

ORIGINAL LPTO CO.

WHEN RECORDED, MAIL TO:
BAHS BANK OF AMERICA, FSB
PO BOX 171175
MEMPHIS, TN 38187

Recorded by/return to:
John D. Williams, Jr.
171175
PO Box 266
Southaven, MS 38671
601-349-6900

FEB 9 1 03 PM '98

Prepared by: BAHS BANK OF AMERICA, FSB

BK 968 PG 708
W.E. DAVIS C.M. CLK.

9609726

(Space Above This Line For Recording Data)

DEED OF TRUST

Conventional Deed of Trust **Construction Loan Deed of Trust (with Construction Loan Rider)**

THIS DEED OF TRUST ("Security Instrument") is made on FEBRUARY 06, 1998. The grantor is
CHESTER A. BLACK
CYNTHIA G. SOWDER

whose address is 4293 MIKEWOOD, MEMPHIS TN 38128
("Borrower"). The trustee is

FIRST AMERICAN TITLE INSURANCE
whose address is 6077 PRIMACY PARKWAY, STE 100 MEMPHIS, TN 38119
("Trustee"). The beneficiary is

BANKAMERICA HOUSING SERVICES, A DIVISION OF BANK OF AMERICA, FSB
which is organized and existing under the laws of the United States, and whose
address is PO BOX 171175, MEMPHIS TN

("Lender"). Borrower owes Lender the principal sum of
** EIGHTY SIX THOUSAND SEVEN HUNDRED SEVEN AND 02/100

Dollars (U.S. \$ 86,707.02). This debt is evidenced by Borrower's Note, Disclosure and Security Agreement
dated the same date as this Security Instrument ("Agreement"), which provides for monthly payments, with the full debt, if
not paid earlier, to be due and payable on FEBRUARY 06, 2028

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Agreement, with interest, and
all renewals, extensions and modifications of the Agreement; (b) the payment of all other sums, with interest, advanced
under paragraph 6 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants
and agreements under this Security Instrument and the Agreement. For this purpose, Borrower irrevocably grants and
conveys to Trustee, in trust, with power of sale, the following described property located in
DESOTO County, Mississippi:

>>>> SEE ATTACHED LEGAL DESCRIPTION <<<<

INCLUDING the following Manufactured Home:

BUCCANEER HOMES (make) 5335 (model) 28X70 (size)
1998(year) ALBUS-26858AB (serial number(s))

which has the address of 14240 HOLLY SPRINGS RD, BYHALIA
Mississippi 38611 ("Property Address");
(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,
appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or
hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the
foregoing is referred to in this Security Instrument as the "Property."

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 any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited
variations by jurisdiction to constitute a uniform security instrument covering real property.

W.E. Davis

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Agreement and any prepayment and late charges and any other charges due under the Agreement.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 shall be applied: first, to interest due; second, to principal; third, to late charges; and last to any other charges due under the Agreement.
3. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph and shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.
4. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage as described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the collateral in accordance with paragraph 6. All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower 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 sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower 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 sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 or change the amount of the payments. If under paragraph 20 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.
5. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, other than in accordance with the Agreement, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.
6. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so. Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Agreement rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.
7. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property.

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8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 or change the amount of such payments.
9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Agreement: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without that Borrower's consent.
11. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Agreement.
12. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 20.
13. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
14. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.
15. **Borrower's Copy.** Borrower shall be given one conformed copy of the Agreement and of this Security Instrument.
16. **Transfer of the Property or a Beneficial Interest In Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

17. Prior Notice and Opportunity to Correct Broken Promise. Lender will give Borrower prior notice and an opportunity to make up a missed payment or correct a broken promise as required by Section 501 of the Depository Institutions Deregulation and Monetary Act of 1980 (or the regulation which implements it.) The statute (and regulation) do not require Lender to give Borrower prior notice before repossession or requiring payment of the entire balance if either (a) Borrower has abandoned the manufactured home, (b) other extreme circumstances apply such as where Borrower has threatened to do damage to the manufactured home, or (c) this would be Borrower's third notice in any one year.

18. Sale of Agreement; Change of Loan Servicer. The Agreement or a partial interest in the Agreement (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Agreement and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to the sale of the Agreement. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 13 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

19. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 19, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 19, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

20. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument or Agreement (but not prior to acceleration under paragraph 16 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 20, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give Borrower, in the manner provided in paragraph 13, notice of Lender's election to sell the Property. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at such time and place in

County as Trustee designates in the notice of sale in one or more parcels and in any order Trustee determines. Lender or its designee may purchase the Property at any sale.

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Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

21. Release . Upon payment of all sums secured by this Security Instrument, Lender shall cancel this Security Instrument. If Trustee is requested to cancel this Security Instrument, all notes evidencing debt secured by this Security Instrument shall be surrendered to Trustee. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument if permitted under applicable law.

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

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

[Check applicable box(es)]

Adjustable Rate Rider

Construction Loan Rider

Other(s) [specify] EXHIBIT A

Security Agreement

AFFIDAVIT OF AFFIXATION

24. Security Agreement. This Security Instrument is intended to be a security agreement, pursuant to the Uniform Commercial Code for any building materials, appliances, and goods of every nature whatsoever now or hereafter located in, or on, or used, or intended to be used in connection with the Property and any of the items specified in the Security Instrument as part of the Property, which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a first and prior security interest in said items. Borrower agrees that Lender may file this Security Instrument, or a reproduction thereof, in the real estate records or other appropriate index, as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Security Instrument or of any other security agreement or financing statement shall be sufficient as well as extensions, renewals and amendments thereof, and reproductions of this Security Instrument in such form as Lender may require to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Borrower's breach of any covenant or agreement of Borrower contained in this Security Instrument, including the covenants to pay when due all sums secured by this party under the Uniform Commercial Code, Lender may also invoke, at Lender's option, the remedies provided in Paragraph 20 of this Security Instrument as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided in Paragraph 20 of this Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

