

Prepared By:  
National Bank of Commerce  
One Commerce Square  
Memphis, TN 38150  
(901) 522-3319

**EQUITY CREDIT LINE  
DEED OF TRUST  
(MISSISSIPPI)**

STATE MS. - DE SOTO CO.

MC  
WJ  
OCT 23 1 14 PM '96

NATIONAL BANK OF COMMERCE  
1 COMMERCE SQUARE  
MEMPHIS, TENNESSEE 38150

BK 864 PG 732  
W.E. DAVIS OR. CLK.

THIS INDENTURE, this day made and entered into between

**JAMES C. WATKINS & CHERYL WRIGHT-WATKINS**

of the first part, hereinafter designated as the Grantor, **R GRATTAN BROWN JR & CHARLES A NEALE**

**OF SHELBY COUNTY TN** Trustee, of the second part, hereinafter designated as the Trustee, and

**NATIONAL BANK OF COMMERCE** of the third part, hereinafter designated as the Beneficiary.

WHEREAS, the Grantor is justly indebted to the Beneficiary, or the holder of the indebtedness hereafter mentioned, as evidenced by a Promissory Note of even date herewith, in the principal sum of Fifty Dollars, executed by the Grantor and payable to the Beneficiary on demand without interest, and also under an open-end or revolving line of credit which shall not exceed the maximum of THIRTY FIVE THOUSAND DOLLARS AND 00/100 Dollars (\$ 25,000.00 ) as evidenced by that certain EQUITY CREDIT LINE AGREEMENT ("Agreement") of even date herewith by and between the Grantor and the Beneficiary. Advances made by the Beneficiary to or on behalf of the Grantor under the Agreement shall be repaid in monthly installments of not less than the finance charge imposed on the Grantor's account during the billing cycle, in accordance with the terms of the Agreement. This Deed of Trust secures such other and further advances as may hereafter be made by the Beneficiary to or for the benefit of the Grantor pursuant to the Agreement, which imposes upon the Beneficiary a binding obligation to make future advances aggregating an amount not to exceed the maximum set forth hereinabove. Nothing contained herein shall be construed to limit the amount of indebtedness secured hereby to the extent that such future advances are made to pay taxes, insurance or otherwise protect the property as hereinafter provided. The Annual Percentage Rate of interest in effect as of the effective date of the Agreement is 7.9 %. Thereafter interest will vary on a monthly basis on the sum of \*% and the amount of the lower prime rate, as published under "Money Rates" in The Wall Street Journal on the third Thursday of each month and as more specifically described in part 3(c) of the Agreement. If all or any part of the property secured hereby, or any interest therein, is sold, transferred or otherwise disposed of without obtaining prior written consent of the Beneficiary, or any subsequent holder of the indebtedness secured hereby, then the Beneficiary or such holder may, at its option, declare all sums secured hereby to be immediately due and payable. All indebtedness secured under the Agreement shall mature and be due and payable in full ten (10) years from the date of the Agreement.

WHEREAS, the said grantor desires to secure the prompt payment at maturity of the aforesaid indebtedness, as well as any extension of the same, or any part thereof, and any other or further indebtedness in the way of future advances hereunder, or otherwise, that the grantor, or any of them, may now or hereafter owe the beneficiary, as hereinafter provided:

NOW, THEREFORE, in consideration of the premises, and the further consideration of Ten Dollars (\$10.00) cash in hand paid by the aforesaid trustee, the receipt of which is hereby acknowledged, the grantor does hereby convey and warrant unto the said trustee, the property situated in the

**SEE ATTACHED EXHIBIT "A"**

State of Mississippi, and more particularly described as follows, to-wit:

\*1.5%

Together with all the hereditaments and appurtenances thereunto appertaining, as far as they may now or hereafter, during the term of this deed of trust, belong to or be used in connection with the occupancy of any building on the said land, or that may be hereafter erected thereon, all heating and ventilating apparatus, gas, electric light and other fixtures, whether attached to said premises or detached therefrom.

