

12/02/08 11:13:03
BK 2,971 PG 330
- 0 - DESOTO COUNTY, MS
W.E. DAVIS, CH CLERK

Prepared by and return to:
Trust One Bank
1715 Aaron Brenner Dr., Suite 100
Memphis, TN 38120
Attn: Kayce Fry

MAXIMUM PRINCIPAL INDEBTEDNESS SECURED HEREBY FOR DESOTO RECORDING TAX PURPOSES IS \$0.00 (ADDITIONAL DEBT). TAX ON \$177,500.00 (ORIGINAL DEBT) PAID AT DESOTO COUNTY REGISTER'S BK 2,703 PG 373-375.

MODIFICATION AGREEMENT
(Commercial Loan Only)

THIS MODIFICATION AGREEMENT made and entered into as of the 20th day of November, 2008, by and between **TRUST ONE BANK**, a Tennessee banking corporation with offices located at 1715 Aaron Brenner Drive, Suite 100, Memphis, Tennessee 38120 ("Bank"); and

CHAMBLISS BUILDERS, INC. ("Borrower")

Recitals:

WHEREAS, Borrower executed that certain promissory note, dated 04/17/2007, in the original principal sum of \$177,500.00 ("Note"), payable to Bank, or its order, and secured by (i) a Deed of Trust/Mortgage, dated 04/23/2007 ("Deed of Trust"), of record at Instrument BK 2,703 PG 373-375, in the Recording Office of Desoto County, Mississippi;

WHEREAS, the Note may be further secured, *inter alia*, by loan and security agreements, documents, guaranties and instruments (the Note, Deed of Trust, UCC and other loan and security agreements, documents, guaranties and instruments are, collectively, "Loan Documents");

WHEREAS, Bank is the legal owner and holder of the Loan Documents; and

WHEREAS, the parties to modify certain of the terms of the indebtedness evidenced by the Note and to make certain other modifications and amendments to the Loan Documents as hereinafter provided, without, however, releasing or affecting the lien and priority of the Security Instrument.

NOW, THEREFORE, FOR MUTUAL CONSIDERATIONS, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Modification of Note.** Borrower and Bank have agreed to the following modifications of the Note and Loan Documents, to-wit (*Bank and Borrower must complete and initial applicable subparagraphs*):

A. Please Initial: _____ 

Additional funds in the amount of \$ _____ are being made available by Bank to Borrower pursuant to the terms of the Loan Documents, bringing the total principal balance (either outstanding or available) under the Note and secured by the Loan Documents to \$ _____.

B. Please Initial: _____

The unpaid principal balance of the Note shall bear interest at the rate of _____ percent (____%) per annum.

C. Please Initial: _____

The interest rate shall be adjusted to a per annum rate equal to _____ percentage points _____ the index rate of _____. Effective on the date on which any change in Wall Street Journal's Prime Rate shall occur, any interest adjustment required thereby shall be adjusted upward or downward by a number of percentage points (and fractional parts thereof) equal to the adjustment upward or downward in Wall Street Journal's Prime Rate.

D. Please Initial: _____

The interest rate shall be adjusted to a per annum rate equal to _____ (____) basis points in excess of Libor. As used herein "Libor" shall mean the rate per annum which is equal to the London Interbank Offered Rate reported from time to time at approximately 11:00 a. m., London time, by Dow Jones/Telerate News Services, at which foreign branches of major United States banks offer United States dollar deposits to other banks for a (i) thirty (30) day- Please initial: _____, (ii) sixty (60) day- Please initial: _____, or (iii) ninety (90) day- Please initial: _____ (Bank and Borrower failure to initial an applicable period shall default to a thirty (30) day period) period in the London interbank market. If such interest rates shall cease to be available from Dow Jones/Telerate News Services, Libor shall be determined from such financial reporting service as the Bank shall reasonably determine and use with respect to its other loan facilities on which interest is determined based on Libor. Effective every Libor period initialed/defaulted above during the term hereof, interest shall be adjusted upward or downward by a number of percentage points (and fractional parts thereof) equal to the adjustment upward or downward in Libor.

