

Promissory Note

Be it hereby known that this is a legal and binding document / agreement entered into this day 3-11-98 between Lucius Jones, lender, and Greg Ferguson, borrower. This document certifies that Greg Ferguson has borrowed \$6500.00 from Lucius Jones - the amount to be repaid in equal installments on a yearly basis per attached ammortization schedule over a period of 5 years at an interest rate of 5%. This agreement was entered into freely by both parties and by signing below, both parties are acknowledging agreement with the terms above.

Lucius Jones
Lucius Jones, (lender)

Greg Ferguson
Greg Ferguson, (borrower)

W. E. Edwards
Notary

10-28-2005 Commission
Expires



*in addition to amount borrowed previously +
A 111 E 28 107

Interest Vision
Amortization Schedule

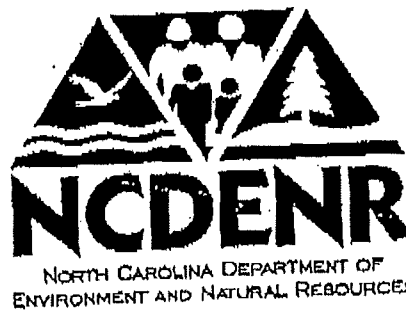
Loan or Annuity Variables:

Start Date:	Feb 7, 1998	End Date:	Feb 7, 2003
Start Payment:	Feb 7, 1998	No. of Payments:	5
Start Interest:	Feb 7, 1998	Interest Rate:	5.000%
Payment Freq.:	Annual	Initial Principal:	\$14528.27
Compound Freq.:	Monthly	Payment Amount:	\$3366.43
Days in Mo./Yr.:	Actual No.	Balloon:	\$0.00
Payment Mode:	In Arrears	Amortization Method:	Simple Int.

No.	Date	Payment Amount	Interest Amount	Interest Rate/Yr.	Principal	Balance
	Feb 7, 1998	0.00	0.00	0.000	0.00	14528.27
	Mar 7, 1998	0.00	55.72	5.000	-55.72	14583.99
	Apr 7, 1998	0.00	61.93	5.000	-61.93	14645.93
	May 7, 1998	0.00	60.19	5.000	-60.19	14706.12
	Jun 7, 1998	0.00	62.45	5.000	-62.45	14768.57
	Jul 7, 1998	0.00	60.69	5.000	-60.69	14829.26
	Aug 7, 1998	0.00	62.97	5.000	-62.97	14892.23
	Sep 7, 1998	0.00	63.24	5.000	-63.24	14955.47
	Oct 7, 1998	0.00	61.46	5.000	-61.46	15016.93
	Nov 7, 1998	0.00	63.77	5.000	-63.77	15080.70
	Dec 7, 1998	0.00	61.98	5.000	-61.98	15142.68
	Jan 7, 1999	0.00	64.30	5.000	-64.30	15206.98
1	Feb 7, 1999	3366.43	64.58	5.000	3301.85	11905.13
	Mar 7, 1999	0.00	45.66	5.000	-45.66	11950.79
	Apr 7, 1999	0.00	50.75	5.000	-50.75	12001.54
	May 7, 1999	0.00	49.32	5.000	-49.32	12050.87
	Jun 7, 1999	0.00	51.17	5.000	-51.17	12102.04
	Jul 7, 1999	0.00	49.73	5.000	-49.73	12151.77
	Aug 7, 1999	0.00	51.60	5.000	-51.60	12203.38
	Sep 7, 1999	0.00	51.82	5.000	-51.82	12255.20
	Oct 7, 1999	0.00	50.36	5.000	-50.36	12305.56
	Nov 7, 1999	0.00	52.26	5.000	-52.26	12357.82
	Dec 7, 1999	0.00	50.79	5.000	-50.79	12408.61
	Jan 7, 2000	0.00	52.55	5.000	-52.55	12461.16
2	Feb 7, 2000	3366.43	52.77	5.000	3313.66	9147.50
	Mar 7, 2000	0.00	36.24	5.000	-36.24	9183.74
	Apr 7, 2000	0.00	38.89	5.000	-38.89	9222.63
	May 7, 2000	0.00	37.80	5.000	-37.80	9260.43
	Jun 7, 2000	0.00	39.22	5.000	-39.22	9299.65
	Jul 7, 2000	0.00	38.11	5.000	-38.11	9337.76
	Aug 7, 2000	0.00	39.55	5.000	-39.55	9377.30
	Sep 7, 2000	0.00	39.71	5.000	-39.71	9417.02
	Oct 7, 2000	0.00	38.59	5.000	-38.59	9455.61
	Nov 7, 2000	0.00	40.04	5.000	-40.04	9495.65
	Dec 7, 2000	0.00	38.92	5.000	-38.92	9534.57
	Jan 7, 2001	0.00	40.49	5.000	-40.49	9575.06

No.	Date	Payment Amount	Interest Amount	Interest Rate/Yr.	Principal	Balance
3	Feb 7, 2001	3366.43	40.66	5.000	3325.77	6249.29
	Mar 7, 2001	0.00	23.97	5.000	-23.97	6273.26
	Apr 7, 2001	0.00	26.64	5.000	-26.64	6299.90
	May 7, 2001	0.00	25.89	5.000	-25.89	6325.79
	Jun 7, 2001	0.00	26.86	5.000	-26.86	6352.65
	Jul 7, 2001	0.00	26.11	5.000	-26.11	6378.76
	Aug 7, 2001	0.00	27.09	5.000	-27.09	6405.85
	Sep 7, 2001	0.00	27.20	5.000	-27.20	6433.05
	Oct 7, 2001	0.00	26.44	5.000	-26.44	6459.49
	Nov 7, 2001	0.00	27.43	5.000	-27.43	6486.92
	Dec 7, 2001	0.00	26.66	5.000	-26.66	6513.58
	Jan 7, 2002	0.00	27.66	5.000	-27.66	6541.24
4	Feb 7, 2002	3366.43	27.78	5.000	3338.65	3202.58
	Mar 7, 2002	0.00	12.28	5.000	-12.28	3214.87
	Apr 7, 2002	0.00	13.65	5.000	-13.65	3228.52
	May 7, 2002	0.00	13.27	5.000	-13.27	3241.79
	Jun 7, 2002	0.00	13.77	5.000	-13.77	3255.55
	Jul 7, 2002	0.00	13.38	5.000	-13.38	3268.93
	Aug 7, 2002	0.00	13.88	5.000	-13.88	3282.81
	Sep 7, 2002	0.00	13.94	5.000	-13.94	3296.75
	Oct 7, 2002	0.00	13.55	5.000	-13.55	3310.30
	Nov 7, 2002	0.00	14.06	5.000	-14.06	3324.36
	Dec 7, 2002	0.00	13.66	5.000	-13.66	3338.02
	Jan 7, 2003	0.00	14.18	5.000	-14.18	3352.20
5	Feb 7, 2003	3366.43	14.24	5.000	3352.20	0.00

State of North Carolina
Department of Environment
and Natural Resources
Division of Water Quality



James B. Hunt, Jr., Governor
Wayne McDevitt, Secretary
A. Preston Howard, Jr., P.E., Director

July 27, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Lucius Jones
3131 Rabbit Skin Road
Waynesville NC 28786

Subject: Special Agreement
Certified Animal Waste Management Plan
Greg Ferguson Dairy
Facility Number: 44-55
Haywood County

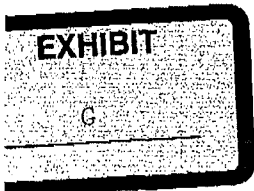
Dear Lucius Jones:

As per Senate Bill 1217, which was ratified on June 21, 1996, and your application for Special Agreement which was received on March 20, 1998, the Environmental Management Commission (EMC) hereby proposes to enter into a special agreement with Lucius Jones in order to allow additional time for Lucius Jones to obtain and implement a certified animal waste management plan (CAWMP) for the subject facility.

Please find enclosed the proposed Special Agreement. If you agree to abide by the dates and terms of the attached schedule, you must sign, date and return the enclosed documents to the attention of "Shannon Langley" at the letterhead address within fourteen (14) calendar days of your receipt of this letter.

If you have already implemented your CAWMP or do not wish to enter into the Special Agreement, please provide us with a response to Mr. Shannon Langley within fourteen (14) calendar days of your receipt of this letter.

Please be advised that nothing in this letter should be taken as removing from you the responsibility or liability for failure to comply with all terms and conditions of the North Carolina General Statutes 143-215.1 and the relevant rules promulgated thereunder. All dates and conditions of this agreement that are not met shall be subject to civil penalties, criminal penalties, injunctions and all other enforcement tools available to the Division of Water Quality.



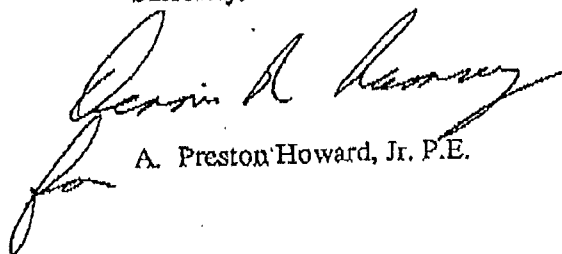
P.O. Box 29535, Raleigh, North Carolina 27626-0535
An Equal Opportunity Affirmative Action Employer

Telephone 919-733-5083 Fax 919-715-6048
50% recycled/10% post-consumer paper

Therefore, in order to avoid such enforcement actions, I urge you to read the Agreement carefully, make sure you understand your commitments under the Agreement, and contact Mr. Langley, if you do not understand or are confused about any condition of the agreement.

If you have any questions concerning this matter, please do not hesitate to contact Mr. Shannon Langley at (919) 733-5083 ext. 581 or Ms. Sonya Avant at (919) 733-5083 ext. 571.

Sincerely,



A. Preston Howard, Jr. P.E.

Attachment

cc: Facility File -- Non-Discharge Compliance/Enforcement Unit
DWQ Regional Office
Dewey Botts -- Division of Soil and Water
Shannon Langley
Central Files

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION

COUNTY OF HAYWOOD

IN THE MATTER OF

SPECIAL AGREEMENT FACILITY NUMBER: 44-55

LUCIUS JONES

Pursuant to provisions of North Carolina General Statutes (G.S.) 143-215.2(a) this Special Agreement is entered into by Lucius Jones, hereinafter referred to as "OWNER", and the North Carolina Environmental Management Commission, an agency of the State of North Carolina created by G.S. 143B-282, and hereinafter referred to as the Commission:

- 1. "OWNER" and the Commission hereby stipulate the following: (a) "OWNER" has previously been deemed permitted in accordance with 15A NCAC 2H .0217 for the operation of an animal waste treatment works, but was unable to comply with 15A NCAC 2H .0217 (a)(1)(E) requiring an approved animal waste management plan to be submitted by December 31, 1997. (b) Failure to obtain and implement a Certified Animal Waste Management Plan in accordance with 15A NCAC 2H .0217(a)(1)(E) is a violation of State Water Quality Regulations and "OWNER" is within the jurisdiction of the Commission as set forth in G.S. Chapter 143, Article 21. (c) "OWNER" desires to continue to operate the animal waste treatment works as a Non-Discharge system. (d) "OWNER" has secured assistance from a certified technical specialist to develop an animal waste management system which, once certified, will meet or exceed all applicable guidelines and standards and will be able to comply with all aspects of the Commission's animal waste general permit. (e) During the term of this Agreement there will be no increase in Steady State Live Weight (SSLW) at the facility. Any new construction will be designed to accommodate only the SSLW for which the facility was registered in accordance with 15A NCAC 2H .0217(a)(1)(D). (f) Since this Special Agreement is by Consent, neither party will file a petition for a contested case or for judicial review concerning its terms. (g) Nothing in this Special Agreement shall be taken as absolving or relieving "OWNER" from any responsibility or liability for discharges of animal waste to surface waters of the State of North Carolina. 2. "OWNER" desiring to comply with the Permit identified in paragraph 1(a) above, hereby agrees to do the following: (a) Undertake all necessary activities in order to obtain and implement a certified animal waste management plan by December 31, 1999.

Farm Number: 44-55
 Special Agreement
 Page 2

- (b) "OWNER" shall comply with all terms and conditions of the North Carolina General Statutes 143-215.1 and the relevant rules promulgated thereunder except 15A NCAC 2H .0217(a)(1)(E).
- (c) No later than fourteen (14) calendar days after the date identified in 2(a) above, submit to the Director of DWQ written notice of compliance or noncompliance therewith. In the case of noncompliance, the notice shall include a statement of the reason(s) for noncompliance, remedial action(s) taken, and a statement identifying the extent to which subsequent dates or times for accomplishment of listed activities may be affected.

3. "OWNER" agrees that unless excused under paragraph four (4), "OWNER" will pay the Director of DWQ, by check payable to the North Carolina Department of Environment and Natural Resources, stipulated penalties according to the following schedule for failure to meet the deadline set out in paragraph 2(a) above.

Failure to obtain and fully implement a Certified Animal Waste Management Plan by the date identified in 2(a)

\$100.00 for the first seven days past the date identified in 2(a) above; \$500.00 for each additional day

4. "OWNER" and the Commission agree that stipulated penalties are not due if "OWNER" satisfies the Division of Water Quality that noncompliance was caused solely by:
- An act of God;
 - An act of war;
 - An intentional act or omission of a third party, but this defense shall not be available if the act or omission is that of an employee or agent of the defendant or if the act or omission occurs in connection with a contractual relationship with the "OWNER";
 - An extraordinary event beyond the "OWNER'S" control. Contractor delays or failure to obtain funding will not be considered as events beyond the "OWNER's" control; or
 - Any combination of the above causes.

Failure within thirty (30) days of receipt of written demand to pay the penalties, or challenge them by a contested case petition pursuant to G.S. 150B-23, will be grounds for a collection action, which the Attorney General is hereby authorized to initiate. The only issue in such an action will be whether the thirty (30) days has elapsed.

5. This Special Agreement and any terms and conditions contained herein, hereby supersedes 15A NCAC 2H .0217(a)(1)(E).
6. Noncompliance with the terms of this Special Agreement are subject to enforcement action in addition to the above stipulated penalties, including injunctive relief pursuant to G.S. 143-215.6(C).

Farm Number: 44-55
Special Agreement
Page 3

- 7. The "OWNER", upon signature of this Special Agreement, will be expected to comply with all schedule dates, terms, and conditions of this document.
- 8. This Special Agreement shall expire upon owners submittal of a certified animal waste management plan.

For Greg Ferguson Dairy

William Lucius Jones
Print Name of Owner

Lucius Jones
Signature of Owner

Date 8-20-98

For the North Carolina Environmental Management Commission:

Chairman of the Commission

Date _____

NC DENR
DSW/C

NORTH CAROLINA
AGRICULTURE COST SHARE PROGRAM
CONSERVATION PLAN OF OPERATION (CPO)

NC-ACSP-11
(12/98)

NAME: Greg Ferguson
ADDRESS: P.O. Box 1976
Maggie Valley, NC 28751

AGREEMENT NUMBER

44-2000-21-05

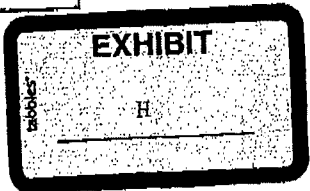
BMP ITEM NO.	TRACT/ FIELD NO.	PLANNED TREATMENT	EST. AMOUNTS (UNITS)	AVERAGE COST \$	COST SHARE %	ESTIMATED COST SHARE AND TIME SCHEDULE BY PROGRAM YEAR (INCLUDE OTHER COST SHARED FUNDING SOURCES)	
						PY 2004	PY
II	I	Feed Lot Roof Structure roofing	10,000 sqft	\$6/sqft	75%	\$45,000	
III	I	Waste Water System pipe (by invoice)	500'	\$8/ft	75%	\$3,000	
		manhole (by invoice)	2	\$800 ea	75%	\$1,200	
		boiling under road	1	\$16,000	75%	\$12,000	
IV	I	Clean Water Protection System storm water conduit	250'	\$24/ft	75%	\$4,500	
		fill dirt	800 cuyd	\$2/cuyd	75%	\$900	
		catch basin	2	\$600	75%	\$900	
V	I	Holding Area Roof Structure					
		roof (over existing lot)	4,600sqft	\$5/sqft	75%	\$20,700	

Technical Representative

Greg Ferguson

Date

5/17/08



NC DENR
DSWC

NORTH CAROLINA
AGRICULTURE COST SHARE PROGRAM
CONSERVATION PLAN OF OPERATION (CPO)

NCACSP-11
(12/98)

NAME: Greg Ferguson
ADDRESS: P.O. Box 1976
Maugle Valley, NC 28751

AGREEMENT NUMBER

44-2000-21-05

BMP ITEM NO.	TRACT/ FIELD NO.	PLANNED TREATMENT	EST. AMOUNTS (UNITS)	AVERAGE COST \$	COST SHARE %	ESTIMATED COST SHARE AND TIME SCHEDULE BY PROGRAM YEAR (INCLUDE OTHER COST SHARED FUNDING SOURCES)
1	1	Dry Stack Facility				
		roof	5000sqft	\$600/sqft	75%	\$22,500
		footing concrete	36 cuyd	\$250/cyd	75%	\$6,750
		concrete for floor	40 cuyd	\$100/cyd	75%	\$3,000
		concrete for wall	30 cuyd	\$250/cyd	75%	\$5,625
		concrete for loading pad	15 cuyd	\$100/cyd	75%	\$1,125
		reinforcing bar	6107 lbs	\$0.74/lb	75%	\$3,389
		washed stone	15 tons	\$14.40/t	75%	\$162
		excavation	1,100yds		75%	\$1,650
		push off ramp	1	\$2,000	75%	\$1,500

Technical Representative

Handwritten signature

Date

5/17/00

NORTH CAROLINA AGRICULTURE COST SHARE PROGRAM
CONSERVATION PLAN OF OPERATION (CPO) SUMMARY

NC-ACSP-11A
(12/98)

NAME: Greg Ferguson
ADDRESS: P.O. Box 1976
Maggie Valley, NC 28751

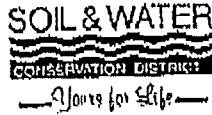
TOTAL COST	ANNUAL COST BY PROGRAM YEAR			AGREEMENT NUMBER	TOTAL ACRES AFFECTED	ANIMAL TYPE AND NUMBER		
	PY 2000	PY	PY	44-2000-21-05	250	TOTAL SOIL LOSS REDUCTION*	TOTAL NUTRIENT LOSS REDUCTION*	TOTAL WASTE MANAGED
				TONS/YR	LBS/YR N	LBS/YR P	LBS/YR N	LBS/YR P (P205)
\$133,901.00	\$133,901.00							

Highest level of design approval: FIELD OFFICE AREA OFFICE STATE OFFICE OTHER

The Cooperator(s) has reviewed the agreement and CPO and agrees to apply the planned treatment according to the standards and specifications as approved by the Division of Soil and Water Conservation. Failure to carry out the un-numbered contract items (UN) does not constitute non-compliance with the contract. The Cooperator(s) agrees to maintain the stripcropping system for 5 years. Long term no-till for 5 years, nutrient management plan for 3 years, sod-based rotation for a minimum _____ months in sod, and all other practices for 10 years, except conservation tillage, which is an annual practice. The Cooperator(s) also agrees to fully implement the Waste Management Plan (WMP) that is part of the CPO. CPO and payment contingent on approval by NPS Section, Division of Soil and Water Conservation, NC DENR. Funding for this CPO is contingent upon final annual allocation of State funds to the District. Installation may not begin prior to receiving approval from the Division.

