

Builders First Funding, LLC DBA Investor Funding
PAYOFF

Today's Date: 4/22/09
Payoff Through: 4/6/09
Borrower: Tina Howard
Property: 21755 Joy Road, Locust, NC 28097
Date of Loan: 1/24/2008
Principal Balance \$ 50,000.00
Origination Fees Due 8,000.00
Payments Due 6,750.00
(8/1/08-4/1/09 @ 750.00)
Interest Due – 4/1-4/6/09 147.96
Per Diem (24.66)

Pre-petition Attorney's Fees \$10,603.00

Pre-petition Attorney's Costs \$1,349.74

TOTAL \$76,849.96

**NORTH CAROLINA
Promissory Note**

\$50,000.00

Date: January 24th 2008

For value received, the undersigned **Tina D Howard** ("Borrower") agree and promise to pay to the order of **Builders First Funding, LLC dba Investor Funding** ("Lenders") the principal sum **\$50,000.00** with interest thereon at the rate of **1.50 percent (%)** per month. The note is payable as set forth below in lawful money of the United States of America at:

**Builders First Funding, LLC dba Investor Funding
28 Jimmy Doolittle Drive
Greenville, SC 29607**

or such other address as the holder from time to time may specify by written notice to the maker, the principal and interest to be paid as follows:

The monthly payments shall be \$750.00 Each payment shall be due on the 1st day of the month, beginning March 1, 2008.

~~X~~ The unpaid principal balance and accrued interest shall be payable in full on or before **April 24, 2008** (the "Call Date"). All payments on this Note shall be applied first in payment of late charges due, then to accrued interest, and any remainder in payment of principal.

In the event that the Note is not paid in full on or before thirty (30) days from the date of the Note, an amount equal to **1.00000%** of the original loan amount will be charged and is due upon final payoff or Call Date, whichever occurs first.

In the event that the Note is not paid in full on or before sixty (60) days from the date of the Note, an additional amount equal to **1.00000%** of the original loan amount will be charged and is due upon final payoff or Call Date, whichever occurs first.

The indebtedness evidenced by this note may be prepaid in whole or in part without penalty. Notwithstanding the above, interest shall be payable on the amount of any prepayment from the date of the prepayment until the last day of the month of the loan in which such prepayment is made.

LATE FEES: In the event a payment is not received by Builders First Funding, LLC dba Investor Funding within five (5) days of its due date, then Borrower shall incur and pay a late charge of **fifteen (15%)** percent of the amount of said payment. **Borrower understands that the note must be paid in full no later than ninety (90) days from the**

date of the Note. In the event the Note is not paid in full on or before this ninetieth (90th) day, Lender reserves the right to charge a fee equal to 2% of the unpaid balance. In the event the Note is not paid in full on or before the one hundred-twentieth (120th) day, Lender reserves the right to charge a fee equal to 1% of the unpaid balance on that 120th day and every thirtieth (30th) day thereafter.

This loan is secured by a Mortgage Agreement / Deed of Trust of this date which is attached.

If there is a default in payment of any of the sums or interest or in the performance of any agreements contained herein and it continues for a period of thirty (30) days, then, at the option of the holder of the note, the principal sum then remaining unpaid with accrued interest shall immediately become due and collectible without notice, and the principal sum and accrued interest shall both bear interest at the highest rate allowable by law from the date of default until paid. All sums paid under this note shall be credited first to accrued interest and then to principal.

If any of the following events of default occur, this Note and any other obligations of the Borrower to the Lender shall become due immediately, without demand or notice:

- 1) The failure of the Borrower to pay the principal and any accrued interest in full on or before the due date.
- 2) The death of the Borrower(s) or Lender(s);
- 3) The filing of bankruptcy proceedings involving the Borrower as a Debtor;
- 4) The application for appointment of a receiver for the Borrower;
- 5) The making of a general assignment for the benefit of the Borrower's creditors;
- 6) The insolvency of the Borrower;
- 7) The misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit; or
- 8) The addition of any debt or obligation secured by a junior mortgage on the subject property without prior written permission of the lender.

NOTE: SECONDARY FINANCING HAS NOT BEEN APPROVED FOR THIS LOAN. Borrower hereby agrees to secure the written permission of the Lender prior to adding any additional mortgages to the premises, whether said secondary note and mortgage shall be obtained concurrently with the present NOTE or at a later time.

In order to compensate the Lender for the increased risk of collection after an event of default, from and after the occurrence of an event of default, including but not limited to the failure to make a monthly payment within five (5) days of its due date, the entire principal remaining unpaid hereunder shall bear interest in accordance with terms herein and be payable on demand in full. Failure to exercise such option, or any other rights the Lender may in the event of any such default be entitled to, shall not constitute a waiver of the right to exercise such option or any other rights in the event of any subsequent default, whether of the same or different nature.

