

RECORDATION REQUESTED BY:

CORNERSTONE BANK, N.A.
8080 N Central Expressway
Lock Box 35
Dallas, TX 75208

WHEN RECORDED MAIL TO:

CORNERSTONE BANK, N.A.
8080 N Central Expressway
Lock Box 35
Dallas, TX 75208

COUNTY CLERK'S MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

SEND TAX NOTICES TO:

CLARENCE BENTLEY
Two Turtle Creek Village, Suite 1500
Dallas, TX 75219

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15.00 DETR
1 06/24/89

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST IS DATED JUNE 1, 1989, among CLARENCE BENTLEY, whose address is Two Turtle Creek Village, Suite 1500, Dallas, TX 75219 (referred to below as "Grantor"); CORNERSTONE BANK, N.A., whose address is 8080 N Central Expressway, Lock Box 35, Dallas, TX 75208 (referred to below sometimes as "Beneficiary"); and Homer L. Stewart, Jr., whose address is 8080 N. Central Expressway, Dallas, Texas 75208, (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust, with power of sale, for the benefit of Beneficiary, the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; and all easements, rights of way, and appurtenances; all water and water rights; and all other rights, royalties, and profits relating to the real property, including without limitation such rights as Grantor may have in all minerals, oil, gas, geothermal and similar matters, located in Kaufman County, State of Texas, (the "Real Property"):

See the EXHIBITS "A" & "B" attached hereto and made an integral part hereof.

Grantor presently assigns to Beneficiary all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants Beneficiary a Uniform Commercial Code security interest in the Rents and the Personal Property defined below.

DEFINITIONS. The following words shall have the following meanings when used in this Deed of Trust:

Beneficiary. The word "Beneficiary" means CORNERSTONE BANK, N.A., its successors or assigns, or any other subsequent holder of the Note.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Beneficiary, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Grantor. The word "Grantor" means any and all persons and entities executing this Deed of Trust, including without limitation CLARENCE BENTLEY.

Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, fixtures, buildings, structures, mobile homes affixed on the Real Property, facilities, additions and similar construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and earned interest payable under the Note and any amounts expended or advanced by Beneficiary to discharge obligations of Grantor or expenses incurred by Trustee or Beneficiary to enforce obligations of Grantor under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Note. The word "Note" means the Note dated June 1, 1989, in the principal amount of \$182,000.00 from Grantor to Beneficiary, together with all renewals, extensions, modifications, refinancings, and substitutions for the Note. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property owned by Grantor, now or hereafter attached or affixed to the Real Property, together with all accessories, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Conveyance and Grant" section.

Related Documents. The words "Related Documents" mean and include without limitation, all promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other documents, whether now or hereafter existing, executed in connection with Grantor's indebtedness to Beneficiary.

Rents. The word "Rents" means all rents, revenues, income, issues, and profits from the Property.

Trustee. The word "Trustee" means Homer L. Stewart, Jr. and any substitute or successor trustees.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Beneficiary all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note and this Deed of Trust.

PURPOSE OF LOAN. The Note in the amount of \$182,000.00 represents, in part or in whole, cash or other financial accommodations advanced or committed by Beneficiary to Grantor on June 1, 1989 at Grantor's request, of which Grantor hereby acknowledges receipt.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (a) remain in possession and control of the Property, (b) use, operate or manage the Property, and (c) collect any Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs and maintenance necessary to preserve its value.

Hazardous Substances. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Deed of Trust, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-469 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. Grantor represents and warrants to Beneficiary that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, or about the Property. (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Beneficiary in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters. (c) Except as previously disclosed to and acknowledged by Beneficiary in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, or about the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Beneficiary and its agents to enter upon the Property to make such inspections and tests as Beneficiary may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Beneficiary shall be for Beneficiary's purposes only and shall not

be construed to create any responsibility or liability on the part of Beneficiary to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste. Grantor hereby (a) releases and waives any future claims against Beneficiary for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Beneficiary against any and all claims, losses, liabilities, damages, penalties, and expenses which Beneficiary may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Beneficiary's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Beneficiary. This restriction will not apply to rights and easements (such as gas and oil) not owned by Grantor and of which Grantor has informed Beneficiary in writing prior to Grantor's signing of this Deed of Trust.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Beneficiary. As a condition to the removal of any improvements, Beneficiary may require Grantor to make arrangements satisfactory to Beneficiary to replace such improvements with improvements of at least equal value.

