PREPARED BY: SUNBURST BANK, P. O.B OX 169, 8819 NORTHWEST DRIVE, SOUTHAVEN, MS 38671, 393-8383./
RETURN TO: SMITH, PHILLIPS, MITCHELL, SCOTT & RUTHERFOED, P.O. BOX 346, HERNANDO, MS 38632,429-5041.
INDEXING INFORMATION: SECTION 35, TOWNSHIP 2 SOUTH, RANGE 7 WEST.

LAWRENCE-GREENWOOD 04848

L-19-900-000 (R-7-88)

# DEED OF TRUST

BOOK 724 PAGE 361

THIS INDENTURE made and entered into this day by and between **********SHELLEY I. SMITH AND WIFE SHARON D. SMITH**********
whose address is 7517 PINE KNOT POINT (Street No. or RFD No. and Box) SOUTHAVEN (City) DESOTO (County)
MISSISSIPPI (State) 38671 (Zip), as Grantor (herein designated as "Debtor"), and
EDWIN T. COFER, as Trustee, and SUNBURST BANK, SOUTHAVEN, Mississippi, as Beneficiary (herein designated as "Secured Party"); WITNESSETH:

WHEREAS, Debtor is indebted to Secured Party in the full sum of ****THIRTY THOUSAND EIGHT HUNDRED DOLLARS AND NO/100**********
Dollars ($ 30,800.00), evidenced by ONE promissory note(s) of even date herewith in favor of Secured Party, bearing interest at the rate specified in the note(s), providing for payment of attorney's fees for collection if not paid according to the terms thereof, and being due and payable as follows:

IN 120 PAYMENTS OF $388.08 EACH, MONTHLY, BEGINNING NOVEMBER 1, 1994 AND CONTINUING ON THE SAME DAY OF EACH MONTH THEREAFTER UNTIL PAID IN FULL.

Union Planters Bank Nat'l. Assoc.
ASSIGNMENT OF THIS INSTRUMENT RECORDED IN
Real Estate T/D BOOK.
NO. 983 PAGE 346
THIS THE 24th DAY OF March, 19 98
W. E. Davis
CHANCERY CLERK
by: G Stanley D.C.

[X] If checked, the note contains provisions allowing for changes in the interest rate. Increases in the interest rate will result in higher payments; decreases in the interest rate will result in lower payments.

WHEREAS, Debtor desires to secure prompt payment of (a) the indebtedness described above according to its terms and any renewals and extensions thereof, (b) any additional and future advances with interest thereon which Secured Party may make to Debtor as provided in Paragraph 1, (c) any other indebtedness which Debtor may now or hereafter owe to Secured Party as provided in Paragraph 2, and (d) any advances with interest which Secured Party may make to protect the property herein conveyed as provided in Paragraphs 3, 4, 5 and 6 (all being herein referred to as the "Indebtedness," whether now existing or hereafter arising).

NOW THEREFORE, in consideration of the Indebtedness herein recited, and to secure the same, the undersigned, consisting of the Debtor and of any other party who, by execution and delivery hereof, pledges the property or any interest therein as security for the said indebtedness, said other party hereby acknowledging the receipt and sufficiency of good and valuable consideration for execution and delivery hereof, hereby conveys and warrants unto the Trustee aforesaid the following described property, situated in DESOTO County, Mississippi, to-wit:

DESCRIPTION OF A 11.00 ACRE TRACT IN THE SOUTHEAST QUARTER OF SECTION 35; TOWNSHIP 2 SOUTH; RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 35; TOWNSHIP 2 SOUTH, RANGE 7 WEST; THENCE EAST ALONG THE SOUTH LINE OF SAID SECTION A DISTANCE OF 4325.46 FEET TO A POINT; THENCE NORTH TO THE NORTH RIGHT-OF-WAY LINE OF BYHALIA ROAD (40 FEET FROM CENTERLINE) AND THE POINT OF BEGINNING; THENCE NORTH 00 DEGREES 36 MINUTES EAST A DISTANCE OF 1300.65 FEET TO A POINT ON THE SOUTH LINE OF WHITTEN ACRES SUBDIVISION; THENCE NORTH 89 DEGREES 57 MINUTES 39 MINUTES EAST ALONG THE SOUTH LINE OF SAID SUBDIVISION A DISTANCE OF 368.73 FEET TO A POINT IN THE WEST LINE OF THE VEST TRACT; THENCE SOUTH 00 DEGREES 36 MINUTES WEST A DISTANCE OF 1298.51 FEET TO A POINT IN THE NORTH RIGHT-OF WAY LINE OF BYHALIA ROAD; THENCE SOUTH 89 DEGREES 37 MINUTES 41 SECONDS WEST ALONG SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 368.75 FEET TO THE POINT OF BEGINNING AND CONTAINING 11.00 ACRES. ALL BEARINGS ARE REFERENCED TO TRUE NORTH.

