
Title Report

THE TITLE REPORT CONTAINED HEREIN WAS PREPARED BY SOURCES DEEMED RELIABLE AND IS BELIEVED TO BE CORRECT. ALTHOUGH EVERY PRECAUTION HAS BEEN TAKEN TO INSURE THE ACCURACY OF THE INFORMATION HEREIN, IT IS THE BUYERS RESPONSIBILITY TO CONDUCT THEIR OWN DUE DILIGENCE AND MAKE THEIR OWN DECISIONS AS TO THE ACCURACY OF ALL INFORMATION

BUYER UNDERSTANDS THAT BUYER HAS THE RIGHT TO MAKE AN INDEPENDENT SELECTION REGARDING THE PURCHASE OF TITLE INSURANCE AND ESCROW SERVICES AND THAT THE SELLER IS PROHIBITED FROM REQUIRING BUYER TO PURCHASE TITLE INSURANCE AND/OR ESCROW SERVICES FROM A COMPANY CHOSEN BY THE SELLER AS A CONDITION TO RECEIVING OFFERS OR SELLING THE PROPERTY.





Main:

PLEASE CAREFULLY READ THE BELOW REGARDING THE ATTACHED TITLE COMMITMENT.

The attached title insurance commitment contains information which has been obtained or derived from records and information owned by Title Data, Inc. or one of its subsidiaries (collectively "Title Data"). Title Data owns and maintains land title plants for various Texas counties. Title Data created its title plants through the investment of extensive time, labor, skill and money. **The information contained in the title plants is protected by federal copyright law and Texas common law on trade secrets and contract.**

Title Data has granted our company a license to use one or more of its title plants. Our company's right to access and use Title Data's title plants is governed by our contract with Title Data. Our contract with Title Data restricts who can receive and/or use a title insurance commitment which is based, in whole or in part, upon Title Data's records and information.

Under the terms of our contract with Title Data, we are permitted to provide you with the attached title insurance commitment **for limited use and distribution only**. Specifically, you are sublicensed to deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof) **ONLY** to your bona fide employees and a third party who is playing a bona fide role in this proposed real estate transaction, including a lawyer, a lender, a surveyor, a real estate broker or agent, and the parties to this proposed transaction.

For purposes of our agreement with Title Data, "deliver, exhibit, or furnish" includes, without limitation, copying this title insurance commitment (whether such copying be by means of a photocopier, facsimile machine, another electronic scanning device, or any other method of reproduction) and providing such copy to any third party.

Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is not permitted by our contract with Title Data and constitutes a breach of our sublicense to you. Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is also a violation of federal copyright law and Texas common law.

Therefore, as an express condition of us providing you with the attached title insurance commitment, you specifically agree to limit its uses to those set forth herein, and to provide a copy of this letter to any party to whom you deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof).

In the event you are unable or unwilling to comply with these conditions, immediately return the attached title insurance commitment to our company, without reviewing, copying, or otherwise utilizing in any way the information contained therein.

A COPY OF THIS LETTER MUST ACCOMPANY THE ATTACHED TITLE INSURANCE COMMITMENT AT ALL TIMES. ALL DOWNSTREAM RECIPIENTS MUST PROVIDE A COPY OF THIS LETTER TO ANY OTHER AUTHORIZED USERS OF THE ATTACHED TITLE INSURANCE COMMITMENT.

	Commitment for Title Insurance (T-7)
	AS AN AGENT FOR: WFG National Title Insurance Company
COMMITMENT	COMMITMENT NUMBER: FIN-21006243

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN **SCHEDULE A**, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We, **Wfg National Title Insurance Company**, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

BY: Patrice Williams

WFG NATIONAL TITLE INSURANCE COMPANY

By: [Signature]
President

ATTEST: [Signature]
Secretary



CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements, or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

TEXAS TITLE INSURANCE INFORMATION

<p>Title Insurance insures you against loss resulting from certain risks to your title.</p> <p>The Commitment for Title Insurance is the Title Insurance Company's promise to issue the Title Insurance Policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.</p>	<p>El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.</p> <p>El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de títulos de emitir la póliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.</p>
--	---

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a Policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

---MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exception, Exclusions and Conditions, defined below.

---EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

---EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

---CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

TEXAS TITLE INSURANCE INFORMATION (Continued)

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

---Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

---Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

**Commitment for Title Insurance (T-7)**

AS AN AGENT FOR:

WFG National Title Insurance Company**COMMITMENT - Important Notice**

COMMITMENT NUMBER:

FIN-21006243**IMPORTANT NOTICE**

FOR INFORMATION, OR TO MAKE A COMPLAINT CALL OUT TOLL-FREE TELEPHONE NUMBER 1-800-257-2847. ALSO YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT 1-800-252-3439 TO OBTAIN INFORMATION ON:

1. Filing a complaint against an insurance company or agent;
2. Whether an insurance company or agent is licensed,
3. Complaints received against an insurance company or agent,
4. Policyholder rights, and
5. A list of consumer publications and services available through the Department.

YOU MAY ALSO WRITE TO THE TEXAS DEPARTMENT OF INSURANCE:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.texas.gov

AVISO IMPORTANTE

PARA INFORMACION, O PARA SOMETER UNA QUEJA LLAME AL NUMERO GRATIS 1-800-257-2842. TAMBIEN PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL 1-800-252-3439 para obtener informacion sobre:

1. Como someter una queja en contra de una compania de seguros o agente de seguros.
2. Si una compania de seguros o agente de seguros tiene licencia.
3. Quejas recibidas en contra de una compania de seguros o agente de seguros.
4. Los derechos del asegurado, y.
5. Una lista de publicaciones y servicios para consumidores disponibles a traves del Departamento.

TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

	Commitment for Title Insurance (T-7)
	AS AN AGENT FOR: WFG National Title Insurance Company
COMMITMENT - Schedule A	COMMITMENT NUMBER: FIN-21006243

Effective Date: March 29, 2021 at 12:00 AM
 Issued Date: April 13, 2021 at 12:00 AM.

GF No.: FIN-21006243

1. The policy or policies to be issued are:
 - a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
 (Not applicable for improved one-to-four family residential real estate)
 Policy Amount:
 PROPOSED INSURED:
 - b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
 --ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
 Policy Amount:
 PROPOSED INSURED:
 - c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
 Policy Amount: \$0.00
 PROPOSED INSURED:
 Proposed Borrower:
 - d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
 Policy Amount:
 PROPOSED INSURED:
 Proposed Borrower:
 - e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
 Binder Amount:
 PROPOSED INSURED:
 Proposed Borrower:
 - f. OTHER
 Policy Amount:
 PROPOSED INSURED:
2. The interest in the land covered by this Commitment is:
 Fee Simple
3. Record title to the land on the Effective Date appears to be vested in:
The City of Dallas, a Texas Municipal Corporation
4. Legal description of land:
 SEE LEGAL DESCRIPTION ATTACHED HERETO IN EXHIBIT A

Issued By:

EXHIBIT A
Legal Description

The land hereinafter referred to is situated in the City of Dallas, County of Collin, State of TX, and is described as follows:
LOT 3, BLOCK 11/8725, OF MORSE ADDITION, AN ADDITION TO THE CITY OF DALLAS, COLLIN COUNTY, TEXAS,
ACCORDING TO THE PLAT RECORDED AT VOLUME K, PAGE 38, OF THE PLAT RECORDS OF COLLIN COUNTY,
TEXAS.

	Commitment for Title Insurance (T-7)
	AS AN AGENT FOR: WFG National Title Insurance Company
COMMITMENT - Schedule B	COMMITMENT NUMBER: FIN-21006243

Issued Date: April 13, 2021 at 12:00 AM.

GF No.: FIN-21006243

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorney's fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below:
 VOLUME K PAGE 38, PLAT RECORDS, COLLIN COUNTY, TEXAS but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) related to handicap but does not discriminate against handicapped persons.
2. ~~Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements..~~
3. Homestead or community property or survivorship rights, if any of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.
 (Applies to the Owner's Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year 2021, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2021, and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

SCHEDULE B (Continued)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters:
 - a. "Rights of parties in possession" shown in Schedule B of this commitment will be deleted from the Owner's Title Policy ONLY if an inspection is made and paid for which shows no parties in possession other than the owner or purchaser(s). If such an inspection is not required, the purchaser(s) must sign a Waiver of Inspection and acknowledge that they understand that the Owner's Title Policy will be issued subject to the rights of parties in possession.
 - b. ALL LEASES, GRANTS, EXCEPTIONS OR RESERVATIONS OF COAL, LIGNITE, OIL, GAS AND OTHER MINERALS, TOGETHER WITH ALL RIGHTS, PRIVILEGES, AND IMMUNITIES RELATING THERETO, APPEARING IN THE PUBLIC RECORDS WHETHER LISTED IN SCHEDULE B OR NOT. THERE MAY BE LEASES, GRANTS, EXCEPTIONS OR RESERVATIONS OF MINERAL INTEREST THAT ARE NOT LISTED.
 - c. ANY VISIBLE AND APPARENT EASEMENTS, ENCROACHMENTS, ENCUMBRANCE, VIOLATION, VARIATION, OR ADVERSE CIRCUMSTANCES AFFECTING THE TITLE THAT WOULD BE DISCLOSED BY AN ACCURATE AND COMPLETE LAND SURVEY OF LAND. (THIS EXCEPTION MAY BE DELETED, AT THE REQUEST OF THE PROPOSED INSURED, UPON RECEIPT OF AN ACCEPTABLE SURVEY, SUBJECT TO ADDITIONAL EXCEPTIONS TO MATTERS REVEALED BY THE SURVEY.)
 - d. ANY MATTER, INCLUDING BUT NOT LIMITED TO TERMS, PROVISIONS, CONDITIONS, EASEMENTS, COVENANTS, OPTIONS, ROADWAYS, AND/OR BUILDING SETBACK LINES AS SHOWN ON THE FINAL PLAT OF MORSE ADDITION, LOTS 3 AND 4 FILED OF RECORD ON 11/24/1997 IN VOLUME K PAGE 38, PLAT RECORDS, COLLIN COUNTY, TEXAS.
 - e. ALL OIL, GAS AND OTHER MINERALS OF EVERY KIND AND CHARACTER, TOGETHER WITH ALL RIGHTS, PRIVILEGES AND IMMUNITIES RELATING THERETO AS SET OUT IN THE FOLLOWING INSTRUMENT(S)/DOCUMENT(S): VOLUME 2532 PAGE 690, LAND RECORDS, COLLIN COUNTY, TEXAS. {TITLE TO SAID MINERAL INTEREST(S) HAS NOT BEEN RESEARCHED SUBSEQUENT TO DATE(S) OF AFORESAID INSTRUMENT(S)/DOCUMENT(S).}
 - f. EASEMENT GRANTED FROM FARMERS CO-OP SOCIETY GIN COMPANY TO TEXAS POWER & LIGHT COMPANY RECORDED ON 09/03/1961 IN VOLUME 586 PAGE 152, DEED RECORDS, COLLIN COUNTY, TEXAS.
 - g. EASEMENT GRANTED FROM MORSE VENTURES, LTD. TO 17800 DICKERSON, LTD. RECORDED ON 12/30/1999 IN VOLUME 4572 PAGE 2168, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS.

END OF SCHEDULE B

	Commitment for Title Insurance (T-7)
COMMITMENT - Schedule C	AS AN AGENT FOR: WFG National Title Insurance Company COMMITMENT NUMBER: FIN-21006243

Issued Date: April 13, 2021 at 12:00 AM.

GF No.: FIN-21006243

Your Policy will not cover loss, costs, attorney's fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
5. **We find no outstanding mortgages/deeds of trust of record affecting the subject property. Inquiry** should be made concerning the existence of any unrecorded lien(s) or other indebtedness which **could rise to any security interest claim in the subject property.**
6. **The Company requires satisfactory evidence of authority for those acting on behalf of any party to the transaction to which this commitment is addressed.**
7. **Title examination did not reveal the filing of any lis pendens against the subject property in the official public records of the county clerk's office. The Closer must notify Company immediately upon learning of any lawsuits that may be filed against any party in the subject transaction. Company may require additional examination of title and that suit be dismissed with prejudice.**

SCHEDULE C (Continued)

8. The title insurance policy being issued to you contains an arbitration provision. It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000.00 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. If you are the purchaser or lender in the transaction and request deletion of the arbitration provision, please advise us so prior to closing by executing the Addendum to this Commitment and returning it to us, or inform us in your closing instructions.
9. Procedural Rule P-27, as provided for by Article 9.39 of the Texas Insurance Code, requires that "Good Funds" be received and deposited before a Title Agent may disburse from its trust fund account.
10. Our office may require an Affidavit as to Debts and Liens to be executed at closing.
11. Item 2, Schedule B may be amended to read "Any shortages in area" in the Owner's Title Policy if we are furnished a current survey plat prepared by an approved licensed surveyor who certifies that there are no discrepancies, conflicts in boundary lines, or any encroachment(s), or any overlapping of improvements, and the payment of the additional required premium (15% of the basic rate for Commercial property; 5% of the basic rate for Residential property) for this amendment.
12. "Rights of parties in possession" shown in Schedule B of this commitment will be deleted from the Owner's Title Policy ONLY if an inspection is made and paid for which shows no parties in possession other than the owner or purchaser(s). If such an inspection is not required, the purchaser(s) must sign a Waiver of Inspection and acknowledge that they understand that the Owner's Title Policy will be issued subject to the rights of parties in possession.
13. Company requires a legible copy of current drivers license or other positive proof of identification of the parties to the closing.
14. If any party to the transaction will execute documents by a durable power of attorney Company requires that the agent of each such power of attorney provide the Company with a Certification of Durable Power of Attorney by Agent, pursuant to Texas Estates Code, Sect. 751.203, on or before the date of closing.

SCHEDULE C (Continued)

15. **Special Warranty Deed (Cash) granted from William J. Morse to 17800 Dickerson, Ltd., a Texas Limited Partnership recorded on 12/08/1999 in Volume 4558 Page 1710 of the Official Public Records of Collin County, Texas. NOTE: The Deed of Trust in the amount of \$1,406,960.00 recorded on 03/10/2000 in Volume 4622 Page 1289 was released on 04/19/2002 in Volume 5151 Page 2333 of the Official Public Records of Collin County, Texas.;**

Warranty Deed With Vendor's Lien granted from 17800 Dickerson, Ltd., a Texas Limited Partnership to JB&C-Dickerson, L.P., a Texas Limited Partnership recorded on 04/11/2002 in Volume 5145 Page 1907 of the Official Public Records of Collin County, Texas. NOTE: The \$2,320,000.00 Vendor's Lien (as secured by the Deed of Trust recorded in Volume 5145 Page 1911) was affected by Renewal, Extension and Modification Agreement recorded on 07/22/2003 in Volume 5464 Page 736 showing a maturity date of 06/27/2010 and has been barred by statute of limitations (over four (4) years have passed since maturity); and the Deed of Trust in the amount of \$1,862,247.68 recorded on 11/15/2006 in Instrument No. 20061115001631020 was released on 12/23/2009 in Instrument No. 20091223001532020 of the Official Public Records of Collin County, Texas.;

Special Warranty Deed (Cash) granted from JB&C-Dickerson, L.P., a Texas Limited Partnership to The Trust for Public Land, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc. dated 04/30/2009 and recorded on 05/01/2009 in Instrument No. 20090501000520160 of the Official Public Records of Collin County, Texas (Conveys subject property, Tract 1, as well as other property).; and

Special Warranty Deed (Cash) granted from The Trust for Public Land, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc. to The City of Dallas, a Texas Municipal Corporation dated 04/29/2009 and recorded on 05/01/2009 in Instrument No. 20090501000520130 of the Official Public Records of Collin County, Texas (Conveys subject property, Tract 1, as well as other property).

4572 2168

99- 0156206

EASEMENT

STATE OF TEXAS §

COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS, MORSE VENTURES, LTD., a Texas limited partnership ("Grantor"), being the owner of that certain tract or parcel of land in Collin County, Texas, being more particularly described as Lot 4, Block 11/8725, of Morse Addition, an Addition to the City of Dallas, Collin County, Texas, according to the plat recorded at Volume K, Page 38, of the Plat Records of Collin County, Texas (the "Grantor Parcel"), for and in consideration of the sum of One Dollar (\$1.00) cash and other good and valuable consideration paid by 17800 DICKERSON, LTD., a Texas limited partnership ("Grantee"), being the owner of that certain tract or parcel of land in Collin County, Texas, being more particularly described as Lot 3, Block 11/8725, of Morse Addition, an Addition to the City of Dallas, Collin County, Texas, according to the plat recorded at Volume K, Page 38, of the Plat Records of Collin County, Texas (the "Grantee Parcel"), the receipt of which consideration is hereby acknowledged, does hereby grant, bargain and convey unto Grantee an easement and the right to (i) construct and reconstruct utility facilities, together with all necessary appurtenances thereto, and (ii) encroach with building, paving and other improvements, in, upon and across that portion of the Grantor Parcel which is more particularly depicted and described on the attached EXHIBIT "A" (the "Easement Area"), together with the right and privilege to enter upon said Easement Area as is necessary to the proper use granted herein and for the purpose of constructing, reconstructing and maintaining said utility facilities and/or improvements.

The ownership of the Grantor and Grantee Parcels by a single owner shall not cause a merger or termination of this Easement.

TO HAVE AND TO HOLD the Easement perpetually unto the Grantee, its successors and assigns forever.

The grants, reservations, rights, benefits and burdens hereof shall inure to the benefit of the parties hereto and their respective successors and assigns and shall "run with the land".

IN WITNESS WHEREOF, this Easement has been executed as of the 29 day of December, 1999.

MORSE VENTURES, LTD.,
a Texas limited partnership

By: Morse General, L.C., a Texas limited
liability company, its general partner

By: William J. Morse Pres.
William J. Morse, President

4572 2169

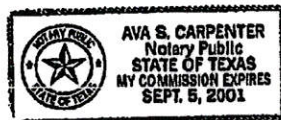
STATE OF TEXAS

§
§

COUNTY OF COLLIN §

On this 27th day of December, 1999 before me the undersigned Notary Public, personally appeared William J. Morse, President of Morse General, L.C., a Texas limited liability company, general partner of Morse Ventures, Ltd., a Texas limited partnership personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he executed it on behalf of said limited partnership.

WITNESS my hand and official seal.



Ava S. Carpenter

Notary Public for the State of Texas

AFTER RECORDING, RETURN TO:

Stanley K. Barth, Esq.
Andrews & Barth, P.C.
8235 Douglas Avenue, Suite 1120
Dallas, Texas 75225

EASEMENT - Page 2
G:\WP0400.03\docs\Easement.wpd

EXHIBIT A

Plano Independent
School District
Clerk's File No.
96-0095043



N 75°30'00" E

N 75°30'00" E
10.00'

POINT OF
BEGINNING

10' Utility
Easement

MORSE ADDITION
Vol. K, Pg. 38
DRDCT

Lot 3

Lot 4

S 16°30'00" E 21.93'
N 14°30'00" W 21.94'
S 16°30'00" E 21.93'

S 75°28'01" W 89.00'
S 75°28'01" W 10.00'

Bellar Communications, Inc.
Vol. 2581, Pg. 353
DRDCT

DALLAS AREA RAPID TRANSIT
(100' R.O.W.)

NOTE
BEARINGS ESTABLISHED FROM THE FINAL PLAT OF
THE MORSE ADDITION.

THIS EXHIBIT WAS PREPARED FROM
RECORD INFORMATION.

Scale 1" = 30'

Date 08-30-1999

JOB No. 14507K

SHEET 1 OF 2



Sparr Surveys
803 E. Main Street, Suite C
P.O. Box 1270
Allen, Texas 75013-1270
972/380-9936

4572 2170

EXHIBIT A

4572 2171

BEING a tract of land situated in the Collin County School Land Survey, Abstract No. 169, City of Dallas, Collin County, Texas, and being a part of Lot 4, Block 11/8725 of the Morse Addition, an addition to the City of Dallas, Texas, according to the plat thereof recorded Volume K, Page 38 of the Map Records of Collin County, Texas (MRCCT), and being more particularly described as follows:

BEGINNING a point in the south line of a tract of land as described in deed to the Plano Independent School District recorded in Clerk's File No. 96-0095043 DRCCT, at the northeast corner of Lot 3 of said Morse Addition, same being the northwest corner of Lot 4 of said Morse Addition;

THENCE N 75°30'00" E, along the south line of said Plano Independent School District tract, 10.00 feet;

THENCE S 14°30'00" E, departing the south line of said Plano Independent School District tract, at all times remaining 10 feet east of and parallel to the east line of said Lot 4, 211.93 feet to a point in the south line of said Lot 4 and north line of a tract of land as described in deed to Bellar Communications, Inc. recorded in Volume 2581, Page 353 DRCCT;

THENCE S 75°28'01" W, along the north line of said Bellar Communications tract, 10.00 feet;

THENCE N 14°30'00" W, departing the north line of said Bellar Communications tract, at 1.00 feet passing the southeast corner of said Lot 3, continuing along the east line of said Lot 3 and west line of said Lot 4, in all a distance of 211.94 feet to the POINT of BEGINNING and CONTAINING 2,119 square feet of land.

RECEIVED
JAN 11 1999
COUNTY CLERK
COLLIN COUNTY, TEXAS



REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 3701



Sparr Surveys
603 E. Mohr Street, Suite C
P.O. Box 1270
Allen, Texas 75013-1270
972/390-8535

Date 08-30-1999

JOB No. 14507K

SHEET 2 OF 2

4572 2172

ANY INSTRUMENT WHICH REFERS TO THE SALE, RENTAL OR USE OF THE
DESCRIBED REAL PROPERTY, BECAUSE OF COLLAPSE OF FACTS AS SHOWN AND
UNRECORDED HEREIN, IS VOID AND VOIDABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS COUNTY OF COLLIN
I hereby certify that this instrument was filed in the Public Records of this
County and the same is duly recorded in the Public Records of this County.
Records of Real Property of Collin County, Texas

DEC 30 1999

Helen Starnes



Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES
On 1999/12/30
At 12:51P
Number: 99-0156206
Type: 1 EM 17.00

FF#3700
CLTICGF# 0002165 PT/KSM-HRC
After Recording Return To:
TEXAS BANK
PO Box 1977
Denton, Texas 76202
Attn: Linda Farquhar

00- 0023573

Commercial/Not Construction

04622 01289

TEXAS BANK

DEED OF TRUST, SECURITY AGREEMENT,
FINANCING STATEMENT, AND ABSOLUTE ASSIGNMENT OF RENTS

THE STATE OF TEXAS
COUNTY OF COLLIN

§
§
§

THIS DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT, AND ABSOLUTE ASSIGNMENT OF RENTS is made by 17800 Dickerson, Ltd ("Grantor" whether one or more), to Randy L. Robinson of Denton County, Texas, as Trustee ("Trustee"), for the benefit of TEXAS BANK ("Bank").

For \$10 and other consideration, Grantor grants to Trustee the Mortgaged Property (defined below) in trust, to secure the payment of the Debt (defined below), and grants to Bank a security interest in the Personal Property (defined below), to secure payment of the Debt. As additional consideration, Grantor presently and absolutely assigns to Bank the Rents (defined below), subject to a license back to Grantor, as described in Article Three. The conveyance of the Mortgaged Property is subject to the Permitted Encumbrances (defined below). Grantor agrees as follows:

1. Definitions.

"Applicable Environmental Laws" has the meaning assigned to such term in Section 2.1(f) of this Mortgage.

"Applicable Laws" has the meaning assigned to such term in Section 2.1(e) of this Mortgage.

"Bank" means Texas Bank and its successors and assigns whether or not such successor and/or assign is a financial institution.

"Borrower" means 17800 Dickerson, Ltd.

"Debt" means (1) all of Borrower's obligations under the Note; (2) all amounts for which Grantor may become obligated to Bank pursuant to the Loan Documents; and (3) all other debt of any kind or character now or later owing by Grantor to Bank whether such other debt is evidenced by promissory note, open account, overdraft, endorsement, surety agreement or otherwise. Debt includes all extensions, renewals, modifications, increases and replacements of the Note, whether or not evidenced by a new promissory note or other instrument.

"Grantor" means each Person designated in the first sentence of this Mortgage as Grantor and that Person's heirs, personal representatives, successors and assigns.

"Guarantor" means each Person which guarantees, in whole, or in part, the repayment of the Note.

"Improvements" means all improvements of every type now or later located on the Land.

"Land" means the tract or parcel of land described in Exhibit "A" attached to this Mortgage.

"Leases" means all existing and future leases which pertain to the Land and/or Improvements.

"Loan Documents" means this Mortgage, the Note, and all other documents which evidence, secure, guarantee or relate to the indebtedness evidenced by the Note.

"Mortgage" means this Deed of Trust, Security Agreement, Financing Statement and Absolute Assignment of Rents and all amendments, renewals, extensions and replacements to such.

"Mortgaged Property" means:

(a) The Land including (i) all of Grantor's interest in the bed of any stream, creek, or waterway or any street, road, right-of-way or easement, open or proposed, on or adjacent to the Land; (ii) all of Grantor's interest in any strips and gores between the Land and any abutting properties; and (iii) all rights of ingress and egress, and all other present or future easements and rights appurtenant to, serving or benefitting the Land;

(b) All Improvements;

(c) All equipment and all materials and other goods of every type now or later situated upon the Land and (a) intended to be incorporated into the Improvements or (b) that are or become fixtures related to the Land or the Improvements;

(d) All other goods of every type, including inventory, equipment, farm equipment and farm products now owned or later acquired by Grantor and now or later situated on the Land or in the Improvements and that facilitate the use or occupancy of the Improvements, excluding equipment and inventory used principally in Grantor's business operations;

(e) All plans and specifications for the Improvements, all of Grantor's rights under Leases, construction, maintenance and other contracts (including contracts of sale) relating to the Land or the Improvements, all tenant deposits under any Leases, all licenses, permits, certificates, documents and general intangibles (including trade names and symbols used in connection with the Land or the Improvements), wastewater, fresh water and other utility capacity and facilities available to or allocated to the Land or the Improvements;

DEED OF TRUST
TEXAS BANK 3/3/00

(f) All easements and rights of way used in connection with the Land or Improvements or as a means of ingress to or egress from said Land or Improvements;

(g) All right, title and interest of Grantor in and to all streets, roads, alleys, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land or any part thereof; and

(h) All rights, estates, powers, privileges and interests of whatever kind or character appurtenant or incident to the foregoing.

"**Note**" means the Promissory Note dated March 3, 2000 in the original principal amount of \$1,406,960.00 executed by Borrower and payable to the order of Bank and all amendments, restatements, increases, renewals, and extensions of such Promissory Note. **THE NOTE DOES NOT CONTAIN A REVOLVING CREDIT FEATURE.**

"**Permitted Encumbrances**" means (a) the lien and security interest created by this Mortgage and any other lien against the Mortgaged Property in favor of Bank, (b) the liens and/or encumbrances set forth in Exhibit "B" attached hereto and made a part hereof, if any, or (c) the matters, if any, set forth as exceptions on Schedule B of the Title Policy, if any, or (d) if no Exhibit "B" is attached hereto and no Title Policy is issued, then any liens and/or encumbrances affecting the Mortgaged Property appearing (as of the date of this Mortgage) in the Real Property Records of the county(ies) in which the Land is situated, but only to the extent the same are valid and subsisting (hereinafter called the "Permitted Encumbrances").

"**Person**" means any natural person, firm, corporation, association, partnerships, joint venture, trust, or other entity, as applicable.

"**Personal Property**" means all property described in subsections (c), (d), and (e) of the definition of Mortgaged Property, to the extent it is personal property under applicable law, and all proceeds thereof.

"**Rents**" means all rent and other income from the Mortgaged Property, including all rent and other income under all existing or future Leases.

"**Title Policy**" means a Mortgage Policy of Title Insurance or Binder, if and as required by Bank, issued by a Title Company for the benefit of Bank and relating to the Land and the lien created by this Mortgage.

"**UCC**" means the Texas Business and Commerce Code. All terms defined in the UCC have the same meanings in this Mortgage as in the UCC.

ARTICLE ONE

SECURED INDEBTEDNESS

1.1 **Secured Indebtedness.** This Mortgage is made to secure and enforce the payment of the Debt.

ARTICLE TWO

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF GRANTOR

2.1 **Representations and Warranties.** Grantor does hereby represent and warrant to Bank as follows:

(a) **Financial Matters.** Grantor is solvent, is not bankrupt and has no outstanding liens, suits, garnishments, bankruptcies or court actions which could render Grantor insolvent or bankrupt. There has not been filed by or against Grantor a petition in bankruptcy or a petition or answer seeking an assignment for the benefit of creditors, the appointment of a receiver, trustee, custodian or liquidator with respect to Grantor or any portion of Grantor's property, reorganization, arrangement, rearrangement, composition, extension, liquidation or dissolution or similar relief under the United States Bankruptcy Code or any state law. All reports, statements, contracts of sale, and other data furnished by Grantor to Bank in connection with the loan evidenced by the Note are true and correct in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading. No material adverse change has occurred since the dates of such reports, statements and other data in the financial condition of Grantor or of any tenant under leases described in such reports, statements and other data. For the purposes of this Section, Grantor shall also include any joint venturer or general partner of Grantor.

(b) **Title and Authority.** Grantor is the lawful owner of good and indefeasible title to the Land and Improvements and has good right and authority to grant, bargain, sell, transfer, assign and mortgage the Land and Improvements and to grant a security interest in the Personal Property.

(c) **Permitted Encumbrances.** The Mortgaged Property is free and clear from all liens, security interests and encumbrances except the Permitted Encumbrances. There are no mechanic's or materialmen's liens, lienable bills or other claims constituting or that may constitute a lien on the Mortgaged Property, or any part thereof.

(d) **No Homestead.** No portion of the Mortgaged Property is being used as Grantor's business or residential homestead.

(e) **Compliance with Covenants and Laws.** The Mortgaged Property and the intended use thereof by Grantor comply with all applicable restrictive covenants, zoning ordinances and building codes, flood disaster laws, applicable health and environmental laws and regulations and all other applicable laws, statutes, ordinances, rules, regulations, orders, determinations and court decisions, including, without limitation, the Americans With Disabilities Act of 1990 and TEX. REV. CIV. STAT. ANN. art. 9102, as amended (all of the foregoing hereinafter sometimes collectively referred to as "Applicable Laws"), without reliance upon grandfather provisions or adjacent or other properties. Grantor has obtained all requisite zoning, utility, building, health and operating permits from each governmental authority or municipality having jurisdiction over

the Mortgaged Property. All engineering specifications with respect to the Mortgaged Property are within applicable environmental standards.

(f) **Environmental.** Without limitation of any of the foregoing, no asbestos, material containing asbestos which is or may become friable or material containing asbestos deemed hazardous by Applicable Laws has been installed in the Mortgaged Property and the Mortgaged Property and Grantor are not in violation of or subject to any existing, pending or, to the best knowledge of Grantor, threatened investigation or inquiry by any governmental authority or to any remedial obligations under any Applicable Laws pertaining to health or the environment (such Applicable Laws as they now exist or are hereafter enacted and/or amended hereinafter sometimes collectively referred to as "Applicable Environmental Laws"), including without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1988 (collectively, together with any subsequent amendments hereinafter referred to as "CERCLA"), the Resource Conservation and Recovery Act of 1976, as amended by the Used Oil Recycling Act of 1980, the Solid Waste Disposal Act Amendments of 1980, and the Hazardous and Solid Waste Amendments of 1984 (collectively, together with any subsequent amendments hereinafter called "RCRA"), the Texas Water Code and the Texas Solid Waste Disposal Act, and this representation would continue to be true and correct following disclosure to the applicable governmental authorities of all relevant facts, conditions and circumstances, if any, pertaining to the Mortgaged Property and Grantor. Grantor has not obtained and is not required to obtain any permits, licenses or similar authorizations to construct, occupy, operate or use any buildings, improvements, fixtures and equipment forming a part of the Mortgaged Property by reason of any Applicable Environmental Laws. Grantor undertook, at the time of acquisition of the Mortgaged Property, all appropriate inquiry into the previous ownership and uses of the Mortgaged Property consistent with good commercial or customary practice to determine that the Mortgaged Property and the uses therefor are in compliance with all Applicable Environmental Laws. Grantor has taken all steps necessary to determine and has determined that no hazardous substances or solid wastes have been disposed of or otherwise released on or to the Mortgaged Property. The use which Grantor makes and intends to make of the Mortgaged Property will not result in the disposal or other release of any hazardous substance or solid waste on or to the Mortgaged Property. The terms "hazardous substance" and "release" as used in this Mortgage shall have the meanings specified in CERCLA, and the terms "solid waste" and "disposal" (or "disposed") shall have the meanings specified in RCRA; provided, in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, then such broader meaning shall apply subsequent to the effective date of such amendment and provided further, to the extent that the laws of the State of Texas establish a meaning for the terms "hazardous substance," "release," "solid waste," or "disposal" (or "disposed") which is broader than that specified in either CERCLA or RCRA, such broader meaning shall apply.

(g) **Condition of Property.** The Mortgaged Property is in good condition and repair with no deferred maintenance and is free from damage caused by fire or other casualty. None of the improvements on the Mortgaged Property create an encroachment over, across or upon any of the Mortgaged Property boundary lines, rights of way or easements and no buildings or other improvements on adjoining land create such an encroachment.

(h) **Organization.** Grantor has all requisite power and all governmental certificates of authority, licenses, permits, qualifications and other documentation to own, lease and operate its properties and to carry on its business as now conducted and as contemplated to be conducted. The foregoing representation in this Subparagraph shall also apply to any corporation, partnership, joint venture or limited partnership which is a general partner or joint venturer of Grantor.

(i) **Enforceability.** The Note, this Mortgage and all other Loan Documents constitute the legal, valid and binding obligations of Grantor enforceable in accordance with their respective terms.

2.2 Covenants and Agreements. So long as the Debt or any part thereof remains unpaid, Grantor covenants and agrees with Bank as follows:

(a) **Payment and Performance.** Grantor will make prompt payment, as the same becomes due, of the Debt and shall punctually and properly perform all of Grantor's covenants, obligations and liabilities under the Loan Documents.

(b) **Operation of Mortgaged Property.** Grantor will operate the Mortgaged Property in accordance with all Applicable Laws and will pay all fees or charges of any kind in connection therewith. Grantor will keep the Mortgaged Property occupied so as not to impair the insurance carried thereon. Grantor will not use or occupy, or allow the use or occupancy of, the Mortgaged Property in any manner which violates any Applicable Law or which constitutes a public or private nuisance or which makes void, voidable or cancelable, any insurance then in force with respect thereto. Grantor will not initiate or permit any zoning reclassification of the Mortgaged Property or seek any variance under existing zoning ordinances applicable to the Mortgaged Property or use or permit the use of the Mortgaged Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other Applicable Laws. Grantor will not impose any restrictive covenants or encumbrances upon the Mortgaged Property, execute or file any subdivision plat affecting the Mortgaged Property or consent to the annexation of the Mortgaged Property to any municipality, without the prior written consent of Bank. Grantor will not do or suffer to be done any act whereby the value of any part of the Mortgaged Property may be materially lessened. Grantor will allow Bank or its authorized representative to enter the Mortgaged Property at any reasonable time to inspect the Mortgaged Property and Grantor will assist Bank or said representative in whatever way necessary to make such inspection.

(c) **Debts for Construction.** Grantor will cause all debts and liabilities of any character, including without limitation, all debts and liabilities for labor, material and equipment and all debts and charges for utilities servicing the Mortgaged Property, incurred in the construction, maintenance, operation and development of the Mortgaged Property, to be promptly paid.

(d) **Ad Valorem Taxes.** Grantor will cause to be paid prior to delinquency all taxes and assessments heretofore or hereafter levied or assessed against the Mortgaged Property, or any part thereof, or against Trustee or Bank for or on account of the Note or any other Debt or the interest created by this Mortgage and will furnish Bank with receipts showing payment of such taxes and assessments at least ten (10) days prior to the applicable default date therefor; provided that Grantor may in good faith, by appropriate proceedings, contest the validity, applicability, or amount of any assessed tax or assessment; provided, however, that in any event such contest shall be concluded and the tax, assessment, penalties, interest and costs shall be paid prior to the date any writ or order is issued under which the Mortgaged Property or any part thereof may be sold.

