

DANA DEBEAUVOIR, COUNTY CLERK

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Date: 01/23/2012 05:14 PM

Real Estate Index Search

Report # 786901 Requested By REBECCA LAFLURE (WEBPUBLIC) Grantor Begins with PRESSLEY LAURA

Instrument #	Book	Page	Date Filed	Document Type	Name	More?	Associated Name	More?	Image	Legal Description	Status
✓ 5896566	13123	790	02/19/1998	DOCUMENT_TYPE	R PRESSLEY LAURA		E AIRTECH ENERGY SYSTEMS INC	✓		LT 10 BLK D EDDIEWOOD SEC 1	Perm
✓ 2000157006			08/15/2000	DOCUMENT_TYPE	R PRESSLEY LAURA	✓	E WACHOVIA MORTGAGE CORPORATION	✓		LT 122 ALLANDALE SEC 1	Perm
✓ 2001060350	0	0	04/20/2001	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E REGIONS BANK	✓		LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1	Perm
✓ 2002027107	0	0	02/12/2002	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E REGIONS MORTGAGE INC	✓		LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1	Perm
✓ 2004105556			08/02/2004	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E REGIONS BANK	✓		LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRL AUSTIN TX 78757	Perm
✓ 2005098020			08/03/2005	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E PRIDE BUILDERS LLC	✓		LT 122 ALLANDALE SEC 1	Perm
✓ 2005098021			08/03/2005	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E WACHOVIA MORTGAGE CORP	✓		LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRAIL AUSTIN TX 78757	Perm
✓ 2008035013			02/28/2008	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E SPURGEON LARRY	✓		LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1	Perm
✓ 2008035013			02/28/2008	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E AMERICAN BANK OF TEXAS	✓		LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1	Perm
✓ 2007081072			05/03/2007	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E WACHOVIA MORTGAGE CORPORATION	✓		SEE INSTRUMENT	Perm
✓ 2011148036			10/05/2011	DOCUMENT_TYPE	R PRESSLEY LAURA A	✓	E SWBC MORTGAGE CORPORATION	✓		LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRAIL AUSTIN TX 78757	Perm
✓ 5433028	12311	1016	11/09/1994	DOCUMENT_TYPE	R PRESSLEY LAURA A.		E CTX MORTGAGE COMPANY	✓		LOT 10 BLK D EDDIEWOOD SEC 1	Perm
✓ 6053821	13331	1900	12/19/1998	DOCUMENT_TYPE	R PRESSLEY LAURA A.		E OSBORNE JANET MARIE DAVIS	✓		LT 10 BLK D EDDIEWOOD SEC 1	Perm
✓ 6053621	13331	1900	12/16/1998	DOCUMENT_TYPE	R PRESSLEY LAURA A.		E MILESTONE MORTGAGE CORPORATION	✓		LT 10 BLK D EDDIEWOOD SEC 1	Perm
✓ 6056252	13335	1434	12/22/1998	DOCUMENT_TYPE	R PRESSLEY LAURA A.	✓	E PRIME LENDING INC	✓		LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1	Perm

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 11:31 AM

Real Estate Index Detail

Report # 787294 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 5433028	Document Type: DEED OF TRUST
Date Received: 11/09/1994 12:00:00 AM	Book Type: book_type
Index Status: Permanent Index	Book: 12311
Image? ✓	Page: 1016
Comments:	

Grantors

1 PRESSLEY LAURA A.

Grantees

1 CTX MORTGAGE COMPANY

Legal Information

1 LOT 10 BLK D EDGEWOOD SEC 1

RECORD AND RETURN TO:
CITY MORTGAGE COMPANY
8000 PLAZA ON THE LAKE, STE 300
AUSTIN, TX 78746

200302141

FILE CODE
00005220135

(Spec. Above This Line For Recording Data)

DEED OF TRUST

4:24 PM 3750

4:24 PM 3750

13.00 INGV
1 10/05/94
5.00 RECF
11/00/94
33-2.44-CHKC

THIS DEED OF TRUST ("Security Instrument") is made on
LAURA A. PRESSLEY AN UNMARRIED WOMAN

NOVEMBER 4, 1994

The grantor is

("Borrower"). The trustee is

NICK J. CAROTHERS OR KARREN P. BATES OR RICHARD SMITH

, whose address is

P.O. BOX 19000, DALLAS, TEXAS 75219

("Trustee"). The beneficiary is

CITY MORTGAGE COMPANY

which is organized and existing under the laws of
address is

NEVADA

P.O. BOX 19000, DALLAS, TEXAS 75219

, and whose

("Lender"). Borrower owes Lender the principal sum of

ONE HUNDRED THIRTEEN THOUSAND FIFTY & 00/100

Dollars (U.S. \$ 113,050.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on DECEMBER 1, 2024. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in

TRAVIS

County, Texas:

LOT TEN (10), BLOCK D, EDGEWOOD, SECTION 01, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAN OF RECORD IN VOLUME 6, PAGE 134, PLAT RECORDS OF TRAVIS COUNTY, TEXAS

which has the address of
Texas

78757

(Zip Code)

2602 TWIN OAKS DRIVE, AUSTIN

("Property Address"):

(Street, City).

TEXAS - Single Family - FNMA/FHLMC UNIFORM INSTRUMENT

Form 3044 8/90

Amended 3/94

VMP MORTGAGE FORMS - (100) 11-722

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REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12311 1016

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

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

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged. If the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve

200302141

the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12311 1019

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. **Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substances or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: asbestos, radon gas, lead-based paint, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice will result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender or Trustee shall give notice of the time, place and terms of sale by posting and recording the notice at least 21 days prior to sale as provided by applicable law. Lender shall mail a copy of the notice of sale to Borrower in the manner prescribed by applicable law. Sale shall be made at public venue between the hours of 10 a.m. and 4 p.m. on the first Tuesday of the month. Borrower authorizes Trustee to sell the Property to the highest bidder for cash in one or more parcels and in any order Trustee determines. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying indefeasible title to the Property with covenants of general warranty. Borrower covenants and agrees to defend generally the purchaser's title to the Property against all claims and demands. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not

0000-0H(TX)14000

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Form 3044, 9/90

(17-0000)

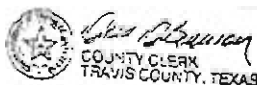
REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12311 1020

FILED

34 NOV -9 PH 3:45

CLERK OF COUNTY CLERK
TRAVIS COUNTY, TEXAS



REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12311 1021

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/23/2012 05:44 PM

Real Estate Index Detail

Report # 786913 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 5896566	Document Type: MECHANIC'S LIEN
Date Received: 02/19/1998 12:00:00 AM	Book Type: book_type
Index Status: Permanent Index	Book: 13123
Image? ✓	Page: 790
Comments:	

Grantors

1 PRESSLEY LAURA

Grantees

1 AIRTECH ENERGY SYSTEMS INC

Legal Information

1 LT 10 BLK D EDGEWOOD SEC 1

7009567502

LAURA PREBSLEY, PH.D., UNMARRIED

Owner: _____ ("Owner", whether one or more)

Contractor: AIRTECH ENERGY SYSTEMS, INC.

Owner and Collector Name as follows:

1. **Property.** Owner is the owner of the following described real estate:

LOT TEN (10), BLOCK 5, EDGEWOOD, SECTION #1, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT OF RECORD IN VOLUME 6, PAGE 134, PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

(“Land”). Owner warrants that Owner owns the Land in fee simple, free of any liens or encumbrances other than the following:

~~"It" in good and workmanlike manner, including furnishing all labor and materials thereof; regarding to this Contract and the plans and specifications agreed upon by the parties hereto; the following improvements, improvements on the Land~~

3. **Contract Price.** On or before the date which is thirty-one (31) days after the Completion Date, Owner promises to pay to the order of Contractor the sum of \$ 4357.00, plus any additional sums which may be earned hereunder pursuant to Sections 8 and/or 14 hereof, or such lesser amount as may be earned hereunder ("Contract Price") for the construction of the Improvements.

