

HAYWOOD, DENNY & MILLER, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

5102 CHAPEL HILL BOULEVARD

SUITE 100

DURHAM, NORTH CAROLINA 27707

TELEPHONE 919-403-0000

FACSIMILE 919-403-0001

E-MAIL: hdmllp@hdmllp.com

GEORGE W. MILLER, JR.
KEVIN W. BUTTERFIELD
ROBERT E. LEVIN
JOHN R. KINCAID
GEORGE W. MILLER, III

EGBERT L. HAYWOOD (1911-1985)
EMERY B. DENNY, JR. (1924-1982)

July 29, 2002

Emilie Beglane
8318 South Lowell Road
Bahama, North Carolina 27503

Ellen Ziemer
Jerry Waddle
9109 Johnson Mill Road
Bahama, North Carolina 27503

Re: Ziemer/Durham Kennel Club Land Transaction

Dear Folks:

As you are aware, I assisted Ellen Ziemer and Jerry Waddle with their purchase of the Bahama property from the Durham Kennel Club. I have been instructed to forward the enclosed check to Ms. Beglane in reimbursement for surveying services provided by Sear-Brown Surveying Company. Enclosed please find Sear-Brown's invoice along with our firm's trust account check.

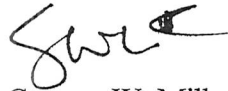
I am forwarding a check for Thirty-Nine Dollars and Twenty-Five Cents (\$39.25) back to Jerry and Ellen, which represents the balance of the Three Thousand Five Hundred Dollars (\$3,500.00) which was held out of closing for surveying services. I am informed that Sear-Brown will send a separate bill to Ellen and Jerry for the balance of services rendered on their behalf.

It was a pleasure working with everyone on this transaction, and feel free to call me should you have any questions.

Beglane/Waddle Letter
Page 2
July 29, 2002

With best wishes, I am

Sincerely,



George W. Miller, III

GWMIII/ma

Enclosure: Invoice;
Check

cc: Diane A. Wallis, Esq.

P:\GWMIII\Email\waddle\Beglane lr.doc



INVOICE

TERMS: NET 30 DAYS

ATTN: Corporate Headquarters 300 Meridian Centre, Suite 250 Rochester, NY 14618 (585) 295-0900

Tax ID # 11-2167170

FOR INQUIRIES PLEASE CONTACT LOCATION INDICATED

- Albany, NY 518-464-1717
- Binghamton, NY 607-644-9951
- Buffalo, NY 716-852-8817
- Elmira, NY 607-735-0909
- Melville, NY 631-424-8600
- Rochester, NY 585-475-1440
- Rouses Point, NY 518-297-1240
- Syracuse, NY 315-446-4730
- Denver, CO 303-271-9398
- Ft. Collins, CO 970-482-5922
- Loveland, CO 970-461-2800
- Chicago, IL 312-692-0667
- Hillsborough, NC 919-732-3883
- Wake Forest, NC 919-554-8518
- Las Vegas, NV 702-944-4300
- Cleveland, OH 216-573-7100
- State College, PA 814-237-7015
- Providence, RI 401-272-1750
- Salt Lake City, UT 801-323-0887
- St. George, UT 435-627-1888

GEORGE BEGLANE
 DURHAM KENNEL CLUB, INC
 8318 SOUTH LOWELL ROAD
 BAHAMA NC 27503

DATE: 05/21/02

PROJECT: 1738389
 INVOICE: 013829
 CLIENT: 57225

FOR PROFESSIONAL SERVICES IN CONNECTION WITH:
 CONCEPT PLAN AND MINOR SUBDIVISION.

PERIOD OF SERVICE EXTENDS THROUGH 05/10/02

CURRENT AMOUNT DUE: \$ 272.85

SUMMARY:

 PRIOR AMOUNT BILLED 3,187.90
 CURRENT AMOUNT BILLED 272.85
 AMOUNT BILLED TO DATE 3,460.75
 PAYMENTS RECEIVED 3,187.90

SERVICE CHARGE OF 1 1/2% PER MONTH, 18% PER ANNUM, WILL BE MADE
 ON INVOICES MORE THAN 30 DAYS PAST DUE.

PROJECT MANAGER

HAYWOOD, DENNY & MILLER, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

TRUST ACCOUNT
5102 CHAPEL HILL BLVD., STE. 100
DURHAM, NC 27707
(919) 403-0000

CENTRAL CAROLINA BANK
DURHAM, NORTH CAROLINA 27702
66-46-531

07/26/2002

1447

PAY TO THE
ORDER OF

Durham Kennel Club, Inc.

\$ **3,460.75

Three Thousand Four Hundred Sixty and 75/100*****

DOLLARS

MEMO

Waddle (Sear Brown Project #1738389)

⑈00001447⑈ ⑆053100465⑆ 139 58② 1⑈



MP

HAYWOOD, DENNY & MILLER, L.L.P.
ATTORNEYS AND COUNSELORS AT LAW
TRUST ACCOUNT
5102 CHAPEL HILL BLVD., STE. 100
DURHAM, NC 27707
(919) 403-0000

CENTRAL CAROLINA BANK
DURHAM, NORTH CAROLINA 27702
66-46-531

1448

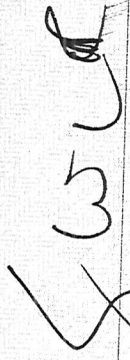
07/26/2002

PAY TO THE
ORDER OF **Ellen Ziemer**

\$ **39.25

Thirty-Nine and 25/100*****

DOLLARS



MEMO
Waddle

⑆0000 1448⑆ ⑆053100465⑆ 139 58⑆ ⑆⑆

Details on back. Security Features Included.