(e) **Repair and Maintenance.** Grantor will keep the Mortgaged Property in good order, repair, operating condition and appearance, causing all necessary repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Mortgaged Property to be misused, abused or wasted or to deteriorate. Grantor will not, without the prior written consent of Bank, (i) remove from the Mortgaged Property any fixtures or personal property covered by this Mortgage except those replaced by Grantor by an article of equal suitability and value, owned by Grantor, free and clear of any lien or security interest (except that created by this Mortgage); (ii) make any structural alteration to the Mortgaged Property or any other alterations thereto which impair the value thereof; or (iii) make any alteration to the Mortgaged Property involving an estimated expenditure exceeding \$20,000 except pursuant to plans and specifications approved in writing by Bank.

(f) **Insurance and Casualty.** Grantor will keep the Mortgaged Property insured against loss or damage by fire, explosion, windstorm, hail, flood (if the Mortgaged Property shall at any time be located in an identified "flood prone area" in which flood insurance has been made available pursuant to the Flood Disaster Protection Act of 1973), tornado and such other hazards as may be required by Bank by policies of fire, extended coverage and other insurance in such company or companies, in such amounts, upon such terms and provisions, and with such endorsements, all as may be acceptable to Bank. Grantor will also provide such other insurance as Bank may from time to time require, in such companies, upon such terms and provisions, in such amounts, and with such endorsements, all as are approved by Bank. Grantor further agrees that Grantor will deliver to Bank the original policies evidencing such insurance and any additional insurance which shall be taken out upon any part of the Mortgaged Property and receipts evidencing the payment of all premiums, and will deliver certificates evidencing renewals of all such policies of insurance to Bank at least fifteen (15) days before any such insurance shall expire. Without limiting the discretion of Bank with respect to required endorsements to insurance policies, Grantor further agrees that all such policies shall provide that proceeds thereunder will be payable to Bank as its interest may appear pursuant and subject to a mortgage clause (without contribution) of standard form attached to or otherwise made a part of the applicable policy. In the event any of the Mortgaged Property covered by such insurance is destroyed or damaged by fire, explosion, windstorm, hail or by any other casualty against which insurance shall have been required hereunder, (i) Bank may, but shall not be obligated to, make proof of loss if not made promptly by Grantor; (ii) each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Bank instead of to Grantor; and (iii) Bank shall have the right to apply the insurance proceeds first, to reimburse Bank or Trustee for all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection with the collection of such proceeds and, second, the remainder of said proceeds shall be applied, at the sole discretion of Bank, in payment (without premium or penalty) of the Debt, either in whole or in part, in the order determined by Bank in its sole discretion, or to the repair, restoration or replacement, either partly or entirely, of the Mortgaged Property so destroyed or damaged, provided that, any insurance proceeds held by Bank to be applied to the repair, restoration or replacement of the Mortgaged Property shall be so held without payment or allowance of interest thereon and shall be paid out from time to time upon compliance by Grantor with such terms, conditions and requirements as may be reasonably imposed by Bank. In any event the unpaid portion of the Debt shall remain in full force and effect and Grantor shall not be excused in the payment thereof. If any act or occurrence of any kind or nature (including any casualty on which insurance was not obtained or obtainable) shall result in damage to or loss or destruction of the Mortgaged Property, Grantor shall give immediate written notice thereof to Bank and, unless otherwise so instructed by Bank, shall promptly, at Grantor's sole cost and expense and regardless of whether the insurance proceeds, if any, shall be sufficient for the purpose, restore, repair, replace and rebuild the Mortgaged Property as nearly as possible to its value, condition and character immediately prior to such damage, loss or destruction in accordance with plans and specifications submitted to and approved by Bank.

(g) **Condemnation.** Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Mortgaged Property or any portion thereof, or any other proceedings arising out of injury or damage to the Mortgaged Property, or any portion thereof, Grantor will notify Bank of the pendency of such proceedings. Grantor shall, at its expense, diligently prosecute any such proceedings, and shall consult with Bank, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Mortgaged Property and all judgments, decrees and awards for injury or damage to the Mortgaged Property shall be paid to Bank and shall be applied, first, to reimburse Bank or Trustee for all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection with collection of such proceeds and, second, the remainder of said proceeds shall be applied, at the sole discretion of Bank, to the payment of the Debt (without premium or penalty) in the order determined by Bank in its sole discretion or paid out to repair or restore the Mortgaged Property so affected by such condemnation, injury or damage in the same manner as provided in Subsection (f) of this Section 2.2. In any event the unpaid portion of the Debt shall remain in full force and effect and Grantor shall not be excused in the payment thereof. Grantor hereby assigns and transfers all such proceeds, judgments, decrees and awards to Bank and agrees to execute such further assignments of all such proceeds, judgments, decrees and awards as Bank may request. Bank shall not be, in any event or circumstances, liable or responsible for the failure to collect, or the failure to exercise diligence in the collection of, any such proceeds, judgments, decrees or awards.

(h) **No Other Liens.** Grantor will not, without the prior written consent of Bank, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for the lien for ad valorem taxes on the Mortgaged Property which are not delinquent), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Mortgaged Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Mortgage, and should any of the foregoing become attached hereafter in any manner to any part of the Mortgaged Property without the prior written consent of Bank, Grantor will cause the same to be promptly discharged and released.

(i) **Books and Records.** Grantor will keep accurate books and records in accordance with sound accounting principles in which full, true and correct entries shall be promptly made as to all operations on the Mortgaged Property, and will permit all such books and records (including, without limitation, all contracts, statements, invoices, bills and claims for labor, materials and services supplied for the construction and operation of the improvements forming a part of the Mortgaged Property) to be inspected and copied by Bank and its duly authorized representatives at all times during reasonable business hours.

(j) **Financial Statements and Reports.** Grantor will deliver to Bank, within ninety (90) days after the close of each fiscal year of Grantor, a balance sheet and (as applicable) related statements of income, cash flow and contingent liabilities. All such financial statements shall be in form, scope and detail satisfactory to Bank and shall be certified as to accuracy by Grantor. Grantor will cause each Guarantor to deliver to Bank, within ninety (90) days after the close of each fiscal year of such Guarantor, a balance sheet and (as applicable) related statements of income, cash flow and contingent liabilities. All such financial statements shall be in form, scope and detail satisfactory to Bank and shall be certified as to

accuracy by each Guarantor. In addition, Grantor will deliver to Bank, and cause each Guarantor to deliver to Bank, true and correct copies of their respective federal income tax returns, and each amended income tax return within thirty (30) days after each such income tax return is filed.

(k) **Escrow.** If requested by Bank at any time during the term the Debt is outstanding in order to secure the performance and discharge of Grantor's obligations under Subsections (d) and (f) of this Section 2.2, but not in lieu of such obligations, Grantor will deposit with Bank a sum equal to ad valorem taxes, assessments and charges against the Mortgaged Property for the current year and the premiums for such policies of insurance for the current year, all as estimated by Bank and prorated to the end of the calendar month following the month during which this Mortgage is executed and delivered, and thereafter will deposit with Bank, on each date when an installment of principal and/or interest is due on the Note, sufficient funds (as estimated from time to time by Bank) to permit Bank to pay, at least fifteen (15) days prior to the due date thereof, the next maturing ad valorem taxes, assessments and charges and premiums for such policies of insurance. All such funds so deposited shall bear no interest; provided, however, that, if a Default (as hereinafter defined) shall have occurred, such funds may at Bank's option be applied to the payment of the Debt. If funds on deposit with Bank are insufficient to make all payments due, Grantor will deposit with Bank the amount of any deficiency.

(l) **Further Assurances.** Grantor will, on request of Bank, promptly (i) correct any defect, error or omission which may be discovered in the contents of this Mortgage or in any other instrument now or hereafter executed in connection herewith or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver and record or file such further instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents and leases) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Mortgage.

(m) **Fees and Expenses; Indemnification.** Grantor will pay all appraisal fees, filing and recording fees, inspection fees, survey fees, taxes, brokerage fees and commissions, abstract fees, title policy fees, uniform commercial code search fees, escrow fees, attorneys' fees, and all other costs and expenses of every character incurred by Grantor or Bank in connection with the Debt, either at the closing thereof or at any time during the term thereof, or otherwise attributable or chargeable to Grantor as owner of the Mortgaged Property, and will reimburse Bank for all such costs and expenses incurred by Bank. Grantor shall pay all expenses and reimburse Bank for any expenditures, including, without limitation, reasonable attorneys' fees and legal expenses, incurred or expended in connection with (i) the breach by Grantor of any covenant herein or in any other Loan Document; (ii) Bank's exercise of any of its rights and remedies hereunder or under the Note or any other Loan Document or Bank's protection of the Mortgaged Property and its lien and security interest therein; or (iii) any amendments to this Mortgage, the Note or any other Loan Document or any matter requested by Grantor or any approval required hereunder. Grantor will indemnify and hold harmless Trustee and Bank (for purposes of this Subsection, the terms "Trustee" and "Bank" shall include the directors, officers, partners, employees, representatives and agents of Trustee and Bank, respectively, and any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with Trustee and Bank, respectively) from and against, and reimburse them for, all claims, demands, liabilities, losses, damages, causes of action, judgments, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees) which may be imposed upon, asserted against or incurred or paid by them by reason of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Mortgaged Property through any cause whatsoever or asserted against them on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Mortgaged Property or with this Mortgage, the Note or any other Loan Documents. **WITHOUT LIMITATION OF THE FOREGOING, IT IS THE INTENTION OF GRANTOR AND GRANTOR AGREES THAT THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO CLAIMS, DEMANDS, LIABILITIES, LOSSES, DAMAGES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES) WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH (AND/OR ANY OTHER) INDEMNIFIED PARTY.** However, such indemnities shall not apply to any indemnified party to the extent the subject of the indemnification is caused by or arises out of the gross negligence or willful misconduct of such indemnified party. The foregoing indemnities shall not terminate upon release, foreclosure or other termination of this Mortgage but will survive foreclosure of this Mortgage or conveyance in lieu of foreclosure and the repayment of the Debt and the discharge and release of this Mortgage and the other Loan Documents. Any amount to be paid hereunder by Grantor to Bank and/or Trustee shall be subject to and governed by the provisions of Section 2.3 hereof.

(n) **Warranty.** Grantor will warrant and forever defend the title to the Mortgaged Property against the claims of all persons making any claim to the same or any part thereof, subject to the Permitted Encumbrances.

(o) **Permitted Encumbrances.** Grantor will comply with and will perform all of the covenants, agreements and obligations imposed upon it or the Mortgaged Property in the Permitted Encumbrances in accordance with their respective terms and provisions. Grantor will not modify or permit any modification of any Permitted Encumbrance without the prior written consent of Bank.

(p) **Title Insurance.** If requested by Bank, Grantor shall, at its sole cost and expense obtain and maintain a Mortgagee's Policy of Title Insurance issued by a title company acceptable to Bank.

(q) **Environmental.** Grantor will not cause or permit the Mortgaged Property or Grantor to be in violation of, or do anything or permit anything to be done which will subject the Mortgaged Property to any remedial obligations under, any Applicable Environmental Laws, including, without limitation, CERCLA, RCRA, the Texas Water Code and the Texas Solid Waste Disposal Act, assuming disclosure to the applicable governmental authorities of all relevant facts, conditions and circumstances, if any, pertaining to Grantor and/or the Mortgaged Property, and Grantor will promptly notify Bank in writing of any existing, pending or, to the best knowledge of Grantor, threatened investigation or inquiry by any governmental authority in connection with any Applicable Environmental Laws. Grantor shall obtain any permits, licenses or similar authorizations to construct, occupy, operate or use any buildings, improvements, fixtures and equipment forming a part of the Mortgaged Property by reason of any Applicable Environmental Laws. Grantor shall take all steps necessary to determine that no hazardous substances or solid waste are being disposed of or otherwise released on or to the Mortgaged Property. Grantor will not cause or permit the disposal or other release of any hazardous substance or solid waste on or to the Mortgaged Property and covenants and agrees to keep or cause the Mortgaged Property to be kept free of any hazardous substance or solid waste and to remove the same (or if removal is prohibited by law, to take whatever action is required by law) promptly upon discovery at its sole expense. Upon Bank's reasonable request, at any time and from time to time during the existence of this Mortgage, Grantor will provide at Grantor's sole expense an inspection or audit of the Mortgaged Property from an engineering or consulting firm approved by Bank, indicating the presence or absence of hazardous substances and

solid wastes on the Mortgaged Property. If Grantor fails to provide same after forty-five (45) days' notice, Bank may order same, and Grantor grants to Bank and its agents, employees, contractors and consultants access to the Mortgaged Property and a license (which is coupled with an interest and irrevocable while this Mortgage is in effect) to perform inspections and tests. The cost of such inspections and tests shall be a demand obligation owing by Grantor to Bank pursuant to this Mortgage and shall be subject to and covered by the provisions of Section 2.3 hereof.

(f) **Asbestos.** Grantor covenants and agrees that it will not install in the Mortgaged Property, nor permit to be installed in the Mortgaged Property, asbestos, material containing asbestos which is or may become friable or material containing asbestos deemed hazardous by any Applicable Environmental Law, and that if any such asbestos or material containing asbestos exists in or on the Mortgaged Property, whether installed by Grantor or others, Grantor will remove the same (or if removal is prohibited by law, will take whatever action is required by law, including, without limitation, implementing any required operation and maintenance program) promptly upon discovery at its sole expense. Upon Bank's reasonable request, at any time and from time to time during the existence of this Mortgage, Grantor shall provide at Grantor's sole expense an inspection or audit of the Mortgaged Property from an engineering or consulting firm approved by Bank, indicating the presence or absence of asbestos or material containing asbestos on the Mortgaged Property. If Grantor fails to provide same after thirty (30) days' notice, Bank may order same, and Grantor grants to Bank and its agents, employees, contractors and consultants access to the Mortgaged Property and a license (which is coupled with an interest and irrevocable while this Mortgage is in effect) to perform inspections and tests. The cost of such inspections and tests shall be subject to and covered by the provisions of Section 2.3 hereof.

2.3 Right of Bank to Perform. Grantor agrees that if Grantor fails to perform any act or to take any action which Grantor is required to perform or take hereunder or under any of the other Loan Documents, or to pay any money which Grantor is required to pay hereunder or under any of the other Loan Documents, or takes any action prohibited hereby or thereby, Bank, in Grantor's name or in its own name, may but shall not be obligated to perform or cause to be performed such act or take such action. Bank's performance, as set forth in the preceding sentence, will not waive Grantor's default. Any amounts due and owing by Grantor to Bank pursuant to this Mortgage shall bear interest from the date such amount becomes due until paid at the rate of interest payable on matured but unpaid principal of or interest on the Note and shall be a part of the Debt and shall be secured by this Mortgage and by all of the other Loan Documents.

2.4 Indemnification Regarding Environmental Matters. Grantor agrees to indemnify and hold Bank and Trustee (for purposes of this Section, the terms "Bank" and "Trustee" shall include the directors, officers, partners, employees, representatives and agents of Bank and Trustee, respectively, and any persons or entities owned or controlled by, owning or controlling, or under common control or otherwise affiliated with Bank and Trustee, respectively) harmless from and against, and to reimburse Bank and Trustee with respect to, any and all claims, demands, losses, damages (including consequential damages), liabilities, causes of action, judgments, penalties, costs and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, fixed or contingent, imposed on, asserted against or incurred by Bank and/or the Trustee at any time and from time to time by reason of, in connection with or arising out of (a) the breach of any representation or warranty of Grantor as set forth herein regarding asbestos, material containing asbestos or Applicable Environmental Laws, (b) the failure of Grantor to perform any obligation herein required to be performed by Grantor regarding asbestos, material containing asbestos or Applicable Environmental Laws, (c) any violation on or before the Release Date (as hereinafter defined) of any Applicable Environmental Law in effect on or before the Release Date, (d) the removal of hazardous substances or solid wastes from the Mortgaged Property (or if removal is prohibited by law, the taking of whatever action is required by law), (e) the removal of asbestos or material containing asbestos from the Mortgaged Property (or if removal is prohibited by Applicable Environmental Laws, the taking of whatever action is required by Applicable Environmental Laws, including, without limitation, the implementation of any required operation and maintenance program), (f) any act, omission, event or circumstance existing or occurring on or prior to the Release Date (including, without limitation, the presence on the Mortgaged Property or release from the Mortgaged Property of any hazardous substance or solid waste disposed of or otherwise released on or prior to the Release Date), resulting from or in connection with the ownership, construction, occupancy, operation, use and/or maintenance of the Mortgaged Property, regardless of whether the act, omission, event or circumstance constituted a violation of any Applicable Environmental Law at the time of its existence or occurrence, and (g) any and all claims or proceedings (whether brought by private party or governmental agency) for bodily injury, property damage, abatement or remediation, environmental damage or impairment or any other injury or damage resulting from or relating to any hazardous substance or solid waste located upon or migrating into, from or through the Mortgaged Property (whether or not any or all of the foregoing was caused by Grantor or its tenant or subtenant, or a prior owner of the Mortgaged Property or its tenant or subtenant, or any third party and whether or not the alleged liability is attributable to the handling, storage, generation, transportation or disposal of such substance or waste or the mere presence of such substance or waste on the Mortgaged Property). **WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO CLAIMS, DEMANDS, LOSSES, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), LIABILITIES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COURT COSTS) WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH (AND/OR ANY OTHER) INDEMNIFIED PARTY OR WHICH ARISE AS A RESULT OF STRICT LIABILITY, WHETHER UNDER APPLICABLE ENVIRONMENTAL LAWS OR OTHERWISE.** However, such indemnities shall not apply to any indemnified party to the extent the subject of the indemnification is caused by or arises out of the gross negligence or willful misconduct of such indemnified party. The term "Release Date" as used herein shall mean the earlier of the following two dates: (i) the date on which the Debt has been paid and performed in full and this Mortgage has been released, or (ii) the date on which the lien of this Mortgage is foreclosed or a conveyance by deed in lieu of such foreclosure is fully effective; provided, if such payment, performance, release, foreclosure or conveyance is challenged, in bankruptcy proceedings or otherwise, the Release Date shall be deemed not to have occurred until such challenge is rejected, dismissed or withdrawn with prejudice. The foregoing indemnities shall not terminate upon the Release Date or upon the release, foreclosure or other termination of this Mortgage but will survive the Release Date, foreclosure of this Mortgage or conveyance in lieu of foreclosure, and the repayment of the Debt and the discharge and release of this Mortgage and the other Loan Documents. Any amount to be paid hereunder by Grantor to Bank and/or Trustee shall be a demand obligation owing by Grantor to Bank and/or Trustee and shall be subject to and covered by the provisions of Section 2.3 hereof. Nothing in this Section, elsewhere in this Mortgage or in any other Loan Document shall limit or impair any rights or remedies of Bank and/or Trustee against Grantor or any third party under Applicable Environmental Laws, including without limitation, any rights of contribution or indemnification available hereunder or thereunder.

ARTICLE THREE

ASSIGNMENT OF RENTS, LEASES, PROFITS, INCOME,
CONTRACTS AND BONDS

3.1 **Assignment of Rents.** Grantor does hereby absolutely and unconditionally assign, transfer and set over to Bank all Rents and all proceeds and other amounts paid or owing to Grantor under or pursuant to any and all contracts and bonds relating to the construction, erection or renovation of the Mortgaged Property; subject however to a license hereby granted by Bank to Grantor to collect and receive all of the foregoing (such license evidenced by Bank's acceptance of the Mortgage), subject to the terms and conditions hereof. Notwithstanding anything contained herein or in any of the other Loan Documents to the contrary, the assignment in this Section is an absolute, unconditional and presently effective assignment and not merely a security interest; provided, however, upon the occurrence of a Default (as hereinafter defined) hereunder or upon the occurrence of any event or circumstance which with the lapse of time or the giving of notice or both would constitute a Default hereunder, such license shall automatically and immediately terminate; provided, however, that Bank shall not be deemed to have taken possession of the Mortgaged Property except on the exercise of its option to do so, evidenced by its demand and overt act for such purpose. It shall not be necessary for Bank to institute any type of legal proceedings or take any other action whatsoever to enforce the assignment provisions in this Section 3.1.

3.2 **Assignment of Leases.** Grantor hereby assigns to Bank all existing and future Leases. Grantor hereby further assigns to Bank all guarantees of tenants' performance under the Leases. Prior to a Default, Grantor shall have the right, without joinder of Bank, to enforce the Leases, unless Bank directs otherwise.

3.3 **Warranties Concerning Leases and Rents.** Grantor represents and warrants that:

- (a) Grantor has good title to the Leases and Rents and authority to assign them, and no other person or entity has any right, title or interest therein;
- (b) all existing Leases are valid, unmodified and in full force and effect, except as indicated herein, and no default exists thereunder;
- (c) unless otherwise provided herein, no Rents have been or will be assigned, mortgaged or pledged; and
- (d) no Rents have been or will be anticipated, waived, released, discounted, set off or compromised except for prudent business reasons.

3.4 **Grantor's Covenants of Performance.** Grantor covenants to:

- (a) perform all of its obligations under the Leases;
- (b) enforce the tenant's obligations under the Leases;
- (c) defend, at Grantor's expense, any proceeding pertaining to the Leases, including, if Bank so requests, any such proceeding to which Bank is a party; and
- (d) neither create nor permit any encumbrance upon its interest as lessor of the Leases, except this Mortgage and any other encumbrances permitted by this Mortgage.

3.5 **Prior Approval for Actions Affecting Leases.** Grantor shall not, without the prior written consent of Bank:

- (a) receive or collect Rents more than one month in advance;
- (b) encumber or assign future Rents;
- (c) waive or release any obligation of any tenant under the Leases except for prudent business reasons;
- (d) cancel, terminate or modify any of the Leases; cause or permit any cancellation, termination or surrender of any of the Leases; or commence any proceedings for dispossession of any tenant under any of the Leases, except upon default by the tenant thereunder or except for prudent business reasons;
- (e) permit any assignment of the Leases.

3.6 **Bank in Possession.** Bank's acceptance of this assignment shall not, prior to entry upon and taking possession of the Mortgaged Property by Bank, be deemed to constitute Bank a "mortgagee in possession," nor obligate Bank to appear in or defend any proceedings relating to any of the Leases or to the Mortgaged Property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the Leases, or assume any obligation for any deposits delivered to Grantor by any tenant and not delivered to Bank. Bank shall not be liable for any injury or damage to any person or property in or about the Mortgaged Property.

3.7 **Indemnification.** Grantor hereby indemnifies and holds Bank (which shall include the directors, officers, partners, employees, representatives and agents of Bank and any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with Bank) harmless from all liability, damage or expense imposed on or incurred by Bank from any claims under the Leases. All amounts indemnified against hereunder, including, without limitation, attorneys' fees, if paid by Bank shall bear interest at the maximum lawful rate and shall be payable by Grantor on demand. The foregoing indemnities shall not terminate upon the foreclosure, release or other termination of this Mortgage but will survive foreclosure of this Mortgage or conveyance in lieu of foreclosure and the repayment of the Debt and the discharge and release of this Mortgage and the other Loan Documents.

3.8 **Merger.** There shall be no merger of the lesshold estates, created by the Leases, with the fee estate of the Land without the prior written consent of Bank.

3.9 **Right to Rely.** Grantor hereby irrevocably authorizes and directs the tenants under the Leases to pay Rents to Bank upon written demand by Bank without further consent of Grantor, and the tenants may rely upon any written statement delivered by Bank

to the tenants. Any such payment to Bank shall constitute payment to Grantor under the Leases. The assignment of Rents set forth in Section 3.1 is not contingent upon any notice or demand by Bank to the tenants.

ARTICLE FOUR

EVENTS OF DEFAULT

Defaults. The term "Default" as used in this Mortgage shall mean the occurrence of any of the following events:

4.1 Failure to Pay Debt. The failure, refusal or neglect of Grantor or Borrower to make due and punctual payment of principal or interest on the Debt, or any portion thereof, as the same shall become due and payable; or

4.2 Non-Performance of Covenants. The failure of Grantor or Borrower to timely and properly observe, keep or perform any covenant, agreement, warranty or condition required herein or in any other Loan Document to be observed, kept or performed or if a Default or Event of Default occurs under any other Loan Document (subject to any applicable notice and opportunity to cure provision); or

4.3 False Representation. Any representation contained herein or in any other Loan Document or otherwise made by Grantor or any other Person to Bank in connection with the Debt is false or misleading in any material respect; or

4.4 Bankruptcy or Insolvency. If the owner of the Mortgaged Property or any person obligated to pay the Debt: (a) becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due; (b) generally is not paying its debts as such debts become due; (c) has a receiver, trustee or custodian appointed for, or take possession of, all or substantially all of the assets of such party or any of the Mortgaged Property, either in a proceeding brought by such party or in a proceeding brought against such party and such appointment is not discharged or such possession is not terminated within sixty (60) days after the effective date thereof or such party consents to or acquiesces in such appointment or possession; (d) files a petition for relief under the United States Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy or similar law (all of the foregoing hereinafter collectively referred to as "Applicable Bankruptcy Law") or an involuntary petition for relief is filed against such party under any Applicable Bankruptcy Law and such involuntary petition is not dismissed within sixty (60) days after the filing thereof, or an order for relief naming such party is entered under any Applicable Bankruptcy Law, or any composition, rearrangement, extension, reorganization or other relief of debtors now or hereafter existing is requested or consented to by such party; (e) fails to have discharged within a period of sixty (60) days any attachment, sequestration or similar writ levied upon any property of such party; or (f) fails to pay within thirty (30) days any final money judgment against such party; or

4.5 Action by Other Lienholder. The holder of any lien or security interest on the Mortgaged Property (without hereby implying the consent of Bank to the existence or creation of any such lien or security interest) declares a default thereunder or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder; or

4.6 Transfer of Mortgaged Property. Without the prior written consent of Bank, Grantor sells, leases, exchanges, assigns, transfers, conveys or otherwise disposes of all or any part of the Mortgaged Property or any interest therein (except for the disposition of worn-out or obsolete personal property or fixtures under the circumstances described in Subsection 2.2(g) hereof), or legal or equitable title to the Mortgaged Property, or any interest therein, is vested in any other party, in any manner whatsoever, by operation of law or otherwise, it being understood that the consent of Bank required hereunder may be refused by Bank in its sole discretion or may be predicated upon any terms, conditions and covenants deemed advisable or necessary in the sole discretion of Bank, including, without limitation, the right to change the interest rate, date of maturity or payments of principal and/or interest on the Note, to require payment of any amount as additional consideration as a transfer fee or otherwise and to require assumption of the Note and this Mortgage; or

4.7 Other Liens. Without the prior written consent of Bank, Grantor creates, places or permits to be created or placed, or through any act or failure to act, acquiesces in the placing of, or allows to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for the lien for ad valorem taxes on the Mortgaged Property which are not delinquent), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Mortgaged Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Mortgage, or acquires any fixtures, equipment or other property forming a part of the Mortgaged Property pursuant to a lease, license or similar agreement; or

4.8 Liquidation, Death, or Incapacity. Grantor or Borrower dissolves, liquidates, merges or consolidates voluntarily or involuntarily, without the prior written consent of Bank, or if an individual, Grantor or Guarantor dies or becomes legally incapacitated; or (EVENT OF DEFAULT CAUSED BY DEATH OF GUARANTOR OR LEGAL INCAPACITATION may be cured upon the substitution of personal guaranty of President or Manager of General Partner or other such individual reasonably acceptable to Bank)

4.9 Other Contracts. If a "Default" or "Event of Default" occurs under any other written agreement between Bank and Grantor or Borrower.

ARTICLE FIVE

REMEDIES AND RELATED RIGHTS

If a Default shall occur, Bank may exercise any one or more of the following remedies and shall, in addition to any other rights, have the following related rights, without notice (unless notice is required by Applicable Laws):

5.1 Acceleration. Upon the occurrence of a Default, Bank shall have the option of declaring all Debt in its entirety to be immediately due and payable, and the liens and security interests evidenced hereby shall be subject to foreclosure in any manner provided for herein or provided for by applicable law as Bank may elect.

5.2 Foreclosure. If a Default occurs, Trustee will, at the request of Bank, sell all or any part of the Mortgaged Property, all as Trustee in Trustee's discretion elects. The sale will be made in accordance with Texas Property Code Section 51.002 or any successor statute. If the Land is situated in more than one county, then required notices will be given in both or all of such counties, the Mortgaged Property may be sold in either or any such county, and such notices shall designate the county where the Mortgaged Property will be sold. The affidavit of any person having knowledge of the facts to the effect that such service was completed shall be

prima facie evidence of the fact of service. Any sale made by Trustee hereunder may be as an entirety or in such parcels as Bank may request, and any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. The sale by Trustee of less than the whole of the Mortgaged Property shall not exhaust the power of sale herein granted, and Trustee is specifically empowered to make successive sale or sales under such power until the whole of the Mortgaged Property shall be sold; and, if the proceeds of such sale of less than the whole of the Mortgaged Property shall be less than the aggregate of the Debt and the expense of executing this trust as provided herein, this Mortgage and the lien hereof shall remain in full force and effect as to the unsold portion of the Mortgaged Property just as though no sale had been made; provided, however, that Grantor shall never have any right to require the sale of less than the whole of the Mortgaged Property but Bank shall have the right, at its sole election, to request Trustee to sell less than the whole of the Mortgaged Property. After each sale, Trustee shall make to the purchaser or purchasers at such sale good and sufficient conveyances in the name of Grantor, conveying the property so sold to the purchaser or purchasers in fee simple with general warranty of title, and shall receive the proceeds of said sale or sales and apply the same as herein provided. Payment of the purchase price to Trustee shall satisfy the obligation of purchaser at such sale therefor, and such purchaser shall not be responsible for the application thereof. The power of sale granted herein shall not be exhausted by any sale held hereunder by Trustee or his substitute or successor, and such power of sale may be exercised from time to time and as many times as Bank may deem necessary until all of the Mortgaged Property has been duly sold and all Debt has been fully paid. In the event any sale hereunder is not completed or is defective in the opinion of Bank, such sale shall not exhaust the power of sale hereunder and Bank shall have the right to cause a subsequent sale or sales to be made hereunder. Any and all statements of fact or other recitals made in any deed or deeds given by Trustee or any successor or substitute appointed hereunder as to nonpayment of the Debt, or as to the occurrence of any Default, or as to Bank having declared all of such Debt to be due and payable, or as to the refusal, failure or inability to act of Trustee or any substitute or successor, or as to the appointment of any substitute or successor Trustee, or as to any other act or thing having been duly done by Bank or by Trustee or any substitute or successor, shall be taken as prima facie evidence of the truth of the facts so stated and recited. Trustee, his successor or substitute, may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including, without limitation, the posting of notices and the conducting of sales, but in the name and on behalf of Trustee, his successor or substitute. This Mortgage shall be effective as a mortgage as well as a deed of trust and upon the occurrence of a Default may be foreclosed as to any of the Mortgaged Property in any manner permitted by the laws of the State of Texas or of any other state in which any part of the Mortgaged Property is situated, and any foreclosure suit may be brought by Trustee or by Bank. Bank may at any time before the sale direct Trustee to abandon the sale, and may at any time thereafter direct Trustee to again commence foreclosure. Whether or not foreclosure is commenced by Trustee, Bank may at any time after a Default occurs institute suit for collection of all or any part of the Debt or foreclosure of the lien of this Mortgage or both. If Bank institutes suit for collection of the Debt and foreclosure of the lien of this Mortgage, Bank may at any time before the entry of final judgment dismiss the same, and require Trustee to sell the Mortgaged Property in accordance with the provisions of this Mortgage. No single sale or series of sales under this Mortgage or by judicial foreclosure will extinguish the lien or exhaust the power of sale under this Mortgage except with respect to the items of property sold.

5.3 Proceeds of Sale. The proceeds of any sale held by Trustee or any receiver or public officer in foreclosure of the liens evidenced hereby shall be applied:

FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including but not limited to, all court costs and charges of every character in the event foreclosed by suit, attorneys' fees and a reasonable fee to Trustee acting under the provisions of Section 5.3 if foreclosed by power of sale as provided in said paragraph, not exceeding five percent (5%) of the proceeds of such sale;

SECOND, to the payment in full of the Debt (including, without limitation, the principal and interest due and unpaid on the Note, attorneys' fees and any other amounts due and unpaid and owed to Bank under this Mortgage) in such order as Bank may elect in its sole direction; and

THIRD, the remainder, if any there shall be paid to Grantor or to such other party or parties as may be entitled thereto by applicable law.

5.4 Bank as Purchaser. Bank shall have the right to become the purchaser at any sale held by any Trustee or substitute or successor or by any receiver or public officer, and if Bank purchases at any such sale Bank shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the Debt owing to Bank.

5.5 Remedies Cumulative. All remedies herein expressly provided for are cumulative of any and all other remedies existing at law or in equity and are cumulative of any and all other remedies provided for in any of the other Loan Documents, or any part thereof, or otherwise benefiting Bank, and Trustee and Bank shall, in addition to the remedies herein provided, be entitled to avail themselves of all such other remedies as may now or hereafter exist at law or in equity for the collection of the Debt and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and resort to any remedy provided for hereunder or under any such Loan Documents or provided for by law shall not prevent the concurrent or subsequent employment of any other appropriate remedy or remedies.

5.6 Waiver. To the full extent Grantor may do so, Grantor agrees that Grantor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force pertaining to the rights and remedies of sureties or providing for any appraisalment, valuation, stay, extension or redemption, and Grantor, for Grantor and Grantor's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisalment, stay of execution, notice of intention to mature or declare due the whole of the Debt, notice of election to mature or declare due the whole of the Debt and all rights to a marshaling of the assets of Grantor, including, without limitation, the Mortgaged Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and security interests hereby created.

ARTICLE SIX

MISCELLANEOUS

6.1 Defeasance. If all of the Debt is paid as the same becomes due and payable and if all of the covenants, warranties, undertakings and agreements made in this Mortgage are kept and performed, then and in that event only, all rights under this Mortgage shall terminate and the Mortgaged Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, which shall be released by Bank in due form at Grantor's cost.

6.2 Successor Trustee. Trustee may be removed at any time with or without cause, at the option of Bank, by written declaration of removal executed by Bank, without any notice to or demand upon Trustee, Grantor or any other person. If at any time

Trustee is removed, dies or refuses, fails or is unable to act as Trustee, Bank may appoint any person as successor Trustee hereunder, without any formality other than a written declaration of appointment executed by Bank. Immediately upon appointment, the successor Trustee so appointed automatically will be vested with all the estate and title in the Mortgaged Property, and with all of the rights, powers, privileges, authority, options and discretions, and charged with all of the duties and liabilities, vested in or imposed upon Trustee by this instrument, and any conveyance executed by any successor Trustee will have the same effect and validity as if executed by the Trustee named in this Deed of Trust.

6.3 Liability and Indemnification of Trustee. Trustee shall not be liable for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever (including, without limitation, Trustee's negligence), except for Trustee's gross negligence or willful misconduct. Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder. Grantor will reimburse Trustee for, and indemnify and save him harmless against, any and all liability and expenses (including, without limitation, reasonable attorneys' fees) which may be incurred by him in the performance of his duties hereunder (Trustee shall include the directors, officers, partners, employees, representatives and agents of Trustee and any persons or entities owned or controlled by, owning or controlling or under common control or affiliated with Trustee). The foregoing indemnity shall not terminate upon release, foreclosure or other termination of this Mortgage.

6.4 Waiver by Bank. Bank may at any time and from time to time in writing (a) waive compliance by Grantor with any covenant herein made by Grantor to the extent and in the manner specified in such writing; (b) consent to Grantor doing any act which hereunder Grantor is prohibited from doing, or consent to Grantor failing to do any act which hereunder Grantor is required to do, to the extent and in the manner specified in such writing; (c) release any part of the Mortgaged Property, or any interest therein, from the lien and security interest of this Mortgage without the joinder of Trustee; or (d) release any party liable, either directly or indirectly, for the Debt or for any covenant herein or in any of the other Loan Documents now or hereafter securing the payment of the Debt, without impairing or releasing the liability of any other party. No such act shall in any way impair the rights of Bank hereunder except to the extent specifically agreed to by Bank in such writing.

