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Prepared by: Bagwell Holt Smith P.A.

Return to: Habitat for Humanity, 88 Vilcom Center Drive, L110, Chapel Hill, NC 27514

NORTH CAROLINA

ORANGE COUNTY

NORTH CAROLINA PURCHASE MONEY DEED OF TRUST

This DEED OF TRUST is entered into **February 1, 2019** by and between **TANISHA WHITSETT, unmarried** hereinafter "Grantor", **Thomas R. Holt, Trustee**, hereinafter, "Trustee", and **Habitat For Humanity, Orange County, NC, Inc. for itself and as Agent pursuant to that certain Participation and Servicing Agreement dated 10/01/2016 between Habitat for Humanity, Orange County, N.C., Inc. and North Carolina Housing Finance Agency** hereinafter "Beneficiary".

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 obligated to the Beneficiary in the original principal sum of **ONE HUNDRED THIRTY FOUR THOUSAND FIVE HUNDRED DOLLARS AND 00/100 (\$134,500.00)**, as evidenced by a Promissory Note of even date herewith ("the Obligation"), the terms of which are incorporated herein by reference. If not sooner paid, the entire principal amount and any accrued interest shall be due and payable on the first day of **February 1, 2049**.

NOW, THEREFORE, as security for the Obligation, advancements and other sums expended by Beneficiary pursuant to this Deed of Trust and costs of collection (including attorneys fees as provided in the Obligation), and in return for 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 Orange County, North Carolina, and more particularly described as follows:

BEING all of Lot 2, as shown on plat for Habitat for Humanity, Orange County, N.C., Inc., recorded in Plat Book 118, Page 89, Orange County Registry, reference to which is hereby made for a more particular description of same.

PIN: 9844-59-2803

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

If any the Grantor shall pay the Obligation 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 Obligation, this Deed of Trust or any other instrument securing the Obligation 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 Obligation 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 Obligation 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 and any improvements thereon 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 Obligation 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 \$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 (1/4) thereof before the Trustee issues a notice of hearing on the right to foreclosure; one-half (1/2) thereof after issuance of said notice; three-fourths (3/4) thereof after such hearing; and the greater of the full commission or minimum sum after the initial sale.

And the 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 Obligation 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 Obligation 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 land.

2. **TAXES, ASSESSMENTS, CHARGES.** Grantor shall pay all taxes, assessments and charges as may be lawfully levied against the Premises when 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 Obligation 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 reletting 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 Obligation, this Deed of Trust, and any other instrument that may be securing said Obligation.

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 herein above 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 Obligation 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. **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, without the prior written consent of Beneficiary, Beneficiary, at its own option, may declare the Obligation 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 Obligation 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 Obligation 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 of 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 Obligation 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 Obligation of 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 Obligation secured by this Deed of Trust and bear interest at the rate provided in the Obligation for sums due after default.

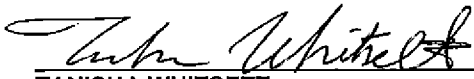
14. **PRIOR LIENS.** Default under the terms of any instrument secured by a lien to which this Deed of Trust is subordinate shall constitute default hereunder.

15. **ENVIRONMENTAL CONDITIONS.** Grantor warrants that (i) the Premises have not been and are not now being used in violation of any federal, state or local environmental law, ordinance or regulation ("Environmental Law"); (ii) all operations of Grantor are being and in the future will be conducted in full compliance with all Environmental Laws; (iii) except as previously disclosed to and approved by Beneficiary in writing, the Premises are free of underground storage tanks, out-of-use transformers, hazardous, radioactive, or toxic wastes, contaminants, oil, asbestos containing materials, or other materials, the production, use, storage, transportation, disposal, discharge, or removal of which are regulated, restricted, prohibited or penalized by any federal, state or local agency, authority or governmental unit ("Hazardous Substances"); (iv) Grantor has not filed nor been required to file any federal, state, or local reports or notices of any nature relating to the discovery, discharge, or disposal of Hazardous Substances on the Premises; and (v) no proceedings have been commenced or threatened, or citations, orders, or notices received, concerning Grantor and the alleged violation of any Environmental Laws. Except for materials necessary for the normal routine maintenance of the Premises, which materials shall be used in accordance with all Environmental Laws, Grantor covenants that, without prior written consent of Beneficiary, it will not permit any Hazardous Substances to be brought onto the Premises; and if otherwise brought, found or located thereon, Grantor will cause the same to be immediately removed, with proper disposal, will diligently undertake all necessary environmental cleanup procedures, and will otherwise fully comply with all Environmental Laws. Grantor covenants that it will immediately notify Beneficiary in writing of any accidents on or affecting the Premises involving Hazardous Substances, and will provide Beneficiary with copies of all current or future environmentally related permits, filings, reports, assessments, audits, notices, complaints, and the like relating to Grantor or the Premises. Grantor further covenants that upon request of Beneficiary, Grantor will, at its sole expense, obtain such