Applicant: X Greg Ferguson Date: 5/17/00
 Landowner (if applicable): _____ Date: _____
 Technical Representative: Patricia Smith Date: 5/17/00
 Design Approval Authority: _____ Date: _____
 (Can be submitted separately from 11A)
 District Chair: Paula Francis Date: 12/20/00

*Or attach Resource Impact Summary. (Hansard/Sugg worksheet cannot be substituted.) of



Haywood Soil and Water Conservation District
 589 Raccoon Road Suite 203 Waynesville, NC 28786
 (828) 452-2741 (828) 458-5132 Ext. 3
 (828) 452-7031 FAX

April 15, 2002

Mr. Greg Ferguson
 3131 Rabbit Skin Road
 Waynesville, NC 28786

Dear Greg:

At the Haywood Soil & Water District Board Meeting held on April 10, 2002, the Supervisors discussed your North Carolina Agriculture Cost Share Program contract. The funds were to be used to get the dairy you were operating certified for the .0200 program. However, since you are no longer operating the dairy at that location, the contract must be canceled and the funds returned to the North Carolina Cost Share program.

This letter is official notification that the contract has been canceled and the funds returned to the NC Cost Share program.

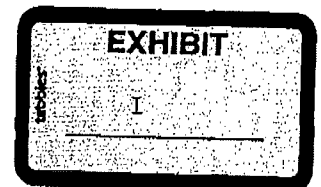
If you have any questions, or if we can be of further assistance, please do not hesitate to call.

Yours truly,

Carlyle Ferguson
 Carlyle Ferguson, Chairman
 Haywood Soil & Water Conservation District

cc: Gayna Woody
 Lucius Jones

CF/gr



Original letter sent to Greg Ferguson on 4/17/02 via registered mail.

Copies sent to:

Lucius Jones
60 Timothy Lane
Waynesville, NC 28786

Gayna Woody
P.O. Box 116
Leicester, NC 28748

July 10, 2001

STATE OF NORTH CAROLINA

COUNTY/CITY OF Haywood

I, ~~William M. Howell~~ Notary Public for Haywood County, hereby certify that William Lucius Jones the declarant, appeared before me and swore to me and to the witnesses in my presence that this instrument is a last will and testament, and that he willingly and voluntarily made and executed it as his free act and deed for the purposes expressed in it.

I further certify that Greg Rydelek and Sarah Rydelek witnesses, appeared before me and swore that they witnessed William Lucius Jones declarant, sign the attached declaration, believing him to be of sound mind; and also swore that at the time they witnessed the signing they were not related within the third degree to the declarant, and they did not know or have a reasonable expectation that they would be entitled to any portion of the estate of the declarant upon the declarant's death under any will of the declarant or codicil thereto then existing or under the Intestate Succession Act as it provided at that time and they did not have a claim against the declarant. I further certify that I am satisfied as to the genuineness and due execution of the instrument.

I, William Lucius Jones, do hereby will said property, as listed below to Rufus Dennis Hall *Rufus Dennis Hall*

House, property and contents of said location-
60 Timothy Lane
Waynesville, North Carolina 28786

Debt for house and property
located on Boyd Ave.
Book 412, Page 2444
Will be erased upon declarant
death.

Acreage property of said location-
Property on Dellwood Road
Consisting of One and A half Acres.
Waynesville, North Carolina

Annuity held through
American General Annuity
Agent: First Union Mortgage
Contract # FD018250

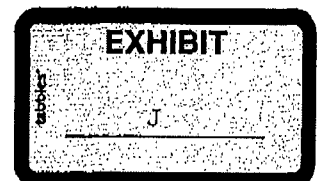
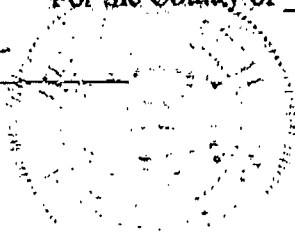
Greg Rydelek
Witness

Sarah B. Rydelek
Witness

This is the 10th day of July

William M. Howell
Notary Public
For the County of Haywood

My Commission expires 2-14-2005



LAST WILL AND TESTAMENT

OF

WILLIAM LUCIUS JONES

I, WILLIAM LUCIUS JONES, a citizen of Haywood County, North Carolina, being of sound mind and disposing memory, do hereby make, publish and declare this to be my Last Will and Testament, hereby revoking any and all former Wills, codicils and letters of testamentary import by me made.

ITEM ONE

I desire and direct my Executor herein named and appointed, to pay from my probate estate all of the expenses of my last illness, funeral expenses, costs of administration, legal expenses, and other proper charges against my estate.

ITEM TWO

I hereby give, devise, and bequeath all that real property located in Jonathan Creek Township to Dennis Hall subject to a lease to Greg Ferguson for and during his lifetime, to be leased in an amount to be determined in the discretion of Dennis Hall or fair market value whichever is less.

ITEM THREE

I hereby give, devise and bequeath all of my estate and property, including all property of which I shall die seized and possessed, and all property to which I shall be otherwise entitled at the time of my decease, of whatsoever kind and nature and wheresoever situated, be it real, personal or mixed, to DENNIS HALL, as his sole and absolute property, per stirpes.

ITEM FOUR

I hereby nominate and appoint DENNIS HALL, as Executor of this my Last Will and Testament. I direct that no bond or security of any kind be required of my said Executor, his substitutes or successors, the same being specifically waived hereby.

W L J

incorporated by reference and granted to my Executor his successors or substitutes, subject to the restrictions of General Statutes Sec. 32-26(b).

I, WILLIAM LUCIUS JONES, the Testator, sign my name to this instrument this 23 day of July, 2001, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my Last Will and that I sign it willingly (or willingly direct another to sign it for me), that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen (18) years of age or older, of sound mind, and under no constraint or undue influence.

William Lucius Jones (SEAL)
WILLIAM LUCIUS JONES, Testator

We, J.W. Kirkpatrick III and Linda Correal, the witnesses, sign our names to this instrument, being first duly sworn, and do hereby declare to the undersigned authority that the Testator signs and executes this instrument as his Last Will in our presence and that he signs it willingly (or willingly directs another to sign it for him), and that each of us, at the request of the Testator, and in the presence and hearing of the Testator, and in the presence and hearing of each other, hereby signs this Last Will as witness to the Testator's signing, and to the best of our knowledge the Testator is eighteen (18) years of age or older, of sound mind, and under no constraint or undue influence.

J.W. Kirkpatrick III of WAYNESVILLE, NC
Linda Correal of Waynesville, NC

STATE OF NORTH CAROLINA, COUNTY OF HAYWOOD

Subscribed, sworn to and acknowledged before me by WILLIAM LUCIUS JONES, the Testator, and subscribed and sworn to before me by J.W. Kirkpatrick III and Linda Correal, witnesses, this 23 day of July, 2001.

My commission expires:
8-11-04

Sharon Muel Creamer
Notary Public

Last Will and Testament

OF

WILLIAM LUCIUS JONES

I, WILLIAM LUCIUS JONES, a citizen of Haywood County, North Carolina, being of sound mind and disposing memory, do hereby make, publish and declare this to be my Last Will and Testament, hereby revoking any and all former Wills, codicils and letters of testamentary import by me made.

ITEM ONE

I desire and direct my Executor herein named and appointed, to pay from my probate estate all of the expenses of my last illness, funeral expenses, costs of administration, legal expenses, and other proper charges against my estate.

ITEM TWO

I hereby give, devise and bequeath all of my estate and property, including all property of which I shall die seized and possessed, and all property to which I shall be otherwise entitled at the time of my decease, of whatsoever kind and nature and wheresoever situated, be it real, personal or mixed, to DENNIS HALL, as his sole and absolute property, per stirpes.

ITEM THREE

I hereby nominate and appoint DENNIS HALL, as Executor of this my Last Will and Testament. I direct that no bond or security of any kind be required of my said Executor, his substitutes or successors, the same being specifically waived hereby.

ITEM FOUR

The powers enumerated in North Carolina General Statutes Sec. 32-27 are hereby incorporated by reference and granted to my Executor his successors or substitutes, subject to the restrictions of General Statutes Sec. 32-26(b).

I, WILLIAM LUCIUS JONES, the Testator, sign my name to this instrument this 6 day of February, 2002, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my Last Will and that I sign it willingly (or willingly direct another to sign it for me), that I execute it as my free and voluntary act for the

William Lucius Jones (SEAL)
WILLIAM LUCIUS JONES, Testator

We, C. Anthony Sexton and Linda Correal, the witnesses, sign our names to this instrument, being first duly sworn, and do hereby declare to the undersigned authority that the Testator signs and executes this instrument as his Last Will in our presence and that he signs it willingly (or willingly directs another to sign it for him), and that each of us, at the request of the Testator, and in the presence and hearing of the Testator, and in the presence and hearing of each other, hereby signs this Last Will as witness to the Testator's signing, and to the best of our knowledge the Testator is eighteen (18) years of age or older, of sound mind, and under no constraint or undue influence.

C. Anthony Sexton of Clyde, NC
Linda Correal of Waynesville, NC

STATE OF NORTH CAROLINA, COUNTY OF HAYWOOD

Subscribed, sworn to and acknowledged before me by WILLIAM LUCIUS JONES, the Testator, and subscribed and sworn to before me by C. Anthony Sexton and Linda Correal, witnesses, this 6 day of February, 2002.

My commission expires:
8-11-04

Katherine Nell Creamer
Notary Public

BK 0502 PG 0203

Haywood County--Register of Deeds
Amy R. Murray
Inst #553735 Book 502 Page 203
09/13/2001 09:24:48am

**HAYWOOD COUNTY
NORTH CAROLINA**

LEASE AGREEMENT

THIS LEASE is made this the 5th day of September, 2001, between Gregory Todd Ferguson, herein referred to as "Tenant", and William Lucius Jones, herein referred to as "Owner" (the designations Owner and Tenant shall include the parties, their heirs, successors and assigns. As used herein, the singular shall include the plural and gender shall be interchangeable.)

IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1) **SUBJECT AND PURPOSE.** Owner leases the buildings, dairy equipment, and approximately 207 acres of land located in Jonathan Township, Haywood County, North Carolina, that property acquired by Owner in Will Book 6, Page 431 of the Haywood County Registry, to Tenant for Tenant's use as an operating farm.

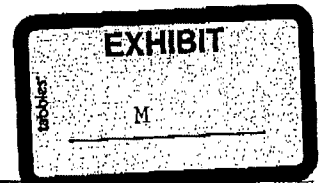
2) **TERM AND RENT.** Owner leases the above premises for a term of twelve (12) years, commencing June 15, 2001, and terminating on June 15, 2013 at 1:00 o'clock P.M. or sooner as provided herein, at the annual rental of Eleven Thousand dollars (\$11,000.00) payable in equal monthly installments of Nine Hundred Sixteen Dollars and Sixty Six Cents (\$916.66) in advance on the twentieth (20th) day of each month for that month's rental, during the term of this lease. All rental payments shall be made to owner at 106 Timothy Lane, Waynesville, North Carolina 28786.

3) **ADDITIONAL RENT.** All taxes, charges, costs and expenses that Tenant agrees to pay hereunder together with all interest and penalties that may accrue thereon and all other costs that Owner may suffer by reason of any failure by Tenant to comply with the terms of this lease shall be deemed to be additional rent, and, in the event of nonpayment, Owner shall have all the rights and remedies as herein provided for failure to pay rent.

4) **ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** Subject to the limitations that no substantial portion of the building on the leased premises shall be demolished or removed by Tenant without the prior written consent of Owner, Tenant may at any time during the lease term, at his own expense, make any alterations to the leased premises and the building. Alterations shall be performed in a workmanlike manner and shall not weaken or impair the structural length, or lessen the value, of the building on the premises, or change the purposes for which the building, or any part thereof, may be used.

All alterations on or in the leased premises at the commencement of the term, and that may be erected or installed during the term, shall become part of the leased premises and the sole property of Owner. All moveable trade fixtures installed by Tenant shall be and remain the property of Tenant.

5) **REPAIRS.** Tenant shall at all times during the lease and at his own cost and



expense, repair, replace, and maintain in a good, safe and substantial condition, all buildings and any improvements, additions, and alterations thereto, on the leased premises, and shall use all reasonable precaution to prevent waste, damage, or injury to the leased premises.

6) TAXES. Owner shall be responsible for all taxes on said property.

7) UTILITIES. All applications and connections for necessary utility services on the leased premises shall be made in the name of the Tenant only, and Tenant shall be responsible for sewer, water, gas, electricity, and telephone services.

8) INSURANCE. During the term of the lease and for any further time that Tenant shall hold the leased premises, Tenant shall obtain and maintain at his expense the following types and amount of insurance.

a) FIRE INSURANCE. Tenant shall keep all building, improvements, and equipment on the leased premises, including all alterations, additions, and improvements, insured against loss or damage by fire. The insurance shall be in an amount sufficient to prevent Owner and Tenant from becoming co-insurers under provisions of applicable policies of insurance, but in any event in an amount not less than 100% of the full insurable value of the leased premises, including the cost of excavation of foundations.

b) PERSONAL INJURY AND PROPERTY DAMAGE INSURANCE. Insurance against liability for bodily injury and property damage and machinery insurance, all to be in amounts and in forms of insurance policies as may from time to time be required by Owner, shall be provided by Tenant.

c) OTHER INSURANCE. Tenant shall provide and keep in force other insurance in amounts that may from time to time be required by Owner against other insurable hazards as are commonly insured against for the type of business activity that Tenant will conduct.

9) UNLAWFUL OR DANGEROUS ACTIVITY. Tenant shall neither use nor occupy the leased premises or any part thereof for any unlawful, disreputable, or ultrahazardous business purpose nor operate or conduct his business in a manner constituting a nuisance of any kind. Tenant shall immediately, on discovery of any unlawful, disreputable, or ultrahazardous use, take action to halt such activity.

10) INDEMNITY. Tenant shall indemnify Owner against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either (1) a failure by Tenant to perform any of the terms or conditions of this lease, (2) any injury or damage happening on or about the leased premises, (3) failure to comply with any law of any governmental authority, or (4) any mechanic's lien or security interest filed against the leased premises or equipment, materials, or alterations of buildings or improvements thereon.

11) **DEFAULT OR BREACH.** Each of the following events shall constitute a default or breach of this lease by Tenant:

- (A) If Tenant shall fail to pay Owner any rent or additional rent when the rent shall become due and shall not make the payment within fifteen (15) days after notice thereof by Owner to Tenant.
- (B) If Tenant shall fail to perform or comply with any of the conditions of this lease and if the nonperformance shall continue for a period of fifteen (15) days after notice thereof by Owner to Tenant or, if the performance cannot be reasonably had within the fifteen (15) day period, Tenant shall not in good faith have commenced performance with the fifteen (15) day period and shall not diligently proceed to completion of performance.
- (C) If Tenant shall vacate or abandon the leased premises.

12) **EFFECT OF DEFAULT.** In the event of any default hereunder, as set forth in Paragraph Eleven, the rights of Owner shall be as follows:

- (a) Owner shall have the right to cancel and terminate this lease, as well as all of the right, title, and interest of Tenant hereunder, by giving the Tenant not less than fifteen (15) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this lease and the right, title and interest of Tenant hereunder, shall terminate in the same manner and with the same force and effect, except as to Tenant's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.
- (b) Owner may elect, but shall not be obligated, to make any payment required of Tenant herein or comply with any agreement, term, or condition required hereby to be performed by Tenant, and Owner shall have the right to enter the leased premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, by an expenditure for the correction by Owner shall not be deemed to waive or release the default of Tenant or the right of Owner to take any action as may be otherwise permissible hereunder in the case of any default.

13) **DESTRUCTION OF PREMISES.** In the event of a partial or total destruction of the leased premises during the term from any cause, Tenant shall forthwith repair the same. Any destruction of the leased premises during the term from any cause, Tenant shall forthwith repair the same. Any destruction shall neither null or void this lease.

