

Lincoln Grove  
Deed of Trust

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

This the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

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

Recording: Time, Book and Page

After recording, mail to: City of Greensboro Finance Director, P.O. Drawer 3136, Greensboro, NC 27402-3136

This instrument was prepared by William R. Hoyle, COGGIN, HOYLE, BLACKWOOD & BRANNAN, Attorneys at Law, 108 Commerce Place, Greensboro, NC 27401

This Deed of Trust is made this 21 day of DECEMBER, 1990 by and between:

GRANTOR

WYNNEFIELD-LINCOLN GROVE  
LIMITED PARTNERSHIP  
136 Scaley Bark Road  
Charlotte, NC 28209

TRUSTEE

WILLIAM R. HOYLE  
P.O. Box 2307  
Greensboro, NC 27403-2307

NOTEHOLDER

CITY OF GREENSBORO  
P.O. Box 3136  
Greensboro, NC 27402-3136

A municipal corporation

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

WITNESSETH:

THAT WHEREAS, said Grantor owns or has an interest in the land hereinafter described;  
AND WHEREAS, one or all of Grantors, hereinafter sometimes called Maker, has this day executed and delivered to said Noteholder a Promissory Note in the sum of \$1,589,355.00 Dollars, payable pursuant to the terms thereof, which, if not sooner paid, shall be due and payable on the first day of APRIL, 2022;

AND WHEREAS, it has been agreed that the payment of said Note shall be secured by the conveyance of land hereinafter described.

NOW THEREFORE, as security for said indebtedness, advancements and other sums expended by Noteholder pursuant to this Deed of Trust and costs of collection (including attorneys fees as provided in the promissory Note) and other valuable consideration, the receipt of which is hereby acknowledged, the Grantor has bargained, sold, given, granted and conveyed and does by these presents bargain, sell, give, grant and convey to said Trustee, his heirs, or successors, and assigns, the parcel(s) of land situated in the City of Greensboro, \_\_\_\_\_ Township, Guilford County, North Carolina, (the "Premises") and more particularly described as follows on Exhibit A attached hereto and made a part hereof by this reference.

North Carolina - Guilford County

The certificate (s) of

*Katherine Lee Payne*

490216

RECORDED  
KATHERINE LEE PAYNE  
REGISTER OF DEEDS  
GUILFORD COUNTY, NC

1 DEEDS OF TRUS490216	5.00
2 D OF T ADDN PGS	14.00
1 PROBATE FEE	1.00

A Notary (Notaries) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time shown herein.

KATHERINE LEE PAYNE, REGISTER OF DEEDS

*Katherine Lee Payne*  
Notary/Deputy Register of Deeds

BOOK: 3850  
PAGE(S): 1532 TO 1539

12/21/1990 13:26:09

TO HAVE AND TO HOLD, the above-described premises together with all the rights, privileges and appurtenances thereunto belonging to said Trustee, and Grantor and Noteholder covenant and agree as follows:

If Grantor shall pay the Note secured hereby in accordance with its terms, together with interest thereon, and any renewals or extensions thereof in whole or in part, all other sums secured hereby and shall comply with all of the covenants, terms and conditions of this Deed of Trust, then this conveyance shall be null and void and may be cancelled of record at the request and the expense of the Grantor. If, however, there shall be any default (a) in the payment of any sums due under the Note, this Deed of Trust or any other instrument securing the Note and such default is not cured after



