FILE BOX 45

Maximum principal indebtedness for Tennessee recording tax purposes is $ 79,050.00

8795451
PEDIGO

Instr:200005260052826 Page: 1 OF 5
REC'D FOR REC 05/26/2000 3:20:05PM
RECORD FEE: $23.00
M. TAX: $88.61 T. TAX: $0.00

VA Form 26-6340 (Home Loan)
Revised January 1975. Use Optional. Section 1810, Title 38 U.S.C. Acceptable to Federal National Mortgage Association

TENNESSEE

DEED OF TRUST

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

The attached RIDER is made a part of this instrument.

THIS INDENTURE, Made this 23rd day of May 2000, by and between JUANITA MARIE PEDIGO AN UNMARRIED WOMAN

hereinafter jointly and severally designated Grantor, party of the first part, TRSTE II, INC., 150 FOURTH STREET, NASHVILLE, TENNESSEE 37219-1330 Trustee(s), hereinafter designated Trustee, party of the second part, and FIRST UNION MORTGAGE CORPORATION hereinafter designated Holder, party of the third part,

WITNESSETH, That Grantor in consideration of the undertakings hereinafter stated, does hereby, sell, transfer, and convey unto the Trustee, the following-described property in NASHVILLE County of DAVIDSON, and State of Tennessee, to wit:

A certain condominium apartment in Davidson County, Tennessee, being Townhouse No. #82, Building No. 9, in a Horizontal Property Regime located on the Plat of Priest Lake Park Condominium Townhouses, Phase I, as of record in Book 4460, Page 79, and revised in Book 4460, Page 88, Register's Office for said County, to which plat reference is hereby made.

Being the same property conveyed to Grantors by Deed of even date being recorded simultaneously herewith.

Should the Department of Veterans Affairs fail or refuse to issue its guaranty of the loan secured by this instrument under the provisions of the Servicemen's Readjustment Act of 1944, as amended within sixty days from the date the loan would normally become eligible for such guaranty, the mortgagee may, at its option, declare all sums secured hereby immediately due and payable.

together with the privileges and appurtenances and the rents, issues and profits of the above described property (provided, however, that the Grantor shall be entitled to collect and retain the said rents, issues and profits until default hereunder); and all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned:

TO HAVE AND TO HOLD the same to the Trustee, his successors in trust, and assigns, forever.

Grantor covenants that he is lawfully seized of said premises in fee or such other estate as is hereinbefore stated, that same are free of all taxes, liens, and encumbrances except as herein otherwise recited, that he has good right, full power and lawful authority to convey same, and that he will warrant and defend the aforesaid title thereto against all claims.

This conveyance is made in trust, however, to secure the payment of the principal sum of Seventy Nine Thousand Fifty and no/100 Dollars ($ 79,050.00), evidenced by a promissory note of even date herewith, the terms of which are incorporated herein by reference, with interest from date at the rate of Eight and One Half per centum (8.500%) per annum on the unpaid balance until paid. Principal and interest shall be payable in monthly installments of Six Hundred Seven and 83/100 Dollars ($ 607.83), commencing on the first day of July 2000 , and continuing on the first day of each month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of June , 2030 .

Grantor covenants and agrees as follows:

1. He will pay the indebtedness as hereinbefore provided. Privilege is reserved to prepay at any time, without premiums or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars ($100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

2. In addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to Holder, as trustee, (under the terms of this trust as hereinafter stated) on the first day of each month until the note is fully paid:

(a) A sum equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by Holder, and of which Grantor is notified) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by Holder in trust to pay said ground rents, premiums, taxes, and special assessments, before the same become delinquent.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

(I) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
(II) interest on the note secured hereby; and
(III) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Grantor prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. At Holder's option, the Grantor will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expenses involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby.

3. If the total of the payments made by Grantor under (a) of paragraph 2 preceding shall exceed the amount of payments actually made by Holder, as trustee, for ground rents, taxes and assessments or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by Grantor for such items or, at the option of Holder, as trustee, shall be refunded to Grantor. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then Grantor shall pay to Holder, as trustee, any amount necessary to make up the deficiency within thirty (30) days after written notice from the Holder stating the amount of the deficiency, which notice may be given by mail. If at any time the Grantor shall tender to Holder,

in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, Holder, as trustee, shall, in computing the amount of such indebtedness, credit to the account of Grantor any credit balance remaining under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby or if Holder acquires the property otherwise after default he shall apply, as trustee, at the time of the commencement of such proceedings, or at the same time the property is otherwise required, the amount then remaining to credit of Grantor under (a) of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid on the note secured hereby.

