

The proceeds of any sale shall be applied as follows: First, to the payment of the expenses of making, maintaining and executing this trust, the protection of the property, including the expense of any litigation and attorney's fees, and the usual commissions to the Trustee; second, to the payment of the indebtedness herein secured or intended so to be, without preference or priority of any part over any other part, and any balance of said indebtedness remaining unpaid shall be the subject of immediate suit; and, third, should there be any surplus, the Trustee will pay it to the parties of the first part, or order. In the event of the death, refusal, or of inability for any cause, on the part of the Trustee named herein, or of any successor trustee, to act at any time when action under the foregoing powers and trust may be required, or any other reason satisfactory to the owner of the debt, the owner or owners of the majority of the outstanding indebtedness aforesaid are authorized either in their own name or through an attorney or attorneys in fact appointed for that purpose by written instrument duly registered, to name and appoint a successor or successors to execute this trust, such appointment to be evidenced by writing, duly acknowledged; and when such writing shall have been registered, the substituted trustee named therein shall thereupon be vested with all the right and title, and clothed with all the power of the Trustee named herein and such like power of substitution shall continue so long as any part of the debt secured hereby remains unpaid. The parties of the first part, for themselves, their heirs, representatives and assigns, covenant and agree that at any time after default in payment of any of the indebtedness hereby secured, or upon failure to perform any of the covenants to be kept and performed by them, said Trustee may enter upon and take possession of said property, and shall be required to account only for the net rents received by him; and from and after the conveyance of said property under this deed of trust, the parties of the first part, and all persons under them, shall, at the option of the purchaser, be and become the tenants at will of the purchaser, at a rental of \$ _____ per month, commencing with the date of delivery of the Trustee's deed.

In the event that two trustees are named herein, either of the trustees shall be clothed with full power to act when action hereunder is required and the term "Trustee" shall be construed to mean "Trustees."

In the event that two trustees are named herein and the substitution of a trustee shall become necessary for any reason, the substitution of one trustee in the place of the two named herein shall be sufficient.

Wherever the word "Party" is used herein, it shall mean "Parties" if there are more than one person referred to and wherever pronouns occur herein, they shall be construed according to their proper gender and number according to the context of this instrument.

All erasures and interlineations were made before signing.

The necessity of the Trustee herein named, or any successor in trust, making oath or giving bond, is expressly waived.

Witness the signatures of the said parties of the first part this the day and year first above written.

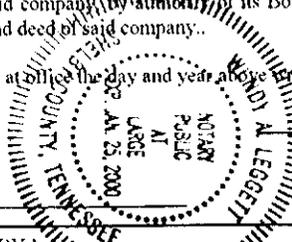
SKIP HOBBS CONSTRUCTION, L.L.C.

BY: JAMES V. HOBBS, II, CHIEF MANAGER

STATE OF TENNESSEE, COUNTY OF SHELBY }

On this _____ day of MAY, 1999, before me appeared JAMES V. HOBBS, II, to me personally known (or proved to me on the basis of satisfactory evidence), who, being by me duly sworn (or affirmed) did say that he is the CHIEF MANAGER OF SKIP HOBBS CONSTRUCTION, L.L.C., and that the seal affixed to said instrument is the corporate seal of said company, and that said instrument was signed and sealed in behalf of said company, by authority of its Board of Directors (or Trustees) and said CHIEF MANAGER acknowledged said instrument to be the free act and deed of said company.

WITNESS my hand and Notarial Seal at _____ the day and year above written.



Notary Public

MY COMMISSION EXPIRES: _____

STATE OF TENNESSEE, COUNTY OF SHELBY }

Before me, the undersigned Notary Public in and for the County of _____ aforesaid, personally appeared _____ with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, with oath, acknowledged to be the person _____ within named and that _____ he _____ executed the foregoing instrument for the purpose therein contained. Witness my hand and seal, this _____ day of _____, 1998.

Notary Public

MY COMMISSION EXPIRES: _____

Party Responsible For Payment of Taxes: _____

SKIP HOBBS CONSTRUCTION, L.L.C

Address: 7508 CAPITAL DRIVE #1

GERMANTOWN, TN 38138

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STATE MS. - DESOTO CO. ps

MAY 25 4 01 PM '99 *CSH*

EXHIBIT "A"
TO DEED OF TRUST DATED MAY 20, 1999

BK 1113 PG 538⁰⁰
W.F. DAVIS CH. CLK.

THIS IS A CONSTRUCTION LOAN AND SHOULD THE IMPROVEMENTS BE LEFT IN AN INCOMPLETE CONDITION AT THE TIME WHEN THE CONTRACT ACCORDING TO ITS TERM IS TO BE COMPLETE, OR IF COMPLETED SUBJECT TO ANY UNPAID BILLS FOR LABOR OR MATERIAL, SUCH CONDITION SHALL CONSTITUTE AN EVENT OF DEFAULT AND THE ENTIRE SECURED INDEBTEDNESS SHALL IN THAT EVENT BECOME ACCELERATED AND MATURE 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.

IT IS UNDERSTOOD AND AGREED THAT THE LIEN OF THIS DEED OF TRUST SHALL HAVE PRIORITY AT ALL TIMES OVER ANY AND ALL MECHANICS, FURNISHERS AND MATERIALMEN'S LIENS AND MORTGAGEE AND/OR HOLDER OF THE NOTE(S) DOES NOT CONSENT TO ANY CONTRACT FOR LABOR OR MATERIALS WITHIN THE MEANING OF SECTION 66-11-108 OF THE TENNESSEE CODE ANNOTATED. IT IS STIPULATED AND AGREED THAT NO CONTRACT FOR LABOR OR MATERIAL WILL BE LET BY BORROWER EXCEPT WITH THE EXPRESS STIPULATION THAT THE MECHANIC'S AND MATERIALMEN'S LIENS THEREFORE SHALL AT ALL TIMES BE SUBORDINATE TO THE LIEN OF THIS DEED OF TRUST.

THIS DEED OF TRUST IS A MORTGAGE WHICH SECURES OBLIGATORY FUTURE ADVANCES FOR COMMERCIAL PURPOSES, AND IS ENTITLED TO THE BENEFITS OF T.C.A. SECTION 47-28-101 THROUGH 47-28-110.

THIS IS A CONSTRUCTION MORTGAGE AS DEFINED IN T.C.A. SECTION 47-9-313.

STATE MS. - DESOTO CO.
FILED

JUN 4 9 16 AM '99 *CSH*

BK 1117 PG 322
W.F. DAVIS CH. CLK. *CSH*