

LAND DEED OF TRUST

This instrument was prepared by BGR
National Bank of Commerce of Corinth
P.O. Box 849, Corinth MS. 38834
Phone: 601-287-2471

Indexing Instructions: LOT 19, SECTION B,
PLEASANT HILL ESTATES, SECTION 12, TOWNSHIP 2
SOUTH, RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI.

THIS INDENTURE, made and entered into this day by and between.....

JAMES A BARNES and BEVERLY A BARNES

whose address is 4630 Sandidge OLIVE BRANCH
MISSISSIPPI (Street No. or RFD and Box) (City)

DESOTO COUNTY MISSISSIPPI 38654
(County) (State)

, as Grantor (herein designated as "Debtor"), and Wendell H. Trapp, Jr

as Trustee, and National Bank of Commerce of Corinth, Mississippi as Beneficiary (herein designated as "Secured Party"), WITNESSETH:

WHEREAS, Debtor is indebted to Secured Party in the full sum of

SEVENTY THOUSAND AND NO/100

Dollars (\$ 70000.00) evidenced by a promissory note of

even date herewith in favor of Secured Party, bearing interest from 4/12/95 at the rate specified in the note providing for payment of attorney's fees for collection if not paid according to the terms thereof and being due and payable as set forth below:

23 payments at 730.00 beginning May 12, 1995 and each month thereafter
1 payment of 66102.54 due April 12, 1997

CANCELLED BY AUTHORITY, RECORDED IN BOOK

905 PAGE 321
THIS 8 DAY OF May, 1997

W.E. DAVIS, JR.
CHANCERY CLERK

STATE OF MISSISSIPPI

APR 18 10 27 AM '95

BK 757 PG 642
W.E. DAVIS, JR. CH. CLK.

WHEREAS, Debtor desires to secure prompt payment of (a) the indebtedness described above according to its terms and any 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 with interest 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"), along with attorney fees and other collection costs incurred in connection with any of the foregoing.

NOW THEREFORE, In consideration of the existing and future Indebtedness herein recited, Debtor Hereby conveys and warrants unto Trustee the land described below situated in the

City of County, of DESOTO COUNTY State of Mississippi:

LOT 19, SECTION B. PLEASANT HILL ESTATES, SITUATED IN SECTION 12, TOWNSHIP 2 SOUTH, RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 9, PAGES 16-17, IN THE OFFICE OF THE CHANCERY CLERK OF DESOTO COUNTY, MISSISSIPPI:

LESS AND EXCEPT: PARCEL 3 - 0.0391 (1704.801 SQUARE FEET) ACRES OF LAND, SITUATED IN SECTION 12, TOWNSHIP 2 SOUTH, RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF LOT NO. 18, THENCE NORTH 84 DEGREES 03 MINUTES 00 SECONDS EAST 156.09 FEET TO THE TRUST POINT OF BEGINNING. THENCE CONTINUE NORTH 84 DEGREES 03 MINUTES 00 SECONDS EAST 294.96 FEET ALONG THE SOUTHERLY LINE OF LOT NO. 18 TO A POINT; THENCE SOUTH 78 DEGREES 10 MINUTES 18 SECONDS WEST 112.87 FEET TO A POINT; THENCE SOUTH 87 DEGREES 40 MINUTES 14 SECONDS WEST 183.05 FEET TO THE POINT OF BEGINNING, SAID PARCEL 3 BEING THE SAME PROPERTY CONVEYED TO JAMES ANDREW SLOUD, ET UX BY DEED OF RECORDED IN BOOK 247, PAGE 234, IN THE OFFICE OF THE CHANCERY CLERK OF DESOTO COUNTY, MISSISSIPPI.

ALSO BEING CONVEYED: PARCEL 1-0.0181 (790.4403 SQUARE FEET) ACRES OF LAND, SITUATED IN SECTION 12, TOWNSHIP 2 SOUTH, RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI, BEGINNING AT THE SOUTHWEST CORNER OF THE LOT NO. 18: THENCE

NORTH 05 DEGREES 38 MINUTES 00 SECONDS WEST 10.00 FEET; THENCE NORTH 87 DEGREES 40 MINUTES 14 SECONDS EAST 158.35 FEET TO A POINT IN THE SOUTHERLY LINE OF LOT NO. 18; THENCE SOUTH 84 DEGREES 03 MINUTES 00 SECONDS WEST 158.09 FEET TO THE POINT OF BEGINNING; SAID PARCEL 1 BEING A PORTION OF THE PROPERTY CONVEYED TO THOMAS H. MOSELEY, ET UX BY DEED RECORDED IN BOOK 248, PAGE 174, IN THE OFFICE OF THE CHANCERY CLERK OF DESOTO COUNTY, MISSISSIPPI.

ALSO BEING CONVEYED: PARCEL 2-0.0213 (928.3222 SQUARE FEET) ACRES OF LAND, SITUATED IN SECTION 12, TOWNSHIP 2 SOUTH, RANGE 7 WEST, DESOTO COUNTY, MISSISSIPPI, BEGINNING AT THE SOUTHEAST CORNER OF LOT NO. 18; THENCE NORTH 05 DEGREES 38 MINUTES 00 SECONDS WEST 13.83 FEET; THENCE SOUTH 78 DEGREES 10 MINUTES 18 SECONDS WEST 135.04 TO A POINT IN THE SOUTHERLY LINE OF LOT 18; THENCE NORTH 84 DEGREES 03 MINUTES 00 SECONDS EAST 134.25 FEET TO THE POINT OF BEGINNING; SAID PARCEL 2 BEING A PORTION OF THE PROPERTY CONVEYED TO THOMAS H. MOSELEY, ET UX BY DEED OF RECORD IN BOOK 248, PAGE 174, IN THE OFFICE OF THE CHANCERY CLERK OF DESOTO COUNTY, MISSISSIPPI.