A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT		B. TYPE OF LOAN:				
		1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input checked="" type="checkbox"/> CONV. UNINS.	4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.
		6. FILE NUMBER: ZIEMER			7. LOAN NUMBER:	
8. MORTGAGE INS CASE NUMBER:						
C. NOTE: <i>This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</i>						
D. NAME AND ADDRESS OF BUYER:		E. NAME AND ADDRESS OF SELLER:		F. NAME AND ADDRESS OF LENDER:		
Jerry Waddle Ellen Ziemer 9109 Johnson Mill Rd. Durham, NC 27503		Durham Kennel Club, Incorporated		Durham Kennel Club, Inc		
G. PROPERTY LOCATION:		H. SETTLEMENT AGENT:		I. SETTLEMENT DATE:		
Harris Rd. Bahama, NC Durham County, North Carolina		George W. Miller, III 56-0956390		July 15, 2002		
		PLACE OF SETTLEMENT				
		5102 Chapel Hill Blvd. Ste 100 Durham, NC 27707				
J. SUMMARY OF BUYER'S TRANSACTION			K. SUMMARY OF SELLER'S TRANSACTION			
100. GROSS AMOUNT DUE FROM BUYER:			400. GROSS AMOUNT DUE TO SELLER:			
101. Contract Sales Price		21,560.00	401. Contract Sales Price		21,560.00	
102. Personal Property			402. Personal Property			
103. Settlement Charges to Buyer (Line 1400)		3,910.00	403.			
104.			404.			
105.			405.			
<i>Adjustments For Items Paid By Seller in advance</i>			<i>Adjustments For Items Paid By Seller in advance</i>			
106. City/Town Taxes	to		406. City/Town Taxes	to		
107. County Taxes	07/16/02 to 01/01/03	174.06	407. County Taxes	07/16/02 to 01/01/03	174.06	
108. Assessments	to		408. Assessments	to		
109.			409.			
110.			410.			
111.			411.			
112.			412.			
120. GROSS AMOUNT DUE FROM BUYER		25,644.06	420. GROSS AMOUNT DUE TO SELLER		21,734.06	
200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:			500. REDUCTIONS IN AMOUNT DUE TO SELLER:			
201. Deposit or earnest money			501. Excess Deposit (See Instructions)			
202. Principal Amount of New Loan(s)		15,092.00	502. Settlement Charges to Seller (Line 1400)		44.00	
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to			
204.			504. Payoff of first Mortgage			
205.			505. Payoff of second Mortgage			
206.			506. Promissory Note from Buyer		15,092.00	
207.			507.			
208.			508.			
209.			509.			
<i>Adjustments For Items Unpaid By Seller</i>			<i>Adjustments For Items Unpaid By Seller</i>			
210. City/Town Taxes	to		510. City/Town Taxes	to		
211. County Taxes	to		511. County Taxes	to		
212. Assessments	to		512. Assessments	to		
213.			513.			
214.			514.			
215.			515.			
216.			516.			
217.			517.			
218.			518.			
219.			519.			
220. TOTAL PAID BY/FOR BUYER		15,092.00	520. TOTAL REDUCTION AMOUNT DUE SELLER		15,136.00	
300. CASH AT SETTLEMENT FROM/TO BUYER:			600. CASH AT SETTLEMENT TO/FROM SELLER:			
301. Gross Amount Due From Buyer (Line 120)		25,644.06	601. Gross Amount Due To Seller (Line 420)		21,734.06	
302. Less Amount Paid By/For Buyer (Line 220)		(15,092.00)	602. Less Reductions Due Seller (Line 520)		(15,136.00)	
303. CASH (X FROM) (TO) BUYER		10,552.06	603. CASH (X TO) (FROM) SELLER		6,598.06	

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Buyer _____
 Jerry Waddle

 Ellen Ziemer

Seller Durham Kennel Club, Incorporated
 BY: _____
 President
 ATTEST:

 Secretary/Treasurer

L. SETTLEMENT CHARGES

700. TOTAL COMMISSION Based on Price			\$	@	%	PAID FROM BUYER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT	
<i>Division of Commission (line 700) as Follows:</i>								
701.	\$	to						
702.	\$	to						
703. Commission Paid at Settlement								
704.		to						
800. ITEMS PAYABLE IN CONNECTION WITH LOAN								
801.	Loan Origination Fee	%	to					
802.	Loan Discount	%	to					
803.	Appraisal Fee		to					
804.	Credit Report		to					
805.	Lender's Inspection Fee		to					
806.	Mortgage Ins. App. Fee		to					
807.	Assumption Fee		to					
808.								
809.								
810.								
811.								
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE								
901.	Interest From	07/15/02	to	08/01/02	@ \$	/day (17 days %)		
902.	Mortgage Insurance Premium for		months to					
903.	Hazard Insurance Premium for	1.0	years to					
904.								
905.								
1000. RESERVES DEPOSITED WITH LENDER								
1001.	Hazard Insurance	months @ \$			per month			
1002.	Mortgage Insurance	months @ \$			per month			
1003.	City/Town Taxes	months @ \$			per month			
1004.	County Taxes	months @ \$			per month			
1005.	Assessments	months @ \$			per month			
1006.		months @ \$			per month			
1007.		months @ \$			per month			
1008.		months @ \$			per month			
1100. TITLE CHARGES								
1101.	Settlement or Closing Fee		to					
1102.	Abstract or Title Search		to					
1103.	Title Examination		to					
1104.	Title Insurance Binder		to					
1105.	Document Preparation		to					
1106.	Notary Fees		to					
1107.	Attorney's Fees		to	George W. Miller, III		350.00		
	<i>(includes above item numbers:)</i>							
1108.	Title Insurance		to					
	<i>(includes above item numbers:)</i>							
1109.	Lender's Coverage	\$						
1110.	Owner's Coverage	\$						
1111.								
1112.								
1113.								
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES								
1201.	Recording Fees: Deed \$	17.00	; Mortgage \$	17.00	; Releases \$	34.00		
1202.	City/County Tax/Stamps: Deed		; Mortgage					
1203.	State Tax/Stamps: Revenue Stamps		44.00	; Mortgage		44.00		
1204.								
1205.								
1300. ADDITIONAL SETTLEMENT CHARGES								
1301.	Survey		to	Sear Brown		3,500.00		
1302.	Pest Inspection		to					
1303.	Filing fee-plat, copies		to	Haywood, Denny & Miller		26.00		
1304.								
1305.								
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)						3,910.00	44.00	

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

George W. Miller, III
Settlement Agent

Certified to be a true copy.

Tax Lot No. _____ Parcel Identifier No. _____
Verified by _____ County on the _____ day of _____, 20____
by _____

Mail after recording to **GRANTEE**
This instrument was prepared by **WALLIS & MORTON, P.A.**

Brief Description for the index LT B1, 6.16 ACRES, PB 156, P 29

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made **JULY 15,** **2002** , by and between

GRANTORS

GRANTEES

DURHAM KENNEL CLUB, INCORPORATED

**ELLEN L. ZIEMER
and husband
JERRY R. WADDLE**

**8318 South Lowell Rd
Bahama, NC 27503**

**9109 Johnson Mill Rd
Bahama, NC 27503**

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

The designation Grantor and Grantee 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 the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in **Mangum** Township, **Durham** County, North Carolina and more particularly described as follows:

BEING ALL OF LOT B1 AS SHOWN ON A MAP ENTITLED "PROPERTY SURVEYED FOR DURHAM KENNEL CLUB & JERRY R. WADDLE & ELLEN L. ZIEMER," RECORDED IN PLAT BOOK 156, PAGE 29 DURHAM COUNTY REGISTRY.

The property hereinabove described was acquired by Grantor by instrument recorded in **Book 1462, Page 490** .

A map showing the above described property is recorded in **Plat Book 156 Page 29**.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor 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 Grantor 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:

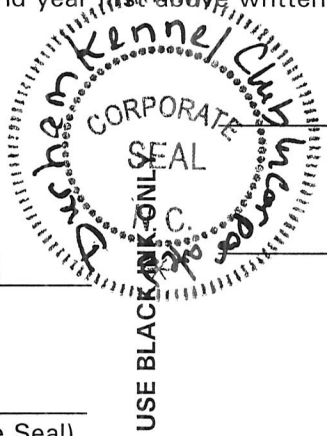
1. AD VALOREM TAXES FOR 2002 AND SUBSEQUENT YEARS.
2. ALL OTHER EASEMENTS AND RESTRICTIONS OF RECORD.

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.

