

Return To: and Prepared By
RESOURCE BANK
4661 HAYGOOD ROAD STE 101, VIRGINIA
BEACH, VA 23455

AP# MCMAH4000000335
LN# 4000000335

Prepared by:
TAMMY L. FISKE

DEED OF TRUST

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

THIS DEED OF TRUST is made this 13th day of October 1999, among the Grantor, MICHAEL F. MCMAHON and LAURA A. MCMAHON, HUSBAND AND WIFE

LAWRENCE N. SMITH AND CHARLES D. ROBISON III, BOTH (herein "Borrower"), a resident of the Commonwealth of Virginia, whose full residence or business address is 3720 VIRGINIA BEACH BLVD, VIRGINIA BEACH, VA 23452

and a resident of the Commonwealth of Virginia, whose full residence or business address is (any one of whom may act and who are referred to herein as "Trustee"), and the Beneficiary, RESOURCE BANK, A VIRGINIA CORPORATION, a corporation organized and existing under the laws of Virginia, whose address is 3720 VIRGINIA BEACH BLVD, VIRGINIA BEACH, VA 23452

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the VIRGINIA BEACH, State of Virginia:

All that certain lot, piece or parcel of land, with the appurtenances thereunto belonging, lying, situate and being in the City of Virginia Beach, Virginia, being known, numbered and designated as Lot 15, as shown on a certain plat entitled "Section Four, Larkspur, Princess Anne County, Virginia for Kempville Meadows, Inc.," dated April, 1962, made by C.A. Bamforth, C.L.S. which plat is duly recorded in the Clerk's Office of the Circuit court of the City of Virginia Beach, Virginia in Map Book 57 at Page 7.

Tax Parcel ID Number: 14764617440000 which has the address of 637 GREEN VALLEY DRIVE

VIRGINIA BEACH (City), Virginia 23462 (ZIP Code) (herein "Property Address"); TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), all of which 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 (or the leasehold estate if this Deed of Trust is on a leasehold) are hereinafter referred to as the "Property";

TO SECURE to Lender the repayment of the indebtedness evidenced by Borrower's note dated October 13, 1999 and extensions and renewals thereof (herein "Note"), in the principal sum of U.S. \$ 20,000.00, with interest thereon, providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on November 1, 2014; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

I. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

VIRGINIA - SECOND MORTGAGE - 1/80 - FNMA/FHLMC UNIFORM INSTRUMENT

BK4159PG0303

EXHIBIT "A"

NOTE

AP# MCMAH4000000063

LN# 4000000063

October 18, 1999

[Date]

VIRGINIA BEACH

[City]

Virginia

[State]

637 GREEN VALLEY DRIVE, VIRGINIA BEACH, VA 23462

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 160,000.00 "principal", plus interest, to the order of the Lender. The Lender is RESOURCE BANK, A VIRGINIA CORPORATION

(this amount is called

that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder." I understand

2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will pay interest at a yearly rate of 7.8750 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month.

I will make my monthly payments on the 1st day of each month beginning on December 1 1999. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on November 1, 2029, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 3720 VIRGINIA BEACH BLVD, VIRGINIA BEACH, VA 23452 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 1,160.11

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

I may make a full prepayment or partial prepayments without paying any prepayment charge. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.