6.5 Actions by Bank. The lien, security interest and other security rights of Bank hereunder shall not be impaired by any indulgence, moratorium or release granted by Bank, including but not limited to (a) any renewal, extension, increase or modification which Bank may grant with respect to any of the Debt; (b) any surrender, compromise, release, renewal, extension, exchange or substitution which Bank may grant in respect of the Mortgaged Property, or any part thereof or any interest therein; or (c) any release or indulgence granted to any endorser, guarantor or surety of any of the Debt. The taking of additional security by Bank shall not release or impair the lien, security interest or other security rights of Bank hereunder or affect the liability of Grantor or of any endorser or guarantor or other surety or improve the rights of any permitted junior lienholder in the Mortgaged Property.

6.6 Rights of Bank. Bank may waive any Default without waiving any other prior or subsequent Default. Bank may remedy any default without waiving the Default remedied. Neither the failure by Bank to exercise, nor the delay by Bank in exercising, any right, power or remedy upon any Default shall be construed as a waiver of such Default or as a waiver of the right to exercise any such right, power or remedy at a later date. No modification or waiver of any provision hereof nor consent to any departure by Grantor therefrom shall in any event be effective unless the same shall be in writing and signed by Bank and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on Grantor in any case shall of itself entitle Grantor to any other or further notice or demand in similar or other circumstances. Acceptance by Bank of any payment in an amount less than the amount then due on any of the Debt shall be deemed an acceptance on account only and shall not in any way affect the existence of a Default hereunder.

6.7 Fixture Filing. This Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Mortgaged Property and is to be filed for record in the real property records in the Office of the County Clerk for the county or counties where the Mortgaged Property (including said fixtures) is situated.

6.8 Subrogation. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Mortgaged Property, such proceeds have been advanced by Bank at Grantor's request and Bank shall be subrogated to any and all rights, security interests and liens owned or held by any owner or holder of such outstanding liens, security interests, charges or encumbrances, irrespective of whether said liens, security interests, charges or encumbrances are released; provided, however, that the terms and provisions of this Mortgage shall govern the rights and remedies of Bank and shall supersede the terms, provisions, rights and remedies under and pursuant to the instruments creating the liens, security interests, charges or encumbrances to which Bank is subrogated hereunder.

6.9 Application of Debt. If any part of the Debt cannot be lawfully secured by this Mortgage or if any part of the Mortgaged Property cannot be lawfully subject to the lien and security interest hereof to the full extent of the Debt, then all payments made shall be applied on said Debt first in discharge of that portion thereof which is unsecured by this Mortgage.

6.10 Usury. This Mortgage has been executed under, and shall be construed and enforced in accordance with, the laws of the State of Texas, except as such laws are preempted by federal law. This Mortgage and all of the other Loan Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable usury laws. If any provision hereof or of any of the other Loan Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the application of such provision to any other person or circumstance nor the remainder of the instrument in which such provision is contained shall be affected thereby and shall be enforced to the greatest extent permitted by Applicable Laws. It is expressly stipulated and agreed to be the intent of Grantor and Bank to at all times comply with the usury and other applicable laws now or hereafter governing the interest payable on the Debt. If the applicable law is ever revised, repealed or judicially interpreted so as to render usurious any amount called for under the Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved or received with respect to the Debt, or if Bank's exercise of the option to accelerate the maturity of the Debt, or if any prepayment of the Debt results in the payment of any interest in excess of that permitted by law, then it is the express intent of Grantor and Bank that all excess amounts theretofore collected by Bank be credited on the principal balance of the Note (or, if the Note and all of such other Debt have been paid in full, refunded), and the provisions of the Note and the other Loan Documents immediately be deemed reformed and the amounts thereafter collectable hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the then Applicable Laws, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid, or agreed to be paid, for the use, forbearance, detention, taking, charging, receiving or reserving on the Debt shall, to the extent permitted by Applicable Laws, be amortized, prorated, allocated and spread throughout the full term of such Debt until payment in full so that the rate or amount of interest on account of such

Debt does not exceed the usury ceiling from time to time in effect and applicable thereto for so long as debt is outstanding under the Debt. To the extent that Bank is relying on Chapter 303 of the Texas Finance Code to determine the maximum rate ("Maximum Rate") payable on the Debt, Bank will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303. To the extent federal law permits Bank to contract for, charge or receive a greater amount of interest, Bank will rely on federal law instead of such article, as amended, for the purpose of determining the Maximum Rate. Additionally, to the extent permitted by applicable law now in effect, Bank may, at its option and from time to time, implement any other method of computing the Maximum Rate under such article, as amended, or under other applicable law by giving notice, if required, to Grantor as provided by applicable law now or hereafter in effect. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty accounts) apply to the Debt. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Bank to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

6.11 Notice. Any notice, request, demand or other communication required or permitted hereunder, or under the Note, or under any of the other Loan Documents (unless otherwise expressly provided therein) shall be given in writing by (a) personal delivery, (b) expedited delivery service with proof of delivery, or (c) United States mail, postage prepaid, registered or certified mail, return receipt requested, sent to the intended addressee at the address shown in this Mortgage, or to such different address as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of mail, upon deposit in a receptacle of United States mail; provided that, service of a notice required by Texas Property Code §51.002 shall be considered complete when the requirements of that statute are met.

6.12 Heirs, Successors and Assigns. The terms, provisions, covenants and conditions hereof shall be binding upon Grantor, and the heirs, devisees, representatives, successors and assigns of Grantor including all successors in interest of Grantor in and to all or any part of the Mortgaged Property, and shall inure to the benefit of Trustee and Bank and their respective heirs, successors, substitutes and assigns and shall constitute covenants running with the Land. All references in this Mortgage to Grantor, Trustee or Bank shall be deemed to include all such heirs, devisees, representatives, successors, substitutes and assigns.

6.13 Severability. A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision and any determination that the application of any provision of this Mortgage to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

6.14 Gender and Number. Within this Mortgage, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural and words in the plural number shall be held and construed to include the singular, unless in each instance the context otherwise requires.

6.15 Joint and Several. Where two or more persons or entities have executed this Mortgage, unless the context clearly indicates otherwise, the term "Grantor" as used in this Mortgage means the grantors hereunder or either or any of them and the obligations of Grantor hereunder shall be joint and several.

6.16 Consent of Bank. Except where otherwise provided herein, in any instance hereunder where the approval, consent or the exercise of judgment of Bank is required, the granting or denial of such approval or consent and the exercise of such judgment shall be within the sole discretion of Bank, and Bank shall not, for any reason or to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner, regardless of the reasonableness of either the request or Bank's judgment.

6.17 Modification or Termination. The Loan Documents may only be modified or terminated by a written instrument or instruments executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party.

6.18 Entire Agreement. The Loan Documents constitute the entire understanding and agreement between Grantor and Bank with respect to the transactions arising in connection with the Debt and supersede all prior written or oral understandings and agreements between Grantor and Bank with respect thereto. Grantor hereby acknowledges that, except as incorporated in writing in the Loan Documents, there are not, and were not, and no Persons are or were authorized by Bank to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Loan Documents.

6.19 Rules of Construction. The section headings or captions in this Mortgage are for convenience and are not a part of this instrument for any purpose. Any action permitted to Bank may be taken by any authorized officer, employee or agent of Bank, or any attorney, accountant, environmental consultant or other advisor or professional retained by Bank. Use of the term "including" does not imply any limitation on (but may expand) the antecedent reference. Unless the context clearly requires otherwise, the term "may" does not imply any obligation to act. Any reference to exhibits or schedules means the exhibits or schedules to this Mortgage, which are fully incorporated by reference into this Mortgage. Any reference to a particular document includes all modifications, supplements, replacements, renewals or extensions of that document, but this rule of construction does not authorize amendment of any document without Bank's consent.

6.20 Year 2000. All software utilized by Grantor in the conduct of Grantor's business will record, store, process, and present calendar dates falling on or after January 1, 2000, and all information pertaining to such calendar dates, in the same manner and with the same functionality as the software does respecting calendar dates falling on or before December 31, 1999. Further, Grantor warrants and represents that the software has or shall have all appropriate capabilities and compatibility for the operation and for handling century-aware or year 2000 compliant data. Grantor also warrants and represents that the data-related user interface functions, data-fields, and data-related program instructions and functions of the software include the indication of the century.

THE FOLLOWING SECTIONS ARE APPLICABLE TO THIS MORTGAGE AND THE SUBJECT TRANSACTION ONLY IF THE BLANKS ARE COMPLETED AND THE SECTION IS INITIALED BY GRANTOR.

(Initial)

6.21 Renewal and Extension. The Note hereby secured is given in renewal and extension (but not in novation) of two promissory notes in the original principal sums of \$499,200.00 dated December 9, 1997 and renewed November 9, 1999 ("Note One"), and \$877,760.00 dated April 21, 1999 ("Note Two"). Note One was executed by William J. Morse and payable to the order of Texas Bank, more fully described and secured by a Deed of Trust with Security Agreement and Assignment of Rental of even date, entered into by William J. Morse in favor of Texas Bank and recorded in Volume 4060, Page 474, in the Real Property Records of Collin County.

DEED OF TRUST
TEXAS BANK 3/3/00

04622 01300

Texas. The said Note One being modified by modification and extension agreement dated December 7, 1999 recorded in Volume 4334, Page 1643 of the Deed Records of Collin County, Texas. Note One also being secured by Assignment of Rents and Leases dated December 9, 1997 filed for record in Volume 4060, Page 499 of the Deed Records of Collin County. Note Two was executed by William J. Morse and payable to the order of Texas Bank, more fully described and secured by a Deed of Trust, Security Agreement, Financing Statement, and Absolute Assignment of Rents of even date, entered into by William J. Morse in favor of Texas Bank and recorded in Volume 4406, Page 2493, in the Real Property Records of Collin County, Texas, and by an Absolute Assignment of Leases and Rents dated April 1999, filed for record in Volume 4406, Page 2513 of the Deed Records of Collin County, Texas. The said Notes One and Two being secured by the liens therein and thereby created upon and against the Mortgaged Property which liens (along with any vendor's liens held by Bank to secure, in whole, or in part, repayment of the Notes) are hereby renewed, extended and carried forward in full force and effect to secure payment of the Debt.

EXECUTED to be effective as of the 3rd day of March, 2000.

GRANTOR:

17800 Dickerson, Ltd, a Texas limited partnership

By: Morse General, L.C., a Texas limited liability company, General Partner

By: William J. Morse
William J. Morse, President

Address:

1105 High Vista Lane, Richardson, Texas 75080

Mailing Address For Bank:
Texas Bank
P.O. Box 1977
Denton, TX 76202
Attn: Linda Farquhar

STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on this 3rd day of March, 2000 by William J. Morse as President of Morse General, L.C., a Texas limited liability company, General Partner of 17800 Dickerson, Ltd, a Texas limited partnership on behalf of said partnership.

[SEAL]

My Commission Expires 11/26/00

Carolyn Sue Murski
Notary Public, State of Texas
My Comm. Expires 11/26/00

[Signature]
Notary Public, State of Texas

Printed Name of Notary Public

DEED OF TRUST
TEXAS BANK 3/3/00

04622 01301

EXHIBIT "A"

TO

DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT
AND ABSOLUTE ASSIGNMENT OF RENTS
EXECUTED BY 17800 DICKERSON, LTD
AS GRANTOR

Lot 3, Block 11/8725, of Morse Addition, an Addition to the City of Dallas, Collin County, Texas, according to the
plat thereof recorded in Volume K, Page 38, of the Plat Records of Collin County, Texas

DEED OF TRUST
TEXAS BANK 3/3/00

13

EXHIBIT "B"

Reservations from and Exceptions to Conveyance and Warranty

1. Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.
2. ~~Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.~~
3. ~~Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.~~
4. ~~Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.~~
5. Right-of-Way Easement executed by Farmers Co-op Society Gin Company to Texas Power and Light Company, dated May 22, 1961, recorded in Volume 586, Page 162, Deed Records of Collin County, Texas.
6. ~~Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.~~
7. Mineral and/or royalty interest, as described in instrument executed by St. Louis Southwestern Railway Company to John Ples Reeder, dated October 10, 1986, recorded in Volume 2632, Page 690, of the Deed Records of Collin County, Texas, reference to which instrument is here made for all purposes. Title to said interest not checked subsequent to date of aforesaid instrument.
8. ~~Right-of-way easement executed by W.J. Scanlan to American Telephone & Telegraph Co., dated September 2, 1926, recorded in Volume 265, Page 575, of the Deed Records of Collin County, Texas.~~
9. Water easement, wastewater easement, minimum finished floor elevation, and 12" water line on subject property as shown on the plat of Morse Addition, an addition to the City of Dallas, recorded in Volume K, Page 38, Plat Records of Collin County, Texas.
10. Easement granted to 17800 Dickerson, Ltd. by Morse Ventures, Ltd., dated December 29, 1989, recorded in Volume 4572, Page 2166, Deed Records, Collin County, Texas.



04622 01303

ANY PROVISION HEREIN WHICH ATTEMPTS THE SALE, RENTAL, OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR AGE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was filed in the Public Records on the date
and the time stamped hereon by me and was duly recorded in the Official Public
Records of Real Property of Collin County, Texas as

MAR 10 2000

Helen Starnes



Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES
On 2000/03/10
At 1:15P
Number: 00-0023573
Type: DT 57.00

05145 01907

JB&C-Dickerson, LP
6504 Horizon
Plano, Tx 75023

\$13.00 STNT GF02500166 107/ts

2002- 0053192

WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN *

THAT 17800 DICKERSON, LTD., a Texas limited partnership, (hereinafter called "Grantor") for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other valuable consideration, the receipt and adequacy of which are hereby acknowledged and the further consideration of the execution and delivery by JB&C-DICKERSON, L.P., a Texas limited partnership, (hereinafter called "Grantee") of one certain note of even date herewith in the principal sum of TWO MILLION THREE HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS (\$2,320,000.00), payable to the order of COMPASS BANK, it having advanced said sum at the special instance and request of Grantee as part of the purchase price of the property conveyed hereby, and it shall be and is hereby subrogated to all of the rights, titles, liens and equities of said Grantor securing the payment of said note as fully as if it were Grantor herein, and in addition to the Vendor's Lien retained herein, said note is additionally secured by a Deed of Trust of even date herewith to EUGENE F. WEIMER, Trustee, upon the property conveyed hereby, have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY, unto the said Grantee all that certain real property located in Collin County, Texas, and described as follows:

LOT 3, IN BLOCK 11/8725, OF MORSE ADDITION, AN ADDITION
TO THE CITY OF DALLAS, COLLIN COUNTY, TEXAS, ACCORDING
TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME K, PAGE
38, PLAT RECORDS, COLLIN COUNTY, TEXAS,

together with all and singular, the benefits, privileges, easements, tenements, hereditaments and appurtenances thereon or in anywise belonging thereto, any and all right, title and interest of Grantor to adjacent roads and rights of way and all of Grantor's right, title and interest in and to all buildings, fixtures and improvements located on the property herein conveyed.

This Deed is executed and delivered subject to all easements, reservations, conditions, covenants and restrictive covenants as the same appear of record in the office of the County Clerk of Collin County, Texas.

WARRANTY DEED - PAGE ONE OF THREE

05145 01908

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto said Grantee, its successors and assigns and Grantor does hereby bind Grantor and Grantor's heirs, executors, administrators and assigns to Warrant and Forever Defend all and singular the said premises unto the said Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

But it is expressly agreed and stipulated that the aforesaid Vendor's Lien is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to its face and tenor, effect and reading, when this Deed shall become absolute.

Ad valorem taxes applicable to the property have been prorated as of the date hereof and Grantee assumes liability for payment of same as of the date of this Deed.

EXECUTED on this 1st day of April, 2002.

17800 DICKERSON, LTD., a Texas limited partnership

BY: MORSE GENERAL, L.C., General Partner

BY: William J. Morse Pres.
WILLIAM J. MORSE, President

WARRANTY DEED - PAGE TWO OF THREE

05145 01909

(ACKNOWLEDGMENT)

STATE OF TEXAS
COUNTY OF DALLAS

Execution of the foregoing Deed was acknowledged before me on the 5TH day of April, 2002, by WILLIAM J. MORSE, President of MORSE GENERAL, L.C., General Partner of 17800 DICKERSON, LTD., a Texas limited partnership, and in the capacity therein stated.

Notary Public in and for the State of Texas

Notary's printed name STEPHEN J. SEGAL
Notary Public, State of Texas
My Commission Exp. 06-24-2004
Notary's Commission expires: _____

AFTER RECORDING RETURN TO:
JB&C-DICKERSON, L.P.
6504 Horizon
Plano, Texas 75023

PREPARED IN THE LAW OFFICE OF:
Stephen J. Segal, Attorney at Law
2111 W. Airport Frwy - Suite 100
Irving, Texas 75062

WARRANTY DEED - PAGE THREE OF THREE
[pb.pfswinworks.td-wd-vl.wd-vl-]

0000000000

05145 01910

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW (COUNTY OF COLLIN)
(THE STATE OF TEXAS)
I hereby certify that this instrument was FILED in the File Number Sequence on the date
and the time stamped herein by me, and was duly RECORDED, in the Official Public
Records of Real Property of Collin County, Texas on

APR 11 2002

Helen Starnes



Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Apr 11 2002
At 1:37pm

Doc/Num : 2002- 0053192

Recording/Type: D1 15.00
Receipt #: 13203

149.00 STAT 64 02500166
107 175
COUNTY CLERK'S MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

Compass Bank
P.O. Box 650561
Dallas, Tx 75265-0561

DEED OF TRUST
(WITH SECURITY AGREEMENT AND ASSIGNMENT OF RENTS)

2002- 0053193

STATE OF TEXAS

COUNTY OF DALLAS

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

THAT, as of April 1, 2002, JB & C - Dickerson, L.P., a Texas limited partnership (hereinafter, whether one or more, called "Grantor"), whose mailing address is 6504 Horizon, Plano, Texas 75023 in consideration of the debt and trust hereinafter mentioned, does hereby GRANT, BARGAIN, SELL, TRANSFER, ASSIGN, and CONVEY unto Eugene F. Weimer, Trustee, (hereinafter called "Trustee"), of Dallas County, Texas, the following described property:

1. **Real Property.** The real estate situated in Dallas County, Texas, which is more particularly described in Exhibit "A" attached hereto and made a part hereof by reference for all purposes, together with all buildings, structures, and other improvements (such buildings, structures, and other improvements being hereinafter sometimes called the "Improvements") now or hereafter situated thereon (such real estate, and Improvements being hereinafter sometimes called the "Land").

2. **Fixtures and Personal Property.** All fixtures, equipment, and personal property in which Grantor now has, or at any time hereafter acquires, an interest, and which are now, or at any time hereafter, either a part of the Land or situated in, on, or about the Land and utilized in connection with the operation of the Land, or acquired or delivered to the Land for use or incorporation in construction of any improvements on the Land, including, but not limited to, building and construction materials and equipment; all plans and specifications for improvements to be placed on the Land; all contracts and subcontracts relating to the Land; all deposits (including tenant's security deposits), funds, accounts, contract rights, instruments, documents, general intangibles (including trademarks, trade names, and symbols used in connection therewith), with notes or chattel paper arising from or by virtue of any transactions related to the Land; all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Land; all proceeds arising from or by virtue of the sale, lease, or other disposition of any of the real or personal property described herein; all heating, lighting, refrigeration, plumbing, ventilating, incinerating, water-heating, cooking, communications, electrical, dish-washing and air-conditioning equipment, and all appliances, furniture, engines, machinery, elevators, pumps, motors, compressors, boilers, condensing units, doors, windows, window screens, disposals, range hoods, tables, chairs, drapes, rods, beds, springs, mattresses, lamps, bookcases, cabinets, sprinklers, hose, tools, lawn equipment, sofas, dressers, mirrors, televisions, radios, speakers, electrical wiring, pipe and floor coverings, and all renewals, replacements, and substitutions thereof and additions thereto (all property described or referred to in this paragraph sometimes called "Accessories"). Grantor agrees that the Accessories are and will be a part of and affixed to the Land.

DEED OF TRUST

PAGE 1 OF 20

05145 01912

3. Other Property. All other interest of every kind and character which Grantor now has or at any time hereafter acquires in and to the property described or referred to in paragraphs 1 and 2 preceding, including but not limited to proceeds from the condemnation or threatened condemnation of the Land and the proceeds of any and all insurance covering the Land, and all property which is used in connection with the operation of the Land and Accessories.

All properties, rights, and interests described or referred to in paragraphs 1, 2, and 3 preceding are sometimes referred to collectively as the "Property".

4. Leasehold Estates. In the event the estate of the Grantor in and to any of the Property is a leasehold estate, this conveyance shall include, and the lien, security interest, and assignment created hereby shall encumber and extend to all other further or additional title, estates, interest, or rights which may exist now or at any time be acquired by Grantor in or to the Property demised under the lease creating such leasehold estate and including Grantor's rights, if any, to the Property demised under such lease and, if fee simple title to any of such Property shall ever become vested in the Grantor such fee simple interest shall be encumbered by this Deed of Trust in the same manner as if Grantor had fee simple title to said Property as of the date of execution hereof.

TO HAVE AND TO HOLD the above-described Property, together with all improvements thereon and all the rights, hereditaments, and appurtenances in anywise appertaining or belonging thereto, unto Trustee, and his successors or substitutes in this trust, and his and their assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof.

Grantor, for Grantor and Grantor's successors, hereby agrees to warrant and forever defend, all and singular, the Property unto Trustee, and his successors or substitutes in this trust, and his and their assigns, in trust and for the uses and purposes hereinafter set forth, forever.

Grantor hereby grants to Holder and its successors and assigns, a security interest in the Property, and each and every part thereof, and in all proceeds from the sale, lease, or other disposition thereof and in all sums, proceeds, funds, and reserves described or referred to in Section 5.7, 5.8, and 5.9 hereof; provided that the grant of a security interest in proceeds shall not be deemed to authorize any action otherwise prohibited herein. The security interest created hereby is specifically intended to cover and include all Leases (as such term is defined in Section 4.1 hereof), together with all the right, title, and interest of Grantor, as lessor thereunder, including, without limiting the generality of the foregoing, the present, and continuing right to make claim for, collect, receive, and receipt for any and all of the rents, income, revenues, issues, and profits and monies payable as damages or in lieu of rent and monies payable as the purchase price of the Property or any part thereof or of awards or claims for money and other sums of money payable or receivable thereunder howsoever payable, and to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which Grantor or any lessor is or may become entitled to do under the

05145 01913

Leases, provided, that this provision shall neither impair nor diminish any obligation of Grantor under the Leases, nor shall any obligation be imposed upon Holder.

**ARTICLE I.
The Obligation**

Section 1.1 Holder and Obligation. This Deed of Trust [as used herein, the expression "this Deed of Trust" shall mean this Deed of Trust (with Security Agreement and Assignment of Rents)] and all rights, title, interest, liens, security interest, powers, and privileges created hereto or arising by virtue hereof, are given to secure payment and performance of the following indebtedness, obligations, and liabilities: (a) the indebtedness(es) evidenced by that certain promissory note of even date herewith (the "Note") executed by Grantor, payable to the order of COMPASS BANK ("Holder") whose mailing address for payments is P.O. Box 650561, Dallas, Texas 75265-0561 in the principal amount of **TWO MILLION THREE HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS (\$2,320,000.00)** bearing interest as therein specified, containing an attorney's fee clause, interest and principal being payable as therein specified, and finally maturing as therein specified; (b) all indebtedness, obligations, and liabilities arising pursuant to the provisions of this Deed of Trust, the Note, any guaranty or such other documents evidencing, securing or pertaining to the indebtedness(es) referred to in subsection (a) of this Section 1.1, as shall from time to time be executed and delivered to Holder by Grantor, any guarantor or any other party (collectively, the "Loan Documents"); (c) all other and any additional debts, obligations, and liabilities of every kind and character of Grantor whether now or hereafter existing in favor of Holder, regardless of whether such debts, obligations, and liabilities be direct or indirect, primary, secondary, joint, several, joint and several, fixed, or contingent; and (d) any and all renewals, modifications, rearrangements, amendments, or extensions of all or any part of the indebtedness, obligations, and liabilities described or referred to in Subsections 1.1(a), 1.1(b), and 1.1(c) preceding. The word "Obligation", as used herein, shall mean all of the indebtedness, obligations, and liabilities described or referred to in Subsections 1.1(a), 1.1(b), and 1.1(c) preceding and as described and referred to in this subsection 1.1(d). The word "Holder", as used herein, shall mean the Holder named in Subsection 1.1(a) above and all subsequent Holders of the Obligation at the time in question.

**ARTICLE II.
Certain Representations;
Warranties, and Covenants of Grantor**

Section 2.1 Warranties and Representations. Grantor represents, warrants, and undertakes that (a) Grantor has full right and authority to execute and deliver this Deed of Trust; and (b) unless specifically provided herein to the contrary, Grantor has in its own right good and indefeasible title in fee simple to the Property free from any encumbrance superior to the indebtedness hereby secured.

Section 2.2 Covenants. Grantor, for the Grantor and Grantor's successors and permitted assigns hereunder, covenants, agrees, and undertakes to: (a) pay, or cause to be paid, before delinquent, all taxes and assessments of every kind or character in respect to the

05145 01914

Property, or any part thereof, from time to time, upon request of Holder, to furnish to Holder evidence satisfactory to Holder of the timely payment of such taxes and assessments and governmental charges; (b) purchase policies of insurance with respect to the Property with such insurers, in such amounts and covering such risks as shall be satisfactory to Holder, including, but not limited to, (1) owner's and contractors' policies of comprehensive general public liability insurance; (2) hazard insurance against all risks of loss, including collapse, in an amount not less than the full replacement cost of all Improvements, including the cost of debris removal, with annual agreed amount endorsement and sufficient at all times to prevent Grantor from becoming a co-insurer, such insurance prior to completion of the Improvements to be in builder's risk form on a non-reporting basis and including coverage for all materials and equipment, wherever located, intended to be installed in or utilized in the construction of the Improvements; (3) if the Property is in a "Flood Hazard Area", a flood insurance policy, or binder therefor, in an amount equal to the principal amount of the Note or the maximum amount available under the Flood Disaster Protection Act of 1973, and regulations issued pursuant thereto, as amended from time to time, whichever is less, in form complying with the "insurance purchase requirements" of that act; (4) such policies of mortgagee's title insurance insuring the validity and priority of this Deed of Trust and any future renewals or extensions of this Deed of Trust, including any such mortgagee's title insurance which the Holder may require during the term of the Obligation to supplement or replace any mortgagee's title policy earlier provided to Holder insuring the validity and priority of the Deed of Trust; and (5) such other insurance, if any, as Holder may require from time to time, or which is required by the Loan Documents; (c) cause all insurance carried in accordance with Section 2.2(b) to be payable to Holder as a mortgagee, to deliver the original policies of insurance carried by each Lessee (as that term is hereinafter defined) for the benefit of Grantor, and to cause all such policies to be payable to Holder as its interest may appear; (d) pay, or cause to be paid, all premiums for such insurance at least ten (10) days before such premiums become due, furnish to Holder satisfactory proof of the timeliness of such payments and deliver all renewal policies to Holder at least ten (10) days before the expiration date of each expiring policy; (e) comply with all federal, state, or municipal laws, rules, ordinances, and regulations applicable to the Property and its ownership, use and operation, including but not limited to maintenance of the Property in compliance with the Americans with Disabilities Act of 1990, and comply with all, and not violate any, easements, restrictions, agreements, covenants, and conditions with respect to or affecting the Property or any part thereof; (f) at all times maintain, preserve, and keep the Property in good repair and condition and presenting a first-class appearance, and from time to time make all necessary and proper repairs, replacements, and renewals, and not commit or permit any waste on or of the Property, and not do anything to the Property that may impair its value; (g) promptly pay all bills for labor and materials incurred in connection with the Property and never permit to be created or to exist in respect to the Property or any part thereof any lien or security interest even though inferior to the liens and security interest hereof for any such bill, and in any event never permit to be created or exist in respect to the Property or any part thereof any other or additional lien or security interest on a parity with or superior to any of the liens or security interest hereof; (h) at any time, and from time to time, upon request of Holder, forthwith, execute and deliver to Holder any and all additional instruments and further assurances, and do all other acts and things, as may be reasonably necessary or proper, in Holder's opinion, to effect the intent of these presents, more fully evidence and perfect the rights, titles, liens, and security interests herein created or intended

05145 01915

to be created and to protect the rights, remedies, powers, and privileges of Holder hereunder; (i) from time to time, upon request of Holder, promptly furnish to Holder financial statements and reports and appraisals relating to the Grantor and the Property as required in the Loan Documents; (j) continuously maintain Grantor's existence and its right to do business in Texas; (k) pay and perform all of the Obligation in accordance with the terms thereof or of this Deed of Trust; (l) at any time any law shall be enacted imposing or authorizing the imposition of any tax upon this Deed of Trust, or upon any rights, titles, liens, or security interests created hereby, or upon the Obligation, or any part thereof, immediately pay all such taxes; provided that, in the alternative, Grantor may, in the event of the enactment of such a law, and must, if it is unlawful for Grantor to pay such taxes, prepay the Obligation in full within sixty (60) days after demand therefor by Holder; (m) at any time and from time to time, furnish promptly upon request of Holder a written statement or affidavit, in such form as shall be satisfactory to Holder, stating the unpaid balance of the Obligation and that there are no offsets or defenses against full payment of the Obligation and the terms hereof, or, if there are any such offsets or defenses, specifying them; (n) punctually and properly perform all of Grantor's covenants, duties, and liabilities under any other security agreement, mortgage, deed of trust, collateral pledge agreement, contract, or assignment of any kind now or hereafter existing as security for or in connection with payment of the Obligation, or any part thereof (each such security agreement being herein called "other security instrument"); (o) allow Holder from time to time to inspect the Property and all records relating thereto or to the Obligation, and to make and take away copies of such records; (p) not cause or permit the Accessories, or any part thereof, to be removed from the county and state where the Land is located, except items of the Accessories which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes having a value equal to or greater than the replaced items when new; (q) not without the prior written consent of Holder sell, trade, transfer, assign, or exchange or otherwise dispose of (or suffer or permit any of the same to occur with respect to) (1) any capital stock of Grantor if Grantor is a corporation or (2) any partnership interest either general or limited if Grantor is a partnership, except by devise, descent, or operation of law upon the death of a shareholder, partner, or joint venturer, as the case may be; and (r) pay, or cause to be paid, any and all attorneys' fees, filing fees and expenses incurred by Holder for the preparation and recordation of any and all legal instruments which the Holder may require at the time of the creation of this Obligation (including this Deed of Trust and/or any and all other instruments which Lender may require in connection herewith) or which Holder may require during the term of the Obligation.

Section 2.3 Hazardous Waste Warranty and Representation of Grantor.

Grantor represents and warrants that after making all appropriate inquiries, the following statements are true:

- (1) No industrial activities that could have resulted in environmental contamination of the Property have occurred on the Property to Grantor's knowledge, including without limitation, storage, treatment or disposal of hazardous substances;
- (2) No report, analysis, study or other document identifies any harmful or friable asbestos or hazardous contaminants on the Property to Grantor's knowledge; and

05145 01916

(3) the Property contains no harmful or friable asbestos, hazardous wastes or other hazardous substances to Grantor's knowledge.

At its sole cost and expense Grantor shall comply with all federal, state and local laws, regulations and orders with respect to the discharge and removal of hazardous or toxic substances, pay immediately when due the cost of removal of any such substances, and keep the Property free of any lien imposed pursuant to such laws, regulation and orders. In addition, Grantor shall not install or permit to be installed in the Property any friable asbestos or any substance containing asbestos and deemed hazardous by applicable federal, state and local laws, regulations and orders. In addition to the remedies set forth elsewhere in the Deed of Trust or other collateral documents concerning the Obligation herein secured as to default by Grantor, Holder may cause the Property to be freed from the hazardous wastes, contaminants or asbestos, and in such event, the cost of the removal shall be secured by this Deed of Trust, shall be payable by Grantor on demand and shall bear interest at the default interest rate provided in the Promissory Note secured by this Deed of Trust from the date advanced until paid. Grantor shall give to Holder and its agents and employees access to the Property for such purpose, and hereby grants to Holder a license to remove the hazardous wastes, contaminants or asbestos from the Property. Grantor shall indemnify, defend and hold Holder harmless from and against any and all liability, loss or damage (including, without limitation, reasonable attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that Holder may incur as a result of or in connection with the assertion against Grantor of any claim relating to the presence or removal of any hazardous wastes, contaminants or asbestos from the Property, or relating to compliance with any applicable federal, state or local laws, regulations or orders relating thereto.

Grantor warrants and represents that to Grantor's knowledge there are no toxic wastes or hazardous substances in the building materials used to construct the improvements located on the Property, and that Grantor shall indemnify and hold Holder and Trustee harmless from any and all claims, costs or expenses (including defense costs and reasonable attorneys' fees) arising out of, relating to or in any manner connected with the breach of any such warranty or representation. Further, Grantor shall indemnify and hold Holder and Trustee harmless from any and all claims, costs or expenses (including defense costs and reasonable attorneys' fees) arising out of, relating to, or in any manner connected with any toxic wastes, brought onto or made on the Property by Grantor, its agents, employees, invitees, partners, or tenants, their agents, employees or invitees. Grantor agrees that any violation of Grantor's warranties in this paragraph will entitle Holder to specific performance or any other remedy available at law and parties agree that any applicable statute of limitations is hereby tolled from date of execution hereof until Holder has actual knowledge of any such violation of warranty.

05145 01917

ARTICLE III.
Respecting Defaults and Remedies of Holder

Section 3.1 Default. The term "default", as used herein, shall mean the occurrence of one or more of the following events: (a) the failure of Grantor to pay any sum of money in accordance with the Obligation, or any part thereof, on the date on which the payment is due; (b) the failure of Grantor punctually and properly to perform any covenant, agreement, undertaking, or condition contained herein, or in the Note, or any renewal, modification, rearrangement, amendment, or extension thereof, or in the Loan Documents, or in any other security instrument which secures the Note or the Obligation due; (c) a default under any mortgage or security interest which covers or affects the Property; or (d) Holder believes that the prospect of payment or the prospect of performance of any other of Grantor's agreements under the Obligation or any documents collateral thereto is impaired.

Section 3.2 Holder's Remedies Upon Default. Upon a default, Holder may, at its option, do any one or more of the following:

(a) If Grantor has failed to keep or perform any covenant whatsoever contained in this Deed of Trust, Holder may, but shall not be obligated to any person to do so, perform or attempt to perform said covenant, and any payment made or expense incurred in the performance or attempted performance of any such covenant shall be a part of the Obligation, and Grantor promises, upon demand, to pay to Holder, at the place where the Note is payable, or at such other place as Holder may direct by written notice, all sums so advanced or paid by Holder, with interest from the date when paid or incurred by Holder at the rate provided in the Note. No such payment by Holder shall constitute a waiver of any default. In addition to the liens and security interest hereof, Holder shall be subrogated to all rights, titles, liens, and security interest securing the payment of any debt, claim, tax, or assessment for the payment of which Holder may make an advance, or which Holder may pay.

(b) Unless otherwise modified herein, Holder may, without notice, demand, or presentment, which are hereby waived by Grantor and all other parties obligated in any manner whatsoever on the Obligation, declare the entire unpaid balance of the Obligation immediately due and payable, and upon such declaration, the entire unpaid balance of the Obligation shall be immediately due and payable. Grantors hereby waive all notices allowed by law, including without limitation, demand, presentment, notice of dishonor, protest, notice of intent to accelerate maturity and notice of acceleration.

(c) Holder may request Trustee to proceed with foreclosure, and in such event Trustee is hereby authorized and empowered, and it shall be his special duty, upon such request of Holder, to sell the Property, or any part thereof, to the highest bidder or bidders for cash, at the courthouse door of the county in the State of Texas wherein such Land or any part thereof then subject to the lien hereof is situated; provided that if such Land is situated in more than one county such sale of the Property, or part thereof, may be made in any county in the State of Texas wherein any part of the Land

05145 01918

then subject to the lien hereof is situated. Any such sale shall be made at a public auction, between the hours of ten o'clock a.m. and four o'clock p.m. on the first Tuesday in any month, after a written or printed notice has been posted at the courthouse door in the county, or if more than one, then in each of the counties, wherein the Land subject to the lien hereof is situated, which notice shall designate the county where the Property, or any part thereof, will be sold, and which notice shall be posted at least twenty-one (21) days prior to the date of the sale. If then required by applicable law of the State of Texas, notice of the proposed sale shall be given also by filing, at least twenty-one (21) days before the date of the sale, a copy of such notice in the office of the county clerk of the county, or if more than one, then of each of the counties, wherein the Land to be sold is situated, which notice shall designate the county in which the sale is to be made.