Payment of the Contract Price shall be made as follows: \$ 0.00 cash paid to Contractor upon execution of this contract; and \$ 4357.00 ("Indebtedness") to be paid on or before the date which is thirty-one (31) days after the Completion Date, which indebtedness is being transferred and assigned by Contractor to NATIONSBANK OF TEXAS N.A. ("NationsBank"). In receipt, extension and rearrangement of the Indebtedness, but not in novation, Owner contemporaneously herewith is executing and delivering to NationsBank its promissory note of even date herewith payable to the order of NationsBank in the principal amount of \$ 4357.00 ("Note").

Notwithstanding anything to the contrary in this Contract, Owner may retain the amount required by Subchapter E of Chapter 83 of the Texas Property Code during progress of the construction of the Improvements and for thirty (30) days after the "completion" of the Improvements as defined in that Subchapter.

4. **Plans and Specifications.** Owner has agreed to and has approved the plans and specifications presented by Contractor

5. Commencement. This contract is executed, acknowledged and delivered, and the liens are created hereunder before any labor has been performed and before any material has been furnished for the construction of the improvements.

6. Liens. The term "Beneficiary" as used in this Contract means Contractor, unless Contractor has assigned and transferred the Obligation (defined below) to National Bank, in which case the term "Beneficiary" means National Bank. To secure the prompt payment and performance of Owner's Obligation hereunder, Owner hereby grants a Builder's, Mechanic's, Materialman's and Laborer's Lien and security interest for the benefit of Beneficiary on the Land, and all Improvements, additions, materials, fixtures and appurtenances now thereon and hereafter placed thereon (collectively, the "Collateral"), and Owner, for the auxiliary and cumulative enforcement of the liens created hereunder, and for the further consideration, uses, purposes and trusts hereof, has granted, sold and conveyed, and by these presents does grant, sell and convey unto MICHAEL F. HORD, Trustee, of TRAVIS County, Texas, and his or her substitutes or successors, the Collateral, and all rights, hereditaments and appurtenances in anywise appertaining or belonging to the Collateral.

7. Obligation. The items granted hereunder and this conveyance in trust are granted and made to secure and ensure payment and performance of Owner's obligations hereunder (including but not limited to the Note, if applicable under paragraph 8 above), and all extensions, renewals, increases and rearrangements thereof, and all additional amounts which may be advanced by Beneficiary for additional work and material necessary for the completion of the Improvements, and all additional sums paid out by Beneficiary which are chargeable to Owner hereunder (all of the foregoing being herein sometimes collectively called the "Obligation").

If any portion of the Obligation cannot be lawfully secured by the lien and security interest herein given and created upon the Collateral, it is agreed that the first payments made on said Obligation shall be applied to the discharge of that portion of the Obligation.

9. Alterations and Extras. No alterations shall be made in the work shown or described by the plans and specifications, nor shall any extra work or materials be charged or paid for, unless a separate estimate for such extra work is submitted in writing by Contractor to Owner and agreed to in writing by them before the extra work is started. The additional amount to be paid for all extra work and materials so agreed to and furnished shall be a part of the Contract Price secured by the lien created by this Contract. Beneficiary, at its option and subject to the execution

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of such additional loan disbursement as it might require, may advance all or part of such additional amount, including the cost of interest or other charges agreed in writing between Owner and Contractor, and in such event the additional amount or amounts shall be a part of the original loan secured hereby. If Beneficiary elects not to enter on such additional amount, Owner shall pay Contractor in cash upon completion of each such work. All such work shall be completed without such additional amount shall be considered as performed under the original Contract and no interest shall be charged or allowed.

10. **Improvements.** If the Improvements call for any reason to be completed according to this Contract, any construction material or the plans and specifications, or if all of the labor and material used in execution thereof shall be provided by Contractor, then Beneficiary shall have a valid and enforceable claim for the Contract Price less such amount as would be reasonably necessary to complete the Improvements according to this Contract, say construction contract and the plans and specifications. Without limitation of the preceding sentence, if Contractor has assigned the Obligation to Lender or the subsequent holder of the Obligation at the time in question may complete the construction but shall have no obligation to do so.

11. **Insurance.** Owner shall pay the Collateral Interest against loss by fire, hazard included within the term "extended coverage" and any other hazards, including floods, or flooding, for which Beneficiary requires in an amount equal to the lesser of (a) the current outstanding balance on the Note; (b) one hundred percent (100%) of the maximum insurable value of the Collateral; or (c) the flood insurance only, and insured percent (100%) of the maximum amount of insurance required under any federal, state or local flood insurance program. If requested by Beneficiary, Owner shall also obtain liability coverage insuring Beneficiary as an additional insured party in an amount as may be required by Beneficiary. Each insurance carrier providing any insurance shall be chosen by Owner subject to Beneficiary's approval which shall not be unreasonably withheld. If Owner fails to obtain any insurance required by this paragraph or if Owner fails to pay the insurance premium for any period of thirty (30) consecutive calendar days after (a) calendar days for flood insurance during the term of this Contract, Beneficiary may obtain the insurance and pay the premium. If Beneficiary does so, then at Beneficiary's sole option, (i) Owner shall pay to Beneficiary within ten (10) calendar days after written notice from Beneficiary all monies advanced by Beneficiary to obtain insurance and to pay insurance premium; or (ii) Beneficiary may reschedule the premium for a reasonable term of the Note to include such premium; or (iii) Beneficiary may not pay such premium to the final payment due under the Note. In any event, such monies shall become part of the Indebtedness, and Owner agrees to pay interest on such monies until they are paid in full, at the rate of interest stated in the Note. Owner agrees that the amount and type of insurance provided by Beneficiary is within Beneficiary's sole discretion.

All insurance policies and reversals shall be for term and content satisfactory to Beneficiary and all such policies covering loss or damage to the Collateral shall include a standard non contributory nonassigned clause in favor of Beneficiary. Beneficiary shall have the right to void the policies and renewals. Owner shall promptly give to Beneficiary all proof of payment and renewal policies. In the event of loss, Owner shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Owner, but shall have no duty to do so nor any duty to see that any losses are in fact covered by the policy.

If in the sole discretion of Beneficiary the restoration or repair is economically feasible and Beneficiary's security is not impaired, the insurance proceeds shall be applied to restoration or repair of the Collateral damaged. If in the sole discretion of Beneficiary the restoration or repair is not economically feasible or Beneficiary's security would be impaired, the insurance proceeds shall be applied to the sums secured by this Contract, whether or not there are in such manner and order as Beneficiary, in its sole discretion, may elect, with any sums paid to Owner. If Owner abandons the Collateral, or does not answer within thirty (30) calendar days a notice from Beneficiary that the insurance carrier has refused to settle a claim, then Beneficiary may collect the insurance proceeds. Beneficiary may use the proceeds to repair or restore the Collateral or to pay sums secured by this Contract, in such manner and order as Beneficiary, in its sole discretion, may elect, whether or not then due. The thirty (30) day period will begin when the notice is given.

Unless Beneficiary and Owner otherwise agree in writing, any application of monies proceeds to principal shall be to the scheduled payments in inverse order of their scheduled due dates and shall not extend or prepay the due date of the scheduled payments or change the amount of the payments to the extent not loaned or discharged by such application. If the Collateral is acquired by Beneficiary, Owner's right to any insurance policies and proceeds resulting from damage to the Collateral prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Contract.

