

CANCELLED BY AUTHORITY, RECORDED IN BOOK

981 PAGE 253  
THIS 20 DAY OF March, 1998  
W.E. Davis

STATE MS.-DESOTO CO. FILED

OCT 14 10 49 AM '94

BK PG  
W.E. DAVIS CH. CLK.

CHANCERY CLERK  
This document was prepared by NEW SOUTH BANK, PO BOX 353,  
BATESVILLE, MS. 38606, PH 601-563-4602 (name, address, phone number)

Indor: IN the East Half of Section 6, Twp 3 South R 7 West  
IN part of the NE 1/4 and SE 1/4 Sect. 6, Twp 3 South R 7 West

State of Mississippi Space Above This Line For Recording Data

REAL ESTATE DEED OF TRUST  
(With Future Advance Clause)

1. DATE AND PARTIES. The date of this Deed of Trust is OCTOBER 4, 1994 and the parties and their addresses are as follows:

GRANTOR: BILL G. MAY DALLAS W. MAY  
PO BOX 589 PO BOX 589  
HERNANDO, MS 38632 HERNANDO, MS 38632

Refer to the Addendum which is attached and incorporated herein for additional Grantors.

TRUSTEE: COLMON S. MITCHELL  
BATESVILLE, MISSISSIPPI  
STATE MS.-DESOTO CO. FILED  
OCT 19 10 05 AM '94

LENDER: NEW SOUTH BANK  
A MISSISSIPPI BANK  
100 BATES ST., P.O. BOX 353  
BATESVILLE, MS. 38606  
TAXPAYER I.D. #: 64-0217994  
W.E. DAVIS CH. CLK.

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Granior irrevocably grants, bargains and sells to Trustee, in trust for the benefit of the Lender, with power of sale, the following described property:

REFER TO EXHIBIT 'A' WHICH IS ATTACHED HERETO AND MADE A PART HEREOF.

The property is located in DESOTO (County) at  
PO BOX 589 (Address), HERNANDO (City), Mississippi 38632 (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

3. MAXIMUM OBLIGATION LIMIT. The total principal amount of the Secured Debt (hereafter defined) secured by this Deed of Trust at any one time shall not exceed \$ 443,714.03. This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Deed of Trust and does not apply to advances (or interest accrued on such advances) made under the terms of this Deed of Trust to protect Lender's security and to perform any of the covenants contained in this Deed of Trust. Future advances are contemplated and, along with other future obligations, are secured by this Deed of Trust even though all or part may not yet be advanced. Nothing in this Deed of Trust, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. SECURED DEBT DEFINED. The term "Secured Debt" includes, but is not limited to, the following:  
A. The promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt): A NOTE OF EVEN DATE PAYABLE IN THIRTY FIVE (35) MONTHLY PAYMENTS OF \$5865.55 EACH, BEGINNING 11/04/94 AND CONTINUING ON THE SAME DAY OF EACH MONTH THEREAFTER WITH ONE FINAL BALLOON PAYMENT OF UNPAID PRINCIPAL AND ACCRUED INTEREST DUE AT MAT. CITY, 10/04/97.  
(e.g., borrower's name, note amount, interest rate, maturity date)





- B. All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Deed of Trust whether or not this Deed of Trust is specifically referred to in the evidence of debt, and whether or not such future advances or future obligations are incurred for any purpose that was related or unrelated to the purpose of the Evidence of Debt.
- C. All obligations Grantor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Grantor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Deed of Trust, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.
- E. Grantor's performance under the terms of any instrument evidencing a debt by Grantor to Lender and any Deed of Trust securing, guarantying, or otherwise relating to the debt.

