sions or modifications thereof), provided, said note being payable to the order of Beneficiary in lawful money of the United States of America at its main office, or at such other place as the holder thereof may designate in writing, the principal and interest being payable in accordance with the terms and conditions in said note provided, to which note reference is hereby made for full particulars; (2) payment of all other moneys advanced by the Beneficiary for the protection of the security, such as for taxes, insurance, repairs, attorney's fees, etc., and (3) the performance of all covenants, conditions, stipulations and agreements herein contained, (4) any other indebtednesses, liabilities or obligations, now existing or hereafter arising, due or to become due, absolute or contingent of the Grantor, or (if the Grantor is more than one), any of them, to the Beneficiary; provided, however, that this clause (4) hereof shall not apply to any indebtedness governed by the Federal Truth in Lending Act. The parties hereto acknowledge that if the note secured hereby evidences a construction loan to Grantor, funds may be periodically disbursed to Grantor by Beneficiary as construction progresses.

As further security for payment of the indebtedness and performance of the obligations, covenants and agreements secured hereby, Grantor hereby transfers, sets over the assigns to Beneficiary:

(a) All rents, royalties, issues and profits of the premises from time to time accruing, whether under leases or tenancies now existing or hereafter created, subject to the right of Beneficiary to collect the same as hereinafter provided, reserving to Grantor, however, so long as Grantor is not in default hereunder, the right to receive and retain such rents, royalties, issues and profits.

(b) All judgments, awards of damages and settlements hereafter made as a result or in lieu of any taking of the premises or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the premises or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets. Beneficiary is hereby authorized, but not required, on behalf and in the name of Grantor, to execute and deliver valid acquittances for, and to appeal from, any such judgments or awards. Beneficiary may apply all such sums or any part thereof so received, after the payment of all of its expenses, including costs and attorney's fees, on the indebtedness secured hereby in such manner as it elects or, at its option, the entire amount or any part thereof so received may be released.

Grantor covenants and agrees as follows:

1. To pay all sums secured hereby when due.

2. To pay, when due, all taxes, assessments, levies, dues and charges of every type or nature levied or assessed against the premises and any claim, lien or encumbrance against the premises which may be or become prior to this deed of trust.

3. To keep the premises insured against loss or damage by fire, the perils against which insurance is afforded by extended coverage endorsement, and such other risks and perils as Beneficiary in its discretion may require. The policy or policies of such insurance shall be in the form in general use from time to time in the locality in which the premises are situated, shall be in such amount as Beneficiary may reasonably require but in no event less than the indebtedness from time to time secured hereby, shall be issued by a company or companies approved by Beneficiary, and shall contain a Standard Mortgagee Clause in favor of Beneficiary. Whenever required by Beneficiary, such policies, and abstracts and other title evidence, shall be delivered immediately to and held by Beneficiary. Any and all amounts received by Beneficiary under any of such policies may be applied by Beneficiary on the indebtedness secured hereby in such manner as Beneficiary may, in its sole discretion, elect or, at the option of Beneficiary, the entire amount so received or any part thereof may be released. Upon foreclosure of this deed of trust or other acquisition of the premises or any part thereof by Beneficiary, such policies, abstracts and title evidence shall become the absolute property of Beneficiary.

4. Grantor (a) will not remove or demolish nor alter the design or structural character of any building now or hereafter erected upon the premises unless Beneficiary shall first consent thereto in writing; (b) will maintain the premises in good condition and repair; (c) will not commit or suffer waste thereof; (d) will comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the premises, and will not suffer or permit any violation thereof.

5. If Grantor fails to pay any claim, lien or encumbrance of any character which is or should become prior to this deed of trust, or, when due, any tax or assessment or insurance premium, or to keep the premises in repair, or shall commit or permit waste, then Beneficiary, at its option, may pay said claim, lien, encumbrance, tax assessment or premium, with right of subrogation thereunder, may procure such abstracts or other evidences of title as it deems necessary, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and for any of said purposes Beneficiary may advance such sums of money as it deems necessary. Beneficiary shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium, and of the amount necessary to be paid in satisfaction thereof. Any default of any nature in or under any such prior lien shall also be and constitute a default in and under this deed of trust, at the option of the holder of the note secured hereby.

6. Grantor will pay to Beneficiary, immediately and without demand, all sums of money advanced by Beneficiary pursuant to this deed of trust, in order to protect the security, together with interest on each such advancement at the maximum rate for which Grantor may lawfully contract, and all such sums and interest thereon shall be secured hereby.

7. If default be made in payment of any installment of principal or interest of said note or any part thereof when due, or in payment, when due, of any other sum secured hereby, or in performance of any of Grantor's obligations, covenants or agreements hereunder, or under any Commitment Letter or Construction Loan Agreement, incorporated herein by reference, executed by Grantor in connection with this deed of trust:

(a) All of the indebtedness secured hereby shall become and be immediately due and payable at the option of Beneficiary, without notice or demand which are hereby expressly waived, and

(b) Trustee is hereby empowered and authorized to advertise the sale of said property once a week for three consecutive weeks, giving notice of the time, place and terms of sale, in some newspaper published in the County or Counties, in which the above described premises are situated, and to sell the same at the court house door of said County at public outcry to the highest and best bidder for cash, in bar of all rights and equities of redemption, homestead, dower, marital share and all other rights or exemptions of every kind, all of which are hereby expressly waived. The parties in interest hereby waive the necessity of Trustee making oath, filing inventory, or giving bond as security for the execution of this trust, as may be required by the laws of Tennessee. Upon such sale, Trustee is hereby authorized to execute and deliver a deed of conveyance in fee of said property to the purchaser or purchasers thereof, and to place the purchaser or purchasers in quiet and peaceful possession of said premises. The owner of any part of the indebtedness hereby secured may become the purchaser at any sale under this conveyance. Grantor further agrees, that, in case of any sale under this deed of trust, he will at once surrender possession of said property, and will from that moment become and be a tenant at will of the purchaser, and removable by process, as upon a forcible and unlawful detainer, hereby agreeing to pay the said purchaser the reasonable rental value of said premises after said sale. In case of the sale of said land and premises under this deed of trust, the proceeds shall be applied by Trustee as follows: First, to the payment of the costs and expenses of executing this trust, including the usual commissions to the Trustee, and any and all sums Beneficiary or Trustee may have expended or become liable for on account of the costs of litigation, attorney's fees, taxes, assessments, insurance premiums, or any advances made or expenses incurred on account of the aforesaid property, with interest thereon; Second, Trustee will pay the principal of said note and interest on any balance due thereon in full, together with reasonable attorney's fees, and then will pay any other indebtednesses, liabilities, or obligations of the Grantor secured hereby or intended so to be, and any balance of such indebtednesses or interest remaining unpaid shall be the subject of immediate suit; and Third, should there be any surplus, the Trustee will pay the same to the Grantor, or to such person as may be legally entitled thereto, upon delivery and surrender to the purchaser of possession of the property sold, less the expense, if any, of obtaining possession.

(c) Irrespective of whether Beneficiary accelerates the maturity of all indebtedness secured hereby, Beneficiary, or Trustee, upon Beneficiary's written demand upon Trustee, without notice may enter upon and take possession of the premises or any part thereof, and perform any acts (including the right to rent any part or all of the premises), which Beneficiary deems necessary or proper to conserve the premises, and may collect and receive all rents, issues and profits thereof, including those past due as well as those accruing thereafter. Beneficiary shall be entitled also to have a receiver appointed to enter and take