

**A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT**  
**SETTLEMENT STATEMENT**

**B. TYPE OF LOAN:**  
 1.  FHA 2.  FmHA 3.  CONV. UNINS. 4.  VA 5.  CONV. INS.  
 6. FILE NUMBER: 11-02-5102 7. LOAN NUMBER:  
 8. MORTGAGE INS CASE NUMBER:

**C. NOTE:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.  
1.0 3/98 (11-02-5102.PFD/11-02-5102/2)

**D. NAME AND ADDRESS OF BORROWER:**  
 City of Crossville

**E. NAME AND ADDRESS OF SELLER:**  
 John H. Donnelly  
 Robert S. Donnelly  
 Edward A. Donnelly

**F. NAME AND ADDRESS OF LENDER:**

**G. PROPERTY LOCATION:**  
 Tract 1: 9.182 acres  
 Tract 2: 10.697 acres  
 Cumberland County, Tennessee

**H. SETTLEMENT AGENT:** 62-1181401  
 Looney & Chadwell Title Services, LLC

**I. SETTLEMENT DATE:**  
 February 18, 2011

**PLACE OF SETTLEMENT:**  
 19 Stanley Street  
 Crossville, TN 38555

**J. SUMMARY OF BORROWER'S TRANSACTION**

100. GROSS AMOUNT DUE FROM BORROWER:	680,000.00
101. Contract Sales Price	
102. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	3,688.50
104.	
105.	
<i>Adjustments For Items Paid By Seller in advance</i>	
106. City/Town Taxes to	
107. County Taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM BORROWER	683,688.50
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:</b>	
201. Deposit or earnest money	
202. Principal Amount of New Loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209. Owner Financing	680,000.00
<i>Adjustments For Items Unpaid By Seller</i>	
210. City/Town Taxes to	
211. County Taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BORROWER	680,000.00
<b>300. CASH AT SETTLEMENT FROM/TO BORROWER:</b>	
301. Gross Amount Due From Borrower (Line 120)	683,688.50
302. Less Amount Paid By/For Borrower (Line 220)	(680,000.00)
303. CASH (X FROM) ( TO ) BORROWER	3,688.50

**K. SUMMARY OF SELLER'S TRANSACTION**

400. GROSS AMOUNT DUE TO SELLER:	680,000.00
401. Contract Sales Price	
402. Personal Property	
403.	
404.	
405.	
<i>Adjustments For Items Paid By Seller in advance</i>	
406. City/Town Taxes to	
407. County Taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
420. GROSS AMOUNT DUE TO SELLER	680,000.00
<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	
501. Excess Deposit (See Instructions)	
502. Settlement Charges to Seller (Line 1400)	
503. Existing loan(s) taken subject to	
504. Payoff of first Mortgage	
505. Payoff of second Mortgage	
506.	
507.	
508.	
509.	
500. Owner Financing	680,000.00
<i>Adjustments For Items Unpaid By Seller</i>	
511. City/Town Taxes to	
512. County Taxes to	
513. Assessments to	
514.	
515.	
516.	
517.	
518.	
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	680,000.00
<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>	
601. Gross Amount Due To Seller (Line 420)	680,000.00
602. Less Reductions Due Seller (Line 520)	(680,000.00)
603. CASH ( TO ) ( FROM ) SELLER	0.00

Land at Airport Closing cost  
 Looney & Chadwell Title Services, LLC PAID 2/15/11  
 CK# 102059

L. SETTLEMENT CHARGES				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
COMMISSION Based on Price \$ @ %					
Division of Commission (line 700) as Follows:					
to					
to					
703. Commission Paid at Settlement					
704. to					
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN</b>					
801.	Loan Origination Fee	%	to		
802.	Loan Discount	%	to		
803.	Appraisal Fee		to		
804.	Credit Report		to		
805.	Lender's Inspection Fee		to		
806.	Mortgage Ins. App. Fee		to		
807.	Assumption Fee		to		
808.					
809.					
810.					
811.					
<b>900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE</b>					
901.	Interest From	to @ \$	/day ( days %)		
902.	MIP Totlms for LifeOfLoan	for	months to		
903.	Hazard Insurance Premium for	1.0 years	to		
904.					
905.					
<b>1000. RESERVES DEPOSITED WITH LENDER</b>					
1001.	Hazard Insurance	months @ \$	per month		
1002.	Mortgage Insurance	months @ \$	per month		
1003.	City/Town Taxes	months @ \$	per month		
1004.	County Taxes	months @ \$	per month		
1005.	Assessments	months @ \$	per month		
1006.		months @ \$	per month		
1007.		months @ \$	per month		
1008.		months @ \$	per month		
<b>1100. TITLE CHARGES</b>					
1101.	Settlement or Closing Fee	to	Looney, Looney & Chadwell, PLLC		400.00
1102.	Abstract or Title Search	to			350.00
1103.	Title Examination	to	Looney, Looney & Chadwell, PLLC		35.00
1104.	Title Insurance Binder	to	Looney, Looney & Chadwell, PLLC		285.00
1105.	Document Preparation	to	Looney, Looney & Chadwell, PLLC		
1106.	Notary Fees	to			
1107.	Attorney's Fees	to			
(includes above item numbers:				)	
1108.	Title Insurance	to	Looney & Looney/Fidelity National Title Insurance		1,762.80
(includes above item numbers:				)	
1109.	Lender's Coverage	\$			
1110.	Owner's Coverage	\$	680,000.00	1,762.80	
1111.					
1112.					
1113.					
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES</b>					
1201.	Recording Fees: Deed \$	28.00;	Mortgage \$ 48.00;	Releases \$	76.00
1202.	City/County Tax/Stamps: Deed		: Mortgage		
1203.	State Tax/Stamps: Revenue Stamps		: Mortgage	779.70	779.70
1204.					
1205.					
<b>1300. ADDITIONAL SETTLEMENT CHARGES</b>					
1301.	Survey	to			
1302.	Pest Inspection	to			
1303.					
1304.					
1305.					3,688.50
<b>1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)</b>					

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy.