Cynthia G. Sowder
CYNTHIA G. SOWDER BORROWER

Chester A. Black
CHESTER A. BLACK BORROWER

BORROWER

BORROWER

STATE OF MISSISSIPPI, *DESD*

County ss:

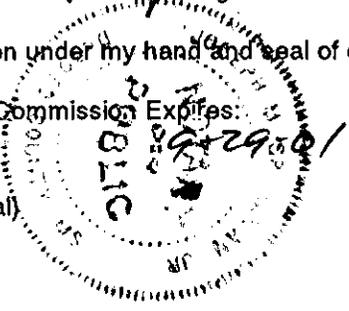
On this *6* day of *FEBRUARY*, *1997*, personally appeared before me, the undersigned authority in and for said County and State, the within named

CHESTER A. BLACK + CYNTHIA G. SOWDER

that *They* signed and delivered the foregoing instrument on the day and year therein mentioned. , who acknowledged

Given under my hand and seal of office.

My Commission Expires:



(Seal)

[Handwritten Signature]

NOTARY PUBLIC

ORIGINAL

**BankAmerica**

BankAmerica Housing Services
A Division of Bank of America, FSB

VARIABLE RATE RIDER
(1 Year Treasury Index - Rate Caps
- Fixed Rate Conversion Option)

THIS VARIABLE RATE RIDER is made this 06 day of FEBRUARY, 1998, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note, Disclosure and Security Agreement (the "Note") to

BANKAMERICA HOUSING SERVICES, A DIVISION OF BANK OF AMERICA, FSB
(the "Lender") of the same date and covering the property described in the Security Instrument and located at

14240 HOLLY SPRINGS RD
BYHALIA, MS 38611

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S INTEREST RATE AND MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S VARIABLE RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY. THE NOTE ALSO CONTAINS THE OPTION TO CONVERT THE VARIABLE RATE TO A FIXED RATE.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. VARIABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.250 %. The Note also provides for changes in the interest rate and monthly payments as follows:

PROMISE TO PAY: I promise to pay to your order the Unpaid Balance with interest at the initial rate of: 8.250 % per year. The interest rate I will pay will change in accordance with the provisions of this agreement. I'll pay this amount in installments as shown in the payment schedule, or as recomputed due to changes in the interest rate. Each monthly payment will be applied as of its scheduled due date. If no interest rate is disclosed above, the initial interest rate is the Annual Percentage Rate shown below.

INTEREST RATE: My initial interest rate may not be based on the index used to make later adjustments. My interest rate may change 11 months after my first payment is due and every 12 months thereafter based on movements in the monthly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board, which is the index rate. My interest rate cannot increase or decrease by more than 2.00 % at any interest rate change or by more than 5.00 % over the term of this agreement. The interest rate will equal the index rate in effect 45 days before the interest rate change date plus a margin of 4.25 % (rounded to the nearest 1/8 of one percentage point) unless the interest rate caps limit the amount of change in the interest rate.

VARIABLE RATE:

- a. **Monthly Payment Changes.** My monthly payment amount will change each time my interest rate is adjusted. The monthly payment amount will fully amortize the remaining unpaid balance at the adjusted interest rate in equal monthly payments over the remaining term of this agreement.

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- b. **Notice of Interest Rate and Monthly Payment Changes.** You will send me notice of an adjustment in the interest rate and monthly payment at least 25 days before the adjustment. This notice will contain information about the index rate, interest rate, payment amount and remaining unpaid balance.

B. FIXED INTEREST RATE CONVERSION OPTION

The Note provides for the Borrower's option to convert from a variable interest rate with interest rate limits to a fixed interest rate, as follows:

Conversion to Fixed Rate. I may choose to convert this agreement to a fixed rate agreement at any time beginning ZERO years from the date of this agreement and ending 30 years from the date of this agreement. In order to convert to a fixed rate, I must not be in default under the terms of this agreement and I must notify you in writing of my desire to convert to a fixed rate. The new fixed interest rate will be your standard fixed interest rate for a comparable agreement on the date that you receive my written notification. The new fixed rate will take effect on the "Conversion Date," which shall be my next payment due date that is at least 30 days after your timely receipt of a revision agreement signed by all Borrowers together with a nonrefundable conversion fee of \$ 200.00. The new fixed rate and the Conversion Date are subject to change if my revision agreement and fees are received after the date specified in that agreement. My new payment amount will be effective with the first payment following the Conversion Date.

C. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

1. Until Borrower exercises the Conversion Option under Section B above, Uniform Covenant 16 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

2. If Borrower exercises the Conversion Option under the conditions stated in Section B above, the amendment to Uniform Covenant 16 of the Security Instrument contained in Section C 1 above shall cease to be in effect, and the provisions of Uniform Covenant 16 of the Security Instrument shall be amended to read as follows:

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Transfer of the Property or a Beneficial Interest In Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Variable Rate Rider.

Chester A. Black
CHESTER A. BLACK -Borrower

Cynthia G. Sowder
CYNTHIA G. SOWDER -Borrower

-Borrower

-Borrower

EXHIBIT A

Lot 4, DeSoto Farms Subdivision, in Section "A", situated in the Southwest Quarter of Section 28, Township 3 South, Range 5 West, DeSoto County, Mississippi, as per plat thereof recorded in Plat Book 54, Page 49, in the office of the Chancery Clerk of DeSoto County, Mississippi.

Cynthia G Soudr

2-6-98

Chester R. Black

2-6-98