14) **CONDEMNATION.** Rights and duties in the event of condemnation are as follows:

- a) If the whole or the leased premises shall be taken or condemned by any competent

authority for any public or quasi-public use or purpose, this lease shall cease and terminate as of the date on which title shall vest thereby in that authority, and the rent reserved hereunder shall be apportioned and paid up to that date.

- b) If only a portion of the leased premises shall be taken or condemned, this lease and the term hereof shall not cease or terminate.
- c) In the event of any taking or condemnation in whole or in part, the entire resulting award of consequential damages shall belong to Tenant. Owner assigns to Tenant all his right, title and interest in any and all such awards.
- d) In the event of a partial taking, Tenant, at Tenant's expense, shall promptly proceed to restore the remainder of the building on the leased premises to a self-contained architectural unit.

15) ACCESS TO PREMISES; SIGNS POSTED BY OWNER. Tenant shall permit Owner, or his agents, to enter the leased premises at all reasonable hours to inspect the premises or make repairs that Tenant may neglect or refuse to make in accordance with the provisions of this lease, and also to show the premises to prospective buyers.

16) EASEMENTS, AGREEMENTS, OR ENCUMBRANCES. The parties shall be bound by all existing easements, agreements, and encumbrances of record relating to the leased premises, and Owner shall not be liable to Tenant for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder.

17) QUITE ENJOYMENT. Owner warrants that Tenant shall be granted peaceable and quiet enjoyment of the leased premises free from any eviction or interference by Owner if Tenant pays the rent and other charges provided herein, and otherwise fully and punctually performs the terms and conditions imposed on Tenant.

18) LIABILITY OF OWNER. Tenant shall be in exclusive control and possession of the leased premises, and Owner shall not be liable for any injury or damages to any property or to any person on or about the leased premises nor for any injury or damage to any property of Tenant. The provisions herein permitting Owner to enter and inspect the leased premises are made to insure that Tenant is in compliance with the terms and conditions hereof and makes repairs that Tenant has failed to make. Owner shall not be liable to Tenant for any entry on the premises for inspection purposes.

19) REPRESENTATIONS BY OWNER. At the commencement of the term, Tenant shall accept the buildings and improvements and any equipment in their existing condition and state of repair, and Tenant agrees that no representations, statements, or warranties, express or implied, have been made by or on behalf of Owner in respect thereto except as contained in the provisions of this lease, and Owner shall in no event be liable for any latent defects.

20) WAIVERS. The failure of Owner to insist on a strict performance of any of the

terms and conditions hereof shall be deemed a waiver of the rights or remedies that Owner may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

21) NOTICE. All notices to be given with respect to this lease shall be in writing. Each notice shall be sent by certified mail, postage prepaid and return receipt requested, to the party to be notified as follows:

Owner: William Lucius Jones
106 Timothy Lane
Waynesville NC 28786

Tenant: Gregory Todd Ferguson
Post Office Box 1976
Maggie Valley, NC 28751

and also to be mailed to:

Gregory Todd Ferguson
3131 Rabbit Skin Road
Waynesville, NC 28785

Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein. Nothing contained herein shall be construed to preclude personal service of any notice in the manner prescribed for personal service of a summons or other legal process.

22) ASSIGNMENT, MORTGAGE, OR SUBLBASE. Neither Tenant nor his successors or assigns shall assign, mortgage, pledge, or encumber this lease or sublet the leased premises in whole or in part, or permit the premises to be used or occupied by others, nor shall this lease be assigned or transferred by operation of law, without the prior consent in writing of Owner in each instance.

23) SURRENDER OF POSSESSION. Tenant shall, on the last day of the term, or on earlier termination and forfeiture of the lease, peaceably and quietly surrender and deliver the leased premises to Owner free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Tenant, including trade fixtures, all in good condition and repair.

24) REMEDIES OF OWNER.

a) In the event of a breach or threatened breach by Tenant of any of the terms or conditions hereof, Owner shall have the right of injunction to restrain Tenant and the right to invoke any remedy allowed by law or in equity, as if the specific remedies of indemnity or reimbursement were not provided herein.

b) The rights and remedies given to Owner in this lease are distinct, separate and cumulative, and no one of them, whether or not exercised by Owner, shall be deemed to be in exclusion of any of the others herein, by law, or by equity provided.

25) TOTAL AGREEMENT, APPLICABLE TO SUCCESSORS. This lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently execute by the parties hereto. This lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

IN WITNESS WHEREOF, the parties have set their hands and seals this the 5 of ~~June~~ Sept, 2001.

William Lucius Jones
William Lucius Jones, Owner

Gregory Todd Ferguson
Gregory Todd Ferguson, Tenant

Sworn to and subscribed before me this the 5th day of September, 2001.

C. Colleen Williamson, Notary Public

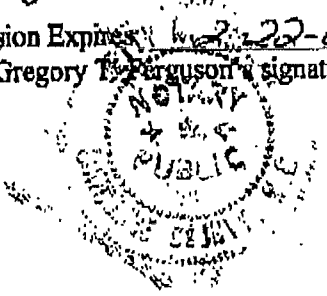
My Commission Expires: 09-21-2003



Subscribed before me this the 10 day of Septmeber, 2001

Bryant Walker, Notary Public

My Commission Expires 12-22-05
(Notarizing Gregory T. Ferguson's signature)



GENERAL AGREEMENT Inst # 553735 Book 502 Page: 209

BE IT KNOWN, for value received, the undersigned William Lucius Jones of 106 Timothy Lane, Waynesville, North Carolina 28786 hereby unconditionally and irrevocably assigns and transfers full ownership upon my (William Lucius Jones) death unto Gregory Todd Ferguson for the purpose of a farm to be handed down to his child (at the time of signing one living child Colton Wyatt Ferguson) and to their heirs to remain farm property, not to be sold or mortgaged, etc. of 3131 Rabbit Skin Road, Waynesville, North Carolina 28786, (alternate mailing address Post Office Box 1976, Maggie Valley, NC 28751) all rights, titles and interest in and to the following: The real property described in the Lease Agreement between William Lucius Jones and Gregory Todd Ferguson executed the 5 day of ~~August~~ ^{Sept.}, 2001 which is presently leased by Gregory Todd Ferguson until June 15, 2013 at 1:00 o'clock P.M. This property is located on Jonathan Creek Road, Waynesville, N.C. 28786.

The undersigned fully warrants that he, William Lucius Jones is the sole owner and has full rights and authority to enter into this agreement and that the rights and benefits assigned hereunder are free and clear of any lien, encumbrance, adverse claim or interest by any third party.

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

This Agreement was entered while I, William Lucius Jones, was in my sound mind and body.

This Agreement shall be enforced under the laws of the State of North Carolina.

Executed this the 5 day of August, 2001.

Owner: William Lucius Jones

X William Lucius Jones

Sworn to and subscribed before me this the 10 day of September, 2001

Notary Public Battle B. Battle
My Commission Expires: 2003

Lessee: Gregory Todd Ferguson

Gregory J. Ferguson

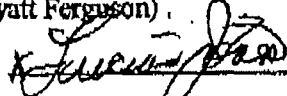
Sworn to and subscribed before me this the 5th day of Sept., 2001.

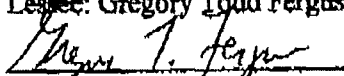
Notary Public: C. Colleen Williams My commission expires: 09-21-2003

NOTICE OF LEASE Inst # 553735 Book 502 Page: 210

The undersigned Lessor and Lessee do hereby provide public notice of the following lease entered into on the 5 day of August, 2001, by and between William Lucius Jones and Gregory Todd Ferguson.

1. Lessor: William Lucius Jones
2. Lessees: Gregory Todd Ferguson
3. Leased Premises: Refer to paragraph (1) in attached lease.
4. Term of Lease: Lease expires on June 15, 2013 at 1:00 o'clock P.M.
5. Options to renew and / or extend lease: William Lucius Jones, being of sound mind and body agrees to renew and/or extend said aforementioned lease at the end of the terms mentioned in item (4) upon conditions of the same term.
6. Option to Acquire Property: William Lucius Jones, being of sound mind and body agrees upon his death that the ownership of the property described in paragraph (3) above be transferred to Gregory Todd Ferguson for the purpose of a farm, not to be mortgaged, sold, etc. to remain in Gregory's family for said farm after Gregory Todd Ferguson's death (at the time of this signing one living child born to Gregory Todd Ferguson, Colton Wyatt Ferguson).


Lessor, William Lucius Jones

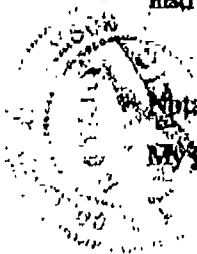
Lessee: Gregory Todd Ferguson


State of North Carolina, County of Haywood

On, 09-05-01, before me, William Lucius Jones, and Gregory Todd Ferguson personally appeared and proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

Notary Public Signature: C. Colleen Williamson
My Commission Expires: 09-21-2003

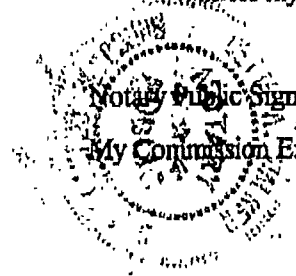


Notary Affidavit for Notice of Lease between Lucius Jones and Gregory Todd Ferguson

State of North Carolina, County of Haywood

On, 9/10/01, before me, Gregory Todd Ferguson, personally appeared and proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.



Notary Public Signature: Betty A. Walker
My Commission Expires: 2-22-05

State of North Carolina, Haywood County
The Foregoing Certificate(s) of C COLLEEN WILLIAMSON, BETTY A WALKER

Is (are) Certified to be Correct.
This Instrument was filed for Registration on this 13th Day of September, 2001 in the Book and Page shown on the First Page hereof.

Amy R. [Redacted] Register of Deeds
By Colleen Williamson

WILLIAM LUCIUS JONES property on Jonathan Creek Road

EXHIBIT "A"

BEGINNING at an iron stake set (being a metal fence post) at the Western right-of-way of Jonathan Creek Road (U.S. Hwy. 276) which iron stake lies North 17-12-52 East 98.39 feet from NCGS Monument "TRIT" (NCGS Monument "MULE" lies North 28-55-44 East 2,988.07 feet from "TRIT") and runs North 67-31-37 West 839.22 feet (passing through a new iron stake [metal fence post] at 793.82 feet) to a point in the center of Jonathan Creek; thence with Jonathan Creek, as it meanders, seven calls: (1) North 22-10-24 East 99.48 feet, (2) North 39-58-40 East 213.22 feet, (3) North 36-12-48 East 447.36 feet, (4) North 71-28-35 East 204.98 feet, (5) North 52-50-46 East 276.30 feet, (6) North 43-16-11 East 217.77 feet, and (7) North 45-41-53 East 287.26 feet to a point on the Northern edge of a steel and timber bridge spanning the creek, being the Westmost corner of the Thomas Bryan Medford lot described in Deed Book 327 at Page 50; thence with the Southerly margin of that Lot and his adjoining Lot described in Deed Book 419 at 1163, and a tract belonging to John Michael Medford (461/82) South 43-56-43 East 354.68 feet (running generally along Pitts Drive) to an iron pin set in the Westerly margin of the right-of-way of Jonathan Creek Road where Potts Drive intersects with said Road; thence with said right-of-way seven calls: (1) South 29-03-53 West 10.12 feet to the South edge of Potts Drive; (2) continuing South 29-03-53 West 41.23 feet, crossing a 40-foot Drainage Easement belonging to the N.C.D.O.T. as described in Deed Book 238, Page 596, said easement running parallel with Potts Drive, (3) continuing South 29-03-53 West 105.07 feet to a concrete R/W Monument; (4) South 29-04-39 West 701.26 feet to another concrete R/W Monument, (5) South 29-06-56 West 145.77 feet, (6) South 28-30-20 West 153.38 feet, and (7) a curve to the left (Radius 2,661.48 feet a linear distance of 286.88 feet (Chord South 24-17-56 West 286.74 feet) to the BEGINNING, containing 22.091 acres, per survey and plat of L. Kevin Ensley, PLS, dated March 23, 2007, entitled "Survey for William Lucius Jones" and identified as Job B-005-07.

SUBJECT TO the aforesaid USDOT Drainage Easement and the easement for Potts Drive as the same exists, and the rights of various persons, if any, to take water from Jonathan Creek.

This property is located within a Flood Zone.

Reference: Will Book 4 Page 431; Deed Book 75 Page 184 Tract 1; Deed Book 122, Page 637

Exhibit B

File No.

98 CVM 198

COMPLAINT
IN SUMMARY EJECTMENT

G.S. 7A-216, 7A-232; Ch. 42, Art. 3 and 7

Name And Address Of Plaintiff

William Dennis Jones
60 Timothy Lane
Waynesville N.C. 28786

Social Security No./Taxpayer ID No.

County

Telephone No.

Haywood

VERSUS

Name And Address Of Defendant 1

Gregory Todd Ferguson
Rt 4 Box 246
Waynesville N.C. 28786

County

Telephone No.

Haywood

Name And Address Of Defendant 2

County

Telephone No.

ED

AM 8:41

COUNTY C.S.C.

Name And Address Of Plaintiff's Attorney Or Agent

02 APR 1998
HAYWOOD

BY

STATE OF NORTH CAROLINA

Haywood County

In The General Court Of Justice
District Court Division-Small Claims

- The defendant is a resident of the county named above.
- The defendant entered into possession of premises described below as a lessee of plaintiff.

Description Of Premises (include location)

Farm - Taylor ON Lucas Jones Dairy Farm ON Jonathan Creek

Rate Of Rent

\$ 850.00

per Month Week

Date Rent Due 12th each month

Date Lease Ended 4/12/01

Type Of Lease

Conventional Public Housing
Section 8 Oral Written

- The defendant failed to pay the rent due on the above date and the plaintiff made demand for the rent and waited the 10-day grace period before filing the complaint.

- The lease period ended on the above date and the defendant is holding over after the end of the lease period.

- The defendant breached the condition of the lease described below for which re-entry is specified.

Description Of Breach/Criminal Activity (give names, dates, places and illegal activity)

- The plaintiff has demanded possession of the premises from the defendant, who has refused to surrender it, and the plaintiff is entitled to immediate possession.
- The defendant owes the plaintiff the following:

Amount Of Damages (if known)

\$ 7,650.00

Amount Of Rent Past Due

Total Amount Due

- I demand to be put in possession of the premises and to recover the total amount listed above and daily rental until entry of judgment plus interest and reimbursement for court costs.

Date

4-10-98

Signature Of Plaintiff/Attorney/Agent

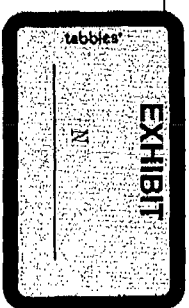
William Jones

CERTIFICATION WHEN COMPLAINT SIGNED BY AGENT OF PLAINTIFF

I certify that I am an agent of the plaintiff and have actual knowledge of the facts alleged in this Complaint.

Date

Signature



Summary Ejectment

C 2002/266

STATE OF NORTH CAROLINA
 Haywood County
 RECEIVED In The General Court Of Justice
 District Court Division-Small Claims
 APR 01 2007
 File No. 02 CVM 198

Plaintiff(s)
 William Lucius Jones

MAGISTRATE SUMMONS
 ALIAS AND PLURIES SUMMONS

VERSUS
 Defendant(s)
 Gregory Todd Ferguson

G.S. 7A-217, -232; 1A-1, Rule 4
 Date Last Summons Issued

TO:
 Name And Address Of Defendant 1
 Gregory Todd Ferguson
 Rt 4 box 266
 Waynesville N.C. 28786

TO:
 Name And Address Of Defendant 2
 off of creek

A Small Claim Action Has Been Commenced Against You!

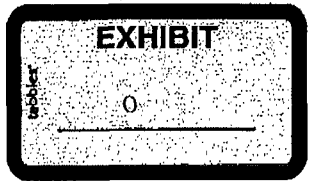
You are notified to appear before the magistrate at the specified date, time and location of trial listed below. You will have the opportunity at the trial to defend yourself against the claim stated in the attached complaint.

You may file a written answer, making defense to the claim, in the office of the Clerk of Superior Court at any time before the time set for trial. Whether or not you file an answer, the plaintiff must prove the claim before the magistrate.

If you fail to appear and defend against the proof offered, the magistrate may enter a judgment against you.

Date of Trial: April 2, 2008
 Time Of Trial: 9:00 AM
 Location Of Court: Magistrate Courtroom
 Name And Address Of Plaintiff Or Plaintiff's Attorney:
 Date Issued: 4-1-08
 Signature: Lisa Hannah
 Deputy CSC Assistant CSC Clerk Of Superior Court

FILED
 02 APR -2 PM 2:37
 HAYWOOD COUNTY C.S.C.
 BY _____



RETURN OF SERVICE

I certify that this Summons and a copy of the complaint were received and served as follows:

DEFENDANT 1

Date Served	Name Of Defendant
-------------	-------------------

- By delivering to the defendant named above a copy of the summons and complaint.
- By leaving a copy of summons and complaint at the dwelling house or usual place of abode of the defendant named above with a person of suitable age and discretion then residing therein.
- As the defendant is a corporation, service was effected by delivering a copy of the summons and complaint to the person named below.

Name And Address Of Person With Whom Copy Left (If Corporation, Give Title Of Person Copy Left With)

Other manner of service: (specify).

Defendant WAS NOT served for the following reason:

DEFENDANT 2

Date Served	Name Of Defendant
-------------	-------------------

- By delivering to the defendant named above a copy of the summons and complaint.
- By leaving a copy of summons and complaint at the dwelling house or usual place of abode of the defendant named above with a person of suitable age and discretion then residing therein.
- As the defendant is a corporation, service was effected by delivering a copy of the summons and complaint to the person named below.

Name And Address Of Person With Whom Copy Left (If Corporation, Give Title Of Person Copy Left With)

Other manner of service: (specify).