If more than one person signs this Deed of Trust as Grantor, each Grantor agrees that this Deed of Trust will secure all future advances and future obligations described above that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. This Deed of Trust will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Deed of Trust or if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Grantor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Deed of Trust.
- 6. **WARRANTY OF TITLE.** Grantor covenants that Grantor is lawfully seized of the estate conveyed by this Deed of Trust and has the right to irrevocably grant, bargain and sell to Trustee, in trust, with power of sale, the Property and warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Deed of Trust. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Grantor may have against parties who supply labor or materials to improve or maintain the Property.
- 8. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property and that may have priority over this Deed of Trust, Grantor agrees:
  - A. To make all payments when due and to perform or comply with all covenants.
  - B. To promptly deliver to Lender any notices that Grantor receives from the holder.
  - C. Not to make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Grantor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest to all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Deed of Trust is released.
- 10. **TRANSFER OF AN INTEREST IN THE GRANTOR.** If Grantor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Grantor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership or similar entity; or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Deed of Trust.
- 11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Grantor is an entity other than a natural person (such as a corporation or other organization), Grantor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:
  - A. Grantor is an entity which is duly organized and validly existing in the Grantor's state of incorporation (or organization). Grantor is in good standing in all states in which Grantor transacts business. Grantor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Grantor operates.
  - B. The execution, delivery and performance of this Deed of Trust by Grantor and the obligation evidenced by the Evidence of Debt are within the power of Grantor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
  - C. Other than disclosed in writing Grantor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Grantor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.
- 12. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor will give Lender prompt notice of any loss or damage to the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Grantor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Grantor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Grantor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance.

Such replacement of personal property will be deemed subject to the security interest created by this Deed of Trust. Grantor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.

13. **AUTHORITY TO PERFORM.** If Grantor fails to perform any of Grantor's duties under this Deed of Trust, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Deed of Trust, Lender may, without notice, perform the duties or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Deed of Trust. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. **ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably grants, bargains and sells to Trustee, in trust for the benefit of the Lender, as additional security all the right, title and interest in and to any and all:
- Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").
  - Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Grantor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

Grantor will promptly provide Lender with true and correct copies of all existing and future Leases. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default. Except for one month's rent, Grantor will not collect in advance any Rents due in future lease periods, unless Grantor first obtains Lender's written consent. Upon default, Grantor will receive any Rents in trust for Lender and Grantor will not commingle the Rents with any other funds. Any amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing the Property, including, but not limited to, all taxes, assessments, insurance premiums, repairs, and commissions to rental agents, and to any other necessary related expenses including Lender's attorneys' fees and court costs.

Grantor agrees that this assignment is immediately effective between the parties to this assignment and effective as to third parties on Grantor's default when Lender takes actual possession of the Property, when a receiver is appointed, when a court orders the sequestration of the Rents or as the law otherwise provides. Grantor agrees that Lender may take actual possession of the Property without the necessity of commencing any legal action or proceeding and Grantor agrees that actual possession of the Property is deemed to occur when Lender notifies Mortgagor of the default and demands that Grantor and Grantor's tenants pay all Rents due and to become due directly to Lender. On receiving the notice of default, Grantor will endorse and deliver to Lender any payments of Rent in Grantor's possession.

Grantor warrants that no default exists under the Leases or any applicable landlord law. Grantor also warrants and agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Grantor will promptly notify Lender of any noncompliance. If Grantor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Grantor will obtain Lender's written authorization before Grantor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. Grantor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

15. **CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

16. **DEFAULT.** Grantor will be in default if any of the following occur:
- Any party obligated on the Secured Debt fails to make payment when due;
  - A breach of any term or covenant in this Deed of Trust, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
  - The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Grantor or any person or entity obligated on the Secured Debt;
  - The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Grantor or any person or entity obligated on the Secured Debt;
  - A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
  - A material adverse change in Grantor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
  - Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

17. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Deed of Trust in a manner provided by law if this Grantor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime

thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the Evidence of Debt, other evidences of debt, this Deed of Trust and any related documents including without limitation, the power to sell the Property.

If there is a default, Trustee shall, in addition to any other permitted remedy, at the request of the Lender, advertise and sell the Property as a whole or in separate parcels as Trustee deems best, at public auction to the highest bidder for cash and convey absolute title free and clear of all right, title and interest of Grantor at such time and place as Trustee designates. Trustee shall give notice of sale including the time, terms and place of sale and a description of the property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether expressly set forth or not. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