DURHAM KENNEL CLUB, INCORPORATED
____ Name of Corporation (SEAL)

By: Jack E. Sappenfield
____, President (SEAL)

ATTEST:
Stella C. Maunsell
____ Secretary (Corporate Seal)



SEAL-STAMP

USE BLACK INK ONLY

STATE OF _____, _____ County.

I, _____, a Notary Public do hereby certify that **and** , Grantors, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial seal, this _____ day of July, 2002.

Notary Public

My commission expires:

SEAL-STAMP

USE BLACK INK ONLY

NORTH CAROLINA, Durham County.

I, the undersigned, Notary Public for said County and State, certify that Stella C. Maunsell, personally came before me this day and acknowledged that she is _____ Secretary of Durham Kennel Club, Incorporated, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, seal with its corporate seal and attested by Stella C. Maunsell as its _____ Secretary.

Witness my hand and official seal, this the 15 day of July, 2002

My commission expires: 10-1305

Diane A. Wallis 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.

By _____ REGISTER OF DEEDS FOR _____ COUNTY

Deputy/Assistant-Register of Deeds.

STATE OF NORTH CAROLINA

COUNTY OF DURHAM

OWNERS AFFIDAVIT REGARDING LIENS

(To be used in connection with vacant land and/or existing structure when no work has been performed in last 120 days)

The undersigned, being first duly sworn, deposes and says that:

I (we) have owned the property described as follows:

BEING ALL OF LOT B1 AS SHOWN ON A MAP ENTITLED "PROPERTY SURVEYED FOR DURHAM KENNEL CLUB & JERRY R. WADDLE & ELLEN L. ZIEMER," RECORDED IN PLAT BOOK 156, PAGE 29 DURHAM COUNTY REGISTRY.

and now being sold or mortgaged by me (us) and the title to said property has never been disputed or questioned to my (our) knowledge, nor do I (we) know of any facts by reason of which the title to, or possession of said property might be disputed or questioned, or by reason of which any claim to any said property might be asserted adversely.

I (we) know of no action or proceeding relating to said property which is now pending in any State or Federal Court in the United States nor do I (we) know of any State or Federal Judgment or any State or Federal Lien of any kind or nature whatever which now constitutes a lien or charge upon the above described property.

There are no unpaid bills or claims for labor or services performed or material furnished or delivered during the last 120 days for which a claim of lien could be filed pursuant to Article 2 of Chapter 44A of the North Carolina General Statutes, as amended, against the above described property.

There are no chattel mortgages, conditional sales contracts, security agreements, financing statements, retention of title agreements, or personal property leases affecting any materials, fixtures, appliances, furnishings, or equipment placed upon or installed in or upon the said property or the improvements thereon; and all plumbing, heating, lighting, refrigerating, and other equipment is fully paid for, including all bills for the repair thereof.

This affidavit is given to induce TITLE INSURANCE COMPANY to issue its title insurance policy, or policies, and I (we) agree to indemnify said Company for any loss or damage (including attorney's fees, expenses, and costs) incurred by said Company as a result of any untrue statement made herein.

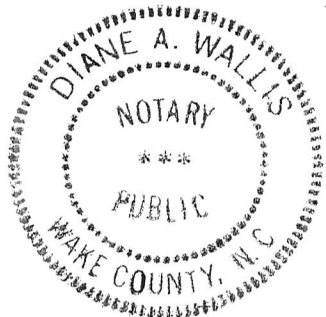
DURHAM KENNEL CLUB, INCORPORATED

BY: Jack E. Appenfelder (Seal)
- Owner

Subscribed, and sworn to before me on 15 day of July, 2002.

Diane A. Wallis
DIANE A. WALLIS, Notary Public

My Commission Expires: October 13, 2005



Tax Lot No. _____ Parcel Identifier No. _____

Verified by _____ County on the _____ day of _____, 19____
by _____

Mail after recording to **GRANTEE**.
This instrument prepared by **DIANE A. WALLIS**.

Brief Description for the index LOT B1, 6.16 ACRES, PB 156, P 29

NORTH CAROLINA DEED OF TRUST

THIS DEED of TRUST made July _____, 2002, by and between:

GRANTOR	TRUSTEE	BENEFICIARY
ELLEN L. ZIEMER and husband JERRY R. WADDLE 9101 Johnson Mill Rd Bahama, NC 27503	DIANE A. WALLIS	DURHAM KENNEL CLUB, INCORPORATED 8318 South Lowell Rd Bahama, NC 27503

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 **FIFTEEN THOUSAND NINETY TWO Dollars (\$15,092)**, as evidenced by a Promissory Note of even date herewith, the terms of which are incorporated herein by reference. The final due date for payments of said Promissory Note, if not sooner paid, is **July 15, 2009**.

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 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 **Mangum Township, Durham County, North Carolina**, (the "Premises") and more particularly described as follows:

BEING ALL OF LOT B1 AS SHOWN ON A MAP ENTITLED "PROPERTY SURVEYED FOR DURHAM KENNEL CLUB & JERRY R. WADDLE & ELLEN L. ZIEMER," RECORDED IN PLAT BOOK 156, PAGE 29 DURHAM COUNTY REGISTRY.

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

Date: _____

Signed: _____

TO HAVE AND TO HOLD said Premises with all privileges appurtenances thereunto belonging, to said Trustee, his heirs, successors and 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 canceled 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 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 proceedings, 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 \$5 % 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 payments 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 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 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 PROFIT. 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 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:

AD VALOREM TAXES FOR 1998 AND SUBSEQUENT.

ALL OTHER RESTRICTIONS AND EASEMENTS OF RECORD AFFECTING SUBJECT PROPERTY.

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 voluntary or involuntary or by operation of law (other than: (i) the creation of a lien or other encumbrance junior 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 the 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 occupancy in the Premises), without the prior 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 from constituting an event of default. No advancement or anything contained in this paragraph shall constitute a waiver by Beneficiary or prevent such failure to perform.

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 marshaling 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 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.

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)

USE BLACK INK ONLY

ELLEN L. ZIEMER (SEAL)

JERRY R. WADDLE (SEAL)

(SEAL)

SEAL-STAMP

USE BLACK INK

NORTH CAROLINA, WAKE County.
I, the undersigned, a Notary Public of the County and state aforesaid, certify that ELLEN L. ZIEMER and JERRY R. WADDLE, 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 July, 2002.

My commission expires: _____

Notary Public

SEAL-STAMP

USE BLACK INK

NORTH CAROLINA, WAKE County.
I, the undersigned, a Notary Public of the County and state aforesaid, certify that _____ personally appeared before me this day and acknowledged that he/she is Secretary of _____, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by it _____ President, sealed with its corporate seal and attested by him/her as its Secretary. Witness my hand and official stamp or seal, this _____ day of _____, _____.

My commission expires: Oct 13, 2000.

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.

By _____ REGISTER OF DEEDS FOR _____ COUNTY
Deputy/Assistant-Register of Deeds.