12. **Taxes.** Owner will pay all taxes and assessments against or affecting the Collateral as the same shall become due and payable; provided, however, Owner may in good faith, in lieu of paying such taxes and assessments as they become due and payable, by appropriate proceedings contest the validity thereof; and provided that Owner shall pay such tax assessment, penalties, interest and costs before any judgment therefor becomes final or any writ or order is or may be issued under which any of the Collateral may be sold. If Owner fails to make any such payment of taxes, assessment, penalties, interest or, in the event Owner contests the validity thereof, costs of judgment, Beneficiary may pay them at Owner's expense.

13. **Maintenance.** Owner will keep the Collateral in good condition, making promptly all repairs, replacements and improvements necessary to such end, and doing promptly all else necessary to such end; but Owner will discharge all claims for labor performed and material furnished therefor, and will not suffer any lien or mechanics or materialman to attach to any part of the Land, and will not do so under to be done any act whereby the value of any part of the Land or the Improvements may be lessened.

14. **Awards and Assignments.** All judgments, decrees and awards for injury or damage to the Land or Improvements, and all awards pursuant to proceedings for condemnation thereof, are hereby assigned in their entirety to Beneficiary, who may apply the same to the Obligation in such manner as it may elect; and Lender is hereby authorized, in the name of Owner, to execute and deliver valid assignments for, and to appeal from, any such award, judgment or decree.

15. **Subordination by Beneficiary.** If Beneficiary shall pay out any money chargeable to Owner hereunder, Owner shall pay the same to Beneficiary on demand at the place where the Obligation is payable. The amount of such such payment shall be added to the Outstanding Debt and thereafter shall form a part of the same, and shall be secured hereunder, and by subrogation to all the rights of the person making such payment, including the right of subrogation in the Collateral or any part thereof.

IN WITNESS WHEREOF, I, the undersigned, have hereunto set my hand and the seal of said County, Texas, this 13th day of June, 1961.

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15. **Construction to Improvements.** The Improvements will be constructed within building lines, will not encroach upon or interfere with any easement, right-of-way or the land of others, and will not violate any applicable ordinances or regulations. All work shall be performed in a good and workmanlike manner, with due diligence and economy, well equipped. No extension of work shall be permitted for a period in excess of ten (10) days without the prior written consent of Owner. When completed, the Improvements will be of good quality, free from faults and defects and in conformity with the Contract and the plans and specifications.

16. **Title to Improvements.** The title to all materials, appliances and equipment covered by this Contract will pass to Owner by delivery, including title to the Improvements free and clear of all liens, claims, security interests or encumbrances except the Lien and security interest created hereunder.

17. **No Lien.** Contractor warrants that it will incur no mechanic's, materialman's, laborer's, supplier's or artisan's Lien to be placed on the Collateral, and if any Lien claim is filed Contractor shall promptly cause any such Lien or claim to be removed from the Collateral by payment thereof or by furnishing a bond of bonds satisfactory to the Owner to indemnify against any such Lien. If requested by Beneficiary or Owner, Contractor shall pay all costs of transportation, including labor, materials, and subcontractors, and shall furnish Beneficiary and Owner proper receipts and releases from any and all obligations from whom any material is obtained by Contractor for use in the Improvements, and from all subcontractors as well as from any and all persons who have worked thereon, to the end that no Liens may be filed upon the Collateral save and except the express Lien herein created. If Owner might become liable for a Lien or claim for labor or materials furnished to Contractor and primarily chargeable to Contractor, Owner may recover from PAYEE'S to Contractor the amount provided to completely indemnify Owner against the Lien or claim.

18. **Events of Default.** The occurrence of any one of the following shall be a default under this Contract and under the Note ("Default")

- a. **Failure to Pay Any Due Payment or Obligation.** Any of the indebtedness is not paid when due, regardless of how such amount may have become due.
- b. **Non-Performance of Obligations.** Any contract, agreement or condition herein, in the Note or in any other loan document, other than a covenant, agreement or condition which is adhered to as Default elsewhere in this Section 18, is not fully and timely performed, observed or kept.
- c. **Breach of Warranty.** Any statement, representation or warranty in the Note or in any financial statement delivered to Beneficiary in connection with the indebtedness is false, misleading or erroneous in any material respect.
- d. **Bankruptcy or Insolvency.** Any Beneficiary or Insolvency proceeding is instituted by or against Owner or any person liable, directly or indirectly, for any of the indebtedness, or if any action, levy of enforcement is levied against any such party.
- e. **Default Under Other Lien.** A default or event of default occurs under any Lien, security interest or assignment covering the Collateral or any part thereof (whether or not Beneficiary has consented, and without hereby limiting Beneficiary's consent, to any such Lien, security interest or assignment created hereunder), or the holder of any such Lien, security interest or assignment declares a default or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.
- f. **Liquidation, etc.** The liquidation, termination, dissolution, merger, consolidation or failure to maintain good standing in each state that business is conducted (or in the case of an individual, the death or legal incapacity) of owner or any person liable, directly or indirectly, for any of the indebtedness.
- g. **Unlawful Priority.** The Note shall for any reason without Beneficiary's specific written consent cease to be in full force and effect or shall be declared null and void or unenforceable in whole or in part, or the validity or enforceability thereof in whole or in part shall be challenged or denied by any party hereto other than Beneficiary, or the Lien, security interest or assignment established under the Contract in any of the Collateral become unenforceable in whole or in part, or cease to be of the priority herein required, or the validity or enforceability thereof in whole or in part, shall be challenged or denied by Owner or any person liable, directly or indirectly, for any of the indebtedness.
- h. **Other Defaults.** A default or event of default occurs under the Note, or under any other Section of this Contract which specifies a condition or event as a Default.
- i. **Rights and Remedies are Exhausted.** Upon the occurrence of any event of Default and at any time thereafter, Beneficiary, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies permitted by law:
 - a. **Accelerate Note.** Beneficiary shall have the right at its option without further demand or notice to Owner to declare the entire unpaid balance of the Note, and all of the Obligation, together with all accrued unpaid interest, fees, and charges, immediately due and payable.
 - b. **Use Remedies.** With respect to all or any part of any personal property, Beneficiary shall have all the rights and remedies of a secured party under the Uniform Commercial Code as adopted in the jurisdiction where the Collateral is located.
 - c. **Power of Sale.** Beneficiary may invoke the power of sale in addition to any other rights or remedies permitted under this Contract, the Note, or by law.
 - d. **Continuity of Performance.** If Owner remains in possession of the Collateral after the Collateral is sold as provided above, Beneficiary otherwise becomes entitled to possession of the Collateral upon Default. Owner shall become a tenant at sufferance of Beneficiary or, if purchase of the Collateral and then, at Beneficiary's option, either (i) pay a reasonable rental for the use of the Collateral or (ii) cause the Collateral immediately upon the demands of Beneficiary, or (iii) be subject to removal by writ of possession.

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6. Rent and Use of Collateral. Beneficiary may enter upon and take possession of the Collateral without the appointment of a receiver, or an application therefor, employ a managing agent of the Collateral and let the same, either in its own name or in the name of Owner, and receive the rents, income, issues and profits of the Collateral and apply the same, after payment of all necessary charges and expenses, on account of the indebtedness. Owner transfers and assigns to Beneficiary Owner's lesser interest in any lease now or hereafter affecting the whole or any part of the Collateral.

7. Sale of Collateral. If Beneficiary invokes the power of sale, Trustee shall give notice of the time, place and terms of sale in accordance with the statutes of the State of Texas then in force governing sales of real estate under powers of sale conferred by deed of trust. Sale shall be made at public vendue between the hours of 10:00 a.m. and 4:00 p.m. on the first Tuesday of any month or at such other place, time and date as provided by the statutes of the State of Texas then in force governing sales of real estate under powers of sale conferred by deed of trust. Owner authorizes Trustee to sell the Collateral to the highest bidder for cash in one or more parcels and in any order Trustee determines. The power of sale may be exercised from time to time until all of the Collateral has been duly sold and the indebtedness has been paid in full. Beneficiary may purchase the Collateral at any sale and shall have the right to credit upon the amount of its successful bid, to the extent necessary to satisfy the bid, any or all of the indebtedness in such manner and order as Lender, in its sole discretion, may elect.