Looney & Chadwell Title Services, LLC  
Settlement Agent

(11-02-5102 / 11-02-5102 / 2)

**ACKNOWLEDGMENT OF RECEIPT OF SETTLEMENT STATEMENT**

**Borrower:** City of Crossville  
**Seller:** John H. Donnelly  
Robert S. Donnelly  
Edward A. Donnelly  
**Settlement Agent:** Looney & Chadwell Title Services, LLC  
(931)484-7129  
**Place of Settlement:** 19 Stanley Street  
Crossville, TN 38555  
**Settlement Date:** February 18, 2011  
**Property Location:** Tract 1: 9.182 acres  
Tract 2: 10.697 acres  
Cumberland County, Tennessee

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

City of Crossville

By *Christa D. Adams*

\_\_\_\_\_  
John H. Donnelly

\_\_\_\_\_  
Robert S. Donnelly

\_\_\_\_\_  
Edward A. Donnelly

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

*[Signature]*  
Looney & Chadwell Title Services, LLC  
Settlement Agent

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

For and in consideration of the sum of One (\$1.00) Dollar, cash in hand paid, together with other good and valuable consideration not herein mentioned, receipt of all of which is hereby acknowledged, we, **JOHN H. DONNELLY, ROBERT S. DONNELLY and EDWARD A. DONNELLY** have this day bargained and sold and by these presents do hereby bargain, sell, transfer, and convey unto **CITY OF CROSSVILLE, a political subdivision of the State of Tennessee**, its successors and assigns, the following described tracts or parcels of land, lying in the FIRST CIVIL DISTRICT of Cumberland County, Tennessee, described as follows:

**Map 99, Parcel 52.03 and Parcel 52.00 Special Interest #1**

**TRACT ONE:**

Beginning on a 5/8 inch iron pin found on the south right-of-way of U.S. Highway 70-S (Sparta Highway), said iron pin the Northwest corner of Wm. Jason Napier (Deed Book 1019, Page 1045) and is located Northeastward about 840 feet from the intersection of Howard Springs Road, this iron pin is referenced by State Plane Coordinates of North = 592,245.423 feet and East = 2,2240,884.801 feet; thence South 18 deg. 41 min. 13 sec. East, a distance of 220.56 feet to an iron pin set at a turn in the remnants of a wire fence; thence South 4 deg. 35 min. 32 sec. West, passing a corner of Glenn Smith (Deed Book 1035, Page 239) at 102 feet, in all a total distance of 226.03 feet to a 7/8 inch iron pin, a corner of the City of Crossville Airport Authority (Deed Book 22, Page 285); thence South 72 deg. 56 min. 33 sec. West, a distance of 991.88 feet to a 1/2 inch iron pin; thence North 21 deg. 30 min. 02 sec. West, a distance of 285.36 feet to a 1/2 inch iron pin found on the right-of-way of U.S. Highway 70-S; thence North 59 deg. 53 min. 45 sec. East, a distance of 64.88 feet to an iron pin set at the beginning of a curve to the right having a radius of 5,669.58 feet and length of 1,037.77 feet; thence along the chord of said curve, North 65 deg. 39 min. 27 sec. East, a distance of 1,036.26 feet to the point of beginning, containing 9.182 acres according to a survey made December 30, 2009 by Michael V. Stump, RLS No. 784. Bearings recited in this description refer to State Plane North. Coordinates derived by GPS observations and distances are datum adjusted by a factor of 1.000134118.

**TRACT TWO:**

Beginning on a 5/8 inch iron pin found on the south right-of-way of U.S. Highway 70-S (Sparta Highway), a corner of the City of Crossville Airport Authority (Deed Book 390, Page 485), said iron pin is located Northeastward about 280 feet from the former entrance ramp to the airport, this iron pin is referenced by State Plane Coordinates of North = 591,303,229 feet and East = 2,239,114.160 feet; thence South 21 deg. 55 min. 09 sec. East, a distance of 446.42 feet to a metal post in a chain link fence; thence South 28 deg. 47 min. 18 sec. West, a distance of 232.29 feet to a metal post; thence South 72 deg. 50 min. 14 sec. West, a distance of 1,169.33 feet to a metal post; thence North 38 deg.

