

THIS INDENTURE, made by and between JOSEPH L. PONDER AND WIFE, CAROLYN PONDER

party of the first part; DEMETRA Q. DOWDLE OF SHELBY COUNTY, TENNESSEE party of the second part, as Trustee, and COMMUNITY BANK OF GERMANTOWN

party of the third part, WITNESSETH:

That, for and in consideration of One Dollar cash in hand paid, the receipt of which is hereby acknowledged, and for the purpose of securing the payment of the indebtedness described, the party of the first part does hereby convey and warrant unto the party of the second part, as Trustee, and his successors in trust, the following described real estate situated in the County of DeSoto and State of Mississippi, to-wit:

Lot 298, Section B, EASTOVER SUBDIVISION, Section 29, Township 1 South, Range 6 West, as shown in plat of record in Plat Book 12, Pages 36-38 in the Chancery Court Clerk's Office of DeSoto County, Mississippi, reference to which plat is hereby made for a more particular description of said property.

The principal balance from time to time outstanding hereunder shall become immediately due and payable at the option of the holder of the note, if the mortgagor or any subsequent owner of the mortgaged premises should sell or convey such premises without prior written consent of the holder of the note. Said option may be exercised at any time after such conveyance without prior approval and the acceptance of one or more monthly installments made by the new owner shall not constitute a waiver of the holder's option. Holder's approval of a transferee or failure to exercise said option shall not be construed as a waiver of the provision hereof as regards any subsequent owner.

The underlying transaction related to this Deed of Trust is a Construction loan, made for the purpose of improving Lot 298, Eastover Subdivision. STATE MS.-DESOTO CO.

J.K.
J.K. SEP 15 11 15 AM '93

BK 660 PG 731
W.E. DAVIS CH. CLK. by B. Cleveland

This conveyance is made in trust, however, to secure the payment of \$ 65,500.00 evidenced by the following promissory notes of even date herewith: in the principal amount of SIXTY-FIVE THOUSAND FIVE HUNDRED AND NO/100 (\$65,500.00) DOLLARS payable to the order of COMMUNITY BANK OF GERMANTOWN, bearing interest at the rate of one and one-half percent (1.5%) above the Prime Rate of the Community Bank of Germantown, as same may vary from time to time, executed by the party of the first part and being due and payable on DEMAND.

This Deed of Trust and said Promissory Note evidence a construction loan. In the event (1) the contemplated improvements are left in an incomplete condition at the time when construction should be completed or (2) the said improvements are completed but related obligations for labor or materials remain unpaid, then either such condition shall constitute an event of default hereunder, and the entire indebtedness secured hereby shall be accelerated and matured for the purposes of foreclosure, at the option of the holder thereof. Notice other than advertisement for foreclosure provided for herein shall not be required.

**SEE REVERSE FOR CONTINUATION

and any further sums which the party of the third part, or any holder or holders of the notes hereby secured may advance to take care of taxes, insurance, or prior encumbrances on the above described real estate, or any part thereof.

The party of the first part agrees to keep all of the taxes and special assessments on the above described land paid, and if he fails so to do, the holder or holders of the above described notes may pay said taxes and assessments and the amounts so paid, with interest at the rate of eight per cent per annum from date of payment to date of reimbursement, shall become a part of the indebtedness secured hereby.

The party of the first part agrees to keep the improvements on said property in a good state of repair, and to insure the same against loss by fire and tornado in some responsible insurance company approved by the party of the third part, or his assigns, for the insurable value thereof, with a regulation mortgagee's subrogation clause attached to each policy making said insurance payable in case of loss to the party of the third part as his interest may appear, and to deliver the policy or policies and renewal receipts therefor to said party of the third part. In case of the failure of the party of the first part to keep said buildings so insured, the party of the third part, or his assigns, may effect such insurance and the amount so paid, with interest at the rate of eight per cent per annum from date of payment to date of reimbursement, shall become a part of the indebtedness secured hereby.

NOW, THEREFORE, if the party of the first part shall pay all of the indebtedness secured hereby this conveyance shall be null and void and shall be released at his expense, but if said party of the first part shall fail to pay said notes, or any of them, or any part thereof, or the interest thereon, when due, or shall fail to pay the taxes and special assessments on said property prior to the date of sale thereof for delinquent taxes, or shall fail to pay all items due on account of insurance as provided herein, then all of the indebtedness secured hereby shall, at the option of the holder or holders of said notes, become due and payable, and the party of the first part hereby authorizes and fully empowers said trustee, or any successor in trust, upon any such default to proceed to sell the property hereinabove described to pay the amount then due hereunder. The sale of said real estate shall be made at the front door of any Court House in the County where any of said real estate is situated at the time of the sale, within legal hours, at public outcry to the highest bidder for cash, after the acting trustee has given notice of the time, place and terms of said sale according to the laws of the State of Mississippi governing sales of lands under trust deeds in force at the time the publication of said notice is begun. The acting trustee may sell said property without taking possession of the same, and is authorized to appoint an agent and auctioneer to make such sale in his absence, which sale shall be as valid as if made by said trustee.

From the proceeds of said sale the acting trustee shall first pay the cost of executing this trust, including a reasonable fee for himself and his attorney; then he shall pay any sums advanced by the party of the third part on account of taxes or insurance on said property; then he shall pay any balance of principal and interest which shall be due on the indebtedness secured hereby; and if any balance then remains in his hands he shall pay the same to the party of the first part, his heirs or assigns.

The party of the third part, or any holder of the above described notes, may at any time appoint another Trustee in the place and stead of the party of the second part, or any successor or successors in trust.

If more than one person joins in this instrument as party of the first part, it is agreed that whenever the words "party of the first part" occur they are to read as if written "parties of the first part."

Witness the signature of the party of the first part, on this the 3rd day of September, 19 93.

JOSEPH L. PONDER
CAROLYN PONDER

see front pd 0011

STATE OF Tennessee
COUNTY OF Shelby } ss.

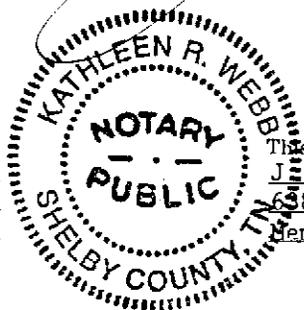
Personally appeared before me, the undersigned Notary Public, in and for the State and County aforesaid, the within named
JOSEPH L. PONDER AND WIFE, CAROLYN PONDER

who acknowledged that they signed and delivered the foregoing trust deed on the day and year therein mentioned as their voluntary act and deed.

Given under my hand and seal this the 3rd day of September, 1993

My Commission expires April 1, 1996

[Handwritten Signature]
Notary Public.



Grantor's Mailing Address
2177 Germantown Road South
Germantown, TN 38138

This instrument prepared by: and return to:
J. MICHAEL MURPHY, Attorney
689 Quail Hollow Road, Suite 102
Memphis, TN 38120

TG#338075-931328

[Handwritten mark]

Compliments of
Mid-South Title Insurance Corporation
One Commerce Square
Memphis, Tennessee

TRUST DEED

FROM

TO

FOR THE USE OF _____ Trustee

STATE OF MISSISSIPPI

County of _____ } ss.

I, _____ Clerk

of the Chancery Court and ex-officio Recorder for the County and State aforesaid, do hereby certify that the within instrument of writing was filed for record in my office on the _____

day of _____ A.D. 19____

at _____ o'clock _____ M., and has been this day

duly recorded in Trust Deed Record _____

Page _____

WITNESS my hand and official seal, this

_____ day of _____ 19____.

Clerk.

TITLE INSURANCE is the only guaranteed protection against real estate title losses.

*No consent to the commencement of construction or to the delivery of any building material to the real property described herein has been given, nor shall be given prior to the recordation of this Deed of Trust. No consent to any contract for labor or materials within the meaning of Tennessee Code Annotated Section 64-1108 has been given or shall be given.

[Handwritten initials]