Willie L. Covington
Register of Deeds
Durham County, North Carolina

PLAT

FOR REGISTRATION REGISTER OF DEEDS
WILLIE L. COVINGTON
DURHAM COUNTY, NC
2002 JUL 12 01:14:55 PM
BK: 156 PG: 29-30 FEE: \$21.00
INSTRUMENT # 2002032557

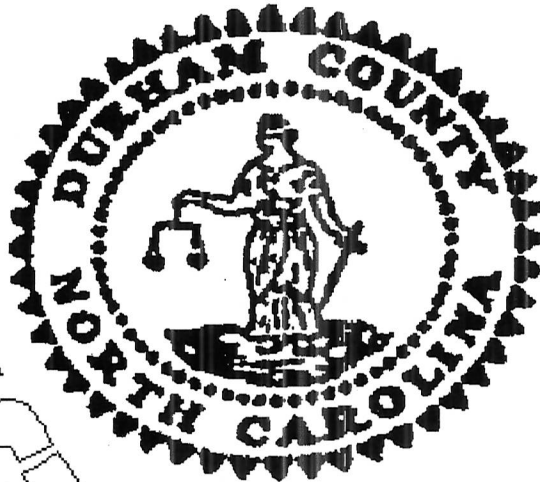
GRANTOR(S)

Durham Kennel Club

OWNER(S):

Jerry R. Waddelle

Ellen L. Ziemer



WILLIE L. COVINGTON
REGISTER OF DEEDS, DURHAM COUNTY
DURHAM COUNTY COURTHOUSE
200 E. MAIN STREET
DURHAM, NC 27701

Filed For Registration: 07/12/2002 01:14:55 PM
Book: PLAT 156 Page: 29-30
Document No.: 2002032557
PLAT 2 PGS \$21.00
Recorder: MARY L DEITZ

State of North Carolina, County of Durham

WILLIE L. COVINGTON, REGISTER OF DEEDS

By: Mary L. Deitz
Deputy/Assistant Register of Deeds



2002032557

SATISFACTION: The debt evidenced by this Note has been satisfied in full this _____ day of _____, 19____
Signed: _____

PROMISSORY NOTE

\$15,092

DURHAM, N.C.
July , 2002

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to THE DURHAM KENNEL CLUB, INCORPORATED, or order, the principal sum of FIFTEEN THOUSAND NINETY TWO DOLLARS (\$15,092), with interest from July , 2002, at the rate of SEVEN AND ONE-HALF PER CENT per cent (7.5%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of THE DURHAM KENNEL CLUB, INCORPORATED or at such place as the legal holder hereof may designate in writing. It is understood and agreed that additional amounts may be advanced by the holder hereof as provided in the instruments, if any, securing this Note and such advances will be added to the principal of this Note and will accrue interest at the above specified rate of interest from the date of advance until paid. The principal and interest shall be due and payable as follows:

MONTHLY PAYMENTS OF \$231.49 ON THE FIFTEENTH DAY OF EACH MONTH, BEGINNING AUGUST 15, 2002, AND CONTINUING EACH MONTH THROUGH JUNE 15, 2009; WITH A FINAL PAYMENT ON JULY 15, 2009, OF \$230.93, PLUS ANY ADDITIONAL OUTSTANDING PRINCIPAL BALANCE AND ALL ACCRUED INTEREST.

THIS IS A PURCHASE MONEY NOTE.

THERE WILL BE NO PREPAYMENT PENALTY, AND THE BORROWER MAY PREPAY THIS DEBT IN PART OR IN FULL AT ANY TIME DURING THE TERM OF THIS NOTE.

If not sooner paid, the entire remaining indebtedness shall be due and payable on July 15, 2009.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust, if any, shall bear interest at the rate of @ PER CENT per cent (@ %) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

This Note is given AS A PURCHASE MONEY NOTE, and is secured by a DEED OF TRUST ON REAL PROPERTY which is a FIRST LIEN upon the property therein described.

IN TESTIMONY WHEREOF, each corporate maker has caused this instrument to be executed in its corporate name by its President, attested by its Secretary, and its corporate seal to be hereto affixed, all by order of its Board of Directors first duly given, the day and year first above written.

IN TESTIMONY WHEREOF, each individual maker has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

(Corporate Name)

By: _____

President

ATTEST:

Secretary (Corporate Seal)

(Corporate Name)

By: _____

President

ATTEST:

Secretary (Corporate Seal)

ELLEN L. ZIEMER (SEAL)

JERRY R. WADDLE (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

USE BLACK INK ONLY

AMORTIZATION SCHEDULE

Date of First Payment: 08/15/2002
Date Interest Starts: 07/15/2002
Original Number of Payments: 84
Actual Number of Payments: 84
Loan Amount: 15,092.00
Regular Payment: 231.49
Annual Rate: 7.5000

Payment Date	Beginning Principal	Total Payment	Interest Payment	Principal Payment	Ending Principal
01/15/2005	10,745.76	231.49	67.16	164.33	10,581.43
02/15/2005	10,581.43	231.49	66.13	165.36	10,416.07
03/15/2005	10,416.07	231.49	65.10	166.39	10,249.68
04/15/2005	10,249.68	231.49	64.06	167.43	10,082.25
05/15/2005	10,082.25	231.49	63.01	168.48	9,913.77
06/15/2005	9,913.77	231.49	61.96	169.53	9,744.24
07/15/2005	9,744.24	231.49	60.90	170.59	9,573.65
08/15/2005	9,573.65	231.49	59.84	171.65	9,402.00
09/15/2005	9,402.00	231.49	58.76	172.73	9,229.27
10/15/2005	9,229.27	231.49	57.68	173.81	9,055.46
11/15/2005	9,055.46	231.49	56.60	174.89	8,880.57
12/15/2005	8,880.57	231.49	55.50	175.99	8,704.58
2005	10,745.76	2,777.88	736.70	2,041.18	8,704.58
01/15/2006	8,704.58	231.49	54.40	177.09	8,527.49
02/15/2006	8,527.49	231.49	53.30	178.19	8,349.30
03/15/2006	8,349.30	231.49	52.18	179.31	8,169.99
04/15/2006	8,169.99	231.49	51.06	180.43	7,989.56
05/15/2006	7,989.56	231.49	49.93	181.56	7,808.00
06/15/2006	7,808.00	231.49	48.80	182.69	7,625.31
07/15/2006	7,625.31	231.49	47.66	183.83	7,441.48
08/15/2006	7,441.48	231.49	46.51	184.98	7,256.50
09/15/2006	7,256.50	231.49	45.35	186.14	7,070.36
10/15/2006	7,070.36	231.49	44.19	187.30	6,883.06
11/15/2006	6,883.06	231.49	43.02	188.47	6,694.59
12/15/2006	6,694.59	231.49	41.84	189.65	6,504.94
2006	8,704.58	2,777.88	578.24	2,199.64	6,504.94
01/15/2007	6,504.94	231.49	40.66	190.83	6,314.11
02/15/2007	6,314.11	231.49	39.46	192.03	6,122.08
03/15/2007	6,122.08	231.49	38.26	193.23	5,928.85
04/15/2007	5,928.85	231.49	37.06	194.43	5,734.42
05/15/2007	5,734.42	231.49	35.84	195.65	5,538.77
06/15/2007	5,538.77	231.49	34.62	196.87	5,341.90
07/15/2007	5,341.90	231.49	33.39	198.10	5,143.80
08/15/2007	5,143.80	231.49	32.15	199.34	4,944.46
09/15/2007	4,944.46	231.49	30.90	200.59	4,743.87

