

THIS INDENTURE, made by and between Larry D. Carpenter and wife, Kim C. Carpenter

party of the first part; Lancelot L. Minor, III party of the second part, as Trustee; and 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:

Lots 26, 29, Section A, Ivy Trails Subdivision, Section 30, Township 1 South, Range 6 West, as shown on plat of record in Plat Book 63, Page 26, in the Register's Office of DeSoto County, Mississippi, to which plat reference is hereby made for a more particular description of said property.

See attached "Exhibit A" for construction loan language

This conveyance is made in trust, however, to secure the payment of \$ 281,600.00 evidenced by the following promissory notes of even date herewith: in the principal amount of Two Hundred Eighty One Thousand Six Hundred and No/100 (\$281,600.00) Dollars, being due and payable on or before September 30, 1999.

STATE MS. - DESOTO CO. FILED

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BK 1042 PG 673 W.E. DAVIS CH. CLK.

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 30th day of September, 19 98.

Handwritten signature of Kim C. Carpenter

STATE OF Tennessee }
COUNTY OF Shelby } ss.

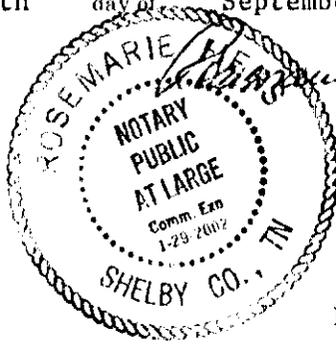
Personally appeared before me, the undersigned Notary Public, in and for the State and County aforesaid, the within named

Larry D. Carpenter and wife, Kim C. Carpenter

who acknowledged that they signed and delivered the foregoing trust deed on the day and year therein mentioned as their voluntary act and deed.

Given under my hand and seal this the 30th day of September, 1998.

My Commission expires: _____



Notary Public.

Grantor's Mailing Address
Larry D. Carpenter
7131 Alician Road
Olive Branch, Mississippi 38654
H70 550-1673
98-1774/rf

This instrument prepared by: & Return to:
Realty Closing Services, Inc.
6510 Stage Road
Bartlett, Tennessee 38134
(901) 382-0470

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.

"Exhibit A"

This is a construction loan and should the improvements be left in an incompleting condition at the time when the contract according to its terms is to be completed, or if completed subject to any unpaid obligations for labor or materials, such condition shall constitute an event of default, and the entire secured indebtedness shall in that event become accelerated and matured for the purpose of foreclosure at the option of the holder, who shall not be required to give any notice other than the advertisement for foreclosure provided herein. The money secured hereby shall be advanced by the holder as the construction progresses upon requisition made by the Borrowers for work and material already completed or installed upon the premises, said payment to be based on estimates approved by an appraiser of the holder.

It is stipulated and agreed that no contract for labor or materials will be let by Borrower except with the express stipulation that the mechanics' and materialmen's liens therefore shall at all times be subordinate to the lien of the Deed of Trust.

The release of lien of this instrument may be made by marginal release or by Deed of Release; may be made by the owner and holder of the indebtedness secured hereby, or, at the discretion of such owner and holder, by the Trustee, herein named, or by any successor Trustee; and shall be made at the expense of the party of the first part, its successors, heirs or assigns. The release privilege herein granted is conditioned upon their being no default in the performance of said construction loan contract, this Deed of Trust, or of the Note secured hereby at the time such release is sought.

This Deed of Trust also secured such other and further advances as may be made to complete the construction contemplated in a Construction Loan Agreement of even date herewith, whether such sums are advanced before or after default and whether such sums in the aggregate exceed the principal amount of the note.

The funds hereby secured are advanced pursuant to the Construction Loan Agreement of even date. It is a further condition of this Deed of Trust that the Grantor shall comply strictly with every obligation of the Construction Loan Agreement and shall proceed diligently to complete the construction contemplated thereby; and any default in the Construction Loan Agreement shall be deemed a default in this Deed of Trust.