At least twenty-one (21) days preceding the date of sale, Holder shall serve written notice of the proposed sale by certified mail on each debtor obligated to pay the Obligation according to the records of the Holder. Service of such notice shall be completed upon deposit of the notice, enclosed in a postpaid wrapper, properly addressed to such debtor at the most recent address as shown by the records of the Holder, in a post office or official depository under the care and custody of the United States Postal Service. The affidavit of any person having knowledge of the facts to the effect that such service was completed shall be prima facie evidence of the fact of service. After such sale, Trustee shall make good and sufficient deeds and assignments to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property, or any part thereof, so sold to the purchaser or purchasers with general warranty of title by Grantor. Sale of a part of the Property shall not exhaust the power of sale, but sales may be made from time to time until the Obligation is paid and performed in full. It shall not be necessary to have present or to exhibit at any such sale any of the Accessories. In addition to the rights and powers of sale granted under the preceding provisions of this Subsection 3.2(c), if default is made in the payment of any installment of the Obligation, Holder may, at its option, at once or at any time thereafter while any matured installment remains unpaid, without declaring the entire Obligation to be due and payable, orally or in writing direct Trustee to enforce this trust and to sell the Property subject to such unmatured indebtedness and the liens and security interest securing its payment, in the same manner, all as provided in the preceding provisions of this Subsection 3.2(c). After such sale, Trustee shall make due conveyance to the purchaser or purchasers. Sales made without maturing the Obligation may be made hereunder whenever there is a default in the payment of any installment of the Obligation, without exhausting the power of sale granted hereby, and without affecting in any way the power of sale granted under this Subsection 3.2(c), the unmatured balance of the Obligation (except as to any proceeds of any sale which Holder may apply as prepayment of the Obligation) or the liens and security interests securing payment of the Obligation. It is intended by each of the foregoing provisions of this Subsection 3.2(c) that Trustee may, after any request or direction by Holder, sell, not only the Land but also the Accessories and other interests constituting a part of the Property, or any part thereof, along with the Land, or any part thereof, as a unit and as a part of a single sale, or may sell any part of the Property separately

05145 01919

from the remainder of the Property. It is agreed that, in any deed or deeds given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Holder, or as to the occurrence or existence of any default, or as to the acceleration of the maturity of the Obligation, or as to the request to sell, notice of sale, time, place, terms, and manner of sale, and receipt, distribution, and application of the money realized therefrom, or as to the due and proper appointment of a substitute trustee, and, without being limited by the foregoing, as to any other act or thing having been duly done by Holder or by Trustee, shall be taken by all courts of law and equity as prima facie evidence that the said statements or recitals state facts and are without further question to be so accepted, and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof. In the event of the resignation or death of Trustee, or his removal from his county of residence stated on the first page hereof, or his failure, refusal, or inability, for any reason, to make any such sale or to perform any of the trusts herein declared, or, at the option of Holder, with or without cause, then Holder may appoint, in writing, but without the necessity of recordation, notice or any other formality, a substitute trustee, who shall thereupon succeed to all the estates, titles, rights, powers, and trusts herein granted to and vested in Trustee. If Holder is a corporation or an association, such appointment may be made on behalf of such Holder by any person who is then the president, or a vice-president, or the cashier or secretary, or any other authorized officer or agent of Holder. In the event of the resignation or death of any such substitute trustee, or his failure, refusal, or inability to make any such sale or perform such trusts, or, at the option of Holder, without cause, successive substitute trustees may thereafter, from time to time, be appointed in the same manner. Wherever herein the word "Trustee" is used, the same shall mean the person who is the duly appointed trustee or substitute trustee hereunder at the time in question.

(d) Holder may, or Trustee may upon written request of Holder, proceed by suit or suits, at law or in equity, to enforce the payment and performance of the Obligation in accordance with the terms hereof and of the Note or other instruments evidencing it, to foreclose the liens, security interest and this Deed of Trust as against all or any part of the Property, and to have all or any part of the Property sold under the judgment or decree of a court of competent jurisdiction.

(e) Holder, as a matter of right and without regard to the sufficiency of the security, and without any showing of insolvency, fraud, or mismanagement on the part of Grantor, and without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of the Property, or any part thereof, and of the income, rents, issues, and profits thereof.

(f) Holder may enter upon the Land, take possession of the property and remove the Accessories, or any part thereof, with or without judicial process, and, in connection therewith, without any responsibility or liability on the part of Holder, take possession of any property located on or in the Property which is not a part of the Property and hold or store such property at Grantor's expense.

05145 01920

(g) Holder may require Grantor to assemble the Accessories, or any part thereof, and make them available to Holder at a place to be designated by Holder which is reasonably convenient to Grantor and Holder.

(h) After notification, if any, hereafter provided in this Subsection 3.2(h), Holder may sell, lease, or otherwise dispose of, at the office of Holder, or on the Land, or elsewhere, as chosen by Holder, all or any part of the Accessories, in their then condition, or following any commercially reasonable preparation or processing, and each Sale (as used in this Subsection, the term "Sale" means any such sale, lease, or other disposition made pursuant to this Subsection 3.2(h)) may be as a unit or in parcels, by public or private proceedings, and by way of one or more contracts, and at any Sale, it shall not be necessary to exhibit the Accessories, or part thereof, being sold. The Sale of any part of the Accessories shall not exhaust Holder's power of Sale, but Sales may be made from time to time until the Obligation is paid and performed in full. Reasonable notification of the time and place of any public Sale pursuant to this Subsection 3.2(h), or reasonable notification of the time after which any private Sale is to be made pursuant to this Subsection 3.2(h), shall be sent to Grantor and to any other person entitled under the Texas Business and Commerce Code ("Code") to notice; provided that if the Accessories or part thereof being sold are perishable, or threaten to decline rapidly in value, or are of a type customarily sold on a recognized market, Holder may sell, lease, or otherwise dispose of the Accessories, or part thereof, without notification, advertisement, or other notice of any kind. It is agreed that notice sent or given not less than ten (10) calendar days prior to the taking of the action to which the notice relates is reasonable notification and notice for the purposes of this Subsection 3.2(h).

(i) Holder may surrender the insurance policies maintained pursuant to Subsection 2.2(b) hereof, or any part thereof, and receive and apply the unearned premiums as a credit on the Obligation, and in connection therewith, Grantor hereby appoints Holder as the agent and attorney-in-fact for Grantor to collect such premiums.

(j) Holder may retain the Accessories in satisfaction of the Obligation whenever the circumstances are such that Holder is entitled to do so under the Code.

(k) Holder may buy the Property, or any part thereof, at any public or judicial sale.

(l) Holder may buy the Accessories, or any part thereof, at any private sale if the Accessories, or part thereof, being sold are a type customarily sold in a recognized market or are a type which is the subject of widely distributed standard price quotations.

(m) Holder shall have and may exercise any and all other rights and remedies which Holder may have at law or in equity, or by virtue of any other security instrument, or under the Code, or otherwise.

05145 01921

(n) Holder may apply the reserves, if any, required by Section 5.9 hereof, toward payment of the Obligation.

Section 3.3 Holder as Purchaser. If Holder is the purchaser of the Property, or any part thereof, at any sale thereof, whether such sale be under the power of sale hereinabove vested in Trustee, or upon any other foreclosure of the liens and security interest hereof, or otherwise, Holder shall, upon any such purchase, acquire good title to the Property so purchased, free of the liens and security interest of these presents.

Section 3.4 Other Rights of Holder. Should any part of the Property come into the possession of Holder, whether before or after default, Holder may use or operate the Property for the purpose of preserving it or its value, pursuant to the order of a court of appropriate jurisdiction, or in accordance with any other rights held by Holder in respect to the Property. Grantor covenants to promptly reimburse and pay to Holder, at the place where the Note is payable, the amount of all reasonable expenses (including the cost of any insurance, taxes, or other charges), incurred by Holder in connection with its custody, preservation, use, or operation of the Property, together with interest thereon from the date incurred by Holder at the rate provided in the Note, and all such expenses, costs, taxes, interest, and other charges shall be a part of the Obligation. It is agreed, however, that the risk of loss or damage to the Property is on Grantor, and Holder shall have no liability whatsoever for decline in value of the Property, or for failure to obtain or maintain insurance, or for failure to determine whether insurance in force is adequate as to amount or as to the risks insured.

Section 3.5 Possession After Foreclosure. In case the liens or security interest hereof shall be foreclosed by Trustee's sale or by judicial action, the purchaser at any such sale shall receive, as an incident to his ownership, immediate possession of the property purchased, and if Grantor or Grantor's successors shall hold possession of said Property, or any part thereof, subsequent to foreclosure, Grantor and Grantor's successors shall be considered as tenants at sufferance of the purchaser at foreclosure sale, and anyone occupying the Property after demand is made for possession thereof shall be guilty of forcible detainer and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived.

Section 3.6 Application of Sales Proceeds Upon Foreclosure. The proceeds from any sale, lease, or other disposition made pursuant to this Article III, or the proceeds from surrendering any insurance policies pursuant to Subsection 3.2(i) hereof, or any rental collected by Holder pursuant to Article IV hereof, or the reserves required by Section 5.9 hereof, or sums received pursuant to Section 5.7 hereof, or proceeds from insurance which Holder elects to apply to the Obligation pursuant to Section 5.8 hereof, shall be applied by Trustee, or by Holder, as the case may be, as follows: First, to the payment of all expenses of advertising, preserving, selling, and conveying the Property, or part thereof, including reasonable attorney's fees, and including a reasonable commission to Trustee not to exceed five percent (5%) of the proceeds of the sale; second, to interest on the Obligation; third, to principal on the matured portion of the Obligation; fourth, to prepayment of the unmatured portion, if any, of the Obligation applied to installments of principal in inverse order of

05145 01922

maturity; and fifth, the balance, if any, remaining after the full and final payment and performance of the Obligation, to the person or persons legally entitled thereto.

Section 3.7 Abandonment of Sale. In the event a foreclosure hereunder should be commenced by Trustee in accordance with Subsection 3.2(c) hereof, Holder may at any time before the sale, direct Trustee to abandon the sale, and may then institute suit for the collection of the Note, and for the foreclosure of the liens and security interest hereof. If Holder should institute a suit for the collection of the Note, and for a foreclosure of the liens and security interest hereof, it may at any time before the entry of a final judgment in said suit dismiss the same, and require Trustee to sell the Property, or any part thereof, in accordance with the provisions of this Deed of Trust.

ARTICLE IV

Leases and Assignment of Rental

Section 4.1 Definitions. As used in this Deed of Trust: (a) "Lease" means any lease, sublease, or other agreement under the terms of which any person has or acquires any right to occupy or use the Property, or any part thereof, or any interest therein, including all extended or renewal terms thereof and all modifications or amendments thereto and replacements therefor; (b) "Lessee" means the lessee, sublessee, tenant, or other person having the right to occupy or use a part of the Property under a Lease; and (c) "Rental" means the rents, royalties, and other consideration payable to Grantor by the Lessee under the terms of a lease.

Section 4.2 Assignment of Rental. Grantor hereby absolutely and not only as collateral assigns to Holder all Rental payable under each Lease now or at any time hereafter existing, such assignment being upon the following terms (a) until receipt from Holder of notice of the occurrence of a default each Lessee may pay Rental directly to Grantor as licensee of Holder, but Grantor covenants to hold all Rental so paid in trust for the use and benefit of Holder; (b) upon receipt from Holder of notice that a default exists, or at any other time in the sole discretion of Holder that notice is given to a Lessee, each Lessee is hereby authorized and directed to pay directly to Holder all Rental thereafter accruing, and a receipt for such payment from Holder shall be a release of such Lessee to the extent of all amounts so paid; (c) Rental so received by Holder shall be applied by Holder, first, to the expenses, if any, of collection and then in accordance with Section 3.6; (d) without impairing its rights hereunder, Holder may, at its option, at any time and from time to time, release to Grantor Rental so received by Holder, or any part thereof; (e) Holder shall not be liable for its failure to collect, or its failure to exercise diligence in the collection of Rental, but shall be accountable only for Rental that it shall actually receive; (f) this assignment shall terminate upon the release of this Deed of Trust but no Lessee shall be required to take notice of termination until a copy of such release shall have been delivered to such Lessee. As between Holder and Grantor, and any person claiming through or under Grantor, other than a Lessee who has not received notice of default pursuant to Section 4.2(b), the assignment contained in this Section 4.2 is intended to be absolute, unconditional, and presently effective and the provisions of Subsection 4.2(a) and 4.2(b) are intended solely for the benefit of each Lessee and shall never inure to the

05145 01923

benefit of Grantor or any person claiming through or under Grantor, other than a Lessee who has not received such notice. It shall never be necessary for Holder to institute legal proceedings of any kind whatsoever to enforce the provisions of this Section 4.2.

Section 4.3 No Subordination. Nothing in this Article IV shall ever be construed as subordinating this Deed of Trust to any Lease; provided, however, that any proceedings by Holder to foreclose this Deed of Trust, or any action by way of its entry into possession after default, shall not operate to terminate any Lease which has been approved by Holder, and Holder will not cause any Lessee under any such approved Lease to be disturbed in his possession and enjoyment of the leased premises so long as such Lessee shall continue to fully and promptly perform all of the terms, covenants, and provisions of its Lease.

Section 4.4 Grantor's Obligations. Grantor shall: (a) upon demand by Holder, assign to Holder, by separate instrument in form and substance satisfactory to Holder, any or all Leases, or the Rental payable thereunder, including but not limited to, any Lease which is now in existence or which may be executed after the date hereof; (b) neither accept from any Lessee, nor permit any Lessee to pay, Rental for more than one month in advance not including a customary security deposit; (c) comply, as lessor, with the terms and provisions of each Lease; (d) not waive, excuse, release, or condone any nonperformance of any covenants of any Lessee; (e) give to Holder duplicate notice of each default by each Lessee given by Grantor; and (f) cause each lessee to agree (and each Lessee under each Lease executed after the date hereof does so agree) to give to Holder written notice of each and every default by Grantor under his Lease and not to exercise any remedies under such Lease unless Holder fails to cure such default within ten (10) days, or within such longer period as may be reasonably necessary if such default cannot be cured within ten (10) days, after Holder has received such notice, provided that Holder shall never have any obligation or duty to cure any such default.

Section 4.5 Holder's Collection of Rental. In the event Holder ever collects Rental through an agent, Holder shall be entitled to pay its agent as compensation for collecting such Rental, from sums so collected, a sum not to exceed five percent (5%) of the Rental so collected.

ARTICLE V. Miscellaneous

Section 5.1 Release. If the Obligation is paid in full in accordance with the terms of this Deed of Trust and the Note and other instruments evidencing or securing such Obligation, and if Grantor shall well and truly perform all of Grantor's covenants contained herein, then this conveyance shall become null and void and be released at Grantor's request and expense.

Section 5.2 Rights Cumulative. All rights, remedies, powers, and privileges and all liens, titles, and security interests herein expressly conferred are cumulative, and shall not be deemed to deprive Holder or Trustee of any other legal or equitable rights, remedies, powers, privileges, liens, titles, or security interests by or through judicial proceedings or

05145 01924

otherwise appropriate to enforce the conditions, covenants, and terms of this Deed of Trust, the Note, and other security instruments.

Section 5.3 Waiver. Any and all covenants in this Deed of Trust may from time to time, by instrument in writing signed by Holder and delivered to Grantor, be waived to such extent and in such manner as Holder may desire, but no such waiver shall ever affect or impair Holder's rights, remedies, powers, privileges, liens, titles, and security interest hereunder, except to the extent so specifically stated in such written agreement. Neither the exercise of, nor the failure to exercise any option or remedy under the terms of this Deed of Trust shall be considered as a waiver of the right to exercise same, or any other option or remedy given herein.

Section 5.4 Controlling Agreement. All agreements between Grantor and Holder, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no event whatsoever, whether by reason of acceleration of the maturity of the Obligation or otherwise, shall the interest contracted for, charged, or received by Holder hereunder or otherwise exceed the maximum amount permissible under applicable law. If from any circumstances whatsoever interest would otherwise be payable to Holder in excess of the maximum lawful amount, the interest payable to Holder shall be reduced automatically to the maximum amount permitted under applicable law. If Holder shall ever receive anything of value deemed interest under applicable law which would apart from this provision be in excess of the maximum lawful amount, an amount which would have been excessive interest shall be applied to the reduction of the principal amount owing on the Obligation in inverse order of maturity and not to the payment of interest, or if such amount which would have been excessive interest exceeds the unpaid principal balance of the Obligation, such excess shall be refunded to Grantor, or to the maker of the Note or other evidence of indebtedness if other than Grantor. All interest paid or agreed to be paid to Holder shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term (including any renewal or extension) of such indebtedness so that the amount of interest on account of such indebtedness does not exceed the maximum permitted by applicable law. The terms and provisions of this Section 5.4 shall control and supersede every other provisions of all existing and future agreements between Grantor, the maker of the Note or other evidence of indebtedness if other than Grantor, and Holder.

Section 5.5 Effect of Transfer on Grantor's Liability. If the ownership of the Property or any part thereof becomes vested in a person other than Grantor or in the event of a change in ownership of any Grantor other than an individual, Holder may, without notice to Grantor or Grantor's successors, deal with such successor or successors in interest with reference to this Deed of Trust and the Obligation, either by way of forbearance on the part of Holder, or extension of time of payment of the Obligation, or release of all or any part of the Property or any other property securing payment of the Obligation, or otherwise, without in any way modifying or affecting Holder's rights and liens hereunder or the liability of Grantor or any other party liable for payment of the Obligation, in whole or in part.

Section 5.6 Waiver of Right to Marshal. Grantor hereby waives all rights of marshaling in event of any foreclosure of the liens and security interests hereby created.

05145 01925

Section 5.7 Condemnation Proceeds. Holder shall be entitled to receive any and all sums which may be awarded or become payable to Grantor for the condemnation of the Property, or any part thereof, for public or quasipublic use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Grantor for damages caused by public works or construction on or near the Property. All such sums are hereby assigned to Holder, and Grantor shall, upon request of Holder, make, execute, acknowledge, and deliver any and all additional assignments and documents as may be necessary from time to time to enable Holder to collect and receipt for any such sums. Holder shall not be, under any circumstances, liable or responsible for failure to collect or exercise diligence in the collection of any of such sums. Any sums received by Holder in the event of condemnation shall be applied to installments on the Obligation in inverse order of maturity.

Section 5.8 Insurance Proceeds. The proceeds of any and all insurance upon the Property shall be collected by Holder, and Holder shall have the option, in Holder's sole discretion, to apply any proceeds so collected either to the restoration of the Property or to the liquidation of the Obligation.

Section 5.9 Reserve for Taxes and Insurance Premiums. At the request of Holder, Grantor shall create a fund or reserve for the payment of all insurance premiums, taxes, and assessments against or affecting the Property by paying to Holder, on the first day of each calendar month prior to the maturity of the Note, a sum equal to the premiums that will next become due and payable on the hazard insurance policies covering the Property, or any part thereof, plus taxes and assessments next due on the Property, or any part thereof, as estimated by Holder, less all sums paid previously to Holder therefor, divided by the number of months to elapse before one month prior to the date when such premiums, taxes, and assessments will become due, such sums to be held by Holder, without interest, unless interest is required by applicable law, for the purposes of paying such premiums, taxes, and assessments. Any excess reserve shall, at the discretion of Holder, be credited by Holder on subsequent reserve payments or subsequent payments to be made on the Note by the maker thereof, and all deficiency shall be paid by Grantor to Holder on or before the date when such premiums, taxes, and assessments shall become delinquent. In the event there exists a deficiency in such fund or reserve at any time when taxes, assessments, or insurance premiums are due and payable, Holder may, but shall not be obligated to, advance the amount of such deficiency on behalf of the Grantor, and such amounts so advanced shall become a part of the Obligation, shall be immediately due and payable and shall bear interest at the rate provided in the Note from the date of such advance through and including the date of repayment. Transfer of legal title to the Property shall automatically transfer the interest of Grantor in all sums deposited with Holder under the provisions hereof or otherwise. In the event that Holder does not request that such a fund be established, Grantor hereby agrees that he will promptly pay all premiums, taxes, and assessments when due, and will furnish to Holder proof of payment within 45 days of the due date by submitting canceled checks along with the statement concerning such taxes, premiums, or assessments.

Section 5.10 Right to Accelerate Upon Transfer. If Grantor shall sell, convey, assign, or transfer all or any part of the Property or any interest therein or any beneficial interest in the Grantor, Holder may at Holder's option, declare the Obligation to be

05145 01926

immediately due and payable, which option may be exercised at any time following such sale, conveyance, assignment, or transfer. Holder may in its sole discretion and at Grantor's request decide not to exercise said option in which event Holder's forbearance may be predicated on such terms and conditions as Holder may in its sole discretion require, including but not limited to Holder's approval of the transferee's credit worthiness and management ability, and the execution and delivery to Holder by transferee, prior to the sale, transfer, assignment, or conveyance of a written assumption agreement containing such terms as Holder may require, including but not limited to, a payment of a part of the principal amount of the Obligation, the payment of an assumption fee, a modification of the term of the Obligation, and such other terms as Holder may require. Should the Property be sold, traded, transferred, assigned, exchanged, or otherwise disposed of without the prior written consent of Holder and payment of any portion of the Obligation is thereafter accepted by the Holder such acceptance shall not be deemed a waiver of the requirement of Holder's consent in writing thereto or with respect to any other sale, trade, transfer, assignment, exchange, or other disposition.

Section 5.11 Prohibition Against Subordinate Financing. If Grantor, without the prior written consent of Holder, executes or delivers any pledge, security agreement, mortgage, or deed of trust covering all or any portion of the Property (hereafter called "Subordinate Mortgage") Holder may, at Holder's option, which option may be exercised at any time following such pledge, security agreement, mortgage, or deed of trust, declare the Obligation to be immediately due and payable. In the event of consent by Holder to the foregoing or in the event the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable under the provisions of any applicable law, Grantor will not execute or deliver any Subordinate Mortgage unless there shall have been delivered to Holder not less than ten (10) days prior to the date thereof a copy thereof which shall contain express covenants to the effect: (a) that the Subordinate Mortgage is in all respects unconditionally subject and subordinate to the lien, security interest, and assignment evidenced by this Deed of Trust and each term and provision hereof; (b) that if any action or proceeding shall be instituted to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), no tenant of any portion of the Property will be named as a party defendant, or will any action be taken with respect to the Property which would terminate any occupancy or tenancy of the Property without the prior written consent of Holder; (c) that the rents and profits, if collected through a receiver or by the Holder of the Subordinate Mortgage, shall be applied first to the obligations secured by this Deed of Trust, including principal and interest due and owing on or to become due and owing on the Note and the other indebtedness secured hereby and then to the payment of maintenance, operating charges, taxes, assessments, and disbursements incurred in connection with the ownership, operation, and maintenance of the Property; and (d) that if any action or proceeding shall be brought to foreclose the Subordinate Mortgage, (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), written notice of the commencement thereof will be given to Holder contemporaneously with the commencement of such action or proceeding.

Section 5.12 Subrogation. It is understood and agreed that the proceeds of the Note, to the extent the same are utilized to renew or extend any indebtedness or take up any

05145 01927

outstanding liens against the Property, or any portion thereof, have been advanced by Holder at Grantor's request and upon Grantor's representation that such amounts are due and payable. Holder shall be subrogated to any and all rights, remedies, powers, privileges, liens, titles, and security interests owned or claimed by any owner or holder of said outstanding indebtedness or lien, however remote, regardless of whether said indebtedness or lien is acquired by assignment or is released by the holder thereof upon payment.

Section 5.13 Covenant to Perform. Grantor and each and every subsequent owner of the Property, or any part thereof, covenants and agrees that Grantor will perform or cause to be performed, each and every condition, term, provision, and covenant of this Deed of Trust, except that Grantor shall have no duty to pay the indebtedness evidenced by the Note except in accordance with the terms of the Note and all renewals and extensions thereof, and this Deed of Trust or in accordance with the terms of the transfer to Grantor.

Section 5.14 Notice. Except as otherwise provided herein, wherever this Deed of Trust requires notice to Grantor, such notice shall be deemed to have been given on the day it is deposited in the United States mail in a post paid wrapper addressed to Grantor at the address stated on the first page hereof, or at such other address as Grantor may designate by notice in writing and previously actually received by Holder.

Section 5.15 Enforceability. If the rights and liens created by this Deed of Trust shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the Obligation, the unsecured portion of the Obligation shall be completely paid prior to the payment of the remaining and secured portion of the Obligation, and all payments made on the Obligation shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Obligation.

Section 5.16 Successors and Assigns. This Deed of Trust is binding upon Grantor and Grantor's successors, and shall inure to the benefit of Holder, and its successors and assigns, and the provisions hereof shall be covenants running with the Land. The duties, covenants, conditions, obligations, and warranties of Grantor in this Deed of Trust shall be joint and several obligations of Grantor and Grantor's successors.

Section 5.17 Counterparts. This Deed of Trust may be executed in a number of identical counterparts, each of which, for all purposes, shall be deemed an original. If any Grantor is a corporation, this instrument is executed, sealed, and attested by Grantor's officers hereunto duly authorized.

Section 5.18 Financing Statement. This Deed of Trust is intended to be a financing statement filed as a fixture filing with respect to the Accessories and the goods described at the beginning of this Deed of Trust which are or are to become fixtures relating to the Land. The address of Grantor (Debtor) is set forth on the first page hereof and the address of Holder (Secured Party) is set forth in Section 1.1 hereof. This Deed of Trust is to be filed for record in the real property records of the county clerk of the county or counties where the Land is located. Grantor is the record owner of the Land. A carbon, photographic, or other

05145 01928

reproduction of this Deed of Trust or of a financing statement pursuant hereto is sufficient as a financing statement.

Section 5.19 Partial Invalidity. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Deed of Trust.

Section 5.20 Appraisal. Holder may from time to time obtain, or require Grantor to obtain for Holder, an appraisal performed by a licensed or certified appraiser acceptable to Holder of any real property securing any extension of credit by Holder to Grantor. Grantor shall insure that such appraiser has free and full access to the subject real property for the purpose of making an appraisal. Grantor consents to such access by appraiser. If Grantor is not in possession of the real property at the time of the appraisal, Grantor shall obtain any consent and cooperation of any person in possession of the real property at the time of the appraisal. *Unless prohibited by applicable law*, Grantor shall pay to Holder, on demand, any fees incurred by Holder in obtaining any appraisal required under a regulation or policy of any applicable governmental authority or required under Holder's loan policy. Grantor's obligation under this paragraph shall be secured by Holder's lien upon the subject real property unless the real property is the homestead of the Grantor.

Section 5.21 Attorneys' Fees. If this Deed of Trust or any document related to it is given by Holder to an attorney for enforcement, or if suit is brought for collection or enforcement, or if this Deed of Trust or any document related to it is collected or enforced through probate, bankruptcy or other judicial proceeding (or Holder takes action to protect its interests through probate, bankruptcy or other judicial proceedings), Grantor shall pay Holder reasonable attorneys' fees, court costs and expenses in addition to other amounts due hereunder.

Section 5.22 Severability. Except as expressly provided to the contrary herein, each section, part, term, or provision of this Deed of Trust shall be considered severable, and if for any reason any article, section, part, term, or provision herein is determined to be invalid and contrary to or in conflict with any existing or future law or regulation by a court or governmental agency having valid jurisdiction, such determination shall not impair the operation of or have any other effect on other sections, parts, terms, or provisions of this Deed of Trust as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties hereto, and said invalid sections, parts, terms, or provisions shall not be deemed to be a part of this Deed of Trust.

Section 5.23 No Agency, Partnership or Joint Venture. Nothing contained herein nor any acts of the parties hereto shall be deemed or construed by the Holder or by any other

05145 01929

party as creating the relationship between them of (i) principal and agent, (ii) a partnership, or (iii) a joint venture.

Section 5.24 Cross-Default Provision. It is expressly understood and agreed that, should Grantor default or commit an event of default under or pursuant to any agreement which is secured by a lien or liens on any portion of the Property, the Obligation hereby secured, at the option of the Holder, shall become due and payable.

Section 5.25 Purchase Money. The Obligation hereby secured is given in part payment of the purchase price of the Property herein described and is primarily secured by a Vendor's Lien retained in Deed of even date herewith conveying said Property to the Grantor herein, and this Deed of Trust is given as additional security for the payment of said indebtedness. Said Vendor's Lien is hereby renewed, extended and carried forward in full force and effect to secure the payment of the Obligation hereby secured.

Section 5.26 Homestead Disclaimer. Grantor expressly represents that the Land forms no part of any property owned, used or claimed by Grantor as exempted from forced sale under the laws of the State of Texas, and Grantor renounces all and every claim thereto under any such law or laws.

EXECUTED as of the date first above written.

JB&C-Dickerson, L.P.
a Texas limited partnership

By: JB&C-Dickerson Management, LLC
a Texas limited liability company
General Partner

By: John W. Bass
John W. Bass
Manager

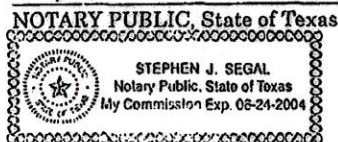
By: John C. Caruth
John C. Caruth
Manager

05145 01930

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for the said County and State, on this day personally appeared John W. Bass, Manager of JB&C-Dickerson Management, LLC, a Texas limited liability company, General Partner of JB&C-Dickerson, L.P., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity therein stated and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 5th day of April, 2002.

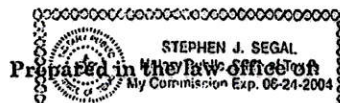


STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for the said County and State, on this day personally appeared John C. Caruth, Manager of JB&C-Dickerson Management, LLC, a Texas limited liability company, General Partner of JB&C-Dickerson, L.P., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity therein stated and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 5th day of April, 2002.

NOTARY PUBLIC, State of Texas



After recording return to:

COMPASS BANK
P.O. Box 650561
Dallas, Texas 75265-0561

SEATTLE & POU, P.C.
Comerica Bank Building, Tenth Floor
4131 N. Central Expressway
Dallas, Texas 75204

F:\z_group\Compass\02-8775 - Dickerson\deed of trust.002.wpd

DEED OF TRUST

PAGE 20 OF 20

05145 01931

EXHIBIT A

Lot 3, in Block 11/8725, of MORSE ADDITION, an addition to the City of Dallas, Collin County, Texas according to the Map or Plat thereof recorded in Volume K, Page 38, Plat Records, Collin County, Texas.

NOTATION HEREON WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE
DESIGNATED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW
(COUNTY OF COLLIN)
(STATE OF TEXAS)
I hereby certify that this instrument was FILED in the File Number Sequence on the date
and the time stamped herein by me, and was duly RECORDED, in the Official Public
Records of Real Property of Collin County, Texas on

APR 11 2002

Helen Starnes



Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Apr 11 2002
At 1:37pm

Doc/Num : 2002- 0053193

Recording/Type:DT 49.00
Receipt #: 13203

05151 02333

2002- 0057065

\$11.00 STNT GF02500166

RELEASE OF LIEN

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

That in consideration of the payment in full according to the face and tenor thereof, of one certain promissory note dated March 3, 2000 in the original principal sum of \$1,406,960.00 bearing interest as therein provided, executed by 17800 DICKERSON, LTD and payable to the order of TEXAS BANK, said note described in a certain Deed of Trust, Security Agreement and Financing Statement, of even date therewith executed by 17800 DICKERSON, LTD, recorded in Volume 4622, Page 1289, Clerk's File No. 00-0023573, Real Property Records of Collin County, Texas;

NOW, THEREFORE, TEXAS BANK, the current owner and holder of said note and all liens securing same, does now hereby release the Deed of Trust Lien and all other liens shown by said instruments to exist upon the following described property, to secure payment of said note, viz:

LOT 3, IN BLOCK 11/8725, OF MORSE ADDITION, AN ADDITION TO THE CITY OF DALLAS, COLLIN COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME K, PAGE 38, PLAT RECORDS, COLLIN COUNTY, TEXAS.

Executed this 15th day of April, 2002.

TEXAS BANK

BY: Marty Rivers

Printed Name: MARTY RIVERS

Title: VICE PRESIDENT

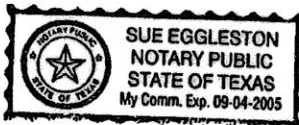
RELEASE OF LIEN - PAGE 1 OF 2

05151 02334

Acknowledgment

THE STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on the 15th day of April, 2002
by Marty Rivers V.P. of TEXAS BANK, a
Texas Banking Corporation on behalf of said corporation and in the
capacity therein stated.



Sue Eggleston
Notary Public in and for the State of _____

Notary's printed name

Notary's commission expires:

AFTER RECORDING RETURN TO:

Stewart Title
2111 W. Airport Freeway #100
Irving, Texas 75062

PREPARED IN THE LAW OFFICE OF

Stephen J. Segal
2111 W. Airport Freeway - Suite 100
Irving, Texas 75062

RELEASE OF LIEN - PAGE 2 OF 2
[pb/pfsw/works/-r]

05151 02335

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date
and the time stamped herein by me, and was duly RECORDED, in the Official Public
Records of Real Property of Collin County, Texas on

APR 19 2002

Helen Starnes



Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Apr 19 2002
At 1:24pm

Doc/Num : 2002- 0057065

Recording/Type:RE 13.00
Receipt #: 14284

COUNTY CLERKS MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

2003- 0139083

RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

STATE OF TEXAS §
 COLLIN §
COUNTY OF DALLAS §

This RENEWAL, EXTENSION AND MODIFICATION AGREEMENT (this "Modification") is executed to be effective as of the 27th day of June, 2003, by and between COMPASS BANK ("Bank"), as lender, and JB&C-DICKERSON, L.P., a Texas limited partnership ("Borrower"), as borrower.

RECITALS:

WHEREAS, Borrower executed and delivered to Eugene F. Weimer, Trustee, for the benefit of Bank, that certain Deed of Trust (With Security Agreement and Assignment of Rents) (as may have been heretofore renewed, extended and/or modified, the "Deed of Trust") dated April 1, 2002, recorded in Volume 05145, Page 01911 of the Real Property Records of Dallas County, Texas, covering among other property, that certain real property located in Dallas County, Texas, as more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with all other property described in the Deed of Trust (all of such property being hereinafter collectively referred to as the "Mortgaged Property"); and

WHEREAS, the Deed of Trust secures in part the indebtedness evidenced by that certain Promissory Note, dated of even date with the Deed of Trust, in the original stated principal amount of Two Million Three Hundred Twenty Thousand and No/100 Dollars (\$2,320,000.00), executed by Borrower and payable to Bank (as same may have been heretofore renewed, extended, and/or modified, the "Note"); and

WHEREAS, the Borrower's obligations (collectively, the "Obligations") under the Note, Deed of Trust and other Loan Documents (as defined below) were guaranteed by J.B. & C. Investments, Inc., a Texas corporation, John W. Bass, Individually, and John C. Caruth, individually (collectively, "Guarantor"), by virtue of their execution of those certain Guaranty Agreements (together, the "Guaranty"), each dated of even date with the Note (the indebtedness evidenced by the Note is referred to herein as the "Loan", and the Note, Deed of Trust, Guaranty, and all documents evidencing the Loan are herein collectively, the "Loan Documents"); and

WHEREAS, the Note, Deed of Trust, and any and all other documents evidencing and/or executed in connection with the Loan, are sometimes referred to herein collectively as the "Loan Documents"; and

WHEREAS, Borrower, being legally obligated to pay the Note and the Obligations, and who, if not presently primarily liable for the payment of the Note and the Obligations, does hereby expressly assume the payment thereof now desires to extend, modify or rearrange the time or manner of payment of the Note and the Obligations, and to extend and carry forward said liens on said Property; and

WHEREAS, COMPASS BANK (i.e., "Bank"), the legal owner and holder of the Note and of the liens securing the same, in consideration of the premises and at the request of Borrower, has agreed to extend, modify or rearrange the time or manner of payment of the Note as hereinafter provided.

RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

Page 1

5464 000737

AGREEMENTS:

NOW THEREFORE, in consideration of the extension, modification or rearrangement of the time or manner of payment of the Note and the Obligations as hereinafter set forth by the legal owner and holder thereof, Borrower hereby renews the Note and the Obligations and promises to pay to the order of Compass Bank, in the City of Dallas, Dallas County, Texas, the sum of TWO MILLION ONE HUNDRED EIGHTY-FIVE THOUSAND EIGHT HUNDRED SIXTY-FIVE and NO/100 DOLLARS (\$2,185,865.00) (being the new principal balance of the Note (the "New Principal Amount"), which shall be paid on or before June 27, 2010 (the "Maturity Date"), when all outstanding principal thereon plus all accrued but unpaid interest thereon shall be finally due and payable. Payments shall be made pursuant to the following terms:

1. ISDA Master Agreement. Bank and Borrower are parties to that certain ISDA Master Agreement dated as of May 9, 2003, the schedule attached thereto and one or more confirmations issued in connection therewith (collectively, the "Master Agreement"), under the terms of which Bank and Borrower have entered into one or more of the following types of transactions: interest rate swap, cap, floor, collar or option.

2. Payment Schedule.

(a) Prior to a default or event of default under the Note, Deed of Trust or the Master Agreement, the Note shall be payable in installments of principal plus accrued interest thereon as set forth on the amortization schedule attached to the Master Agreement (the "Schedule") beginning on the date, and continuing thereafter on the dates, and in the amounts, set forth on the Schedule. A final installment equal to the entire then outstanding principal balance of the Note, plus accrued interest shall be due and payable on the Maturity Date.

(b) Upon default or an event of default, the interest on the principal balance of the Note shall be the Default Rate of interest specified in the Note.

(c) If Borrower or Bank effects a termination of the Master Agreement prior to the Maturity Date, then the principal together with interest shall be paid at the rate equal to the lesser of (a) the Maximum Rate (as hereinafter defined) or (b) LIBOR INDEX RATE (as hereinafter defined) PLUS TWO HUNDRED TEN BASIS POINTS (LIBOR + 2.10%) as set forth below* as follows:

Principal plus interest hereon shall be due and payable monthly on or before the 2nd day of each month in installments in an amount that would amortize the principal balance over a 180-month period until the maturity date, when all outstanding principal hereon plus all accrued but unpaid interest thereon shall be finally due and payable. PROVIDED, HOWEVER, anything contained herein to the contrary notwithstanding, Bank reserves the right to adjust the amount of the monthly payments at any time in order to insure the amortization of the principal over a 180-month period. All payments received hereon shall be applied first to the payment of accrued interest on the unpaid principal, with the remainder, if any, applied to reduction of principal.

* The interest rate shall equal TWO AND ONE TENTH OF ONE PERCENT (2.10%) per annum (on the basis of actual days elapsed over a 360-day year) above the LIBOR Index Rate. "LIBOR Index Rate" shall

RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

Page 2

5464 000738

mean the rate determined by Bank (rounded upward, if necessary, to the nearest 1/16th of 1%) to be equal to the offered rate (and not the bid rate) in the London interbank market for deposits in U.S. dollars of amounts comparable to the principal amount hereof for a period of one (1) month, as reported on the Telerate Information System on the applicable determination date (or in the event no such quotation is available on such date on the day most immediately preceding the determination date on which such a quotation was available). In the event the Telerate Information Service ceases to be available to Bank or ceases to provide information sufficient to determine the London interbank offered rate for periods of one (1) month, the "LIBOR Index Rate" shall mean the London Interbank Offered Rate for a period of one (1) month as published in the "Money Rates" table of The Wall Street Journal on the applicable determination date (or in the event no such quotation is available on such date, as quoted on the day most immediately preceding the determination date on which such a quotation was available). In the event the London Interbank Offered Rate for a period of one (1) month is no longer published in the "Money Rates" table, then Bank will choose a substitute rate as the LIBOR Index Rate based on comparable information, which may include quotations from such services as Reuters Monitor Money Rates Service of Knight Ridder News Service. Each change in the rate charged hereunder shall become effective without notice to Borrower as of the first (1st) day of each calendar month during the term hereof, but in no event shall the rate charged hereunder exceed the Maximum Rate (as hereinafter defined). Maker understands and acknowledges that Bank may from time to time make various loans at rates of interest having no relationship to the LIBOR Index Rate, and that the LIBOR Index Rate may not be the lowest interest rate charged for loans by Bank.

The term "Maximum Rate", as used herein, shall mean, with respect to each holder hereof, the maximum nonusurious interest rate, if any, that at any time, or from time to time, may under applicable law be contracted for, taken, reserved, charged or received on the indebtedness evidenced by this Note under the laws which are presently in effect of the United States and the State of Texas applicable to such holder and such indebtedness or, to the extent allowed by law under such applicable laws of the United States of America and State of Texas which may hereafter be in effect, which allow a higher maximum non-usurious interest rate than applicable laws now allow; provided, that in determining the Maximum Rate, due regard shall be given, to the extent required by applicable law, to any and all relevant payments, fees, charges, deposits, balances, agreements and calculations which may constitute or be deemed to constitute interest, or be deducted from principal to calculate the interest rate or otherwise affect interest rate determinations, so that in no event shall the Bank contract for, charge, receive, take, collect, reserve or apply, on the Note, any amount in excess of the maximum non-usurious rate of interest permitted by applicable law. To the extent that Texas law determines the Maximum Rate, the Maximum Rate shall be determined by utilizing the "indicated rate ceiling" from time to time in effect pursuant to the Texas Finance Code (V.T.C.A. Finance Code Section 303.001 et seq.) (the "Texas Finance Code") or such successor statute, as then in effect, governing usury. The Maximum Rate shall not be limited to the applicable rate ceiling in the Texas Finance Code or such successor statute if Federal laws or other state laws now or hereafter in effect and applicable to this Note (and the interest contracted for, charged and collected hereunder) shall permit a higher rate of interest.

3. Changes in Variable Rate. If the variable interest rate applicable to the Note changes during the term of the Note, those changes will occur on the dates noted as "Reset Dates" as set forth in the Confirmation dated _____, 2003, executed by and between Bank and Borrower. Borrower acknowledges that these Reset Dates are dates which are not Saturdays, Sundays or holidays for banks generally in the United States or United Kingdom.

4. SWAP Payment Amount. Borrower acknowledges that under the terms of the Master Agreement, Borrower is paying to Bank on a periodic basis the payments specified under and calculated in accordance with the terms of the Master Agreement (the "Swap Payment Amount"). Borrower hereby

RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

Page 3

5464 000739.

agrees and acknowledges that if Borrower makes payments on the Note on any date, or in any principal amount, different than the dates and principal amounts set forth on the Schedule, there may be discrepancies in the amount of borrower's payment on the Note which is attributable to interest and the Swap Payment Amount for the corresponding period.

5. Amortization. The Note shall amortize in accordance with the Schedule unless and until amended in a writing executed by both Borrower and Bank.

6. Cross Default. Borrower hereby agrees that the occurrence of an Event of Default under the Master Agreement shall constitute an Event of Default under the Note, the Deed of Trust, and all other Loan Documents modified hereby, and Bank shall thereafter have all rights and remedies following the occurrence of an Event of Default under the Master Agreement, the Note, the Deed of Trust, and all other Loan Documents.

7. Obligations. The term "Obligations" as that term is defined in the Master Agreement, shall include and be a part of the "Obligations" as defined herein and in the Deed of Trust.

8. Re-conveyance; Successor Trustee; Cross Collateralization. Bank hereby appoints James Mustin as substitute Trustee under the Deed of Trust, pursuant to Section 10.4 of the Deed of Trust, and Borrower hereby acknowledges such appointment. Accordingly, James Mustin shall succeed to all the estates, rights, powers and duties of the original Trustee under the Deed of Trust, Eugene F. Weimer. Borrower hereby conveys and/or re-conveys and grants and/or re-grants, as applicable, to James Mustin, as Trustee, the Mortgaged Property subject to the Loan Documents and securing the Obligations, the same being more specifically described on Exhibit "A", attached hereto and incorporated herein for all purposes, and all improvements located thereon, all of which shall be deemed to be a part of the Mortgaged Property for all purposes. Borrower agrees that the Mortgaged Property shall be security for the payment and performance of all of Borrower's obligations under the Master Agreement, and that the grant of the security interest in the Deed of Trust is intended to be the grant of a security interest in the Mortgaged Property to secure all of the Obligations, including the obligations of Borrower under the Master Agreement.

9. Recordation. Borrower agrees to cause this Modification to be recorded in the Real Property Records of Dallas County, Texas and to have the Stewart Title North Texas ("Title Company"), issue a modification endorsement to Bank's mortgagee policy of title insurance (or a new mortgagee policy of title insurance, if necessary) in form and content satisfactory to Bank (whether an endorsement or a policy, the "Policy"), insuring Bank's first lien position against the Mortgaged Property.

10. Renewal; Miscellaneous. Borrower hereby renews, but does not extinguish, the Note, Loan, the Obligations and the liens and security interests created and evidenced by the Deed of Trust and all other liens and security interests securing the Note (including, without limitation, any vendor's lien), and Borrower promises to pay to the order of Bank, the principal sum of the Loan evidenced by the Note (including, without limitation, the New Principal Amount pursuant to the terms set forth in this Modification above), or so much thereof as may be advanced and outstanding, together with interest at the rate and in the manner specified in the Note, as modified herein, and to observe, comply with and perform each and every of the terms and provisions of the Loan Documents as herein modified. Borrower hereby extends and reaffirms the liens on the Mortgaged Property and any other liens securing the Note and/or Loan until the Obligations and the Note and Loan as modified, renewed and extended hereby has been fully paid, and agrees that the extension, rearrangement and modification set forth herein shall in no manner affect or impair the Note, Loan, or the liens securing the same, and that said liens shall not in any manner be waived, the purpose of this instrument being simply to extend, rearrange and modify the time or manner of payment of the indebtedness evidenced

RENEWAL, EXTENSION AND MODIFICATION AGREEMENT

Page 4

5464 000740

by the Note, to modify the Note, Deed of Trust, and other Loan Documents, and to carry forward all liens securing the same, which are acknowledged by Borrower to be valid and subsisting. Borrower further agrees that all terms and provisions of the Note and of the instrument or instruments creating or fixing the liens securing the same (including, without limitation, the Deed of Trust) shall be and remain in full force and effect as therein written, except as otherwise expressly provided herein. All liens are hereby carried forward from the original inception thereof, and Borrower hereby ratifies, reaffirms and confirms all of said liens from the original inception thereof. Except as otherwise specified herein, the terms and provisions hereof shall in no manner impair, limit, restrict, or otherwise affect the obligations of Borrower under the Loan Documents. As a material inducement to Bank to execute and deliver this Modification, Borrower hereby acknowledges and agrees that Borrower is well and truly indebted to Bank in the amount set forth hereinabove, and that the liens, security interests and assignments created by the Deed of Trust and any other Loan Documents are, respectively, valid and subsisting liens, security interests, and assignments, and are of the validity and priority recited in the Deed of Trust and the other Loan Documents. As a further material inducement to Bank to execute and deliver this Modification, Borrower hereby acknowledges that there are no claims or offsets against, or defenses or counterclaims to, the terms or provisions or other obligations created or evidenced by the Loan Documents, and represent that, after modification of the Note, Deed of Trust, and other Loan Documents hereunder, no event has occurred, and no condition exists which would constitute a default, either with or without notice or lapse of time, or both, under the Loan Documents.

11. Release. Borrower, for it and its heirs, successors, assigns, and representatives does hereby waive, release, and discharge Bank and its agents, employees, officers, directors, and attorneys (collectively, the "Released Parties") from any and all of Bank's duties, obligations, and liabilities arising under, based upon or associated with, directly or indirectly, the Loan, the Note, Deed of Trust, and any Loan Documents, existing as of the date of this Modification, and further does hereby waive any and all claims and causes of action of any kind or character, arising under, based upon, or associated with, directly or indirectly, the Loan Documents or the acts, actions, or omissions of the Released Parties in connection therewith, existing as of the date hereof, whether known or unknown, asserted or unasserted, equitable or at law, arising under or pursuant to common or statutory law, rules, or regulations.

12. Ratification. Borrower hereby ratifies, reaffirms and confirms any and all covenants, agreements, or promises heretofore made by Borrower to Bank in connection with the Loan, Note, Deed of Trust, or other Loan Documents, and all renewals thereof. Except as amended hereby, the Note, Deed of Trust, and other Loan Documents remain unmodified and in full force and effect.

13. Costs and Expenses. Borrower agrees, simultaneously with and as a condition precedent to the execution hereof, to pay all costs and expenses of Bank incurred in connection with the preparation and administration of this Modification, including, the cost of the Policy and other recording fees and charges of the Title Company, and Bank's attorneys' fees and expenses.

14. No Release or Discharge. It is hereby agreed and acknowledged that other parties, if any, who are liable in any part for the Obligations, but who are not hereby executing this Modification, are in no way released or discharged from such Obligations, nor are Bank's rights against such persons or entities waived or negatively impacted by the execution of this Modification.

15. Usury Savings Provisions. The parties agree that all clauses contained in the Loan Documents which relate to the payment, application, and spreading of interest received by Bank which may be greater than the maximum amount allowed by applicable law, shall remain in full force and effect and by

5464 000741

this reference be fully incorporated herein.

16. Severability. If any provision of this Modification or application to any party or circumstance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Modification or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

17. Final Agreement. THE LOAN, NOTE, DEED OF TRUST, AND OTHER WRITTEN LOAN DOCUMENTS, AS MODIFIED BY THIS MODIFICATION, REPRESENT THE FINAL AGREEMENT BETWEEN BORROWER AND BANK, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN BORROWER AND BANK.

[remainder of page intentionally left blank]

5464 000742

EXECUTED to be effective as of the date first above written.

BORROWER:

JB&C-DICKERSON, L.P.,
a Texas limited partnership

By: JB&C-Dickerson Management, LLC,
a Texas limited liability company,
its General Partner

By: John W. Bass
John W. Bass, Manager

By: John C. Caruth
John C. Caruth, Manager

BANK:

COMPASS BANK

By: Brian Johnson
Name: BRIAN JOHNSON
Title: VICE PRESIDENT

[remainder of page intentionally left blank]

5464 000743

Guarantor is executing below to evidence (a) its consent to this Modification and (b) its agreement that (i) this Modification does not void, invalidate, create a defense to the enforcement of, or otherwise negatively impact the Guaranty and (ii) the Guaranty shall continue in full force and effect and cover all of the Obligations.

GUARANTOR:

J.B. & C. INVESTMENTS, INC.,
a Texas corporation

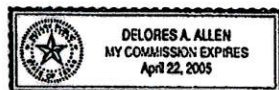
By: John W. Bass
Name: John Bass
Title: MANAGER

John W. Bass
John W. Bass, Individually

John C. Caruth
John C. Caruth, Individually

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this the 30th day of June, 2003, by John W. Bass, Manager of JB&C-Dickerson Management, LLC, a Texas limited liability company, in its capacity as General Partner of JB&C-DICKERSON, L.P., a Texas limited partnership, on behalf of said limited liability company and limited partnership.



Delores A. Allen
Notary Public in and for the State of Texas

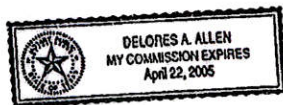
[remainder of page intentionally left blank]

5464 000744

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this the 30th day of June, 2003, by John C. Caruth, Manager of JB&C-Dickerson Management, LLC, a Texas limited liability company, in its capacity as General Partner of JB&C-DICKERSON, L.P., a Texas limited partnership, on behalf of said limited liability company and limited partnership.

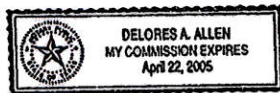


Delores A. Allen
Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF Dallas

This instrument was acknowledged before me on this the 30th day of June, 2003, by Brian Johnson, Vice President of COMPASS BANK, on behalf of said bank.

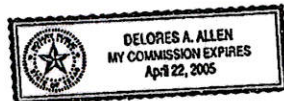


Delores A. Allen
Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this the 30th day of June, 2003, by John Bass, Manager of JB&C-Investments, Inc., a Texas corporation, on behalf of said corporation.



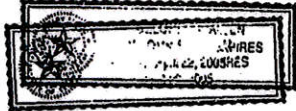
Delores A. Allen
Notary Public in and for the State of Texas

[remainder of page intentionally left blank]

'5464 000745

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

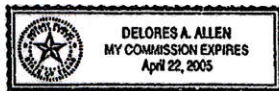
The foregoing instrument was acknowledged before me this the 30th day of June, 2003, by John W. Bass, individually.



Delores A. Allen
Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this the 30th day of June, 2003, by John C. Caruth, individually.



Delores A. Allen
Notary Public in and for the State of Texas

AFTER RECORDING RETURN TO:

Compass Bank
P.O. Box 650561
Dallas, Texas 75265-0561

5464 000746

EXHIBIT A

Legal Description

Lot 3, in Block 11/8725 of MORSE ADDITION, an addition to the City of Dallas, Collin County, Texas, according to the Map or Plat thereof recorded in Volume K, Page 38, Plat Records, Collin County, Texas.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me, and was duly RECORDED, in the Official Public Records of Real Property of Collin County, Texas on

JUL 22 2003

Brenda Taylor



**Filed for Record in:
Collin County, McKinney TX
Honorable Brenda Taylor
Collin County Clerk**

**On Jul 22 2003
At 9:59am**

Doc/Num : 2003- 0139083

**Recording/Type:MO 29.00
Receipt #: 28469**

WHEN RECORDED RETURN TO:

**Craig Anderson
Thompson & Knight L.L.P.
1700 Pacific Avenue, Suite 3300
Dallas, Texas 75201**



20061115001631020 11/15/2006 10:51:07 AM DT 1/41

**DEED OF TRUST, MORTGAGE AND
SECURITY AGREEMENT**

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

KNOW ALL MEN BY THESE PRESENTS:

THAT, JB&C – Dickerson, L.P., a Texas limited partnership hereinafter called “Grantor”, whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) to Grantor in hand paid by Craig Anderson, Trustee, of Dallas County, Texas (hereinafter called the “Trustee”), in order to secure the payment of the indebtedness hereinafter referred to and the performance of the obligations, covenants, agreements and undertakings of Grantor hereinafter described, does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN and SET OVER to the Trustee the real estate situated in the County of Dallas and State of Texas described in Exhibit A attached hereto and made a part hereof, together with (i) all the buildings and other improvements now on or hereafter located thereon; (ii) all materials, equipment, fixtures or other property whatsoever now or hereafter attached or affixed to or installed in said buildings and other improvements, including, but not limited to, all heating, plumbing, lighting, water heating, cooking, laundry, refrigerating, incinerating, ventilating and air conditioning equipment, disposals, dishwashers, refrigerators and ranges, recreational equipment and apparatus, utility lines and equipment (whether owned individually or jointly with others), sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, engines, machines, elevators, motors, cabinets, shades, blinds, partitions, window screens, screen doors, storm windows, awnings, drapes, and rugs and other floor coverings, and all fixtures, accessions and appurtenances thereto, and all renewals or replacements of or substitutions for any of the foregoing, all of which materials, equipment, fixtures and other property are hereby declared to be permanent fixtures and accessions to the freehold and part of the realty conveyed herein as security for the indebtedness herein mentioned; (iii) all easements and rights of way now and at any time hereafter used in connection with any of the foregoing property or as a means of ingress to or egress from said property or for utilities to said property; (iv) all interests of Grantor in and to any streets, ways, alleys and/or strips of land adjoining said land or any part thereof; and (v) all rights, estates, powers and privileges appurtenant or incident to the foregoing.

TO HAVE AND TO HOLD the foregoing property (herein called the “Mortgaged Property”) unto the Trustee and his successors or substitutes in this trust and to his or their

511182.000002 DALLAS DALLAS_2087531_1
TEXAS

successors and assigns, IN TRUST, however, upon the terms, provisions and conditions herein set forth.

In order to secure the payment of the indebtedness hereinafter referred to and the performance of the obligations, covenants, agreements and undertakings of Grantor hereinafter described, Grantor hereby grants to the Noteholder (as hereinafter defined) a security interest in all goods, equipment, furnishings, fixtures, furniture, chattels and personal property of whatever nature owned by Grantor now or hereafter located or used in and about the building or buildings or other improvements now erected or hereafter to be erected on the lands described in Exhibit A attached hereto and made a part hereof, or otherwise located on said lands, and all fixtures, accessions and appurtenances thereto, and all renewals or replacements of or substitutions for any of the foregoing, all building materials and equipment now or hereafter delivered to said premises and intended to be installed therein, Grantor's interest in any impound accounts (including without limitation amounts deposited with Beneficiary for the payment of taxes and insurance as provided in Section 2.2(n) hereof), all security deposits (whether cash, one or more letters of credit, bonds or other form of security) and advance rentals under lease agreements now or at any time hereafter covering or affecting any of the Property (as hereinafter defined) and held by or for the benefit of Grantor, all monetary deposits which Grantor has been required to give to any public or private utility with respect to utility services furnished to the Property, all rents and other amounts from and under leases of all or any part of the Property, all issues, profits and proceeds from all or any part of the Property, all proceeds (including premium refunds) of each policy of insurance relating to the Property, all proceeds from the taking of the Property or any part thereof or any interest therein or right or estate appurtenant thereto by eminent domain or by purchase in lieu thereof, all amounts deposited in escrow for the payment of ad valorem taxes, assessments and charges and/or premiums for policies of insurance with respect to the Property, all contracts related to the Property, all money, funds, accounts, instruments, documents, general intangibles (including trademarks, trade names and symbols used in connection therewith), all notes or chattel paper arising from or related to the Property, all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, all plans, specifications, maps, surveys, reports, architectural, engineering and construction contracts, books of account, insurance policies and other documents, of whatever kind or character, relating to the use, construction upon, occupancy, leasing, sale or operation of the Property, all proceeds and other amounts paid or owing to Grantor under or pursuant to any and all contracts and bonds relating to the construction, erection or renovation of the Property, all oil, gas and other hydrocarbons and other minerals produced from or allocated to the Property and all products processed or obtained therefrom, the proceeds thereof, and all accounts and general intangibles under which such proceeds may arise, together with any sums of money that may now or at any time hereafter become due and payable to Grantor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals and any other amount of any kind or character arising under any and all present and future oil, gas and mining leases covering the Property or any part thereof (all of the property described in this section hereinafter collectively called the "Collateral") and all proceeds of the Collateral. (The Mortgaged Property and the Collateral are herein sometimes collectively called the "Property".)

ARTICLE I.

Secured Indebtedness

1.1 Secured Indebtedness. This Deed of Trust, Mortgage and Security Agreement (hereinafter called this "Deed of Trust") is made to secure and enforce the payment of the following note, obligations, indebtedness and liabilities: (a) one certain promissory note of even date herewith in the principal amount of \$1,862,247.68, made by Grantor, and payable to the order of JOHN CARUTH IRREVOCABLE TRUST, with interest at the rate or rates therein provided, both principal and interest being payable as therein provided and all amounts remaining unpaid thereon being finally due and payable as provided therein, and containing a provision for the payment of a reasonable additional amount as attorney's fees, and all other notes given in substitution therefor or in modification, increase, renewal or extension thereof, in whole or in part, such note and all other notes given in substitution therefor or in modification, increase, renewal or extension thereof, in whole or in part, being hereinafter called the "Note", and said payee and all subsequent holders of the Note or any part thereof or any interest therein or any of the "secured indebtedness" (as hereinafter defined) being hereinafter called the "Noteholder"; and (b) all loans and future advances made by the Noteholder to Grantor and all other debts, obligations and liabilities of every kind and character of Grantor now or hereafter existing in favor of the Noteholder (including all indebtedness incurred or arising pursuant to the provisions of this Deed of Trust or any loan agreement relating to the above described indebtedness or any other instrument now or hereafter evidencing, governing or securing the above described indebtedness or any part thereof) whether such debts, obligations or liabilities be direct or indirect, primary or secondary, joint or several, fixed or contingent, and whether originally payable to the Noteholder or to a third party and subsequently acquired by the Noteholder and whether such debts, obligations and liabilities are evidenced by note, open account, overdraft, endorsement, surety agreement, guaranty or otherwise, it being contemplated that Grantor may hereafter become indebted to the Noteholder in further sum or sums. The indebtedness referred to in this Section is hereinafter sometimes called the "secured indebtedness" or the "indebtedness secured hereby."

ARTICLE II.

Representations, Warranties and Covenants

2.1 Representations, Warranties and Covenants. Grantor represents, warrants and covenants to and with the Noteholder as follows:

(a) Financial Matters. Grantor is solvent, is not bankrupt and has no outstanding liens, suits, garnishments, bankruptcies or court actions which could render Grantor insolvent or bankrupt. There has not been filed by or against Grantor a petition in bankruptcy or a petition or answer seeking an assignment for the benefit of creditors, the appointment of a receiver, trustee, custodian or liquidator with respect to Grantor or any substantial portion of Grantor's property, reorganization, arrangement, rearrangement, composition, extension, liquidation or dissolution or similar relief under the Federal Bankruptcy Code or any state law. All reports, statements and other data furnished by Grantor to the Noteholder in connection with the loan evidenced by the Note

are true and correct in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading. No material adverse change has occurred since the dates of such reports, statements and other data in the financial condition of Grantor or of any tenant under leases described in such reports, statements and other data. For the purposes of this section, Grantor shall also include any surety(ies) and any joint venturer or general partner of Grantor.

(b) Title and Authority. Grantor is the lawful owner of good and marketable title to the Property and has good right and authority to grant, bargain, sell, convey, transfer, assign and mortgage the Mortgaged Property and to grant a security interest in the Collateral. Grantor does not do business with respect to the Property under any trade name.

(c) Permitted Encumbrances. The Property is free and clear from all liens, security interests and encumbrances except the lien and security interest evidenced hereby and the encumbrances approved by Noteholder (hereinafter called the "Permitted Encumbrances"). There are no mechanic's or materialmen's liens, lienable bills or other claims constituting or that may constitute a lien on the Property, or any part thereof.

(d) No Financing Statement. There is no financing statement covering all or any part of the Property or its proceeds on file in any public office.

(e) Location of Collateral. All tangible Collateral is located on the property described in Exhibit A attached hereto and made a part hereof.

(f) No Homestead. No portion of the Property is being used as Grantor's business or residential homestead.

(g) No Default or Violation. The execution, delivery and performance of this Deed of Trust, the Note and all other Loan Documents do not contravene, result in a breach of or constitute a default under any mortgage, deed of trust, lease, promissory note, loan agreement or other contract or agreement to which Grantor is a party or by which Grantor or any of its properties may be bound or affected and do not violate or contravene any law, order, decree, rule or regulation to which Grantor is subject.

(h) Compliance with Covenants and Laws. The Property and the intended use thereof by Grantor comply with all applicable restrictive covenants, zoning ordinances and building codes, flood disaster laws, applicable health, safety and environmental laws and regulations, laws relating to the disabled (including but not limited to The Americans with Disabilities Act of 1990, 42 U.S.C. §§12101 et seq. and regulations thereunder [hereinafter called the "ADA"] and/or the Fair Housing Amendments Act of 1988, 42 U.S.C. §§3601 et seq., and regulations thereunder [hereinafter called the "FHAA"]) and all other applicable laws, statutes, ordinances, rules, regulations, orders, determinations and court decisions (all of the foregoing hereinafter sometimes collectively called "Applicable Laws") without reliance upon grandfather provisions or adjacent or other properties. Grantor or Grantor's tenants have obtained all requisite zoning, utility,

building, health and operating permits from the governmental authority or municipality having jurisdiction over the Property.

(i) Environmental. Without limitation of the foregoing, to the best knowledge of Grantor after due and diligent inquiry, no asbestos, material containing asbestos which is or may become friable or material containing asbestos deemed hazardous by Applicable Laws has been installed in the Property and the Property and Grantor are not in violation of or subject to any existing, pending or, to the best knowledge of Grantor, threatened investigation or inquiry by any governmental authority or to any remedial obligations under any Applicable Laws pertaining to health, safety or the environment (such Applicable Laws as they now exist or are hereafter enacted and/or amended hereinafter sometimes collectively called "Applicable Environmental Laws"), including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (hereinafter called "CERCLA") and the Resource Conservation and Recovery Act of 1976, as amended (hereinafter called "RCRA"), and this representation would continue to be true and correct following disclosure to the applicable governmental authorities of all relevant facts, conditions and circumstances, if any, pertaining to the Property and Grantor. Grantor has not obtained and is not required to obtain any permits, licenses or similar authorizations to construct, occupy, operate or use any buildings, improvements, fixtures and equipment forming a part of the Property by reason of any Applicable Environmental Laws. Grantor undertook, at the time of acquisition of the Property, all appropriate inquiry into the previous ownership and uses of the Property consistent with good commercial or customary practice. Grantor has taken all steps necessary to determine and has determined that no hazardous substances or solid wastes have been disposed of or otherwise released on or to the Property. The use which Grantor makes and intends to make of the Property will not result in the disposal or other release of any hazardous substance or solid waste on or to the Property. As used in this Deed of Trust, the term "release" shall have the meaning specified in CERCLA, the terms "solid waste" and "disposal" (or "disposed") shall have the meanings specified in RCRA, and the term "hazardous substance" shall mean (i) any "hazardous substance" as defined in CERCLA and regulations promulgated thereunder, (ii) any "hazardous waste" as defined in RCRA and regulations promulgated thereunder, (iii) any petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under the definition of hazardous substance in CERCLA as well as natural gas, natural gas liquids, liquified natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), and other petroleum products and by-products (iv) formaldehyde, urea, polychlorinated biphenyls, radon, and "source", "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 et seq., (v) any material defined as hazardous or toxic under any statute or regulation of the State of Texas or any agency thereof and (vi) any other material or substance which is toxic, ignitable, reactive or corrosive and which is regulated by any Applicable Environmental Law; provided, (i) all such terms shall be deemed to include all similar terms used in any Applicable Environmental Laws or regulations thereunder (including by way of example, but not limitation, pollutant, contaminant, toxic substance, discharge and migration), and (ii) to the extent that any Applicable Environmental Laws or regulations thereunder are amended so as to broaden the meaning, or otherwise

establish a meaning, for "hazardous substance," "release," "solid waste," or "disposal" (or "disposed"), or any similar terms, which is broader than that specified above, such broader meaning shall apply.

(j) No Suits. There are no judicial or administrative actions, suits or proceedings pending or, to the best of Grantor's knowledge, threatened against or affecting Grantor, any other person liable, directly or indirectly, for the secured indebtedness, or the Property or involving the validity, enforceability or priority of any of the Loan Documents.

(k) Condition of Property. The Property is served by electric, gas, storm and sanitary sewers, sanitary water supply, telephone and other utilities required for the use thereof as represented by Grantor at or within the boundary lines of the Property. All streets, alleys and easements necessary to serve the Property for the use represented by Grantor have been completed and are serviceable and such streets have been dedicated and accepted by applicable governmental entities. None of the Property is within a flood plain except as indicated on a survey of the Property delivered to the Noteholder.

(l) Organization. Grantor, if a limited partnership, is duly organized under the Texas Revised Limited Partnership Act or if organized under the laws of a state other than Texas, is qualified under the Texas Revised Limited Partnership Act. Grantor has all requisite power and all governmental certificates of authority, licenses, permits, qualifications and other documentation to own, lease and operate its properties and to carry on its business as now conducted and as contemplated to be conducted.

(m) Enforceability. The Note, this Deed of Trust and all other instruments securing the payment of the Note constitute the legal, valid and binding obligations of Grantor enforceable in accordance with their terms. The execution and delivery of, and performance under, the Note, this Deed of Trust and all other instruments securing the payment of the Note are within Grantor's powers and have been duly authorized by all requisite action and are not in contravention of the powers of Grantor's charter, by-laws or other corporate papers if Grantor is a corporation, or of Grantor's partnership or joint venture agreement if Grantor is a partnership or joint venture, or of Grantor's limited partnership agreement if Grantor is a limited partnership.

(n) Not a Foreign Person. Grantor is not a "foreign person" within the meaning of the Internal Revenue Code of 1986, as amended (hereinafter called the "Code"), Sections 1445 and 7701 (i.e. Grantor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and regulations promulgated thereunder).

(o) Warranty. Grantor will warrant and forever defend the title to the Property against the claims of all persons whomsoever lawfully claiming or to claim the same or any part thereof, subject to the Permitted Encumbrances.

(p) Wage Claims. No wage claim is currently pending with the Texas Workforce Commission (the "Commission") against Grantor pursuant to Section 61 of

the Texas Labor Code and no lien exists against the Property pursuant to Section 61 of the Texas Labor Code.

2.2 Covenants and Agreements. So long as the secured indebtedness or any part thereof remains unpaid, Grantor covenants and agrees with the Noteholder as follows:

(a) Payment. Grantor will make prompt payment, as the same becomes due, of the Note and of all installments of principal and interest thereon and of all other secured indebtedness.

(b) Existence. Grantor will continuously maintain its existence and its right to do business in the State of Texas together with its franchises and trade names.

(c) Taxes on Note and Other Taxes. Grantor will promptly pay all income, franchise and other taxes owing by Grantor and any stamp taxes which may be required to be paid with respect to the Note, this Deed of Trust or any other instrument evidencing or securing any of the secured indebtedness.

(d) Operation of Property. Grantor will operate the Property in a good and workmanlike manner and in accordance with all Applicable Laws and will pay all fees or charges of any kind in connection therewith. Grantor will keep the Property occupied so as not to impair the insurance carried thereon. Grantor will not use or occupy, or allow the use or occupancy of, the Property in any manner which violates any Applicable Law or which constitutes a public or private nuisance or which makes void, voidable or cancelable, or increases the premium of, any insurance then in force with respect thereto. Grantor will comply with and use reasonable efforts to cause all occupants of the Property to comply with the ADA and/or the FHAA and shall provide the Noteholder with copies of all plans for compliance with the ADA and/or the FHAA and all surveys relating to such compliance now in Grantor's possession or obtained by Grantor during the term of the loan evidenced by the Note. Grantor will not initiate or permit any zoning reclassification of the Property or seek any variance under existing zoning ordinances applicable to the Property or use or permit the use of the Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other Applicable Laws. Grantor will not impose any restrictive covenants or encumbrances upon the Property, execute or file any subdivision plat affecting the Property or consent to the annexation of the Property to any municipality, without the prior written consent of the Noteholder. Grantor shall not operate the Property, or permit the Property to be operated, as a cooperative or condominium building or buildings in which the tenants or occupants participate in the ownership, control or management of the Property or any part thereof, as tenant stockholders or otherwise. Grantor shall not cause or permit any drilling or exploration for, or extraction, removal or production of, minerals from the surface or subsurface of the Property. Grantor will not do or suffer to be done any act whereby the value of any part of the Property may be lessened. Noteholder or its authorized representatives, including but not limited to third party appraisers, environmental engineers, employees of the Noteholder, architects and engineers, shall have the right to inspect and conduct testing on the Property at any time and Grantor will assist the Noteholder and/or said representatives in whatever way

necessary to make such inspections and/or testing. If Grantor receives a notice or claim from any federal, state or other governmental entity pertaining to the Property, including specifically but without limitation a notice that the Property is not in compliance with any Applicable Law, Grantor will promptly furnish a copy of such notice or claim to the Noteholder.

(e) Debts for Construction. Grantor will cause all debts and liabilities of any character, including without limitation all debts and liabilities for labor, material and equipment and all debts and charges for utilities servicing the Property, incurred in the construction, maintenance, operation and development of the Property to be promptly paid, except for those being contested in accordance with the applicable provisions of the Loan Agreement.

(f) Ad Valorem Taxes. Grantor will cause to be paid prior to delinquency all taxes and assessments heretofore or hereafter levied or assessed against the Property, or any part thereof, or against the Trustee or the Noteholder for or on account of the Note or the other indebtedness secured hereby or the interest created by this Deed of Trust and will furnish the Noteholder with receipts showing payment of such taxes and assessments at least ten (10) days prior to the applicable default date therefor; except that Grantor may in good faith, by appropriate proceedings, contest the validity, applicability, or amount of any asserted tax or assessment, and pending such contest Grantor shall not be deemed in default hereunder if (i) prior to delinquency of the asserted tax or assessment Grantor establishes an escrow acceptable to the Noteholder adequate to cover the payment of such tax or assessment with interest, costs and penalties and a reasonable additional sum to cover possible costs, interest and penalties (which escrow shall be returned to Grantor upon payment of all such taxes, assessments, interest, costs and penalties); (ii) Grantor pays to the Noteholder promptly after demand therefor all costs and expenses incurred by the Noteholder in connection with such contest; and (iii) Grantor promptly causes to be paid any amount adjudged by a court of competent jurisdiction to be due, with all costs, penalties and interest thereon, promptly after such judgment becomes final; provided, however, that in any event each such contest shall be concluded and the tax, assessment, penalties, interest and costs shall be paid prior to the date any writ or order is issued under which the Property may be sold.