AMORTIZATION SCHEDULE

Date of First Payment:	08/15/2002	Loan Amount:	15,092.00
Date Interest Starts:	07/15/2002	Regular Payment:	231.49
Original Number of Payments:	84	Annual Rate:	7.5000
Actual Number of Payments:	84		

Payment Date	Beginning Principal	Total Payment	Interest Payment	Principal Payment	Ending Principal
10/15/2007	4,743.87	231.49	29.65	201.84	4,542.03
11/15/2007	4,542.03	231.49	28.39	203.10	4,338.93
12/15/2007	4,338.93	231.49	27.12	204.37	4,134.56
2007	6,504.94	2,777.88	407.50	2,370.38	4,134.56
01/15/2008	4,134.56	231.49	25.84	205.65	3,928.91
02/15/2008	3,928.91	231.49	24.56	206.93	3,721.98
03/15/2008	3,721.98	231.49	23.26	208.23	3,513.75
04/15/2008	3,513.75	231.49	21.96	209.53	3,304.22
05/15/2008	3,304.22	231.49	20.65	210.84	3,093.38
06/15/2008	3,093.38	231.49	19.33	212.16	2,881.22
07/15/2008	2,881.22	231.49	18.01	213.48	2,667.74
08/15/2008	2,667.74	231.49	16.67	214.82	2,452.92
09/15/2008	2,452.92	231.49	15.33	216.16	2,236.76
10/15/2008	2,236.76	231.49	13.98	217.51	2,019.25
11/15/2008	2,019.25	231.49	12.62	218.87	1,800.38
12/15/2008	1,800.38	231.49	11.25	220.24	1,580.14
2008	4,134.56	2,777.88	223.46	2,554.42	1,580.14
01/15/2009	1,580.14	231.49	9.88	221.61	1,358.53
02/15/2009	1,358.53	231.49	8.49	223.00	1,135.53
03/15/2009	1,135.53	231.49	7.10	224.39	911.14
04/15/2009	911.14	231.49	5.69	225.80	685.34
05/15/2009	685.34	231.49	4.28	227.21	458.13
06/15/2009	458.13	231.49	2.86	228.63	229.50
07/15/2009	229.50	230.93	1.43	229.50	0.00
2009	1,580.14	1,619.87	39.73	1,580.14	0.00
TOTALS:	15,092.00	19,444.60	4,352.60	15,092.00	0.00

HAYWOOD, DENNY & MILLER, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

5102 CHAPEL HILL BOULEVARD

SUITE 100

DURHAM, NORTH CAROLINA 27707

TELEPHONE 919-403-0000

FACSIMILE 919-403-0001

E-MAIL: hdmllp@hdmllp.com

GEORGE W. MILLER, JR.
KEVIN W. BUTTERFIELD
ROBERT E. LEVIN
JOHN R. KINCAID
GEORGE W. MILLER, III

EGBERT L. HAYWOOD (1911-1985)
EMERY B. DENNY, JR. (1924-1982)

FACSIMILE TRANSMISSION

TRANSMISSION DATE: July 16, 2002

FAX NUMBER: 845-0700

Trou
TO: Dee Wallis

TO
FROM: George W. Miller, III
HAYWOOD, DENNY & MILLER, L.L.P.
FAX NUMBER 919/403-0001

Re: Ziemer Closing

THIS TRANSMISSION CONTAINS PAGES INCLUDING THIS COVER SHEET.

COMMENTS:

Dee:

Attached is proposed HUD. I cannot locate Ellen or Jerry to have them review it, but I assume this is what everyone had in mind.

Call if any ?s. thanks!

George Miller III

CONFIDENTIALITY NOTE

The information contained in this facsimile message is legally privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone, and return the original message to us at the above address via the U.S. Postal Service. Thank you.

DURHAM COUNTY REG OF DEEDS
200 E. MAIN STREET
DURHAM, NC 27701
(919) 560-0480

ISSUED TO: GEORGE MILLER

RECEIPT # 020380
DATE 07/12/2002

TIME	BOOK	PAGE	FEE
01:14 PM	156	29	2002032557
PLAT			21.00

=====
Total Amount Due \$21.00

CASH 21.00

=====
Total Payments: \$21.00

THANK YOU
WILLIE L. COVINGTON
REGISTER OF DEEDS
Deputy: MDEITZ

Dee Wallis

From: George W. Miller, III [gwm3@hdmllp.com]
Sent: Wednesday, July 10, 2002 5:41 PM
To: Dee Wallis
Subject: RE: Durham Kennel club land purchase

Dee-
I don't have a phone number for you. Please give me a call so we can discuss this transaction. I am a little confused as well, but Jerry did drop some documents off today which I have not yet had a chance to look at.

Thanks!
George Miller III
403-0000

-----Original Message-----

From: Dee Wallis [mailto:dwallis@bellsouth.net]
Sent: Wednesday, July 10, 2002 5:09 PM
To: rsh@intrex.net; beglane@nortelnetworks.com; ziemere@labcorp.com
Cc: gwm3@hdmllp.com
Subject: RE: Durham Kennel club land purchase

I do not seem to have a copy on my machine any more. I hope someone else does. Is the last version the one we are going with now? I am a bit confused at this point. George and I can talk on Thursday evening about what to do if there is not a copy anywhere.

-----Original Message-----

From: rsh [mailto:rsh@intrex.net]
Sent: Wednesday, July 10, 2002 10:28 AM
To: deewallis@bellsouth.net; beglane@nortelnetworks.com
Cc: gwm3@hdmllp.com
Subject: Durham Kennel club land purchase

Dee or George, would it be possible to forward the electronic version of the contract Dee prepared to George Miller III? I enjoy working with George and he has agreed to handle this transaction for us. His number is 403-0000. Jerry will drop by the plat and the hard copies of the contract. The terms are 30% down, with DKC to finance the remainder at 7.5% interest over 7 years, correct? The land cost is 6.15 acres at 3,500/acre and \$3500 survey cost for a total cost of \$25,025. I am so grateful for this opportunity and for working with us, George and Dee. With best regards, Ellen Ziemer 479-0773 Home or 572-6900 x 3802 Work. The best email to reach me at is ziemere@labcorp.com. Thanks! Ellen

ELLEN ZIEMER, as Buyer, hereby offers to purchase and DURHAM KENNEL CLUB, INCORPORATED, as Seller, upon acceptance of said offer, agrees to sell and convey, all of that plot, piece or parcel of land described below, together with all improvements located thereon and such fixtures and personal property as are listed below (collectively referred to as "the Property"), upon the following terms and conditions:

1. **REAL PROPERTY:** Located near the City of Durham, County of Durham, State of North Carolina, being known as and more particularly describe as:

Street Address: Harris Road, Bahama, NC Zip _____

Legal Description: 6.16 acres, more or less, on the West Side of Harris Road, to be subdivided from land owned by the Seller, subject to a mutually acceptable survey.