This instrument prepared by:  
**LOONEY & CHADWELL TITLE SERVICES, LLC**  
19 Stanley St., Crossville, Tennessee 38555  
C-3 Warranty Deeds/City of Crossville, John Donnelly

58 min. 23 sec. West, passing the end of a fence corner at 89.2 feet, in all a total distance of 94.36 feet to an iron pin set on the right-of-way of U.S. Highway 70-S; thence along the chord of a curve to the left having a radius of 3,879.72 feet and length of 155.21 feet; thence along the chord of said curve. North 51 deg. 36 min. 47 sec. East, a distance of 155.20 feet to an iron pin set for this survey; thence North 50 deg. 28 min. 01 sec. East, intersecting a concrete right-of-way monument at 342.02 feet. in all a total distance of 449.18 feet to an iron pin set at the Northwest corner of West Cumberland Utility District (Deed Book 1006, Page 15); thence leaving said right-of-way. South 39 deg. 31 min. 59 sec. East, a distance of 50.77 feet to an iron pin set for this survey; thence North 51 deg. 00 min. 59 sec. East, a distance of 50.00 feet to an iron pin set for this survey; thence North 39 deg. 31 min. 59 sec. West, a distance of 51.25 feet to an iron pin set on the right-of-way of U.S. Highway 70-S; thence North 50 deg. 28 min. 01 sec. East, a distance of 105.00 feet to an iron pin set at the beginning of a curve to the right having a radius of 8,534.37 feet and length of 334.68 feet; thence along the chord of said curve North 51 deg. 34 min. 50 sec. East, a distance of 334.66 feet to a concrete right-of-way monument at the former ramp to the City of Crossville Airport; thence along said ramp. South 78 deg. 58 min. 01 sec. East, a distance of 53.41 feet to a concrete monument; thence North 52 deg. 02 min. 25 sec. East, a distance of 50.11 feet; thence North 4 deg. 16 min. 40 sec. East, a distance of 51.73 feet to a concrete monument of the right-of-way of said Highway; thence along the chord of a curve to the right having a radius of 8,534.37 feet and length of 217.98 feet. North 53 deg. 56 min. 11 sec. East, a distance of 217.97 feet to the point of beginning, containing 10.697 acres according to a survey made December 30, 2009 by Michael V. Stump, RLS No. 784. Bearings recited in this description refer to State Plane North. Coordinates derived by GPS observations and distances are datum adjusted by a factor of 1.00134118.

Tracts One and Two being part of the same property acquired by the grantors herein by virtue of the Last Will and Testament of Gertrude K. Donnelly, deceased of record at Deed Book 512, page 770, Register's Office, Cumberland County, Tennessee.

To have and to hold the above described tracts or parcels of land unto the grantee herein named, its successors and assigns, in fee simple, forever.

We covenant with the grantee herein named, its successors and assigns, that we are lawfully seized and possessed of said land; have a good and lawful right to convey the same; that it is free and unencumbered, except as herein set out; and will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever, and we bind our heirs, assigns and representatives by the above covenants.

Mildred Donnelly, wife of John H. Donnelly, Rebecca Donnelly, wife of Robert S. Donnelly, and Martha Sue Donnelly, wife of Edward A. Donnelly, join in this instrument to convey any all right, title, claim or interest they may have in the above property.

WITNESS our hands and signatures this 22nd day of February, 2011.

Mildred Donnelly  
MILDRED DONNELLY

John H. Donnelly  
JOHN H. DONNELLY

Rebecca Donnelly  
REBECCA DONNELLY

Robert S. Donnelly  
ROBERT S. DONNELLY

Martha Sue Donnelly  
MARTHA SUE DONNELLY

Edward A. Donnelly  
EDWARD A. DONNELLY

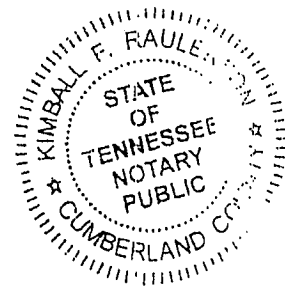
State of Tennessee )  
County of Cumberland )

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **John H. Donnelly and Mildred Donnelly**, the within named bargainors with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who acknowledged the execution of the within and foregoing instrument as their free act and deed for the purposes therein contained.

WITNESS my hand and signature on this 22nd day of February, 2011.

Kimball F. Raule  
NOTARY PUBLIC

My commission expires: 01/07/15



State of Tennessee )  
 )  
County of Cumberland )

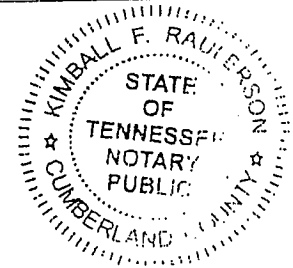
Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **Robert S. Donnelly and Rebecca Donnelly**, the within named bargainors with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who acknowledged the execution of the within and foregoing instrument as their free act and deed for the purposes therein contained.

WITNESS my hand and signature on this 22<sup>nd</sup> day of February, 2011.

Kimball F. Raulerson  
NOTARY PUBLIC

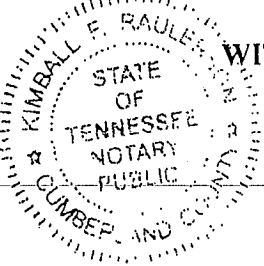
My commission expires: 01/07/2015

State of Tennessee )  
 )  
County of Cumberland )



Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **Edward A. Donnelly and Martha Sue Donnelly**, the within named bargainors with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who acknowledged the execution of the within and foregoing instrument as their free act and deed for the purposes therein contained.

WITNESS my hand and signature on this 22<sup>nd</sup> day of February, 2011.



Kimball F. Raulerson  
NOTARY PUBLIC

My commission expires: 01/07/2015

The name and address of a property owner is:

City of Crossville (TAX EXEMPT)  
99 Municipal Avenue  
Crossville, Tennessee 38555

The name and address of the person or entity responsible for payment of real property taxes is:

SAME  
\_\_\_\_\_  
\_\_\_\_\_


This instrument was prepared at the specific request of the parties, based solely upon information supplied by one or more of the parties to this instrument, and without examination of title or being furnished a survey. The preparer makes no representations or warranties as to the accuracy of the description or the status of the title to the property. The preparer of this instrument assumes no liability for any errors, inaccuracies, or omissions in this instrument resulting from the information provided, and the parties hereto signify their assent to this disclaimer by the execution and the acceptance of this instrument. The parties to this instrument have not sought or obtained from the preparer any advice regarding the possible tax consequences, if any, of this transaction and no such advice has been furnished by the preparer.