Trustee shall deliver to the purchaser Trustee's deed conveying indefeasible title to the Collateral with covenants of general warranty by Owner. Owner covenants and agrees to defend generally the purchaser's title to the Collateral against all claims and demands. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including but not limited to, reasonable Trustee's and attorneys' fees; (b) to the sums secured by this Contract in such order and manner as Beneficiary determines in its discretion; and (c) any excess to the person or persons legally entitled to it.

8. Notice of Sale of Personal Property. Beneficiary shall give Owner reasonable notice of the time and place of any public sale of any personal property or of the time after which any private sale or other intended disposition of any personal property is to be made. Reasonable notice shall mean notice given at least ten (10) calendar days before the time of the sale or disposition.

9. Waiver of Election of Remedies. A waiver by any party of a breach of a provision of this Contract 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 shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Owner under this Contract after failure of Owner to perform shall not affect Beneficiary's right to declare a default and exercise its remedies under this Contract.

10. Attorneys' Fees Expenses. Whether or not any court action is involved, all reasonable expenses incurred by Beneficiary that 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, shall be payable on demand and shall bear interest from the date of expenditure until repaid at the interest rate provided for in the Note. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Beneficiary's reasonable attorneys' fees and Beneficiary's legal expenses whether or not there is a lawsuit, including reasonable 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, and appraisal fees, and title insurance, to the extent permitted by applicable law. Owner also will pay any court costs, in addition to all other sums provided by law.

11. Receiver. Beneficiary, in any action to foreclose this Contract, or upon any Default, shall be at liberty to apply for the appointment of a receiver of the rents and profits or of the Collateral or both without notice, and shall be entitled to the appointment of such a receiver as a matter of right, without consideration of the value of the Collateral as security for the indebtedness, or the solvency of any person or corporation liable for the payment of such amounts.

12. Pay Expenses. Pay any sums in any form or manner deemed expedient by Beneficiary to protect the security of this Contract or to cure Default other than payment of interest or principal on the Note; make any payment hereby authorized to be made according to any bill, statement or estimate furnished or procured from the appropriate public officer of the party claiming payment without inquiry into the accuracy or validity thereof, and the receipt of any such public officer or party in the hands of Beneficiary shall be conclusive evidence of the validity and amount of items so paid, in which event the amounts so paid, with interest thereon from the date of such payment at the rate of interest stated in the Note, subrogated to any encumbrance, lien, claim or demand, and to all the rights and securities for the payment thereof, paid or discharged with the principal sum secured hereby or by Beneficiary under the provisions hereof, and any such subrogation rights shall be additional and cumulative security to this Contract.

13. Other Remedies. Beneficiary shall have all other rights and remedies provided in this Contract or the Note or as available at law or in equity.

20. Trustee. If the Trustee shall die or become disqualified from acting in the execution of this trust, or shall fail or refuse to execute the same when requested by Beneficiary to do so, or if, for any reason, Beneficiary shall prefer to appoint a substitute Trustee to act instead of the Trustee named herein, Beneficiary shall have full power to so appoint, by written instrument, substitute Trustee and, at Beneficiary's election, several substitute Trustees in succession who shall succeed to all of the estate, rights, powers and duties of the original Trustee named herein. Such appointment may be executed by any authorized agent of Beneficiary, and if Beneficiary is a corporation or association and such appointment is executed on its behalf by any officer of such corporation or association, 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 or association. All references in this Contract to "Trustee" shall be deemed to refer to the Trustee (including any substitute appointed as herein provided) from time to time acting hereunder.

The Trustee shall not be liable for any error or judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever (including Trustee's negligence), except for 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 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. Owner hereby certifies 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. Owner will reimburse Trustee for, and save him harmless against, any and all liability and expenses which may be incurred by him in the performance of his duties. The foregoing indemnity shall not terminate upon discharge of the obligation or foreclosure, or release or other termination, of this Contract.

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21. Prior Liens. Owner expressly covenants and agrees to pay timely and prior to delinquency all installments of principal and interest on debt secured by any and all prior liens and encumbrances against the Collateral or any part thereof and to perform and observe all covenants contained in any deed of trust or other instrument creating such lien or encumbrance. It is agreed that any default under the terms and provisions of such deed of trust or other lien instrument shall constitute a default hereunder which shall entitle the Beneficiary, at its election but without obligation to do so, and without prior notice, to exercise any right or remedy provided herein or in the Note, including but not limited to the right to declare the unpaid balance of principal of, and accrued interest on, the Obligation or any part thereof to be immediately due and payable (and upon such declaration the same shall be immediately due and payable) and to request the Trustee to sell the Collateral as provided in Paragraph 19 hereof. In addition, the Beneficiary may, at its election, but without any obligation to do so, pay off and discharge any debt, or part thereof, secured by any prior lien, and upon payment thereof shall be subrogated to the liens and rights of the holder of such prior lien debt to the extent of the amount so paid. All amounts so paid shall become a part of the Obligation and shall be secured by the lien of this Contract, which shall be cumulative of all liens and rights to which Beneficiary shall become subrogated.

22. Assignment of Rents. As additional security for the payment of the Obligation, Owner hereby assigns to Beneficiary all rents received by or due to Owner deriving from the Collateral, including all royalties and other consideration payable by any lessee under any lease or other agreement now or hereafter existing by which any person other than Owner has or acquires any right to occupy or use the Collateral or any part thereof or interest therein. Until the occurrence of a default, Owner is granted the privilege to collect and retain the rents, but upon receipt from Beneficiary or notice that a default exists hereunder, such lease is hereby directed to pay to Beneficiary rents thereafter accruing. Receipt by Beneficiary shall be a release of each lessee to the extent of amounts so paid. Beneficiary shall not be liable for its failure to collect or exercise diligence in the collection of rents, but shall be accountable only for rents actually received. Rents so received shall be applied by Beneficiary first to the remaining unpaid balance of the Obligation, in such order or manner as Beneficiary shall elect, and the residue, if any, shall be paid to the person or persons legally entitled thereto.

23. Transfer of the Land. If all or any part of the Land or any interest in it is sold or transferred without Beneficiary's prior written consent, Beneficiary may, at its option, declare the unpaid balance of principal of, and accrued interest on, the Obligation or any part thereof to be immediately due and payable (and upon such declaration the same shall be immediately due and payable). However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of this Contract.

24. Compliance with Usury Laws. It is the intent of Owner and Beneficiary and all other parties to the Loan Documents to conform to and contract in strict compliance with applicable usury law from time to time in effect. All agreements between Beneficiary and Owner (or any other party liable with respect to any indebtedness under the Loan Documents) are hereby limited by the provisions of this Section which shall override and control all such agreements, whether now existing or hereafter arising. In no way, nor in any event or contingency (including but not limited to prepayment, default, demand for payment, or acceleration of the maturity of any obligation), shall the interest taken, reserved, contracted for, charged, chargeable, or received under this Contract, the Note or any other Loan Document or otherwise, exceed the maximum nonusurious amount permitted by applicable law (the "Maximum Amount"). If, from any possible construction of any document, interest would otherwise be payable in excess of the Maximum Amount, any such construction shall be subject to the provisions of this Section and such document shall ipso facto be automatically reformed and the interest payable shall be automatically reduced to the Maximum Amount, without the necessity of execution of any amendment or new document. If Beneficiary shall ever receive anything of value which is characterized as interest under applicable law and which would apart from this provision be in excess of the Maximum Amount, an amount equal to the amount which would have been excessive interest shall, without penalty, be applied to the reduction of the principal amount owing on the Obligation in the inverse order of its maturity and not to the payment of interest, or refunded to Owner or the other payor thereof if and to the extent such amount which would have been excessive exceeds such unpaid principal. The right to accelerate maturity of the Obligation or any part thereof does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Beneficiary does not intend to charge or receive any unearned interest in the event of acceleration. All interest paid or agreed to be paid to Beneficiary 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 Amount. As used in this Section, the term "applicable law" shall mean the laws of the State of Texas or the federal laws of the United States applicable to this transaction, whichever laws allow the greater interest, as such laws now exist or may be changed or amended or come into effect in the future.