(g) Repair and Maintenance. Grantor will keep the Property in good order, repair, condition and appearance, causing all necessary structural and non-structural repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Property to be misused, abused or wasted or to deteriorate. Grantor will promptly replace all worn-out or obsolete fixtures or personal property covered by this Deed of Trust with fixtures or personal property comparable to the replaced fixtures or personal property when new, and will repaint the Property when needed. Notwithstanding the foregoing, Grantor will not, without the prior written consent of the Noteholder, (i) erect any new buildings, structures or other improvements on the Property; (ii) remove from the Property any fixtures or personal property covered by this Deed of Trust except such as is replaced by Grantor by an article of equal suitability and value, owned by Grantor, free and clear of any lien or security interest (except that created by this Deed of Trust), (iii) make any structural or material alteration

to the Property or any other alteration thereto which impairs the value thereof or (iv) make any alteration to the Property involving an estimated expenditure exceeding \$10,000 except pursuant to plans and specifications approved in writing by the Noteholder. Upon request of the Noteholder, Grantor will deliver to the Noteholder an inventory describing and showing the make, model, serial number and location of all fixtures and personal property used in the management, maintenance and operation of the Property with a certification by Grantor that said inventory is a true and complete schedule of all such fixtures and personal property used in the management, maintenance and operation of the Property, that such items specified in the inventory constitute all of the fixtures and personal property required in the management, maintenance and operation of the Property, and that all such items are owned by Grantor free and clear of any lien or security interest (except that created by this Deed of Trust).

(h) Insurance and Casualty. Grantor will keep the Property insured against loss or damage by fire, explosion, windstorm, hail, flood (if the Property shall at any time be located in an identified "flood prone area" in which flood insurance has been made available pursuant to the Flood Disaster Protection Act of 1973), tornado and such other hazards as may be required by the Noteholder (including war damage if available under sponsorship of the United States Government when war is threatened or declared) by policies of fire, extended coverage and other insurance in such company or companies, in such amounts, upon such terms and provisions, and with such endorsements, all as may be acceptable to Noteholder. Grantor will also provide such other insurance as the Noteholder may from time to time require, in such companies, upon such terms and provisions, in such amounts, and with such endorsements, all as are approved by the Noteholder. Grantor further agrees that Grantor will deliver to the Noteholder certified copies of the original policies evidencing such insurance and any additional insurance which shall be taken out upon any part of the Property and receipts evidencing the payment of all premiums, and will deliver certificates evidencing renewals of all such policies of insurance to the Noteholder at least fifteen (15) days before any such insurance shall expire. Without limiting the discretion of the Noteholder with respect to required endorsements to insurance policies, Grantor further agrees that all such policies shall provide that proceeds thereunder will be payable to the Noteholder as its interest may appear pursuant and subject to a mortgagee clause (without contribution) of standard form attached to or otherwise made a part of the applicable policy. In the event of foreclosure of this Deed of Trust, or other transfer of title to the Property in extinguishment in whole or in part of the secured indebtedness, all right, title and interest of the Grantor in and to such policies then in force concerning the Property and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or the Noteholder or other transferee in the event of such other transfer of title. In the event any of the Property covered by such insurance is destroyed or damaged by fire, explosion, windstorm, hail or by any other casualty against which insurance shall have been required hereunder, (i) the Noteholder may, but shall not be obligated to, make proof of loss if not made promptly by Grantor, (ii) each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Noteholder instead of to Grantor, and (iii) the Noteholder shall apply the insurance proceeds as follows:

(i) first, to reimburse the Noteholder or the Trustee for all costs and expenses, including reasonable attorney's fees, incurred in connection with the collection of such proceeds; and

(ii) second, if either (a) the Property is so demolished, destroyed or damaged that, in the judgment of the Noteholder, it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time, or (b) a default shall have occurred hereunder or there shall have occurred an event or circumstance which with the passage of time or the giving of notice, or both, would constitute a default, then in either such event, the remainder of said proceeds shall be applied to the payment (without premium or penalty) of the secured indebtedness, either in whole or in part, in the order determined by the Noteholder in its sole discretion; and

(iii) third, if neither of the facts described in (a) or (b) of subsection (ii) above exists (or if the Noteholder waives the matters described in (b) of subsection (ii)), the remainder of such proceeds shall be applied to the repair, restoration or replacement of the Property so destroyed or damaged and any amounts not so applied shall be applied to the payment (without premium or penalty) of the secured indebtedness in the order determined by the Noteholder in its sole discretion, provided that, any insurance proceeds held by the Noteholder to be applied to the repair, restoration or replacement of the Property as provided above shall be so held without payment or allowance of interest thereon and shall be paid out from time to time upon compliance by Grantor with such terms, conditions and requirements as may be imposed by the Noteholder.

Notwithstanding the foregoing, the Noteholder shall have the option to apply any such insurance proceeds, in whole or in part, to the repair, restoration or replacement of the Property rather than applying such proceeds to the payment of the secured indebtedness, without regard to the extent of the damage to the Property or the existence of a default hereunder. In any event, the unpaid portion of the secured indebtedness shall remain in full force and effect and Grantor shall not be excused in the payment thereof. If any act or occurrence of any kind or nature (including any casualty on which insurance was not obtained or obtainable) shall result in damage to or loss or destruction of the Property, Grantor shall give immediate notice thereof by mail to the Noteholder and, unless otherwise so instructed by the Noteholder, shall promptly, at Grantor's sole cost and expense and regardless of whether the insurance proceeds, if any, shall be sufficient for the purpose, restore, repair, replace and rebuild the Property as nearly as possible to its value, condition and character immediately prior to such damage, loss or destruction in accordance with plans and specifications submitted to and approved by the Noteholder.

TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION
INSURANCE NOTICE: (A) GRANTOR IS REQUIRED TO: (I) KEEP THE
PROPERTY INSURED AGAINST DAMAGE IN THE AMOUNT THE
NOTEHOLDER SPECIFIES; (II) PURCHASE THE INSURANCE FROM AN
INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF
TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER; AND (III) NAME THE

NOTEHOLDER AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS; (B) GRANTOR MUST, IF REQUIRED BY THE NOTEHOLDER, DELIVER TO THE NOTEHOLDER A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) IF GRANTOR FAILS TO MEET ANY REQUIREMENT LISTED IN PARAGRAPH (A) OR (B), THE NOTEHOLDER MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTOR AT GRANTOR'S EXPENSE.

(i) Condemnation. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, or any other proceedings arising out of injury or damage to the Property, or any portion thereof, Grantor will notify the Noteholder of the pendency of such proceedings. The Noteholder may participate in any such proceedings, and Grantor shall from time to time deliver to the Noteholder all instruments requested by it to permit such participation. Grantor shall, at its expense, diligently prosecute any such proceedings, and shall consult with the Noteholder, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Property and all judgments, decrees and awards for injury or damage to the Property shall be paid to the Noteholder and shall be applied as follows:

(i) first, to reimburse the Noteholder or the Trustee for all costs and expenses, including reasonable attorney's fees, incurred in connection with collection of such proceeds; and

(ii) second, if (a) all of the Property is taken, or (b) so much of the Property is taken, or the Property is so diminished in value that the remainder thereof cannot, in the judgment of the Noteholder, continue to be operated profitably for the purpose for which it was being used immediately prior to such taking or diminution, or (c) a default shall have occurred hereunder or there shall have occurred an event or circumstance which with the passage of time or the giving of notice, or both, would constitute a default, or (d) the Property is partially taken or diminished in value and, in the judgment of the Noteholder, need not be rebuilt, restored or repaired in any manner, then in any such event, the remainder of said proceeds shall be applied to the payment of secured indebtedness (without premium or penalty) in the order determined by the Noteholder in its sole discretion; and

(iii) third, if none of the facts described in (a) through (d) of subsection (ii) above exist (or if the Noteholder waives the matters described in (c) of subsection (ii)), the remainder of such proceeds shall be applied to the repair, restoration or replacement of the Property so affected by such condemnation, injury or damage and any amounts not thus paid over shall be applied to the secured indebtedness (without premium or penalty) in the order determined by the Noteholder in its sole discretion; provided that, any such proceeds held by the Noteholder to be applied to the repair, restoration or replacement of the Property as provided above shall be so held without payment

or allowance of interest thereon and shall be paid out from time to time upon compliance by Grantor with such terms, conditions and requirements as may be imposed by the Noteholder.

Notwithstanding the foregoing, the Noteholder shall have the option to apply any proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Property or any judgments, decrees and awards for injury or damage to the Property, in whole or in part, to the repair, restoration or replacement of the Property rather than applying such proceeds to the payment of the secured indebtedness, without regard to the extent of the taking or the damage to the Property or the existence of a default hereunder. In any event the unpaid portion of the secured indebtedness shall remain in full force and effect and Grantor shall not be excused in the payment thereof. In the event any of the foregoing proceeds are applied to the repair, restoration or replacement of the Property, Grantor shall promptly commence and complete such repair, restoration or replacement of the Property as nearly as possible to its value, condition and character immediately prior to such damage or taking in accordance with plans and specifications submitted to and approved by the Noteholder. Grantor hereby assigns and transfers all such proceeds, judgments, decrees and awards to the Noteholder and agrees to execute such further assignments of all such proceeds, judgments, decrees and awards as the Noteholder may request. The Noteholder is hereby authorized, in the name of Grantor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. The Noteholder shall not be, in any event or circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any such proceeds, judgments, decrees and/or awards.

(j) Protection and Defense of Lien. If the validity or priority of this Deed of Trust or of any rights, titles, liens or security interests created or evidenced hereby with respect to the Property or any part thereof shall be endangered or questioned or shall be attacked directly or indirectly or if any legal proceedings are instituted against Grantor with respect thereto, Grantor will give prompt written notice thereof to the Noteholder and at Grantor's own cost and expense will diligently endeavor to cure any defect that may be developed or claimed, and will take all necessary and proper steps for the defense of such legal proceedings, including but not limited to the employment of counsel, the prosecution or defense of litigation and the release or discharge of all adverse claims, and the Trustee and the Noteholder, or either of them (whether or not named as parties to legal proceedings with respect thereto) are hereby authorized and empowered to take such additional steps as in their judgment and discretion may be necessary or proper for the defense of any such legal proceedings or the protection of the validity or priority of this Deed of Trust and the rights, titles, liens and security interests created or evidenced hereby, including but not limited to the employment of counsel, the prosecution or defense of litigation, the compromise or discharge of any adverse claims made with respect to the Property, the purchase of any tax title and the removal of prior liens or security interests (including but not limited to the payment of debts as they mature or the payment in full of matured or nonmatured debts, which are secured by these prior liens or security interests), and all expenses so incurred of every kind and character shall be a demand obligation owing by Grantor and the party incurring such expenses shall be subrogated to all rights of the person receiving such payment.

(k) No Other Liens. Grantor will not, without the prior written consent of the Noteholder, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for the lien for ad valorem taxes on the Property which are not delinquent), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Deed of Trust, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the prior written consent of the Noteholder, Grantor will cause the same to be promptly discharged and released. Grantor will own all parts of the Property and will not acquire any fixtures, equipment or other property forming a part of the Property pursuant to a lease, license or similar agreement, without the prior written consent of the Noteholder.

(l) Books and Records. Grantor will keep accurate books and records in accordance with sound accounting principles in which full, true and correct entries shall be promptly made as to all operations on the Property, and will permit all such books and records (including without limitation all contracts, statements, invoices, bills and claims for labor, materials and services supplied for the construction and operation of the improvements forming a part of the Property) to be inspected and copied by the Noteholder and its duly accredited representatives at all times during reasonable business hours.

(m) Financial Statements and Reports; Rent Roll. Grantor will deliver to the Noteholder such financial information as requested by Noteholder.

(n) Escrow. In order to secure the performance and discharge of Grantor's obligations under subsections (f) and (h) of this Section 2.2, but not in lieu of such obligations, upon written demand by the Noteholder, Grantor will deposit with the Noteholder a sum equal to ad valorem taxes, assessments and charges (which charges for the purpose of this section shall include without limitation ground rents and water and sewer rents and any other recurring charge which could create or result in a lien against the Property) against the Property for the then current year and the premiums for policies of insurance covering the period for the then current year, all as estimated by the Noteholder and prorated to the end of the calendar month following the month during which such demand is made, and thereafter will deposit with the Noteholder, on each date when an installment of principal and/or interest is due on the Note, sufficient funds (as estimated from time to time by the Noteholder) to permit the Noteholder to pay, at least fifteen (15) days prior to the due date thereof, the next maturing ad valorem taxes, assessments and charges and premiums for such policies of insurance. The Noteholder shall have the right to rely upon tax information furnished by applicable taxing authorities in the payment of such taxes or assessments and shall have no obligation to make any protest of any such taxes or assessments. Any excess over the amounts required for such purposes shall be held by the Noteholder for future use, applied to any secured indebtedness or refunded to Grantor, at the Noteholder's option, and any deficiency in such funds so deposited shall be made up by Grantor upon demand of the

Noteholder. All such funds so deposited shall bear no interest whatsoever, may be mingled with the general funds of the Noteholder and shall be applied by the Noteholder toward the payment of such taxes, assessments, charges and premiums when statements therefor are presented to the Noteholder by Grantor (which statements shall be presented by Grantor to the Noteholder a reasonable time before the applicable amount is due); provided, however, that, if a default shall have occurred hereunder, such funds may at the Noteholder's option be applied to the payment of the secured indebtedness in the order determined by the Noteholder in its sole discretion, and that the Noteholder may at any time, in its discretion, apply all or any part of such funds toward the payment of any such taxes, assessments, charges or premiums which are past due, together with any penalties or late charges with respect thereto. The conveyance or transfer of Grantor's interest in the Property for any reason (including without limitation the foreclosure of a subordinate lien or security interest or a transfer by operation of law) shall constitute an assignment or transfer of Grantor's interest in and rights to such funds held by the Noteholder under this subsection (n) but subject to the rights of the Noteholder hereunder.

(o) Further Assurances. Grantor will, on request of the Noteholder, (i) promptly correct any defect, error or omission which may be discovered in the contents of this Deed of Trust or in any other instrument now or hereafter executed in connection herewith or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver and record or file such further instruments (including without limitation further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents or leases) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Deed of Trust and such other instruments and to subject to the liens and security interests hereof and thereof any property intended by the terms hereof and thereof to be covered hereby and thereby including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Property; (iii) execute, acknowledge, deliver, procure and record or file any document or instrument (including specifically any financing statement) deemed advisable by the Noteholder to protect the lien or the security interest hereunder against the rights or interests of third persons; and (iv) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts as may be necessary, desirable or proper in the reasonable determination of the Noteholder to enable the Noteholder to comply with the requirements or requests of any agency having jurisdiction over the Noteholder or any examiners of such agencies with respect to the indebtedness secured hereby, Grantor or the Property; and Grantor will pay all costs connected with any of the foregoing.

(p) Fees and Expenses; Indemnification. Grantor will pay all appraisal fees, filing and recording fees, inspection fees, survey fees, taxes, brokerage fees and commissions, abstract fees, title policy fees, uniform commercial code search fees, escrow fees, attorney's fees and all other costs and expenses of every character incurred by Grantor or the Noteholder in connection with the loan evidenced by the Note, either at the closing thereof or at any time during the term thereof, or otherwise attributable or chargeable to Grantor as owner of the Property, and will reimburse the Noteholder for all such costs and expenses incurred by it. Grantor shall pay all expenses and reimburse the Noteholder for any expenditures, including reasonable attorney's fees and legal expenses,

incurred or expended in connection with (i) the breach by Grantor of any covenant herein or in any other instrument securing the payment of the Note, (ii) the Noteholder's exercise of any of its rights and remedies hereunder or under the Note or any other instrument securing the payment of the Note or the Noteholder's protection of the Property and its lien and security interest therein, or (iii) any amendments to this Deed of Trust, the Note or any other Loan Document or any matter requested by Grantor or any approval required hereunder. Grantor will indemnify and hold harmless the Trustee and the Noteholder (for purposes of this section, the terms "the Trustee" and "the Noteholder" shall include the directors, officers, partners, employees and agents of the Trustee and the Noteholder, respectively, and any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with the Trustee and the Noteholder, respectively) from and against, and reimburse them for, all claims, demands, liabilities, losses, damages, causes of action, judgments, penalties, costs and expenses (including, without limitation, reasonable attorney's fees) which may be imposed upon, asserted against or incurred or paid by them by reason of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever or asserted against them on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Property or with this Deed of Trust, the Note or any other instrument securing the payment of the Note. **WITHOUT LIMITATION, IT IS THE INTENTION OF GRANTOR AND GRANTOR AGREES THAT THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO CLAIMS, DEMANDS, LIABILITIES, LOSSES, DAMAGES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES) WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH (AND/OR ANY OTHER) INDEMNIFIED PARTY OR ANY STRICT LIABILITY. HOWEVER, SUCH INDEMNITIES SHALL NOT APPLY TO ANY INDEMNIFIED PARTY TO THE EXTENT THE SUBJECT OF THE INDEMNIFICATION IS CAUSED BY OR ARISES OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY.** The foregoing indemnities shall not terminate upon release, foreclosure or other termination of this Deed of Trust but will survive foreclosure of this Deed of Trust or conveyance in lieu of foreclosure and the repayment of the secured indebtedness and the discharge and release of this Deed of Trust and the other documents evidencing and/or securing the secured indebtedness. Any amount to be paid under this subsection by Grantor to the Noteholder and/or the Trustee shall be a demand obligation owing by Grantor to the Noteholder and/or the Trustee and shall be subject to and governed by the provisions of Section 2.3 hereof.

(q) Liability Insurance. Grantor shall maintain Commercial General Liability insurance against claims for bodily injury or death and property damage occurring in or upon or resulting from the Property, in standard form and with such insurance company or companies as may be acceptable to the Noteholder, such insurance to afford immediate protection, to the limit of not less than \$1,000,000 in respect of any one accident or occurrence, and to the limit of not less than \$1,000,000 for property damage, with not more than \$25,000 deductible. Such Commercial General Liability insurance shall

include Blanket Contractual Liability coverage which insures contractual liability under the indemnifications of the Noteholder and the Trustee by Grantor set forth in this Deed of Trust (but such coverage or the amount thereof shall in no way limit such indemnifications). Grantor shall maintain with respect to each policy or agreement evidencing such Commercial General Liability insurance such endorsements as may be required by the Noteholder and shall at all times deliver and maintain with the Noteholder a certificate with respect to such insurance in form satisfactory to the Noteholder. Not less than fifteen (15) days prior to the expiration date of each policy of insurance required of Grantor pursuant to this subsection 2.2(q), Grantor shall deliver to the Noteholder a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to the Noteholder. In the event of a foreclosure of this Deed of Trust, the purchaser of the Property shall succeed to all the rights of Grantor, including any right to unearned premiums, in and to all policies of insurance assigned pursuant to the provisions of this subsection, and Grantor hereby authorizes the Noteholder to notify any or all insurance carriers of this assignment.

(r) Tax on Lien. In the event of the enactment after this date of any law of the State of Texas or of any other governmental entity deducting from the value of property for the purpose of taxation any lien or security interest thereon, or imposing upon the Noteholder the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Grantor, or changing in any way the laws relating to the taxation of deeds of trust or mortgages or security agreements or debts secured by deeds of trust or mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect this Deed of Trust or the indebtedness secured hereby or the Noteholder, then, and in any such event, Grantor, upon demand by the Noteholder, shall pay such taxes, assessments, charges or liens, or reimburse the Noteholder therefor; provided, however, that if in the opinion of counsel for the Noteholder (i) it might be unlawful to require Grantor to make such payment or (ii) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Noteholder may elect, by notice in writing given to Grantor, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

(s) Change of Name, Identity or Structure. Grantor will not change Grantor's name, identity (including its trade name or names) or, if not an individual, Grantor's corporate, partnership or other structure without notifying the Noteholder of such change in writing at least thirty (30) days prior to the effective date of such change. Grantor will execute and deliver to the Noteholder, prior to or contemporaneously with the effective date of any such change, any financing statement or financing statement change required by the Noteholder to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of the Noteholder, Grantor shall execute a certificate in form satisfactory to the Noteholder listing the trade names under which Grantor intends to operate the Property, and representing and warranting that Grantor does business under no other trade name with respect to the Property.

(t) Location and Use of Collateral. All tangible Collateral will be used in the business of Grantor and shall remain in Grantor's possession or control at all times at Grantor's risk of loss and shall be located on the real property described in Exhibit A hereto.

(u) Estoppel Certificate. Grantor shall at any time and from time to time furnish promptly upon request by the Noteholder a written statement in such form as may be required by the Noteholder stating that the Note, this Deed of Trust and the other instruments securing the payment of the Note are valid and binding obligations of Grantor, enforceable against Grantor in accordance with their terms; the unpaid principal balance of the Note; the date to which interest on the Note is paid; that the Note, this Deed of Trust and the other instruments securing the payment of the Note have not been released, subordinated or modified; and that there are no offsets or defenses against the enforcement of the Note, this Deed of Trust or any other instrument securing the payment of the Note, or if any of the foregoing statements are untrue, specifying the reasons therefor.

(v) Proceeds of Collateral. Grantor shall account fully and faithfully for and, if the Noteholder so elects, shall promptly pay or turn over to the Noteholder the proceeds in whatever form received from disposition in any manner of any of the Collateral, except as otherwise specifically authorized herein. Grantor shall at all times keep the Collateral and its proceeds separate and distinct from other property of Grantor and shall keep accurate and complete records of the Collateral and its proceeds.

(w) Permitted Encumbrances. Grantor will comply with and will perform all of the covenants, agreements and obligations imposed upon it or the Property in the Permitted Encumbrances in accordance with their respective terms and provisions. Grantor will not modify or permit any modification of any Permitted Encumbrance, without the prior written consent of the Noteholder.

(x) Environmental. Grantor will not cause or permit the Property or Grantor to be in violation of, or do anything or permit anything to be done which will subject the Property to any remedial obligations under, any Applicable Environmental Laws, assuming disclosure to the applicable governmental authorities of all relevant facts, conditions and circumstances, if any, pertaining to the Property and Grantor and Grantor will promptly notify the Noteholder in writing of any existing, pending or, to the best knowledge of Grantor, threatened investigation or inquiry by any governmental authority in connection with any Applicable Environmental Laws. Grantor shall obtain any permits, licenses or similar authorizations to construct, occupy, operate or use any buildings, improvements, fixtures and equipment forming a part of the Property by reason of any Applicable Environmental Laws. Grantor shall take all steps necessary to determine that no hazardous substances or solid wastes are being disposed of or otherwise released on or to the Property. Grantor will not cause or permit the disposal or other release of any hazardous substance or solid waste on or to the Property and covenants and agrees to keep or cause the Property to be kept free of any hazardous substance or solid waste and to remove the same (or if removal is prohibited by law, to take whatever action is required by law) promptly upon discovery at its sole expense.

Without limitation of the Noteholder's rights to declare a default hereunder and to exercise all remedies available by reason thereof, in the event Grantor fails to comply with or perform any of the foregoing covenants and obligations, the Noteholder may (without any obligation, express or implied) remove any hazardous substance or solid waste from the Property (or if removal is prohibited by law, take whatever action is required by law) and the cost of the removal or such other action shall be a demand obligation owing by Grantor to the Noteholder pursuant to this Deed of Trust and shall be subject to and covered by the provisions of Section 2.3 hereof. Grantor grants to the Noteholder and its agents, employees, contractors and consultants access to the Property and the license (which is coupled with an interest and irrevocable while this Deed of Trust is in effect) to remove the hazardous substance or solid waste (or if removal is prohibited by law, to take whatever action is required by law). Upon the Noteholder's reasonable request, at any time and from time to time during the existence of this Deed of Trust, Grantor will provide at Grantor's sole expense an inspection or audit of the Property from an engineering or consulting firm approved by the Noteholder indicating the presence or absence of hazardous substances and solid wastes on the Property. If Grantor fails to provide same after ten (10) days' notice, the Noteholder may order same, and Grantor grants to the Noteholder and its agents, employees, contractors and consultants access to the Property and a license (which is coupled with an interest and irrevocable while this Deed of Trust is in effect) to perform inspections and tests. The cost of such inspections and tests shall be a demand obligation owing by Grantor to the Noteholder pursuant to this Deed of Trust and shall be subject to and covered by the provisions of Section 2.3 hereof.

(y) Asbestos. Grantor covenants and agrees that it will not install in the Property, nor permit to be installed in the Property, asbestos, material containing asbestos which is or may become friable or material containing asbestos deemed hazardous by Applicable Environmental Law, and that, if any such asbestos or material containing asbestos exists in or on the Property, whether installed by Grantor or others, Grantor will remove the same (or if removal is prohibited by law, will take whatever action is required by law, including without limitation implementing any required operation and maintenance program) promptly upon discovery at its sole expense. Without limitation of the Noteholder's rights to declare a default hereunder and to exercise all remedies available by reason thereof, in the event Grantor fails to comply with or perform any of the foregoing covenants and obligations, the Noteholder may (without any obligation, express or implied) remove such asbestos or material containing asbestos (or if removal is prohibited by law, take whatever action is required by law including without limitation implementing any required operation and maintenance program) and the cost of removal or such other action shall be a demand obligation owing by Grantor to the Noteholder pursuant to this Deed of Trust and shall be subject to and covered by the provisions of Section 2.3 hereof. Grantor grants to the Noteholder and its agents, employees, contractors and consultants access to the Property and a license (which is coupled with an interest and irrevocable while this Deed of Trust is in effect) to remove such asbestos or materials containing asbestos (or if removal is prohibited by law, take whatever action is required by law including without limitation implementing any required operation and maintenance program). Upon the Noteholder's reasonable request, at any time and from time to time during the existence of this Deed of Trust, Grantor shall provide at Grantor's

sole expense an inspection or audit of the Property from an engineering or consulting firm approved by the Noteholder, indicating the presence or absence of asbestos or material containing asbestos on the Property. If Grantor fails to provide same after ten (10) days' notice, the Noteholder may order same, and Grantor grants to the Noteholder and its agents, employees, contractors and consultants access to the Property and a license (which is coupled with an interest and irrevocable while this Deed of Trust is in effect) to perform inspections and tests. The cost of such inspections and tests shall be a demand obligation owing by Grantor to the Noteholder pursuant to this Deed of Trust and shall be subject to and covered by the provisions of Section 2.3 hereof.

(i) Grantor shall not permit any lien to attach to the Property pursuant to Section 61 of the Texas Labor Code. Grantor covenants and agrees to provide the Noteholder with copies of any notices or orders received by Grantor from the Commission or any court in connection with any wage claim under Section 61 of the Texas Labor Code.

(ii) Grantor (if a partnership or a limited partnership, which is or becomes subject to the provisions of the Texas Revised Partnership Act) agrees with the Noteholder that the Noteholder is not required to comply with Art. 6132b-3.05(d) of the Texas Revised Partnership Act with respect to enforcement of the liability of Grantor hereunder or under the other Loan Documents against any general partner of Grantor.

2.3 Right of the Noteholder to Perform. Grantor agrees that, if Grantor fails to perform any act or to take any action which hereunder Grantor is required to perform or take, or to pay any money which hereunder Grantor is required to pay, or takes any action prohibited hereby, the Noteholder, in Grantor's name or in its own name, may but shall not be obligated to perform or cause to be performed such act or take such action or pay such money or remedy any action so taken, and any expenses so incurred by the Noteholder, and any money paid by the Noteholder in connection therewith, shall be a demand obligation owing by Grantor to the Noteholder and the Noteholder, upon making such payment, shall be subrogated to all of the rights of the person, corporation or body politic receiving such payment. Any amounts due and owing by Grantor to the Noteholder pursuant to this Deed of Trust shall bear interest from the date such amount becomes due until paid at the rate of interest payable on matured but unpaid principal of or interest on the Note and shall be a part of the secured indebtedness and shall be secured by this Deed of Trust and by any other instrument securing the secured indebtedness.

2.4 Indemnification Regarding Environmental Matters. Grantor agrees to indemnify and hold the Noteholder and the Trustee (for purposes of this section, the terms "the Noteholder" and "the Trustee" shall include the directors, officers, partners, employees and agents of the Noteholder and the Trustee, respectively, and any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with the Noteholder and the Trustee respectively) harmless from and against, and to reimburse the Noteholder and the Trustee with respect to, any and all claims, demands, losses, damages (including consequential damages), liabilities, causes of action, judgments, penalties, costs and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, fixed or contingent, imposed on, asserted against or incurred by the Noteholder and/or the Trustee at any

time and from time to time by reason of, in connection with or arising out of (a) the breach of any representation or warranty of Grantor as set forth herein regarding asbestos, material containing asbestos or Applicable Environmental Laws, (b) the failure of Grantor to perform any obligation herein required to be performed by Grantor regarding asbestos, material containing asbestos or Applicable Environmental Laws, (c) any violation on or before the Release Date (as hereinafter defined) of any Applicable Environmental Law in effect on or before the Release Date, (d) the removal of hazardous substances or solid wastes from the Property (or if removal is prohibited by law, the taking of whatever action is required by law), (e) the removal of asbestos or material containing asbestos from the Property (or if removal is prohibited by law, the taking of whatever action is required by law including without limitation the implementation of any required operation and maintenance program), (f) any act, omission, event or circumstance existing or occurring on or prior to the Release Date (including without limitation the presence on the Property or release from the Property of hazardous substances or solid wastes disposed of or otherwise released on or prior to the Release Date), resulting from or in connection with the ownership, construction, occupancy, operation, use and/or maintenance of the Property, regardless of whether the act, omission, event or circumstance constituted a violation of any Applicable Environmental Law at the time of its existence or occurrence, and (g) any and all claims or proceedings (whether brought by private party or governmental agency) for bodily injury, property damage, abatement or remediation, environmental damage or impairment or any other injury or damage resulting from or relating to any hazardous substance or solid waste located upon or migrating into, from or through the Property (whether or not any or all of the foregoing was caused by Grantor or its tenant or subtenant, or a prior owner of the Property or its tenant or subtenant, or any third party and whether or not the alleged liability is attributable to the handling, storage, generation, transportation or disposal of such substance or waste or the mere presence of such substance or waste on the Property). **WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO CLAIMS, DEMANDS, LOSSES, DAMAGES (INCLUDING CONSEQUENTIAL DAMAGES), LIABILITIES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COURT COSTS) WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH (AND/OR ANY OTHER) INDEMNIFIED PARTY OR ANY STRICT LIABILITY. HOWEVER, SUCH INDEMNITIES SHALL NOT APPLY TO ANY INDEMNIFIED PARTY TO THE EXTENT THE SUBJECT OF THE INDEMNIFICATION IS CAUSED BY OR ARISES OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY.** The "Release Date" as used herein shall mean the earlier of the following two dates: (i) the date on which the indebtedness and obligations secured hereby have been paid and performed in full and this Deed of Trust has been released, or (ii) the date on which the lien of this Deed of Trust is foreclosed or a conveyance by deed in lieu of such foreclosure is fully effective; provided, if such payment, performance, release, foreclosure or conveyance is challenged, in bankruptcy proceedings or otherwise, the Release Date shall be deemed not to have occurred until such challenge is rejected, dismissed or withdrawn with prejudice. The foregoing indemnities shall not terminate upon the Release Date or upon the release, foreclosure or other termination of this Deed of Trust but will survive the Release Date, foreclosure of this Deed of Trust or conveyance in lieu of foreclosure, and the repayment of the secured indebtedness and the discharge and release of this Deed of Trust and the other documents evidencing and/or securing the secured

indebtedness. Any amount to be paid under this Section by Grantor to the Noteholder and/or the Trustee shall be a demand obligation owing by Grantor to the Noteholder and/or the Trustee and shall be subject to and covered by the provisions of Section 2.3 hereof. Nothing in this section, elsewhere in this Deed of Trust or in any other document evidencing, securing or relating to the indebtedness secured hereby shall limit or impair any rights or remedies of the Noteholder and/or the Trustee against Grantor or any third party under Applicable Environmental Laws, including without limitation any rights of contribution or indemnification available thereunder.

ARTICLE III.

Assignment of Rents

3.1 Assignment. In order to provide a source of future payment of the indebtedness secured hereby, Grantor does hereby absolutely and unconditionally assign, transfer and set over to the Noteholder all of the rents, income, receipts, revenues, issues, profits and other sums of money (hereinafter collectively called the "Rent") that are now and/or at any time hereafter become due and payable to Grantor under the terms of any leases (hereinafter called the "Leases") now or hereafter covering the Property, or any part thereof, or arising or issuing from or out of the Leases or from or out of the Property or any part thereof, including but not limited to minimum rents, additional rents, percentage rents, deficiency rents and liquidated damages following default, security deposits (whether cash, one or more letters of credit, bonds or other form of security), advance rents, all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Property, and all of Grantor's rights to recover monetary amounts from any lessee in bankruptcy including, without limitation, rights of recovery for use and occupancy and damage claims arising out of lease defaults, including rejections, under any applicable Bankruptcy Law (as hereinafter defined), including specifically the immediate and continuing right to collect and receive each and all of the foregoing and any and all guaranties of payment of the Rent. Until receipt from the Noteholder of notice of the occurrence of a default as defined in Section 4.1 hereof (hereinafter called a "Notice of Default"), each lessee under the Leases may pay Rent directly to Grantor and Grantor shall have the right to receive such Rent provided that Grantor shall hold such Rent as a trust fund to be applied as required by the Noteholder and Grantor hereby covenants so to apply the Rent, before using any part of the same for any other purposes, first, to the payment of taxes and assessments upon the Property before penalty or interest is due thereon; second, to the cost of insurance, maintenance and repairs required by the terms of this Deed of Trust; third, to the satisfaction of all obligations specifically set forth in the Leases; and, fourth, to the payment of interest and principal becoming due on the Note and this Deed of Trust. Upon receipt from the Noteholder of a Notice of Default, each lessee under the Leases is hereby authorized and directed to pay directly to the Noteholder all Rent thereafter accruing and the receipt of Rent by the Noteholder shall be a release of such lessee to the extent of all amounts so paid. The receipt by a lessee under the Leases of a Notice of Default shall be sufficient authorization for such lessee to make all future payments of Rent directly to the Noteholder and each such lessee shall be entitled to rely on such Notice of Default and shall have no liability to Grantor for any Rent paid to the Noteholder after receipt of such Notice of Default. Rent so received by the Noteholder for any period prior to foreclosure under this Deed of Trust or acceptance of a deed in lieu of such foreclosure shall be applied by the Noteholder to the payment (in such order as the Noteholder shall determine) of: (a) all expenses of managing the Property, including but not limited to the

salaries, fees and wages of a managing agent and such other employees as the Noteholder may deem necessary or desirable; all expenses of operating and maintaining the Property, including but not limited to all taxes, assessments, charges, claims, utility costs and premiums for insurance, and the cost of all alterations, renovations, repairs or replacements; and all expenses incident to taking and retaining possession of the Property and/or collecting the Rent due and payable under the Leases; and (b) the Note and other indebtedness secured by this Deed of Trust, principal, interest, attorneys' and collection fees and other amounts, in such order as the Noteholder in its sole discretion may determine. In no event will the assignment pursuant to this Section reduce the indebtedness evidenced by the Note or otherwise secured by this Deed of Trust, except to the extent, if any, that Rent is actually received by the Noteholder and applied upon or after said receipt to such indebtedness in accordance with the preceding sentence. Without impairing its rights hereunder, the Noteholder may, at its option, at any time and from time to time, release to Grantor Rent so received by the Noteholder or any part thereof. As between Grantor and the Noteholder, and any person claiming through or under Grantor, other than any lessee under the Leases who has not received a Notice of Default pursuant to this Section, the assignment contained in this Section is intended to be absolute, unconditional and presently effective and the provisions of this Section for notification of lessees under the Leases upon the occurrence of a default as defined in Section 4.1 hereof are intended solely for the benefit of each such lessee and shall never inure to the benefit of Grantor or any person claiming through or under Grantor, other than a lessee who has not received such notice. It shall never be necessary for the Noteholder to institute legal proceedings of any kind whatsoever to enforce the provisions of this Section. At any time during which Grantor is receiving Rent directly from lessees under the Leases, Grantor shall, upon receipt of written direction from the Noteholder, make demand and/or sue for all Rent due and payable under one or more Leases, as directed by the Noteholder, as it becomes due and payable, including Rent which is past due and unpaid. In the event Grantor fails to take such action, or at any time during which Grantor is not receiving Rent directly from lessees under the Leases, the Noteholder shall have the right (but shall be under no duty) to demand, collect and sue for, in its own name or in the name of Grantor, all Rent due and payable under the Leases, as it becomes due and payable, including Rent which is past due and unpaid. The Noteholder shall not be deemed to have taken possession of the Property except on the exercise of its option to do so, evidenced by its demand and overt act for such purpose. Grantor shall make no assignment or other disposition of the Rent, nor shall Grantor cancel or amend any Lease or any other instrument under which Rent is to be paid or waive, excuse, condone, discount, set off, compromise or in any manner release any obligation thereunder, nor shall Grantor receive or collect any Rent for a period of more than one month in advance of the date on which payment thereof is due and Grantor shall duly and punctually observe and perform every obligation to be performed by it under each Lease, and shall not do or permit to be done anything to impair the security thereof and shall enforce, to the extent such enforcement would be reasonably prudent under the circumstances, every obligation of each other party thereto. The assignment contained in this Section 3.1 shall terminate upon the release of this Deed of Trust but no lessee under the Leases shall be required to take notice of such termination until a copy of a release of this Deed of Trust shall have been delivered to such lessee.