Defendant WAS NOT served for the following reason:

FOR USE IN SUMMARY EJECTMENT CASES ONLY

Service was made by mailing by first class mail a copy of the summons and complaint to the defendant(s) and by posting a copy of the summons and complaint at the following premises.

Date Served	Name(s) Of The Defendant(s) Served By Posting
-------------	---

Address Of Premises Where Posted	
----------------------------------	--

Service Fee	Date Received	Name Of Sheriff
-------------	---------------	-----------------

By	Date Of Return	County
----	----------------	--------

Deputy Sheriff Making Return

File No. 02 CVM 198
Film No. 2002-7-60

Judgment Docket Book And Page No.

STATE OF NORTH CAROLINA

In The General Court Of Justice
District Court Division-Small Claims

Haywood County

JUDGMENT IN ACTION FOR SUMMARY EJECTMENT

G.S. 7A-210(2), 7A-224; 42-30

Name And Address Of Plaintiff

William Lucius Jones
60 Timothy Lane
Waynesville, N.C. 28786

Social Security No./Taxpayer ID No.

County

Haywood

Telephone No.

VERSUS

Name And Address Of Defendant 1

Gregory Todd Ferguson
Rt. 4, Box 266
Waynesville, N.C. 28786

County

Haywood

Telephone No.

Name And Address Of Defendant 2

FINDINGS

This action was tried before the undersigned on the cause stated in the complaint. The record shows that the defendant was given proper notice of the nature of the action and the date, time and location of trial.

The Court finds that:

- a. the plaintiff has proved the case by the greater weight of the evidence.
 b. the plaintiff has failed to prove the case by the greater weight of the evidence.
- the defendant(s) was was not present at trial. (Posted 4/1/02)
- a. there is no dispute as to the amount of rent in arrears, and the amount is \$ 7650.00.
 b. there is an actual dispute as to the amount of rent in arrears. The defendant(s) claims the amount of rent in arrears is \$ _____, and this amount is the undisputed amount of rent in arrears.
- Other:

ORDER

It is ORDERED that:

1. the defendant(s) be removed from and the plaintiff be put in possession of the premises described in the complaint.
2. this action be dismissed with prejudice.
3. this action be dismissed with prejudice because the defendant tendered the rent due and the court costs of this action.
4. the plaintiff recover rent of the defendant(s) at the rate listed below, plus damages in the amount indicated. The plaintiff is also entitled to interest on the total principal sum from this date until the judgment is paid.
5. Other: (specify)

6. Costs of this action are taxed to the plaintiff. defendant.

FILED
APR 12 AM 11:00
HAYWOOD COUNTY, N.C.

Rate Of Rent \$ per Mo. / Wk. Amt. Of Rent In Arrears (Owed To Date) \$

Amount Of Other Damages \$

TOTAL AMOUNT \$

Judgment Announced And Signed In Open Court

Date: 4/12/02 Signature Of Magistrate: [Signature]

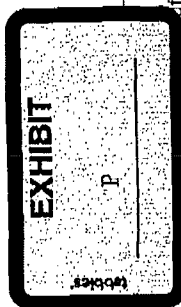
Name Of Party Announcing Appeal In Open Court: [Signature]

CERTIFICATION

(NOTE: To be used when magistrate does not announce and sign this judgment in open court at the conclusion of the trial.)
I certify that this judgment has been served on each party named by depositing a copy in a post-paid properly addressed envelope in a post office or official depository under the exclusive care and custody of the United States Postal Service.

Date

Signature Of Magistrate



STATE OF NORTH CAROLINA

File No.

02 Jvm 198

Film No.

Haywood County

FILED

In The General Court Of Justice

Name And Address Of Plaintiff

William Lucius Jones
60 Timothy Lane
Waynesville N.C. 28786

02 APR 23 AM 10:50

HAYWOOD COUNTY U.S.C.

WRIT OF POSSESSION
REAL PROPERTY

G.S. 1-313(4); 42-36.2

VERSUS

BY

Name And Address Of Defendant 1

Gregory Todd Ferguson
Rt. 4 Box 266
Waynesville N.C. 28786

Name And Address Of Defendant 2

To The Sheriff Haywood County:

A judgment in favor of the plaintiff was rendered in this case for the possession of the real property described below; and you are commanded to remove the defendant(s) from, and put the plaintiff in possession of those premises.

Description Of Property (include location)

Lucius Jones Dairy Farm on Jonathan Creek.
I want house vacated, Trailer removed from property,
and any farm equipment owned by Gregory Todd Ferguson

Date Of Judgment

4-12-02

Date Writ Issued

4-23-02

Signature

Caryn A. Osborne



Deputy CSC



Assistant CSC



Clerk Of Superior Cour



HAYWOOD COUNTY SHERIFF'S OFFICE

R. Tom Alexander
Sheriff

File # 02 CVM 198

NOTICE

To: Gregory Todd Ferguson
Rt. 4 Box 216
Waynesville, NC 28786

The Haywood County Sheriff's Office has received a Writ of Possession from the Court that requires us to take possession of the property listed on the attached copy.

 Please call or come by the Sheriff's Office within the next week so that we can make arrangements to take possession of this property with a minimum of inconvenience to you.

EVICTON NOTICE

 ✓ You should move from the premises immediately. If you have not removed yourself and all your property by April 30, 2002

at 1:30, a deputy from this office will come at approximately that time and remove you and all your property from the premises or lock the premises. Any questions may be directed to the deputy handling this writ at 452-6666.

*****You must request the landlord to return any of your property left on the premises within 10 days after this office carries out the writ. If you fail to request possession of your property within 10 days, the landlord may throw away, dispose of or sell the property.

Date Notice Given: April 22, 2002

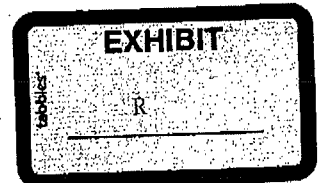
R. T. Alexander

Sheriff, Haywood County

Deputy: Lt. Rob Suttles

OR

Sgt. Tim Nelson



4-29-02

To be known that this is a
legal & binding agreement between
Pennis Ball & Lucius Jones
to lease the farm & house
on Jonathan Creek across the
mountain to Wellwood at
\$1000.00 a month (as is) for
ten years beginning 5-1-2002 - 2012
with the understanding the
lease can be renewed.

X Lucius Jones

X Dennis Ball

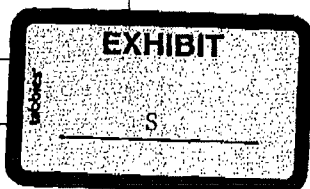
THE ABOVE PERSONS KNOWN TO ME PERSONALLY
APPEARED BEFORE ME AND SIGNED THIS DOCUMENT
THIS 29TH DAY OF APRIL 2002, I GRADY LEATHERWOOD
A NOTARY PUBLIC OF HAYWOOD COUNTY NC. MY
COMMISSION EXPIRES 1-20-2007

X Grady Leatherwood

Notary Public

My Commission Expires

1-20-2007



STATE OF NORTH CAROLINA

File No. 03 SP 120

HAYWOOD

County

FILED

In the General Court of Justice
Superior Court Division
Before The Clerk

IN THE MATTER OF:

2003 MAY - 8 PM 4:44

PETITION FOR ADJUDICATION
OF INCOMPETENCE AND
APPLICATION FOR
APPOINTMENT OF GUARDIAN
 AND INTERIM GUARDIAN

Name And Address Of Respondent

WILLIAM LUCIUS JONES
60 Timothy Lane
Waynesville, NC, 28786

HAYWOOD COUNTY, C.S.C.

BY

G.S. 35A-1105, 35A-1114, 35A-1210

County Of Residence Of Respondent

Age

Haywood

63

Name And Address Of Petitioner

Wm. I. Millar
81 Jefferson
Waynesville, NC, 28786

Name And Address Of Attorney For Petitioner

Wm. I. Millar
144 Montgomery St., Waynesville, NC 28786

County Of Residence Of Petitioner

Telephone No.
456-9582

Telephone No.
456-7353

Haywood

Petitioner's Relationship To Respondent Or Interest In Proceeding

1st Cousin

Respondent Indigent

Jury Trial Requested

Name And Address Of Treatment Facility If Respondent Is An Inpatient In This County

Haywood Regional Medical Center, 262 Leroy George Dr., Clyde, NC 28721

The undersigned, being duly sworn, requests that the Court, after notice and hearing, adjudicate the respondent named above to be incompetent, and also applies for the appointment of the person(s) named below to serve, in the capacity indicated, as guardian(s) of the respondent.

In support of this Petition, the undersigned states:

1. The respondent is a resident of this county domiciled in this county an inpatient in the facility named above or present in this county, it being impossible to determine his county of residence or domicile.

2. The respondent is incompetent in that:

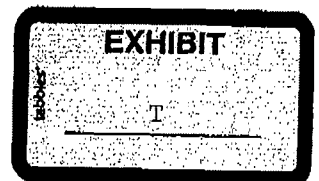
he lacks sufficient capacity to manage his own affairs or to make or communicate important decisions concerning his person, family or property, as shown by the following facts: (Set forth the facts which tend to show that the respondent is incompetent. Include cause of incompetence, which may be mental illness, mental retardation, epilepsy, cerebral palsy, autism, inebriety, senility, disease, injury, or other cause, and give facts demonstrating lack of capacity. Be specific.)

Cerebral Hemorrhage leaving Respondent confused, unable to sit up or walk.
Confused speech.

he was adjudicated incompetent in another state in the proceeding identified below:

(NOTE: Attach certified copy of order to this Petition.)

Date Of Adjudication	State And County	File Or Other ID No.



3. The respondent's next of kin, if any, and other persons known to have an interest in this proceeding are:

Name And Address Billy Jones 203 Dayton Dr. Waynesville, NC 28786		Name And Address Evelyn Jones Ketner 45 Crowfield Rd. Maggie Valley, NC 28751	
County Of Residence Haywood	Telephone No. 926-1778	County Of Residence Haywood	Telephone No. 926-1560
Relationship To Respondent Or Interest In Proceeding 1st Cousin		Relationship To Respondent Or Interest In Proceeding 1st Cousin	
Name And Address Margaret Jones Stamey 70 Stamey Rd. Candler, NC 28715		Name And Address Shirley Jones Myers Oak Park Dr. Clyde, NC 28721	
County Of Residence Buncombe		County Of Residence Haywood	
Telephone No. 667-3809		Telephone No. 627-1360	
Relationship To Respondent Or Interest In Proceeding 1st Cousin		Relationship To Respondent Or Interest In Proceeding 1st Cousin	

4. General statement of respondent's assets and liabilities, including any income and receivables to which he is entitled:

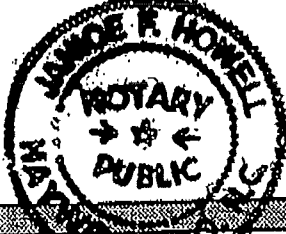
Assets	Liabilities	Income And Receivables
House and Real Property 200+ acre \$223,293	Mortgage Loans \$none	Wages And Salaries \$unk
Tangible Personal Property \$unk	Other Secured Loans \$unk	Rents \$
Other Personal Property \$unk	Unsecured Loans \$unk	Pensions \$
		Allowances \$
		Insurance And Compensation \$
		Other \$

5. The applicant recommends that the guardian(s) be:

Name And Address Of Proposed Guardian Ned Jones 81 Jones Dr. Waynesville, NC 28786	Name And Address Of Proposed Guardian _____ _____
<input type="checkbox"/> Of The Estate <input type="checkbox"/> Of The Person <input checked="" type="checkbox"/> General Guardian	<input type="checkbox"/> Of The Estate <input type="checkbox"/> Of The Person <input type="checkbox"/> General Guardian

MOTION FOR APPOINTMENT OF INTERIM GUARDIAN

The petitioner also moves that the Court appoint an interim guardian because there is reasonable cause, as shown by the following facts, to believe that the respondent is incompetent, and needs an interim guardian to intervene on his behalf prior to the adjudication hearing in that: he is in a condition that constitutes or reasonably appears to constitute an imminent or foreseeable risk of harm to his physical well being and requires immediate intervention. there is or reasonably appears to be an imminent or foreseeable risk of harm to his estate that requires immediate intervention in order to protect the respondent's interest. (Set forth facts, in addition to those above, which demonstrate need for immediate intervention. Be specific.)



VERIFICATION

I, the undersigned petitioner, have read this Petition and state that its contents are true to my own knowledge except those matters stated on information and belief, which I believe are true.

SWORN AND SUBSCRIBED TO BEFORE ME		Date 5/8/03
Date 5/8/03	Signature Of Person Authorized To Administer Oath <i>James R. Howell</i>	Signature Of Petitioner <i>Ned Jones</i>
Title Notary Public	Date Commission Expires 2/2/08	Name Of Petitioner (Type Or Print) Ned Jones

STATE OF NORTH CAROLINA

COUNTY OF HAYWOOD

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT, DIVISION
BEFORE THE CLERK
FILE: 03 SP 120 COUNTY, C.S.C.

BY LA

IN THE MATTER OF:)
)
WILLIAM LUCIUS JONES)

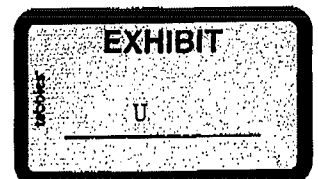
APPLICATION FOR APPOINTMENT
OF GUARDIAN

NOW COMES the undersigned and shows unto the Court the following:

1. That a Notice of Hearing on Incompetence is scheduled for June 2, 2003.
2. That the undersigned Petitioner hereby requests if and in the event that the Court should determine by clear, cogent and convincing evidence that the Respondent William Lucius Jones is incompetent, then the Petitioner requests that the Petitioner, Dennis R. Hall, be appointed as Guardian of the Respondent Jones and shows in support thereof:
 - (a) That he has known Respondent Jones for 27 years.
 - (b) That he has helped to care for Respondent Jones for the last several years.
 - (c) That he is a close personal friend of Respondent Jones.
 - (d) That he is the named beneficiary of his Last Will and Testament.
 - (e) That he has the ability and wherewithal to keep the Respondent Jones in a safe and secure environment, to-wit, his home located off Sulphur Springs Road in Waynesville, and can provide the necessary care and support to manage the health and safety of the Respondent William Lucius Jones, and is an otherwise fit and proper person as defined by law to serve as guardian.
 - (f) That the Petitioner is over 18 years of age and of good character.


WHEREFORE, having fully prayed, the Petitioner seeks:

1. That if and in the event that the Court shall determine by clear, cogent and convincing evidence that William Lucius Jones is incapable of managing his own affairs, that the Court appoint Dennis R. Hall as the Guardian of the person and property of the Respondent Jones.



2. For such other and further relief as the Court may deem just and proper.

This the 4th day of May, 2003.


McLEAN LAW FIRM, P.A.

Russell L. McLean III
Attorney for Petitioner
244 North Main Street
Waynesville, North Carolina 28786
(828) 452-2896

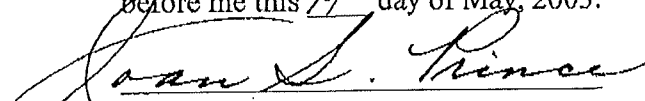
STATE OF NORTH CAROLINA

COUNTY OF HAYWOOD

DENNIS R. HALL, being first duly sworn, upon his oath, deposes and says:
That he is the Petitioner in the foregoing action and as such has read or heard read the foregoing
Application for Appointment of Guardian Ad Litem; that the same is true of his own knowledge
except as to matters and things therein stated upon information and belief, and as to those matters
he believes it to be true.

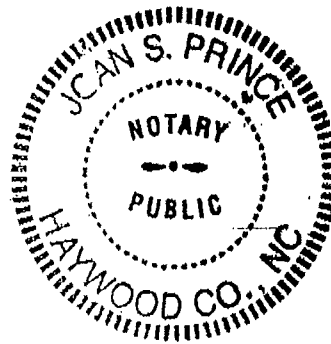

DENNIS R. HALL

SWORN TO and SUBSCRIBED
before me this 14th day of May, 2003.


Notary Public

My commission expires:

7-9-7



CERTIFICATE OF SERVICE

This is to certify that I have this day served:

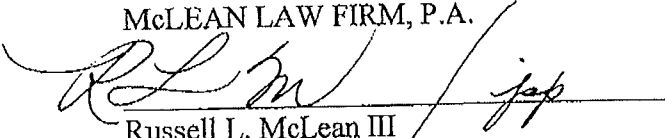
William I. Millar, Esq.
Attorney for Petitioner Ned Jones
144 Montgomery Street
Waynesville, North Carolina 28786

T. Michael Jordan
Attorney for Guardian Ad Litem
154 North Main Street
Waynesville, North Carolina 28786

with a copy of Application for the Appointment of Guardian by depositing same in the United States mail with adequate postage thereon.

This 7th day of May, 2003.

McLEAN LAW FIRM, P.A.


Russell L. McLean III
244 North Main Street
Waynesville, North Carolina 28786
(828) 452-2896

STATE OF NORTH CAROLINA

File No.

03 SP 120

HAYWOOD County

FILED

In The General Court Of Justice
Superior Court Division
Before The Clerk

IN THE MATTER OF:

2003 MAY 16 AM 10:02

Name Of Respondent(s)

WILLIAM LUCIUS JONES

HAYWOOD COUNTY, NC

ORDER ON MOTION FOR
APPOINTMENT OF
INTERIM GUARDIAN

BY

G.S. 35A-1114

A hearing on the petitioner's Motion for the Appointment of an Interim Guardian was held before me on this day. From the evidence presented at the hearing, the Court makes the following specific findings of fact:

(Set forth facts which support conclusion that grounds for immediate intervention exist.)

That Respondent is unable to care for himself due to a stroke. That this Court is advised that he no longer needs acute hospital care and is ready for immediate transfer to a long term healthcare facility.