([] All [] A portion of the property in Deed Reference: Book _____ Page No. _____, County _____)

NOTE: Prior to signing the Offer to Purchase and Contract, Buyer is advised to review Restrictive Covenants, if any, which may limit the use of the Property, and to read the Declarations of Restrictive Covenants, By-Laws, Articles of Incorporation, Rules and Regulations, and other governing documents of the owners' association and/or the subdivision, if applicable.

2. **FIXTURES:** The following items, if any, are included in the purchase price free of liens: any built-in appliances, light fixtures, ceiling fans, attached floor coverings, blinds and shades including window hardware, window and door screens, storm windows, combination doors, awnings, antennas, satellite dishes and receivers, burglar/fire/smoke alarms, pool and spa equipment, solar energy systems, attached fireplace screens, gas logs, fireplace inserts, electric garage door openers with controls, outdoor plants and trees (other than in movable containers), basketball goals, storage sheds, mailboxes, wall and/or door mirrors, and any items attached or affixed to the Property, EXCEPT the following items:

3. **PERSONAL PROPERTY:** The following personal property is included in the purchase price:

4. **PURCHASE PRICE:** The purchase price is \$21,560.00 (based on \$3,500 per acre); shall be paid as follows:

(a) \$.00, EARNEST MONEY DEPOSIT by [] cash [] personal check [] bank check [] certified check [] other

to be deposited and held in escrow by _____, as escrow agent, until the sale is closed, at which time it will be credited to Buyer, or until this contract is otherwise terminated

In the event: (1) this offer is not accepted; or (2) any conditions hereto are not satisfied, the all earnest monies shall be returned to Buyer. In the event of breach of this contract by Seller upon Buyer's request, all earnest monies shall be returned to Buyer, but such return shall not affect any other remedies available to Buyer for such breach. In the event this offer is accepted and Buyer breaches this contract, then all earnest monies shall be forfeited upon Seller's request but receipt of such forfeited earnest monies shall not affect any other remedies available to Seller for such breach.

NOTE: in the event of dispute between Seller and Buyer over the return or forfeiture of earnest money held in escrow by a broker, the broker is required by state law to retain said earnest money in the broker's trust or escrow account until a written release from the parties consenting to its disposition has been obtained or until disbursement is ordered by a court of competent jurisdiction.

(b) \$ _____, ADDITIONAL EARNEST MONEY DEPOSIT to be paid to escrow agent no later than _____.

(c) \$ _____, BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s)

secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum.

(d) \$ 17,248.00, BY SELLER FINANCING in accordance with the attached Seller Financing Addendum.

(e) \$ 7,772.75, BALANCE of the purchase price as set out in addendum.

5. **CONDITIONS:** (State N/A in each blank that is not a condition to this contract.)

(a) The Buyer must be able to obtain a loan commitment on or before _____ effective through the date of closing, for a [] FHA [] VA (attach FHA/VA Financing Addendum) [] Conventional [] Other _____ loan at a []

Fixed Rate [] Adjustable Rate [] Other:

_____ in the principal amount of _____

_____ for a term of _____ year(s), at an interest

rate not to exceed _____ % per annum with

mortgage loan discount points not to exceed _____ % of tire loan amount. Buyer agree

to use his best efforts to secure such commitment. Buyer shall be responsible for all costs with

respect to any loan obtained by Buyer, except if Seller is to pay any of the Buyer's loan closing

costs including discount points, those costs are as follows:

In the event Buyer fails to provide Seller with written evidence of the loan commitment within five

days after receipt of a written request from Seller (but such request may not be made before the

loan commitment date listed above), then Seller may terminate this contract unless Buyer waives the

loan commitment condition.

(b) There must be no restriction, easement, zoning or other governmental regulation that would

prevent the reasonable use of the real property for Agricultural

_____ purposes.

(c) The Property must be in substantially the same or better condition at closing as on the date of

this offer, reasonable wear excepted.

(d) All deeds of trust, liens and other charges against the Property, not assumed by Buyer, must be

paid and satisfied by Seller prior to or at closing such that cancellation may be promptly obtained

closing.

(e) Title must be delivered at closing by GENERAL WARRANTY DEED unless otherwise stated herein, and must be fee simple marketable title, free of all encumbrances except: ad valorem taxes for the current year (prorated through the date of closing); utility easements and unviolated restrictive covenants that do not materially affect the value of the Property; and such other encumbrances as may be assumed or specifically approved by Buyer. The Property must have legal access to a public right of way.

6. **SPECIAL ASSESSMENTS:** Seller warrants that there are no governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements, on or adjoining the Property, and no owners' association special assessments, except as follows:

None

(Insert None or the identification of such assessments, if any.) Seller shall pay all confirmed owners' association assessments and all confirmed governmental assessments, if any, and Buyer shall take title subject to all pending assessments, if any, unless otherwise agreed as follows:

7. **PRORATIONS AND ADJUSTMENTS:** Unless otherwise provided, the following items shall be prorated and either adjusted between the parties or paid at closing: (a) Ad valorem taxes on real property shall be prorated on a calendar year basis through the date of closing; (b) Ad valorem taxes on personal property for the entire year shall be paid by the Seller unless the personal property is conveyed to the Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis through the date of closing. (c) All late listing penalties, if any, shall be paid by Seller. (d) Rents, if any, for the Property shall be prorated through the date of closing. (e) Owners' association dues, and other like charges shall be prorated through the date of closing. Seller represents that the regular owners' association dues, if any, are \$ N/A per _____.

8. **CLOSING EXPENSES:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this agreement, and for excise tax (revenue stamps) required by law. Buyer shall pay for recording the deed and for preparation and recording of all instruments required to secure the balance of the Purchase price unpaid at closing.

9. **FUEL:** Buyer agrees to purchase from Seller the fuel, if any, situated in any tank on the Property at the prevailing rate with the cost of measurement thereof, if any, being paid by Seller.

10. **EVIDENCE OF TITLE:** Seller agrees to use his best efforts to deliver to Buyer as soon as reasonably possible after the acceptance of this offer, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust and easements relating to the Property.

11. **LABOR AND MATERIAL:** Seller shall furnish at closing an affidavit and indemnification agreement in form satisfactory to Buyer showing that all labor and materials, if any, furnished to the Property within 120 days prior to the date of closing have been paid for and agreeing to indemnify Buyer against all loss from any cause or claim arising therefrom.

(a) **Property Disclosure:** N/A

Buyer has received a signed copy of the Residential Property Disclosure Statement prior to the signing of this Offer to Purchase and Contract.

Buyer has NOT received a signed copy of the Residential Property Disclosure Statement prior to the signing of this Offer to Purchase and Contract and shall have the right to terminate or withdraw this contract without penalty upon receipt of the Residential Property Disclosure Statement provided such termination or withdrawal notice is hand delivered or mailed to Seller or Seller's Agent within three days following receipt of same
 Exempt from Residential Property Disclosure Statement because (SEE GUIDELINES)

The Property is residential and was built prior to 1978 (Attach Lead-Based Paint or Lead-Based Paint Hazards Disclosure Addendum.)