Beneficiary's Right to Enter. Beneficiary and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Beneficiary's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Beneficiary in writing prior to doing so and so long as Beneficiary's interests in the Property are not jeopardized. Beneficiary may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Beneficiary, to protect Beneficiary's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY BENEFICIARY. Beneficiary may at its option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Beneficiary's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of real property or any right, title or interest therein; whether legal or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of real property interest. If any Grantor is a corporation or partnership, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock or partnership interests, as the case may be, of Grantor. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law or by Texas law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Deed of Trust.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Beneficiary under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Beneficiary's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Beneficiary, deposit with Beneficiary cash or a sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Beneficiary and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Beneficiary as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Beneficiary satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Beneficiary at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Beneficiary at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$1,000.00. Grantor will upon request of Beneficiary furnish to Beneficiary advance assurances satisfactory to Beneficiary that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of the insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Beneficiary. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Beneficiary. GRANTOR MAY FURNISH THE REQUIRED INSURANCE WHETHER THROUGH EXISTING POLICIES OWNED OR CONTROLLED BY GRANTOR OR THROUGH EQUIVALENT INSURANCE FROM ANY INSURANCE COMPANY AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF TEXAS. If Grantor fails to provide any required insurance or fails to continue such insurance in force, Beneficiary may, but shall not be required to, do so at Grantor's expense, and the cost of the insurance will be added to the indebtedness. If any such insurance is procured by Beneficiary at a rate or charge not fixed or approved by the State Board of Insurance, Grantor will be so notified, and Grantor will have the option for five (5) days of furnishing equivalent insurance through any insurer authorized to transact business in Texas. Grantor, upon request of Beneficiary, will deliver to Beneficiary from time to time the policies or certificates of insurance in form satisfactory to Beneficiary, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Beneficiary.

Application of Proceeds. Grantor shall promptly notify Beneficiary of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$250.00. Beneficiary may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Beneficiary's security is impaired, Beneficiary may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Beneficiary elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Beneficiary. Beneficiary shall, upon satisfactory proof of such expenditures, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Beneficiary has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Beneficiary under this Deed of Trust, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Beneficiary holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Deed of Trust at any trustee's sale or other sale held under the provisions of this Deed of Trust, or at any foreclosure sale of such Property.

Grantor's Report on Insurance. Upon request of Beneficiary, however not more than once a year, Grantor shall furnish to Beneficiary a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured, the then current replacement value of such property, and the manner of determining that value; and (e) the expiration date of the policy. Grantor shall, upon request of Beneficiary, have an independent appraiser satisfactory to Beneficiary determine the cash value replacement cost of the Property.

EXPENDITURES BY BENEFICIARY. If Grantor fails to comply with any provision of this Deed of Trust, or if any action or proceeding is commenced that would materially affect Beneficiary's interests in the Property, Beneficiary on Grantor's behalf may, but shall not be required to, take any action that Beneficiary deems appropriate. Any amount that Beneficiary expends in so doing will bear interest at the Note rate from the date incurred or paid by Beneficiary to the date of repayment by Grantor. All such expenses, at Beneficiary's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Deed of Trust also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Beneficiary may be entitled on account of the default. Any such action by Beneficiary shall not be construed as curing the default so as to bar Beneficiary from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust.

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DEED OF TRUST
(Continued)

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Beneficiary in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Beneficiary.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Beneficiary under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Beneficiary shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver, or cause to be delivered, to Beneficiary such instruments as may be requested by it from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

CONDEMNATION. The following provisions relating to proceedings in condemnation are a part of this Deed of Trust.

Application of Net Proceeds. If all or any part of the Property is condemned, Beneficiary may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees necessarily paid or incurred by Grantor, Trustee, or Beneficiary in connection with the condemnation.