25. Miscellaneous. If more than one person executes this Contract as Owner, the Obligations of such persons hereunder shall be joint and several. All of the covenants and agreements hereunder taken to be performed by and the rights conferred upon the respective parties shall be binding upon and inure to the benefit of said parties and their respective heirs, executors and administrators, successors and assigns.

This Contract constitutes a "construction mortgage" as defined in Section 9.313 of the Texas Business and Commerce Code to the extent that it secures an obligation incurred for the construction of the Improvements, including the acquisition cost of the Land.

26. Right of Redemption for Homestead Properties. The following provision shall apply only if the Land and the Improvements constitute the Owner's "homestead", as defined in Section 51 of Article XVI of the Texas Constitution and in Section 41.002 of the Texas Property Code: Owner may rescind this Contract without penalty or charge within three business days after execution of this Contract by all parties, unless the work and material are necessary to complete immediate repairs to conditions on the homestead property that materially affect the health or safety of the Owner or persons residing in the homestead, and the Owner acknowledges such in writing.

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TRAVIS COUNTY, TEXAS

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The Owner acknowledges receipt of a copy of this Contract with all enclosures completed.

Executed and dated as of JANUARY 20 1988

NOTICE OF FULL AGREEMENT (This Notice applies to this Builder's and Mechanic's Lien Contract only if the amount of the Contract is greater than \$20,000). This Builder's and Mechanic's Lien Contract represents the final agreement between Owner(s), Contractor and NationsBank, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements between such parties.

There are no unwritten oral agreements between Owner(s), Contractor and NationsBank.

IMPORTANT NOTICE: You and your contractor are responsible for meeting the terms and conditions of this contract. If you sign this contract and you fail to meet the terms and conditions of this contract, you may lose your legal ownership rights in your home. **KNOW YOUR RIGHTS AND DUTIES UNDER THE LAW.**

Contractor's Address:

727 W Stassney

Austin, Tx

Owner LAURA PRESLEY, PH.D.

Owner

AIRTECH ENERGY SYSTEMS INC

Contractor

By

JOHNNY CAMPBELL

Name

PRESIDENT

Title

(If Contractor is a corporation, type in name of corporation in first line, and complete by authorized signer on second line.)

(Notar: Contractor must complete the Assignment of Lien and appropriate acknowledgment below.)

Assignment of Obligation, Rights, Liens and Security Interests

The undersigned Contractor, for and in consideration of the sum of Ten (\$10.00) Dollars cash and other good and valuable consideration, paid by NATIONSBANK OF TEXAS, N.A. ("NationsBank"), whose address is 901 MAIN STREET DALLAS, TX 75202 has sold, conveyed and assigned and does by these presents sell, convey and assign to lender all of the Obligation described in the foregoing Builder's and Mechanic's Lien Contract with Power of Sale ("Contract") and all instruments, if any, evidencing the Obligation, together with all the rights, powers, liens, assignments and security interests securing the same, but Lender does not assume any obligation imposed upon Contractor by virtue of this Contract and Lender shall not be held liable for the performance or breach thereof by Contractor. All Mechanic's Liens or Lien rights, whether contractual, statutory or constitutional, on the Collateral which have arisen or may arise for the benefit of Contractor because of work performed or materials furnished, are hereby agreed to be, and shall at all times continue to be, subject and subordinate in each and every respect to all of the rights, powers, liens and security interests held by or for the benefit of Lender (and any subsequent holder of the Obligation) under this Contract, or at law or in equity or otherwise, and to any and all increases, renewals, modifications, extensions and rearrangements thereof from time to time.

AirTech Energy Systems Inc

Contractor

By

Johnny Campbell

Name

President

Title

(Contractor's Individual Acknowledgment)

State of _____)

County of _____)

This instrument was acknowledged before me on this the _____ day of _____ by _____

(Seal)

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

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Notary Public, State of Texas

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(Corporate Acknowledgment)

Texas
State of Travis
County of _____

29th Jan 1998

This instrument was acknowledged before me on this the _____ day of _____
by Johnny Campbell, president of AirTech Energy Systems Inc
_____ a Texas corporation,
on behalf of said corporation.



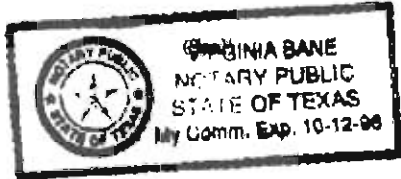
Kathy E Allen
Notary Public, State of Texas

Texas
State of Travis
County of _____

(Individual Acknowledgment)

29th Jan 1998

This instrument was acknowledged before me on this the _____ day of _____
by Laura Pressley, PH D



Virginia Bane
Notary Public, State of Texas

State of _____
County of _____

(Individual Acknowledgment)

This instrument was acknowledged before me on this the _____ day of _____
by _____

(Seal)

Notary Public, State of Texas

Ret.

NATIONSBANK TEXAS
P.O. BOX 831400
DALLAS, TX 75283-1400

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

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TRAVIS COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF TRAVIS

I hereby certify that this instrument was FILED on
the 19th day of FEBRUARY 1998, at the County Clerk's office, and
was duly RECORDED, at the Volume and Page of the
Public RECORDS of Travis County, Texas, as

FEB 19 1998



COUNTY CLERK
TRAVIS COUNTY, TEXAS



STATE OF TEXAS
COUNTY OF TRAVIS
KATHLEEN V. VETTER
COUNTY CLERK

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

13123 0797

RECEIVED: ADDITIONAL TRANSFER: \$225.00
CASHIER: BATHU FILE DATE: 2/19/98 TRANS DATE: 2/19/98
PAID BY: CHECK# 3280-40710

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 11:32 AM

Real Estate Index Detail

Report # 787299 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #: 6053621	Document Type: WARRANTY DEED
Date Received: 12/16/1998 12:00:00 AM	Book Type: book_type
Index Status: Permanent Index	Book: 13331
Image? ✓	Page: 1900
Comments:	

Grantors

1 PRESSLEY LAURA A.

Grantees

1 OSBORNE JANET MARIE DAVIS

2 OSBORNE JEFFREY MICHAEL

Legal Information

1 LT 10 BLK D EDGEWOOD SEC 1

10
13-
BT
FILM CODE
00005846320

GENERAL WARRANTY DEED

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TRAVIS

THAT LAURA A. PRESSLEY

hereinafter referred to as "Grantor" (whether one or more), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration to Grantor in hand paid by JANET MARIE DAVIS OSBORNE AND SPOUSE, JEFFREY MICHAEL OSBORNE

hereinafter referred to as "Grantee" (whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed, and for the further consideration of the execution and delivery by said Grantee of one certain Promissory Note to the original principal sum of ONE HUNDRED TWENTY SIX THOUSAND AND NO /100 DOLLARS (\$ 126,000.00), bearing even date herewith, payable to the order of MILESTONE MORTGAGE CORPORATION

hereinafter called "Mortgage," bearing interest at the rate therein provided; said Note containing an attorney's fee clause and various acceleration of maturity clauses in case of default, and being secured by Vendor's Lien and Superior Title retained herein in favor of said Grantor and assigned to Mortgage, and also being secured by a Deed of Trust of even date herewith from Grantee to L. B. HODGES

