_\_\_ day of \_\_\_\_\_

Signed: \_\_\_\_\_

Mail after recording to:  
Cecil B. Jones, PO Box 397, Dunn, NC 28335

8120017064 09002

This instrument was prepared by:  
Cecil B. Jones

Recording: Time, Book and Page

Brief description for index:

[Empty box for brief description]

THIS DEED OF TRUST AND SECURITY AGREEMENT ("Deed of Trust") is made as of this 10th day of June, 2005, by and among:

GRANTOR (Include Address)

CLIFFORD THOMAS REYNOLDS

and Catherine J. Laclair

755 C T THOMAS LN

LILLINGTON, NC 27546-0000

TRUSTEE

BB&T Collateral Service Corporation  
P.O. Box 1290  
Whiteville, NC 28472

BENEFICIARY

BRANCH BANKING AND TRUST  
COMPANY, a  
North Carolina banking corporation  
P.O. Box 1290 Whiteville, NC 28472

IF BOX CHECKED, THIS DEED OF TRUST SECURES AN OBLIGATION INCURRED FOR THE CONSTRUCTION OF AN IMPROVEMENT ON LAND.

THE FOLLOWING INFORMATION APPLIES TO THIS DEED OF TRUST:

1. The maximum principal amount of the Debt (defined below), including present and future advances, secured by this Deed of Trust is SIXTY-EIGHT THOUSAND DOLLARS & 00/100 (\$ 68,000.00 ) Dollars.

2. The Debt, on the date hereof, is evidenced by a Note and/or other Document described by name, parties, dollar amount and date as follows:

Note dated June 10, 2005 in the amount of \$ 68,000.00 executed by CLIFFORD TOM REYNOLDS

and may be evidenced by and shall be at all times deemed to include, any and all other notes or other Documents now or hereafter evidencing any debt whatsoever incurred by Grantor and payable to Beneficiary, the terms of which are incorporated herein by reference.

3. Pursuant to the provisions of Sections 45-67 et seq., of the North Carolina General Statutes, this Deed of Trust secures the payment of the Debt, including present and future advances.

~~WELLSVILLE~~, in the Township of Upper Little River,  
in the County of HARNETT, in the State of North Carolina, and the legal  
description and the chain of title reference of the real property are set forth as follows:

SEE ATTACHED "SCHEDULE A"

**STATEMENT OF PURPOSE:** In this Deed of Trust reference shall be made simply to the "Note or other Document", and such a reference is deemed to apply to all of the instruments which evidence or describe the Debt, or which secure its payment, and to all renewals, extensions and modifications thereof, whether heretofore or hereafter executed, and includes without limitation all writings described generally and specifically on the first page of this Deed of Trust in numbered paragraph 2. This Deed of Trust shall secure the performance of all obligations of Grantor and of any third party to Beneficiary which are described in this Deed of Trust, in the Note or other Document, and such performance includes the payment of the Debt. In this Deed of Trust the definition of "Debt" includes: (i) the principal; (ii) all accrued interest including possible fluctuations of the interest rate if so provided in the Note or other Document; (iii) all renewals or extensions of any obligation under the Note or other Document (even if such renewals or extensions are evidenced by new notes or other documents); and (iv) all other obligations of Grantor to Beneficiary which are described in this Deed of Trust, or in the Note or other Document, (for example, payment of the attorneys fees of the Beneficiary, insurance premiums and ad valorem taxes).

NOW, THEREFORE, for the purposes and under the conditions described in this Deed of Trust and in consideration of the Debt and the mutual promises of Grantor and Beneficiary, Grantor hereby conveys to Trustee, in trust, with power of sale, the real property described in this Deed of Trust, together with any improvements, equipment and fixtures existing or hereafter placed on or attached to this real property, all proceeds thereof and all other appurtenant rights and privileges. The term "the Property" shall include this real property, any such improvements, fixtures, and also all appurtenant rights and privileges.

TO HAVE AND TO HOLD the Property, to Trustee, its successors and assigns, but upon the trust, and under the terms and conditions of this Deed of Trust, to which Grantor, Trustee and Beneficiary hereby agree:

1. **PERFORMANCE BY GRANTOR.** Grantor shall fulfill all of Grantor's obligations as specified in this Deed of Trust, the Note or other Document.
2. **TAXES, DEEDS OF TRUST, OTHER ENCUMBRANCES.** Grantor shall make timely payment of all ad valorem taxes, assessments or other charges or encumbrances which may constitute a lien upon the Property. Grantor shall timely pay and perform any obligation, covenant or warranty contained in any other deed of trust or writing (herein Other Deed of Trust) which gives rise to any or which may constitute a lien upon any of the Property. Grantor shall upon request of Beneficiary promptly furnish satisfactory evidence of such payment or performance. Grantor shall not enter into, terminate, cancel or amend any lease affecting the Property or any part thereof without the prior written consent of Beneficiary. Grantor shall timely pay and perform all terms of any lease or sublease of the Property or any part thereof.
3. **INSURANCE.** Grantor shall keep insured all improvements which are now existing and which might hereafter become part of the Property, against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required from time to time by Beneficiary; and Grantor shall pay promptly, when due, any premiums on the insurance. All insurance shall be carried with companies approved by Beneficiary, and Grantor shall cause all policies and renewals thereof to be delivered to Beneficiary; and the policies shall contain loss payable clauses in favor of and in form acceptable to Beneficiary. In the event of loss, Grantor shall give immediate notice to Beneficiary, and Beneficiary may make proof of loss if such is not made promptly by Grantor. Any insurer is hereby expressly authorized and directed to make payment for the loss directly and solely to Beneficiary. Further, Beneficiary may apply the insurance proceeds, or any part thereof, in its sole discretion and at its option, either to the reduction of the Debt or to the restoration or repair of any portion of the Property damaged.
4. **ESCROW DEPOSITS.** Upon demand of Beneficiary, Grantor shall add to each payment required under the Note or other Document the amount estimated by Beneficiary to be sufficient to enable Beneficiary to pay as they become due all taxes, charges, assessments, and insurance premiums which Grantor is required to pay. Further, any deficiency occasioned by an insufficiency of such additional payments shall be deposited by Grantor with Beneficiary upon demand.

**condition of the Property.**

**7. CONDEMNATION AWARD.** Any award for the taking of, or damages to, all or any part of the Property or any interest therein upon the lawful exercise of the power of eminent domain shall be payable solely to Beneficiary, which may apply the sums so received to payment of the Debt.

**8. PAYMENTS BY BENEFICIARY.** If Grantor shall be in default in the timely payment or performance of any of Grantor's obligations, the Note or other Document, under this Deed of Trust or Other Deed of Trust, Beneficiary may, but it is not obligated to, expend for the account of Grantor any sums, expenses and fees which Beneficiary believes appropriate for the protection of the Property and the maintenance and execution of this trust. Any amounts so expended shall be deemed principal advances fully secured by this Deed of Trust, shall bear interest from the time expended until paid at the rate of interest accruing on the Debt, and shall be due and payable on demand.

**9. RENTS AND PROFITS.** Grantor hereby assigns to Beneficiary all future rents and profits from the Property as additional security for the payment of the Debt and for the performance of all obligations secured by this Deed of Trust. Grantor hereby appoints Beneficiary as Grantor's attorney-in-fact to collect any rents and profits, with or without suit, and to apply the same, less expenses of collection, to the Debt or to any obligations secured by this Deed of Trust in any manner as Beneficiary may desire. However, until default under the Note or other Document or under this Deed of Trust, Grantor may continue to collect and retain the rents and profits without any accountability to Beneficiary. Beneficiary's election to pursue the collection of the rents or profits shall be in addition to all other remedies which Beneficiary might have and may be put into effect independently of or concurrently with any other remedy.

**10. SECURITY INTEREST.** All the fixtures and equipment which comprise a part of the Property shall, as far as permitted by law, be deemed to be affixed to the aforesaid land and conveyed therewith. As to the balance of the fixtures, this Deed of Trust shall be considered to be a security agreement which creates a security interest in such fixtures for the benefit of Beneficiary. In that regard, Grantor grants to Beneficiary all of the rights and remedies of a secured party under the North Carolina Uniform Commercial Code. Grantor agrees to execute and deliver to Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the security interest created hereby. Grantor hereby irrevocably (as long as the Debt remains unpaid) makes, constitutes and appoints Beneficiary as the true and lawful attorney of Borrower to sign the name of Grantor on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests. However to the extent allowed by law, this Deed of Trust shall be a financing statement sufficient to perfect and maintain any security interest created hereby in the Property and its Proceeds.

**11. GRANTOR'S CONTINUING OBLIGATION.** This Deed of Trust shall remain as security for full payment of the Debt and for performance of any obligation evidenced by the Note or other Document, notwithstanding any of the following: (a) the sale or release of all or any part of the Property; (b) the assumption by another party of Grantor's obligations under this Deed of Trust, the Note or other Document; (c) the forbearance or extension of time for payment of the Debt or for performance of any obligations under this Deed of Trust, the Note or other Document, whether granted to Grantor or to a subsequent owner of the Property; or (d) the release of any party who has assumed payment of the Debt, or who assumed any other obligations under this Deed of Trust, the Note or other Document. None of the foregoing shall, in any way, affect the full force and effect of the lien of this Deed of Trust or impair Beneficiary's right to a deficiency judgment in the event of foreclosure against Grantor or any party who had assumed payment of the Debt or who assumed any other obligations the performance of which is secured by this Deed of Trust.