4. He will pay all taxes, assessments, water rates and other governmental or municipal charges, fines or impositions, except when payment for all such items has theretofore been made under (a) of paragraph 2 hereof and in default thereof the Holder may pay same; and he will promptly deliver the official receipts therefor to said Holder.

5. Upon the request of the Holder,the Grantor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the Holder for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby where included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

6. Grantor will continuously maintain hazard insurance, of such type or types and amounts as Holder may from time to time required, on the improvements now or hereafter on said premises, and except when payment for all such premiums has therefore been made under (a) of Paragraph 2 hereof, he will pay promptly when due any premiums therefor. In default thereof, the Holder may pay the same. All insurance shall be carried in companies approved by Holder and the policies and renewals thereof shall be held by Holder and have attached thereto loss payable clauses in favor of and in form acceptable to Holder. In event of loss he will give immediate notice by mail to Holder, who may make proof of loss is not made promptly by Grantor,and each insurance company concerned is hereby authorized and directed to make payment of such loss directly to Holder instead of to Grantor and Holder jointly. The insurance proceeds, or any part thereof, may be applied by Holder at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust, or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all interest of Grantor in and to any insurance policies shall pass to the purchaser.

7. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

8. He will not commit or suffer waste or deterioration of said property. If Grantor fails to keep buildings and other improvements now or hereafter on said premises in good repair, Holder may make such repairs as may reasonably be deemed necessary for the proper preservation thereof. Any sums paid therefor shall bear interest from date of payment at the rate provided for in the principal indebtedness, shall be payable thirty (30) days after demand, and shall be secured hereby.

9. If either Trustee or Holder shall become a party to any suit or proceeding at law or in equity in reference to its interest in the premises herein conveyed, the reasonable costs,charges and attorney's fees in such suit or proceeding shall be added to the principal sum then owing by Grantor and shall be secured by this instrument.

10. If the indebtedness secured hereby be guaranteed or insured under Title 38 United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

When all obligations under this Deed of Trust and the note or notes secured hereby have been discharged in full, the Holder shall deliver to the Grantor a legally sufficient release of the lien of this Deed of Trust together with said note or notes duly cancelled.

In event of Grantor's failure to discharge fully and promptly each and every obligation of the note or notes secured,and this Deed of Trust,the entire indebtedness and all obligations secured shall, at the option of the Holder, become immediately due and collectible without notice, and the Trustee(s) (is) (are) hereby authorized to advertise the property above described once each week for three consecutive weeks, giving notice of the time and date of sale, which shall not be less than 20 days after the date of publication of first notice of the terms of sale in a newspaper published in the county in which said property is situated; or, if no newspaper is published in the county, notice of sale may be given by written notice posted pursuant to sections 35-502, 35-503 and 35-504, Tennessee Code Annotated; and to sell said property within the legal hours of sale at the front door of the Courthouse at the County Seat of said county, at public outcry to the highest and best bidder for cash and in bar of all equities of redemption, homestead, dower and all other rights and exemptions of every kind, all of which are hereby expressly waived. The statutory right of redemption is hereby waived.

All parties in interest hereby expressly waive oath, inventory and bond for execution of this trust on the part of the Trustee or any successor Trustee.

In case of a sale hereunder, the Trustee shall execute to the purchaser all necessary title papers and place the purchaser in quiet and peaceable possession of the property. From the date of such sale, any parties occupying the premises shall become the tenants at will of the purchaser at the sale.

In the event of default, foreclosure, and sale of the property by the Trustee, the proceeds of the sale shall be applied by the Trustee as follows: First, to pay the expenses of executing this trust; and all attorneys' fees and court costs, and all amounts advanced or expenses incurred by the Holder for the account of the Grantor, with interest thereon; second, to pay the debt secured by this instrument; third, to reimburse the Veterans Administration for any sums paid by it on account of the guaranty or insurance of the indebtedness secured hereby; and last, to pay the balance, if any, to the Grantor upon delivery and surrender to the purchaser of possession of the property, less the expense of obtaining possession.

In the event more than one Trustee is named herein, either one of said trustees may along execute any powers conferred upon them by this Deed of Trust. The Holder is hereby empowered to replace the Trustee(s) herein names or any successor herein after substituted, by executing and filing for record in the Register's Office of the county in which the property is situated, an instrument appointing such successor Trustee(s). The successor Trustee(s) so appointed shall thereby become vested with title to said property for all the purposes of this Deed of Trust and become clothed with all of the powers, duties and obligations herein conferred upon the names Trustee(s).