environmental assessments for the Premises and Grantor's operations as Beneficiary may direct. Should Grantor fail to perform such environmental assessments within thirty (30) days of Beneficiary's request, Beneficiary shall have the right, but not the obligation, to retain an environmental consultant to perform said assessments, and the cost of any such assessment shall be added to the principal of the Obligation secured by this Deed of Trust.

16. ADDENDUM "A". Grantor expressly agrees to the additional terms and conditions contained in ADDENDUM "A" to DEED OF TRUST, which addendum is attached hereto and incorporated herein by reference.

IN TESTIMONY WHEREOF, the Grantor has hereunto set his hand and seal the day and year first above written.

 (Seal)
TANISHA WHITSETT

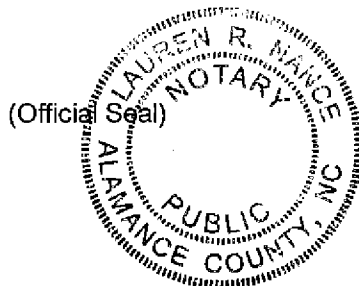
Orange County, North Carolina

I hereby certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document in the capacity indicated:

TANISHA WHITSETT

Date: February 1, 2019


Lauren Nance, Notary Public
Printed Name of Notary Public



My commission expires: 05/05/2021

ADDENDUM "A" TO NORTH CAROLINA PURCHASE MONEY DEED OF TRUST

17. OTHER TERMS:

Grantor agrees that if Grantor ceases to occupy the real property which is the subject of this Deed of Trust as a primary residence, whether voluntarily or involuntarily or by operation of law, without the prior written consent of the Beneficiary, Beneficiary at its option, may declare the Note secured hereby and all other obligations hereunder to be forthwith due and payable in full.

- A. RIGHT OF FIRST REFUSAL. Until payment in full of the Promissory Note secured by this Deed of Trust, Beneficiary, its successors or assigns, has the right to purchase this property from Grantors, or the survivor of Grantors under the following terms and conditions:

If Grantor receives a bona fide good faith offer from any person or entity to purchase the property, Grantor shall give written notice of said offer along with appropriate documentation and/or evidence of such bona fide offer within seven (7) days to Beneficiary. Grantor shall accept no offer to purchase which is accompanied by a deposit of less than five hundred (\$500.00) dollars. Beneficiary shall have fifteen (15) days following receipt of written notice of said offer within which to notify Grantor in writing of Beneficiary's intent to accept said offer and exercise this right of first refusal. Closing shall be made pursuant to the terms of said bona fide offer within sixty (60) days of receipt of written notice by Grantor of Beneficiary's intent to exercise this right of first refusal. Grantor shall convey the property by General Warranty Deed upon payment of the purchase price as set forth in the bona fide offer. Grantor agrees that if Grantor accepts an offer from any person or entity to purchase the property, Grantor will include in the contract to purchases and sell the property a notice of the Right of First Refusal.

- B. CONFLICT. Any discrepancy or conflict between the preprinted terms of this Deed of Trust, and this Addendum "A" hereto, shall be controlled by the terms of this Addendum "A".

