

SEP 24 9 45 AM '96

Borrower: CHARLES M ANDERSON JR and DONNA R ANDERSON

This Deed of Trust was prepared by, and once recorded, should be returned to:

Indexing instructions to the Chancery Clerk of DESOTO County, pursuant to Section 89-5-33 of the Miss. Code of 1972:

Name: KEY FEDERAL SAVINGS BANK
Address: P.O. Box 3037
Telephone No.: Baton Rouge, LA 70821-3037
504-924-6007

BK 858 PG 34
W.E. DAVIS CH. CLK.

(Space Above This Line For Recording Data)

DEED OF TRUST

THIS DEED OF TRUST is made this 19 day of August, 1996, among the Grantor, CHARLES M ANDERSON JR and DONNA R ANDERSON, whose address is 8545 VAIDEN RD. HERNANDO, MS 03863-2000 (herein "Borrower"), GREG FONTENOT (herein "Trustee"), and the Beneficiary, KEY FEDERAL SAVINGS BANK, a federal savings bank organized and existing under the laws of the United States, whose address is One Ames Plaza, Rehoboth, Delaware 19971 (herein "Lender").

WHEREAS, Borrower desires to secure to Lender the prompt repayment of Borrower's indebtedness to Lender, as evidenced by that certain Credit Card Home Equity Agreement between Borrower and Lender, dated 8-19-96, together with all extensions, renewals, modifications, refinancings and substitutions therefor (herein "Credit Agreement"), with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust, and the performance of the covenants and agreements of Borrower herein contained (herein "Indebtedness"), Borrower, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of DESOTO, State of Mississippi:

See Exhibit 'A'

which has the address of 8545 VAIDEN RD. HERNANDO, Mississippi 38632-0000 (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are hereinafter referred to as the "Property";

Specifically, this Deed of Trust secures a revolving line of credit, which obligates Lender to make advances to Borrower up to his or her established credit limit, as long as Borrower complies with all the Credit Agreement's terms. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, exclusive of finance charges at a fixed rate provided in the Credit Agreement and any amounts expended as provided under this Deed of Trust, shall not exceed the credit limit established in the Credit Agreement. Any advances made in excess of Borrower's credit limit will not be secured by this Deed of Trust unless and until Lender agrees to increase his or her credit limit and complies with any subsequent disclosure, rescission and other requirements under Federal Reserve Board Regulation Z, as applicable. The maximum principal amount that may be secured by this Mortgage is \$5,000.00. However, Borrower agrees and acknowledges that this maximum amount exceeds the credit limit initially established under the Borrower's Credit Agreement. Borrower further agrees and acknowledges that any subsequent increase in his or her credit limit will be made at Lender's discretion and that Lender is in no way obligated to grant Borrower's request for a credit increase. It is the intention of the Borrower and Lender that this Deed of Trust secures the balance outstanding under the Credit Agreement from time to time, up to the credit limit established therein and any intermediate balance. All amounts owed under the Credit Agreement will be due and payable as provided in the Credit Agreement, but in no event later than twenty (20) years after the date of this Deed of Trust.

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

THIS DEED OF TRUST IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF EACH AGREEMENT AND OBLIGATION OF BORROWER UNDER THE CREDIT AGREEMENT AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

1. **Payment of Principal and Interest.** Borrower shall promptly pay to Lender when due all amounts secured by this Deed of Trust and shall strictly and in a timely manner perform all of Borrower's obligations under the Credit Agreement and this Deed of Trust.

2. **Prior Mortgages and Deeds of Trust; Taxes; Liens.** The lien of this Deed of Trust securing the indebtedness may be secondary and inferior to an existing lien. Borrower expressly covenants and agrees to perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid when due all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, and upon demand shall furnish to Lender satisfactory evidence of payment of such taxes and assessments.

3. **Preservation and Maintenance of Property.** Borrower agrees not to abandon the Property and to keep the Property in good repair, not to commit waste or permit impairment or deterioration of the Property and to comply with the provisions of any lease if this Deed of Trust is on a leasehold.

4. **Property Insurance.** Borrower agrees to maintain insurance on the Property at his or her expense for as long as this Mortgage remains in effect. This insurance will be in amounts and of the types required by Lender (including flood insurance where applicable) and must be issued by one or more financially responsible insurance companies acceptable to Lender. Borrower further agrees to name Lender as a loss payee beneficiary under his or her policies, which are to contain non-contributory loss payable clauses in Lender's favor. Additionally, Borrower agrees to provide Lender with copies of his or her insurance policies, along with evidence that policy premiums and all renewal premiums have been paid.

5. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest.

Any amounts disbursed by Lender pursuant to this paragraph, with interest thereon, at the rate provided for in the Credit Agreement, shall become additional indebtedness of Borrower secured by this Deed of Trust. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder, and any action taken by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

6. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

7. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Deed of Trust, but does not execute the Credit Agreement, (a) is co-signing this Deed of Trust only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Deed of Trust, (b) is not personally liable on the Credit Agreement or under this Deed of Trust, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Deed of Trust or the Credit Agreement without that Borrower's consent and without releasing that Borrower or modifying this Deed of Trust as to that Borrower's interest in the Property.

8. **Governing Law; Severability.** This Deed of Trust shall be governed by and interpreted in accordance with the laws of the State of Mississippi. In the event that any provision of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust which can be given effect without the conflicting provision, and to this end the provisions of this Deed of Trust are declared to be severable.

9. **Transfer of the Property.** If all or any part of the Property or any interest in it is sold or transferred without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Lender if exercise is prohibited by law.