written notice as provided in the Loan Agreement, or (b) if there shall be default in any of the other covenants, terms or conditions of the Note secured hereby, or any failure or neglect to comply with the covenants, terms or conditions contained in this Deed of Trust or any other instrument securing the Note and such default is not cured within fifteen (15) days after written notice is provided in the Loan Agreement, then and in any of such events, without further notice, it shall be lawful for and the duty of the Trustee, upon request of the Noteholder, to sell the land herein conveyed at public auction for cash, after having first given such notice of hearing as to commencement of foreclosure proceedings and obtained such findings or leave of court as may then be required by law, and giving such notice and advertising the time and place of such sale in such manner as may then be provided by law, and upon such and any resales and upon compliance with the law then relating to foreclosure proceedings under power of sale to convey title to the purchaser in as full and ample manner as the Trustee is empowered. The Trustee shall be authorized to retain an attorney to represent him in such proceedings. The proceeds of the sale shall after the Trustee retains his commission, together with reasonable attorneys fees incurred by the Trustee in such proceeding, be applied to the costs of sale, including, but not limited to, costs of collection, taxes, assessments, costs of recording, service fees and incidental expenditures, the amount due on the Note hereby secured and advancements and other sums expended by the Noteholder according to the provisions hereof and otherwise as required by the then existing law relating to foreclosures. The Trustee's commission shall be five percent (5%) of the gross proceeds of the sale or the minimum sum of \$500.00 whichever is greater, for a completed foreclosure. In the event foreclosure is commenced, but not completed, the Grantor shall pay all expenses incurred by Trustee, including reasonable attorneys fees, and a partial commission computed on five percent (5%) of the outstanding indebtedness or the above stated minimum sum, whichever is greater, in accordance with the following schedule, to wit: one-fourth (¼) thereof before the Trustee issues a notice of hearing on the right to foreclosure; one-half (½) thereof after issuance of said notice; three-fourths (¾) thereof after such hearing; and the greater of the full commission or minimum sum after the initial sale.

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

1. **IMMEDIATE FORECLOSURE.** At the option of the Noteholder, this Deed of Trust shall become immediately subject to foreclosure upon the happening of the following event:

A. The Noteholder reserves the right to curtail and terminate this loan by sending a written notice of cancellation to the Noteholder. If, for a period of thirty (30) days from the date of the execution of this Note and Deed of Trust, the Noteholder shall have failed to cause the commencement of rehabilitation work on the property, or if the Noteholder shall have failed to cause such rehabilitation work to be completed within a reasonable time, the Grantor agrees that the entire principal amount due on the Note, together with interest at the rate of six percent (6%) per annum from the date of cancellation and any other amounts claimed by the Deed of Trust, shall become immediately due and payable upon cancellation of the loan pursuant to this paragraph. The Noteholder agrees to execute all documents that may be deemed a waiver thereof as long as the rehabilitation work remains incomplete.

B. If the Grantor makes an assignment for the benefit of creditors, or is adjudged bankrupt or insolvent by any federal or state court of competent jurisdiction.

2. **FUTURE ADVANCES.** The Noteholder has agreed to make future extension of credit and this Deed of Trust secures all present and all future advances made or to be made pursuant to the terms of the obligation. The amount of the present advance secured hereby is \$1,156,168.66 and the maximum amount, including present and future advances, which may be secured hereby at any one time is \$1,589,355.00. The period within which such future advances are to be made is the period between the date hereof and December 31, 1991. Each future advance extended hereunder shall be evidenced by evidence of indebtedness dated as of the date of each such credit extension. The making of future advances is obligatory on the part of the Noteholder under the note. Noteholder is authorized to make future advances to be secured by this Deed of Trust upon the signature of any official of the Grantor. This paragraph is intended to be in conformance with the provisions of N.C.G.S. §§45-67 et seq.
3. **INSURANCE.** Grantor shall keep all improvements on said land, now or hereafter erected, constantly insured for the benefit of the Noteholder against loss by fire, windstorm and such other casualties and contingencies, in such manner and in such companies and for such amounts, not less than that amount necessary to pay the sum secured by this Deed of Trust, and as may be reasonably satisfactory to the Noteholder. Grantor shall purchase such insurance, pay all premiums therefor, and shall deliver to Noteholder such policies along with evidence of premium payment as long as the Note secured hereby remains unpaid. If Grantor fails to purchase such insurance, pay premiums therefor or deliver said policies along with evidence of payment of premiums thereon, then Noteholder, at its options, may purchase such insurance. Such amounts paid by Noteholder shall be added to the principal of the Note secured by this Deed of Trust, and shall be due and payable upon demand of Noteholder. All proceeds from any insurance so maintained shall at the option of Noteholder be applied to the debt secured hereby and if payable in installments, applied in the inverse order of maturity of such installments or to the repair or reconstruction of any improvements located upon the Property, provided, however, so long as the loan is not in default, all proceeds will be applied to repair and reconstruction.
4. **TAXES, ASSESSMENTS, CHARGES.** Grantor shall pay all taxes, assessments, and charges as may be lawfully levied against said Premises within thirty (30) days after the same shall become due. In the event that Grantor fails to so pay all taxes, assessments and charges as herein required, then Noteholder, at its option, may pay the same and the amounts so paid shall be added to the principal of the Note secured by this Deed of Trust, and shall be due and payable upon demand of Noteholder.
5. **WASTE.** The Grantor covenants that he will keep the premises herein conveyed in as good order, repair and condition as they are after rehabilitation, reasonable wear and tear excepted, and will comply with all governmental requirements respecting the Premises of their use, and that he will not commit or permit any waste.
6. **CONDEMNATION.** In the event that any or all of the Premises shall be condemned and taken under the power of eminent domain, Grantor shall not be entitled to any release of property unless Grantor is not in default and is in full compliance with all of the terms and provisions of the Note, this Deed of Trust; and any other instrument that may be securing said Note.

