The foregoing certificate(s) of

is/are certified to be correct.
This day of 500,200

Cherokee County Register of Deeds

By: Musty Dickery

By: Musty Dickery

FILED in Cherokee County, NC on Sep 21 2005 at 11.53:17 AM by: Daphne Dockery Register of Deeds 300K 1182 PAGE 502

NORTH CAROLINA GENERAL WARRANTY DEED TO TRUSTEES OF TRUST

PREPARED BY: LARRY J. FORD, ATTORNEY AT LAW, HAYESVILLE, NC (828) 389-3726

[NOTICE: This Deed prepared without title search, and title to this property not certified by Larry J. Ford, Attorney at Law]

Tax Parcel I.D. #: ______ Deed/Tax Stamps: \$-0
Index Description: Tracts/Cherokee County, North Carolina

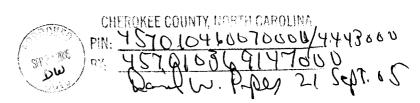
THIS DEED, made this 21 day of September, 2005, by PASCHAL JACK HUGHES and wife, CHARLENE H. HUGHES, a/k/a CHARLENE HUGHES (hereinafter called "GRANTORS"); and, PASCHAL JACK HUGHES and CHARLENE H. HUGHES, Trustees, or their successors in trust, under the PASCHAL JACK HUGHES LIVING TRUST, dated June 3, 1996, and any amendments thereto (hereinafter called the "Trustees", also being the "GRANTEES" herein), whose mailing address is: P.O. Box 722, Murphy, NC 28906

WITNESSETH: That said Grantors, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, the receipt of which is hereby acknowledged, have bargained and sold, and conveyed and granted, and by these presents do bargain and sell, and convey and grant unto the Trustees, and their successors and assigns, all right, title, claim, and interest of the said Grantors in and to certain tracts or parcels of land, located in Cherokee County, North Carolina, and being more particularly described as follows:

BEING all of that certain real property and all appurtenances thereunto pertaining, as set forth and described on that certain Schedule "A", attached hereto, reference to said Schedule "A" being hereby expressly made and incorporated herein as fully as if set forth at length.

TO HAVE AND TO HOLD the aforesaid tracts or parcels of land, and all appurtenances and all privileges thereunto belonging, unto the Trustees and their successors and assigns, upon and with the following powers, and for the following uses and purposes, *to-wit:*

- 1. That in addition to the Trustee Powers set forth in the PASCHAL JACK HUGHES LIVING TRUST, dated June 3, 1996, and any amendments thereto, reference to which is hereby made and incorporated herein (hereinafter the "Trust Agreement" or "Trust"), the Trustees are vested with full power and authority over the above-described real estate. The Trustees are specifically granted and given the power and authority to exercise any or all of the following powers without the requirement of applying to any probate or other court for an Order of Sale or any other prior or subsequent approval or accounting:
 - (a) To protect and conserve said real estate and improvements located thereon, and to pay the taxes assessed and reasonable and necessary insurance premiums;
 - (b) To sell said real estate, for cash or on credit, at public or private sale, to exchange said real estate for other property, to grant options to sell said property, and to determine the price and terms of sales, exchanges, and/or options;
 - (c) To execute leases and subleases for terms as long as said Trustees, in the exercise of their sole and absolute discretion may decide, to subdivide or improve said real estate, tear down or alter improvements, to grant easements, give consent and make contracts relating to said real estate or its use, and to release or dedicate any interest in said real estate;
 - (d) To borrow money against, and to give Deeds of Trust upon, grant security interests in, mortgage, pledge, or otherwise encumber any or all said real estate to secure payment thereof; and,
 - (e) To manage, control and operate said real estate, to collect the rents, issue, and profits, to pay all expenses thereby incurred, and in addition, to manage and operate any business that may now or hereafter be operated and maintained on said real estate, and in general, to exercise any powers which may be exercised by Trustee(s) of intervivos trusts pursuant to N.C.G.S. § 32-27, reference to which statute is hereby expressly made and incorporated herein.



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- 2. The liability of the Trustees hereunder, under the Trust Agreement or by operation of law, is limited to the trust assets and the Trustees shall not become individually or personally obligated in any matter related thereto.
- 3. The Trustees shall hold said real estate and make distributions of said real estate or of the proceeds derived therefrom strictly in accordance with the terms and conditions of the Trust Agreement.
- 4. No purchaser, grantee, mortgagee, lessee, assignee or any other person dealing with the Trustees need see to the application of any proceeds of any sales, lease, mortgage or pledge, but the receipt of the Trustees shall be a complete discharge and acquittance therefor. Any and all persons, including, but not limited to grantees, mortgagees, lessees, transferees, and assigns dealing with said Trustees need not inquire into the identification or status of any beneficiary under the Trust or under this deed, or any collateral instrument, nor inquire into or ascertain the authority of such Trustees to act in or exercise the powers granted by this deed, or of adequacy or disposition of any consideration paid to the Trustees, nor inquire into the provisions of said unrecorded Trust Agreement, or any amendments thereto or collateral hereto.
- 5. By acceptance of this conveyance, the Trustees covenant and agree to do and perform the duties, acts and requirements set forth in the Trust Agreement.
- 6. If there shall be more than one (1) Trustee acting as such under the above-named Trust, each and every power hereinabove set forth may be exercised only by the Trustees acting together, unless a Trustee shall have resigned, died, or is unable or refuses to act, in which case, upon affidavit duly made by the remaining Trustee(s), the remaining Trustee(s) may act until such time as a Successor Trustee is appointed.
- 7. Any Successor Trustee shall have all of the title, powers and discretion herein given to the initial Trustees, without any act of conveyance or transfer.