# DEED OF TRUST

- If this line is checked, this is a Construction Mortgage within the meaning of T.C.A. §47-9-334(h).
- If this line is checked, this is a Construction Refinance Mortgage within the meaning of T.C.A. §47-9-334(h).
- If this line is checked, this Deed of Trust shall be deemed to be an Open End Mortgage pursuant to Tennessee Code Annotated §47-28-101, et seq., and the provisions of Paragraph No. 23 regarding the Grantors' right to reduce the maximum amount of total principal indebtedness shall apply.

This Deed of Trust is executed as of February 25, 2011. The grantor is **THE CITY OF CROSSVILLE** ("Grantor"). The Trustee is **KENNETH M. CHADWELL** ("Trustee"). The beneficiaries are **JOHN H. DONNELLY, ROBERT S. DONNELLY, EDWARD A. DONNELLY** (collectively, "Beneficiary"). The Grantor owes Beneficiary the principal sum of Six Hundred Eighty Thousand and 00/100 (\$680,000.00) Dollars.

This debt is evidenced by Grantor's note dated the same date as this Deed of Trust payable, unless otherwise specified, in monthly payments, with the full debt if not paid earlier due and payable on July 1, 2014, ("Note"). This Deed of Trust secures to Beneficiary: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note (the Debt); (b) the payment of all sums, with interest, advanced under the terms of this Deed of Trust to protect the security of this Deed of Trust; (c) the performance of Grantor's covenants and agreements under this Deed of Trust and the Note; and, (d) the payment of any and all other indebtedness now or hereafter owed by the Grantor to the Beneficiary (collectively called the "indebtedness").

For the purpose of securing the above obligations and in consideration of One (\$1.00) Dollar, cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor has this day bargained and sold and does hereby transfer, assign, and convey unto the Trustee, all right, title, claim, and interest of the Grantor in and to the following described real estate, together with its rents, issues, and profits, and all buildings, improvements, fixtures, replacements and additions thereon or hereafter erected thereon, and all rights, appurtenances, privileges, interests, easements, and hereditaments thereto belonging, which property lies in the **FIRST CIVIL DISTRICT of Cumberland County Tennessee**, and is more particularly described as follows: 

**SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE THERETO.**

Being the same property acquired by The City of Crossville, by virtue of a deed dated February 22, 2011, from John H. Donnelly and wife, Mildred Donnelly; Robert S. Donnelly and wife, Rebecca Donnelly; and Edward A. Donnelly and wife, Martha Sue Donnelly, of record at Book 1357, page 1621, Register's Office, Cumberland County, Tennessee.

Map 99, Parcels 52.03 and 52.00 Special Int #1  
This instrument prepared by:  
- LOONEY, LOONEY & CHADWELL, ATTYS  
156 Rector Avenue, Crossville, Tennessee 38555

C3/Deeds of Trust/City of Crossville to Donnelly

Maximum principal indebtedness  
for Tennessee recording tax

purposes is \$-0-  
TAX EXEMPT



Grantor and Beneficiary covenant and agree as follows:

1. **Payment of Principal, Interest and Late Charges.** Grantor shall promptly pay when due the principal of and interest on the Debt evidenced by the Note and any late charges due under the Note.
2. **Attorney Fees and Costs of Collection.** In the event any of the Indebtedness secured by this Deed of Trust is placed in the hands of an attorney for collection by suit or otherwise, or to enforce its collection or to protect the security for its payment, the Grantor will pay all costs of collection and litigation, together with a reasonable attorney's fee, and such costs and fees shall be a lien on the premises hereby conveyed and enforced in the same manner as the debt hereby secured. In the event the Trustee herein named, or the Beneficiary, shall become a party or parties to any litigation, or be forced to become a party or parties to any litigation or proceeding at law or in equity in order to protect the security for the payment of the Indebtedness, the Grantor agrees to pay the Trustee and/or Beneficiary, as the case may be, the costs of such litigation, including a reasonable attorney's fee incurred by virtue of such litigation and proceedings, which costs and fees shall be a further charge or lien upon said premises and shall be enforced the same as the principal obligations herein secured.
3. **Taxes and Assessments.** The Grantor agrees that he will pay all taxes and assessments levied on the property as and when same may become due and payable. In the event of the default in the payment of the taxes and assessments, the Beneficiary may pay such sums as may be in default and all advances or expenses incurred therein, with interest thereon at the highest legal rate, which shall be a part of the lien hereby secured and a charge upon said property, and the payment thereof enforced in the same manner provided for enforcing the payment of the indebtedness herein secured, and payment thereof by the Beneficiary shall not constitute a waiver of the right to declare the unpaid balance of the indebtedness hereby secured due and payable because of such default.
4. **Default, Foreclosure, and Waivers.** The Grantor agrees that if said Debt is fully paid and satisfied upon its maturity and according to its terms and all other obligations herein incurred are fully met, then this obligation is to be void and of no further effect, and the Beneficiary will issue a proper release of lien of this Deed of Trust at the expense of the Grantor. But should the Grantor (i) default in the payment of any portion of the principal or interest hereby secured; (ii) default in the performance of any covenant contained herein; (iii) transfer the property or any portion thereof in violation of Paragraph No. 6 of this Deed of Trust; (iv) default on any obligation secured by a lien prior in right to the lien of this Deed of Trust; or, (v) become insolvent or commence any proceedings under any bankruptcy, reorganization, insolvency, or similar laws, then the Beneficiary may, at its option, declare the entire unpaid balance of said Debt immediately due and payable and this Deed of Trust may be foreclosed. The Trustee hereinabove named or his successors in trust upon being directed by the Beneficiary to foreclose this Deed of Trust, is hereby authorized, empowered, and directed to advertise said property for sale, giving the time, place and terms of said sale, and such advertisement shall be published in some newspaper published in the county and state where the property is located, at least one time each week for three consecutive weeks, the publication of such advertisement and sale pursuant thereto to be in accordance with the laws of the State of Tennessee. After having so advertised said property for sale, the Trustee, or his successor in trust, is authorized, empowered, and directed to sell said property at the Courthouse in the county seat of the county in which the property is located, at public outcry to the last, highest, and best bidder for cash in hand or credit against the secured Indebtedness at the option of the holder of the secured Indebtedness if the holder is the successful bidder, and in bar of all of the equities and rights of redemption, whether common law or statutory, including the right of redemption provided for in Tennessee Code Annotated §66-8-101, et seq., homestead, dower, and all other rights or exemptions of every kind, all of which are hereby expressly waived by the Grantor; and, the Grantor herein waives the necessity of said Trustee, or his successors in trust, making oath, filing inventory or giving bond or security for the execution of this trust. Upon said sale,