Grantor shall retain possession of the property hereby conveyed until default under this Deed of Trust, or the note secured hereby; after such default, Trustee or Holder shall have the right to collect the rents, issues and profits of the property. In the event of such default, Trustee, in addition to the power of sale provided above, shall have the right to proceed in a court of equity to foreclose this Deed of Trust and shall be entitled to the appointment of a receiver to collect the rents, issued and profits of the property, pending such sale.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders, and the term "Holder" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

IN WITNESS WHEREOF, the part of the first part has hereunto set her hand(s) and seal(s) on the day and year first above written.

Signed, sealed and delivered in presence of:

Juanita Marie Pedigo [SEAL]
JUANITA MARIE PEDIGO

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

STATE OF TENNESSEE)
) ss:
COUNTY OF DAVIDSON)

On this 23rd day of May, 2000, before me personally appeared * to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed. *Juanita Marie Pedigo

IN WITNESS WHEREOF I have hereunto set my hand and Official Seal.

My commission expires 3/24/01

PATRICIA NICHOLLS NOTARY PUBLIC AT LARGE DAVIDSON COUNTY TENN

Official Title.

Filed for Registration at o'clock M. and noted in Note Book No. Page
and recorded (Recording Date) in Record Book No. Page
Fee Paid.

(Filing Date)

_____, Register.

By _____, D. R.

Prepared By:

When Recorded Mail To:
FIRST UNION MORTGAGE CORPORATION
1100 CORPORATE CENTER DRIVE
RALEIGH, NC 27607-5045

V.A. ASSUMPTION POLICY RIDER

8795451
PEDIGO

THIS LOAN MAY NOT BE ASSUMED WITHOUT THE PRIOR APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT, SUCCESSORS OR ASSIGNS.

THIS ASSUMPTION POLICY RIDER is made this 23rd day of May, 2000, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt ("Instrument") of the same date herewith, given by the undersigned ("Mortgagor") to secure the Mortgagor's Note ("Note") of the same date to FIRST UNION MORTGAGE CORPORATION its successors and assigns ("Mortgagee") and covering the property described in the Instrument and located at: 4000 ANDERSON ROAD, #82 NASHVILLE, TN 37217 (Property Address)

Notwithstanding anything to the contrary set forth in the Instrument, Mortgagee and Mortgagor hereby acknowledge and agree to the following:

TRANSFER OF THE PROPERTY: If all or any part of the Property or any interest in it is sold or transferred, this loan may be declared immediately due and payable upon transfer ("assumption") of the property securing such loan to any transferee ("assumer"), unless the acceptability of the assumption and transfer of this loan is established by the Department of Veterans Affairs or its authorized agent pursuant to Section 3714 of Chapter 37, Title 38, United States Code.

An authorized transfer ("assumption") of the property shall also be subject to additional covenants and agreements as set forth below:

(a) Assumption Funding Fee: A fee equal to one-half of 1 percent (.50%) of the unpaid principal balance of this loan as of the date of transfer of the property shall be payable at the time of transfer to the Mortgagee or its authorized agent, as trustee for the Department of Veterans Affairs. If the assumer fails to pay this fee at the time of transfer, the fee shall constitute an additional debt to that already secured by this instrument, shall bear interest at the rate herein provided, and, at the option of the Mortgagee of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically waived if the assumer is exempt under the provisions of 38 U. S. C. 3729(c).

(b) Assumption Processing Charge: Upon application for approval to allow assumption and transfer of this loan, a processing fee may be charged by the Mortgagee or its authorized agent for determining the creditworthiness of the assumer and subsequently revising the holder's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the lesser of the maximum established by the Department of Veterans Affairs for a loan to which Section 3714 of Chapter 37, Title 38, United States Code applies or any maximum prescribed by applicable State law.

(c) Assumption Indemnity Liability: If this obligation is assumed, then the assumer hereby agrees to assume all of the obligations of the veteran under the terms of the instruments creating and securing the loan, including the obligation of the veteran to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the guaranty or insurance of the indebtedness created by this instrument.

IN WITNESS WHEREOF, Mortgagor(s) has executed this Assumption Policy Rider.

Juanita Marie Pedigo (SEAL)
Mortgagor **JUANITA MARIE PEDIGO**

_____ (SEAL)
Mortgagor

_____ (SEAL)
Mortgagor

_____ (SEAL)
Mortgagor

_____ (SEAL)
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_____ (SEAL)
Mortgagor