Trustee(s); and

WHEREAS, Mortgagee has, at the special instance and request of Grantee, paid to Grantor a portion of the purchase price of the property hereinafter described, as evidenced by the above described Promissory Note, said Vendor's Lien and Superior Title against said property securing the payment of said Promissory Note are hereby assigned, transferred and delivered without recourse to Mortgage, Grantor hereby conveying to said Mortgagee the said Superior Title to said property, subrogating said Mortgagee to all rights and remedies of Grantor in the premises by virtue of said lien;

And Grantor has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY, unto said Grantee, the following described real property, to-wit:

LOT TEN (10), BLOCK D, OF EDGEWOOD SECTION ONE (1), A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAN OF RECORD IN VOLUME 4, PAGE 134, PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

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, his heirs and assigns FOREVER. Grantor does hereby bind himself, his heirs, executors and administrators, TO WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantee, his heirs and assigns, against every person whatsoever lawfully claiming or to claim the same or any part thereof.

STATE 7 (REV 7-11-87)

REAL PROPERTY RECORDS
Travis County, Texas

13331 1900

This Deed is executed, delivered and accepted subject to all and singular any liens securing the payment of any debt created or assumed in connection herewith if such liens are described herein, ad valorem taxes for the current and all subsequent years, subsequent assessments for prior years due to changes in land usage or ownership, zoning ordinances, utility district assessments and standby fees, if any, applicable to and enforceable against the above described property, and all valid utility easements created by the dedication deed or plat of the subdivision in which said real property is located, covenants, restrictions common to the platted subdivision in which said real property is located, mineral reservations, maintenance fund liens, if any, applicable to and enforceable against the above described property as shown by the records of the County Clerk of the County in which said real property is located, and any title or rights asserted by anyone, including, but not limited to, persons, corporations, governments or other entities to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or to any land extending from the line of the harbor or bulkhead lines as established or changed by any government or to filled-in lands, or artificial islands, or to riparian rights or other statutory water rights, or the rights or interests of the State of Texas or the public generally in the area extending from the line of mean low tide to the line of vegetation or the right of access thereto, or right of easement along and across the same, if any, applicable to and enforceable against the above described property.

But it is expressly agreed that the Grantor herein reserves and retains for himself, his heirs and assigns, a VENDOR'S LIEN as well as the Superior Title, against the above described property, premises and improvements, until the above described Promissory Note and all interest therein have been fully paid according to the terms thereof, when this Deed shall become absolute.

When this Deed is executed by more than one person, or when the Grantee is more than one person, the instrument shall read as though personal verbs, nouns and pronouns were changed correspondingly, and when executed by, or to a legal entity other than a natural person, the words "heirs, executors and administrators" or "heirs and assigns" shall be construed to mean "successors and assigns." Reference to any gender shall include either gender and in the case of a legal entity other than a natural person, shall include the neuter gender, all as the case may be.

The contract between Grantor as the seller and Grantee as the buyer may contain limitations as to warranties; to the extent said contract provides for such limitations to survive this conveyance they shall be deemed incorporated herein by reference. The warranty of title contained in this deed is hereby expressly excluded from the limitations referenced in this paragraph.

DATED the 15TH day of DECEMBER, 1998

LAURA A. FREEMAN

Grantee's Mailing Address:

2682 TWIN OAKS DRIVE

AUSTIN, TEXAS 78757

THE STATE OF TEXAS
COUNTY OF ~~TRAVIS~~

This instrument was acknowledged before me on the
by **LAURA A. PRESSLEY**

13

day of **DECEMBER, 1998**



John Wilkinson
NOTARY PUBLIC

Notary's Name (printed)

THE STATE OF
COUNTY OF

This instrument was acknowledged before me on the
by

day of

on behalf of said

NOTARY PUBLIC

My commission expires:

Notary's Name (printed)

FILED

98 DEC 16 PM 4:23

**DANA DEBEAUX
COUNTY CLERK
TRAVIS COUNTY, TEXAS**

NOTARY PUBLIC, COUNTY OF TEXAS
I hereby certify that the foregoing was filed in
the office of the County Clerk of Travis County, Texas, on
the day of December, 1998, and that it is the
correct and true copy of the original as filed.

DEC 16 1998

**RETURN ORIGINAL TO:
JANET MARIE DAVIS OSBORNE AND SPOUSE, JEFFREY MICHAEL OSBORNE
2602 TWIN OAKS DRIVE
AUSTIN, TEXAS 78747**



Dana Debeaux
COUNTY CLERK
TRAVIS COUNTY, TEXAS

**AFTER RECORDING RETURN TO:
Chicago Title Insurance Company
3808 Spicewood Springs Road, Ste. 300
Austin, Texas 78759**

9803060 JLD

ST&LS 7-9 (REV 06-05-97)

RECEIVED RECORDS DEPT. 12/16/98
ORIGINAL FILED 12/16/98
FILED BY: CHICAGO TITLE

13331 1902

Real Estate Index Detail

Report # 787304 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #:	8053821	Document Type:	TRANSFER
Date Received:	12/16/1998 12:00:00 AM	Book Type:	book_type
Index Status:	Permanent Index	Book:	13331
Image?	✓	Page:	1900
Comments:			

Grantors

1 PRESSLEY LAURA A.

Grantees

1 MILESTONE MORTGAGE CORPORATION

Legal Information

1 LT 10 BLK D EDGEWOOD SEC 1

13-
BT

FILM CODE

00005846320

GENERAL WARRANTY DEED

THE STATE OF TEXAS

COUNTY OF TRAVIS

KNOW ALL MEN BY THESE PRESENTS:

THAT LAURA A. PRESLEY

hereinafter referred to as "Grantor" (whether one or more), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration to Grantor in hand paid by JANET MARIE DAVIS OSBORNE AND SPOUSE, JEFFREY MICHAEL OSBORNE

hereinafter referred to as "Grantee" (whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed, and for the further consideration of the execution and delivery by said Grantor of one certain Promissory Note in the original principal sum of ONE HUNDRED TWENTY SIX THOUSAND AND NO/100 DOLLARS (\$ 126,000.00) bearing even date herewith, payable to the order of MILESTONE MORTGAGE CORPORATION

hereinafter called "Mortgages," bearing interest at the rate therein provided; said Note containing an attorney's fee clause and various acceleration of maturity clauses in case of default, and being secured by Vendor's Lien and Superior Title retained herein in favor of said Grantor and assigned to Mortgagee, and also being secured by a Deed of Trust of even date herewith from Grantee to L. B. HODGES

Trustee(s); and

WHEREAS, Mortgagee has, at the special instance and request of Grantee, paid to Grantor a portion of the purchase price of the property hereinafter described, as evidenced by the above described Promissory Note, said Vendor's Lien and Superior Title against said property securing the payment of said Promissory Note are hereby assigned, transferred and delivered without recourse to Mortgagee, Grantor hereby conveying to said Mortgagee the said Superior Title to said property, subrogating said Mortgagee to all rights and remedies of Grantor in the premises by virtue of said lien;

And Grantor has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY, unto said Grantee, the following described real property, to-wit:

LOT TEN (10), BLOCK D, OF EDGEWOOD SECTION ONE (1), A SUBDIVISION OF TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP ON FILE OF RECORDS IN VOLUME 4, PAGE 134, PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

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, his heirs and assigns FOREVER. Grantor does hereby bind himself, his heirs, executors and administrators, TO WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantee, his heirs and assigns, against every person whatsoever lawfully claiming or to claim the same or any part thereof.