said Trustee, or his successors in trust, is authorized to execute, acknowledge and deliver a deed of conveyance to the said purchaser thereof, and to place the purchaser thereof in peaceable and quiet possession of the premises. The Beneficiary may bid for said property and become a purchaser at said sale. The Grantor further covenants and agrees that in the 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 purchaser and removable by process, as upon a forcible and unlawful detainer, and further agrees to pay the said purchaser the reasonable rental value of said premises for the time the premises are occupied after sale. The purchaser shall also be entitled to recover its costs and reasonable attorney fees in obtaining possession of the property from the Grantor.

5. **Hazard or Property Insurance.** Grantor shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term extended coverage and any other hazards, including floods or flooding, for which Beneficiary requires insurance. This insurance shall be maintained in the amounts and for periods that Beneficiary requires. The insurance carrier providing the insurance shall be chosen by Grantor subject to Beneficiary's approval which shall not be unreasonably withheld. If Grantor fails to maintain coverage described above, Beneficiary may, at Beneficiary's option, obtain coverage to protect Beneficiary's rights in the property in accordance with Paragraph No. 7 of this Deed of Trust.

All insurance policies and renewals shall be acceptable to Beneficiary and shall include a standard New York mortgage clause. Beneficiary shall have the right to hold the policies and renewals. If Beneficiary requires, Grantor shall promptly give to Beneficiary all receipts of paid premiums and renewal notices. In the event of loss, Grantor shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Grantor.

Unless Beneficiary and Grantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the property damaged, if the restoration or repair is economically feasible and Beneficiary's security is not lessened. If the restoration or repair is not economically feasible or Beneficiary's security would be lessened, the insurance proceeds shall be applied to the sum secured by this Deed of Trust, whether or not then due, with any excess paid to Grantor. If Grantor abandons the property, or does not answer within 30 days from the date of a notice from Beneficiary that the insurance carrier has offered to settle a claim, then Beneficiary may collect the insurance proceeds. Beneficiary may use the proceeds to repair or restore the property or to pay sums secured by this Deed of Trust, whether or not then due.

Unless Beneficiary and Grantor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments required under the Note or change the amount of the payments. If the property is acquired by Beneficiary, Grantor's right to any insurance policies and proceeds resulting from damage to the property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

6. **Transfer of Property.** If all or any part of the property or any interest in it is sold or transferred, or if a beneficial interest in Grantor is sold or transferred and Grantor is not a natural person, without Beneficiary's prior written consent, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if the exercise thereof is prohibited by any applicable law.

If Beneficiary exercises this option, Beneficiary shall give Grantor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Grantor must pay all sums secured by this Deed of Trust. If Grantor fails to pay these sums

prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Grantor.

7. **Preservation and Protection of Beneficiary's Rights in the Property; Leaseholds.** If Grantor fails to perform the covenants and agreements contained in this Deed of Trust, or there is a legal proceeding that may significantly affect Beneficiary's rights in the property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Beneficiary may do and pay for whatever is necessary to protect the value of the property and Beneficiary's rights in the property. Beneficiary's actions may include paying any sums secured by a lien which has priority over this Deed of Trust, appearing in court, paying reasonable attorney's fees and entering on the property to make repairs. Although Beneficiary may take action under this paragraph, Beneficiary does not have to do so. If this Deed of Trust is on a leasehold, the Grantor shall comply with the provisions of the Lease and if the Grantor acquires fee title to the property, the leasehold and fee title shall not merge unless Beneficiary agrees to the merger in writing.

Any amounts disbursed by Beneficiary under this paragraph shall become additional Indebtedness of Grantor secured by this Deed of Trust. Unless Grantor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Beneficiary to Grantor requesting payment.

The Grantor shall specifically be prohibited from any exploration, development, or extraction of any mineral substances, including by way of example but not limitation, oil, gas and coal, without the express written consent of the Beneficiary. Likewise, the Grantor shall not be entitled to remove any timber having commercial value from the premises described herein without the express written consent of the Beneficiary.