7. **WARRANTIES.** Grantor covenants with Trustee and Noteholder that he is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that he will warrant and defend the title against the lawful claims of all persons whomsoever, except for the exceptions hereinafter stated. Title to the property hereinabove described is subject to the following exceptions:

Easements, restrictions and conditions of record.

8. **SUBSTITUTION OF TRUSTEE.** Grantor and Trustee covenant and agree to and with Noteholder that in case the said Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for any reason the holder of the Note desires to replace said Trustee, then the holder may appoint, in writing, a trustee to take the place of the Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all rights, powers and duties of the Trustee.
9. **ADVANCEMENTS.** If Grantor shall fail to perform any of the covenants or obligations contained herein or in any other instrument given as additional security for the Note secured hereby, the Noteholder may, but without obligation, make advances to perform such covenants or obligations, and all such sums so advanced shall be added to the principal sum, shall bear interest at the highest rate allowed by law and shall be due from Grantor on demand of the Noteholder. No advancement or anything contained in this paragraph shall constitute a waiver by Noteholder or prevent such failure to perform from constituting an event of default.
10. **INDEMNITY.** If any suit or proceeding be brought against the Trustee or Noteholder or if any suit or proceeding be brought which may affect the value or title of the Premises, Grantor shall defend, indemnify and hold harmless and on demand reimburse Trustee or Noteholder from any loss, cost, damage or expense, and any sums expended by Trustee or Noteholder shall bear interest at the highest rate allowed by law and shall be due and payable on demand.
11. **WAIVERS.** Grantor waives all rights to require marshalling of assets by the Trustee or Noteholder. No delay or omission of the Trustee or Noteholder in the exercise of any right, power or remedy arising under the Note or this Deed or Trust shall be deemed a waiver of any default or acquiescence therein or shall impair or waive the exercise of such right, power or remedy by Trustee or Noteholder at any other time.
12. **CIVIL ACTION.** In the event that the Trustee is named as a party to any civil action as Trustee in this Deed of Trust, the Trustee shall be entitled to employ an attorney at law, including himself if he is a licensed attorney, to represent him in said action and the reasonable attorney's fee of the Trustee in such action shall be paid by the Noteholder and added to the principal of the Note secured by this Deed of Trust and bear interest at the highest rate allowed by law.
13. **PRIOR LIENS.** Default under the terms of any instrument secured by a lien to which this Deed of Trust is subordinate shall constitute default hereunder.

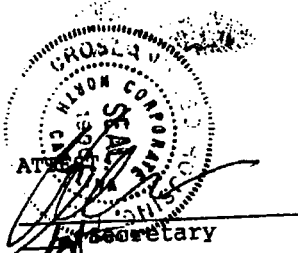
CONTINUED ON RIDER ATTACHED HERETO AND MADE A PART HEREOF

The GRANTOR DOTH HEREBY COVENANT AND AGREE that he is the owner in fee simple of the land herein conveyed, and has the right to convey the same; that the same is free and clear of all encumbrances except as herein stated; that he will forever warrant and defend the title herein conveyed against the lawful claims of all persons whomsoever; that he will execute such further assurances as may be necessary or proper to carry out the true intent and purpose of this trust.