This conveyance, however, is in trust to secure the prompt payment of the aforesaid indebtedness, and any and all other indebtedness that may become due and owing to the beneficiary under the terms of this instrument and secured hereby, including the payment of any sum which may be expended or any indebtedness which may be incurred by the beneficiary herein, or any owner or holder of the note or notes secured hereby, in the payment of premiums for insurance, or in the payment of taxes on the said property, or in the payment of attorney's fees and/or other items expended in the protection of this security. If all indebtedness secured hereby shall be promptly paid when due and demandable, including all interest due thereon at the rate herein specified, then in that event this conveyance shall be null and void, otherwise to remain in full force and effect. But if default is made in the payment of the note or notes secured hereby, or of any installment thereon, or of any installment of interest as provided herein, or in the payment when due and demandable of any other item of indebtedness secured hereby, or the interest thereon, or if default is made in any other covenant herein contained, then and in that event the entire principal sum secured hereby with all interest and charges accrued thereon, and all amounts secured hereby, shall, at the option of the beneficiary, or the owner or holder of said note or notes, be and become at once due and payable, and the trustee herein named, or his successor or successors, shall, at the request of the beneficiary, or at the request of any owner or holder of the note or notes secured hereby, sell said property and land, or a sufficiency thereof to satisfy the indebtedness aforesaid then unpaid. Such sale shall be made by giving notice of the time, place and terms of sale as required by Section 89-1-55 of the Mississippi Code of 1972 and amendments if any thereto, and the trustee shall make deed to the purchaser or purchasers. Should the beneficiary, or the owner or holder of the note or notes secured hereby be a corporation, then in such event a declaration of default to the trustee, and a request for sale hereunder, may be made by any officer thereof. If the land covered hereby is situated in two or more counties, or in two judicial districts of the same county, the trustee may sell the whole in any of the counties, or in either of the judicial districts of a county in which any part of the land lies. Out of the proceeds of sale the trustee shall first pay the cost of advertising and making the sale; and secondly, he shall pay whatever items may have been incurred and remain unpaid in the production of this security; then he shall pay such of the items of indebtedness secured hereby as may be outstanding in the order of their maturity, and any balance remaining in his hands shall be delivered to the grantor, or to his proper representatives, agents or assigns.

It is agreed and understood, by and between the parties hereto that this conveyance is executed and intended to be, and is hereby made subject to the following covenants, stipulations and conditions, all of which shall be binding upon the parties hereto and each of them.

**First.** The grantor will at all times during the continuance of this deed of trust keep the buildings and improvements on said premises insured against loss or damage by fire, storm, war damage and other hazard in such reliable insurance company, or companies, as may be acceptable to the beneficiary, for the maximum amount of insurance obtainable, or in such amount as may be approved by beneficiary, and all policies covering the same shall contain the proper loss payable clause, making all losses, if any, payable to the beneficiary, his successors or assigns, and shall be delivered to the beneficiary herein, or to the owner or holder of the notes secured hereby as additional security. In case of loss and payment by any insurance company, the amount of insurance money so paid shall be applied either on the indebtedness secured hereby, or in rebuilding or restoring the damaged building, or buildings, or it may be released to the grantor, as the beneficiary may elect. In the event of loss the grantor shall immediately give notice by mail to the beneficiary who may make proof of loss if same be not promptly made by the grantor. Each insurance company involved is hereby authorized, empowered and directed to make payment for any loss directly to the beneficiary instead of to the grantor and the beneficiary jointly.

**Second.** The grantor will pay all taxes and assessments, general or special, which may be assessed against the said land, premises or property, or upon the interest of the trustee of the beneficiary therein, or upon this deed of trust, or the indebtedness secured hereby, without regard to any law heretofore enacted or that may hereafter be enacted imposing payment of the whole or any part thereof upon either the trustee or beneficiary, and further will furnish annually to the beneficiary certificates or receipts of the proper officer showing full payment of all such taxes and assessments.

Third. That the rents, issues and profits of all and every part of the property here conveyed are specifically pledged to the payment of the indebtedness hereby secured, and all obligations which may accrue under the terms of this instrument. Upon the maturity of the indebtedness hereby secured, either by lapse of time or by reason of any default as herein provided, or if at any time it becomes necessary to protect the lien of this conveyance, the beneficiary, or any owner, or holder of the notes secured hereby, shall have the right to forthwith enter into and upon the property hereinbefore described and take possession thereof, and collect and apply the rents, issues and profits thereon upon the indebtedness secured hereby, or may, if it is so desired, have a receiver appointed by any court of competent jurisdiction to collect and impound the said rents, issues and profits and after paying the expense of such receivership apply the balance thereof to the payment of any indebtedness secured hereby.

