

This Document Prepared by: _____

Tax Map #: _____

THIS PURCHASE MONEY FIRST DEED OF TRUST made this _____ day of _____, by and between _____, a _____ [state] limited liability company, herein called "Grantor" and _____, a resident of the State of _____ and whose business address _____, herein called "Trustee".

W I T N E S S E T H

THAT the Grantor hereby grants and conveys unto the Trustee with General Warranty of Title, the real estate described upon Schedule A attached hereto as a part hereof.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given to the Noteholder [hereinafter defined] to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water and water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property are herein referred to as the "property".

NOTICE: THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS HEREOF BEING MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY SECURED HEREBY.

IN TRUST TO SECURE to the holder or holders of the hereinafter described note, or any renewals or extensions thereof, the payment of the principal sum of _____ (\$_____) with Zero Percent (0.0%) interest and shared profits (rental income and equity) at the rate stated in, and as evidenced by, one certain negotiable promissory note of even date herewith, the Note, drawn by the Grantor, being payable to _____ (XXXX), IRA (XXXXX), its successors or assigns, as their interest may appear, _____ [address], hereinafter Noteholder, due and payable, if not sooner paid, within **two (2) days after closing and recordation of the sale of property at XXXXXXXXXXXXX**

Except as may herein be otherwise provided, this Deed of Trust is to be governed by and construed in conformity to the provisions of 55-58.2, 55-59.1, through 55-59.4, and 55-60 of the Code of Virginia of 1950 and acts amendatory thereof, with rights and powers of said Trustees being vested in either of them including the right and power to release the lien of this Deed of Trust, and incorporating herein, by short form reference, the following provisions:

Subject to all (call) upon default.

Exemptions waived.

Renewals and extensions permitted.

Insurance required: 80% of the fair market value or in sufficient amount to cover the debt secured by this deed of trust and any indebtedness secured by any deed of trust superior to and of greater dignity than this deed of trust whichever is greater.

Advertisement: Four times in a newspaper distributed in the County of _____, _____ [state]

Right of anticipation as set out in the note hereby secured.

Substitution of Trustees permitted for any reason whatsoever. Any Trustee may act.

1. The Grantor covenants to pay, when due, the split rental income as evidenced by the Note secured hereby.
2. The Grantor covenants to keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as the Noteholder may reasonably require and in the amount as first stated above. All such insurance policies shall include a standard mortgagee clause in favor of the Noteholder.
3. The Grantor hereby covenants to pay when due all taxes, levies, dues and charges upon the above property hereby conveyed. In the event of any default by the Grantors in the performance of any covenant, condition or agreement under this Deed of Trust or superior deed of trust, the Noteholder may, at his option, advance funds for the performance of such covenant, condition or agreement.
4. If the improvements on the property hereby conveyed, or any part thereof shall be damaged by fire or other hazards against which insurance is held as herein provided, the amounts paid by insurance companies pursuant to the contract of insurance shall, to the extent of the indebtedness secured by this Deed of Trust then remaining unpaid, at the option of and in the sole discretion of the Noteholder, be paid to the Noteholder to be applied to the debt hereby secured or be used for the rebuilding of the improvements on the above property.
5. If any lien upon the property hereby conveyed, superior to the lien of this deed of trust, be in default, then the entire debt secured hereby shall, at the option of the Noteholder, become immediately due and payable; or if any future lien attaches to the property which is superior to the lien of this deed of trust, then the entire debt hereby secured shall, at the option of the Noteholder, become immediately due and payable. If any Mechanic's Lien is filed against the subject property and not paid in full or bonded in full and released as a matter of record within sixty days after filing, then the entire debt secured hereby shall, at the option of the Noteholder, become immediately due and payable.
6. In the event of default, the Grantor further assigns unto the Noteholder, any rents which may be due upon the real estate above described, it being understood that in the event it becomes necessary by reason of default under any of the terms hereof for the Noteholder to collect said rents, the Noteholder shall have the right and privilege of employing agents for that purpose and paying a percentage of the rents collected to such agents for such collection.
7. The Grantor covenants to keep the property in as good order and condition as it is now and will not permit, suffer or commit any waste, impairment or deterioration of the property, reasonable wear and tear excepted.

8. The Grantor covenants that if the property, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this Deed of Trust, and the note secured hereby remaining unpaid, are hereby assigned by the Grantor to the Noteholder and shall be paid forthwith to the Noteholder to be applied by it on account of the indebtedness secured hereby, whether due or not.
9. Upon the full payment of the Note, and the interest thereon, and all moneys advanced or expended, as herein provided, and all other proper costs, charges, commissions, half commissions, and expenses, the Trustee shall release and reconvey the above-described premises unto and at the cost of the Grantor.
10. The Grantor hereby waives the benefit of all homestead exemption as to the debt secured by this deed and as to any expenditure for insurance, taxes, levies, assessments, dues or charges, by the Noteholder in pursuance of this deed.
11. Notice of the exercise of any option granted herein, or in the Note secured hereby, to the Noteholder, is required to be given fifteen (15) days in advance.
12. No failure of the Trustee or Noteholder upon any occasion to exercise any option hereunder shall be taken or deemed to be a waiver of the right to exercise such option upon any other occasion. The covenants herein contained shall bind, and the benefits 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, and the use of any gender shall include the other gender.
13. The Grantor will not sell or convey the property without payment in full under this Deed of Trust and Note of even date therewith so long as it shall remain subject to the lien of this Deed of Trust, unless (1) the purchaser or purchasers shall by deed duly executed and recorded assume the obligations of the parties of the first part under this note and deed of trust, (ii) the noteholder shall consent to such assumption in writing (which he shall not be required to give), and (iii) the noteholders consent of such sale and obligation shall in no way relieve the Grantor of their obligations hereunder, nor shall any subsequent renewals or extensions hereof relieve the Grantor of their obligations hereunder.
14. In the event that Grantor shall default in its obligations hereunder and it becomes necessary or proper to employ an attorney to enforce compliance by Grantor with any of the provisions herein contained, or in the event the Trustee voluntarily or otherwise shall become a party to any suit or legal proceeding (including a proceeding conducted under the Bankruptcy Code) to protect the Property herein conveyed or to protect the lien of this Deed of Trust, Grantor agrees to pay all reasonable attorneys' fees and all of the costs that may reasonably be incurred and such fees and costs shall be secured by this Deed of Trust and its payment enforced as if it were a part of the Note. Grantor shall be liable for all reasonable attorneys' fees and costs of the Trustee whether or not any suit or proceeding is commenced.

WITNESS the following signatures and seals:

By: _____

STATE OF _____

CITY/COUNTY OF _____, to wit:

The foregoing instrument was acknowledged before me this ____ day of Month
_____, Year _____ [Maker].

NOTARY PUBLIC

My Commission expires: _____