(b) **Property Inspection:** Unless otherwise stated herein, or as otherwise provided on an inspection addendum attached hereto, Buyer shall have the option of inspecting or, obtaining at Buyer's expense, inspections to determine the condition of the Property. Unless otherwise stated herein, it is a condition of this contract that: (I) the built-in appliances, electrical system, plumbing system, heating and cooling systems, roof coverings (including flashing and gutters), doors and windows, exterior surface, structural components (including foundation, columns, chimneys, floors, walls, ceilings and roofs), porches and decks, fireplace and flues, crawl space and attic ventilation systems (if any), water and sewer systems (public and private) shall be performing the function for which intended and shall not be in need of immediate repair (ii) there shall be no unusual drainage conditions or evidence of excessive moisture adversely affecting the structure(s); and (iii) there shall be no friable asbestos or existing environmental contamination. Inspections must be completed on or before _____. Buyer is advised to have any inspection made prior to incurring expenses for closing and in sufficient time to permit any required repairs to be completed by closing.

(c) **Wood-Destroying Insects:** Unless otherwise stated herein, Buyer shall have the option of obtaining, at Buyer's expense, a report from a licensed pest control operator on a standard form in accordance with the regulations of the North Carolina Structural Pest Control Committee, stating that there was no visible evidence of wood-destroying insects and containing no indication of visible damage therefrom. The report must be obtained in sufficient time so as to permit treatment, if any, and repairs, if any, to be completed prior to closing. All treatment required shall be paid for by Seller and completed prior to closing, unless otherwise agreed upon in writing by the parties. The Buyer is advised that the inspection report described in this paragraph may not always reveal either structural damage or damage caused by agents or organisms other than wood-destroying insects. If new construction, Seller shall provide a standard warranty of termite soil treatment.

(d) **Repairs:** Pursuant to any inspections in (b) and/or (c) above, if any repairs are necessary, Seller shall have the option of (I) completing them, (ii) providing for their completion, or (iii) refusing to complete them. If Seller elects not to complete or provide for the completion of the repairs, then Buyer shall have the option of (iv) accepting the Property in its present condition, or (v) terminating this contract, in which case all earnest monies shall be refunded. Unless otherwise stated herein, or as otherwise provided on an inspection addendum attached hereto, any items not covered by (b) (I), b (ii), b (iii) and (c) above are excluded from repair negotiation under this contract.

(e) **Acceptance:** CLOSING SHALL CONSTITUTE ACCEPTANCE OF EACH OF THE SYSTEMS, ITEMS AND CONDITIONS LISTED ABOVE IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.

13. **REASONABLE ACCESS:** Seller will provide reasonable access to Buyer or Buyer's representatives for the purposes of appraisal, inspection, and/or evaluation. Buyer may conduct a walk through inspection of the property prior to closing.

14. **CLOSING:** Closing shall be defined as the date, and time of recording of the deed. All parties agree to execute any and all documents and papers necessary in connection with closing and transfer of title on or before April 15, 2002 at a place designated by Buyer.

The deed is to be made to ELLEN ZIEMER.

15. **POSSESSION:** Unless otherwise provided herein, possession shall be delivered at closing. In the event possession is NOT to be delivered at closing: a buyer possession before closing agreement is attached. OR, a seller possession after closing agreement is attached.

16. **OTHER PROVISIONS AND CONDITIONS:** (ITEMIZE ALL ADDENDA TO THIS CONTRACT AND ATTACH HERETO. SEE LIST OF STANDARD FORM ADDENDA AVAILABLE.)

SEE ATTACHED ADDENDUM

17. **RISK OF LOSS:** The risk of loss or damage by fire or other casualty prior to closing shall be upon Seller. If the improvements on the Property are destroyed or materially damaged prior to closing, Buyer may terminate this contract by written notice delivered to Seller, or Seller's agent and all deposits shall be returned to Buyer. In the event Buyer does NOT elect to terminate this contract, Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property being purchased.

18. **ASSIGNMENTS:** This contract may not be assigned without the written consent of all parties, but if assigned by agreement, then this contract shall be binding on the assignee and his heirs and successors.

19. **PARTIES:** this contract shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

20. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

21. **ENTIRE AGREEMENT:** This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and, signed by all parties. Nothing contained herein shall alter any agreement between, REALTOR or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them.

22. **EXECUTION:** This offer shall become a binding contract when signed by both Buyer and Seller. This contract is executed under seal in signed multiple originals, all of which together constitute one and the same instrument, with a signed original being retained by each party and each REALTOR or broker, hereto, and the parties adopt the word "SEAL" beside their signatures below.

IF YOU DO NOT UNDERSTAND THIS OFFER TO PURCHASE AND CONTRACT OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

Buyer acknowledges having made an on-site personal examination of the Property prior to the making of this offer.

Buyer _____ (SEAL) Seller

_____ (SEAL)

Buyer _____ (SEAL) Seller

(SEAL)

SS/Tax ID# _____ SS/Tax ID#

Date: _____ Date: _____

I hereby acknowledge receipt of the earnest money herein set forth and agree to hold and disburse the same in accordance with the terms hereof.

Date _____ Firm: _____

By: _____

Selling Agent/Firm/Phone _____
[] Dual Agent

[] Buyer=s Agent
[] Seller=s (sub)agent
Acting as

Listing Agent/Firm/Phone _____
[] Dual Agent

[] Seller=s (sub)agent
Acting as

Dee Wallis

From: George Beglane <beglane@nortelnetworks.com>
To: Connelly Lisa <vance003@acpub.duke.edu>; Denise McDonald <mcddenise@aol.com>; emmy wolters <abken_bouviers@mindspring.com>; George Beglane <beglane@mindspring.com>; Jack Sappenfield <WYMARS@msn.com>; jeff telander <telander@pobox.com>; Sharon Pitz <pitz0001@mc.duke.edu>; stella maunsell <maunsell@earthlink.net>; Emilie Beglane <beglane@gwmail.dtcc.cc.nc.us>
Cc: Dee Wallis <deewallis@bellsouth.net>
Sent: Monday, March 11, 2002 12:42 PM
Subject: Finnal on Harris rd. property

Dear Board !

Talked with Ellen again after she talked with the bank. She would like us to finance the load. Talked with Dee Wallis and we greed the terms would be as follows. 30 % down financed over 7 years .

number of acres 6.15
 cost per acer \$3,500
 survey cost \$3,500

7.5%

Total cost = \$3,500 per acres x 6.15 acres = \$ 21,525 + \$ 3,500
 survey = \$25,025

30 % down payment = \$ 7,507.50
 DKC financed = \$ 17,517.50

Jack would you please run up the amortization numbers and send me a soft copy.

Dee Wallis

From: George Beglane <beglane@nortelnetworks.com>
To: Dee Wallis <dwallis@bellsouth.net>
Sent: Tuesday, February 12, 2002 2:37 PM
Subject: Re: DKC land contract

Hi Dee !

The contract looks good.

The cost is \$3500 acre (acres to be determined by survey).

The offer was agreed upon by the board.

No earnest money.

DKC agreed to do the financing.No details worked out yet put Like your land sale contract idea.

Dee Wallis wrote:

>

> George -- I have done a very rough draft. It is in word perfect. Let
> me know if you want me to send it in Word. Questions: Price of land-
> a set amount or per acre to be determined after survey? Earnest money
> amount and held by? I would be happy to put it in my trust account if
> you want.