STATE OF MISSISSIPPI, DESOTO CO.
SEP 2 4 25 PM '94
BK 724 PG 381
W.E. DAVIS, CHK.
by B. Cleveland D.C.

CANCELLED BY AUTHORITY, RECORDED IN BOOK 1147 PAGE 725
THIS 13 DAY OF Sept, 19 99
W E Davis
CHANCERY CLERK
by B Cleveland D.C.

together with all improvements and appurtenances now or hereafter erected on, and all fixtures of any and every description now or hereafter attached to, said land (all being herein referred to as the "Property"). Notwithstanding any provision in this agreement or in any other agreement with Secured Party, the Secured Party shall not have a nonpossessory security interest in and its Collateral or Property shall not include any household goods (as defined in Federal Reserve Board Regulation AA, Subpart B), unless the household goods are identified in a security agreement and are acquired as a result of a purchase money obligation. Such household goods shall only secure said purchase money obligation (including any refinancing thereof).

THIS CONVEYANCE, HOWEVER, IS IN TRUST to secure prompt payment of all existing and future Indebtedness due by Debtor to Secured Party under the provisions of this Deed of Trust. If Debtor shall pay said Indebtedness promptly when due and shall perform all covenants made by Debtor, then this conveyance shall be void and of no effect. If Debtor shall be in default as provided in Paragraph 9, then, in that event, the entire Indebtedness, together with all interest accrued thereon, shall, at the option of Secured Party, be and become at once due and payable without notice to Debtor, and Trustee shall, at the request of Secured Party, sell the Property conveyed, or a sufficiency thereof, to satisfy the Indebtedness at public outcry to the highest bidder for cash. Sale of the Property shall be advertised for three consecutive weeks preceding the sale in a newspaper published in the county where the Property is situated, or if none is so published, then in some newspaper having a general circulation therein, and by posting a notice for the same time at the courthouse of the same county. The notice and advertisement shall disclose the names of the original debtors in this Deed of Trust. Debtors waive the provisions of Section 89-1-55 of the Mississippi Code of 1972 as amended, if any, as far as this section restricts the right of Trustee to offer at sale more than 160 acres at a time, and Trustee may offer the Property herein conveyed as a whole, regardless of how it is described.

If the Property is situated in two or more counties, or in two judicial districts of the same county, Trustee shall have full power to select in which county, or judicial district, the sale of the Property is to be made, newspaper advertisement published and notice of sale posted, and Trustee's selection shall be binding upon Debtor and Secured Party. Should Secured Party be a corporation or an unincorporated association, then any officer thereof may declare Debtor to be in default as provided in Paragraph 9 and request Trustee to sell the Property. Secured Party shall have the same right to purchase the Property at the foreclosure sale as would a purchaser who is not a party to this Deed of Trust.

From the proceeds of the sale Trustee shall first pay all costs of the sale including reasonable compensation to Trustee; then the Indebtedness due Secured Party by Debtor, including accrued interest and attorney's fees due for collection of the debt; and then, lastly, any balance remaining to Debtor.

IT IS AGREED that this conveyance is made subject to the covenants, stipulations and conditions set forth below which shall be binding upon all parties hereto.

1. This Deed of Trust shall also secure all future and additional advances which Secured Party may make to Debtor from time to time upon the security herein conveyed. Such advances shall be optional with Secured Party and shall be on such terms as to amount, maturity and rate of interest as may be mutually agreeable to both Debtor and Secured Party. Any such advance may be made to any one of the Debtors should there be more than one, and if so made, shall be secured by this Deed of Trust to the same extent as if made to all Debtors.

2. This Deed of Trust shall also secure any and all other Indebtedness of Debtor due to Secured Party with interest thereon as specified, or of any one of the Debtors should there be more than one, whether direct or contingent, primary or secondary, sole, joint or several, now existing or hereafter arising at any time before cancellation of this Deed of Trust. Such Indebtedness may be evidenced by note, open account, overdraft, endorsement, guaranty or otherwise.