- C. As an additional event of default, Grantor shall be deemed in default under the terms of this Deed of Trust if it is determined by Beneficiary that Grantors are not "residing" in the dwelling located on the property secured hereby. "Residing" is defined as "staying overnight in the dwelling more than fifty (50%) percent of the nights in each and every calendar month, but shall not include annual vacations taken." In the event of destruction of the property through fire or other casualty, and the parties hereto determine it is in their best interest to rebuild said dwelling, then, during the period of construction, Grantors shall not be deemed to be in default under this Deed of Trust for failure to reside in the dwelling. Periods of stay in an acute care hospital shall also be deemed as meeting the definition of "residing" as set forth herein providing that the Grantor would otherwise be "residing" in the dwelling. However, permanent stay in a long-term facility shall not be deemed to be "residing" as defined herein. Also, the Buyers shall be deemed to not be "residing" on the property if, during any calendar month, any persons other than the Buyers or the Buyers' immediate family, defined as Buyers' parent or child, stay overnight on the property for a period or periods of more nights than the Buyers. If the last survivor of Grantors is permanently hospitalized in a long term care facility before the Notes and Deeds of trust are paid in full, then "residing" for purposes of this paragraph shall constitute continued occupancy as defined herein by any member of the Grantor's immediate family residing in the dwelling at the time of such permanent stay of the last survivor of Grantors. Failure of said immediate family members to reside in the dwelling at the time of such permanent stay of the last survivor of Grantors shall constitute an event of default under the terms of this Deed of Trust.

- D. As an additional event of default, Grantor shall be deemed in default under the terms of this Deed of Trust if it is determined by Beneficiary that any party designated as Grantor has provided incorrect, inaccurate, fraudulent, or misleading information as part of the application process in connection with the execution of this Deed of Trust and the Note secured hereby.

- E. As an additional event of default, Grantor shall be deemed in default under the terms of this Deed of Trust if it is reasonably determined by Beneficiary that Grantor has or is conducting illegal activities on, or relating to, the property secured hereby. For purposed of this provision, "illegal activities" shall be defined as activities which would give rise to criminal prosecution under Federal or North Carolina law.

- F. ESCROW ACCOUNT. Grantor shall pay to Beneficiary on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("funds") equal to one-twelfth (1/12) of the estimated:
1. yearly taxes and assessments which may attain priority over this Deed of Trust; and
 2. yearly hazard insurance premiums.

These funds are called "escrow items." Lender may estimate the funds due on the basis of current date and reasonable estimates of future escrow items.

The funds shall be held in an institution, the deposit or accounts of which are insured or guaranteed by a federal or state agency. Beneficiary shall apply the funds to pay the escrow items. Unless an agreement is made or applicable law requires interest to be paid, Beneficiary shall not be required to pay Grantor any interest or earnings on the funds. The funds are pledged as additional security for the sums secured by this Deed of Trust. If the amount of the funds held by the Beneficiary, together with the future monthly payment of funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be credited to Grantor on monthly payments of funds. If the amount of the funds held by Beneficiary is not sufficient to pay the escrow items when due, Grantors shall pay the Beneficiary any amount necessary to make up the deficiency in one or more payments as required by Beneficiary. Failure to make up any deficiency shall constitute an event of default. Upon payment in full of all sums secured by this Deed of Trust, Beneficiary shall promptly refund to Grantor any funds held by Beneficiary. If the property is sold or acquired by Beneficiary pursuant to said Deed of Trust, Beneficiary shall apply, no later than immediately prior to the sale of property or its acquisition by Beneficiary, any funds held by Beneficiary at such time as a credit against the sum secured by this Deed of Trust.

- G. NOTICE. Whenever in this Deed of Trust it shall be required or permitted that notice or demand be given or served by either party to this Deed of Trust to or on the other, such notice or demand shall be given in writing by registered or certified mail, postage prepaid, to the respective addresses as hereinafter set forth. All notices or demands provided under the terms of this Deed of Trust shall be effective when actually received by Addressee. Addresses of either party may be changed, from time to time, by either party serving notice as above provided.

GRANTORS AT: 323 Tinnin Road
Efland, NC 27243

BENEFICIARY AT: 88 Vilcom Center, Suite L110
Chapel Hill, NC 27514
Attn: Executive Director
And
NCHFA
PO Box 28066 (mailing address)
Raleigh, NC 27611-8066
3508 Bush St. (street address)
Raleigh, NC 27609
Attn. Servicing Manager

It is understood and agreed by all parties to this Deed of Trust that time is of the essence in all matters pertaining to notices due and given, payments and terms.