- 18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Grantor agrees to pay all of Lender's expenses if Grantor breaches any covenant in this Deed of Trust. Grantor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Grantor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Deed of Trust, including, but not limited to, attorneys' fees, court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Deed of Trust and Grantor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.
- 19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) "Environmental Law" means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) "Hazardous Substance" means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law. Grantor represents, warrants and agrees that, except as previously disclosed and acknowledged in writing:
- A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
  - B. Grantor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
  - C. Grantor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Grantor will take all necessary remedial action in accordance with Environmental Law.
  - D. Grantor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Grantor or any tenant of any Environmental Law. Grantor will immediately notify Lender in writing as soon as Grantor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
  - E. Grantor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
  - F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
  - G. Grantor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
  - H. Grantor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Grantor and any tenant are in compliance with applicable Environmental Law.
  - I. Upon Lender's request and at any time, Grantor agrees, at Grantor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
  - J. Lender has the right, but not the obligation, to perform any of Grantor's obligations under this section at Grantor's expense.
  - K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Grantor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Deed of Trust and in return Grantor will provide Lender with collateral of at least equal value to the Property secured by this Deed of Trust without prejudice to any of Lender's rights under this Deed of Trust.

- L. Notwithstanding any of the language contained in this Deed of Trust to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Deed of Trust regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.
20. **CONDEMNATION.** Grantor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Grantor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Deed of Trust. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
21. **INSURANCE.** Grantor agrees to maintain insurance as follows:
- A. Grantor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Deed of Trust.
- All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor.
- Unless Lender and Grantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the Secured Debt, whether or not then due, with any excess paid to Grantor. If Grantor abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Secured Debt whether or not then due. The 30-day period will begin when the notice is given.
- Unless Lender and Grantor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.
- B. Grantor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.
- C. Grantor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.
22. **NO ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.
23. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Grantor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Grantor warrants that all financial statements and information Grantor provides to Lender are, or will be, accurate, correct, and complete. Grantor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Deed of Trust and Lender's lien status on the Property. If Grantor fails to do so, Lender may sign, deliver, and file such documents or certificates in Grantor's name and Grantor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.
24. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Deed of Trust are joint and individual. If Grantor signs this Deed of Trust but does not sign the Evidence of Debt, Grantor does so only to mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. Grantor agrees that Lender and any party to this Deed of Trust may extend, modify or make any change in the terms of this Deed of Trust or the Evidence of Debt without Grantor's consent. Such a change will not release Grantor from the terms of this Deed of Trust. The duties and benefits of this Deed of Trust shall bind and benefit the successors and assigns of Grantor and Lender.
- If this Deed of Trust secures a guaranty between Lender and Grantor and does not directly secure the obligation which is guaranteed, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation including, but not limited to, anti-deficiency or one-action laws.
25. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Deed of Trust is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Deed of Trust is complete and fully integrated. This Deed of Trust may not be amended or modified by oral agreement. Any section or clause in this Deed of Trust, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section or clause of this Deed of Trust cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Deed of Trust. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Deed of Trust are for convenience only and are not to be used to interpret or define the terms of this Deed of Trust. Time is of the essence in this Deed of Trust.

- 26. **SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee by an instrument recorded in the county in which this Deed of Trust is recorded. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon the Trustee by this Deed of Trust and applicable law.
- 27. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Deed of Trust, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.

- 28. **U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Deed of Trust:
  - Construction Loan.** This Deed of Trust secures an obligation incurred for the construction of an improvement on the Property.
  - Fixture Filing.** Grantor grants to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property.
  - Crops; Timber; Minerals; Rents, Issues, and Profits.** Grantor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
  - Personal Property.** Grantor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Grantor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
  - Filing As Financing Statement.** Grantor agrees and acknowledges that this Deed of Trust also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the Uniform Commercial Code. A carbon, photographic, image or other reproduction of this Deed of Trust is sufficient as a financing statement.

- 29. **OTHER TERMS.** If checked, the following are applicable to this Deed of Trust:
  - Line of Credit.** The Secured Debt includes a revolving line of credit provision.
  - Agricultural Property.** Grantor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Grantor is an individual or entity allowed to own agricultural land as specified by law.
  - Additional Terms.** .....

**SIGNATURES:** By signing below, Grantor agrees to the terms and covenants contained in this Deed of Trust and in any attachments. Grantor also acknowledges receipt of a copy of this Deed of Trust on the date stated above on Page 1.

Actual authority was granted to the parties signing below by resolution signed and dated .....

