

PREPARED BY:  
NATIONAL BANK OF COMMERCE  
ONE COMMERCE SQUARE  
MEMPHIS, TN 38150  
(901) 523-3322

BOOK 869 PAGE 97

BOOK 871 PAGE 84

THIS INDENTURE, made by and between  
MICHAEL E. SMITH and wife, LYDIA F. SMITH

party of the first part; R. GRATTAN BROWN, JR. & CHARLES A. NEALE party of the second part, as Trustee; and  
NATIONAL BANK OF COMMERCE

party of the third part, WITNESSETH:

That, for and in consideration of One Dollar cash in hand paid, the receipt of which is hereby acknowledged, and for the purpose of securing the payment of the indebtedness described, the party of the first part does hereby convey and warrant unto the party of the second part, as Trustee, and his successors in trust, the following described real estate situated in the County of DESOTO and State of Mississippi, to-wit:

SEE EXHIBIT 'A'

STATE MS.-DESOTO CO.  
FILED

Nov 22 12 10 PM '96

BK 871 PG 84  
W.E. DAVIS CH. CLK.

STATE MS.-DESOTO CO.  
FILED

Nov 13 10 53 AM '96

BK 869 PG 97  
W.E. DAVIS CH. CLK.

This conveyance is made in trust, however, to secure the payment of \$ 20,000.00, evidenced by the following promissory notes of even date herewith:

and any further sums which the party of the third part, or any holder or holders of the notes hereby secured may advance to take care of taxes, insurance, or prior encumbrances on the above described real estate, or any part thereof.

The party of the first part agrees to keep all of the taxes and special assessments on the above described land paid, and if he fails so to do, the holder or holders of the above described notes may pay said taxes and assessments and the amounts so paid, with interest at the rate of eight per cent per annum from date of payment to date of reimbursement, shall become a part of the indebtedness secured hereby.

The party of the first part agrees to keep the improvements on said property in a good state of repair, and to insure the same against loss by fire and tornado in some responsible insurance company approved by the party of the third part, or his assigns, for the insurable value thereof, with a regulation mortgagee's subrogation clause attached to each policy making said insurance payable in case of loss to the party of the third part as his interest may appear, and to deliver the policy or policies and renewal receipts therefor to said party of the third part. In case of the failure of the party of the first part to keep said buildings so insured, the party of the third part, or his assigns, may effect such insurance and the amount so paid, with interest at the rate of eight per cent per annum from date of payment to date of reimbursement, shall become a part of the indebtedness secured hereby.

NOW, THEREFORE, if the party of the first part shall pay all of the indebtedness secured hereby this conveyance shall be null and void and shall be released at his expense, but if said party of the first part shall fail to pay said notes, or any of them, or any part thereof, or the interest thereon, when due, or shall fail to pay the taxes and special assessments on said property prior to the date of sale thereof for delinquent taxes, or shall fail to pay all items due on account of insurance as provided herein, then all of the indebtedness secured hereby shall, at the option of the holder or holders of said notes, become due and payable, and the party of the first part hereby authorizes and fully empowers said trustee, or any successor in trust, upon any such default to proceed to sell the property hereinabove described to pay the amount then due hereunder. The sale of said real estate shall be made at the front door of any Court House in the County where any of said real estate is situated at the time of the sale, within legal hours, at public outcry to the highest bidder for cash, after the acting trustee has given notice of the time, place and terms of said sale according to the laws of the State of Mississippi governing sales of lands under trust deeds in force at the time the publication of said notice is begun. The acting trustee may sell said property without taking possession of the same, and is authorized to appoint an agent and auctioneer to make such sale in his absence, which sale shall be as valid as if made by said trustee.

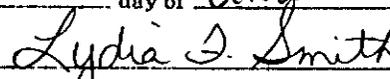
From the proceeds of said sale the acting trustee shall first pay the cost of executing this trust, including a reasonable fee for himself and his attorney; then he shall pay any sums advanced by the party of the third part on account of taxes or insurance on said property; then he shall pay any balance of principal and interest which shall be due on the indebtedness secured hereby; and if any balance then remains in his hands he shall pay the same to the party of the first part, his heirs or assigns.

The party of the third part, or any holder of the above described notes, may at any time appoint another Trustee in the place and stead of the party of the second part, or any successor or successors in trust.

If more than one person joins in this instrument as party of the first part, it is agreed that whenever the words "party of the first part" occur they are to read as if written "parties of the first part."

Witness the signature of the party of the first part, on this the 4 day of October, 1996.

  
MICHAEL E. SMITH

  
LYDIA F. SMITH

STATE OF Mississippi  
COUNTY OF Desoto } ss.

Personally appeared before me, the undersigned Notary Public, in and for the State and County aforesaid, the within named  
**MICHAEL E. SMITH and wife, LYDIA F. SMITH**

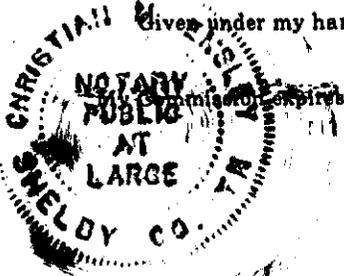
who acknowledged that T Y he signed and delivered the foregoing trust deed on the day and year therein mentioned as THEIR  
voluntary act and deed.

Gives under my hand and seal this the 4 day of October, 1996.

MY COMMISSION EXPIRES OCT. 26, 1999

Christina M. Coaley

Notary Public.



Grantor's Mailing Address  
**SMITH, MICHAEL & LYDIA**  
6705 DUNBARTON DRIVE  
HORN LAKE, MS 38637  
(601) 342-4804

This instrument prepared by:  
**NATIONAL BANK OF COMMERCE**  
ONE COMMERCE SQUARE  
MEMPHIS, TN 38150  
(901) 523-3322

Compliments of  
Mid-South Title Insurance Corporation  
One Commerce Square  
Memphis, Tennessee

# TRUST DEED

FROM

TO

FOR THE USE OF \_\_\_\_\_ Trustee

STATE OF MISSISSIPPI

County of \_\_\_\_\_ } ss.

I, \_\_\_\_\_ Clerk

of the Chancery Court and ex-officio Recorder  
for the County and State aforesaid, do hereby  
certify that the within instrument of writing  
was filed for record in my office on the \_\_\_\_\_

day of \_\_\_\_\_ A.D. 19\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and has been this day

duly recorded in Trust Deed Record \_\_\_\_\_

Page \_\_\_\_\_

WITNESS my hand and official seal, this

\_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

Clerk.

TITLE INSURANCE is the only guaranteed  
protection against real estate title losses.

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SMITH, MICHAEL & LYDIA

BOOK 871 PAGE 86

EXHIBIT 'A'

Lot 1782, Section "E", DeSoto Village Subdivsion, located in Section 33, Township 1 South, Range 8 West, in the City of Horn Lake, DeSoto County, Mississippi, as shown by the plat appearing of record in Plat Book 12, Page 22-25, in the Chancery Court Clerk's Office of DeSoto County, Mississippi.

This being the same property conveyed to Michael E. Smith and wife, Lydia F. Smith, as tenants by the entirety with full rights of survivorship and not as tenants in common, from Tommy E. Clapsaddle, Jr., by deed dated July 15, 1993, recorded July 19, 1993, in Book 259, Page 473, recorded in the Chancery Clerk's Office of DeSoto County, Mississippi.

Parcel NO: 1088-3304.0-01782.00

Property also known as: 6705 Dunbarton, Horn Lake, Mississippi