AND THE GRANTORS COVENANT with the Grantees, that Grantors are seized of the premises in fee simple, have the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantors will warrant and defend the title against the lawful claims of all persons whomsoever, except for the matters hereinafter stated, and title to the property hereinabove described is subject to encumbrances of record, which the Trustees agree to assume and pay according to the terms thereof.

IN TESTIMONY WHEREOF, the Grantors have hereunto set their hands and seals the day, month, and	
year first above written.	and sould the day, month, and
PASCHAL JACK HUGHES (SEAL)	Charlene H. Hughes (SEAL) CHARLENE H. HUGHES a/k/a CHARLENE HUGHES
STATE OF NORTH CAROLINA	COUNTY OF CHEROKEE
I, Eva H. Scroggs, a Notary Public of the County and State aforesaid, hereby certify that Paschal Jack Hughes and Charlene H. Hughes, a/k/a Charlene Hughes, Grantors, personally appeared before me this day and acknowledged their due execution of the foregoing General Warranty Deed To Trustees of Living Trust. Witness my hand and official stamp or seal, this21 day of September, 2005. SCROMING. SCROMING. Notary Public Notary Public PUBLIC PUBLIC Are foregoing Carificate(s) of:	
Real Earth was be correct. This instrument and this cert	ificate are duly registered ato'clockM., on
Register of Deeds for Cherokee County, North Carolina. Lange Ecreption be correct. This instrument and this certificate are duly registered at o'clockM., on the	
	OKEE COUNTY, NORTH CAROLINA
Ву:	
DEPUTY/ASSISTANT-REGISTER OF DEEDS	

SCHEDULE "A"

Attached to and made a part of that certain Deed dated 21 day of September, 2005, by PASCHAL JACK HUGHES and CHARLENE H. HUGHES, a/k/a CHARLENE HUGHES (hereinafter called "GRANTORS"); and, PASCHAL JACK HUGHES and CHARLENE H. HUGHES, Trustees, or their successors in trust, under the PASCHAL JACK HUGHES LIVING TRUST, dated June 3, 1996, and any amendments thereto.

TRACT I:

BEING all of that certain real property located in Notla Township, Cherokee County, NC, being 1.06 acres, more or less, as conveyed to Paschal Jack Hughes, by deed from Clara H. Talley and husband, Leon H. Talley, dated 26th day of January, 2000, as recorded in Book 894 Page 185, Cherokee County Registry, reference to which recorded deed is hereby made and incorporated herein by reference as fully as if set forth at length.

TRACT II:

BEING all of that certain real property located in Notla Township, Cherokee County, NC, being 8.42 acres, as conveyed to Paschal Jack Hughes, by deed from Wachovia Bank & Trust Company, N.A., Trustee of the Hughes Family Trust, Clara H. Talley and husband ,Leon H. Talley, dated 19th day of November, 1990, as recorded in Book 622 Page 35, Cherokee County Registry, reference to which recorded deed is hereby made and incorporated herein by reference as fully as if set forth at length.

TRACT III:

BEING all of that 1.37 acre tract, located in Notla Township, Cherokee County, NC, as devised to Paschal Jack Hughes under the Last Will of Ruth Cole Hughes, as will appear in File No. 88-E-175, Clerk of Superior Court of Cherokee County, as further described in that certain Abstract of record in Book 604 Page 98, Cherokee County Registry, reference to said public records being hereby made and the same are hereby incorporated herein as fully as if set forth at length.

TOGETHER WITH AND SUBJECT TO all appurtenances, easements, rights-of-way, and other matters pertaining thereto, as set forth and described in the above-referenced deeds of record, reference to which recorded instruments is hereby made and incorporated herein as fully as if set forth at length.

SAVING AND EXCEPTING, HOWEVER, from the foregoing conveyance, any and all tracts or parcels heretofore conveyed from the above-described real property, and further SUBJECT TO any and all encumbrances, deeds of trust, liens, or mortgages, and the Trustee expressly agrees to assume and pay same according to the terms thereof.

GRANTOR:

PASCHAL JACK HUGHES

CHARLENE H. HUGHES

A/K/A CHARLENE HUGHES