E. Please Initial: _____

Principal and interest shall be due and payable in _____ installments of \$ _____ each, commencing on _____ day of _____, 20____, and on the same day of each and every consecutive month thereafter to and including _____, 20____.

F. Please Initial:  _____

On October 17, 2009 the entire principal balance and accrued but unpaid interest shall be due and payable in full.

Borrower shall, on or before the date hereof, pay to Bank all accrued but unpaid interest through the date hereof and unpaid late charges and expenses, if any. If any final installment is a balloon payment, the Bank has no obligation to extend, modify or change the final installment.

As may be required, the Bank may prepare and attach a Rider describing other and further modifications not covered by the above subparagraphs. Any Rider must be initialed for identification purposes by all parties hereto.

2. Law Governing. The Loan Documents and this Modification Agreement and shall be construed according to and governed by the laws of the State of Tennessee, except to the extent that federal law may control as to the maximum rate of interest which may be lawfully charged.

3. **Modification of Security Instrument.** The Security Instrument and/or UCC are hereby modified to reflect the changes in the Note as stated above and to extend the lien thereof so that the lien thereof will not be barred by the statute of limitations until the expiration thereof after the date of maturity of the Note.

4. **Reaffirmation of Obligations.** All other provisions of the Loan Documents which are inconsistent with the provisions of this Modification Agreement are hereby modified and amended to conform herewith, and so modified and amended, the Loan Documents are hereby ratified, approved and confirmed in all respects.

5. **Borrower's Representations and Warranties.** In order to induce Bank to enter into this Modification Agreement, the Borrower does hereby certify, represent and warrant to Bank that all representations and warranties made by the Borrower in the Loan Documents and in all other documents securing the Note are true, correct and complete in all material respects as of the date of this Modification Agreement.

6. **Borrower's Covenants.** In consideration of the modification herein granted, the Borrower promises to pay said indebtedness and the interest thereon and to keep and perform all the covenants, terms, and conditions contained in the Loan Documents, in default of any of which Bank may, at its option, immediately or, if the Loan Documents provide for a period of cure, following the expiration of any applicable cure period which no cure of such default having been effected, thereupon declare said indebtedness accelerated and matured for all purposes and may proceed to foreclose the Security Instrument. It is agreed that the lien of the Security Instrument and/or UCC shall be in no manner whatsoever affected by the execution of this instrument, except as the same is modified herein.

7. **No Release of Parties.** The Bank retains, as liable on the debt evidenced by the Note, all parties to the Loan Documents and all parties, including the Borrower, co-makers, accommodation makers, endorsers, pledgors and guarantors, shall not be released from the Loan Documents by reason of this Modification Agreement.

8. **Releases.** A release of the Security Instrument and/or UCC shall also be and constitute a release of this Modification Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Modification Agreement to be executed as of the day and year first above written.

TRUST ONE BANK BY:

Chambliss Builders, Inc. BY:



Printed Name: Shirley Stevens
Title: Vice President

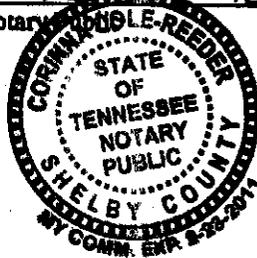


Printed Name: Donald R. Chambliss, Jr.
Title: Secretary/ Treasurer

STATE OF TENNESSEE
COUNTY OF SHELBY

21 Personally appeared before me, the undersigned authority in and for the said county and state, on this day of 11, 2010, within my jurisdiction, the within named Shirley [unclear] who acknowledged that he/she is a _____ of Trust One Bank, a Tennessee banking corporation, and that for and on behalf of said corporation, and as its act and deed he/she executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Corinna Cole-Reeder
Notary Public



My Commission Expires:
2-23-2011

STATE OF TENNESSEE
COUNTY OF SHELBY

21 Personally appeared before me, the undersigned authority in and for the said County and State, on this day of 11, 2010, within my jurisdiction, the within named Donald [unclear] that he/she executed the above and foregoing instrument.

Corinna Cole-Reeder
Notary Public



My Commission Expires: 2-23-2011