**12. SUBSTITUTION OF TRUSTEE.** Beneficiary shall have the unqualified right to remove the individual designated as Trustee on the first page of this Deed of Trust, and to appoint one or more substitute or successor Trustees by instruments filed for registration in the County Registry where this Deed of Trust is recorded. Any such removal or appointment may be made at any time and from time to time without notice, without specifying any reason therefor and without any court approval. Any such appointee shall become fully vested with title to the Property and with all rights, powers and duties conferred upon the individual originally designated as Trustee, in the same manner and to the same effect as though that party were named herein as the original Trustee.

**13. INDEMNIFICATION IN EVENT OF ADVERSE CLAIMS.** In the event that Beneficiary or Trustee voluntarily or otherwise shall become parties to any suit or legal proceeding involving the Property, they shall be saved harmless and shall be reimbursed by Grantor for any amounts paid, including all costs, charges and attorney's fees incurred in any such suit or proceeding, and the same shall be secured by this Deed of Trust and payable upon demand.

**14. INSPECTION.** Beneficiary may at any reasonable time and from time to time make or cause to be made reasonable entries upon, investigations, and inspections of the Property, including without limitation any inspections or investigations such as sampling and testing which may be necessary or desirable to review compliance with Environmental Laws.

**15. WARRANTIES.** Grantor covenants with Trustee and Beneficiary that Grantor is seized of the Property in fee simple, has the right to convey the same in fee simple, that title to the Property is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, subject only to any declarations, easements, restrictions or encumbrances listed in the title opinion or title insurance policy which Beneficiary obtained in the transaction in which Beneficiary obtained this Deed of Trust.

**16. ATTORNEYS' FEES.** In the event that Grantor shall default in its obligations under this Deed of Trust, the Note or other Document, and Beneficiary employs an attorney to assist in the collection of the Debt or to enforce compliance of Grantor with any of the provisions of this Deed of Trust, the Note or other Documents or in the event Beneficiary or Trustee shall become parties to any suit or legal proceeding (including any proceeding conducted before any United States Bankruptcy Court) concerning the Property, concerning the lien of this Deed of Trust, concerning collection of the Debt or concerning compliance by Grantor with any of the provisions of this Deed of Trust, the Note or other Document, Grantor shall pay Beneficiary's reasonable attorneys' fees and all of the costs that may be incurred, and such fees and costs shall be secured by this Deed of Trust and its payment enforced as if it were a part of the Debt. Grantor shall be liable for such attorneys' fees and costs whether or not any suit or proceeding is commenced.

**17. ANTI-MARSHALLING PROVISIONS.** Trustee and Beneficiary may grant releases at any time and from time to time of all or any portion of the Property (whether or not such releases are required by agreement among the parties) agreeable to Trustee and Beneficiary without notice to or the consent, approval or agreement of other parties and interests, including junior lienors and purchasers subject to the lien of this Deed of Trust, and such releases shall not impair in any manner the validity of or priority of this Deed of Trust on that portion of the Property remaining subject to this Deed of Trust, nor release Grantor from personal liability for the Debt. Notwithstanding the existence of any other security interests in the Property held by Beneficiary or by any other party, Beneficiary shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies available to Beneficiary, and Beneficiary shall further have the right to determine the order in which any or all portions of the Debt are satisfied from the proceeds realized upon the exercise of any remedy it has. Grantor, or any party who consents to this, or any party who has actual or constructive notice hereof, hereby waives any and all rights to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.



IN TESTIMONY WHEREOF, the above corporate Grantor has caused this instrument to be executed under seal in its corporate name by its duly authorized \_\_\_\_\_, with this sealed instrument being delivered on the date first above written.

IN TESTIMONY WHEREOF, each individual Grantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside or near his signature, this sealed instrument being executed and delivered on the date first above written.

\_\_\_\_\_  
(CORPORATE NAME)  
By: \_\_\_\_\_ (SEAL)  
Title: \_\_\_\_\_  
By: \_\_\_\_\_ (SEAL)  
Title: \_\_\_\_\_

Grantor: Clifford Thomas Reynolds (SEAL)  
Grantor: Catherine J. Laclair (SEAL)  
Grantor: \_\_\_\_\_ (SEAL)

IN TESTIMONY WHEREOF, the above partnership Grantor, Limited Liability Company, Limited Liability Partnership or Limited Liability Partnership has caused this instrument to be executed in the appropriate company or partnership name by its duly authorized general partner(s), manager(s) or managing member(s), and has adopted as its seal the word "SEAL" appearing beside its name, this sealed instrument being executed and delivered on the date first above written.