**Regardless of any statement in this or the preceding paragraph to the contrary, this Deed of Trust will not secure any form of credit given by Secured Party to the Debtor or to the undersigned unless the instrument or document evidencing said credit indicates and discloses, pursuant to Truth in Lending, that the credit is secured by this Deed of Trust.**

3. Debtor shall keep all improvements on the land herein conveyed insured against fire, all hazards included within the term "extended coverage," flood in areas designated by the U. S. Department of Housing and Urban Development as being subject to overflow and such other hazards as Secured Party may reasonably require in such amounts as Debtor may determine but for not less than the Indebtedness secured by this Deed of Trust. All policies shall be written by reliable insurance companies acceptable to Secured Party, shall include standard loss payable clauses in favor of Secured Party and shall be delivered to Secured Party. Debtor shall promptly pay when due all premiums charged for such insurance, and shall furnish Secured Party the premium receipts for inspection. Upon Debtor's failure to pay the premiums, Secured Party shall have the right, but not the obligation, to pay such premiums. In the event of a loss covered by the insurance in force, Debtor shall promptly notify Secured Party who may make proof of loss if timely proof is not made by Debtor. All loss payments shall be made directly to Secured Party as loss payee who may either apply the proceeds to the repair or restoration of the damaged improvements or to the Indebtedness of Debtor, or release such proceeds in whole or in part to Debtor.

4. Debtor shall pay all taxes and assessments, general or special, levied against the Property or upon the interest of Trustee or Secured Party, therein, during the term of this Deed of Trust before such taxes or assessments become delinquent, and shall furnish Secured Party the tax receipts for inspection. Should Debtor fail to pay all taxes and assessments when due, Secured Party shall have the right, but not the obligation, to make these payments.

5. Debtor shall keep the Property in good repair and shall not permit or commit waste, impairment or deterioration thereof. Debtor shall use the Property for lawful purposes only. Secured Party may make or arrange to be made entries upon and inspections of the Property after first giving Debtor notice prior to any inspection specifying a just cause related to Secured Party's interest in the Property. Secured Party shall have the right, but not the obligation, to cause needed repairs to be made to the Property after first affording Debtor a reasonable opportunity to make the repairs.

Should the purpose of the primary Indebtedness for which this Deed of Trust is given as security be for construction of improvements on the land herein conveyed, Secured Party shall have the right to make or arrange to be made entries upon the Property and inspections on the construction in progress. Should Secured Party determine that Debtor is failing to perform such construction in a timely and satisfactory manner, Secured Party shall have the right, but not the obligation, to take charge of and proceed with the construction at the expense of Debtor after first affording Debtor a reasonable opportunity to continue the construction in a manner agreeable to Secured Party.

6. Any sums advanced by Secured Party for insurance, taxes, repairs or construction as provided in Paragraphs 3, 4 and 5 shall be secured by this Deed of Trust as advances made to protect the Property and shall be payable by Debtor to Secured Party, with interest at the rate specified in the note representing the primary Indebtedness, within thirty days following written demand for payment sent by Secured Party to Debtor by certified mail. Receipts for insurance premiums, taxes and repair or construction costs for which Secured Party has made payment shall serve as conclusive evidence thereof.

7. As additional security Debtor hereby assigns to Secured Party all rents accruing on the Property. Debtor shall have the right to collect and retain the rents as long as Debtor is not in default as provided in Paragraph 9. In the event of default, Secured Party in person, by an agent or by a judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and collect the rents. All rents so collected shall be applied first to the costs of managing the Property and collecting the rents, including fees for a receiver and an attorney, commissions to rental agents, repairs and other necessary related expenses and then to payments on the Indebtedness.

8. If all or any part of the Property, or an interest therein, is sold or transferred by Debtor, excluding (a) the creation of a lien subordinate to this Deed of Trust, (b) a transfer by devise, by descent or by operation of law upon the death of a joint owner or (c) the grant of a leasehold interest of three years or less not containing an option to purchase, Secured Party may declare all the Indebtedness to be immediately due and payable. Secured Party shall be deemed to have waived such option to accelerate if, prior or subsequent to the sale or transfer, Secured Party and Debtor's successor in interest reach agreement in writing that the credit of such successor in interest is satisfactory to Secured Party and that the successor in interest will assume the Indebtedness so as to become personally liable for the payment thereof. Upon Debtor's successor in interest executing a written assumption agreement accepted in writing by Secured Party, Secured Party shall release Debtor from all obligations under the Deed of Trust and the Indebtedness.