8. **Condemnation.** In the event of condemnation of any part of the premises herein encumbered, any damages paid or award allowed shall, at the option of the Beneficiary, be applied first toward the satisfaction of the Indebtedness secured hereby.

9. **Waste.** The Grantor covenants with the Trustee and Beneficiary to commit no waste on the premises and to keep all of the improvements on the premises in as good repair as they are on the date of the execution of this instrument, normal wear and tear excluded. The Grantor shall not do or prevent to be done to the premises anything that may in any way impair or diminish the security of this Deed of Trust.

10. **Hazardous Substances.** The Grantor certifies that neither the Grantor nor, to the best of Grantor's knowledge, any prior owner has created conditions which may give rise to environmental liability; that no enforcement actions are pending or threatened and that any costs the Beneficiary incurs as a result of environmental liability shall become a part of the Indebtedness secured hereby; that there are no underground tanks on the premises encumbered hereby, except as specifically disclosed in writing by the Grantor to the Beneficiary; to remedy any contamination that may occur or be discovered in the future; to comply with all State and Federal environmental laws; and, to allow Beneficiary access to the encumbered premises for testing and monitoring.

The Grantor shall not cause or permit the unlawful presence, use, disposal, storage, or release of any hazardous substances on or in the property. Grantor shall not do, nor allow anyone else to do, anything affecting the property that is in violation of any environmental law. The preceding two sentences shall not apply to the presence, use, or storage on the property of small quantities of hazardous substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the property.

The Grantor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the property and any hazardous substance or environmental law of which Grantor has actual knowledge. If Grantor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the property is necessary, Grantor shall promptly take all necessary remedial actions in accordance with environmental law.

As used in this paragraph, "Hazardous Substances" are those substances defined as toxic or hazardous substances by environmental law and specifically include the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph, "Environmental Law" means federal laws and laws of the State of Tennessee that relate to health, safety or environmental protection.

11. **Grantor Not Released: Forbearance by Beneficiary Not a Waiver.** Extension of the time for payment or modification of the terms of the Debt or Indebtedness secured by this instrument granted by Beneficiary to any successor in interest of the Grantor shall not operate to release the liability of the original Grantor. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of preclude the exercise of any right or remedy in the future.

12. **Inspection.** Beneficiary or its agent may make reasonable entries upon and inspections of the property. Beneficiary shall give Grantor notice at the time or prior to an inspection specifying reasonable cause for the inspection.

13. **Application of Proceeds.** In case of the sale of the property encumbered by this Deed of Trust, the proceeds shall be applied by the Trustee, or his successors in trust, as follows:

(a) **FIRST.** The Trustee will pay the costs and expenses of executing this trust, including but not limited to, reasonable attorney's and Trustee's fees, and all sums the Beneficiary, its successors and assigns, or the Trustee may have expended or become liable for, on the account of the cost of litigation, attorney's fees, taxes, assessments and any advances made or expenses incurred on account of the property herein conveyed unless otherwise provided herein, and all with interest thereon at the highest legal rate.

(b) **SECOND.** The Trustee will pay the entire balance of the indebtedness herein secured, including but not limited to, principal, accrued interest, and any and all advances herein provided for, together with reasonable attorney's fees, and if, after payment of all the foregoing, the Grantor has any other indebtedness due to the Beneficiary, then said Trustee may apply any balance to that or those obligations upon the demand of the Beneficiary.

(c) **THIRD.** The Trustee will pay the balance, if any, to the Grantor or to his successors or assigns.

14. **Appointment of Substitute or Successor Trustee.** The Beneficiary may at any time, with or without cause, and at its pleasure, and without notice either to the Trustee or any party or person, remove the Trustee herein named and appoint a successor for him by an instrument in writing which shall be recorded in the Register's Office in the County in which the property is located, and the successor or successors to the Trustee so appointed shall succeed to all the obligations, duties, waivers, and immunities conferred upon the Trustee so appointed and the Successor or Substitute Trustee shall succeed to all of the obligations, duties, waivers, and immunities conferred upon the Trustee herein named, and no resignation, evidence of inability,

failure to function or evidence of absence of the Trustee herein named shall be required, and such like power of substitution shall continue so long as any debt secured hereby remains unpaid.

No exercise of the power of appointment of a Successor or Substitute Trustee, or any other power or right given in this instrument shall exhaust the right to exercise such power, but all rights and powers herein given may be exercised as often as may be necessary to achieve the perfect security in the collection of the Indebtedness secured by this Deed of Trust until said Indebtedness is fully paid and discharged.

15. **Conduct of Sale.** It is agreed by the parties hereto that should any sale herein provided for be made by said Trustee, or his successors in trust, that he need not personally attend and conduct the same, but at his option, he may have the sale conducted by an agent or an attorney selected by him. The Trustee, or his successors, may adjourn the day of sale to another day certain without further publication upon announcement of said adjournment on the originally advertised date of sale. The Trustee, or his successors, shall have the option to accept the next highest bid in which the bidder is able to comply in the event the high bidder at a sale under this Deed of Trust should fail to comply with the submitted bid, or in such event, the Trustee, or his successors, may readvertise and sell at a later date.

16. **Warranties of Title.** The Grantor covenants with the Trustee and Beneficiary herein named, his successors and assigns, that he is lawfully seized and possessed of said property, that he has a good and lawful right to convey the same, that said property is free and unencumbered, except as set out in this Deed of Trust, and that he will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever. The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, successors, assigns, and personal representatives of the parties hereto.