STAL97 (REV 7-11-87)

REAL PROPERTY RECORDS
Travis County, Texas

13331 1900

This Deed is executed, delivered and accepted subject to all and singular any liens securing the payment of any debt created or assumed in connection herewith if such liens are described herein, ad valorem taxes for the current and all subsequent years, subsequent assessments for prior years due to changes in land usage or ownership, zoning ordinances, utility district assessments and standby fees, if any, applicable to and enforceable against the above described property, and all valid utility easements created by the dedication deed or plat of the subdivision in which said real property is located, covenants, restrictions common to the platted subdivision in which said real property is located, mineral reservations, maintenance fund liens, if any, applicable to and enforceable against the above described property as shown by the records of the County Clerk of the County in which said real property is located, and any title or rights asserted by anyone, including, but not limited to, persons, corporations, governments or other entities to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or to any land extending from the line of the harbor or bulkhead line as established or changed by any government or to filled-in lands, or artificial islands, or to riparian rights or other statutory water rights, or the rights or interests of the State of Texas or the public generally in the area extending from the line of mean low tide to the line of vegetation or the right of access thereto, or right of easement along and across the same, if any, applicable to and enforceable against the above described property.

But it is expressly agreed that the Grantor herein reserves and retains for himself, his heirs and assigns, a VENDOR'S LIEN as well as the Superior Title, against the above described property, premises and improvements, until the above described Promissory Note and all interest therein have been fully paid according to the terms thereof, when this Deed shall become absolute.

When this Deed is executed by more than one person, or when the Grantee is more than one person, the instrument shall read as though pertinent verbs, nouns and pronouns were changed correspondingly, and when executed by or to a legal entity other than a natural person, the words "heirs, executors and administrators" or "heirs and assigns" shall be construed to mean "successors and assigns." Reference to any gender shall include either gender and in the case of a legal entity other than a natural person, shall include the neuter gender, all as the case may be.

The contract between Grantor as the seller and Grantee as the buyer may contain limitations as to warranties; to the extent said contract provides for such limitations to survive this conveyance they shall be deemed incorporated herein by reference. The warranty of title contained in this deed is hereby expressly excluded from the limitations referenced in this paragraph.

DATED the 16TH day of DECEMBER, 1998

LAURA A. FREEMAN

Grantee's Mailing Address:

2602 TWIN OAKS DRIVE

AUSTIN, TEXAS 78757

This instrument was acknowledged before me on the
17 **LAURA A. PRESSLEY**

13

day of

DECEMBER, 1990



NOTARY PUBLIC

Notary's Name (printed)

THE STATE OF
COUNTY OF

This instrument was acknowledged before me on the
by

day of

on behalf of said

My commission expires: _____

NOTARY PUBLIC

Notary's Name (printed) _____

FILED

26 DEC 16 PM 4:29

DAHA DEBEAUVOIR
COUNTY CLERK
TRAVIS COUNTY, TEXAS

STREET OF THEATRE **COURTNEY BRIDGES**
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 the show and in the show showed her in the

SEP 10 1950

RETURN ORIGINAL TO:
JANET MARIE DAVIS OSBORNE AND SPOUSE, JEFFREY MICHAEL OSBORNE
2662 TWIN OAKS DRIVE
AUSTIN, TEXAS 78707



Clare A. Banning
COUNTY CLERK
TOWNSHIP COUNTY, TEXAS

AFTER RECORDING RETURN TO:
Chicago Title Insurance Company
3808 Spicewood Springs Road, Ste. 100
Austin, Texas 78759

STALO 7-0 (REV 06-04-07)

9803060 JWA

RECEIVED: MEMPHIS, TENNESSEE, APRIL 28, 1968, 10:45 AM
 CARRIED OVER FILE DATE: 12/16/78 WORK DATE: 12/17/78
 FBI BY: CECIL J. JONES

43331 1902

Real Estate Index Detail

Report # 787315 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #: 6056252	Document Type: DEED OF TRUST
Date Received: 12/22/1998 12:00:00 AM	Book Type: book_type
Index Status: Permanent Index	Book: 13335
Image? ✓	Page: 1434
Comments:	

Grantors

- 1 ALLRED LEIF D
- 2 PRESSLEY LAURA A.

Grantees

- 1 PRIME LENDING INC

Legal Information

- 1 LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1

Related Documents

- | | | | |
|---|------------|---|-----|
| 1 | 2006047790 | 0 | REL |
|---|------------|---|-----|

03

GF #98104706-DH

FILM CODE

00005848963

Charge to: Gracy Title Co.
After Recording Please Return To:
Prime Lending, Inc.

[Company Name]

[Name of Natural Person]

17950 Preston Road, Suite 200

[Street Address]

Dallas, TX 75252

[City, State ZIP]

[Space Above This Line for Recording Data]

Loan No.: 9841966

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on December 17, 1998. The grantor is Leif D. Allred, a single person and Laura A. Pressley, a single person

("Borrower"). The Trustee is G. Tommy Bastian

15000 Surveyor Boulevard, Suite 100, Dallas, TX 75244

, whose address is

("Trustee"). The beneficiary is Prime Lending, Inc.

which is organized and existing under the laws of

the State of Texas

, and whose address is

17950 Preston Road, Suite 200, Dallas, TX 75252

("Lender"). Borrower owes Lender the principal sum of three hundred thirty six thousand seven hundred fifty and NO/100ths Dollars (U.S. \$ 336,750.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on January 1, 2029.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in Travis County, Texas:

Lot 28, Block "A", The Jester Estate, Section 1, Phase 1, an addition in Travis County, Texas, according to the map or plat thereof recorded in Book 78, Page 385, of the Plat Records of Travis County, Texas.

Initials: *[Signature]*

Texas Deed of Trust-Single Family-Female Mae/Fredde Mae UNIFORM INSTRUMENT

THE COMPLIANCE SOURCE, INC.

To Order Call: (972) 980-2178 Fax (972) 392-2891

www.compliance-source.com

REAL PROPERTY RECORDS
Travis County, TexasForm 3044 07/98
(page 1 of 8 pages)
1/1/1999 10:00 AM

13335

1434

which has the address of

Austin
(City)

Texas

7001 Winterberry Drive

(Street)
78750
(Zip Code)

("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal and Interest, Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case, Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

Initials: 

Trust Deed of Trust-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

THE COMPLIANCE SOURCE, INC.

To Order Call: (972) 980-3178 • Fax: (972) 392-2891

www.compliance-source.com

Form 3044 09/98
(Page 2 of 8 pages)
1000713.03 10/01

13335 1435

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspections. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other

Initials: 

address Lender's demands by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one confirmed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Redeem. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. These conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Lender. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substances or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances declared as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Accelerations; Remedies. Lender shall give notice to Borrower prior to acceleration, following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice will result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to rescind after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable

Texas Deed of Trust-Single Family-Resale New/Resale New UNIFORM INSTRUMENT

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www.complianceboutique.com

13335 1438

Page 34 of 3 pages
Notarized 1/20/20

law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender or Trustee shall give notice of the time, place and terms of sale by posting and recording the notice at least 21 days prior to sale as provided by applicable law. Lender shall mail a copy of the notice of sale to Borrower in the manner prescribed by applicable law. Sale shall be made at public auction between the hours of 10 a.m. and 4 p.m. on the first Tuesday of the month. Borrower authorizes Trustee to sell the Property to the highest bidder for cash in one or more parcels and in any order Trustee determines. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying indefeasible title to the Property with covenants of general warranty. Borrower covenants and agrees to defend generally the purchaser's title to the Property against all claims and demands. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Property is sold pursuant to this paragraph 21, Borrower or any person holding possession of the Property through Borrower shall immediately surrender possession of the Property to the purchaser at that sale. If possession is not surrendered, Borrower or such person shall be a tenant at sufferance and may be removed by writ of possession.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under applicable law.