\_\_\_\_\_  
NAME OF PARTNERSHIP, LLC, LLP OR LLLP  
By: \_\_\_\_\_ (SEAL)  
Title: \_\_\_\_\_  
By: \_\_\_\_\_ (SEAL)  
Title: \_\_\_\_\_

SEAL STAMP

STATE OF NORTH CAROLINA, COUNTY OF Harnett  
I, Amanda S. Riddle a Notary Public, do hereby certify that Clifford Thomas Reynolds and Catherine J. Laclair Grantor, personally appeared before me this day and acknowledged the execution of this Deed of Trust. Witness my hand and official stamp or seal, this 10th day of June, 2005  
My Commission Expires: Amanda S. Riddle  
NOTARY PUBLIC



SEAL STAMP

STATE OF NORTH CAROLINA, COUNTY OF \_\_\_\_\_  
I, \_\_\_\_\_ a Notary Public, do hereby certify that \_\_\_\_\_ Grantor, personally appeared before me this day and acknowledged the execution of this Deed of Trust. Witness my hand and official stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
NOTARY PUBLIC

SEAL STAMP

STATE OF NORTH CAROLINA, COUNTY OF \_\_\_\_\_  
I, \_\_\_\_\_ a Notary Public, do hereby certify that \_\_\_\_\_ personally appeared before me (this day and acknowledged that he/they is/are \_\_\_\_\_ (indicate whether general partners, managers or managing members) of \_\_\_\_\_, a \_\_\_\_\_, and further acknowledged the due execution of this Deed of Trust on behalf of the \_\_\_\_\_. Witness my hand and official stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
NOTARY PUBLIC

SEAL STAMP

STATE OF NORTH CAROLINA, COUNTY OF \_\_\_\_\_  
I, a Notary Public of said County and State, certify that \_\_\_\_\_ personally came before me this day and acknowledged he (or she) is \_\_\_\_\_ of \_\_\_\_\_, a corporation, and that he/she, as \_\_\_\_\_ being authorized to do so, executed the foregoing on behalf of the corporation.  
Witness my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_.  
(Notary Seal) \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
NOTARY PUBLIC

The foregoing Certificate(s) of \_\_\_\_\_ is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

REGISTER OF DEEDS FOR \_\_\_\_\_ COUNTY

By: \_\_\_\_\_ Deputy/Assistant - Register of Deeds.



KIMBERLY S. HARGROVE  
 REGISTER OF DEEDS, HARNETT  
 305 W CORNELIUS HARNETT BLVD  
 SUITE 200  
 LILLINGTON, NC 27546

**PLEASE RETAIN YELLOW TRAILER PAGE**

It is part of recorded document, and must be submitted with original for re-recording and/or cancellation.



Filed For Registration: 06/10/2005 04:11:34 PM  
 Book: RE 2091 Page: 403-409  
 Document No.: 2005010242  
 DT/AGREE 7 PGS \$29.00

Recorder: ELMIRA MCLEAN



State of North Carolina, County of Harnett

The foregoing certificate of AMANDA S. RIDDLE Notary is certified to be correct. This 10TH of June 2005

KIMBERLY S. HARGROVE , REGISTER OF DEEDS

By: *Elmira McLean*  
 Deputy/Assistant Register of Deeds



2005010242

## EXHIBIT "A"

BEING all of that certain tract or parcel of land containing 4.84 acres, more or less, as shown upon that plat of survey entitled "Survey for: Jonathan Champion and Sonya B. Champion", prepared by Bennett Surveys, Inc., dated September 30, 1998, and appearing of record at Map Number 98-436, Harnett County Registry. Reference to said plat being hereby made for a greater certainty of description.

Also conveyed herewith and appurtenant to is that certain 20 foot easement for the purpose of ingress, egress, regress and utilities, along an existing soil road as shown upon that plat and survey entitled "Survey for: Jonathan Champion and Sonya B. Champion", prepared by Bennett Surveys, Inc., dated September 20, 1998, and appearing of record at Map Number 98-436, Harnett County Registry. Reference to said plat being hereby made for a greater certainty of description.

This being the same property as conveyed to Jonathan Champion and Sonya B. Champion, by deed from Jonathan Champion and Sonya Bailey, dated May 13, 1994, and appearing of record in Deed Book 1051, Page 394-395 and for further reference see Deed Book 967, Page 161, Harnett County Registry.

The above described real property includes a 1989 Clayton mobile home or manufactured housing unit, Serial Number CLR003623TN that is permanently affixed to the real property and is an appurtenance thereto. The aforementioned dwelling is considered to be a component of the real property.