17. **Terminology.** Whenever the context requires, all pronouns used in this Deed of Trust, whether used in the masculine, feminine, or neuter gender, shall include all other genders, and the singular shall include the plural, and vice versa.

18. **Application of Payments.** All payments received by Beneficiary shall be applied first to late charges due under the Note, second to amounts payable to the Beneficiary as reimbursement for amounts paid for taxes, insurance or otherwise in preservation of the property, third to accrued but unpaid interest, and fourth to principal.

19. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Deed of Trust shall bind and benefit the successors, heirs, representatives, and assigns of Beneficiary and Grantor. Grantors' covenants and agreements shall be joint and several. Any Grantor who co-signs this Deed of Trust but does not execute the Note: (a) acknowledges that he has received consideration sufficient to bind him to the undertakings herein taken and waives any defenses which he may have or later assert of lack of consideration for the execution of this Deed of Trust; (b) is co-signing this Deed of Trust only to mortgage, grant, and convey its interest in the property under the terms of this Deed of Trust; (c) is not personally obligated to pay the sums secured by this Deed of Trust; and, (d) agrees that Beneficiary and any other Grantor may agree to extend, modify, forebear, or make any accommodations with regard to the terms of the Deed of Trust or Note without the co-signer's consent.

20. **Governing Law and Severability.** This Deed of Trust shall be interpreted, construed, and enforced according to the laws of the State of Tennessee. If any provision of this Deed of Trust or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Deed of Trust and the application of such provisions to such persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

21. **Captions.** The captions used in this Deed of Trust are for the purpose of convenience only and are not intended to be pan of this Deed of Trust and shall not be deemed to modify, explain, enlarge, or restrict any of the provisions hereof.

22. **Security Agreement.** With respect to any apparatus, fitting, fixture or article of personal property referred or described in this Deed of Trust, or in any way connected with the use and enjoyment of the property herein described, and with respect to the monies and instruments held by or on account of the Grantor, this Deed of Trust is hereby made and declared a security agreement, under the terms of which, the Grantor grants to the Beneficiary a security interest in each and every item of personal properly now or hereafter included herein as part of the premises in compliance with the provisions of the Uniform Commercial Code. This Deed of Trust shall constitute a financing statement filed as a fixture filing under the Uniform Commercial Code in the official records of the county in which the property herein described is located with respect to any and all fixtures included and located upon said real property.

23. **Open-End Mortgage.**

If this line is checked, this Deed of Trust shall be deemed to be an Open End Mortgage pursuant to Tennessee Code Annotated §47-28-101, et seq., and the provisions of this paragraph regarding the Grantors' right to reduce the maximum amount of total principal indebtedness shall specifically apply to this Deed of

Trust. The term of the Open-End Credit Agreement shall be \_\_\_\_\_.

The maximum limit on the total amount of principal indebtedness to be secured is \$ \_\_\_\_\_.

With regard to the Grantors' right to reduce his credit limit:

(a) Grantor has the right to reduce the maximum amount of total principal indebtedness to an amount not less than the amount of the principal indebtedness on the most recent statement of his account received by the Grantor from Beneficiary- plus the amount of any advances initiated by the Grantor subsequent to that statement.

(b) In order to effectuate such a reduction in the credit limit, the Grantor must (i) serve a notice of limitation on Beneficiary; and, (ii) on or before the effective date of the notice file a copy thereof for recordation in the appropriate Register's Office as an amendment to this Deed of Trust. Upon recording the notice of limitation in the appropriate Register's Office, the notice of limitation becomes irrevocable, and shall not be modified, amended or rescinded.

(c) In order to be effective, any such notice of limitation must be in substantial compliance with the following requirements. It must: (i) name the Beneficiary; (ii) state specifically the reduced credit limit; (iii) state the effective date of such limitation, which date cannot be sooner than one regular business day after the date of the service of the notice; (iv) name of all parties to the Open-End Credit Agreement and the mortgage securing same; (v) identify with reasonable specificity the real property subject to the mortgage; (vi) give any account number assigned to the account of the Open-End Credit Agreement; and, (vii) be signed by all persons principally obligated to repay the advances under the Open-End Credit Agreement.

(d) From and after the service of such a notice of limitation, Grantor shall not request or demand any further advances under the Open-End Credit Agreement that exceed the credit limit stated in the notice and Beneficiary will be relieved and released from any obligation or commitment to make advances thereunder that exceed that reduced credit limit.

(e) If Grantor serves a notice of limitation of the credit limit upon Beneficiary, Beneficiary, at its option, may demand that Grantor return to Beneficiary all the checks in Grantor's possession. Failure to return said checks to Beneficiary within five business days from the date of said notice shall constitute a default under the terms of this Deed of Trust and the Agreement.

(f) Notwithstanding any other provisions contained in this Deed of Trust, the notice by Grantor to reduce the credit limit shall be served upon the Beneficiary at the address shown on the first page of this Deed of Trust. Notice shall be deemed to be served the Beneficiary when it is received by Beneficiary at the address specified on Page 1 of this Deed of Trust.

IN WITNESS WHEREOF, the parties hereto have executed this Deed of Trust on the day and date first above written.

CITY OF CROSSVILLE

By

*J. H. Graham III*  
J. H. Graham, III, Mayor

State of Tennessee )

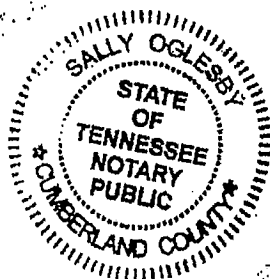
County of Cumberland )

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared J. H. Graham, III, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Mayor of the City of Crossville, and that he as such Mayor, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the City of Crossville by himself as such Mayor.