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 agreed 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 any nature of Debtor or any of Debtors due or to become due to Secured Party with interest thereon as specified, whether said Indebtedness is direct or contingent, primary or secondary, liquidated or unliquidated, sole, joint or several, now existing or hereafter arising at any time before cancellation of this Deed of Trust. Without limiting the generality of the foregoing, such Indebtedness covered hereby includes, but is not limited to, Indebtedness arising by way of promissory note, guaranty, endorsement, open account, overdraft, tort, criminal activity or otherwise.

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 and renewals 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, but shall not be obligated to, 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, but shall not be obligated to, make or arrange to be made entries upon the Property and inspections of 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 or expended by Secured Party for insurance, taxes, governmental charges, repairs or construction as provided in Paragraphs 3, 4, and 5, as well as any and all other expenses incurred by Secured Party, including, but not limited to, attorney fees and collection costs 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, but not required, 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.

13. Debtor agrees to promptly fulfill and comply with all the terms and conditions expressed and provided in the note or notes secured by this instrument and to pay all expenses and costs in any way incident to this trust deed, the payment of which shall be secured hereby.

14. Debtor warrants that this trust deed constitutes a valid first lien on the property conveyed hereby, unless otherwise indicated herein, and if Debtor's title to any such property is questioned in any manner, or if any such property is not properly described herein, Secured Party may at Secured Party's discretion, investigate and take such action as may be necessary or desirable for the protection of Secured Party's interest, and for this purpose may employ legal counsel, or expert assistance, and all expenditures for such purposes shall be an indebtedness of Debtor and secured by this instrument.

15. The Secured Party may at any time, without notice, release any of the property described herein, grant extensions or deferrals of time of payment of the indebtedness secured hereby, or any part thereof, or release from liability any parties who are, or may become liable for the payment of said indebtedness, without affecting the priority of this lien or the personal liability of the Debtor, or any other party liable, or who may become liable for the indebtedness secured by this instrument.

16. The failure of the Secured Party to exercise any option or make any decision or election under any term or covenant herein expressed, shall not be deemed a waiver of the right to exercise such option or to make such decision or election at any time.

17. A failure by the Debtor to pay any installment on any note secured by this instrument, or the interest thereon, or any other indebtedness which may be secured hereby, as same shall become due, or to do or perform any obligation herein contained, shall cause the entire indebtedness secured hereby to become due and payable immediately, at the option of the Secured Party or the then holder of the indebtedness secured hereby, and shall fully empower the Secured Party or such holder to have the Trustee herein, or any successor appointed in his place, to execute this trust, it not being necessary that the Secured Party or such holder declare such acceleration in writing or give notice thereof.

18. In case of the sale of the above described property hereunder the Secured Party, or any future holder of the indebtedness secured hereby, shall have the same right to purchase the property at such sale as if a stranger to this instrument.

19. Any attorney's fee provided for in any indebtedness secured hereby and the Trustee's fee provided for in this Deed of Trust are hereby made liens on the above described property and the Debtor promises to pay the same on demand, should they become due.

20. This Deed of Trust is given and taken in renewal and extension of a deed of trust dated the _____ day of _____, 19____ and recorded in Book _____ page _____ deed records _____ County, Mississippi, and is in no way intended to void the said deed of trust or impair the security thereof.

IN WITNESS WHEREOF, Debtor has executed this Deed of Trust on the 12th day of April, 1995

CORPORATE, PARTNERSHIP OR ASSOCIATION SIGNATURE

Name of Debtor

By _____ Title

Attest: _____ Title

(Seal)

INDIVIDUAL SIGNATURES

James A. Barnes
JAMES A. BARNES
Beverly A. Barnes
BEVERLY A. BARNES

INDIVIDUAL ACKNOWLEDGMENT

STATE OF MISSISSIPPI
COUNTY OF DESOTO COUNTY

BOOK 757 PAGE 645

This day personally appeared before me, the undersigned authority in and for the State and County aforesaid, the within named

JAMES A BARNES & BEVERLY A BARNES who acknowledged that The Y signed, executed, and delivered the foregoing Deed of Trust on the day and year therein mentioned.

Given under my hand and official seal of office, this the 12th day of April, 19 95

My Commission Expires 8-14-97

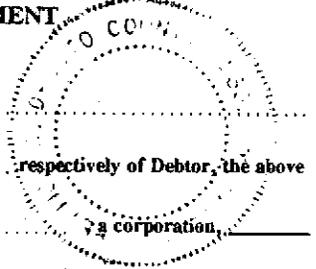
Peggy W. Pittgreew
Notary Public

CORPORATE, PARTNERSHIP OR ASSOCIATION ACKNOWLEDGMENT

STATE OF MISSISSIPPI
COUNTY OF

This day personally appeared before me, the undersigned authority in and for the State and County aforesaid,

Title and Title respectively of Debtor, the above named a corporation.



a partnership an unincorporated association, who acknowledged that for and on his behalf, he signed, executed, sealed and delivered the foregoing Deed of Trust on the day and year therein mentioned as its act and deed, being first duly authorized so to do.

Given under my hand and official seal of office, this the day of, 19

My Commission Expires

Notary Public

LAND DEED OF TRUST

from

to

Trustee

Filed for Record, 19

o'clock M.

Clerk

STATE OF MISSISSIPPI
Chancery Court

County

I certify that this Deed of Trust was filed for record in

my office at o'clock M., on

the day of, 19

and was duly recorded the day of

, 19, on page.

Book No. in my office.

Witness my hand and seal of office, this

day of, 19

Clerk

D.C.