3.2 Controlling Provision. Contemporaneously with the execution of this Deed of Trust, Grantor is executing an Assignment of Leases and Rents in favor of the Noteholder. To the extent any provision of Section 3.1 above is construed to contradict, conflict with or be

inconsistent with any term, condition or provision contained in the Assignment of Leases and Rents, the applicable terms, conditions and provisions of the Assignment of Leases and Rents shall supersede such contradicting, conflicting or inconsistent provisions of Section 3.1 and shall control.

ARTICLE IV.

Remedies in Event of Default

4.1 Defaults. The term "default" as used in this Deed of Trust shall mean the occurrence of any of the following events:

(a) the failure of Grantor to make due and punctual payment of the Note or of any other secured indebtedness or of any installment of principal thereof or interest thereon, or of any other amount required to be paid under the Note, this Deed of Trust or any other instrument securing the payment of the Note, as the same shall become due and payable, whether at maturity or when accelerated pursuant to any power to accelerate contained in the Note or contained herein provided that with respect to the failure of Grantor to make due and punctual payment of any installment of principal of or interest on the Note due prior to maturity (whether by expiration of term or acceleration), Grantor shall not be in default hereunder unless such failure continues for a period of five (5) days; or

(b) the failure of Grantor timely and properly to observe, keep or perform any covenant, agreement, warranty or condition herein or in any other Loan Document required to be observed, kept or performed, other than those referred to in subsection 4.1(a) or in any other subsection of this Section 4.1 except this subsection (b), if such failure continues for ten (10) days after receipt by Grantor of written notice and demand for the performance of such covenant, agreement, warranty or condition provided that if Grantor shall within such ten (10) day period commence action to cure such failure but is unable, by reason of the nature of the performance required, to cure same within such period, and if Grantor continues such action thereafter diligently and without unnecessary delays, Grantor shall not be in default hereunder until the expiration of a period of time as may be reasonably necessary to cure such failure, provided further that in any event Grantor shall be in default hereunder if such failure is not cured on or before sixty (60) days after receipt by Grantor of the above described written demand for performance; or

(c) any representation contained herein or in any other Loan Document or otherwise made by Grantor or any other person or entity to the Noteholder in connection with the loan evidenced by the Note is false or misleading in any material respect; or

(d) a default or event of default occurs under any other instrument securing the payment of the secured indebtedness or any part thereof (after expiration of any applicable grace or cure period); or

(e) Grantor becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due; or

(f) Grantor is generally not paying its debts as such debts become due; or

(g) a receiver, trustee or custodian is appointed for, or takes possession of, all or substantially all of the assets of Grantor or any of the Property, either in a proceeding brought by Grantor or in a proceeding brought against Grantor and such appointment is not discharged or such possession is not terminated within sixty (60) days after the effective date thereof or Grantor consents to or acquiesces in such appointment or possession; or

(h) Grantor files a petition for relief under the Federal Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy or similar law (all of the foregoing hereinafter collectively called "applicable Bankruptcy Law") or an involuntary petition for relief is filed against Grantor under any applicable Bankruptcy Law and such petition is not dismissed within sixty (60) days after the filing thereof, or an order for relief naming Grantor is entered under any applicable Bankruptcy Law, or any composition, rearrangement, extension, reorganization or other relief of debtors now or hereafter existing is requested or consented to by Grantor; or

(i) the Property or any part thereof is taken on execution or other process of law in any action against Grantor; or

(j) Grantor fails to have discharged within a period of thirty (30) days any attachment, sequestration or similar writ levied upon any property of Grantor; or

(k) Grantor fails to pay within thirty (30) days any final money judgment against Grantor; or

(l) Grantor abandons all or a portion of the Property; or

(m) the holder of any lien or security interest on the Property (without hereby implying the consent of the Noteholder to the existence or creation of any such lien or security interest) declares a default thereunder or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder; or

(n) without the prior written consent of the Noteholder (which consent may be withheld for any reason or for no reason), Grantor sells, leases (except as expressly provided in the Assignment of Leases and Rents), exchanges, assigns, transfers, conveys or otherwise disposes of all or any part of the Property or any interest therein (except for the disposition of worn-out or obsolete personal property or fixtures under the circumstances described in subsection 2.2(g) hereof), or legal or equitable title to the Property, or any part thereof or any interest therein, is vested in any other party, in any manner whatsoever, by operation of law or otherwise, whether any of the foregoing is voluntary or involuntary, it being understood that the consent of the Noteholder required hereunder may be refused by the Noteholder in its sole and absolute discretion or may be

predicated upon any terms, conditions and covenants deemed advisable or necessary in the sole and absolute discretion of the Noteholder, including but not limited to the right to change the interest rate, date of maturity or payments of principal and/or interest on the Note, to require payment of any amount as additional consideration as a transfer fee or otherwise and to require assumption of the obligations under the Loan Documents; or

(o) without the prior written consent of the Noteholder (which consent may be withheld for any reason or for no reason), Grantor creates, places or permits to be created or placed, or through any act or failure to act, acquiesces in the placing of, or allows to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for the lien for ad valorem taxes on the Property which are not delinquent), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than encumbrances permitted by the Noteholder, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created herein or in any other Loan Document, or acquires any fixtures, equipment or other property forming a part of the Property pursuant to a lease, license or similar agreement, it being understood that the consent of the Noteholder required hereunder may be refused by the Noteholder in its sole and absolute discretion or for any reason or may be predicated upon any terms, conditions and covenants deemed advisable or necessary in the sole and absolute discretion of the Noteholder including but not limited to the right to change the interest rate, date of maturity or payments of principal and/or interest on the Note, to require payment of any amount as a fee or other consideration and to require a payment on the principal of the Note; or

(p) Grantor dissolves, liquidates, merges or consolidates or any interest in Grantor is sold, assigned, transferred, mortgaged, pledged, encumbered, or otherwise disposed of, voluntarily or involuntarily, without the prior written consent of the Noteholder or, if an individual, Grantor dies or becomes legally incapacitated.

4.2 Acceleration. Upon the occurrence of a default, the Noteholder shall have the option of declaring all secured indebtedness in its entirety to be immediately due and payable, and the liens and security interests evidenced hereby shall be subject to foreclosure in any manner provided for herein or provided for by law as the Noteholder may elect.

4.3 Possession. Upon the occurrence of a default, or any event or circumstance which, with the lapse of time or the giving of notice, or both, would constitute a default hereunder, the Noteholder is authorized prior or subsequent to the institution of any foreclosure proceedings to enter upon the Property, or any part thereof, and to take possession of the Property and of all books, records and accounts relating thereto and to exercise without interference from Grantor any and all rights which Grantor has with respect to the management, possession, operation, protection or preservation of the Property, including the right to rent the same for the account of Grantor and to deduct from such rents all costs, expenses and liabilities of every character incurred by the Noteholder in collecting such rents and in managing, operating, maintaining, protecting or preserving the Property and to apply the remainder of such rents on the indebtedness secured hereby in such manner as the Noteholder may elect. All such costs, expenses and liabilities incurred by the Noteholder in collecting such rents and in

managing, operating, maintaining, protecting or preserving the Property, if not paid out of rents as hereinabove provided, shall constitute a demand obligation owing by Grantor and shall bear interest from the date of expenditure until paid at the rate of interest payable on matured but unpaid principal of or interest on the Note, all of which shall constitute a portion of the secured indebtedness. If necessary to obtain the possession provided for above, the Noteholder may invoke any and all legal remedies to dispossess Grantor, including specifically one or more actions for forcible entry and detainer, trespass to try title and restitution. **IN CONNECTION WITH ANY ACTION TAKEN BY THE NOTEHOLDER PURSUANT TO THIS SECTION 4.3, THE NOTEHOLDER SHALL NOT BE LIABLE FOR ANY LOSS SUSTAINED BY GRANTOR RESULTING FROM ANY FAILURE TO LET THE PROPERTY, OR ANY PART THEREOF, OR FROM ANY OTHER ACT OR OMISSION OF THE NOTEHOLDER IN MANAGING THE PROPERTY (REGARDLESS OF WHETHER SUCH LOSS IS CAUSED BY THE NEGLIGENCE OF THE NOTEHOLDER) UNLESS SUCH LOSS IS CAUSED BY THE WILLFUL MISCONDUCT AND BAD FAITH OF THE NOTEHOLDER, NOR SHALL THE NOTEHOLDER BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY UNDER ANY LEASE AGREEMENT COVERING THE PROPERTY OR ANY PART THEREOF OR UNDER OR BY REASON OF THIS INSTRUMENT OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER. GRANTOR SHALL AND DOES HEREBY AGREE TO INDEMNIFY THE NOTEHOLDER FOR, AND TO HOLD THE NOTEHOLDER HARMLESS FROM, ANY AND ALL LIABILITY, LOSS OR DAMAGE WHICH MAY OR MIGHT BE INCURRED BY THE NOTEHOLDER UNDER ANY SUCH LEASE AGREEMENT OR UNDER OR BY REASON OF THIS DEED OF TRUST OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST THE NOTEHOLDER BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS OR AGREEMENTS CONTAINED IN ANY SUCH LEASE AGREEMENT, REGARDLESS OF WHETHER SUCH LIABILITY, LOSS, DAMAGE, CLAIMS OR DEMANDS ARE THE RESULT OF THE NEGLIGENCE OF THE NOTEHOLDER OR ANY STRICT LIABILITY.** Should the Noteholder incur any such liability, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby and Grantor shall reimburse the Noteholder therefor immediately upon demand. Nothing in this Section 4.3 shall impose any duty, obligation or responsibility upon the Noteholder for the control, care, management or repair of the Property, nor for the carrying out of any of the terms and conditions of any such lease agreement; nor shall it operate to make the Noteholder responsible or liable for any waste committed on the Property by the tenants or by any other parties or for any dangerous or defective condition of the Property, **OR FOR ANY NEGLIGENCE IN THE MANAGEMENT, UPKEEP, REPAIR OR CONTROL OF THE PROPERTY RESULTING IN LOSS OR INJURY OR DEATH TO ANY TENANT, LICENSEE, EMPLOYEE OR STRANGER OR ANY STRICT LIABILITY.** Grantor hereby assents to, ratifies and confirms any and all actions of the Noteholder with respect to the Property taken under this Section 4.3. For purposes of this section, the term "Noteholder" shall include the directors, officers, employees, attorneys and agents of the Noteholder and any

persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with the Noteholder.

4.4 Foreclosure. Upon the occurrence of a default, the Trustee, his successor or substitute, is authorized and empowered and it shall be his special duty at the request of the Noteholder to sell the Mortgaged Property or any part thereof situated in the State of Texas at the courthouse of any county in the State of Texas in which any part of the Mortgaged Property is situated, at public vendue to the highest bidder for cash between the hours of 10 o'clock a.m. and 4 o'clock p.m. on the first Tuesday in any month after having given notice of such sale in accordance with the statutes of the State of Texas then in force governing sales of real estate under powers conferred by deed of trust. Any sale made by the Trustee hereunder may be as an entirety or in such parcels as the Noteholder may request, and any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. The sale by the Trustee of less than the whole of the Mortgaged Property shall not exhaust the power of sale herein granted, and the Trustee is specifically empowered to make successive sale or sales under such power until the whole of the Mortgaged Property shall be sold; and, if the proceeds of such sale of less than the whole of the Mortgaged Property shall be less than the aggregate of the indebtedness secured hereby and the expense of executing this trust as provided herein, this Deed of Trust and the lien hereof shall remain in full force and effect as to the unsold portion of the Mortgaged Property just as though no sale had been made; provided, however, that Grantor shall never have any right to require the sale of less than the whole of the Mortgaged Property but the Noteholder shall have the right, at its sole election, to request the Trustee to sell less than the whole of the Mortgaged Property. After each sale, the Trustee shall make to the purchaser or purchasers at such sale good and sufficient conveyances in the name of Grantor, conveying the property so sold to the purchaser or purchasers in fee simple with general warranty of title, and shall receive the proceeds of said sale or sales and apply the same as herein provided. Payment of the purchase price to the Trustee shall satisfy the obligation of purchaser at such sale therefor, and such purchaser shall not be responsible for the application thereof. The power of sale granted herein shall not be exhausted by any sale held hereunder by the Trustee or his substitute or successor, and such power of sale may be exercised from time to time and as many times as the Noteholder may deem necessary until all of the Mortgaged Property has been duly sold and all secured indebtedness has been fully paid. In the event any sale hereunder is not completed or is defective in the opinion of the Noteholder, such sale shall not exhaust the power of sale hereunder and the Noteholder shall have the right to cause a subsequent sale or sales to be made hereunder. Any and all statements of fact or other recitals made in any deed or deeds given by the Trustee or any successor or substitute appointed hereunder as to nonpayment of the indebtedness secured hereby, or as to the occurrence of any default, or as to the Noteholder having declared all of such indebtedness to be due and payable, or as to the request to sell, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to the refusal, failure or inability to act of the Trustee or any substitute or successor, or as to the appointment of any substitute or successor trustee, or as to any other act or thing having been duly done by the Noteholder or by such Trustee, substitute or successor, shall be taken as prima facie evidence of the truth of the facts so stated and recited. The Trustee, his successor or substitute, may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of the Trustee, his successor or substitute.

4.5 Judicial Foreclosure. This instrument shall be effective as a mortgage as well as a deed of trust and upon the occurrence of a default may be foreclosed as to any of the Property in any manner permitted by the laws of the State of Texas or of any other state in which any part of the Property is situated, and any foreclosure suit may be brought by the Trustee or by the Noteholder. In the event a foreclosure hereunder shall be commenced by the Trustee, or his substitute or successor, the Noteholder may at any time before the sale of the Property direct the said Trustee to abandon the sale, and may then institute suit for the collection of the Note and the other secured indebtedness, and for the foreclosure of this Deed of Trust. It is agreed that if the Noteholder should institute a suit for the collection of the Note or any other secured indebtedness and for the foreclosure of this Deed of Trust, the Noteholder may at any time before the entry of a final judgment in said suit dismiss the same, and require the Trustee, his substitute or successor to sell the property in accordance with the provisions of this Deed of Trust.

4.6 Receiver. In addition to all other remedies herein provided for, Grantor agrees that upon the occurrence of a default, or any event or circumstance which, with the lapse of time or the giving of notice, or both, would constitute a default hereunder, the Noteholder shall as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Property, whether such receivership be incident to a proposed sale of such property or otherwise, and without regard to the value of the Property or the solvency of any person or persons liable for the payment of the indebtedness secured hereby, and Grantor does hereby consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment and agrees not to oppose any application therefor by the Noteholder, but nothing herein is to be construed to deprive the Noteholder of any other right, remedy or privilege it may now have under the law to have a receiver appointed; provided, however, that the appointment of such receiver, trustee or other appointee by virtue of any court order, statute or regulation shall not impair or in any manner prejudice the rights of the Noteholder to receive payment of the rents and income pursuant to Section 3.1 hereof. Any money advanced by the Noteholder in connection with any such receivership shall be a demand obligation owing by Grantor to the Noteholder and shall bear interest from the date of making such advancement by the Noteholder until paid at the rate of interest payable on matured but unpaid principal of or interest on the Note and shall be a part of the secured indebtedness and shall be secured by this Deed of Trust and by any other instrument securing the secured indebtedness.

4.7 Proceeds of Sale. The proceeds of any sale held by the Trustee or any receiver or public officer in foreclosure of the liens evidenced hereby shall be applied:

FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including but not limited to all court costs and charges of every character in the event foreclosed by suit, and a reasonable fee to the Trustee acting under the provisions of Section 4.4 if foreclosed by power of sale as provided in said section, not exceeding five percent (5%) of the proceeds of such sale;

SECOND, to the payment in full of the secured indebtedness (including specifically without limitation the principal, interest and attorney's fees due and unpaid on the Note and the amounts due and unpaid and owed to the Noteholder under this Deed of Trust) in such order as the Noteholder may elect; and

THIRD, the remainder, if any there shall be, shall be paid to Grantor or to such other party or parties as may be entitled thereto by law.

4.8 The Noteholder as Purchaser. The Noteholder shall have the right to become the purchaser at any sale held by any Trustee or substitute or successor or by any receiver or public officer, and any Noteholder purchasing at any such sale shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the secured indebtedness owing to such Noteholder, or if such Noteholder holds less than all of such indebtedness the pro rata part thereof owing to such Noteholder, accounting to all other Noteholders not joining in such bid in cash for the portion of such bid or bids apportionable to such nonbidding Noteholder or Noteholders.

4.9 Uniform Commercial Code. Upon the occurrence of a default, the Noteholder may exercise its rights of enforcement with respect to the Collateral under the Texas Business and Commerce Code, as amended, and in conjunction with, in addition to or in substitution for those rights and remedies:

- (a) the Noteholder may enter upon the Property to take possession of, assemble and collect the Collateral or to render it unusable; and
- (b) the Noteholder may require Grantor to assemble the Collateral and make it available at a place the Noteholder designates which is mutually convenient to allow the Noteholder to take possession or dispose of the Collateral; and
- (c) written notice mailed to Grantor as provided herein ten (10) days prior to the date of public sale of the Collateral or prior to the date after which private sale of the Collateral will be made shall constitute reasonable notice; and
- (d) any sale made pursuant to the provisions of this section shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of the Mortgaged Property under power of sale as provided herein upon giving the same notice with respect to the sale of the Collateral hereunder as is required for such sale of the Mortgaged Property under power of sale; and
- (e) in the event of a foreclosure sale, whether made by the Trustee under the terms hereof, or under judgment of a court, the Collateral and the Mortgaged Property may, at the option of the Noteholder, be sold as a whole; and
- (f) it shall not be necessary that the Noteholder take possession of the Collateral or any part thereof prior to the time that any sale pursuant to the provisions of this section is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; and
- (g) prior to application of proceeds of disposition of the Collateral to the secured indebtedness, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorney's fees and legal expenses incurred by the Noteholder; and

(h) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the indebtedness or as to the occurrence of any default, or as to the Noteholder having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by the Noteholder, shall be taken as prima facie evidence of the truth of the facts so stated and recited; and

(i) the Noteholder may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Noteholder, including the sending of notices and the conduct of the sale, but in the name and on behalf of the Noteholder.

4.10 Partial Foreclosure. In the event of a default in the payment of any part of the secured indebtedness, the Noteholder shall have the right to proceed with foreclosure of the liens and security interests evidenced hereby without declaring the entire secured indebtedness due, and in such event any such foreclosure sale may be made subject to the unmatured part of the secured indebtedness; and any such sale shall not in any manner affect the unmatured part of the secured indebtedness, but as to such unmatured part this Deed of Trust shall remain in full force and effect just as though no sale had been made. The proceeds of any such sale shall be applied as provided in Section 4.7 except that the amount paid under subsection SECOND thereof shall be only the matured portion of the secured indebtedness and any proceeds of such sale in excess of those provided for in subsections FIRST and SECOND (modified as provided above) shall be applied to installments of principal of and interest on the Note in the inverse order of maturity. Several sales may be made hereunder without exhausting the right of sale for any unmatured part of the secured indebtedness.

4.11 Remedies Cumulative. All remedies herein expressly provided for are cumulative of any and all other remedies existing at law or in equity and are cumulative of any and all other remedies provided for in any other instrument securing the payment of the secured indebtedness, or any part thereof, or otherwise benefiting the Noteholder, and the Trustee and the Noteholder shall, in addition to the remedies herein provided, be entitled to avail themselves of all such other remedies as may now or hereafter exist at law or in equity for the collection of the secured indebtedness and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and the resort to any remedy provided for hereunder or under any such other instrument or provided for by law shall not prevent the concurrent or subsequent employment of any other appropriate remedy or remedies.

4.12 Resort to Any Security. The Noteholder may resort to any security given by this Deed of Trust or to any other security now existing or hereafter given to secure the payment of the secured indebtedness, in whole or in part, and in such portions and in such order as may seem best to the Noteholder in its sole and uncontrolled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits, liens or security interests evidenced by this Deed of Trust.

4.13 Waiver. To the full extent Grantor may do so, Grantor agrees that Grantor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or

hereafter in force pertaining to the rights and remedies of sureties or redemption, and Grantor, for Grantor and Grantor's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of intention to mature or declare due the whole of the secured indebtedness, notice of election to mature or declare due the whole of the secured indebtedness and all rights to a marshaling of the assets of Grantor, including the Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and security interests hereby created. Grantor shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents or other matters whatever to defeat, reduce or affect the right of the Noteholder under the terms of this Deed of Trust to a sale of the Property for the collection of the secured indebtedness without any prior or different resort for collection, or the right of the Noteholder under the terms of this Deed of Trust to the payment of such indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatever. If any law referred to in this section and now in force, of which Grantor or Grantor's heirs, devisees, representatives, successors and assigns and such other persons claiming any interest in the Property might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section.

4.14 Delivery of Possession After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale Grantor or Grantor's heirs, devisees, representatives, successors or assigns or any other persons claiming any interest in the Property by, through or under Grantor are occupying or using the Property, or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale. Subject to the terms of any applicable non-disturbance and/or attornment agreement between the Noteholder and any tenant(s) of the Property, such tenancy shall be a tenancy from day-to-day, terminable at the will of either landlord or tenant, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain an action for forcible entry and detainer of said property in the Justice of the Peace Court in the Justice Precinct in which such property, or any part thereof, is situated.

4.15 Tender After Acceleration. If, following the occurrence of a default and the acceleration of the secured indebtedness but prior to the foreclosure of this Deed of Trust against the Property, Grantor shall tender to the Noteholder payment of an amount sufficient to pay the entire secured indebtedness, such tender shall be deemed to be a voluntary prepayment under the Note and, consequently, Grantor shall also pay to the Noteholder any charge or premium required under the Note to be paid in order to prepay principal and, if such principal payment is made during any period when prepayment is prohibited by this Deed of Trust or the Note, the applicable charge or premium shall be the maximum prepayment penalty provided for in the Note.

4.16 Collection Expenses. Upon the occurrence of a default, Grantor shall reimburse the Noteholder for all expenses incurred by the Noteholder as a result of such default, including, but not limited to, all travel costs, third-party appraisal fees, environmental report preparation and testing fees, architectural and engineering expenses, and legal fees and expenses.

ARTICLE V.

Miscellaneous

5.1 Defeasance. If all of the secured indebtedness be paid as the same becomes due and payable and if all of the covenants, warranties, undertakings and agreements made in this Deed of Trust are kept and performed, then and in that event only, all rights under this Deed of Trust shall terminate and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, which shall be released by the Noteholder in due form at Grantor's cost.

5.2 Successor Trustee. The Trustee may resign by an instrument in writing addressed to the Noteholder, or the Trustee may be removed at any time with or without cause by an instrument in writing executed by the Noteholder. In case of the death, resignation, removal or disqualification of the Trustee or if for any reason the Noteholder shall deem it desirable to appoint a substitute or successor trustee to act instead of the herein named trustee or any substitute or successor trustee, then the Noteholder shall have the right and is hereby authorized and empowered to appoint a successor trustee, or a substitute trustee, without other formality than appointment and designation in writing executed by the Noteholder and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the indebtedness secured hereby has been paid in full or until the Property is sold hereunder. In the event the indebtedness secured hereby is owned by more than one person or entity, the holder or holders of not less than a majority in the amount of such indebtedness shall have the right and authority to make the appointment of a successor or substitute trustee provided for in the preceding sentence. Such appointment and designation by the Noteholder or by the holder or holders of not less than a majority of the indebtedness secured hereby shall be full evidence of the right and authority to make the same and of all facts therein recited. If the Noteholder is a corporation and such appointment is executed in its behalf by an officer of such corporation, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation. Upon the making of any such appointment and designation, all of the estate and title of the Trustee in the Property shall vest in the named successor or substitute trustee and he shall thereupon succeed to and shall hold, possess and execute all the rights, powers, privileges, immunities and duties herein conferred upon the Trustee; but nevertheless, upon the written request of the Noteholder or of the successor or substitute Trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor or substitute Trustee all of the estate and title in the Property of the Trustee so ceasing to act, together with all the rights, powers, privileges, immunities and duties herein conferred upon the Trustee, and shall duly assign, transfer and deliver any of the properties and moneys held by said Trustee hereunder to said successor or substitute Trustee. All references herein to the Trustee shall be deemed to refer to the Trustee (including any successor or substitute appointed and designated as herein provided) from time to time acting hereunder. Grantor hereby ratifies and confirms any and all acts which the herein named Trustee or his successor or successors, substitute or substitutes, in this trust, shall do lawfully by virtue hereof.

5.3 Liability and Indemnification of Trustee. **THE TRUSTEE SHALL NOT BE LIABLE FOR ANY ERROR OF JUDGMENT OR ACT DONE BY THE TRUSTEE IN**

GOOD FAITH, OR BE OTHERWISE RESPONSIBLE OR ACCOUNTABLE UNDER ANY CIRCUMSTANCES WHATSOEVER (INCLUDING THE TRUSTEE'S NEGLIGENCE), EXCEPT FOR THE TRUSTEE'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. The Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine. All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and the Trustee shall be under no liability for interest on any moneys received by him hereunder. **GRANTOR WILL REIMBURSE THE TRUSTEE FOR, AND INDEMNIFY AND SAVE HIM HARMLESS AGAINST, ANY AND ALL LIABILITY AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) WHICH MAY BE INCURRED BY HIM IN THE PERFORMANCE OF HIS DUTIES HEREUNDER (INCLUDING ANY LIABILITY AND EXPENSES RESULTING FROM THE TRUSTEE'S OWN NEGLIGENCE).** The foregoing indemnity shall not terminate upon release, foreclosure or other termination of this Deed of Trust.

5.4 Waiver by the Noteholder. The Noteholder may at any time and from time to time (a) waive or not enforce compliance by Grantor with any covenant herein made by Grantor (b) consent to Grantor doing any act which hereunder Grantor is prohibited from doing, or consent to Grantor failing to do any act which hereunder Grantor is required to do, (c) release any part of the Property, or any interest therein, from the lien and security interest of this Deed of Trust without the joinder of the Trustee, or (d) release any party liable, either directly or indirectly, for the secured indebtedness or for any covenant herein or in any other instrument now or hereafter securing the payment of the secured indebtedness, without impairing or releasing the liability of any other party. No such act shall in any way impair the rights of the Noteholder hereunder except to the extent specifically agreed to by the Noteholder in writing.

5.5 Actions by the Noteholder. The lien, security interest and other security rights of the Noteholder hereunder shall not be impaired by any indulgence, moratorium or release granted by the Noteholder, including but not limited to (a) any renewal, extension, increase or modification which the Noteholder may grant with respect to any secured indebtedness, (b) any surrender, compromise, release, renewal, extension, exchange or substitution which the Noteholder may grant in respect of the Property, or any part thereof or any interest therein, or (c) any release or indulgence granted to any endorser, guarantor or surety of any secured indebtedness. The taking of additional security by the Noteholder shall not release or impair the lien, security interest or other security rights of the Noteholder hereunder or affect the liability of Grantor or of any endorser or guarantor or other surety or improve the right of any permitted junior lienholder in the Property.

5.6 Rights of the Noteholder. The Noteholder may waive any default without waiving any other prior or subsequent default. The Noteholder may remedy any default without waiving the default remedied. Neither the failure by the Noteholder to exercise, nor the delay by the Noteholder in exercising, any right, power or remedy upon any default shall be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by the Noteholder of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and

every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Grantor therefrom shall in any event be effective unless the same shall be in writing and signed by the Noteholder and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on Grantor in any case shall of itself entitle Grantor to any other or further notice or demand in similar or other circumstances. Acceptance by the Noteholder of any payment in an amount less than the amount then due on any secured indebtedness shall be deemed an acceptance on account only and shall not in any way affect the existence of a default hereunder.

5.7 Notification of Account Debtors. The Noteholder may at any time after default by Grantor notify the account debtors or obligors of any accounts, chattel paper, negotiable instruments or other evidences of indebtedness included in the Collateral to pay the Noteholder directly.

5.8 Reproduction as Financing Statement. A carbon, photographic or other reproduction of this Deed of Trust or of any financing statement relating to this Deed of Trust shall be sufficient as a financing statement.

5.9 Fixture Filing. This Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records in the Office of the County Clerk where the Property (including said fixtures) is situated. This Deed of Trust shall also be effective as a financing statement covering as-extracted collateral and is to be filed for record in the real estate records of the county where the Property is situated. The mailing address of Grantor is set forth at the end of this Deed of Trust and the address of the Noteholder from which information concerning the security interest may be obtained is the address of the Noteholder (as secured Party) set forth at the end of this Deed of Trust.

5.10 Filing and Recordation. Grantor will cause this Deed of Trust and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating hereto to be recorded, filed, re-recorded and refiled in such manner and in such places as the Trustee or the Noteholder shall reasonably request, and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges. Grantor hereby authorizes the Noteholder or the Trustee to file any financing statement or financing statement amendment covering the Collateral or relating to the security interest created herein without the signature of Grantor, as debtor.

5.11 Dealing with Successor. In the event the ownership of the Property or any part thereof becomes vested in a person other than Grantor, the Noteholder may, without notice to Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and to the indebtedness secured hereby in the same manner as with Grantor, without in any way vitiating or discharging Grantor's liability hereunder or for the payment of the indebtedness secured hereby. No sale of the Property, no forbearance on the part of the Noteholder and no extension of the time for the payment of the indebtedness secured hereby given by the Noteholder shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Grantor hereunder or for the payment of the indebtedness secured hereby or the

liability of any other person hereunder or for the payment of the indebtedness secured hereby, except as agreed to in writing by the Noteholder.

5.12 Place of Payment. The Note and all other secured indebtedness which may be owing hereunder at any time by Grantor shall be payable at the place designated in the Note, or if no such designation is made, at the office of the Noteholder at the address indicated in this Deed of Trust, or at such other place in Dallas County, Texas as the Noteholder may designate in writing.

5.13 Subrogation. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by the Noteholder at Grantor's request and the Noteholder shall be subrogated to any and all rights, security interests and liens owned or held by any owner or holder of such outstanding liens, security interests, charges or encumbrances, irrespective of whether said liens, security interests, charges or encumbrances are released; provided, however, that the terms and provisions of this Deed of Trust shall govern the rights and remedies of the Noteholder and shall supersede the terms, provisions, rights and remedies under and pursuant to the instruments creating the lien or liens to which the Noteholder is subrogated hereunder.

5.14 Application of Indebtedness. If any part of the secured indebtedness cannot be lawfully secured by this Deed of Trust or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such indebtedness or if the lien and security interest of the secured indebtedness of this Deed of Trust are invalid or unenforceable as to any part of the secured indebtedness or as to any part of the Property, then all payments made on the secured indebtedness, whether voluntary or under foreclosure or other enforcement action or procedure, shall be applied on said indebtedness first in discharge of that portion thereof which is unsecured in whole or in part by this Deed of Trust.

5.15 Usury. It is the intent of the Noteholder and Grantor in the execution of the Note, this Deed of Trust and all other instruments now or hereafter securing the Note or executed in connection therewith or under any other written or oral agreement by Grantor in favor of the Noteholder to contract in strict compliance with applicable usury law. In furtherance thereof, the Noteholder and Grantor stipulate and agree that none of the terms and provisions contained in the Note, this Deed of Trust or any other instrument securing the Note or executed in connection herewith, or in any other written or oral agreement by Grantor in favor of the Noteholder, shall ever be construed to create a contract to pay for the use, forbearance or detention of money, interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law; that neither Grantor nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of the Note or the other indebtedness secured hereby shall ever be obligated or required to pay interest on the Note or on indebtedness arising under any instrument securing the Note or executed in connection therewith, or in any other written or oral agreement by Grantor in favor of the Noteholder, at a rate in excess of the maximum interest that may be lawfully charged under applicable law; and that the provisions of this section shall control over all other provisions of the Note, this Deed of Trust and any other instruments now or hereafter securing the Note or executed in connection herewith or any other oral or written agreements which may be in apparent conflict herewith. The Noteholder expressly disavows any intention to

charge or collect excessive unearned interest or finance charges in the event the maturity of the Note is accelerated. If the maturity of the Note shall be accelerated for any reason or if the principal of the Note is paid prior to the end of the term of the Note, and as a result thereof the interest received for the actual period of existence of the loan evidenced by the Note exceeds the applicable maximum lawful rate, the Noteholder shall, at its option, either refund to Grantor the amount of such excess or credit the amount of such excess against the principal balance of the Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest. In the event that the Noteholder shall contract for, charge or receive any amount or amounts and/or any other thing of value which are determined to constitute interest which would increase the effective interest rate on the Note or the other indebtedness secured hereby to a rate in excess of that permitted to be charged by applicable law, all such amounts determined to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Noteholder, be either immediately returned to Grantor or credited against the principal balance of the Note then outstanding or the other indebtedness secured hereby, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Deed of Trust, Grantor acknowledges that it believes the loan evidenced by the Note to be non-usurious and agrees that if, at any time, Grantor should have reason to believe that such loan is in fact usurious, it will give the Noteholder notice of such condition and Grantor agrees that the Noteholder shall have ninety (90) days after receipt of such notice in which to make appropriate refund or other adjustment in order to correct such condition if in fact such exists. The term "applicable law" as used in this section shall mean the laws of the State of *Texas or the laws of the United States, whichever laws allow the greater rate of interest, as such laws now exist or may be changed or amended or come into effect in the future.

5.16 Notice. Any notice, request, demand or other communication required or permitted hereunder, or under the Note, or under any other instrument securing the payment of the Note (unless otherwise expressly provided therein) shall be given in writing by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, sent to the intended addressee at the address shown on the signature page of this Deed of Trust, or to such different address as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein; provided that, service of a notice required by Tex. Property Code § 51.002 shall be considered complete when the requirements of that statute are met.

5.17 Heirs, Successors and Assigns. The terms, provisions, covenants and conditions hereof shall be binding upon Grantor, and the heirs, devisees, representatives, successors and assigns of Grantor including all successors in interest of Grantor in and to all or any part of the Property, and shall inure to the benefit of the Trustee and the Noteholder and their respective heirs, successors, substitutes and assigns and shall constitute covenants running with the land. All references in this Deed of Trust to Grantor, Trustee or the Noteholder shall be deemed to include all such heirs, devisees, representatives, successors, substitutes and assigns.

5.18 Severability. A determination that any provision of this Deed of Trust is unenforceable or invalid shall not affect the enforceability or validity of any other provision and

any determination that the application of any provision of this Deed of Trust to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

5.19 Gender and Number. Within this Deed of Trust, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, and words in the plural number shall be held and construed to include the singular, unless in each instance the context otherwise requires.