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Beneficiary in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Beneficiary shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered, to Beneficiary such instruments as may be requested by it from time to time to permit such participation.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Beneficiary shall have all of the rights of a secured party under the Texas Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Beneficiary, Grantor shall execute financing statements and take whatever other action is requested by Beneficiary to perfect and continue Beneficiary's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Beneficiary may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Beneficiary for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Beneficiary and make it available to Beneficiary within three (3) days after receipt of written demand from Beneficiary.

Addresses. The mailing addresses of Grantor (debtor) and Beneficiary (secured party), from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Texas Uniform Commercial Code), are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances are a part of this Deed of Trust.

Further Assurances. At any time, and from time to time, upon request of Beneficiary, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Beneficiary or to Beneficiary's designee, and when requested by Beneficiary, cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such offices and places as Beneficiary may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Beneficiary, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Note, this Deed of Trust, and the Related Documents, and (b) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Beneficiary in writing, Grantor shall reimburse Beneficiary for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Beneficiary may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Beneficiary as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Beneficiary's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Beneficiary shall execute and deliver to Grantor a release of this Deed of Trust and suitable statements of termination of any financing statement on file evidencing Beneficiary's security interest in the Rents and the Personal Property. Any filing fee required by law shall be paid by Grantor, if permitted by applicable law.

DEFAULT. Each of the following, at the option of Beneficiary shall constitute an Event of Default under this Deed of Trust:

Default on Indebtedness. Failure of Grantor to make any payment when due on the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents. If such a failure is curable, it may be cured (and no Event of Default will have occurred) if Grantor, after receiving written notice from Beneficiary demanding cure of such failure: (a) cures the failure within twenty (20) days; or (b) if the cure requires more than twenty (20) days, immediately initiates steps sufficient to cure the failure and thereafter continue and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

Breaches. Any warranty, representation or statement made or furnished to Beneficiary by or on behalf of Grantor under this Deed of Trust, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect.

Insolvency. The insolvency of Grantor, appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor, or the dissolution or termination of Grantor's existence as a going business (if Grantor is a business). Except to the extent prohibited by federal law or Texas law, the death of Grantor (if Grantor is an individual) also shall constitute an Event of Default under this Deed of Trust.

Foreclosure, etc. Commencement of foreclosure, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure, provided that Grantor gives Beneficiary written notice of such claim and furnishes reserve or a surety bond for the claim satisfactory to Beneficiary.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Beneficiary that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Beneficiary, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occur with respect to any Guarantor of any of the Indebtedness or such Guarantor dies or becomes incompetent or any Guarantor revokes any guaranty of the Indebtedness. Beneficiary, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Beneficiary, and, in doing so, cure the Event of Default.

Insecurity. Beneficiary in good faith deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default, and after giving any required statutory notice of default, including any notice required under the Texas Property Code, and after Grantor's failure to cure the default during any statutory cure period, and at any time thereafter, Trustee or Beneficiary, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Beneficiary may declare the unpaid principal balance of the Indebtedness due and payable. In no event will Grantor be required to pay any unearned interest.

Foreclosure. If Beneficiary invokes the power of sale, Trustee, at the request of Beneficiary, may sell all or any portion of the Property at public auction to the highest bidder for cash at the location within the courthouse designated by the County Commissioners Court, or if no such area has been designated, at the area designated in the notice of sale within the courthouse, between the hours of 10:00 A.M. and 4:00 P.M. on the first Tuesday of any month, after the Beneficiary or its agent has given notice of the time, place, and terms of sale and of the property to be sold as required by the Texas Property Code, as then amended.

UCC Remedies. With respect to all or any part of the Personal Property, Beneficiary shall have all the rights and remedies of a secured party

under the Texas Uniform Commercial Code.

Collect Rents. As additional security for the payment of the indebtedness, Grantor hereby absolutely assigns to Beneficiary all Rents as defined above. Until the occurrence of an Event of Default, Grantor is granted a license to collect and retain the Rents; however, upon receipt from Beneficiary of a notice that an Event of Default exists under this Deed of Trust, Beneficiary may terminate Grantor's license, and then Beneficiary, as Grantor's agent, may collect the Rents. In addition, if the Property is vacant, Beneficiary may rent or lease the Property. Beneficiary shall not be liable for its failure to rent the Property, to collect any Rents, or to exercise diligence in any matter relating to the Rents; Beneficiary shall be accountable only for Rents actually received. Beneficiary neither has nor assumes any obligation as lessor or landlord with respect to any occupant of the Property. Rents so received shall be applied by Beneficiary first to the remaining unpaid balance of the indebtedness, in such order or manner as Beneficiary shall elect, and the residue, if any, shall be paid to the person or persons legally entitled to the residue.