10. **Default.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Deed of Trust: (a) Borrower commits fraud or makes a material misrepresentation at any time in connection with the Credit Agreement. This can include, for example, a false statement about Borrower's income, assets, liabilities, or any other aspects of Borrower's financial condition. (b) Borrower does not meet the repayment terms of the Credit Agreement. (c) Borrower's action or inaction adversely affects the Property or Lender's rights in the Property. This can include, for example, waste or destructive use of the dwelling, failure to maintain property insurance, failure to pay taxes, death of all persons liable under the Credit Agreement, transfer of title or sale of the dwelling, creation of a lien on the dwelling without Lender's permission, foreclosure by another lienholder, or the use of funds or the dwelling for prohibited purposes.

11. **Rights and Remedies on Default.** Upon the occurrence of any Event of Default and at any time thereafter, Trustee or Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

(a) **Accelerate Indebtedness.** Lender shall have the right at its option to declare the entire Indebtedness immediately due and payable.

(b) **Sale of Property.** Borrower waives the provisions of Section 89-1-55, Mississippi Code of 1972, as amended, and any successor provisions, as far as said Section restricts the right of Trustee to offer at sale more than one hundred and sixty acres at a time, and Trustee may offer the Property as a whole or in part and in such order as the Trustee may deem best, regardless of the manner in which it may be described. In the event that the Property is located in two or more counties, or in two judicial districts of the same county, the Trustee will have the full power to select the county or judicial district in which the sale of the Property will be held, newspaper advertisement published and notice of sale posted, and Trustee's selection will be binding on the Borrower and Lender. To the extent permitted by applicable law, Borrower hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

(c) **Foreclosure.** With respect to all or any part of the Property, the Trustee shall, at the request of Lender, sell the Property after giving notice of the time, place and terms of sale as required by Section 89-1-55 of the Mississippi Code of 1972, as amended, and any successor provisions, and execute a deed to the purchaser of the Property. Out of the proceeds arising from the sale, the costs and expenses of executing this Deed of Trust, including a reasonable Trustee's

fee and the attorneys' fees prescribed in the Credit Agreement or in this Deed of Trust, shall first be paid; next the amount of the Indebtedness then remaining unpaid shall be paid; and, lastly, any balance remaining shall be paid to Borrower or to Borrower's representatives' agents or assigns.

(d) **Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

(e) **Tenancy at Sufferance.** If Borrower remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower, Borrower shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (a) pay a reasonable rental for the use of the Property, or (b) vacate the Property immediately upon the demand of Lender.

(f) **Other Remedies.** Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Credit Agreement or by law.

(g) **Waiver; Election of Remedies.** A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy provided in this Deed of Trust, in the Credit Agreement, or provided by law shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower under this Deed of Trust after Borrower's failure to perform shall not affect Lender's right to declare a default and to exercise any of its remedies.

(h) **Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover court costs, as well as such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender which in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Credit Agreement rate from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law.

12. **Substitute Trustee.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

13. **Waiver of Homestead Exemption.** Borrower hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Mississippi as to all Indebtedness secured by this Deed of Trust.

14. **Deductibility of Interest.** Borrower acknowledges and agrees that Lender has in no way advised Borrower as to whether interest and/or other finance charges under Borrower's Credit Agreement with Lender are or will be deductible for purposes of federal, state or local income or other taxation.

15. **Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

IN WITNESS WHEREOF, Borrower acknowledges having read all of the provisions of this Deed of Trust and agrees to its terms.

Charles M Anderson R.(Seal)(Seal)
Borrower Borrower
Donna R. Anderson(Seal)(Seal)
Borrower Borrower

INDIVIDUAL ACKNOWLEDGMENT

Account No:
State of MISSISSIPPI
County of DESOTO

Personally appeared before me, the undersigned authority in and for the said county and state, on this 19th day of August, 1996, within my jurisdiction, the within named Charles M Anderson R. + Donna R Anderson who acknowledged that they executed the above and foregoing instrument.

(Seal)



Jeanette B. Martin
Notary Public
JEANETTE B. MARTIN
(Printed Name)

My commission expires: _____

BR #: 0000/2000

EXHIBIT "A"

Part of the Northeast Quarter of Section 9, Township 3 South, Range 6 West, DeSoto County, Mississippi, and being more particularly described as follows, to-wit:

Commencing at a point on the centerline of Vaiden Road a distance of 2656 feet west of a point commonly accepted as the northeast corner of said quarter section; thence run South 01 40'00" West a distance of 1644.00 feet to a 24-inch oak tree, said point being the Point of Beginning; thence run South 88 20'00" East a distance of 417.42 to a point; thence run South 01 40'00" West a distance of 208.71 feet to a point; thence run North 88 20'00" West a distance of 417.42 feet to a half-inch steel bar; thence run North 01 40'00" East a distance of 208.71 feet to the Point of Beginning and containing 2.00 acres. Reference bearing is 00 30'32" west of true north as determined by solar observation.

INGRESS/EGRESS EASEMENT

A 50-foot wide ingress/egress easement adjoining and lying 25-feet east of and 25-feet west of the being described easement centerline:

Beginning at a point on the centerline of Vaiden Road a distance of 2656 Feet West of a point commonly accepted as the northeast corner of said quarter section; thence run South 01 40'00" West a distance of 1852.71 feet to the end of said easement.

Being the same property conveyed to Charles M. Anderson, Jr. by Deed from Charles M. Anderson of record in Book 256, Page 134, dated December 18, 1992, recorded April 8, 1993, in the Chancery Clerk's Office of DeSoto County, Mississippi. (Also see 113-497)

Property known as 8545 Vaiden Road
Hernando, Mississippi 38632