If the conditions resulting in a waiver of the option to accelerate are not satisfied, and if Secured Party elects not to exercise such option, then any extension or modification of the terms of repayment from time to time by Secured Party shall not operate to release Debtor or Debtor's successor in interest from any liability imposed by this Deed of Trust or by the Indebtedness.

If Secured Party elects to exercise the option to accelerate, Secured Party shall send Debtor notice of acceleration by certified mail. Such notice shall provide a period of thirty days from the date of mailing within which Debtor may pay the Indebtedness in full. If Debtor fails to pay such Indebtedness prior to the expiration of thirty days, Secured Party may, without further notice to Debtor, invoke any remedies set forth in this Deed of Trust.

9. Debtor shall be in default under the provisions of this Deed of Trust if Debtor (a) shall fail to comply with any of Debtor's covenants or obligations contained herein, (b) shall fail to pay any of the Indebtedness secured hereby, or any installment thereof or interest thereon, as such Indebtedness, installment or interest shall be due by contractual agreement or by acceleration, (c) shall become bankrupt or insolvent or be placed in receivership, (d) shall, if a corporation, a partnership or an unincorporated association, be dissolved voluntarily or involuntarily, or (e) if Secured Party in good faith deems itself insecure and its prospect of repayment seriously impaired.

10. Secured Party may at any time, without giving formal notice to the original or any successor Trustee, or to Debtor, and without regard to the willingness or inability of any such Trustee to execute this trust, appoint another person or succession of persons to act as Trustee, and such appointee in the execution of this trust shall have all the powers vested in and obligations imposed upon Trustee. Should Secured Party be a corporation or an unincorporated association, then any officer thereof may make such appointment.

11. Each privilege, option or remedy provided in this Deed of Trust to Secured Party is distinct from every other privilege, option or remedy contained herein or afforded by law or equity, and may be exercised independently, concurrently, cumulatively or successively by Secured Party or by any other owner or holder of the Indebtedness. Forbearance by Secured Party in exercising any privilege, option or remedy after the right to do so has accrued shall not constitute a waiver of Secured Party's right to exercise such privilege, option or remedy in event of any subsequent accrual.

12. The words "Debtor" or "Secured Party" shall each embrace one individual, two or more individuals, a corporation, a partnership or an unincorporated association, depending on the recital herein of the parties to this Deed of Trust. The covenants herein contained shall bind, and the benefits herein provided shall inure to, the respective legal or personal representatives, successors or assigns of the parties hereto subject to the provisions of Paragraph 8. If there be more than one Debtor, then Debtor's obligations shall be joint and several. Whenever in this Deed of Trust the context so requires, the singular shall include the plural and the plural the singular. Notices required herein from Secured Party to Debtor shall be sent to the address of Debtor shown in this Deed of Trust.

IN WITNESS WHEREOF, Debtor has executed this Deed of Trust on the 2ND day of SEPTEMBER, 19 94.

CORPORATE, PARTNERSHIP OR ASSOCIATION SIGNATURE

_____
Name of Debtor

By _____
(Title)

Attest _____
(Title)

(Seal)

INDIVIDUAL SIGNATURES

Shelly I. Smith
SHELLY I. SMITH

Sharon D. Smith
SHARON D. SMITH

## INDIVIDUAL ACKNOWLEDGEMENT

STATE OF MISSISSIPPI
COUNTY OF DESOTO

Personally appeared before me, the undersigned authority in and for the said county and state, on this 2ND day of SEPTEMBER, 19 94, within my jurisdiction, the within named SHELLY I. SMITH AND SHARON D. SMITH, who acknowledged that THEY executed the above and foregoing instrument.

My Commission Expires: April 26, 1997

Rebecca S Thompson
Notary Public

## CORPORATE, PARTNERSHIP OR ASSOCIATION ACKNOWLEDGEMENT

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this _____ day of _____, 19 _____, within my jurisdiction, the within named _____ and _____, who acknowledged that _____ he _____ is (are) the _____ and _____, respectively, of _____, a _____ corporation (a partnership--an unincorporated association), and as its act and deed _____ he _____ executed the above and foregoing instrument, after first having been duly authorized by said corporation - partnership - unincorporated association - so to do.

My Commission Expires: _____

_____
Notary Public