5.20 Counterparts. This Deed of Trust may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

5.21 Reporting Requirements. Grantor agrees to comply with any and all reporting requirements applicable to the transaction evidenced by the Note and secured by this Deed of Trust which are set forth in any law, statute, ordinance, rule, regulation, order or determination of any governmental authority, including but not limited to The International Investment Survey Act of 1976, The Agricultural Foreign Investment Disclosure Act of 1978, The Foreign Investment in Real Property Tax Act of 1980 and the Internal Revenue Code of 1986 (as the same may be amended from time to time) and further agrees upon request of the Noteholder to furnish the Noteholder with evidence of such compliance.

5.22 Headings. The section headings contained in this Deed of Trust are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof.

5.23 Consent of the Noteholder. Except where otherwise provided herein, in any instance hereunder where the approval, consent or the exercise of judgment of the Noteholder is required, the granting or denial of such approval or consent and the exercise of such judgment shall be within the sole discretion of the Noteholder, and the Noteholder shall not, for any reason or to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner, regardless of the reasonableness of either the request or the Noteholder's judgment.

5.24 Modification or Termination. The Loan Documents may only be modified or terminated by a written instrument or instruments executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party.

5.25 Negation of Partnership. Nothing contained in the Loan Documents is intended to create any partnership, joint venture or association between Grantor and the Noteholder, or in any way make the Noteholder a co-principal with Grantor with reference to the Property, and any inferences to the contrary are hereby expressly negated.

5.26 Modification by Subsequent Owners. Grantor agrees that it shall be bound by any modification of this Deed of Trust or any of the other Loan Documents made by the Noteholder and any subsequent owner of the Property, with or without notice to Grantor, and no such

modification shall impair the obligations of Grantor under this Deed of Trust or under any Loan Document. Nothing in this section shall be construed as permitting any transfer of the Property which would constitute a default under this Deed of Trust.

5.27 Entire Agreement. The Loan Documents constitute the entire understanding and agreement between Grantor and the Noteholder with respect to the transactions arising in connection with the indebtedness secured hereby and supersede all prior written or oral understandings and agreements between Grantor and the Noteholder with respect thereto. Grantor hereby acknowledges that, except as incorporated in writing in the Loan Documents, there are not, and were not, and no persons are or were authorized by the Noteholder to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Loan Documents.

5.28 Applicable Law. **THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (WITHOUT GIVING EFFECT TO TEXAS' PRINCIPLES OF CONFLICTS OF LAW) AND THE LAW OF THE UNITED STATES APPLICABLE TO TRANSACTIONS IN SUCH STATE. GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN DALLAS, TEXAS (OR ANY COURT OF COMPETENT JURISDICTION WHERE ANY PORTION OF THE MORTGAGED PROPERTY IS LOCATED) OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS, AND GRANTOR HEREBY AGREES AND CONSENTS THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY STATE OR FEDERAL COURT SITTING IN DALLAS, TEXAS (OR ANY COURT OF COMPETENT JURISDICTION WHERE ANY PORTION OF THE MORTGAGED PROPERTY IS LOCATED) MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO GRANTOR AT THE ADDRESS OF GRANTOR FOR THE GIVING OF NOTICES PURSUANT TO SECTION 5.16 HEREOF, AND SERVICE SO MADE SHALL BE COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED.**

5.29 Waiver of Judicial Procedural Matters. Grantor hereby expressly and unconditionally waives, in connection with any suit, action or proceeding brought by the Noteholder in connection with any of the Loan Documents, any and every right it may have to (i) injunctive relief, (ii) a trial by jury, (iii) interpose any counterclaim therein (other than a compulsory counterclaim) and (iv) have the same consolidated with any other or separate suit, action or proceeding. Nothing herein contained shall prevent or prohibit Grantor from instituting or maintaining a separate action against the Noteholder with respect to any asserted claim.

IN WITNESS WHEREOF, Grantor has executed this Deed of Trust, Mortgage and Security Agreement as of October 19, 2006.

JB&C – Dickerson, L.P., a Texas limited partnership

By: JB&C – Dickerson Management, LLC,
a Texas limited liability company,
its general partner

By: John W. Bass, Manager
John W. Bass, Manager

By: John C. Caruth
John C. Caruth, Manager

The address of Grantor is:

6504 Horizon, Plano, Texas 75023

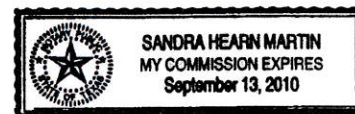
The address of the Noteholder is:

John Caruth Irrevocable Trust
c/o Bank of America, N.A.
901 Main Street
16th Floor
Dallas, Texas 75202

State of Texas
County of Cook

This instrument was acknowledged before me
on 19 day of Oct., 2006 by John W. Bass

Sandra Hearn Martin
Notary Public's Signature
My Commission Expires 9-13-2010



511182 000002 DALLAS DALLAS_2087531_1
TEXAS

THE STATE OF TEXAS §

COUNTY OF Coleman §

This instrument was acknowledged before me on October 19th, 2006 by John W. Bass and John C. Caruth, Managers of JB&C – Dickerson Management, LLC, a Texas limited liability company, on behalf of said company and on behalf of JB&C – Dickerson, L.P., a Texas limited partnership.

Sandra Hearn Martin

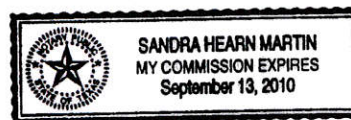
Notary Public, State of Texas

SANDRA HEARN MARTIN

(printed name)

My commission expires:

9-13-2010



511182 000002 DALLAS DALLAS_2087531_1
TEXAS

EXHIBIT A

Lot 3, in Block 11/8725, of MORSE ADDITION, an addition to the City of Dallas, Collin County, Texas according to the Map or Plat thereof recorded in Volume K, Page 38, Plat Records, Collin County, Texas.

Filed and Recorded
Official Public Records
Brenda Taylor, County Clerk
Collin County, TEXAS
11/15/2006 10:51:07 AM
\$176.00 TFOSTER
20061115001631020



Brenda Taylor

5111182 000002 DALLAS DALLAS_2087531_1
TEXAS

A - 1

28 9590

20090501000520130 05/01/2009 03:30:28 PM D1 1/4

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF OR ALL THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

STATE OF TEXAS)
)
COUNTY OF COLLIN)

KNOW ALL MEN BY THESE PRESENTS:

THAT **THE TRUST FOR PUBLIC LAND**, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc. ("Grantor"), for Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, BARGAINED, SOLD and CONVEYED, and does by these presents GRANT, BARGAIN, SELL and CONVEY unto **THE CITY OF DALLAS**, a Texas municipal corporation ("Grantee"), whose mailing address is Development Services Department, Real Estate Division, 320 E. Jefferson, Room 203, Dallas, Texas 75203 (Attention: Bonnie Meeder), all of Grantor's right, title and interest in and to that certain tract or tracts of land situated in Collin County, Texas, and described as follows:

See Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes;

together with all appurtenances thereon or in anywise appertaining thereto (said land and appurtenances being herein collectively referred to as the "Property").

SUBJECT TO the matters set out in Exhibit "B" which is attached hereto and incorporated herein by reference for all purposes.

TO HAVE AND TO HOLD the Property unto Grantee and Grantee's successors and assigns, forever, and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT AND

FOREVER DEFEND, all and singular, the Property unto Grantee, and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor but not otherwise.

EXECUTED effective as of this 29th day of April, 2009.

THE TRUST FOR PUBLIC LAND, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc.

By: [Signature]

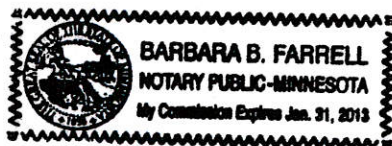
Name: Michael C. Zender

Title: *Counsel*

ACKNOWLEDGMENT

[illegible]

This instrument was acknowledged before me on this 29th day of April, 2009, by Michael C. Zender, as Counsel of **THE TRUST FOR PUBLIC LAND**, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc., on behalf of said corporation.



Ann B. Miller
Notary Public, State of Minnesota

My commission expires: 1-31-2013

AFTER RECORDING RETURN TO:
The City of Dallas
Development Services Department, Real Estate Division
(Attention: Bonnie Meeder)
320 E. Jefferson, Room 203
Dallas, Texas 75203

**EXHIBIT A TO SPECIAL WARRANTY DEED
(Property Description)**

Tract 1

Being situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of Lot 3, Block 11/8725, of the Morse Addition, an addition to the City of Dallas, recorded in Volume K, Page 38, Plat Records of Collin County, and being a part of the property conveyed to JB&C Dickerson, L.P., by Warranty Deed With Vendor's Lien, dated April 1, 2002, and recorded in Volume 5145, Page 1907, Deed Records of Collin County, and containing 3.24 acres of land, based on survey results and said Morse Addition Plat.

Tract 2

All that tract, or parcel of land being situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of the land conveyed to JB&C-Dickerson, L.P. by Special Warranty Deed with Vendor's Lien dated December 29, 2004 and recorded in Volume 5884, Page 2979 of the Deed Records of Collin County, and being more particularly described as follows:

BEGINNING at a 1/2 inch dia. steel rod found in the North Right-of-Way line of Dickerson Street, at the Southeast corner of this tract, being also the most Westerly Southwest corner of Lot 3, Block 11/8725 of the Morse Addition, an addition to the City of Dallas, as shown on the plat thereof recorded in Volume K, Page 38 of the Plat Records of Collin County:

THENCE S 76°43'05" W with the said North line of Dickerson Street a distance of 45.73 feet to a 5/8" dia. steel rod with cap marked "DALLAS" (hereafter referred to as "5/8" steel rod w/cap) set at the Southwest corner of this tract, at an inside corner of said Dickerson Street Right-of-Way:

THENCE N 0°51'42" W with the East line of Dickerson Street a distance of 252.26 feet to the Northwest corner of this tract, in the center of a creek (unable to monument):

THENCE N 89°12'53" E, departing the last said Easterly line of Dickerson Street, a distance of 48.57 feet to a 5/8" steel rod w/cap set at the Northeast corner of this tract:

THENCE S 0°47'07" E a distance of 52.64 feet to a 5/8" steel rod found at the Northwest corner of the above said Lot 3, Block 11/8725 of the Morse Addition:

THENCE S 0°17'50" W with the West line of said Lot 3 a distance of 189.76 feet to the **POINT OF BEGINNING**, containing 0.267 acres of land.

EXHIBIT B
(Matters Subject To)

1. Federal, state or local laws, ordinances, regulations and/or orders whatsoever.
2. Liens for real estate taxes not yet due and payable and other taxes and assessments of any kind or nature assessed (not yet due and payable) with respect to the Property.
3. Water easements as shown on the plat recorded in Volume K, Page 38, Map Records, Collin County, Texas.
4. Easement from Farmers Co-Op Society Gin Company to Texas Power & Light Company, dated May 22, 1961, filed September 3, 1961, recorded in Volume 586, Page 152, Deed Records, Collin County, Texas.
5. Mineral estate and interest and all rights incident thereto reserved in instrument executed by St. Louis Southwestern Railway Company to John Ples Reeder, dated October 28, 1986, recorded in Volume 2532, Page 690, Land Records, Collin County, Texas.
6. The terms and provisions of the mineral reservation in favor of JB&C-Dickerson, L.P. and its successors and assigns, as reserved in deed dated April 30, 2009, recorded in Volume ____, Page ____, Land Records, Collin County, Texas.
7. Any portion of the Property lying within the boundaries of a public or private roadway whether or not dedicated.
8. Any and all matters which would be shown on a comprehensive survey of the Property.
9. Rights of tenants under unrecorded leases and rental agreements.

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
05/01/2009 03:30:28 PM
\$28.00 DLAIRO
20090501000520130



20090501000520160 05/01/2009 03:33:48 PM D1 1/5

LTC/GF# 0824546J

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF OR ALL THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

STATE OF TEXAS)
COUNTY OF COLLIN)

KNOW ALL MEN BY THESE PRESENTS:

THAT **JB&C-DICKERSON, L.P.**, a Texas limited partnership (“Grantor”), for Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, BARGAINED, SOLD and CONVEYED, and does by these presents GRANT, BARGAIN, SELL and CONVEY unto **THE TRUST FOR PUBLIC LAND**, a nonprofit California public benefit corporation, authorized to conduct business in the State of Texas as TPL-Texas, Inc. (“Grantee”), whose mailing address is 2610 University Avenue, Suite 300, St. Paul, Minnesota 55114 (Attention: Mike Zender), all of Grantor’s right, title and interest in and to that certain tract or tracts of land situated in Collin County, Texas, and described as follows:

See Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes;

together with all appurtenances thereon or in anyway appertaining thereto (said land and appurtenances being herein collectively referred to as the "Property"), except that Grantor reserves unto itself and its successors and assigns, forever, all minerals in and under, and that may be produced from the Property; however, Grantor excludes from this reservation all right, title and interest in and to the Surface of the Property. The term "Surface" shall mean the surface of the Property and the subsurface less than 250 feet below the Surface.

SUBJECT TO the matters set out in Exhibit "B" which is attached hereto and incorporated herein by reference for all purposes.

GRANTEE, by its acceptance of this Deed, is accepting the Property in an "AS IS," "WHERE IS" CONDITION, "WITH ALL FAULTS AND DEFECTS." Except as to the limited warranty of title as expressly set forth in this Deed, Grantee acknowledges that Grantor has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, or arising by operation of law, of, as to, concerning, or with respect to: (i) the value, nature, quality or condition of the Property, including, without limitation, the water, soil and geology; (ii) the suitability of the Property for any and all activities and uses which may be conducted thereon; (iii) the compliance of or by the Property with any laws, rules, ordinances or regulations of any applicable governmental authority or body including, without limitation: (a) those dealing with the access of disabled persons whether federal, state or local such as the Americans with Disabilities Act and any rules and regulations promulgated thereunder or in connection therewith, as well as; (b) those dealing with environmental protection, pollution or land use or the management, generation, treatment, storage or disposal of any hazardous or solid wastes, or any other substances now or hereafter subject to regulation; (iv) the habitability, merchantability, marketability, profitability or fitness of the Property for any particular use or purpose; or (v) any other matter or information concerning the Property.

TO HAVE AND TO HOLD the Property unto Grantee and Grantee's successors and assigns, forever, and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee, and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor but not otherwise.

EXECUTED effective as of this 30 day of April, 2009.

JB&C-DICKERSON, L.P., a Texas limited partnership

By: JB&C-Dickerson Management, LLC, a Texas limited liability company, its general partner

By: John Bass

Name: John Bass

Title: MANAGING PARTNER + manager

By: John Caruth

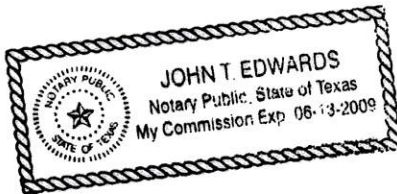
Name: John Caruth

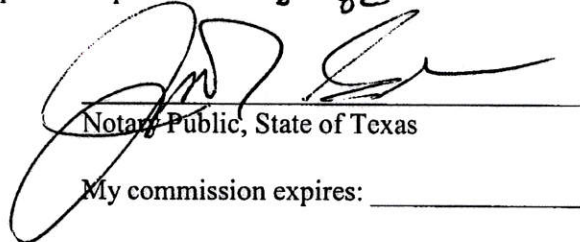
Title: Partner + manager

ACKNOWLEDGMENT

STATE OF TEXAS)
) ss.
COUNTY OF Collin)

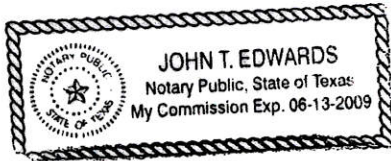
This instrument was acknowledged before me on this 30 day of April, 2009,
by John Beck, as managing partner of JB&C-DICKERSON, L.P., a Texas
limited partnership, on behalf of said limited partnership. + manager

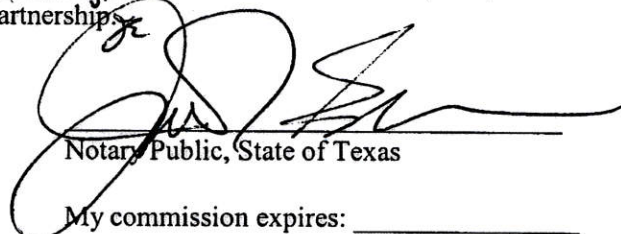



Notary Public, State of Texas
My commission expires: _____

STATE OF TEXAS)
) ss.
COUNTY OF Collin)

This instrument was acknowledged before me on this 30 day of April, 2009,
by John Beck, as managing partner of JB&C-DICKERSON, L.P., a Texas
limited partnership, on behalf of said limited partnership.




Notary Public, State of Texas
My commission expires: _____

*JB&C-DickersonManagement, LLC, a Texas limited liability
company, General Partner

AFTER RECORDING RETURN TO:
The Trust For Public Land (MCZ)
2610 University Avenue, Suite 300
St. Paul, MN 55114

EXHIBIT A to SPECIAL WARRANTY DEED
(Property Description)

Tract 1

Being situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of Lot 3, Block 11/8725, of the Morse Addition, an addition to the City of Dallas, recorded in Volume K, Page 38, Plat Records of Collin County, and being a part of the property conveyed to JB&C Dickerson, L.P., by Warranty Deed With Vendor's Lien, dated April 1, 2002, and recorded in Volume 5145, Page 1907, Deed Records of Collin County, and containing 3.24 acres of land, based on survey results and said Morse Addition Plat.

Tract 2

All that tract, or parcel of land being situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of the land conveyed to JB&C-Dickerson, L.P. by Special Warranty Deed with Vendor's Lien dated December 29, 2004 and recorded in Volume 5884, Page 2979 of the Deed Records of Collin County, and being more particularly described as follows:

BEGINNING at a 1/2 inch dia. steel rod found in the North Right-of-Way line of Dickerson Street, at the Southeast corner of this tract, being also the most Westerly Southwest corner of Lot 3, Block 11/8725 of the Morse Addition, an addition to the City of Dallas, as shown on the plat thereof recorded in Volume K, Page 38 of the Plat Records of Collin County:

THENCE S 76°43'05" W with the said North line of Dickerson Street a distance of 45.73 feet to a 5/8" dia. steel rod with cap marked "DALLAS" (hereafter referred to as "5/8" steel rod w/cap) set at the Southwest corner of this tract, at an inside corner of said Dickerson Street Right-of-Way:

THENCE N 0°51'42" W with the East line of Dickerson Street a distance of 252.26 feet to the Northwest corner of this tract, in the center of a creek (unable to monument):

THENCE N 89°12'53" E, departing the last said Easterly line of Dickerson Street, a distance of 48.57 feet to a 5/8" steel rod w/cap set at the Northeast corner of this tract:

THENCE S 0°47'07" E a distance of 52.64 feet to a 5/8" steel rod found at the Northwest corner of the above said Lot 3, Block 11/8725 of the Morse Addition:

THENCE S 0°17'50" W with the West line of said Lot 3 a distance of 189.76 feet to the **POINT OF BEGINNING**, containing 0.267 acres of land.

EXHIBIT B
(Matters Subject To)

1. Federal, state or local laws, ordinances, regulations and/or orders whatsoever.
2. Liens for real estate taxes not yet due and payable and other taxes and assessments of any kind or nature assessed (not yet due and payable) with respect to the Property.
3. Water easements as shown on the plat recorded in Volume K, Page 38, Map Records, Collin County, Texas.
4. Easement from Farmers Co-Op Society Gin Company to Texas Power & Light Company, dated May 22, 1961, filed September 3, 1961, recorded in Volume 586, Page 152, Deed Records, Collin County, Texas.
5. Mineral estate and interest and all rights incident thereto reserved in instrument executed by St. Louis Southwestern Railway Company to John Ples Reeder, dated October 28, 1986, recorded in Volume 2532, Page 690, Land Records, Collin County, Texas.
6. Any portion of the Property lying within the boundaries of a public or private roadway whether or not dedicated.
7. Any and all matters which may be shown on a current approved survey.
8. Rights of tenants, as tenants only, under unrecorded leases or rental agreements.

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
05/01/2009 03:33:48 PM
\$32.00 DLAIRD
20090501000520160



082+546 J

RELEASE OF LIEN

THE STATE OF TEXAS

COUNTY OF COLLIN



11:19:08 AM RE 1/2

Description of Note:

Date of Note: OCTOBER 19, 2006
Maker (Borrower): JB&C- DICKERSON, LP
Payable to: JOHN CARUTH IRREVOCABLE TRUST
Original Loan Amount: \$1,862,247.68

Present Holder of Note and Lien: JOHN CARUTH IRREVOCABLE TRUST

Note and Lien (herein so called) are described in the following Document(s): Deed of Trust granted to CRAIG ANDERSON, Trustee and recorded under County Clerk's File No. 20061115001631020 in the Official Public Records of Real Property of COLLIN County, Texas.

Description of Property (including any improvements) subject to Lien:

LOT 3, IN BLOCK 11/8725, OF MORSE ADDITION, AN ADDITION TO THE CITY OF DALLAS, COLLIN COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME K, PAGE 38, PLAT RECORDS, COLLIN COUNTY, TEXAS

Holder of the Note and Lien acknowledges payment of the Note, and hereby releases the Property from the Lien and from all liens held by Holder of the Note without regard to how such liens were created or evidenced, and releases all present and future rights to establish or enforce the Lien as security for payment of a future advance or other advances.

Executed this: 5th day of MAY, 2009

HOLDER:

JOHN CARUTH IRREVOCABLE TRUST

By: William L Pender

Title: VICE PRESIDENT

Print Name: WILLIAM L PENDER

STATE OF ~~XXXX~~ NORTH CAROLINA

COUNTY OF MECKLENBURG

This instrument was acknowledged before me on the 5th day of MAY, 2009, by WILLIAM L PENDER, VICE PRESIDENT of BANK OF AMERICA, N.A. "NATIONAL ASSOCIATION", on behalf of said Corporation

Crystal O Lemley
Notary Public, State of ~~XXXX~~ NORTH CAROLINA

Notary's Name Printed: CRYSTAL O LEMLEY

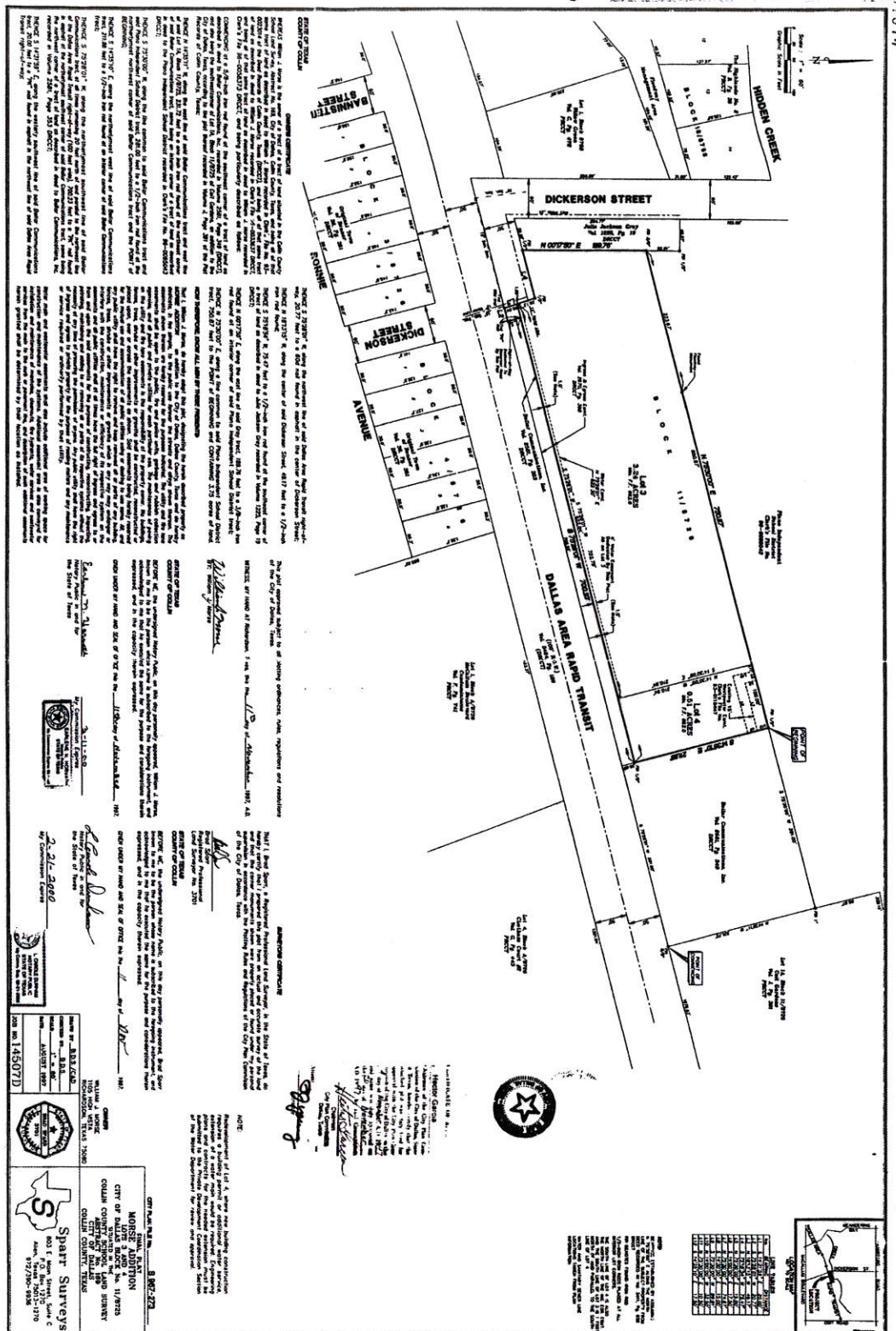
My commission expires: JANUARY 18, 2011

LEGACYTEXAS TITLE CO
3512 Preston Rd. Suite 200
Plano, TX 75093
(972) 596-5000
(972) 596-2518 FAX

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
12/23/2009 11:19:08 AM
\$20.00 BPETERSON
20091223001532020



A handwritten signature in cursive script, reading "Stacey Kemp".



04057 01373

MAPS

FILE DATE: 11-24-97

FILE NUMBER: 97-0100200

NAME OF ADDITION: Morse Addition

TOWN: Dallas

VOL: K PAGE: 38

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, REUSE, OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS UNLAWFUL AND
UNENFORCEABLE UNDER FEDERAL LAW. (COUNTY OF COLLIN
THE STATE OF TEXAS)
I hereby certify that this instrument was FILED in the Public Records on the date
and the time stamped herein by this and was duly RECORDED in the Official Public
Records of Real Property of Collin County, Texas on

NOV 24 1997

Helen Starnes



Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES

On 1997/11/24

At 1:09P

Number: 97- 0100200
Type : PL 16.00

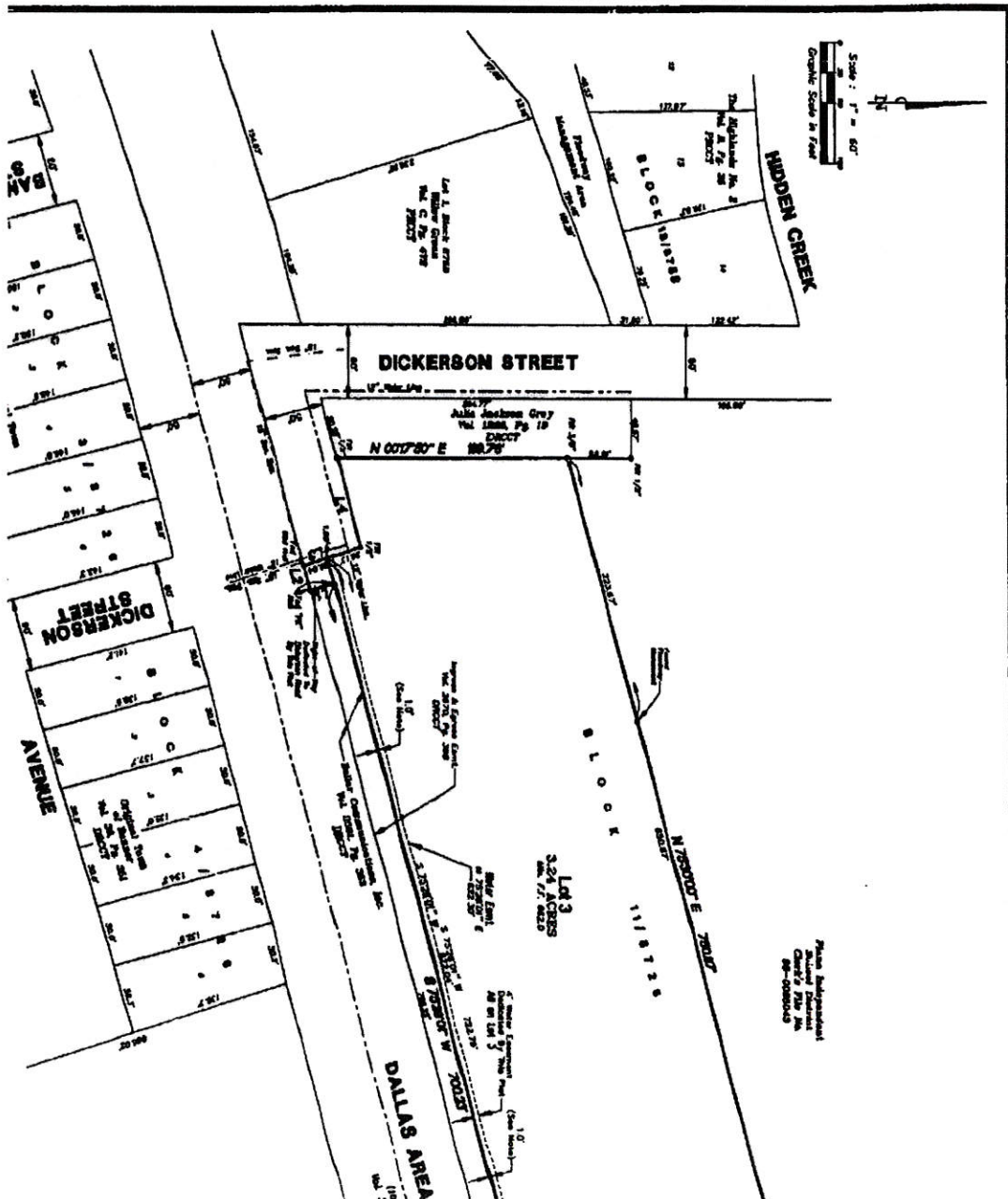
Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES

On 1997/11/24

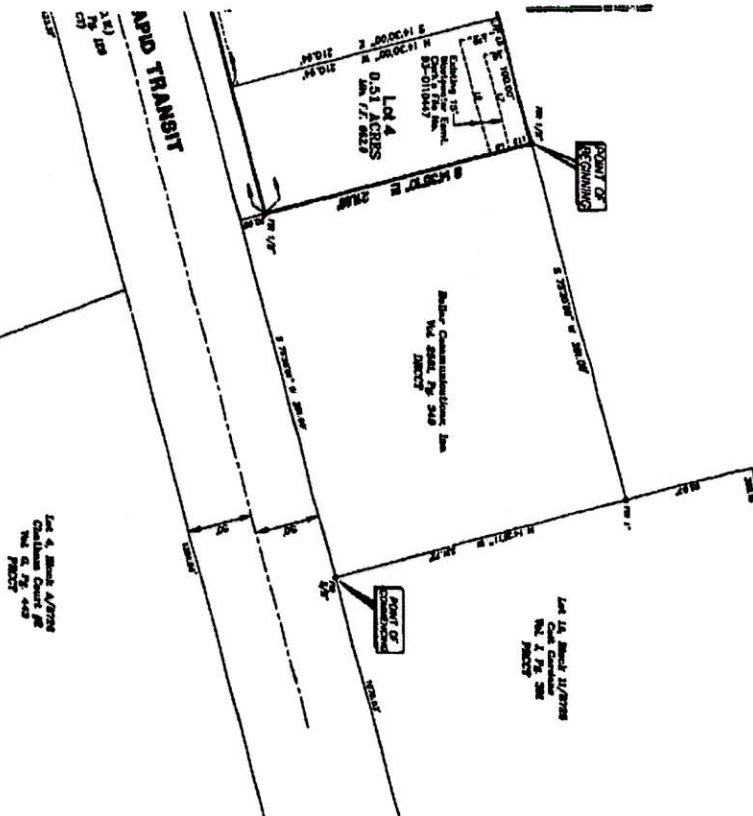
At 1:09P

Number: 97- 0100200
Type : PL 16.00

04017 01374



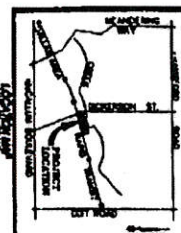
Lot 1, Block A/7798
 Section 10, T1N, R10E
 Subdivision
 Plat 2, Pg 741
 PACE



I, **Hector Garcia**,
 City Clerk of the City of Dallas, Texas,
 do hereby certify that the above and foregoing plat was duly filed for
 record with the City of Dallas, Texas,
 on this 10th day of September, A.D. 1977.
 My office is at the City of Dallas, Texas.

NOTED
 BEING FOR RECORD TO BE RECORDED
 IN THE PUBLIC RECORDS OF THE CITY OF DALLAS, TEXAS
 THE ABOVE PLAT WAS FILED FOR RECORD IN THE CITY OF DALLAS, TEXAS
 ON THIS 10TH DAY OF SEPTEMBER, A.D. 1977.
 THE DEPUTY CITY CLERK OF THE CITY OF DALLAS, TEXAS
 HAS REVIEWED THE PLAT AND HAS FOUND IT TO BE IN ACCORDANCE
 WITH THE CITY CHARTER AND THE CITY CODE.
 THE DEPUTY CITY CLERK OF THE CITY OF DALLAS, TEXAS
 HAS REVIEWED THE PLAT AND HAS FOUND IT TO BE IN ACCORDANCE
 WITH THE CITY CHARTER AND THE CITY CODE.

LINE	BEARING	DISTANCE
1	N 15° 12' 30" E	21.00'
2	S 75° 30' 00" E	20.00'
3	N 15° 12' 30" E	21.00'
4	S 75° 30' 00" E	20.00'
5	N 15° 12' 30" E	21.00'
6	S 75° 30' 00" E	20.00'
7	N 15° 12' 30" E	21.00'
8	S 75° 30' 00" E	20.00'
9	N 15° 12' 30" E	21.00'
10	S 75° 30' 00" E	20.00'
11	N 15° 12' 30" E	21.00'
12	S 75° 30' 00" E	20.00'



Setting ordinances, rules, regulations and resolutions

on the 11th day of November, 1997, A.D.

AMENDMENT CERTIFICATE

That I, Brad Sparr, a Registered Professional Land Surveyor, in the State of Texas, do hereby certify that I prepared the plat from an actual and accurate survey of the land and that the corner monuments shown were properly placed or found under my personal supervision in accordance with the Surveying Rules and Regulations of the City Plan Commission of the City of Dallas, Texas.

Brad Sparr
Registered Professional
Land Surveyor No. 3701
STATE OF TEXAS
COUNTY OF COLLIN

BEFORE ME, the undersigned Notary Public, on this day personally appeared, Brad Sparr, who being duly sworn, acknowledged to me that he executed the foregoing instrument for the purposes and considerations therein expressed, and in the capacity therein expressed.

WITNESSETH ME, the undersigned Notary Public, on this day personally appeared, Brad Sparr, who being duly sworn, acknowledged to me that he executed the foregoing instrument for the purposes and considerations therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of November, 1997.



L. Conrad Dubois
Notary Public in and for
the State of Texas
My Commission Expires
2-11-2000



NAME RE: B.D.S./C.D.
CREATED BY: B.D.S.
SCALE: 1" = 60'
DATE: AUGUST 1997
JOB NO. 14507D



CITY PLAN FILE NO. 9 867-273
FINAL PLAT
MORSE ADDITION
LOTS 3 AND 4
CITY OF DALLAS BLOCK No. 11/9723
SITUATED IN THE LAND SURVEY
COLLIN COUNTY, TEXAS
CITY OF DALLAS
COLLIN COUNTY, TEXAS
Sparr Surveys
803 E. Main Street, Suite C
P.O. Box 1270
Allen, Texas 75013-1270
972/390-9936

NO PORTION OF THIS PLAT RESTRICTS THE SALE
OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR PAGE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW

