

LENDER...
AVCO FINANCIAL SERVICES OF TENNESSEE, INC.
4456 ELVIS PRESLEY BLVD.

BOOK 721 PAGE 448

LOAN NO. 247108313

AMOUNT FINANCED \$37,000.50

FINANCE CHARGE \$30,919.50

ANNUAL PERCENTAGE RATE 13.62%

MEMPHIS, TN 38116

901-332-9200

DEED OF TRUST

THIS DEED OF TRUST, made and entered into this 12th day of AUGUST, 1994, by and between STEVEN ALLEN PENNINGTON, and

hereinafter called the Grantor; REAL ESTATE LOAN SERVICES OF MEMPHIS, hereinafter called the Trustee; and AVCO FINANCIAL SERVICES OF TENNESSEE, INC., having his principal office and post office address at 4456 ELVIS PRESLEY BLVD., MEMPHIS, TN 38116 hereinafter called the Beneficiary;

WHEREAS the Grantor is justly indebted to the Beneficiary in the full sum of thirty-seven thousand dollars and 50/100 Dollars (\$ 37,000.50), evidenced by a Loan Agreement and/or promissory note; hereinafter referred to as "Note", dated AUGUST 12, 1994, herewith payable to the order of the Beneficiary, at its office or such other place as the holder may designate in 120 monthly installments of \$ 566.00 commencing on the 17th day of SEPTEMBER, 1994, and like payments on the same day of each successive month thereafter until paid in full, together with late charges, court costs, attorney fees and interest after maturity as and to the extent as provided in said note, as well as prepayment penalties, if any, which may be assessed as follows: The penalty will be calculated on the unpaid principal balance at the percentage indicated if prepaid during the first five years of the loan as follows: First year - 5%; second year - 4%; third year - 3%; fourth year - 2%; fifth year - 1%. There is no penalty for prepayment after five years.

WITNESSETH, Grantor to secure the payment of said indebtedness hereinabove specifically described, together with any other indebtedness that may become due and owing under the terms of his instrument, does hereby grant, bargain, convey and sell unto the said Trustee, the following described land and property, together with all hereditaments and appurtenances thereto appertaining, lying, and being situated in the city or town of DESOTO, County of HORN LAKE, Mississippi, and more particularly described as follows, to wit:

LOT 16, EDWARDSHIRE SUBDIVISION, LOCATED IN PART OF THE NORTHEAST QUARTER OF SECTION 33 AND PART OF THE NORTHWEST QUARTER OF SECTION 34, IN TOWNSHIP 1 SOUTH RANGE 8 WEST, CITY OF HORN LAKE, DESOTO COUNTY, MISSISSIPPI, AS SHOWN ON PLAT OF RECORD IN PLAT BOOK 28, PAGE 36, IN THE OFFICE OF THE CHANCERY CLERK OF DESOTO COUNTY, MISSISSIPPI, TO WHICH PLAT REFERENCE IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION.

THIS BEING THE SAME PROPERTY CONVEYED TO ANNE M. PENNINGTON, (BEING ONE AND THE SAME PERSON AS ANNE W. PENNINGTON), SINGLE, FROM ANNE M. PENNINGTON, SINGLE, DEBORAH JORDAN, SINGLE, AS JOINT TENANTS WITH FULL RIGHTS OF SURVIVORSHIP AND NOT AS TENANTS IN COMMON, BY DEED DATED SEPTEMBER 20, 1989 RECORDED SEPTEMBER 21, 1989, IN BOOK 218, PAGE 691, RECORDED IN THE CHANCERY CLERK'S OFFICE OF DESOTO COUNTY, MISSISSIPPI. (DEBORAH JORDAN, STATE USE, DESOTO CO. PAMELA ANN GRANT AND STEVEN ALLEN PENNINGTON RECEIVE TITLE TO SUBJECT PROPERTY THROUGH LAST WILL AND TESTAMENT OF ANNE M. PENNINGTON, DATED SEPTEMBER 20, 1989 AND RECORDED MARCH 4, 1993)

Aug 17 11 20 AM '94

PARCEL NO: 1098-3306.0-00016.00

PROPERTY ALSO KNOWN AS: 5903 TULANE ROAD EAST, HORN LAKE, MISSISSIPPI

BK 721 PG 448
W.E. DAVIS CH. CLK.
By B. Cleveland

TOGETHER WITH all buildings and improvements now or hereafter erected thereon and all screens, awnings, shades, storm sash and blinds, and heating, lighting, plumbing, gas, electric, ventilating, refrigerating and air-conditioning equipment used in connection therewith, all of which, for the purpose of this Deed of Trust, shall be deemed fixtures and subject to the property above described, all of which is referred to hereinafter as the "premises," to the extent permitted by law.

This conveyance, however, is in trust, and should Grantor pay the aforesaid note at maturity; and otherwise perform all the terms and conditions thereof, this conveyance shall be void; otherwise, and in the event that Grantor should fail to pay the said indebtedness, or any installment or part thereof at maturity, or should otherwise fail to perform any of the terms and conditions of the said note, then said Trustee shall, upon demand of said Beneficiary, his successors or assigns, whether or not all of said indebtedness shall have become due, sell, at public outcry, to the highest bidder for cash, within the legal hours, and at the courthouse of the aforesaid county (or if there be two judicial districts in said county, then at the courthouse in the judicial district in which said lands are situated) the aforesaid property, after having advertised said sale by publishing notice of the time, place and terms of such sale in some newspaper having general circulation in said county and qualified to publish same, for three consecutive weeks preceding such sale, and by posting one notice hereof for said time, at said courthouse at which said property is to be sold; and out of the proceeds of such sale, the lawful costs and expenses of foreclosure and sale, including the attorney's fees specified in the contract and/or note, and a reasonable and lawful Trustee's fee therefor shall be first paid, which amount shall be in addition to the late charges, attorney's fees, court costs and other collection expenses provided in said contract and/or note, next, the amount remaining owing under the aforesaid contract and/or note shall be paid to the Beneficiary herein; and lastly, any balance remaining shall be paid to Grantor. Any such sale may be held on any secular day and the Beneficiary may purchase at any such sale.

Grantor agrees to keep said premises insured to the extent, of the lesser of the total of payment or fair market value of the property from loss by fire and windstorm, and from such other casualties as may be required by said Beneficiary, its successors and assigns, for the benefit of the said Beneficiary and payable to it in the event of loss, as its interest may appear, for application, at the option of said Beneficiary, to the repairing, reconditioning, reconstruction, or replacement of the aforesaid property or to any balance remaining outstanding on the aforesaid note, other said indebtedness, whether all thereof be then due or not; and that all taxes and other charges maturing from time to time on said property shall be kept promptly paid. In event of loss Grantor will give immediate notice by mail to the Beneficiary, who may make proof of loss if not made promptly by the Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Beneficiary instead of to the Grantor and the Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by the Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event Grantor shall neglect or refuse to obtain said insurance, pay said taxes and other charges, then said Beneficiary may, at its option, but is not required to, obtain such insurance and pay all such taxes and other charges, either or all; and all sums of money expended therefor are hereby secured by this Deed of Trust, and shall be repayable with interest at the highest lawful contract rate from dates of such payments, upon demand of said Beneficiary, and may be retained by said Beneficiary from the proceeds of any sale of said property herein, authorized.

Grantor covenants at all times to do all things necessary to defend the title to all of the said property, but the Beneficiary shall have the right, at any time, to intervene in any suit affecting such title and to employ independent counsel in connection with any suit to which it may be a party by intervention or otherwise, and upon demand Grantor agrees to pay the Beneficiary all reasonable expenses paid or incurred by it in respect of any such suit affecting title to any such property, or affecting the Beneficiary's liens or rights hereunder, including reasonable fees to the Beneficiary's attorneys, if permitted by law, and Grantor will indemnify and hold the Beneficiary harmless from and against any and all such costs, fees and expenses. In the event that the Deed of Trust is subordinate to any other deed of trust or lien of any kind, Grantor covenants to pay when due any such encumbrance and, notwithstanding any right or option granted by any prior deed of trust or lien or by any holder thereof, to permit the principal balance of such prior deed of trust or lien to increase. Grantor agrees not to permit the principal balance of any prior deed of trust or lien to increase above the balance existing at the time of the making of this Deed of Trust until this Deed of Trust shall have been paid in full. In the event of a default in the performance of any covenant or agreement in the prior deed of trust, or in the event of default in payment of any indebtedness secured by any other prior lien when due, or in the event Grantor shall cause or permit the principal balance of any prior deed of trust or lien to increase above the principal balance owing at the time of the making of this Deed of Trust, then the Beneficiary may, at its option, declare the entire indebtedness secured by this Deed of Trust immediately due, and payable, or the Beneficiary may perform any such defaulted covenant or agreement to such extent as the Beneficiary may determine or pay any part of the indebtedness which is in default, with resultant right of subrogation, and the Beneficiary shall have a lien for the same with interest at the highest lawful contract rate from date until paid, and the Trustee shall have all of the powers of sale, or otherwise, in reference to said payments as for default in the payments of the original indebtedness secured by this Deed of Trust.