Entity Name: BILL G. MAY

Entity Name: DALLAS W. MAY

Bill G. May 10/4/94  
(Signature) (Date)

Dallas W. May 10/4/94  
(Signature) (Date)

(Signature) (Date)

(Signature) (Date)

Refer to the Addendum which is attached and incorporated herein for additional Grantor's, signatures and acknowledgments.

**ACKNOWLEDGMENT:**

STATE OF MISSISSIPPI, COUNTY OF De Soto } ss.  
 Personally appeared before me, the undersigned authority in and for the said county and state, on this 4TH day of OCTOBER, 1994, within my jurisdiction, the within named BILL G. MAY AND DALLAS W. MAY who acknowledged that he/she/they executed the above and foregoing instrument.

My commission expires: \_\_\_\_\_  
(Seal) 10-2-94

Brenda R. Baucum  
(Notary Public)

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_ } ss.  
 Personally appeared before me, the undersigned authority in and for the said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_ within my jurisdiction, the within named \_\_\_\_\_ who acknowledged that he/she is \_\_\_\_\_ of \_\_\_\_\_ and that in said representative capacity he/she executed the above and foregoing instrument, after first having been duly authorized so to do.

My commission expires: \_\_\_\_\_  
(Seal)

(Notary Public)

## EXHIBIT A PAGE 1 OF 4

Part of the East Half of Section 6, Township 3 South, Range 7 West, DeSoto County, Mississippi, and more particularly described as follows, to-wit:

Commencing at a point on the centerline of Green T Road commonly accepted as the northeast corner of said half section; thence run South 00 degrees 16 minutes 38 seconds East a distance of 251.50 feet along the east line of said half section to a point; thence run Due West a distance of 53.00 feet to the Point of Beginning; thence run South 00 degrees 16 minutes 38 seconds East a distance of 221.16 feet along a line 50.00 feet west of and parallel to the east line of said half section; thence run South 64 degrees 08 minutes 08 seconds West a distance of 296.80 feet to a point; thence run South 38 degrees 36 minutes 54 seconds West a distance of 221.48 feet to a point; thence run South 11 degrees 21 minutes 10 seconds West a distance of 166.14 feet to a point; thence run South 26 degrees 59 minutes 13 seconds West a distance of 108.03 feet to a point; thence run South 12 degrees 12 minutes 21 seconds East a distance of 193.62 feet to a point; thence run South 36 degrees 19 minutes 00 seconds East a distance of 205.17 feet to a point; thence run South 35 degrees 35 minutes 53 seconds East a distance of 289.12 feet to a point; thence run Due East a distance of 25.34 feet to a point on a line 53.00 feet west of said east line of said section; thence run South 00 degrees 16 minutes 38 seconds East a distance of 95.43 feet along a line 53.00 feet west of and parallel to said east line of section to a point; thence run Due West a distance of 34.52 feet to a point; thence run South 40 degrees 03 minutes 45 seconds West a distance of 230.43 feet to a point; thence run South 20 degrees 30 minutes West a distance of 247.85 feet to a point; thence run South 17 degrees 46 minutes 18 seconds West a distance of 594.72 feet to a point; thence run South 57 degrees 57 minutes 25 seconds West a distance of 80.22 feet to a point; thence run North 21 degrees 37 minutes 12 seconds West a distance of 338.98 feet to a point; thence run South 40 degrees 48 minutes 06 seconds West a distance of 171.90 feet to a point; thence run South 17 degrees 33 minutes 34 seconds East a distance of 117.08 feet to a point; thence run South 19 degrees 15 minutes 44 seconds West a distance of 111.29 feet to a point; thence run South 30 degrees 20 minutes 16 seconds East a distance of 153.86 feet to a point; thence run South 05 degrees 09 minutes 50 seconds East a distance of 72.77 feet to a point; thence run South 54 degrees 51 minutes 11 seconds East a distance of 218.08 feet to a point; thence run South 32 degrees 52 minutes 04 seconds East a distance of 365.73 feet to a point; thence run North 89 degrees 43 minutes 22 seconds East a distance of 273.42 feet to a point; 53.00 feet west of the east line of said section; thence run South 00 degrees 16 minutes 38 seconds East a distance of 1016.34 feet along a line 53.00 feet west of and parallel to said east line of said section to a point on the north right-of-way line of Mt. Pleasant Road (80-foot wide); thence run South 82 degrees 05 minutes 45 seconds West a distance of 200.71 feet along said north right-of-way line to the southeast corner of Hernando Hill Subdivision, Phases 1 & 2 as recorded in Plat Book 31 on pages 16 thru 18 of the Chancery Records of said County; thence run North 06 degrees 44 minutes 32 seconds West a distance of 332.46 feet along the east line of said subdivision to the northeast corner of said subdivision; thence run North 70 degrees 28 minutes 24 seconds West a distance of 44.47 feet along the north line of said subdivision to a point; thence run South 75 degrees 39 minutes 35 seconds West a distance of 144.77 feet along said subdivision north line to a point; thence run North 84 degrees 04 minutes 28 seconds West a distance of 252.74 feet along said subdivision north line to a point; thence run South 82 degrees 12 minutes 05 seconds West a distance of 151.27 feet along said subdivision north line to a point; thence run South 88 degrees 27