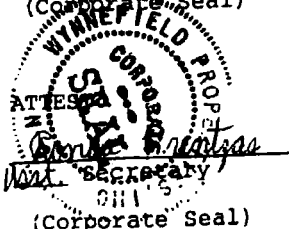
IN WITNESS WHEREOF, the General Partners of the General Partner of the Limited Partnership have caused this document to be executed in their corporate names by their duly authorized officers and their corporate seals hereunto affixed, all by authority duly given, as of the day and year first above written.

WYNNEFIELD-LINCOLN GROVE  
LIMITED PARTNERSHIP (SEAL)  
By: CROSLAND-WYNNEFIELD No. 1,  
a North Carolina general partnership,  
General Partner  
By: CROSLAND GSO HOUSING, INC.,  
General Partner

By: [Signature]  
President



(Corporate Seal)



By: WYNNEFIELD PROPERTIES, INC.,  
General Partner

By: [Signature]  
President

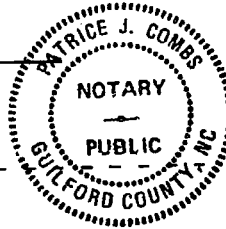
NORTH CAROLINA - GUILFORD COUNTY

I, the undersigned Notary Public, do hereby certify that B. D. Farmer, III personally came before me this day and acknowledged that he is Assistant Secretary of CROSLAND-GSO HOUSING, INC., which is a General Partner of Crosland-Wynnefield No. 1, a North Carolina General Partnership, which is the General Partner of WYNNEFIELD-LINCOLN GROVE LIMITED PARTNERSHIP, and that, by authority duly given and the act of said Corporation, the foregoing document was signed in its name by its corporate name, sealed with its corporate seal, and attested by himself as its Assistant Secretary.

WITNESS my hand and official seal-stamp this 21st day of December, 1990.

My commission expires:  
1/27/91

Patrice J. Combs  
Notary Public



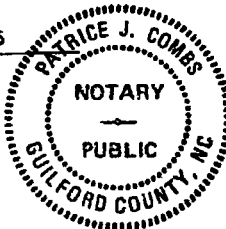
NORTH CAROLINA - GUILFORD COUNTY

I, the undersigned Notary Public, do hereby certify that Ronda Prentzas personally came before me this day and acknowledged that she is Assistant Secretary of WYNNEFIELD PROPERTIES, INC., which is a General Partner of Crosland-Wynnefield No. 1, a North Carolina General Partnership, which is the General Partner of WYNNEFIELD-LINCOLN GROVE LIMITED PARTNERSHIP, and that, by authority duly given and the act of said Corporation, the foregoing document was signed in its name by its corporate name, sealed with its corporate seal, and attested by herself as its Assistant Secretary.

WITNESS my hand and official seal-stamp this 21st day of December, 1990.

My commission expires:  
1/27/91

Patrice J. Combs  
Notary Public





B. Lee

14. SALE OF PREMISES. Grantor agrees that if the Premises or any part thereof or interest therein is sold, assigned, transferred, conveyed or otherwise alienated by Grantor, whether voluntarily or involuntarily or by operation of law other than: (i) the creation of a lien or other encumbrance subordinate to this Deed of Trust which does not relate to a transfer of rights of occupancy in the Premises; (ii) the creation of a purchase money security interest for household appliances; (iii) the grant of a leasehold interest of three (3) years or less not containing an option to purchase; and (iv) as permitted in the Loan Agreement, without the prior written consent of Noteholder, which consent shall not be unreasonably withheld or delayed and may not be subject to a change in the loan terms, Noteholder, at its own option, may declare the Note secured hereby and all other obligations hereunder to be forthwith due and payable. Any change in the legal or equitable title of the Premises or in the beneficial ownership of the Premises, including the sale, conveyance or disposition of a majority interest in the Grantor if a corporation or partnership, whether or not of record and whether or not for consideration, shall be deemed to be the transfer of an interest in the Premises; provided, however, the sale or transfer of limited partnership interest in the owner of the Premises or in one of its general partners shall not be deemed to be such a transfer.