Trustee's Powers. Grantor hereby jointly and severally authorizes and empowers Trustee to sell all or any portion of the Property together or in lots or parcels, as Trustee may deem expedient, and to execute and deliver to the purchaser or purchasers of such Property good and sufficient deeds of conveyance of fee simple title, or of lesser estates, and bills of sale and assignments, with covenants of general warranty made on behalf of Grantor. In no event shall Trustee be required to exhibit, present or display at any such sale any of the Property to be sold at such sale. The Trustee making such sale shall receive the proceeds of the sale and shall apply the same as provided below. Payment of the purchase price to Trustee shall satisfy the liability of the purchaser at any such sale of the Property, and such person shall not be bound to look after the application of the proceeds.

Appoint Receiver. Beneficiary shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Beneficiary's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Beneficiary shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Beneficiary otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Beneficiary or the purchaser of the Property and shall, at Beneficiary's option, either (a) pay a reasonable rental for the use of the Property, (b) vacate the Property immediately upon the demand of Beneficiary, or (c) if such tenants refuse to surrender possession of the Property upon demand, the purchaser shall be entitled to institute and maintain the statutory action of forcible entry and detainer and procure a writ of possession thereunder, and Grantor expressly waives all damages sustained by reason thereof.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Beneficiary shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Beneficiary shall be entitled to bid at any public sale on all or any portion of the Property. Trustee may convey all or any part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty. Grantor waives all requirements of appraisement, if any. The affidavit of any person having knowledge of the facts to the effect that proper notice as required by the Texas Property Code was given shall be prima facie evidence of the fact that such notice was in fact given. Recitals and statements of fact in any notice or in any conveyance to the purchaser or purchasers of the Property in any foreclosure sale under this Deed of Trust shall be prima facie evidence of the truth of such facts, and all prerequisites and requirements necessary to the validity of any such sale shall be presumed to have been performed. Any sale under the powers granted by this Deed of Trust shall be a perpetual bar against Grantor, Grantor's heirs, successors, assigns and legal representatives.

Proceeds. Trustee shall pay the proceeds of any sale of the Property (a) first, to the expenses of foreclosure, including reasonable fees or charges paid to the Trustee, including but not limited to fees for enforcing the lien, posting for sale, selling, or releasing the Property, (b) then to Beneficiary the full amount of the indebtedness, (c) then to any amount required by law to be paid before payment to Grantor, and (d) the balance, if any, to Grantor.

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Beneficiary to pursue any remedy provided in this Deed of Trust, the Note, in any Related Document, or provided by law shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust after failure of Grantor to perform shall not affect Beneficiary's right to declare a default and to exercise any of its remedies.

Attorneys' Fees; Expenses. If Beneficiary institutes any suit or action to enforce any of the terms of this Deed of Trust shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Beneficiary which in Beneficiary's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness, be payable on demand and shall bear interest at the Note rate from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Beneficiary's reasonable attorneys' fees whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor will also pay any court costs, in addition to all other sums provided by law. In the event of foreclosure of this Deed of Trust, Beneficiary shall be entitled to recover from Grantor Beneficiary's reasonable attorneys' fees and actual disbursements necessarily incurred by Beneficiary in pursuing such foreclosure.

POWER AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust.

Power of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the request of Beneficiary and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Beneficiary under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other lienholder of the Property of the commencement of a foreclosure proceeding or of the commencement of any other action to which Beneficiary may avail itself as a remedy, except to the extent required by applicable law or by written agreement.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable state law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Beneficiary shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Substitute Trustee. Beneficiary, at its option, from time to time, and more than once, may appoint in writing a successor or substitute trustee, with or without cause, including the resignation, absence, death, inability, refusal or failure to act of the Trustee. The successor or substitute trustee may be appointed without ever requiring the resignation of the former trustee and without any formality except for the execution and acknowledgment of the appointment by the beneficiary of this Deed of Trust. The successor or substitute trustee shall then succeed to all rights, obligations, and duties of the Trustee. This appointment may be made on behalf of Beneficiary by the President, any Vice President, Secretary, or Cashier of Beneficiary.

NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Deed of Trust, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, registered mail, postage prepaid, directed to the addressee shown at the top of page one (1). Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Beneficiary and Trustee informed at all times of Grantor's current address.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Beneficiary, upon request, a statement of net cash profit received from the Property during Grantor's previous fiscal year in such detail as Beneficiary shall require. "Net cash profit" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Applicable Law. This Deed of Trust has been delivered to Beneficiary and accepted by Beneficiary in the State of Texas. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Texas and applicable Federal laws.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Beneficiary in any capacity, without the written consent of Beneficiary.

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Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Deed of Trust in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Beneficiary, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

x

CLARENCE BENTLEY

Individual Acknowledgment

STATE OF TEXAS)

COUNTY OF DALLAS)

This instrument was acknowledged before me on 6-5, 1989 by CLARENCE BENTLEY.

Mary Nell Kouas
MARY NELL KOUAS
Notary Public, State of Texas

EXHIBIT "A"

All that Certain Lot, tract or parcel of land situated on the W.D. Menefee Survey A-857 and the G.W. Benham Survey A-210, Dallas County, Texas and being the same tracts of land called Tract 1 and Tract 2 conveyed to Jack C. James et ux, Frances N. James by R.V. Luther et ux, Maudie P. Luther by Deed recorded in Volume 72081, Page 0597 of the Deed Records of Dallas County, Texas. Said lot, tracts or parcels of land being more particularly described as follows:

BEGINNING at a 60d nail set at the intersecting Center Line of Wolf Springs Road and Parkinson Road, same being in the South Line of the W.D. Menefee Survey and being the South East corner of the 46.75 Acre Tract of land sold to W.H. Stephens;

THENCE: North 27 degrees 31 minutes 31 seconds West 1673.37 feet with the Center Line of Parkinson Road to a 60d nail set for corner. Witness a 1" iron pipe found North 61 degrees 12 minutes 17 seconds East 20.0 feet at a fence corner on right-of-way line;

THENCE: North 61 degrees 12 minutes 17 seconds East 2222.13 feet to a 1/2" iron rod set for corner;

THENCE: South 28 degrees 11 minutes 20 seconds East 869.02 feet to a 1/2" iron rod set for corner;

THENCE: North 61 degrees 48 minutes 40 seconds East 1525.0 feet to a 1/2" iron rod set for corner in the East Line of said W.D. Menefee Survey, same being on the West Line of the G.W. Benham Survey;

THENCE: North 28 degrees 11 minutes 20 seconds West 1878.49 feet with said Survey Line to a 1/2" iron rod set for corner on the South Toe of a Levee;

THENCE: With the South Toe of Levee as follows: North 88 degrees 00 minutes 40 seconds East 143.76 feet, South 70 degrees 22 minutes 35 seconds East 829.18 feet, North 72 degrees 41 minutes 48 seconds East 333.04 feet to a 1/2" iron rod set for corner;

THENCE: North 1 degree 55 minutes 10 seconds West 215.03 feet from said South Toe of Levee to a T-Post found for corner;

THENCE: North 73 degrees 42 minutes 50 seconds East 932.10 feet to a T-Post for corner;

THENCE: North 81 degrees East 606.38 feet to a T-Post for corner;

THENCE: South 28 degrees 22 minutes 09 seconds East 240.39 feet to a 1/2" iron rod set for corner on South Toe of said Levee;

THENCE: Continuing with South Toe of Levee as follows: South 88 degrees 45 minutes 36 seconds East 782.80 feet, South 58 degrees 10 minutes 34 seconds East 844.37 feet, South 88 degrees 42 minutes 05 seconds East 795.83 feet to a 1/2" iron rod set for corner on the South Line of the G.W. Benham Survey;

THENCE: South 61 degrees 31 minutes 51 seconds West 4761.57 feet with said South Line of Benham Survey and the Menefee Survey to a 1/2" iron rod found for corner in the East Line of the Thomas Kemp Survey;

THENCE: North 28 degrees 16 minutes 23 seconds West 217.61 feet with the East Line of said Kemp Survey to a 1/2" iron rod found for corner;

THENCE: South 58 degrees 45 minutes 12 seconds West 3287.04 feet with the South Line of said Menefee Survey and the Center Line of Wolf Springs Road to the place of beginning and containing 251.559 Acres of land in which 2.889 acres is in County Roads.