- 1. Based on these specific findings of fact, the Court concludes that there is reasonable cause to believe that the respondent is incompetent, and that:
 - a. the respondent is in a condition that constitutes or reasonably appears to constitute an imminent or foreseeable risk of harm to the respondent's physical well-being, and there is immediate need for a guardian to provide consent or take other steps to protect the respondent.
 - b. there is or reasonably appears to be an imminent or foreseeable risk of harm to the respondent's estate, and immediate intervention is required in order to protect the respondent's interest.
- 2. The Court does not find that grounds exist for the appointment of an interim guardian.

It is ORDERED that:

- 1. the person named below is appointed interim guardian of the person estate for the respondent. Upon qualifying, the interim guardian shall have the powers and duties specifically set forth below. These powers and duties shall extend only so long as is necessary to meet the condition necessitating this appointment. In any event, this interim guardianship shall terminate on the earliest of the following: the expiration date specified below, if any; 45 days from the date of this Order; when any guardian is appointed following an adjudication of incompetence; or when the petition in this case is dismissed by the Court.
- 2. the motion for the appointment of an interim guardian is denied.

Name And Address Of Interim Guardian

Dennis Hall
1326 Jonathan Creek Road , Waynesville, NC 28786

Relationship To Respondent

NONE

Telephone No.

(828) 506-4079

Powers And Duties Of Interim Guardian

Admit Respondent to a long-term healthcare facility as arranged by Haywood Regional Medical Center personnel in discretion of the attending physician.

Date Of Order

05-16-2003

Signature

Expiration Date

06-02-2003

Assistant CSC

Clerk Of Superior Court

EXHIBIT

STATE OF NORTH CAROLINA

File No.

03--E-219

HAYWOOD County

In The General Court Of Justice
Superior Court Division
Before the Clerk

IN THE MATTER OF THE ESTATE OF:

Name Of Ward

WILLIAM LUCIUS JONES

LETTERS OF APPOINTMENT
GUARDIAN OF THE ESTATE

Incompetent Person

Minor

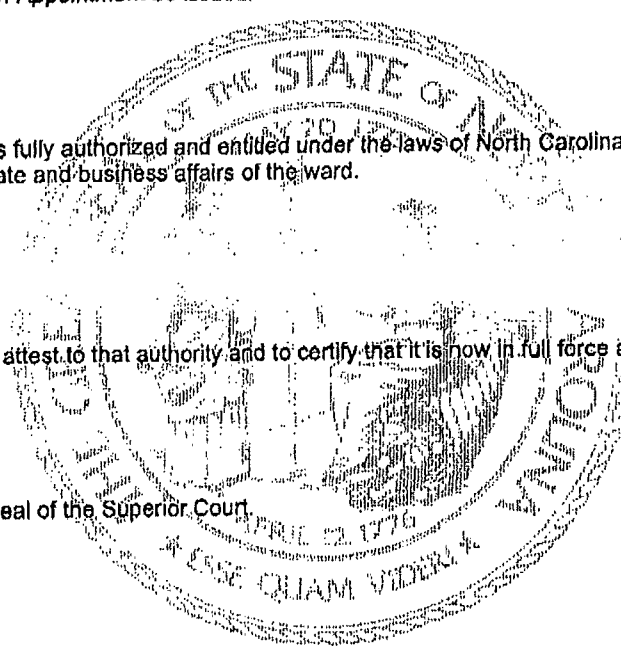
G.S. 35A-1203, -1206, -1251; 34-2.1

The Court in the exercise of its jurisdiction for the appointment of guardians of incompetent persons and minors, and upon proper application, has appointed the person named below as Guardian of the Estate of the ward named above and has ordered that these Letters Of Appointment be issued.

The guardian of the estate is fully authorized and entitled under the laws of North Carolina to receive, manage and administer the property, estate and business affairs of the ward.

These Letters are issued to attest to that authority and to certify that it is now in full force and effect.

Witness my hand and the Seal of the Superior Court



Name And Address Of Guardian Of The Estate
SAM M UNDERWOOD, CPA
154 N MAIN
WAYNESVILLE, NC 28786

Date Of Qualification

06-24-2003

Clerk Of Superior Court

JUNE L. RAY

EX OFFICIO JUDGE OF PROBATE

SEAL

Date Of Issuance

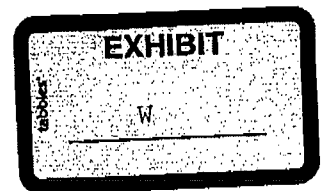
05-10-2006

Signature

Tammi G. Lowe

Deputy CSC

Assistant CSC



STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

FILED IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
BEFORE THE CLERK

2007 MAY -1 P 3: 39 FILE NO. 03-SP-285

07SP135

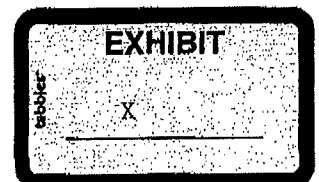
HAYWOOD COUNTY, C.S.C.
IN THE MATTER OF THE ESTATE
OF WILLIAM LUCIUS JONES,
INCOMPETENT BY _____

**PETITION BY GUARDIAN OF THE
ESTATE TO SELL REAL PROPERTY
BELONGING TO THE WARD**

Now comes Sam M. Underwood, the duly appointed and acting Guardian of the Estate of William Lucius Jones, and respectfully shows the Court:

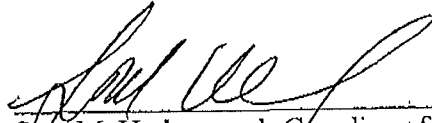
1. That the cash assets of the Estate as reported by your Guardian of the Estate have been substantially depleted by the payment of hospital and medical bills for services rendered to his Ward, and only \$13,592.50 remains on hand;
2. That approximately \$3,000 - \$3,500 is required each month to pay nursing care for his Ward;
3. That other bills accrue, including ad valorem taxes, other medical bills, legal fees, and court costs;
4. That his Ward's monthly income from all sources is \$1,133.10;
5. That based upon the foregoing the cash assets will be exhausted in about 4 months, at which time his Ward is likely to become a charge upon the County's welfare roll;
6. That his Ward owns a parcel of real property in Haywood County, namely, 207.2 acres of farmland, pastureland, and mountain land (PIN 8607-42-9859) stretching from Jonathan Creek Valley over a mountain to Dellwood Road which has a tax valuation of \$731,190; the Jonathan Creek property is desirable and highly marketable, particularly those acres adjacent to the farm of Dick Medford; that none of this property is being effectively utilized to produce income.

WHEREFORE, your Guardian of the Estate petitions the Court to find that a sale of 22.091 acres (legal description and plat attached) of the Ward's property on Jonathan Creek, Waynesville, NC (portion of PIN 8607-42-9859) by the Guardian of the Estate is in the best interests of the Ward and that the Court order a sale of said Jonathan Creek property at public or private sale upon such terms as may be most advantageous to his



Ward, such sale to be conducted as provided by Article 29A of Chapter 1 of the General Statutes.

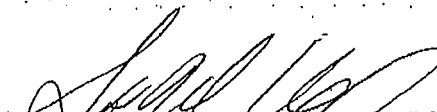
This the 1st day of May, 2007.



Sam M. Underwood, Guardian of the Estate
of William Lucius Jones, Incompetent

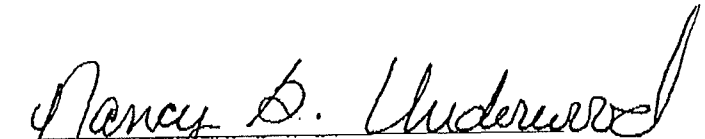
NORTH CAROLINA
HAYWOOD COUNTY

Sam M. Underwood, being first duly sworn, deposes and say that he is the duly appointed and acting Guardian of the Estate of William Lucius Jones, Incompetent; that he has read the foregoing Petition by Guardian of the Estate to Sell Real Property Belonging to the Ward; that the contents thereof are true of his own knowledge, except as to matters stated on information and belief, and as to those matters he believes them to be true.



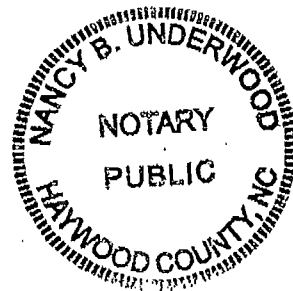
Sam M. Underwood, Guardian of the Estate
of William Lucius Jones, Incompetent

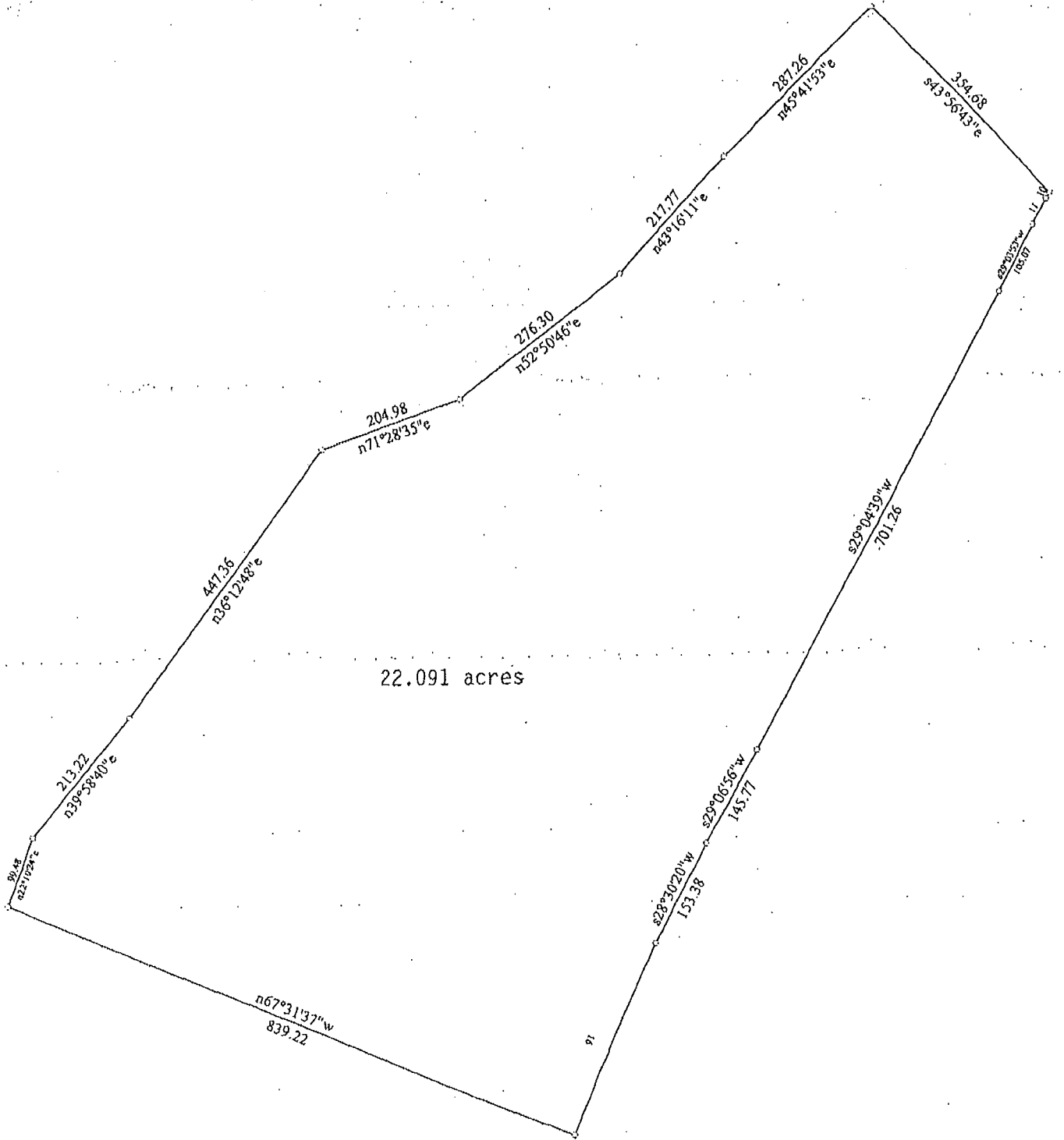
Sworn to and subscribed before me, this 1 day of May, 2007.



Notary Public

My Commission Expires: 5-23-2011





Title: Lucius Jones J Creek		Date: 05-01-2007
Scale: 1 inch = 200 feet	File: Lucius Jones J Creek.des	

WILLIAM LUCIUS JONES property on Jonathan Creek Road

EXHIBIT "A"

BEGINNING at an iron stake set (being a metal fence post) at the Western right-of-way of Jonathan Creek Road (U.S. Hwy. 276) which iron stake lies North 17-12-52 East 98.39 feet from NCGS Monument "TRIT" (NCGS Monument "MULE" lies North 28-55-44 East 2,988.07 feet from "TRIT") and runs North 67-31-37 West 839.22 feet (passing through a new iron stake [metal fence post] at 793.82 feet) to a point in the center of Jonathan Creek; thence with Jonathan Creek, as it meanders, seven calls: (1) North 22-10-24 East 99.48 feet, (2) North 39-58-40 East 213.22 feet, (3) North 36-12-48 East 447.36 feet, (4) North 71-28-35 East 204.98 feet, (5) North 52-50-46 East 276.30 feet, (6) North 43-16-11 East 217.77 feet, and (7) North 45-41-53 East 287.26 feet to a point on the Northern edge of a steel and timber bridge spanning the creek, being the Westmost corner of the Thomas Bryan Medford lot described in Deed Book 327 at Page 50; thence with the Southerly margin of that Lot and his adjoining Lot described in Deed Book 419 at 1163, and a tract belonging to John Michael Medford (461/82) South 43-56-43 East 354.68 feet (running generally along Pitts Drive) to an iron pin set in the Westerly margin of the right-of-way of Jonathan Creek Road where Potts Drive intersects with said Road; thence with said right-of-way seven calls: (1) South 29-03-53 West 10.12 feet to the South edge of Potts Drive; (2) continuing South 29-03-53 West 41.23 feet, crossing a 40-foot Drainage Easement belonging to the N.C.D.O.T. as described in Deed Book 238, Page 596, said easement running parallel with Potts Drive, (3) continuing South 29-03-53 West 105.07 feet to a concrete R/W Monument; (4) South 29-04-39 West 701.26 feet to another concrete R/W Monument, (5) South 29-06-56 West 145.77 feet, (6) South 28-30-20 West 153.38 feet, and (7) a curve to the left (Radius 2,661.48 feet a linear distance of 286.88 feet (Chord South 24-17-56 West 286.74 feet) to the BEGINNING, containing 22.091 acres, per survey and plat of L. Kevin Ensley, PLS, dated March 23, 2007, entitled "Survey for William Lucius Jones" and identified as Job B-005-07.

SUBJECT TO the aforesaid USDOT Drainage Easement and the easement for Potts Drive as the same exists, and the rights of various persons, if any, to take water from Jonathan Creek.

This property is located within a Flood Zone.

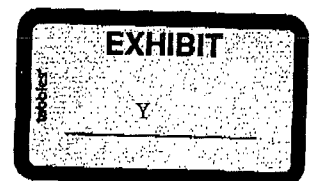
Reference: Will Book 4 Page 431; Deed Book 75 Page 184 Tract 1; Deed Book 122, Page 637

ORDER ALLOWING SALE OF LAND
BY GUARDIAN OF THE ESTATE

This matter coming on to be heard and being heard before the Clerk upon the Petition of the Guardian of the Estate to sell real property belonging to the Ward, the Clerk, upon satisfactory proof, makes the following

FINDINGS OF FACT

1. The Ward's personal estate has been substantially consumed by nursing, hospital and medical bills to the point where only \$13, 592.50 remains;
2. Taxes, other medical bills, legal and court expense will require approximately \$5 - 10,000.00 additionally;
3. Continuing nursing care runs \$3,000 -3,500 per month;
4. The Ward's monthly income is \$1,133.10;
5. That the Ward owns a parcel of real property in Haywood County, namely 207.2 acres of farmland, pastureland, and mountain land (PIN 8607-42-9859) stretching from Jonathan Creek Valley over a mountain to Dellwood Road which has a tax valuation of \$731, 190; the Jonathan Creek property is desirable and highly marketable, particularly those acres adjacent to the farm of Dick Medford; that none of this property is being effectively utilized to produce income.
6. The Ward's estate will be exhausted in about four months and the Ward will become a charge upon the welfare roll of Haywood County unless some of the Ward's real property is sold.

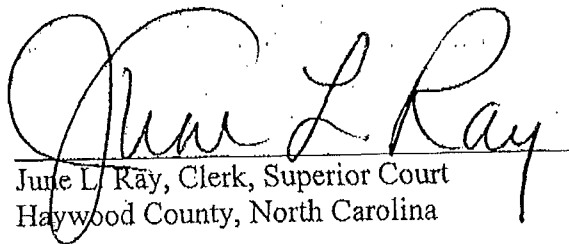


Based upon the foregoing Findings of Fact, the Clerk enters the following.

ORDER OF SALE

A. That the Guardian of the Estate sell at public auction or private sale the Jonathan Creek property, more particularly described in Exhibit "A" attached hereto, to provide funds for the care and maintenance of his Ward; that if sold as a public sale such sale shall be held as a public auction, and conducted as provided by Article 29A of Chapter 1 of the General Statutes.

This the 1 day of May, 2007


June L. Ray, Clerk, Superior Court
Haywood County, North Carolina

2007 AUG 14 P 5:16 In the General Court of Justice

HAYWOOD COUNTY

HAYWOOD COUNTY, C.S.C.

In the matter of the Estate of William Lucious Jones, incompetent

BY JLR ORDER OF CONFIRMATION OF SALE

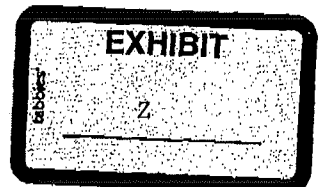
This matter coming on upon the Petition of the Guardian of the Estate of William Lucious Jones to sell real property of the Ward to provide funds for his care and upkeep; and upon the Order of the Clerk of Superior Court of Haywood County permitting such sale, and after due advertisement of the sale, a public auction was held on the premises on June 2, 2007 at which time and place the advertised parcel of land containing 22.091 acres lying along Jonathan Creek was sold to the highest bidder as set forth in the Report of Sale dated June 4, 2007, as filed herein; that thereafter several upset bids were filed with the Clerk of Court; that the last and highest upset bid is that of Haywood County, a body politic, in the amount of \$1,114,921.50; that said bid of Haywood County lay open for 10 days without additional upset bid and thus is the Final Bid.

NOW THEREFORE, pursuant to North Carolina General Statute 1-339.28, said Clerk of Superior Court finds that the sale is in the best interests of the Incompetent and does hereby CONFIRM said sale to Haywood County;

AND WHEREAS this matter has been reviewed by the Resident Superior Court Judge, who finds that the sale is in the best interests of the Incompetent and does hereby CONFIRM said sale to Haywood County.

June L. Ray
June L. Ray, Clerk Superior Court
Haywood County, North Carolina
Date: August 14, 2007

J. Marlene Hyatt
J. Marlene Hyatt, Senior Resident Superior
Court Judge for Judicial District 30B
Date: August 14, 2007



TRANSFER MADE ON RECORD

Date 8-31-07

By SB
8607-42-9859



2007666051
HAYWOOD CO, NO FEE \$23.00
STATE OF NC REAL ESTATE EXTX
\$2230.00

RECORDED & RECEIVED:
08-31-2007 11:37:27 AM

AMY R. MURRAY
REGISTER OF DEEDS
BY AMY MURRAY
REGISTER OF DEEDS

BK: RB 715
PG: 657-860

HAYWOOD COUNTY TAX CERTIFICATION

There are no delinquent taxes due that are a lien against parcel number(s) 8607-42-9859

David B. Francis, Haywood County Tax Collector

Date: 8/31/07 By: [Signature]

Excise Tax \$2,230.00

Tax Lot No. 8607-42-9859 Parcel Identifier No. _____
Verified by _____ County on the _____ day of _____, 20____
by _____

Mail after recording to Leon M. Kilian, P.O. Box 30518, Raleigh, NC 27622-0519
This instrument was prepared by William I. Miller
Brief Description for the index 22.091 acres Jonathan Creek

NORTH CAROLINA NON-WARRANTY DEED

THIS DEED made August 30, 2007 by and between _____

GRANTOR

WILLIAM LUCIUS JONES, by and through
SAM M. UNDERWOOD, the duly appointed and
Acting Guardian of the Estate of WILLIAM
LUCIUS JONES, an incompetent adult

GRANTEE

HAYWOOD COUNTY,
a body politic (a subdivision of the State of North
Carolina), whose address is:
215 N. Main Street
Waynesville, NC 28788

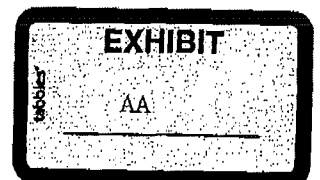
Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g., corporation or partnership.

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 Ivy Hill Township, Haywood County, North Carolina and more particularly described as follows:

See Exhibit A attached hereto and made a part hereof by reference incorporated herein as if fully set forth.

Exhibit B



This deed is made pursuant to an Order of Confirmation executed by the Clerk of Superior Court of Haywood County and executed by the Senior Resident Superior Court Judge for Judicial District 30-B in the matter of the Real Property of William Lucius Jones File No. 07-SP-135 where in SAM M. UNDERWOOD was authorized by the Clerk of Superior Court on May 1, 2007, to make the sale of the property described herein; that the sale was duly advertised for sale, that the sale was by public auction on June 2, 2007, that the final high bidder was Haywood County at the sum of \$1,114,921.50.

The property hereinabove described was acquired by Grantor by instrument recorded in Book _____ page _____.

A map showing the above described property is recorded in Book _____, page _____.

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.

The Grantor makes no warranty, express or implied, as to title to the property hereinabove described. IN WITNESS WHEREOF, the Grantor has caused this instrument to be duly executed and delivered.

(Entity Name)

William Lucius Jones
WILLIAM LUCIUS JONES (SEAL)

By: _____
Title: _____

Sam M. Underwood, Guardian
By: Sam M. Underwood (SEAL)
Guardian of the Estate of William Lucius Jones, Incompetent

By: _____
Title: _____

(SEAL)

By: _____
Title: _____

(SEAL)

State of North Carolina - County of HAYWOOD

I, the undersigned Notary Public of the County and State aforesaid, certify that SAM M. UNDERWOOD, Guardian of the Estate of William Lucius Jones, Incompetent, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purpose therein expressed. Witness my hand and Notarial stamp or seal this 30th day of AUGUST, 2007.

My Commission Expires: 08-02-2011

Notary Public

William I. Millar
Notary Public
Haywood County, NC

State of North Carolina - County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that he/she is the _____ of _____ a North Carolina or _____ corporation/limited liability company/general partnership/limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity, he/she signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

CORRECTION

AOC-DMS-9
New 8/89

This deed is made pursuant to an Order of Confirmation executed by the Clerk of Superior Court of Haywood County and executed by the Senior Resident Superior Court Judge for Judicial District 30-B in the matter of the Real Property of William Lucius Jones File No. 07-SP-135 where in SAM M. UNDERWOOD was authorized by the Clerk of Superior Court on May 1, 2007, to make the sale of the property described herein; that the sale was duly advertised for sale, that the sale was by public auction on June 2, 2007, that the final high bidder was Haywood County at the sum of \$1,114,921.50.

The property hereinabove described was acquired by Grantor by instrument recorded in Book _____ page _____.

A map showing the above described property is recorded in Book _____, page _____.

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.

The Grantor makes no warranty, express or implied, as to title to the property hereinabove described. IN WITNESS WHEREOF, the Grantor has caused this instrument to be duly executed and delivered.

(Entity Name)
By: _____
Title: _____
By: _____
Title: _____
By: _____
Title: _____

William Lucius Jones
WILLIAM LUCIUS JONES (SEAL)
Sam M. Underwood
By: Sam M. Underwood (SEAL)
Guardian of the Estate of William
Lucius Jones, Incompetent

(SEAL)

(SEAL)

State of North Carolina - County of Haywood

I, the undersigned Notary Public of the County and State aforesaid, certify that SAM M. UNDERWOOD, Guardian of the Estate of William Lucius Jones, Incompetent, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purpose therein expressed. Witness my hand and Notarial stamp or seal this 20th day of AUGUST, 2007.

My Commission Expires: 08-02-2011

William I. Miller
Notary Public
Haywood County, NC

Notary Public
State of North Carolina - County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that he/she is the _____ of _____ a North Carolina or _____ corporation/limited liability company/general partnership/limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity, he/she signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

State of North Carolina - County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that

Witness my hand and Notarial stamp or seal this _____ day of _____, 20____.

My Commission Expires: _____

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 FILED IN THE GENERAL COURT OF JUSTICE
COUNTY OF HAYWOOD 08 MAY 23 AM 11:51 SUPERIOR COURT DIVISION
08 CVS 51
HAYWOOD COUNTY C.S.C.

HAYWOOD COUNTY, NORTH CAROLINA AND WILLIAM LUCIUS JONES, BY HIS GUARDIAN, SAM UNDERWOOD,
Plaintiffs,
vs.
GREGORY TODD FERGUSON,
Defendant.

PLAINTIFFS' REPLY TO DEFENDANT'S COUNTERCLAIMS

Plaintiffs Haywood County, North Carolina ("Haywood County"), and William Lucius Jones, incompetent, by guardian of his estate, Sam Underwood ("Jones") (collectively, "Plaintiffs"), replying to and answering the allegations contained in the Answer, Counterclaims and Demand for Trial by Jury of Defendant Gregory Todd Ferguson ("Ferguson" or "Defendant"), allege and say as follows:

**RESPONSE TO COUNTERCLAIMS
(Parties and Jurisdiction)**

1. Paragraph 1 is admitted.
2. Paragraph 2 is admitted.
3. Paragraph 3 is admitted.
4. Paragraph 4 is admitted.
5. Paragraph 5 is admitted.
6. Plaintiffs are without knowledge or information sufficient to form a belief as to the truth of Paragraph 6, and therefore it is denied.
7. Paragraph 7 is admitted.

8. Paragraph 8 is admitted.
9. Paragraph 9 is admitted.
10. Paragraph 10 is admitted.

**RESPONSE TO COUNTERCLAIMS
(General Factual Allegations)**

11. In response to the allegations contained in Paragraph 11, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 10 of this Reply to Defendant's Counterclaims, as set forth above.

12. Taking into account the Defendant's Response to Plaintiff's [*sic*] Motion For More Definite Statement, filed with the Court on May 19, 2008, whereby the Defendant stated in paragraph 3 on page 1 that "[t]he defined term "Lease Agreement" contained in paragraph 12 on page 5 of Defendant's Answer, Counterclaims, & Demand for Trial By Jury pleading, filed March 19, 2008 (hereinafter referred to as 'Answer & Counterclaims'), consists of those portions of Exhibit C which are marked by the Register of Deeds as 'Book 502 Page 203' through 'Book 502 Page 209', inclusive", Paragraph 12 is denied, except that Plaintiffs admit to the existence of a document titled "Lease Agreement" which purports to be entered into between Jones and Ferguson on or about September 5, 2001. Upon information and belief, a complete copy of this document in its entirety is attached to Plaintiffs' Complaint as Exhibit C.

13. Taking into account the Defendant's Response to Plaintiff's [*sic*] Motion For More Definite Statement, filed with the Court on May 19, 2008, whereby the Defendant stated in paragraph 4 of page 1 that "[t]he defined term "Future Interest Instrument" contained in paragraph 13 on page 5 of Defendant's Answer & Counterclaims consists of that portion of Exhibit C which is marked by the Register of Deeds as 'Book 502 Page 209'", Paragraph 13 is denied.

14. Paragraph 14 is denied, except that Plaintiffs admit that a document described by the register of deeds as "Lease" was recorded in the Haywood County Registry commencing at Book 502, Page 203.

15. Plaintiffs are without knowledge or information sufficient to form a belief as to the truth of Paragraph 15, and therefore Paragraph 15 is denied.

16. Paragraph 16 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 16 is denied.

17. Plaintiffs deny the assertion that the Deed was only "purportedly" conveyed. Plaintiffs admit the remainder of Paragraph 17.

18. Paragraph 18 is admitted.

19. Paragraph 19 is denied.

20. Paragraph 20 is denied.

**RESPONSE TO COUNTERCLAIM I
(Declaratory Judgment)**

21. In response to the allegations contained in Paragraph 21, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 20 of this Reply to Defendant's Counterclaims, as set forth above.

22. Paragraph 22 is admitted.

23. Paragraph 23 is admitted.

**RESPONSE TO COUNTERCLAIM II
(Action to Establish Validity of Deed)**

24. In response to the allegations contained in Paragraph 24, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 23 of this Reply to Defendant's Counterclaims, as set forth above.

25. Paragraph 25 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 25 is denied.

26. Paragraph 26 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 26 is denied.

27. Paragraph 27 is denied, except that Plaintiffs are without knowledge or information sufficient to form a belief as to whether any instrument purporting to convey a future interest was duly executed.

28. Plaintiffs are without knowledge or information sufficient to form a belief as to the truth of Paragraph 28, and therefore Paragraph 28 is denied.

29. Paragraph 29 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 29 is denied.

30. Paragraph 30 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 30 is denied.

31. Paragraph 31 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 31 is denied.

32. Paragraph 32 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 32 is denied.

**RESPONSE TO COUNTERCLAIM III
(Action to Quiet Title)**

33. In response to the allegations contained in Paragraph 33, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 32 of this Reply to Defendant's Counterclaims, as set forth above.

34. Paragraph 34 is denied.

35. Paragraph 35 is denied, except that Plaintiff Haywood County admits that its Non-Warranty Deed is adverse to Defendant's alleged interest in the Property described in Exhibit A to Plaintiffs' Complaint ("Property"), and admits that Defendant's alleged interest in the Property is a cloud upon Plaintiff Haywood County's interest and title to the Property.

**RESPONSE TO COUNTERCLAIM IV
(Reformation of North Carolina Non-Warranty Deed)**

36. In response to the allegations contained in Paragraph 36, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 35 of this Reply to Defendant's Counterclaims, as set forth above.

37. Paragraph 37 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 37 is denied.

38. Plaintiffs object to Paragraph 38, because Defendant has failed to identify a time period or identify specific dates in the allegation, and therefore Plaintiffs are without knowledge or information sufficient to respond. To the extent a response is required, Paragraph 38 is denied.

39. Plaintiffs object to Paragraph 39, because Defendant has failed to identify a time period or identify specific dates in the allegation, and therefore Plaintiffs are without knowledge or information sufficient to respond. To the extent a response is required, Paragraph 39 is denied.

40. Paragraph 40 is denied, except that Plaintiffs admit that Haywood County entered into a North Carolina Non-Warranty Deed on August 30, 2007.

41. Paragraph 41 is denied.

42. Paragraph 42 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 42 is denied.

**RESPONSE TO COUNTERCLAIM V
(Constructive/Resulting Trust)**

43. In response to the allegations contained in Paragraph 43, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 42 of this Reply to Defendant's Counterclaims, as set forth above.

44. Plaintiff Haywood County admits that it gained a fee simple interest in the Property by way of the August 30, 2007 Non-Warranty Deed. All contrary allegations contained in Paragraph 44 are denied.

45. Paragraph 45 is denied.

46. Paragraph 46 is denied.

**RESPONSE TO COUNTERCLAIM VI
(Breach of Contract)**

47. In response to the allegations contained in Paragraph 47, Plaintiffs restate and incorporate herein by reference their responses to Paragraphs 1 through 46 of this Reply to Defendant's Counterclaims, as set forth above.

48. Paragraph 48 calls for a legal conclusion and therefore no response is required. To the extent a response is required, Paragraph 48 is denied.

49. Paragraph 49 is denied.

50. Paragraph 50 is denied, except that Plaintiffs admit, upon information and belief, that the tax value of the tract of the Property, which is described in Exhibit A to Plaintiffs' Complaint and described by Defendant as the "Dairy Farm", is in excess of \$700,000 and the 22-Acre portion purchased by Plaintiff Haywood County sold for more than \$1,100,000.

51. No response is required for Paragraph 51.

FIRST AFFIRMATIVE DEFENSE

FOR A FIRST FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that pursuant to the terms of the Second Lease (including, as more fully set forth in the Amended Complaint: the Lease, the General Agreement, and the Notice of Lease), Ferguson's breach of the Second Lease resulted in the termination of any right, title, or interest conveyed by the Second Lease, including any purported future interest conveyed by the Future Interest Instrument.

SECOND AFFIRMATIVE DEFENSE

FOR A SECOND FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that there was no meeting of the minds between Plaintiff Jones and Defendant Ferguson regarding the character of the three components of the Second Lease, and there was no meeting of the minds regarding the nature and scope of the interest transferred or purportedly transferred by the execution of these components of the Second Lease.

THIRD AFFIRMATIVE DEFENSE

FOR A THIRD FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that Defendant Ferguson gave insufficient or no consideration in exchange for any purported transfer of interest in the Property purportedly conveyed by the Second Lease.

FOURTH AFFIRMATIVE DEFENSE

FOR A FOURTH FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that any future interest in the Property purportedly conveyed to Defendant pursuant to the Second Lease was fraudulently obtained or obtained through misrepresentation.

FIFTH AFFIRMATIVE DEFENSE

FOR A FIFTH FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that the instruments comprising the Second Lease were not acknowledged, were improperly recorded and

were improperly registered, and therefore they did not provide effective notice against Plaintiff Haywood County, a purchaser for value.

SIXTH AFFIRMATIVE DEFENSE

FOR A SIXTH FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that Defendant Ferguson exerted undue influence on Jones or coerced Jones to procure his signature on the Second Lease.

SEVENTH AFFIRMATIVE DEFENSE

FOR A SEVENTH FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that any purported future interest conveyed by the Future Interest Instrument fails as it does not meet the proper legal requirements or formalities required for a will under North Carolina law.

EIGHTH AFFIRMATIVE DEFENSE

FOR AN EIGHTH FURTHER ANSWER AND DEFENSE, Plaintiffs allege and say that Plaintiffs reserve the right to assert additional affirmative defenses as may be disclosed during the course of discovery in this action.

WHEREAS, the Plaintiffs pray that this Court enter relief as follows:

1. a declaratory judgment that Defendant has no present or future right, title or interest to the Property under the Second Lease or otherwise;
2. a declaratory judgment that the ownership of Plaintiffs in their respective portions of the Property is free and unencumbered by any right, title, interest or claims of Defendant;
3. an award of actual damages to the Jones' estate in an amount to be proven at trial for the costs of bringing this action to quiet title to the Property;

4. an award of punitive damages to both Plaintiffs in an amount to be proven at trial to punish and deter the reprehensible and outrageous conduct of the Defendant; and

5. an order granting the Plaintiffs such other and further relief as the Court deems just and proper.

Respectfully submitted, this the 22nd day of May, 2008.