15. USE OF PREMISES. The rent charged on one hundred percent (100%) of the living units located on the Premises must be at a rate affordable to families whose gross income does not exceed forty-five percent (45%) of the median income for a family of three or more or fifty percent (50%) of the median income for a family of two or less for the Greensboro area, adjusted by family size, as defined annually by the United States Department of Housing and Urban Development, or its successor. As used herein, the term "affordable" shall be defined as rent plus utilities. No tenant's lease shall be renewed if such tenant's income exceeds seventy percent (70%) of the median income adjusted for family size.

16. EXCULPATION. Notwithstanding any provision hereof or in the other documents evidencing and securing the loan to the contrary, Noteholder shall not sue the Grantor or any of its partners for a deficiency judgment in the event of a foreclosure, nor sue the Grantor or any of its partners for repayment of the indebtedness, any other obligation or for any damages or expenses incurred by it. The Noteholder understands and agrees that its remedies in the event of default by Borrower hereunder or under the other documents evidencing and securing the loan are limited to foreclosure against the property which is security for the loan.

17. NOTICE. Notices shall be given in accordance with the requirements of the Loan Agreement.

18. LOAN AGREEMENT. The terms and provisions of that certain loan agreement of even date herewith between Grantor and Noteholder are incorporated herein by reference and when in conflict herewith shall be controlling.



EXHIBIT A

Lying and being in Guilmer Township, Guilford County, North Carolina and being described by metes and bounds as follows:

TRACT I:

BEGINNING at an iron in the west margin of the right-of-way of Avalon Street, said iron being located at the intersection of said margin of said right-of-way with the north boundary of the property of John R. Taylor (now or formerly); running thence with Taylor's line, N. 85-45 W. 286.84 feet to an iron in the east boundary of the property of Morris Stadiem (now or formerly); thence with the east boundaries of Stadiem, Wade C. Euliss (now or formerly) and Asbury United Methodist Church (now or formerly), N. 01-33 E. 242.88 feet to an iron pin in the south boundary of the property of Inez McKinnon (now or formerly); thence with the south boundaries of McKinnon and E. C. McCoy, Jr. (now or formerly), S. 84-31 E. 281.24 feet to an iron in the west margin of the right-of-way of Avalon Street; thence three (3) lines with the west margin of the right-of-way of Avalon Street as follows: (1) with the arc of a circular curve to the left having a radius of 912.55 feet and a chord bearing of S. 00-40 W., a chord distance of 105.06 feet to a point; (2) with the arc of a circular curve to the right having a radius of 1699.58 feet and a chord bearing of S. 00-56 E., a chord distance of 100.84 feet to a point and (3) S. 00-46 W. 22.9 feet to the point or place of BEGINNING; all as shown on survey B-2726 by Marvin L. Borum and Associates, dated May 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made.

The above described property was conveyed to William S. Agapion by deed recorded in Book 3257 at Page 985 in the Guilford County Public Registry.

TRACT II:

BEGINNING at a new iron pin in the east margin of the right-of-way of Jennifer Street, said iron pin being located 135.6 feet measured in a northerly direction along said margin of said right-of-way from its intersection with the north margin of the right-of-way of Everitt Street; and running thence from said beginning point with the east margin of the Jennifer Street right-of-way, N. 06-06 E. 300 feet to an iron pin; thence S. 85-57 E. 299.34 feet to an iron pin in the west margin of the right-of-way of Clapp Street; thence with said margin of the Clapp Street right-of-way, S. 06-06 W. 300 feet to an iron pin; thence N. 85-57 W. 299.29 feet to the iron at the place of BEGINNING; all as shown on survey B-2725 by Marvin L. Borum and Associates, dated May 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made.

TRACT III:

BEGINNING at an iron pin in the north margin of the right-of-way of Spencer Street, said iron pin being located at the intersection of said margin of said right-of-way with the east boundary of the property of Mary M. Feeney (now or formerly); and running thence with Feeney's east boundary, N. 04-22 E. 193.22 feet to an iron in the line of the property of the City of Greensboro (Bingham Park); thence with the south boundary of the City of Greensboro, S. 86-50 E. 177.3 feet to an iron; thence S. 04-21 W. 196.32 feet to an iron in the north margin of the right-of-way of Spencer Street; thence with said margin of said right-of-way N. 85-50 W. 177.3 feet to the iron at the place of BEGINNING; all as shown on survey B-2724 by Marvin L. Borum and Associates, dated May 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made.