EXHIBIT "B"

TRACT 1:

All that certain lot, tract or parcel of land, part of the Samuel Davis Survey, Abstract NO. 116, Kaufman County, Texas, all of that certain called 28.986 acre tract conveyed to Ben W. Bowden by the Veterans Land Board of Texas on December 18, 1969 and recorded in Vol. 533 page 146 of the Deed Records of Kaufman County, Texas and all of that certain called 110.17 acre tract conveyed to Ben W. Bowden by J. C. Lathem, et ux on December 31, 1969 and recorded in Vol. 533 page 150 of the Deed Records of Kaufman County, Texas and being more completely described as follows, to-wit:

BEGINNING at a 4" Iron rod for corner at the South corner of the above mentioned 28.986 acre tract and being in the Northwest Right of Way Line of Farm to Market Road No. 1390.

THENCE N 45 deg. 37 min. 35 sec. W, with the Southwest line of said 28.986 acre tract, a distance of 2275.94 ft. to a 4" Iron rod at the West corner of same.

THENCE N 44 deg. 27 min. 59 sec. E, a distance of 1500.86 ft. to an Iron rod at the Westerly North corner of the above mentioned 110.17 acre tract.

THENCE N 18 deg. 54 min. 59 sec. E, with a line of said tract, a distance of 1726.41 ft. to a 4" Iron rod at an angle corner of same.

THENCE N 44 deg. 32 min. 12 sec. E, with the Northerly Northwest line of said 110.17 acre tract, a distance of 949.24 ft. to a 4" Iron rod for corner at the North corner of same and being in the Southwest Right of Way Line of Farm to Market Road No. 148.

THENCE S 45 deg. 03 min. 08 sec. E, with said Right of Way line, a distance of 929.28 ft. to a concrete monument for corner.

THENCE S 2 deg. 41 min. 41 sec. E, continuing with said Right of Way line, a distance of 144.00 ft. to a concrete monument in the Northwest Right of Way line of Farm to Market Road No. 1390.

THENCE S 40 deg. 54 min. 25 sec. W, with said Right of Way line, a distance of 771.63 ft. to a 4" Iron rod at the East corner of a certain 6.0 acre tract.

THENCE N 44 deg. 29 min. 45 sec. W, with the Northeast line of said 6.0 acre tract, a distance of 435.60 ft. to a 4" Iron rod at the North corner of same.

THENCE S 45 deg. 27 min. 19 sec. W, with the Northwest line of said 6.0 acre tract, a distance of 600.00 ft. to a 4" Iron rod at the West corner of same.

THENCE S 44 deg. 29 min. 45 sec. E, with the Southwest line of said 6.0 acre tract, a distance of 435.60 ft. to a 4" Iron rod for corner in the Northwest Right of Way line of Farm to Market Road No. 1390.

THENCE S 48 deg. 15 min. 46 sec. W, with said Right of Way line, a distance of 195.97 ft. to a concrete monument at the P. C. of a curve to the left.

THENCE continuing with said Right of Way line and with said curve to the left, the angle of which is 4 deg. 29 min. 00 sec., the radius is 5779.58 ft. and the tangent is 226.238 ft., a distance of 452.25 ft. to a concrete monument at the P. T. of same.

THENCE S 43 deg. 46 min. 46 sec. W, continuing with said Right of Way line, a distance of 1535.66 ft. to the place of beginning, containing 142.098 acres of land.

UNOFFICIAL

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.

STATE OF TEXAS COUNTY OF DALLAS

I hereby certify this instrument was filed on the date and time stamped herein by me and was duly recorded in the volume and page of the current records of Dallas County, Texas as stamped herein by me.

JUN 28 1989



Earl B. Burt
COUNTY CLERK, Dallas County, Texas

89 JUN 28 AM 9:46
COUNTY CLERK
DALLAS COUNTY
FILED
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