SIGNED FOR IDENTIFICATION:

Bill G. May  
BILL G. MAY

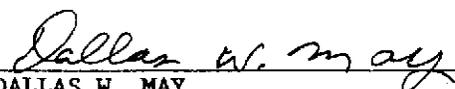
Dallas W. May  
DALLAS W. MAY

## EXHIBIT A PAGE 2 OF 4

minutes 11 seconds West a distance of 243.00 feet along said subdivision north line to a point; thence run South 78 degree 03 minutes 07 seconds West a distance of 251.26 feet along said subdivision north line to a point; thence run South 41 degrees 26 minutes 43 seconds West a distance of 157.39 feet along said subdivision north line to a point; thence run South 78 degrees 12 minutes 57 seconds West a distance of 457.69 feet along said subdivision north line to a point; thence run South 71 degrees 24 minutes 36 seconds West a distance of 240.13 feet along said subdivision north line to a point; thence run South 83 degrees 50 minutes 43 seconds West a distance of 488.36 feet along said subdivision north line to a point; thence run North 80 degrees 32 minutes 16 seconds West a distance of 28.00 feet along said subdivision north line to a point; thence run South 14 degrees 46 minutes 30 seconds West a distance of 125.54 feet along said subdivision north line to a point on the north right-of-way line of Augusta Drive (50-foot wide); thence run Northwesterly a distance of 18.51 feet along said north right-of-way line, a curve to the left with a radius of 933.23 feet, to a point; thence run North 77 degrees 04 minutes 12 seconds West a distance of 120.28 feet along said north right-of-way line to a point; thence run North 05 degrees 54 minutes 17 seconds East a distance of 181.48 feet to the southeast corner of Hernando Hills Subdivision, Phase 3, as recorded in Plat Book 34 on pages 12 and 13 of said Chancery records; thence run North 29 degrees 08 minutes 19 seconds West a distance of 39.98 feet along the east line of said subdivision to a point; thence run North 11 degrees 38 minutes 18 seconds East a distance of 134.87 feet along said subdivision east line to a point; thence run North 35 degrees 22 minutes 51 seconds West a distance of 105.88 feet along said subdivision east line to a point; thence run North 29 degrees 59 minutes 50 seconds East a distance of 227.53 feet along said subdivision east line to a point; thence run South 80 degrees 41 minutes 54 seconds East a distance of 108.45 feet along said subdivision east line to a point; thence run North 13 degrees 15 minutes 17 seconds East a distance of 170.38 feet along said subdivision east line to a point; thence run North 47 degrees 27 minutes 31 seconds East a distance of 150.22 feet along said subdivision east line to a point; thence run South 66 degrees 10 minutes 33 seconds East a distance of 39.11 feet along said subdivision east line to a point; thence run South 82 degrees 10 minutes 02 seconds East a distance of 53.55 feet along said subdivision east line to a point; thence run 67 degrees 17 minutes 30 seconds East a distance of 132.69 feet along said subdivision east line to a point; thence run North 35 degrees 03 minutes 02 seconds East a distance of 62.54 feet along said subdivision east line to a point; thence run North 16 degrees 28 minutes 47 seconds East a distance of 149.43 feet along said subdivision east line to a point; thence run North 11 degrees 58 minutes 06 seconds East a distance of 219.77 feet along said subdivision east line to a point; thence run North 19 degrees 51 minutes 24 seconds East a distance of 48.90 feet along said subdivision east line to a point; thence run North 44 degrees 52 minutes 04 seconds East a distance of 58.36 feet along said subdivision east line to a point; thence run North 79 degrees 01 minutes 04 seconds East a distance of 172.27 feet along said subdivision east line to a point; thence run South 88 degrees 42 minutes 05 seconds East a distance of 389.35 feet along said subdivision east line to a point; thence run North 17 degrees 39 minutes 23 seconds East a distance of 47.78 feet along said subdivision east line to a point on the south right-of-way line of Fairway Drive (50-foot wide); thence run North 51 degrees 20 minutes 19 seconds East a distance of 50.00 feet to a point on the north right-of-way line of said Fairway Drive; thence run North 38 degrees 39 minutes 41 seconds West a distance of 9.89 feet along said