By: Michael Jordan / by RJH
T. Michael Jordan
NC Bar No. 6697
154 N. Main Street, Suite 1
Professional Building
Waynesville, NC 28786

Attorney for Plaintiff William Lucius Jones, by his Guardian,
Sam Underwood

NELSON MULLINS RILEY & SCARBOROUGH LLP

By: [Signature]
Leon M. Killian
NC Bar No. 2526
E-Mail: chip.killian@nelsonmullins.com
Reed J. Hollander
NC Bar No. 23405
E-Mail: reed.hollander@nelsonmullins.com
4140 Parklake Avenue / GlenLake One
Second Floor
Raleigh, NC 27612
(919) 877-3800

Attorneys for the Plaintiff Haywood County, North Carolina

CERTIFICATE OF SERVICE

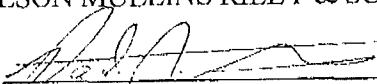
The undersigned hereby certifies that he has served a copy of the foregoing **PLAINTIFFS' REPLY TO DEFENDANT'S COUNTERCLAIMS** upon counsel of record by facsimile and by mailing a true copy thereof, through the United States Mail, first class, postage prepaid, on this the 22nd day of May, 2008, addressed as follows:

FILED
03 MAY 23 AM 11:51
HAYWOOD COUNTY N.C.

Jeff D. Jones
232 North Main Street
Waynesville, NC 28786
Facsimile: (828) 452-2234

Russell L. McLean, III
244 North Main Street
Waynesville, NC 28786
Facsimile: (828) 452-5968

NELSON MULLINS RILEY & SCARBOROUGH LLP

By: 

Leon M. Killian
NC Bar No. 2526
E-Mail: chip.killian@nelsonmullins.com
Reed J. Hollander
NC Bar No. 23405
E-Mail: reed.hollander@nelsonmullins.com
4140 Parklake Avenue / GlenLake One
Second Floor
Raleigh, NC 27612
(919) 877-3800

Attorneys for the Plaintiff Haywood County, North Carolina

FILED

STATE OF NORTH CAROLINA
HAYWOOD COUNTY IN THE GENERAL COURT OF JUSTICE
COUNTY OF HAYWOOD BY 10 Sam 5/19/08 SUPERIOR COURT DIVISION
08 CVS 51

HAYWOOD COUNTY, NORTH
CAROLINA AND WILLIAM LUCIUS
JONES, BY HIS GUARDIAN, SAM
UNDERWOOD,

Plaintiffs,

CONSENT ORDER

vs.

GREGORY TODD FERGUSON,

Defendant.

THIS CAUSE was heard by the undersigned Superior Court Judge on motion of Plaintiffs for an order requiring a more definite statement of the Counterclaims. It appears to the Court that counsel for Plaintiffs and Defendant announced in open Court that the parties have consented to the entry of this Consent Order.


IT IS THEREFORE ORDERED by and with the consent of counsel for the parties that Defendant, within twenty (20) days hereafter, make a more definite statement of the claims alleged in his Counterclaims by providing Plaintiffs with specificity as to which pages or parts of Exhibit C are included in his definition of the "Lease Agreement" and which pages or parts of Exhibit C are included in his definition of the "Future Interest Instrument".

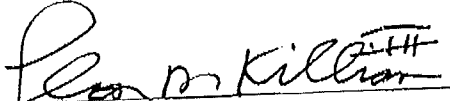
This the 19th day of May, 2008.




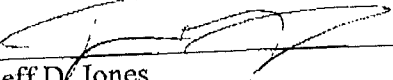
Superior Court Judge Presiding

CONSENTED TO ON BEHALF OF
THE PARTIES BY:


T. Michael Jordan
Attorney for Plaintiff, William Lucius
Jones, by his Guardian, Sam Underwood


Leon M. Killian, III
Attorney for Haywood County,
North Carolina


Russell L. McLean, III
Attorney for Defendant, Gregory Todd
Ferguson


Jeff D. Jones
Attorney for Defendant, Gregory Todd
Ferguson

STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
File No. 08 CVS 51

HAYWOOD COUNTY, NORTH
CAROLINA and WILLIAM LUCIUS
JONES, by his guardian, SAM
UNDERWOOD,

Plaintiffs,

v.

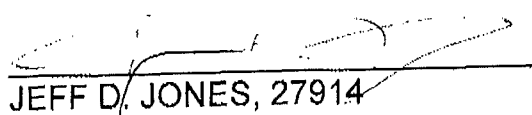
GREGORY TODD FERGUSON,

Defendant.

CERTIFICATE OF SERVICE

FILED
08 MAY 19 PM 1:17
HAYWOOD COUNTY, N.C.
BY _____

The undersigned hereby certifies that **Defendant's Response to Plaintiff's Motion for More Definite Statement** was served upon each Plaintiff by personally handing a copy of the same to Plaintiff Haywood County's attorney, Leon M. Killian, III, and by also personally handing a copy of the same to Plaintiff Jones' attorney, T. Michael Jordan, this the 19th day of May, 2008. A copy of this Certificate of Service was also mailed to opposing counsel this same day.



JEFF D. JONES, 27914
Attorney for Defendant
232 North Main Street
Waynesville, North Carolina 28786
Tel: (828) 452-2220

FILED
 09 MAY 19 AM 9:51
 HAYWOOD COUNTY C.S.C.

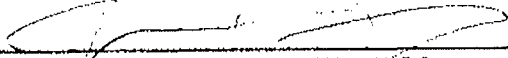
HAYWOOD COUNTY, NORTH)
 CAROLINA and WILLIAM LUGIUS)
 JONES, by his guardian, SAM)
 UNDERWOOD,)
)
 Plaintiffs,)
)
 v.)
)
 GREGORY TODD FERGUSON,)
)
 Defendant.)

**DEFENDANT'S RESPONSE TO
 PLAINTIFF'S MOTION
 FOR MORE DEFINITE STATEMENT**

COMES NOW Defendant, by and through counsel, and, in response to Plaintiff's Motion for More Definite Statement, filed May 1, 2008, hereby states as follows:

1. A copy of Plaintiffs' Exhibit C – which is attached to Plaintiff's Verified Complaint for Declaratory Judgment – is attached hereto as **Exhibit 1**, which is hereby incorporated herein by this reference.
2. The pages which comprise Exhibit C have book and page numbers at the margin which were, upon information and belief, placed upon the original, recorded documents by the Office of the Register of Deeds of Haywood County at the time of recording.
3. The defined term "Lease Agreement" contained in paragraph 12 on page 5 of Defendant's Answer, Counterclaims, & Demand for Trial By Jury pleading, filed March 19, 2008 (hereinafter referred to as "Answer & Counterclaims"), consists of those portions of Exhibit C which are marked by the Register of Deeds as "Book 502 Page 203" through "Book 502 Page 208", inclusive.
4. The defined term "Future Interest Instrument" contained in paragraph 13 on page 5 of Defendant's Answer & Counterclaims consists of that portion of Exhibit C which is marked by the Register of Deeds as "Book 502 Page 209".

DATED this 19th day of May, 2008.



RUSSEL L. MCLEAN, III, 7220
244 North Main Street
Waynesville, North Carolina 28786
Tel: (828) 452-2896

JEFF D. JONES, 27914
232 North Main Street
Waynesville, North Carolina 28786
Tel: (828) 452-2220

Attorneys for Defendant

**HAYWOOD COUNTY
 NORTH CAROLINA**

LEASE AGREEMENT

THIS LEASE is made this the 5th day of September, 2001, between Gregory Todd Ferguson, herein referred to as "Tenant", and William Lucius Jones, herein referred to as "Owner" (the designations Owner and Tenant shall include the parties, their heirs, successors and assigns. As used herein, the singular shall include the plural and gender shall be interchangeable.)

IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1) **SUBJECT AND PURPOSE.** Owner leases the buildings, dairy equipment, and approximately 207 acres of land located in Jonathan Township, Haywood County, North Carolina, that property acquired by Owner in Will Book 6, Page 431 of the Haywood County Registry, to Tenant for Tenant's use as an operating farm.

2) **TERM AND RENT.** Owner leases the above premises for a term of twelve (12) years, commencing June 15, 2001, and terminating on June 15, 2013 at 1:00 o'clock P.M. or sooner as provided herein, at the annual rental of Eleven Thousand dollars (\$11,000.00) payable in equal monthly installments of Nine Hundred Sixteen Dollars and Sixty Six Cents (\$916.66) in advance on the twentieth (20th) day of each month for that month's rental, during the term of this lease. All rental payments shall be made to owner at 106 Timothy Lane, Waynesville, North Carolina 28786.

3) **ADDITIONAL RENT.** All taxes, charges, costs and expenses that Tenant agrees to pay hereunder together with all interest and penalties that may accrue thereon and all other costs that Owner may suffer by reason of any failure by Tenant to comply with the terms of this lease shall be deemed to be additional rent, and, in the event of nonpayment, Owner shall have all the rights and remedies as herein provided for failure to pay rent.

4) **ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** Subject to the limitations that no substantial portion of the building on the leased premises shall be demolished or removed by Tenant without the prior written consent of Owner, Tenant may at any time during the lease term, at his own expense, make any alterations to the leased premises and the building. Alterations shall be performed in a workmanlike manner and shall not weaken or impair the structural length, or lessen the value, of the building on the premises, or change the purposes for which the building, or any part thereof, may be used.

All alterations on or in the leased premises at the commencement of the term, and that may be erected or installed during the term, shall become part of the leased premises and the sole property of Owner. All moveable trade fixtures installed by Tenant shall be and remain the property of Tenant.

5) **REPAIRS.** Tenant shall at all times during the lease and at his own cost and



expense, repair, replace, and maintain in a good, safe and substantial condition, all buildings and any improvements, additions, and alterations thereto, on the leased premises, and shall use all reasonable precaution to prevent waste, damage, or injury to the leased premises.

- 6) **TAXES.** Owner shall be responsible for all taxes on said property.
- 7) **UTILITIES.** All applications and connections for necessary utility services on the leased premises shall be made in the name of the Tenant only, and Tenant shall be responsible for sewer, water, gas, electricity, and telephone services.
- 8) **INSURANCE.** During the term of the lease and for any further time that Tenant shall hold the leased premises, Tenant shall obtain and maintain at his expense the following types and amount of insurance.
 - a) **FIRE INSURANCE.** Tenant shall keep all building, improvements, and equipment on the leased premises, including all alterations, additions, and improvements, insured against loss or damage by fire. The insurance shall be in an amount sufficient to prevent Owner and Tenant from becoming co-insurers under provisions of applicable policies of insurance, but in any event in an amount not less than 100% of the full insurable value of the leased premises, including the cost of excavation of foundations.
 - b) **PERSONAL INJURY AND PROPERTY DAMAGE INSURANCE.** Insurance against liability for bodily injury and property damage and machinery insurance, all to be in amounts and in forms of insurance policies as may from time to time be required by Owner, shall be provided by Tenant.
 - c) **OTHER INSURANCE.** Tenant shall provide and keep in force other insurance in amounts that may from time to time be required by Owner against other insurable hazards as are commonly insured against for the type of business activity that Tenant will conduct.
- 9) **UNLAWFUL OR DANGEROUS ACTIVITY.** Tenant shall neither use nor occupy the leased premises or any part thereof for any unlawful, disreputable, or ultrahazardous business purpose nor operate or conduct his business in a manner constituting a nuisance of any kind. Tenant shall immediately, on discovery of any unlawful, disreputable, or ultrahazardous use, take action to halt such activity.
- 10) **INDEMNITY.** Tenant shall indemnify Owner against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either (1) a failure by Tenant to perform any of the terms or conditions of this lease, (2) any injury or damage happening on or about the leased premises, (3) failure to comply with any law of any governmental authority, or (4) any mechanic's lien or security interest filed against the leased premises or equipment, materials, or alterations of buildings or improvements thereon.

11) **DEFAULT OR BREACH.** Each of the following events shall constitute a default or breach of this lease by Tenant:

- (A) If Tenant shall fail to pay Owner any rent or additional rent when the rent shall become due and shall not make the payment within fifteen (15) days after notice thereof by Owner to Tenant.
- (B) If Tenant shall fail to perform or comply with any of the conditions of this lease and if the nonperformance shall continue for a period of fifteen (15) days after notice thereof by Owner to Tenant or, if the performance cannot be reasonably had within the fifteen (15) day period, Tenant shall not in good faith have commenced performance with the fifteen (15) day period and shall not diligently proceed to completion of performance.
- (C) If Tenant shall vacate or abandon the leased premises.

12) **EFFECT OF DEFAULT.** In the event of any default hereunder, as set forth in Paragraph Eleven, the rights of Owner shall be as follows:

- (a) Owner shall have the right to cancel and terminate this lease, as well as all of the right, title, and interest of Tenant hereunder, by giving the Tenant not less than fifteen (15) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this lease and the right, title and interest of Tenant hereunder, shall terminate in the same manner and with the same force and effect, except as to Tenant's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.
- (b) Owner may elect, but shall not be obligated, to make any payment required of Tenant herein or comply with any agreement, term, or condition required hereby to be performed by Tenant, and Owner shall have the right to enter the leased premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, by an expenditure for the correction by Owner shall not be deemed to waive or release the default of Tenant or the right of Owner to take any action as may be otherwise permissible hereunder in the case of any default.

13) **DESTRUCTION OF PREMISES.** In the event of a partial or total destruction of the leased premises during the term from any cause, Tenant shall forthwith repair the same. Any destruction of the leased premises during the term from any cause, Tenant shall forthwith repair the same. Any destruction shall neither null or void this lease.

14) **CONDEMNATION.** Rights and duties in the event of condemnation are as follows:

- a) If the whole or the leased premises shall be taken or condemned by any competent

authority for any public or quasi-public use or purpose, this lease shall cease and terminate as of the date on which title shall vest thereby in that authority, and the rent reserved hereunder shall be apportioned and paid up to that date.

- b) If only a portion of the leased premises shall be taken or condemned, this lease and the term hereof shall not cease or terminate.
- c) In the event of any taking or condemnation in whole or in part, the entire resulting award of consequential damages shall belong to Tenant. Owner assigns to Tenant all his right, title and interest in any and all such awards.
- d) In the event of a partial taking, Tenant, at Tenant's expense, shall promptly proceed to restore the remainder of the building on the leased premises to a self-contained architectural unit.

15) **ACCESS TO PREMISES; SIGNS POSTED BY OWNER.** Tenant shall permit Owner, or his agents, to enter the leased premises at all reasonable hours to inspect the premises or make repairs that Tenant may neglect or refuse to make in accordance with the provisions of this lease, and also to show the premises to prospective buyers.

16) **EASEMENTS, AGREEMENTS, OR ENCUMBRANCES.** The parties shall be bound by all existing easements, agreements, and encumbrances of record relating to the leased premises, and Owner shall not be liable to Tenant for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder.

17) **QUITE ENJOYMENT.** Owner warrants that Tenant shall be granted peaceable and quiet enjoyment of the leased premises free from any eviction or interference by Owner if Tenant pays the rent and other charges provided herein, and otherwise fully and punctually performs the terms and conditions imposed on Tenant.

18) **LIABILITY OF OWNER.** Tenant shall be in exclusive control and possession of the leased premises, and Owner shall not be liable for any injury or damages to any property or to any person on or about the leased premises nor for any injury or damage to any property of Tenant. The provisions herein permitting Owner to enter and inspect the leased premises are made to insure that Tenant is in compliance with the terms and conditions hereof and makes repairs that Tenant has failed to make. Owner shall not be liable to Tenant for any entry on the premises for inspection purposes.

19) **REPRESENTATIONS BY OWNER.** At the commencement of the term, Tenant shall accept the buildings and improvements and any equipment in their existing condition and state of repair, and Tenant agrees that no representations, statements, or warranties, express or implied, have been made by or on behalf of Owner in respect thereto except as contained in the provisions of this lease, and Owner shall in no event be liable for any latent defects.

20) **WAIVERS.** The failure of Owner to insist on a strict performance of any of the

terms and conditions hereof shall be deemed a waiver of the rights or remedies that Owner may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

21) **NOTICE.** All notices to be given with respect to this lease shall be in writing. Each notice shall be sent by certified mail, postage prepaid and return receipt requested, to the party to be notified as follows:

Owner: William Lucius Jones
106 Timothy Lane
Waynesville NC 28786

Tenant: Gregory Todd Ferguson
Post Office Box 1976
Maggie Valley, NC 28751

and also to be mailed to:

Gregory Todd Ferguson
3131 Rabbit Skin Road
Waynesville, NC 28785

Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein. Nothing contained herein shall be construed to preclude personal service of any notice in the manner prescribed for personal service of a summons or other legal process.

22) **ASSIGNMENT, MORTGAGE, OR SUBLEASE.** Neither Tenant nor his successors or assigns shall assign, mortgage, pledge, or encumber this lease or sublet the leased premises in whole or in part, or permit the premises to be used or occupied by others, nor shall this lease be assigned or transferred by operation of law, without the prior consent in writing of Owner in each instance.

23) **SURRENDER OF POSSESSION.** Tenant shall, on the last day of the term, or on earlier termination and forfeiture of the lease, peaceably and quietly surrender and deliver the leased premises to Owner free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Tenant, including trade fixtures, all in good condition and repair.

24) **REMEDIES OF OWNER.**

a) In the event of a breach or threatened breach by Tenant of any of the terms or conditions hereof, Owner shall have the right of injunction to restrain Tenant and the right to invoke any remedy allowed by law or in equity, as if the specific remedies of indemnity or reimbursement were not provided herein.

- b) The rights and remedies given to Owner in this lease are distinct, separate and cumulative, and no one of them, whether or not exercised by Owner, shall be deemed to be in exclusion of any of the others herein, by law, or by equity provided.

25) TOTAL AGREEMENT, APPLICABLE TO SUCCESSORS. This lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently execute by the parties hereto. This lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

IN WITNESS WHEREOF, the parties have set their hands and seals this the 5 of ~~June~~ Sept, 2001.

X William Lucius Jones
 William Lucius Jones, Owner

Gregory Todd Ferguson
 Gregory Todd Ferguson, Tenant

Sworn to and subscribed before me this the 5th day of September, 2001.