Fourth. The failure on the part of the grantor to keep and perform each, any, and all of the covenants and stipulations of this deed of trust, or the passage by the State of Mississippi of any law imposing payment of the whole or any portion of any of the taxes aforesaid upon the trustee or the beneficiary, or upon the rendering by any court of competent jurisdiction of a decision that the stipulation or provision herein covering the payment of taxes or assessments is legally inoperative, shall give to the beneficiary or to the owner or holder of the notes secured hereby the option to at once declare the entire principal sum hereby secured with all interest and charges thereon, and all other amounts secured hereby at once due and demandable and to have the property advertised and sold by the trustee herein named, or his successor or successors, in accordance with the provisions of this conveyance hereinbefore set out. But in case such default consists in the failure to keep the said property insured or to pay the taxes herein required, the beneficiary, or the owner or holder of the said secured notes, may procure said insurance and pay said taxes and assessments, or redeem the property from tax sale if it has been sold; and any and all sums paid in procuring said insurance or in paying said taxes or assessments or in redeeming said property from tax sale, together with interest thereon at the rate herein stipulated from the date the same shall have been paid, shall be covered by this conveyance and shall be due and demandable on the date of the maturity of the interest installment which may become due under the terms of this instrument next after such additional items of expense are made or incurred. In case the beneficiary or the owner or holder of said secured notes elects to advance insurance premium and/or taxes, the receipt of an agent of the insurance company or companies in which said insurance is placed shall, with respect to such insurance premiums, be conclusive evidence as between the parties to this conveyance of the amount and fact of payment thereof; and the receipt of the proper public official, shall with respect to the taxes and assessments, aforesaid, be conclusive as between the parties to this conveyance of the amount and validity of said taxes or assessments and of the fact of the payment thereof.

Fifth. The beneficiary, or any owner or holder of the note secured hereby, may at pleasure, without giving formal notice to the original or any successor trustee, or to the grantor herein, and without regard to the willingness or inability of any such trustee to act, or to execute this trust, appoint another person or succession of persons to act as trustee herein, and such appointee or substitute shall have all the powers in the execution of this trust as are vested in the trustee herein named. If the beneficiary, or the owner or holder of the note secured hereby, be a corporation, such appointment may be made by its president, vice-president, assistant vice-president, secretary or treasurer.

Sixth. In case of foreclosure and sale of the property covered hereby, the beneficiary, or any owner or holder of the notes secured hereby, shall have the same right to purchase at said sale as if a stranger to this instrument.

Seventh. Grantor covenants that the premises and property covered hereby will at all times be used in a good and husbandlike manner, for lawful purposes only, and that waste will not be committed or suffered to be committed thereon.

Eighth. All crops of cotton, corn, hay, and other agricultural products to be raised or caused to be raised by me (us) during the life hereof and any and all agricultural products that may be due me (us) as rent for said year from tenants on the lands herein described or elsewhere in the said county.

If any book accounts, livestock, farm machinery implements or tools or vehicles, harness or gear, be hereinabove described, then the above enumeration and description is intended to cover all property of the above description owned by me (us), and usually kept on said premises, but wherever found, and all increase and additions thereto, and all such property hereafter placed within 36 months from this date at said location, shall be subject to the lien of this instrument.

Ninth. Whenever in this deed of trust the context so requires, the singular number shall include the plural, and the plural the singular; holder of the note or notes shall be deemed to refer to and include the owner of the debt, and the word beneficiary shall at any and all times include and mean the then holder of the note or notes secured hereby.

This Deed of Trust is given in renewal and extension of a former Deed of Trust dated the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ and recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, of the Deed Records of \_\_\_\_\_ County, State of Mississippi, and trust deed dated \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ and recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, land records of \_\_\_\_\_ County, Mississippi, and does not alter or impair, but extends and renews priority of said former recorded lien.

Witness my (our) signature this the 4th day of October, 1996.  
JAMES C. WATKINS  
CHERYL WRIGHT-WATKINS

IN TESTIMONY WHEREOF, witness the signature of the grantor this the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

STATE OF MISSISSIPPI,  
COUNTY OF \_\_\_\_\_

This day personally appeared before me, the undersigned authority, in and for the State and County aforesaid, the named JAMES C. WATKINS & WIFE, CHERYL WRIGHT-WATKINS

\_\_\_\_\_ who severally acknowledged that they signed and delivered the above and foregoing deed of trust on the day and year therein mentioned.

Given under my hand and official seal, this the 4th day of October, 1996.  
MY COMMISSION EXPIRES DEC. 29, 1998  
My Commission Expires: \_\_\_\_\_  
Paula Barriso  
Notary Public



JAMES C. &amp; CHERYL-WRIGHT WATKINS

## EXHIBIT "A"

Lot 78, Phase 1, Section "A", The Plantation, Section 22, Township 1 South, Range 6 West, Chickasaw Cession, as recorded in Plat Book 36, Page 33-41, in DeSoto County Chancery Clerk's Office, to which plat reference is hereby made for a more particular description of said property.

This being the same property conveyed to James C. Watkins Jr. and Cheryl Wright, both unmarried persons, as joint tenants with rights of survivorship, from Hyneman Homes Inc., by deed dated July 8, 1991, from July 22, 1991, in Book 237, Page 35, recorded in the Chancery Clerk's Office in DeSoto County, Mississippi.

Parcel No.: 1065-2201.0-00078.00

Property also known as: 9218 Rosalie Cove, Olive Branch, Mississippi