WITNESS my hand and seal this the 25<sup>th</sup> day of FEBRUARY, 2011.

*Sally Oglesby*  
NOTARY PUBLIC

My commission expires: 2/5/13



BK/PG: 1358/106-114  
11002314

9 PGS : AL - TRUST DEED	
PHYLLIS BATCH: 46897	
03/07/2011 - 11:50:40 AM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	45.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	47.00

STATE OF TENNESSEE, CUMBERLAND COUNTY  
JUDY GRAHAM SWALLOWS  
REGISTER OF DEEDS

## EXHIBIT "A"

Lying and being in the FIRST CIVIL DISTRICT of Cumberland County, Tennessee and being more particularly described as follows:

### TRACT ONE:

Beginning on a 5/8 inch iron pin found on the south right-of-way of U.S. Highway 70-S (Sparta Highway), said iron pin the Northwest corner of Wm. Jason Napier (Deed Book 1019, Page 1045) and is located Northeastward about 840 feet from the intersection of Howard Springs Road, this iron pin is referenced by State Plane Coordinates of North = 592,245.423 feet and East = 2,2240,884.801 feet; thence South 18 deg. 41 min. 13 sec. East, a distance of 220.56 feet to an iron pin set at a turn in the remnants of a wire fence; thence South 4 deg. 35 min. 32 sec. West, passing a corner of Glenn Smith (Deed Book 1035, Page 239) at 102 feet, in all a total distance of 226.03 feet to a 7/8 inch iron pin, a corner of the City of Crossville Airport Authority (Deed Book 22, Page 285); thence South 72 deg. 56 min. 33 sec. West, a distance of 991.88 feet to a 1/2 inch iron pin; thence North 21 deg. 30 min. 02 sec. West, a distance of 285.36 feet to a 1/2 inch iron pin found on the right-of-way of U.S. Highway 70-S; thence North 59 deg. 53 min. 45 sec. East, a distance of 64.88 feet to an iron pin set at the beginning of a curve to the right having a radius of 5,669.58 feet and length of 1,037.77 feet; thence along the chord of said curve, North 65 deg. 39 min. 27 sec. East, a distance of 1,036.26 feet to the point of beginning, containing 9.182 acres according to a survey made December 30, 2009 by Michael V. Stump, RLS No. 784. Bearings recited in this description refer to State Plane North. Coordinates derived by GPS observations and distances are datum adjusted by a factor of 1.000134118.

### TRACT TWO:

Beginning on a 5/8 inch iron pin found on the south right-of-way of U.S. Highway 70-S (Sparta Highway), a corner of the City of Crossville Airport Authority (Deed Book 390, Page 485), said iron pin is located Northeastward about 280 feet from the former entrance ramp to the airport, this iron pin is referenced by State Plane Coordinates of North = 591,303.229 feet and East = 2,239,114.160 feet; thence South 21 deg. 55 min. 09 sec. East, a distance of 446.42 feet to a metal post in a chain link fence; thence South 28 deg. 47 min. 18 sec. West, a distance of 232.29 feet to a metal post; thence South 72 deg. 50 min. 14 sec. West, a distance of 1,169.33 feet to a metal post; thence North 38 deg. 58 min. 23 sec. West, passing the end of a fence corner at 89.2 feet, in all a total distance of 94.36 feet to an iron pin set on the right-of-way of U.S. Highway 70-S; thence along the chord of a curve to the left having a radius of 3,879.72 feet and length of 155.21 feet; thence along the chord of said curve, North 51 deg. 36 min. 47 sec. East, a distance of 155.20 feet to an iron pin set for this survey; thence North 50 deg. 28 min. 01 sec. East, intersecting a concrete right-of-way monument at 342.02 feet, in all a total distance of 449.18 feet to an iron pin set at the Northwest corner of West Cumberland Utility District (Deed Book 1006, Page 15); thence leaving said right-of-way, South 39 deg. 31 min. 59 sec. East, a distance of 50.77 feet to an iron pin set for this survey; thence North 51 deg. 00 min. 59 sec. East, a distance of 50.00 feet to an iron pin set for this survey; thence North 39 deg. 31 min. 59 sec. West, a distance of 51.25 feet to an iron pin set on the right-of-way of U.S. Highway 70-S; thence North 50 deg. 28 min. 01 sec. East, a distance of 105.00 feet to an iron pin set at the beginning of a curve to the right having a radius of 8,534.37 feet and length of 334.68 feet; thence along the chord of said curve North 51 deg. 34 min. 50 sec. East, a distance of 334.66 feet to a concrete right-of-way monument at the former ramp to the City of Crossville Airport; thence along said ramp, South 78 deg. 58 min. 01 sec. East, a distance of 53.41 feet to a concrete monument; thence North 52 deg. 02 min. 25 sec. East, a distance of 50.11 feet; thence North 4 deg. 16 min. 40 sec. East, a distance of 51.73 feet to a concrete monument of the right-of-way of said Highway; thence along the chord of a curve to the right having a radius of 8,534.37 feet and length of 217.98 feet, North 53 deg. 56 min. 11 sec. East, a distance of 217.97 feet to the point of beginning, containing 10.697 acres according to a survey made December 30, 2009 by Michael V. Stump, RLS No. 784. Bearings recited in this description refer to State Plane North. Coordinates derived by GPS observations and distances are datum adjusted by a factor of 1.00134118.