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

No renewal or extension of this Note, delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note shall affect the liability of the Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

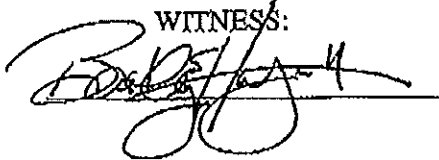
Each maker and endorser waives presentment, protest, notice of protest and notice of dishonor and agrees to pay all costs of collection and reasonable attorneys' fees and expenses in the enforcement of this note prior or subsequent to judgment and in any and all trial and appellate tribunals, whether suit be brought or not if, after maturity of this note or default, counsel shall be employed to collect this note.

This Note shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of North Carolina.

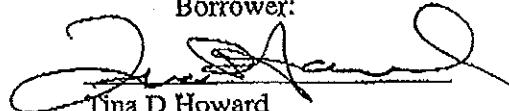
Wherever possible each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note or portion thereof shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

IN WITNESS WHEREOF, the Borrower has executed this instrument the day and year first above written

WITNESS:



Borrower:



Tina D Howard
10/18/1968
239-45-3634



Filed: 01/24/2008 02:00:29 PM
Cecil I Almond, Register of Deeds
Stanly County, NC

Shawn C. Huneycutt

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

This the _____ day of _____

Signed: _____

Recording: Time, Book and Page

420.00

Tax Lot No. _____ Parcel Identifier No. 559602564255

Verified by _____ County of the _____ day of _____

by _____

☒ Mail after recording to Grantee at the address shown below

This instrument prepared by Law Office of JOSHUA J. MORTON, JR., 127 Ray Kennedy Drive, Post Office Box 216, Locust, NC 28097

Brief Description for the index 0.9 ACRE, JOY ROAD, FURR NO. 1

NORTH CAROLINA DEED OF TRUST

THIS DEED OF TRUST made this 24th day of January, 2008, by and between:

GRANTOR	TRUSTEE	BENEFICIARY
Tina D. Howard 21831 Joy Road Locust, North Carolina 28097	Bartley S. Huneycutt PO Box 216 Locust, North Carolina 28097	Builders First Funding, LLC dba Investor Funding, ISAOA, 28 Jimmy Doolittle Drive Greeneville, SC 29067

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

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 the Grantor is indebted to the Beneficiary in the principal sum of —Fifty Thousand and 00/100—

----- Dollars (\$ *****50,000.00),
as evidenced by a Promissory Note of even date herewith, the terms of which are incorporated herein by reference. The final due date for payment of said Promissory Note, if not sooner paid, is April 22, 2008

NOW, THEREFORE, as security for said indebtedness, advancements and other sums expended by Beneficiary 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 _____, Furr #1 _____ Township,

Stanly County, North Carolina, (the "Premises") and more particularly described as follows:

Lying and being in Furr #1 Township, Stanly County, North Carolina, and more particularly described as follows:

LYING on the West side of County Rural Unpaved Road No. 1224, and being bounded by the lands of Nettie Whitley on the South, the lands of John H. Hatley on the West and North, and the aforesaid County Road on the East, and being more particularly described as follows:

BEGINNING at a stake in the center of County Rural Unpaved Road Number 1224, where a branch flows under said road, and running thence with the center of said branch five calls as follows: N. 74-45 W. 33 feet; S. 23-55 E. 30 feet; S. 52-40 W. 62 feet; S. 69-20 W. 30 feet and S. 82-30 W. 45 feet to a stake by a birch pointer; thence two new lines in the John H. Hatley lands, N. 00-50 E. 270 feet to a stake, and N. 89-45 E. 191 feet to a stake in the center of the aforesaid County Rural Unpaved Road Number 1224; thence with the center of said Road S. 20-50 W. 104 feet and S. 8-55 W. 100 feet to the point of Beginning, and containing 0.9 acres, according to a survey by D. F. (Jack) Ritchie, dated May 6, 1968.

For reference, see Deed from Joel David Howard and wife, Judy H. Howard, to Tina D. Howard dated October 30, 2007 and recorded in Deed Book 1206 at page 428, Stanly County Registry.

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

If the 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 within ten (10) days from the due date, 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, 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 Beneficiary, to sell the land herein conveyed at public auction for cash, after having first giving 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 Beneficiary 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 \$ 2,500.00, 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 per cent (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. **INSURANCE.** Grantor shall keep all improvements on said land, now or hereafter erected, constantly insured for the benefit of the Beneficiary 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 satisfactory to the Beneficiary. Grantor shall purchase such insurance, pay all premiums therefor, and shall deliver to Beneficiary 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 Beneficiary, at his option, may purchase such insurance. Such amounts paid by Beneficiary shall be added to the principal of the Note secured by this Deed of Trust, and shall be due and payable upon demand of Beneficiary. All proceeds from any insurance so maintained shall at the option of Beneficiary 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.

2. **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 Beneficiary, at his 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 Beneficiary.