>

> As to the loan terms: They are Very Generous. I want to make sure the
> Board knows there is Substantial Risk of expense and loss if we only
> have 20% down and the buyer defaults. Are you committed to these
> terms? An alternative might be a land sale contract where she puts 20%
> down, makes payments, and gets a deed when she has paid in full. Then
> if she defaults we don't have to foreclose.

>

> If you send me back details, I will bring a draft with me tonight or
> tomorrow. Dee

>

> Name: Contract.wpd
> Contract.wpd Type: application/x-wordperfect6
> Encoding: base64

Dee Wallis

From: George Beglane <beglane@nortelnetworks.com>
To: Dee Wallis <deewallis@bellsouth.net>
Sent: Tuesday, February 12, 2002 8:43 AM
Subject: DKC land contract

Hi Dee !

The DKC club would like you to draw up a contract between DKC and Ellen Ziemer (buyer). Intent to purchase approximately 6 acres of the Harris road property. We would like to include that DKC will do financing with a 20 % down payment, 15 year financing at 7.5% and that the buyer will pay the survey cost.

PS: Send the bill to Emilie.

Thanks
George R Beglane

price
earnest money

GRANTEE: 7301 PADDOCK DR. RAVENHURST N.C. 27613

NORTH CAROLINA - DURHAM COUNTY This deed drawn by Robert Maggiolo, Attorney at Law
THIS DEED, made this 7th day of July, 1988, by

Hazel Poole and husband, Russell Poole
to Durham Kennel Club, Inc. BOOK 1462 PAGE 490

Grantees: Witnesseth: That the Grantors, in consideration of Ten Dollars and other valuable considerations to them paid by the Grantees, the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey unto the Grantees, their heirs, or successors and assigns, the parcel(s) of land in Durham County, North Carolina in Mangum Township, more particularly described as follows:

A certain tract of land containing 25.0 acres, more or less, and entitled "PROPERTY OF DURHAM KENNEL CLUB INC" by Larry W. Poole & Associates, P.A. dated June 29, 1988 and recorded in the Office of the Register of Deeds of Durham County in Plat Book 118 at page 56, to which plat reference is hereby made for a more particular description of same.

DURHAM COUNTY
111550
STATE OF NORTH CAROLINA
JUL - 88
Real Estate
Excise Tax
94.00

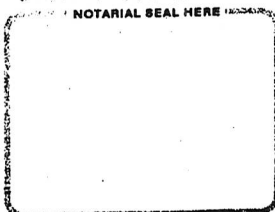
This property was conveyed to Grantors by deed recorded in Deed Book Page Durham County Registry.

TO HAVE AND TO HOLD the aforesaid parcel(s) of land and all privileges and appurtenances thereto belonging to the said Grantees, their heirs, or successors, and assigns forever.
And the said Grantors for themselves, their heirs, executors and administrators, covenant with the Grantees, their heirs, or successors, and assigns that they are seized of said premises in fee and have the right to convey the same in fee simple; that the same are free from encumbrances except as set forth in this instrument; and that they will warrant and defend the title to the same against the claims of all persons whomsoever.

The plural number as used herein shall equally include the singular.
IN TESTIMONY WHEREOF, the said Grantors have hereunto set their hands and seals the day and year first above written.



Hazel B. Poole (SEAL)
Russell Poole (SEAL)



NORTH CAROLINA - DURHAM COUNTY
W.K. GRIFFIN, JR. a Notary Public, do hereby certify that
Hazel Poole and Russell Poole Grantors
each personally appeared before me this day and acknowledged the due execution of the foregoing deed.
Witness my hand and notarial seal, this 7 day of July, 1988.

Signature of Notary Required
My commission expires 8-10 1990 Notary Public

FILED
BOOK 1462 PAGE 490
JUL 8 10 40 AM '88
RUTH C. GARRETT
REGISTER OF DEEDS
DURHAM COUNTY, NC
DO NOT USE THIS SPACE

NORTH CAROLINA - DURHAM COUNTY
a Notary Public, do certify that
personally appeared before me this day and being duly sworn stated, that in his presence
signed or acknowledged the execution of the foregoing deed of conveyance.
Witness my hand and notarial seal, this day of 19

Signature of Notary Required
My commission expires 19 Notary Public

STATE OF NORTH CAROLINA, COUNTY OF DURHAM
The foregoing certificate of W.K. Griffin, Jr. a Notary Public of Durham County, N.C., is certified to be correct.
This 8 day of July, 1988
13091
RUTH C. GARRETT Register of Deeds of Durham County

Register of Deeds

Durham County Government

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- OPR/pre-95
- UCC
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Document Detail

Instrument Number: 88013063 Seq # 0

Date Received: 7/8/88

Document Type: DEED

Book: 1462

Page: 490

Grantors

POOLE G RUSSELL

POOLE HAZEL B

Grantees

DURHAM KENNEL CLUB INC

Legal Description

#	Lot	Block	Unit	Subdivision	Location	Property ID	Freeform Legal
1							25.0 ACRES PB 118/56 MANGUM TP

Related Documents

#	Book Type	Book	Page
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Register of Deeds
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Search

Results

Search Results - 1 match
(Records 1 - 1)

Grantee's Name Begins with DURHAM KENNEL CLUB

Notation T - Temporary Index

Book-Page	Date Filed	Document Type	Grantor	More Names	Grantee	More Names	Legal Description
1462-490	07/08/1988	DEED	P POOLE G RUSSELL	Y	C DURHAM KENNEL CLUB INC		25.0 ACRES PB 1 MANGUM TP

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Search

Results

Search Results - 7 matches

(Records 1 - 7)

Grantor's Name Begins with DURHAM KENNEL CLUB

Notation T - Temporary Index P - Person C - Company

Book-Page	Date Filed	Document Type	Grantor	More Names	Grantee	More Names	Legal Descripti
<u>156-29</u>	07/12/2002	PLAT	C DURHAM KENNEL CLUB	Y	P		
<u>98-626</u>	03/12/1998	UCC FILING	C DURHAM KENNEL CLUB INC		C WACHOVIA BANK NA	Y	CONTINUATION 93/2099
<u>98-626</u>	07/10/1998	UCC FILING	C DURHAM KENNEL CLUB INC		C WACHOVIA BANK NA	Y	TERMINATION
<u>2493-847</u>	07/14/1998	CANCELLATION	C DURHAM KENNEL CLUB INC		P ADAMS NANCY K TR		BK 1879/890
<u>2493-848</u>	07/14/1998	CANCELLATION	C DURHAM KENNEL CLUB INC		P ADAMS NANCY K TR		BK 1879/890 19
<u>2542-763</u>	10/20/1998	DEED OF TRUST	C DURHAM KENNEL CLUB INC		P LILES DONALD TR		TRACT 2 PB 77/ 14.1 AC PB 47/2
<u>2582-224</u>	01/06/1999	EASEMENT	C DURHAM KENNEL CLUB INC		C PIEDMONT ELECTRIC MEMBERSHIP CORP		GUESS ROAD

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