This Deed of Trust may be assigned by the Beneficiary and when so assigned the assignee shall have all of the rights and privileges given to the Beneficiary by the terms thereof. The term "Grantor" as used herein shall include the agents, heirs, assigns and administrator or executor of each Grantor. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular includes the plural.

Return To: Real Estate Loan Services - 6614

94M2134

5707 Gumball Trees, Suite 5

Memphis, TN 38134

The said Beneficiary, its successors, assigns, or legal representatives, or any owner of the above mentioned note, or either of them, are hereby authorized to appoint, in writing, successive or substitute trustees in the place of the Trustee hereinabove named, or the successor or successors of such Trustee, if from any cause the above named Trustee, or the successor or successors of such Trustee, shall not be present, able and willing to execute the trust granted hereunder or to act in the premises, or if said Beneficiary, its successors, assigns or legal representatives, or any owner of the aforesaid contract and/or note, or either of them, shall for any reason desire so to do. If there be more than one trustee, either or both Trustees may execute the powers conveyed to the trustee under this trust deed.

Witness the signature of the undersigned on the day, month and year first above set forth.

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Subscribing Witnesses:

[Signature]

Steven Allen Pennington (L.S.)
Signature of Grantor STEVEN ALLEN PENNINGTON

Signature of Grantor (L.S.)

GRANTORS ACKNOWLEDGMENT

STATE OF TENNESSEE

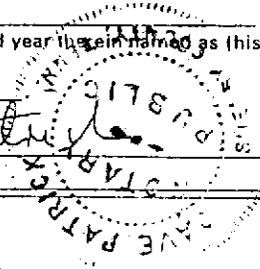
COUNTY OF SHELBY

This day personally appeared before me, the undersigned authority in and for the above styled jurisdiction, the within named STEVEN ALLEN PENNINGTON and _____, his _____ who acknowledged that (he) (she) (they) signed and delivered the above and foregoing instrument on the day and year therein named as (this) (her) (their) free and voluntary act and deed.

Given under my hand and official seal, this the 12th day of AUGUST, A.D., 1994

My Commission Expires December 29 1995

Dave Patrick
Notary Public DAVE PATRICK



WITNESS ACKNOWLEDGMENT

STATE OF TENNESSEE

COUNTY OF SHELBY

This day personally appeared before me, the undersigned authority in and for the above styled jurisdiction, _____

_____, one of the subscribing witnesses to the foregoing instrument, who, being by me first duly sworn, upon his oath deposed and said that he saw the within named _____ and _____, his _____, whose name (is) (are) subscribed thereto, sign and deliver the same to _____, that he, this affiant, subscribed his name thereto as a witness in the presence of the said _____ and _____, his _____, and _____ the other subscribing witness; that he saw _____, the other subscribing witness, subscribe his name as witness thereto in the presence of the said _____ and _____, his _____, and that the subscribing witness subscribed their names to said instrument in the presence of each other on the day and year therein named.

Sworn to and subscribed before me, this the _____ day of _____, A.D., 19 _____

(SEAL)

Notary Public

paid 11.00
Rec'd State Loan
Services
(envelope)

DEED OF TRUST

TO

Trustee
THE STATE OF MISSISSIPPI
County
Clerk of the Chancery Court of _____ County, do hereby certify that the within named Deed of Trust was filed for record in my office on the day of _____, 19____, at _____ o'clock _____ M., and the same together with the certificate and acknowledged instrument, is now duly recorded in Book _____ of the Records of Trust Deeds in my office.
Given under my hand and official seal, this _____ day of _____, 19____
Clerk
D.C.