3. **ASSIGNMENTS OF RENTS AND PROFITS.** Grantor assigns to Beneficiary, in the event of default, all rents and profits from the land and any improvements thereon, and authorizes Beneficiary to enter upon and take possession of such land and improvements, to rent same, at any reasonable rate of rent determined by Beneficiary, and after deducting from any such rents the cost of letting and collection, to apply the remainder to the debt secured hereby.

4. **PARTIAL RELEASE.** Grantor shall not be entitled to the partial release of any of the above described property unless a specific provision providing therefor is included in this Deed of Trust. In the event a partial release provision is included in this Deed of Trust, Grantor must strictly comply with the terms thereof. Notwithstanding anything herein contained, 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.

5. **WASTE.** The Grantor covenants that he will keep the Premises herein conveyed in as good order, repair and condition as they are now, reasonable wear and tear excepted, and will comply with all governmental requirements respecting the Premises or 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 give immediate written notice to Beneficiary and Beneficiary shall have the right to receive and collect all damages awarded by reason of such taking, and the right to such damages hereby is assigned to Beneficiary who shall have the discretion to apply the amount so received, or any part thereof, to the indebtedness due hereunder and if payable in installments, applied in the inverse order of maturity of such installments, or to any alteration, repair or restoration of the Premises by Grantor.

7. **WARRANTIES.** Grantor covenants with Trustee and Beneficiary 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:

8. **SUBSTITUTION OF TRUSTEE.** Grantor and Trustee covenant and agree to and with Beneficiary 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.

☒ **THE FOLLOWING PARAGRAPH, 9. SALE OF PREMISES, SHALL NOT APPLY UNLESS THE BLOCK TO THE LEFT MARGIN OF THIS SENTENCE IS MARKED AND/OR INITIALED.**

9. **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) a transfer by devise, descent, or operation of law on the death of a joint tenant or tenant by the entirety; (iv) the grant of a leasehold interest of three (3) years or less not containing an option to purchase; (v) a transfer to a relative resulting from the death of a Grantor; (vi) a transfer where the spouse or children of the Grantor become the owner of the Premises; (vii) a transfer resulting from a decree of a dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement, by which the spouse of the Grantor becomes an owner of the Premises; (viii) a transfer into an inter vivos trust in which the Grantor is and remains a beneficiary and which does not relate to a transfer of rights of occupancy in the Premises), without the prior written consent of Beneficiary, Beneficiary, 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.

10. **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 Beneficiary 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 rate provided in the Note secured hereby for sums due after default and shall be due from Grantor on demand of the Beneficiary. No advancement or anything contained in this paragraph shall constitute a waiver by Beneficiary or prevent such failure to perform from constituting an event of default.

11. **INDEMNITY.** If any suit or proceeding be brought against the Trustee or Beneficiary 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 Beneficiary from any loss, cost, damage or expense and any sums expended by Trustee or Beneficiary shall bear interest as provided in the Note secured hereby for sums due after default and shall be due and payable on demand.

12. **WAIVERS.** Grantor waives all rights to require marshalling of assets by the Trustee or Beneficiary. No delay or omission of the Trustee or Beneficiary in the exercise of any right, power or remedy arising under the Note or this Deed of 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 Beneficiary at any other time.

13. **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 Beneficiary and added to the principal of the Note secured by this Deed of Trust and bear interest at the rate provided in the Note for sums due after default.

14. **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.

15. **OTHER TERMS.**

SECONDARY FINANCING HAS NOT BEEN APPROVED FOR THIS LOAN. Borrower hereby agrees to secure the written permission of the Lender prior to adding any additional mortgages to the premises, whether said secondary note and mortgage shall be obtained concurrently with the present Note or at a later time.

TH (Initials)
IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Name)

By: _____
President

ATTEST: _____
Secretary (Corporate Seal)

(Corporate Name)

By: _____
President

ATTEST: _____
Secretary (Corporate Seal)

USE BLACK INK ONLY

Tina D. Howard

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

SEAL-STAMP
BARTLEY S. HUNEYCUTT
NOTARY PUBLIC
FOURTH COUNTY, NC

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that Tina D. Howard
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this 24th day of January, 2008.
My Commission expires: July 12, 2011

Bartley S. Huneycutt Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Grantor,
personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and
official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Secretary of
_____ a North Carolina corporation, and that by authority duly
given and as an act of the corporation, the foregoing instrument was signed in its name by its _____
President, sealed with its corporate seal and attested by _____ as its _____ Secretary,
Witness my hand and official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

SEAL-STAMP

Use Black Ink

NORTH CAROLINA, _____ County.
I, a Notary Public of the County and state aforesaid, certify that _____
_____, Secretary of
_____ a North Carolina corporation, and that by authority duly
given and as an act of the corporation, the foregoing instrument was signed in its name by its _____
President, sealed with its corporate seal and attested by _____ as its _____ Secretary,
Witness my hand and official stamp or seal, this _____ day of _____,
My Commission expires: _____
_____, Notary Public

The foregoing Certificate(s) of _____
_____ is 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.