TRACT IV:

BEGINNING at an iron pin in the east margin of the right-of-way of Avalon Street, said iron being located at the intersection of said margin of said street with the north boundary of the property of John R. Taylor (now or formerly); and running thence from said beginning point with the east margin of the right-of-way of Avalon Street four (4) lines as follows: (1) N. 00-46 E. 25.95 feet to a point; (2) with the arc of a circular curve to the left having a radius of 1749.58 feet and a chord bearing of N. 00-56 W., a chord distance of 103.81 feet to a point; (3) with the arc of a circular curve to the right having a radius of 862.55 feet and a chord bearing of N. 00-40 E., a chord distance of 99.3 feet to a point and (4) N. 03-58 E. 134.7 feet to an iron in the south boundary of the property of Triad Components, Inc. (now or formerly); thence with the south boundaries of the properties of Triad Components, Inc. and Eugene Burkart, S. 86-40 E. 191.19 feet to an iron pin; thence with the west boundaries of Gerald Schultheiss, Trustee, William S. Agapion and Robert Fowler (now or formerly), S. 04-08 W. 366.15 feet to an iron in the line of John R. Taylor (now or formerly); thence with Taylor's line, N. 85-45 W. 174.1 feet to the point or place of BEGINNING; all as shown on survey B-2727 by Marvin L. Borum and Associates, dated May 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made.

TRACT V:

BEGINNING at an iron pin in the west margin of the right-of-way of Lowdermilk Street, said iron being located at the intersection of said margin of said street with the south boundary of the property of Carol E. Rogers, now or formerly (see deed recorded in Book 1956 at Page 649 in the Guilford County Public Registry); and running thence from said beginning point with the west margin of the right-of-way of Lowdermilk Street, S. 3-55 W. 310.34 feet to an iron; thence N. 85-21 W. 135.25 feet to an iron at the southeast corner of Lot 1 in Block C of Greenway Park subdivision as same is shown on map thereof recorded in Plat Book 31 at Page 11 in the Guilford County Public Registry; thence with the east boundaries of Lots 1, 2, 3, 4, 5 and 6 in Block C, N. 04-42 E. 308.01 feet to an iron; thence with the south boundary of the Carol E. Rogers property, S. 86-21 E. 131.04 feet the iron at the place of BEGINNING; all as shown on survey B-2728 by Marvin L. Borum and Associates, dated May 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made.

TRACT VI:

BEGINNING at an existing iron pin located at the intersection of the northerly margin of the right-of-way of Washington Street with the easterly margin of the right-of-way of North O'Henry Boulevard; and running thence from said beginning point with said margin of North O'Henry Boulevard, N. 01-38 E. 291.73 feet to an iron; thence continuing with the margin of said right-of-way N. 08-29 W. 30.48 feet to an iron; thence S. 89-07 E. 288 feet to an iron; thence N. 01-46 W. 51.74 feet to an iron; thence S. 88-51 E. 132.87 feet to an iron in the westerly margin of the right-of-way of Gillespie Street; thence with said margin of the right-of-way of Gillespie Street with a curve to the right having a chord bearing of S. 17-21 W., a chord distance of 268.83 feet to an iron; thence continuing with said right-of-way with a curve to the left having a chord bearing of S. 21-26 W., a chord distance of 145.43 feet to an iron; thence N. 89-06 W. 183.73 feet to an iron; thence N. 00-54 E. 21.07 feet to an iron; thence with the north margin of the right-of-way of Washington Street, N. 89-06 W. 106.32 feet to the iron to the point or place of BEGINNING; all as shown on survey B-2723 by Marvin L. Borum and Associates, dated Nov. 23, 1990 and entitled "Lincoln Grove Apartments", to which survey reference is hereby made. .

Tracts II through VI above described are a part of the properties conveyed to Bill Agapion (William S. Agapion) by deed recorded in Book 3767 at Page 1707 in the Guilford County Public Registry.