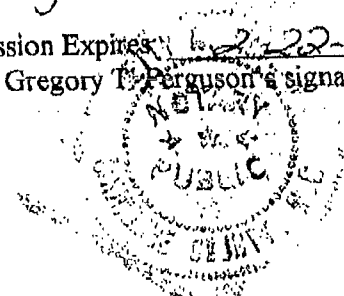
C. Colleen Williamson, Notary Public

My Commission Expires: 09-21-2003

Subscribed before me this the 10 day of Septmeber, 2001

Boyd Walker, Notary Public

My Commission Expires: 10-22-05
 (Notarizing Gregory T. Ferguson's signature)



BE IT KNOWN, for value received, the undersigned William Lucius Jones of 106 Timothy Lane, Waynesville, North Carolina 28786 hereby unconditionally and irrevocably assigns and transfers full ownership upon my (William Lucius Jones) death unto Gregory Todd Ferguson for the purpose of a farm to be handed down to his child (at the time of signing one living child Colton Wyatt Ferguson) and to their heirs to remain farm property, not to be sold or mortgaged, etc. of 3131 Rabbit Skin Road, Waynesville, North Carolina 28786, (alternate mailing address Post Office Box 1976, Maggie Valley, NC 28751) all rights, titles and interest in and to the following: The real property described in the Lease Agreement between William Lucius Jones and Gregory Todd Ferguson executed the 5 day of ~~August~~^{Sept.}, 2001 which is presently leased by Gregory Todd Ferguson until June 15, 2013 at 1:00 o'clock P.M. This property is located on Jonathan Creek Road, Waynesville, N.C. 28786.

The undersigned fully warrants that he, William Lucius Jones is the sole owner and has full rights and authority to enter into this agreement and that the rights and benefits assigned hereunder are free and clear of any lien, encumbrance, adverse claim or interest by any third party.

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

This Agreement was entered while I, William Lucius Jones, was in my sound mind and body.

This Agreement shall be enforced under the laws of the State of North Carolina.

Executed this the 5 day of ~~August~~^{Sept.}, 2001.

Owner: William Lucius Jones

X William Lucius Jones

Sworn to and subscribed before me this the 10 day of September, 2001

Notary Public Battell White
My Commission Expires: 2-27-05

Lessee: Gregory Todd Ferguson

Gregory T. Ferguson

Sworn to and subscribed before me this the 5th day of Sept., 2001.

Notary Public: C. Colleen Williams My commission expires: 09-21-2003

The undersigned Lessor and Lessee do hereby provide public notice of the following lease entered into on the 5 day of ~~August~~ ^{Sept} 2001, by and between William Lucius Jones and Gregory Todd Ferguson.

1. Lessor: William Lucius Jones
2. Lessees: Gregory Todd Ferguson
3. Leased Premises: Refer to paragraph (1) in attached lease.
4. Term of Lease: Lease expires on June 15, 2013 at 1:00 o'clock P.M.
5. Options to renew and / or extend lease: William Lucius Jones, being of sound mind and body agrees to renew and/or extend said aforementioned lease at the end of the terms mentioned in item (4) upon conditions of the same term..
6. Option to Acquire Property: William Lucius Jones, being of sound mind and body agrees upon his death that the ownership of the property described in paragraph (3) above be transferred to Gregory Todd Ferguson for the purpose of a farm, not to be mortgaged, sold, etc. to remain in Gregory's family for said farm after Gregory Todd Ferguson's death (at the time of this signing one living child born to Gregory Todd Ferguson, Colton Wyatt Ferguson).

William Lucius Jones
Lessor, William Lucius Jones

Gregory Todd Ferguson
Lessee, Gregory Todd Ferguson

State of North Carolina, County of Haywood

On, 09-05-01, before me, William Lucius Jones, and Gregory Todd Ferguson personally appeared and proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

Notary Public Signature: *C. Colleen Williamson*
My Commission Expires: 09-21-2003

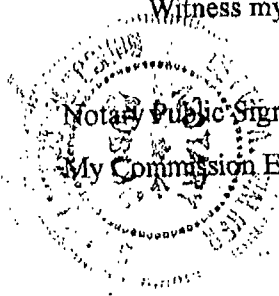


Notary Affidavit for Notice of Lease between Lucius Jones and Gregory Todd Ferguson

State of North Carolina, County of Haywood

On, 9/10/01, before me, Gregory Todd Ferguson, personally appeared and proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.



Notary Public Signature: Betty A. Walker
My Commission Expires: 2-22-05

State of North Carolina, Haywood County
The Foregoing Certificate(s) of C COLLEEN WILLIAMSON, BETTY A WALKER

is (are) Certified to be Correct.
This Instrument was filed for Registration on this 13th Day of September, 2001 in the Book and Page shown on the First Page hereof.

~~_____~~
Amy R. [unclear] Register of Deeds
By Colleen Williamson

Inst # 553735 Book 502 Page: 211

Exhibit C

STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

FILED
08 MAY -9 PM 1:56

IN THE GENERAL COURT OF JUSTICE
DISTRICT COURT DIVISION
FILE NO. 08-CvS-51

HAYWOOD COUNTY, NORTH
CAROLINA AND WILLIAM LUCIUS
JONES, BY HIS GUARDIAN SAM
UNDERWOOD,

Plaintiff,

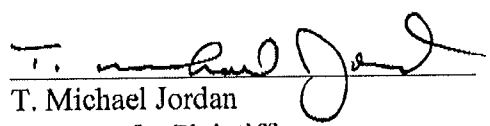
vs.

GREGORY TODD FERGUSON,
Defendant.

NOTICE OF HEARING

PLEASE TAKE NOTICE that Plaintiff's Motion for More Definite Statement will be heard at the Haywood County Courthouse, Waynesville, North Carolina, on the 19th day of May, 2008 at 10:00 a.m., or as soon thereafter as the matter can be heard. A copy of the Motion for More Definite Statement is attached hereto.

This the 9th day of May, 2008.



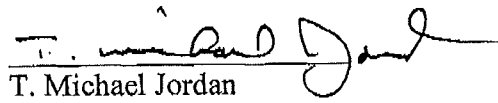
T. Michael Jordan
Attorney for Plaintiff
154 N. Main Street
Waynesville, NC 28786
(828) 452-5871

CERTIFICATE OF SERVICE

FILED
09 MAY -9 PM 1:66
HAYWOOD COUNTY O.S.C.

This is to certify that the undersigned has this date served Jeff D. Jones 232 North Main Street, Waynesville, NC 28786 and Russell L. McLean, III, 244 North Main Street, Waynesville, NC 28786 in the foregoing matter with a copy of Notice of Hearing by depositing in the United States Mail, a copy of same in properly addressed envelope with adequate postage thereon, in the manner prescribed by Rule 5 of the Rules of Civil Procedure.

This the 9th day of May, 2008.



T. Michael Jordan
Attorney for Plaintiff
154 North Main Street, Suite 1
Waynesville, NC 28786
828-452-5871

STATE OF NORTH CAROLINA FILED
COUNTY OF HAYWOOD 08 MAY -1 PM 2: 12 IN THE GENERAL COURT OF JUSTICE
DISTRICT COURT DIVISION
HAYWOOD COUNTY C.S.C. 08 CVD 51

HAYWOOD COUNTY, NORTH
CAROLINA AND WILLIAM LUCIUS
JONES, BY HIS GUARDIAN, SAM
UNDERWOOD,

Plaintiffs,

vs.

GREGORY TODD FERGUSON,

Defendant.

**MOTION FOR MORE DEFINITE
STATEMENT**

NOW COME the Plaintiffs Haywood County, North Carolina ("Haywood County"), and William Lucius Jones, incompetent, by guardian of his estate, Sam Underwood ("Jones"), by and through their respective undersigned counsel and move the Court pursuant to Rule 12(e) of the North Carolina Rules of Civil Procedure for an Order requiring Defendant and Counterclaim Plaintiff Gregory Todd Ferguson ("Ferguson") to file a more definite statement of his Counterclaims.

In support of its motion, the Plaintiffs show unto the Court the following:

1. In paragraph 12 of Ferguson's Counterclaims, Ferguson alleges "[t]hat, on or about September 5, 2001, Plaintiff Jones and Defendant entered into a document entitled 'Lease Agreement' whereby Defendant renewed a lease of the Dairy Farm from Plaintiff Jones (hereinafter referred to as the 'Lease Agreement')." Ferguson further alleges that "[t]his Lease Agreement is attached to the Complaint as a portion of Exhibit C, and Defendant adopts that exhibit as his own by this reference."

2. In paragraph 13 of Ferguson's Counterclaims, Ferguson alleges "[t]hat, on or about September 5, 2001, Plaintiff Jones and Defendant entered into a second document which conveyed a fee simple future interest in the Dairy Farm from Plaintiff Jones (hereinafter referred to as the 'Future Interest Instrument')." Ferguson further alleges that "[t]his Future Interest Instrument is attached to the Complaint as a portion of Exhibit C, and Defendant adopts that exhibit as his own by this reference."

3. Exhibit C of the Complaint consists of nine (9) pages and three (3) separate instruments titled "Lease Agreement", "General Agreement", and "Notice of Lease" respectively ("Exhibit C").

4. Ferguson fails to explain in the Counterclaim which pages or parts of Exhibit C are included in his definition of the "Lease Agreement" and which pages or parts are included in his definition of the "Future Interest Instrument".

5. Ferguson uses the defined terms "Lease Agreement" and "Future Interest Instrument" throughout his Counterclaim.

6. Identification by Ferguson of which specific pages or parts of Exhibit C constitute the "Lease Agreement" and the "Future Interest Instrument", as these terms are used in the Counterclaim, is essential to the Plaintiffs' ability to accurately respond to Ferguson's Counterclaim.

7. Ferguson's allegations that the "Lease Agreement" and the "Future Interest Instrument" are contained in "portions of Exhibit C" are so vague and ambiguous that Plaintiffs cannot reasonably be required to frame a responsive pleading.

WHEREFORE, Plaintiffs pray the Court for an Order requiring Ferguson to file a more definite statement providing Plaintiffs with specificity as to which pages or parts of Exhibit C are

included in his definition of the "Lease Agreement" and which pages or parts of Exhibit C are included in his definition of the "Future Interest Instrument".

Respectfully submitted, this the 15th day of May, 2008.

By: T. Michael Jordan
T. Michael Jordan
NC Bar No. 6697
154 N. Main Street, Suite 1
Professional Building
Waynesville, NC 28786

Attorneys for the Plaintiff, William Lucius Jones, by his
Guardian, Sam Underwood

NELSON MULLINS RILEY & SCARBOROUGH LLP

By: Leon M. Killian
Leon M. Killian
NC Bar No. 2526
E-Mail: chip.killian@nelsonmullins.com
Reed J. Hollander
NC Bar No. 23405
E-Mail: reed.hollander@nelsonmullins.com
4140 Parklake Avenue / GlenLake One
Second Floor
Raleigh, NC 27612
(919) 877-3800

Attorneys for the Plaintiff, Haywood County, North Carolina

CERTIFICATE OF SERVICE

FILED

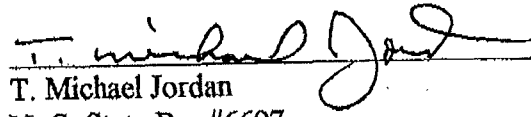
MAY -1 PM 2:12

The undersigned hereby certifies that he has served a copy of the foregoing document upon counsel of record by mailing a true copy thereof, through the United States Mail, first class, postage prepaid, on this the 15th day of May, 2008, and addressed as follows:

Jeff D. Jones
232 North Main Street
Waynesville, NC 28786

BY _____

Russell L. McLean, III
244 North Main Street
Waynesville, NC 28786.



T. Michael Jordan
N. C. State Bar #6697
154 N. Main Street, Suite 1
Professional Building
Waynesville, NC 28786

STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
File No. 08 CVS 51

HAYWOOD COUNTY, NORTH
CAROLINA and WILLIAM LUCIUS
JONES, by his guardian, SAM
UNDERWOOD,

Plaintiffs,

v.

GREGORY TODD FERGUSON,

Defendant.

RY
HAYWOOD COUNTY, N.C.
2008 MAR -5 AM 10:58
2008 MAR 19 10:58 AM
2008 MAR 19 10:58 AM
CONSENT ORDER TO TRANSFER
TO SUPERIOR COURT DIVISION

THIS MATTER coming on for hearing, and having been heard, the Court finds the following:

FINDINGS OF FACTS

1. That this action was commenced by Plaintiffs in the Haywood County District Court Division on January 14, 2008;
2. That the Complaint seeks a declaratory judgment regarding the extent and nature of Defendant's interest in approximately 207 +/- acres of land situated in Haywood County, North Carolina;
3. That the tax value of this land is in excess of \$700,000.00;
4. That Plaintiff Jones, by and through guardian Sam Underwood, executed a North Carolina Non-Warranty Deed to Plaintiff Haywood County which purportedly conveys a fee simple interest in approximately 22 acres of this land for a purchase price in excess of \$1,100,000.00;
5. That, in a pre-answer filing, Defendant filed his Motion to Transfer to Superior Court Division on March 19, 2008 at or about 10:58 a.m.;
6. That, on March 19, 2008 at or about 4:09 p.m., Defendant filed his Answer, Counterclaims, & Demand for a Trial By Jury. Therein, Defendant preserved his right to object to the proper division pursuant to N.C. Gen. Stat. §1A-1,

Rule 12(b)(3); and

7. That the amount in controversy exceeds \$10,000.00.

BASED UPON THE FOREGOING, the Court makes the following:

CONCLUSIONS OF LAW

1. That the Court has jurisdiction over the parties and the subject matter of this action;

2. That, pursuant to N.C. Gen. Stat. §7A-243, this action properly lies in the Superior Court Division and not in the District Court Division.

ORDER


THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED that this action be transferred to the Superior Court Division for further proceedings.

SO ORDERED this the 1st day of May, 2008.




SUPERIOR COURT JUDGE

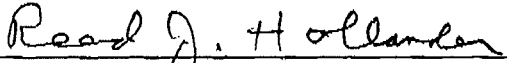
By and through counsel, the parties to this action give their consent to the foregoing Consent Order to Transfer to Superior Court Division.



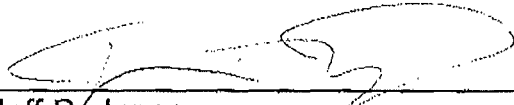
Leon M. Killian, III
Attorney for Plaintiff Haywood County



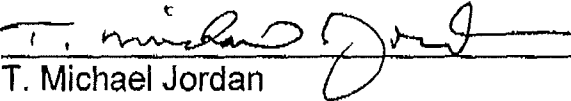
Russell L. McLean, III
Attorney for Defendant



Reed J. Hollander
Attorney for Plaintiff Haywood County



Jeff D. Jones
Attorney for Defendant




T. Michael Jordan
Attorney for Plaintiff Jones

STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

IN THE GENERAL COURT OF JUSTICE
DISTRICT COURT DIVISION
File No. 08 CVD 51

HAYWOOD COUNTY, NORTH)
CAROLINA and WILLIAM LUCIUS)
JONES, by his guardian, SAM)
UNDERWOOD,)
)
Plaintiffs,)
)
v.)
)
GREGORY TODD FERGUSON,)
)
Defendant.)

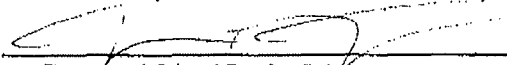
CERTIFICATE OF SERVICE

2008 MAY -5 AM 10:35
HAYWOOD COUNTY, C.S.C.
BY 

The undersigned hereby certifies that the Consent Order to Transfer to Superior Court Division was served upon Plaintiffs by depositing a copy of the same in a postpaid and properly-addressed wrapper in a post office or official depository under the exclusive care and custody of the United State Postal Service this the 5th day of May, 2008, addressed as follows:

T. Michael Jordan
Attorney for Plaintiff Jones
154 North Main Street, Suite 1
Waynesville, North Carolina 28786

Leon M. Killian, III
Reed J. Hollander
Attorneys for Plaintiff Haywood County
Nelson Mullins Riley & Scarborough, LLP
Glen Lake One
4140 Parklake Avenue, Suite 200
Raleigh, North Carolina 27612


JEFF D. JONES, 27914
Attorney for Defendant
232 North Main Street
Waynesville, NC 28786
Tel: (828) 452-2220

STATE OF NORTH CAROLINA

COUNTY OF HAYWOOD

HAYWOOD COUNTY, NORTH
CAROLINA AND WILLIAM LUCIUS
JONES, BY HIS GUARDIAN, SAM
UNDERWOOD,

Plaintiffs,

vs.

GREGORY TODD FERGUSON,

Defendant.

FILED IN THE GENERAL COURT OF JUSTICE
DISTRICT COURT DIVISION
08 MAY -1 PM 2:00
HAYWOOD COUNTY C.S.C. 08 CVD 51

**MOTION FOR MORE DEFINITE
STATEMENT**

NOW COME the Plaintiffs Haywood County, North Carolina ("Haywood County"), and William Lucius Jones, incompetent, by guardian of his estate, Sam Underwood ("Jones"), by and through their respective undersigned counsel and move the Court pursuant to Rule 12(e) of the North Carolina Rules of Civil Procedure for an Order requiring Defendant and Counterclaim Plaintiff Gregory Todd Ferguson ("Ferguson") to file a more definite statement of his Counterclaims.

In support of its motion, the Plaintiffs show unto the Court the following:

1. In paragraph 12 of Ferguson's Counterclaims, Ferguson alleges "[t]hat, on or about September 5, 2001, Plaintiff Jones and Defendant entered into a document entitled 'Lease Agreement' whereby Defendant renewed a lease of the Dairy Farm from Plaintiff Jones (hereinafter referred to as the 'Lease Agreement')." Ferguson further alleges that "[t]his Lease Agreement is attached to the Complaint as a portion of Exhibit C, and Defendant adopts that exhibit as his own by this reference."