

# DEED OF TRUST

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Trust Deed, made this 23rd day of January, in the year 19 50, between William H. Cato and Elizabeth P. Cato, husband and wife, party of the first part, and John M. Kessler and Allen Sowder, Trustees, party of the second part:

Witnesseth, that the said party of the first part does grant with General Warranty unto the said party of the second part the following property, in the District of Blacksburg, County of Montgomery and State of Virginia, to wit:

All that certain lot or parcel of land lying just outside the southeastern corporate limit of the Town of Blacksburg, in the Blacksburg Magisterial District of Montgomery County, Virginia, abutting on the southeast side of Clay Street of said Town, and more particularly described as follows:

BEGINNING at a post on the southeast side of Clay Street, a corner to the Montgomery County School Board property; thence leaving said Clay Street and running three lines with said Montgomery County School Board property and the fence, S 35° 32' E 259.0 feet to a post at a corner of the fence, N 68° 17' E 102.0 feet to a post at another corner of the fence, and S 64° 15' E 171.0 feet to a post, corner to the J. H. Hoge property, in a line of the Montgomery County School Board property; thence with the said J. H. Hoge property and also with the property of the Holden Estate and the fence, N 38° 00' W 405.0 feet to a post on the southeast side of Clay Street; thence with same S 52° 05' W 230.0 feet to the point of BEGINNING, containing 1.7 acres;

The above courses and distances are in accordance with the courses and distances of Tract No. 4 on a plat of "Mountain View Farm, Blacksburg, Montgomery Co., Va.," dated August 20, 1946, made by Childress Hall, County Surveyor, which plat is inserted in Deed Book 146, in the Clerk's Office of the Circuit Court of Montgomery County, Virginia, between pages 146 and 147. The said 1.7 acre parcel appears on that plat as Tract No. 4.

And being the same real estate that was conveyed to the parties of the first part as tenants by the entirety in fee simple with common law right of survivorship, by State-Planters Bank and Trust Company and R. E. Cabell, as Executors of and Trustees under the will of William H. Palmer, Jr., deceased, et al., by deed dated January 12, 1950, and recorded in said Clerk's Office immediately prior to the recording of this deed of trust.

AND IT IS MUTUALLY UNDERSTOOD AND AGREED by and between the parties hereto that all the buildings, walks, fences, shrubbery, drives, ways, improvements and fixtures of every kind including stoves, refrigerators, ranges, cabinets, window blinds, heaters, boilers, radiators, engines, machines, motors, screens, blinds, doors, hardware, wiring, electric fixtures, bells, insulations, and all other water, plumbing, heating, and heating equipment, including stoves, all burners, tanks, air conditioning equipment now upon or which may hereafter be placed upon said property, shall be deemed to be fixtures and part of the realty herein conveyed, and shall be deemed part of the security for the indebtedness herein mentioned, and shall be covered by this deed of trust.

In Trust to secure to The National Bank of Blacksburg, Blacksburg, Virginia

a corporation organized and existing under the laws of the United States of America or its assigns, the payment of a certain promissory note bearing even date herewith in the principal sum of

EIGHT THOUSAND AND 00/100

Dollars (\$8,000.00)

with interest from date at the rate of four and one-half per annum (4-1/2%) per annum on the unpaid balance until paid; and made by William H. Cato and Elizabeth P. Cato payable to the order of The National Bank of Blacksburg

at its office in Blacksburg, Virginia, the said principal and interest being payable in monthly installments of Dollars (\$50.64) or on the first day of

March, 19 50, and a like sum on the first day of each and every month thereafter until the note is fully paid, except that the entire indebtedness evidenced by said note, if not sooner paid, shall be due and payable on the first day of February, 1970.