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 BILL G. MAY

  
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## EXHIBIT A PAGE 3 OF 4

north right-of-way line to a point; thence run Northwesterly a distance of 66.32 feet along said north right-of-way line, a curve to the left with a radius of 574.51 feet, to a point; thence run North 32 degrees 02 minutes 51 seconds West a distance of 40.72 feet along said north right-of-way line to a point; thence run North 17 degrees 04 minutes 57 seconds East a distance of 50.00 feet to a point; thence run North 33 degrees 24 minutes 14 seconds West a distance of 89.92 feet to a point; thence run North 26 degrees 16 minutes 36 seconds West a distance of 120.25 feet to a point; thence run North 05 degrees 48 minutes 06 seconds East a distance of 63.70 feet to a point; thence run North 13 degrees 45 minutes 24 seconds West a distance of 128.98 feet to a point; thence run North 18 degrees 33 minutes 17 seconds East a distance of 151.68 feet to a point; thence run North 01 degrees 25 minutes 19 seconds West a distance of 847.86 feet to a point; thence run North 89 degrees 29 minutes 24 seconds East a distance of 173.21 feet to a point; thence run North 21 degrees 05 minutes 41 seconds East a distance of 423.22 feet to a point; thence run North 31 degrees 27 minutes 31 seconds East a distance of 410.12 feet to a point; thence run South 76 degrees 27 minutes 42 seconds East a distance of 60.00 feet to a point; thence run North 13 degrees 32 minutes 18 seconds East a distance of 727.23 feet to a point; thence run North 16 degrees 58 minutes 21 seconds West a distance of 72.86 feet to a point; thence run North 68 degrees 39 minutes 55 seconds West a distance of 401.15 feet to a point; thence run North 63 degrees 06 minutes 19 seconds West a distance of 227.12 feet to a point on the east line of Green T Subdivision; thence run North 58 degrees 38 minutes 37 seconds West a distance of 188.11 feet along said subdivision east line to a point; thence run South 89 degrees 55 minutes 55 seconds West a distance of 276.40 feet along said subdivision east line to a point; thence run North 30 degrees 40 minutes 36 seconds West a distance of 389.14 feet along said subdivision east line to a point; thence run North 65 degrees 12 minutes 07 seconds East a distance of 310.00 feet to a point; thence run North 14 degrees 49 minutes 17 seconds West a distance of 160.17 feet to a point on the south right-of-way line of Green T Road (106-foot wide); thence run North 89 degrees 51 minutes 53 seconds East a distance of 378.04 feet along said south right-of-way line to a point; thence run North 89 degrees 55 minutes 46 seconds East a distance of 244.95 feet along said south right-of-way line to a point; thence run South 00 degrees 04 minutes 14 seconds East a distance of 217.03 feet to a point; thence run South 55 degrees 24 minutes 24 seconds East a distance of 475.30 feet to a point; thence run North 70 degrees 04 minutes 00 seconds East a distance of 815.18 feet to the Point of Beginning and containing 148.87 acres, more or less. Bearings are based on true north as determined by solar observation.