Also upon the further trust that the said party of the first part shall remain in quiet and peaceable possession of the above-granted and described premises, and take the profits thereof to his own use, until default be made in the payment of any matter of (obligations hereby secured or in the performance of any of the covenants herein provided); and, also, to secure the reimbursement to the holder of said note and to the party hereto of the second part, or substitute Trustee, or Trustee, and any purchaser or purchasers under any sale or sales as provided by this Trust, for any and all costs and expenses incurred in respect thereto, including reasonable counsel fees incurred or paid of account of any litigation at law or in equity which may arise in respect to this Trust, or to the indebtedness on the property heretofore mentioned, or in obtaining release of the premises as aforesaid, or in enforcing the same, and all other expenses and costs incurred or paid of account of any litigation at law or in equity which may arise in respect to this Trust, or to the indebtedness on the property heretofore mentioned, or in obtaining release of the premises as aforesaid, or in enforcing the same, and all other proper costs, charges, commissions, half-commissions, and expenses, the party of the second part shall release and recover the above-described premises unto and at the cost of party of the first part.

In the event that default shall be made in the payment of the note secured hereby or of any monthly installment of principal and interest as therein provided for, or in the payment of any of the monthly sums for taxes, special assessments, mortgage, fire and other hazard insurance, or as hereinafter provided; or upon any default on payment on demand of any money advanced by the holder of said note on account of any proper cost, charge, commission, or expense in and about the same, or on account of any matter of (obligations hereby secured, or expense of litigation, with interest thereon at four per centum (4%) per annum from date of such advance (it being hereby agreed that on default in the payment of any tax or assessment or insurance premium or any payment on account thereof, or in the payment of any and costs, charges, commissions, or expenses of litigation, as aforesaid, the holder of said note may pay the same, and all other expenses and costs incurred or paid of account of any litigation at law or in equity which may arise in respect to this Trust, or to the indebtedness on the property heretofore mentioned, or in obtaining release of the premises as aforesaid, or in enforcing the same, and all other proper costs, charges, commissions, half-commissions, and expenses, the party of the second part shall release and recover the above-described premises unto and at the cost of party of the first part); then upon any and every such default so made as aforesaid it is expressly covenanted and agreed by said party of the first part that the holder of the note may, after thirty days default, treat the whole principal debt hereby secured as thereupon immediately due and payable, and shall be in order to recover said principal debt or sum and interest thereon until paid, have the right then or thereafter at any time to sue thereon at law or in equity, or to enforce payment thereof by means of any remedies or provisions in these presents contained; and these rights shall exist notwithstanding that by the terms of said principal note it may not on its face be due.

In the event of default occurring as described in the preceding paragraph, then the Trustee, or any one of them, their successors or assigns, on being requested so to do by the holder of the note, shall sell for cash the property hereby conveyed after first advertising the time, terms, and place of sale for five days in some newspaper published in, or having a general circulation in, the county or city wherein the property lies, or by any other method of advertisement that the Trustees may deem wise, which cash shall be distributed by the Trustees in the following manner, to wit:

So much of the proceeds as may be necessary to defray the expense of executing this Trust, including a Trustee's compensation of five per centum (5%) on the gross proceeds of sale hereunder, and all proper costs, charges, and expenses, including all attorneys' and other fees, and costs herein provided for, and all moneys advanced for costs or expenses, or expense of litigation as aforesaid, or taxes or assessments or insurance premiums or any payment on account thereof, or in the payment of any and costs, charges, commissions, or expenses of litigation, as aforesaid, or upon any default on payment on demand of any money advanced by the holder of said note on account of any proper cost, charge, commission, or expense in and about the same, or on account of any matter of (obligations hereby secured, or expense of litigation, with interest thereon at four per centum (4%) per annum from date of such advance (it being hereby agreed that on default in the payment of any tax or assessment or insurance premium or any payment on account thereof, or in the payment of any and costs, charges, commissions, or expenses of litigation, as aforesaid, the holder of said note may pay the same, and all other expenses and costs incurred or paid of account of any litigation at law or in equity which may arise in respect to this Trust, or to the indebtedness on the property heretofore mentioned, or in obtaining release of the premises as aforesaid, or in enforcing the same, and all other proper costs, charges, commissions, half-commissions, and expenses, the party of the second part shall release and recover the above-described premises unto and at the cost of party of the first part); and the balance of the proceeds of said sale shall be paid to the purchaser of said sale, or the one acting, shall have authority and at their or his discretion to require any bidder to deposit prior to receiving his bid or to knocking out the property to him a bidder's deposit of not more than \$ 100.00 before his bid is received, which shall be refunded to the bidder unless the property is sold to him, otherwise to be applied to his credit in settlement, or should he fail to complete his purchase promptly, to be applied to pay the costs and expenses of sale and the balance, if any, to be retained by the Trustee, or the one acting in their or his compensation in connection with the sale.

If at the time of the sale the said Trustee, or the one acting, shall be best for any reason to postpone or continue said sale for one or more days, they or he may do so, in which event notice of such postponement or continuance shall be made in such manner as the Trustee, or the one acting, may deem sufficient. It is further agreed that if the said property shall be advertised for sale as herein provided and not sold, the Trustee, or the one acting, shall be entitled to a reasonable commission not exceeding one-half the commission above provided, to be computed on the amount of principal then unpaid.

In the event of the resignation, death, incapacity, disability, removal, or absence from the State of any Trustee or Trustee, or should either refuse to act or fail to execute this Trust when requested, then any other Trustee shall have all the rights, powers, and authority and be charged with the duties that are hereby conferred or charged upon both; and in such event, or at the option of the holder of the note and with or without cause, the holder of the note is hereby authorized and empowered to appoint, and to substitute and appoint, by an instrument recorded wherever this Deed of Trust is recorded, a Trustee in the place and stead of any Trustee herein named or any succeeding or substitute Trustee, which appointed and Substitute Trustee or Trustee shall have all the rights, powers, and authority and be

Consent to be  
in the public  
1-16-50

John M. Kessler  
Allen Sowder  
Trustees

Dr 164, p267 - Jan 1950 - Wm H + Elizabeth P. Cato  
Mortgage - Deed Vol 164, p246 Noted -

charged with all the duties that are conferred or charged upon any Trustee or Trustees herein named.

And the said party of the first part, in order more fully to protect the security of this Deed of Trust, does hereby covenant and agree as follows:

1. That he will promptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times and in the manner therein provided. Privileges are reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and, provided further, that in the event the debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, he will pay to the holder of the note an adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall the adjusted premium be the aggregate amount of premium charges which would have been payable if this Deed of Trust and the note secured hereby had continued to be insured until maturity; such payment to be applied by the holder of the note upon its obligation to the Federal Housing Commissioner on account of mortgage insurance.

2. That, together with and in addition to the monthly payment of principal and interest payable under the terms of the note secured hereby, he will pay to the holder of the note, on the first day of each month until it is fully paid, the following sums:

(a) If this Deed of Trust and the note secured hereby are insured under the provisions of the National Housing Act and so long as they continue to be so insured, one-twelfth (1/12) of the annual mortgage insurance premium for the purpose of paying the holder (based on funds with which to discharge the holder's obligation to the Federal Housing Commissioner for mortgage insurance premiums pursuant to the provisions of Title II of the National Housing Act, as amended, and Regulations thereunder. The holder of the note shall, on the termination of its obligation to pay mortgage insurance premiums, credit to the account of the party of the first part all payments made under the provisions of this subsection which the holder of the note has not become obligated to pay to the Federal Housing Commissioner.

(b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other bonded insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the holder of the note) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by the holder of the note in trust to pay said ground rents, premiums, taxes, and special assessments.

(c) All payments mentioned in the two preceding subsections of the paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the party of the first part each month in a single payment to be applied by the holder of the note to the following items in the order set forth:

(i) premium charge under the contract of insurance with the Federal Housing Commissioner;

(ii) ground rents, taxes, special assessments, fire, and other bonded insurance premiums;

(iii) interest on the note secured hereby;

(iv) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the party of the first part prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. The holder of the first part covenants that "late charge" not to exceed two cents (2c) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. If the total of the payments made by the party of the first part under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the holder of the note secured hereby for ground rents, taxes, or assessments or insurance premiums, as the case may be, the excess shall be credited by such holder on subsequent payments to be made by the party of the first part. If, however, the monthly payments made by the party of the first part under (b) of paragraph 2 preceding, shall not be sufficient to pay ground rents, taxes, and assessments, and insurance premiums, as the case may be, when the same shall become due and payable, then the party of the first part shall pay to the holder of said note any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the party of the first part shall tender to the holder of said note, in accordance with the provisions thereof, full payment of the entire indebtedness represented thereby, the said holder shall, in computing the amount of such indebtedness, credit to the account of the party of the first part all payments made under the provisions of (a) of paragraph 2 hereof which the holder of the note has not become obligated to pay to the Federal Housing Commissioner, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby, or if the property is otherwise acquired after default, the holder of the note shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under said note, and shall properly adjust any payments which shall have been made under (a) of paragraph 2.