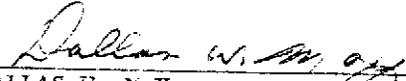
LESS & EXCEPT:DESCRIPTION OF TRACT NO. 1, R-3 ZONE SOUTH

Part of the East Half of Section 6, Township 3 South, Range 7 West, DeSoto County, Mississippi, and more particularly described as follows, to-wit:

Commencing at a point on the centerline of Green T Road commonly accepted as the northeast corner of said half section; thence run South 00 degrees 16 minutes 38 seconds East a distance of 4552.67 feet along the east line of said half section to a point; thence run Due West a distance of 369.77 feet to the Point of Beginning; thence run South 89 degrees 02 minutes 34 seconds West a distance of 384.36 feet to a

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 BILL G. MAY

  
 DALLAS W. MAY

## EXHIBIT A PAGE 4 OF 4

point; thence run North 71 degrees 35 minutes 05 seconds West a distance of 94.34 feet to a point; thence run North 52 degrees 12 minutes 44 seconds West a distance of 310.52 feet to a point; thence run North 38 degrees 37 minutes 24 seconds West a distance of 172.28 feet to a point; thence run North 32 degrees 46 minutes 31 seconds West a distance of 191.34 feet to a point; thence run North 10 degrees 40 minutes 23 seconds West a distance of 257.26 feet to a point; thence run North 28 degrees 06 minutes 54 seconds West a distance of 201.87 feet to a point; thence run North 06 degrees 08 minutes 50 seconds East a distance of 47.29 feet to a point; thence run North 82 degrees 59 minutes 16 seconds East a distance of 402.33 feet to a point; thence run South 09 degrees 29 minutes 11 seconds East a distance of 214.79 feet to a point; thence run South 08 degrees 38 minutes 20 seconds East a distance of 200.93 feet to a point; thence run South 23 degrees 03 minutes 38 seconds East a distance of 70.94 feet to a point; thence run South 43 degrees 38 minutes 56 seconds East a distance of 189.44 feet to a point; thence run South 57 degrees 43 minutes 52 seconds East a distance of 234.61 feet to a point; thence run South 48 degrees 07 minutes 07 seconds East a distance of 297.28 feet to a point; thence run South 14 degrees 01 minutes 57 seconds East a distance of 102.61 feet to the Point of Beginning and containing 10.26 acres, more or less. Bearings are based on true north as determined by solar observation.

LESS & EXCEPT:

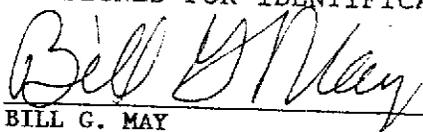
Part of the East Half of Section 6, Township 3 South, Range 7 West, DeSoto County, Mississippi, and more particularly described as follows, to-wit:

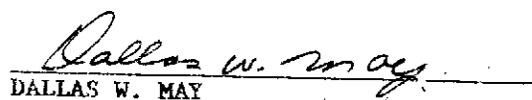
Commencing at a point on the centerline of Green T Road commonly accepted as the northeast corner of said half section; thence run South 00 degrees 16 minutes 38 seconds East a distance of 3084.75 feet along the east line of said half section to a point; thence run Due West a distance of 736.53 feet to the Point of Beginning; thence run North 70 degrees 01 minutes 19 seconds West a distance of 445.00 feet to a point; thence run North 19 degrees 58 minutes 41 seconds East a distance of 1460.89 feet to a point; thence run South 56 degrees 10 minutes 58 seconds East a distance of 353.27 feet to a point; thence run South 17 degrees 03 minutes 10 seconds East a distance of 175.72 feet to a point; thence run South 15 degrees 55 minutes 47 seconds West a distance of 381.16 feet; thence run South 41 degrees 58 minutes 36 seconds West a distance of 161.33 feet to a point; thence run South 18 degrees 40 minutes 56 seconds West a distance of 253.13 feet to a point; thence run South 16 degrees 57 minutes 11 seconds West a distance of 453.88 feet to the Point of Beginning and containing 14.11 acres, more or less. Bearings are based on true north as determined by solar observation.

Net area of ZONE A is 124.50 acres, more or less.

The above described property is what is commonly known as "Hernando Hills Golf Course".

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BILL G. MAY

  
DALLAS W. MAY