4. That he will keep the improvements now existing or hereafter erected on the premises insured, inasmuch as may be required from time to time by the holder of the note against loss by fire to the sum of at least Eight Thousand Dollars and other hazards, casualties, and contingencies, in such amounts and for such periods as may be required by the holder of the note, and will pay promptly, when due, any premiums on such insurance provisions for the payment of which has not been made heretofore. All insurance shall be carried in companies approved by the holder of the note and the policies and renewals thereof shall be held by the holder of the note and have attached thereto mortgagee's clause without contribution in favor of and in form acceptable to the holder of the note. All such policies and renewals and all other policies issued and hereafter to be issued covering said premises are hereby assigned to the holder of the note as additional security for the payment of all sums and interest secured hereby. The party of the first part further covenants that in the event of his failure to keep the property so insured and the policies so deposited, then the holder of the note may at his option, but without any obligation to effect the same, effect such insurance and pay the premiums thereon and the money so paid, with interest thereon, shall become a part of the debt hereby secured, and shall be otherwise recoverable from the party of the first part as a debt. In the event of foreclosure of this Deed of Trust or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all right, title, and interest of the party of the first part in and to any insurance policies then in force shall pass to the purchaser or grantee.

5. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, impositions, for which provision has not been made heretofore, and in default thereof the holder of the note secured hereby may pay the same; and that he will promptly deliver the official receipts therefor to the said holder.

6. That if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held as heretofore provided, the amounts paid by any insurance company pursuant to the contract of insurance shall, to the extent of the indebtedness then remaining unpaid, be paid to the holder of the note secured hereby, and at its option, may be applied to the debt or released for the repairing or rebuilding of the premises.

7. That he will keep the said premises in as good order and condition as they are now and will not commit or permit any waste of the said premises, reasonable wear and tear excepted.

8. That should this Deed of Trust and the note secured hereby not be eligible for insurance under the National Housing Act within sixty days from the date hereof (written statement of any officer of the Federal Housing Administration or authorized agent of the Federal Housing Commissioner dated subsequent to the sixty day time from the date of this Deed of Trust, declining to insure said note and this Deed of Trust, being deemed conclusive proof of such ineligibility), the holder of the note secured hereby may, at its option, declare all sums secured hereby immediately due and payable.

Notice of the exercise of any option granted hereby, or if the note secured hereby, to the holder thereof, is not required to be given. The party of the first part hereby waives the benefit of all homestead exemptions as to the debt secured by this deed and as to any expenditure for insurance, taxes, levies, assessments, dues or charges, by the holder of the note in pursuance of this deed.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

Witness the following signature(s) and seal(s).

WILLIAM H. CATO

[SEAL]

ELIZABETH P. CATO

[SEAL]

[SEAL]

[SEAL]

STATE OF VIRGINIA,

COUNTY OF MONTGOMERY

TO WIT:

I, M. R. HAVENER, a Notary Public for the county of Montgomery in the State of Virginia, do certify that William H. Cato and Elizabeth P. Cato, husband and wife, are signed to writing above, bearing date on the 23rd day of January, 1950, in the presence of me, the undersigned, and the same before me in my official capacity as Notary Public for the county of Montgomery, State of Virginia.

Given under my hand this 23rd day of January, 1950.

My commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

M. R. HAVENER

Notary Public.

Jan. 5, 1955.

VIRGINIA:

In the clerk's office of the Circuit Court for the county of MONTGOMERY

The foregoing deed of trust was this day presented in said office and, together with the certificate of acknowledgment thereon endorsed, was admitted to record at 4:02 o'clock P.M. this 23rd day of January, 1950, and duly indexed according to law.

TESTE:

A. B. CORRELL, Clerk

By *Amelia Correll*

D. Clerk