23. Substitute Trustee. Lender, at its option and with or without cause, may from time to time remove Trustee and appoint, by power of attorney or otherwise, a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

24. Subrogation. Any of the proceeds of the Note used to take up outstanding liens against all or any part of the Property have been advanced by Lender at Borrower's request and upon Borrower's representation that such amounts are due and are secured by valid liens against the Property. Lender shall be subrogated to any and all rights, superior titles, liens and equities owned or claimed by any owner or holder of any outstanding liens and debts, regardless of whether said liens or debts are acquired by Lender by assignment or are released by the holder thereof upon payment.

25. Partial Invalidity. In the event any portion of the sums intended to be secured by this Security Instrument cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

26. Waiver of Notice of Intention to Accelerate. Borrower waives the right to notice of intention to require immediate payment in full of all sums secured by this Security Instrument except as provided in paragraph 21.

27. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Rate Improvement Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Other(s) [specify] | | |

28. Purchase Money Vendor's Lien; Renewal and Extension; Acknowledgment of Cash Advanced. [Check applicable box]

☒ Purchase Money Vendor's Lien: The Note secured hereby is primarily secured by the Vendor's Lien retained in the Deed of even date herewith conveying the Property to Borrower, which Vendor's Lien has been assigned to Lender, this Security Instrument being additional security therefor.

☐ Renewal and Extension: The Note secured hereby is in renewal and extension, but not in extinguishment, of that indebtedness described on the Renewal and Extension Exhibit attached hereto and made a part hereof for all purposes.

☐ Acknowledgment of Cash Advanced: The Note herein described represents funds advanced to Borrower on this day at Borrower's request and Borrower acknowledges receipt of such funds. Borrower states that Borrower does not now and does not intend ever to reside on, use in any manner, or claim the Property secured by this Security Instrument as a business or residential homestead. Borrower disclaims all homestead rights, interests and exemptions related to the Property.

Initials: *[Signature]*

Form 2044 09/90
(page 6 of 8 pages)
14097KACS 1297

Texas Deed of Trust-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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www.compliance-source.com

13335 1439

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any order(s) executed by Borrower and recorded with it.

Witnesses:

 (Seal)
Leif D. Allred -Borrower

 (Seal)
Laura K. Pinesley -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

[Space Below This Line For Acknowledgment]

State of Texas

County of

Travis

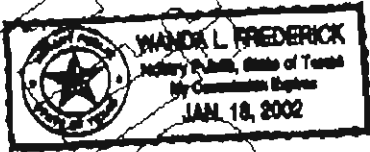
Before me, a Notary Public, on this day personally appeared Leif D. Allred and Laura A. Pressley

known to me (or proved to me on the oath of [description of identity card or other documents]) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

or through picture i.d.

Given under my hand and seal of office this 17th day of December, A.D. 1999.

(Seal)



Signature of Officer

Title of Officer

My Commission Expires:

Initials: *LF*

Texas Deed of Trust-Single Family-Female Main/Prohibit Max UNIFORM INSTRUMENT

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Form 3044 03/98

(page 2 of 3 pages)

NOTARY PUBLIC 12/99

13335

1441

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 17th day of December, 1998, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Prime Lending, Inc.

(the "Lender") of the same date and covering the property described in the Security Instrument and located at (property address including City, State and Zip) 7001 Winterberry Drive, Austin, TX 78750

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 6.625 %. This Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES**(A) Change Dates**

The interest rate I will pay may change on the first day of JANUARY, 2009, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding two and 750/1000ths percentage points (2.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

My interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.00%), from the interest rate I have been paying for the preceding period. My interest rate will never be greater than 11.625 %, which is called the "Maximum Rate."

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower comes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to the Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay those sums prior to the expiration of this period, Lender may invoke remedies permitted by this Security Instrument without further notice or demand on Borrower.

Leif D. Alred

Borrower

Laura A. Plesley

Bartowes

Borrower

Bibliography

98 DEC 22 PM 3:41

DANA DEBEAUVOIR
COUNTY CLERK
TRAVIS COUNTY, TEXAS

COUNTY OF TARRANT

I hereby certify that the instrument was filed as
the same was in full compliance with the laws of the State,
and was duly recorded in the Volume and Page of the
Public Records of Tarrant County, Texas, as

DEC 24 1961



Don Channing
COUNTY CLERK
THAVIS COUNTY, TEXAS

Adjustable Flat Rider Price

Page 1 of 2

RECEIVED: 12/22/98 FROM: 1750 SEPT-REGULAR SETTING 127.51
CASHIER: MORRIS FILE DATE: 12/22/98 FROM DATE: 12/22/98
PAID BY: CHECK 3750

Page 12 of 100

13335 1443

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/23/2012 05:49 PM

Real Estate Index Detail

Report # 786918 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #:	2001060350	Document Type:	MODIFICATION
Date Received:	04/20/2001 11:08:50 AM	Book Type:	NONE
Index Status:	Permanent Index	Book:	0
Image?	✓	Page:	0
Comments:			

Grantors

- 1 ALLRED LEIF D
- 2 PRESSLEY LAURA A

Grantees

- 1 REGIONS BANK

Legal Information

- 1 LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1

Returnee Information

REGIONS MORTGAGE INC
ATTN JENNIFER HOWELL P O BOX 669
MONTGOMERY, AL 361010669

Regions Mortgage, Inc
ATTN: Jennifer Howell
P O Box 889
Montgomery, AL 36101-0889

Loan # 9841968

SPACE ABOVE THIS LOAN FOR RECORDING DATA _____

LOAN MODIFICATION AGREEMENT

This loan modification agreement ("Agreement"), made this 14th day of December 2000, between Leif D. Allred, a single person and Laura A. Pressley, a single person the Trustee is G. Tommy Bastin ("Borrowers") and Regions Mortgage ("Lender") (1) amends and supplements the mortgage, deed of trust, or deed to secure debt (the "Security Instrument"), dated December 17, 1998 and recorded in Book 13335 Page 1434 of the public mortgage records of Travis County and (2) the note bearing the same date as and secured by, the security instrument, which covers the real and personal property described in the security instrument and defined therein as the "property", located at 7001 Winterberry Drive, Austin, TX 78750. The real property described being set forth as follows

Lot 28, Block "A", The Jester Estate, Section 1, Phase 1, an addition in Travis County, Texas, according to the map or plat thereof recorded in Book 78, Page 385, of the plat Records of Travis County, Texas.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the note or security instrument)

1. This modification agreement will be effective **March 1, 2001**
2. The interest rate will remain at **6.625% until the next interest rate change.**
3. The maturity date will change to **March 1, 2029.**
4. The outstanding principal balance used at the time of this modification is **\$333,121.01.**
5. Nothing in this agreement shall be understood or construed to be a satisfaction or release in whole or in part of the note and security instrument. Except as otherwise specifically provided in this agreement, the note and security instrument will remain unchanged, and the borrower and lender will be bound by, and comply with, all the terms and provisions thereof, as amended by this agreement
6. This modification of note and security instrument shall bind to the benefit of the parties hereto and their respective heirs, successors and permitted assigns

Witness the hand and seal of each of the undersigned as the day year first written

Witness (Sign & Print)

Witness (Sign & Print)

Witness (Sign & Print)



RONNY ROBERTSON
Notary Public
State of Texas
My Commission Expires
OCTOBER 18, 2000

Leif O. Alfred

Laura A. Pressley

G. Tommy Baetain

State of Texas
County of Andrews

On this 10th day of January, 2001
appeared to me personally known to be Laura A. Pressley
Leif O. Alfred, the person (s) described in and who
executed the foregoing instrument as Borrow (s) and acknowledged that they
executed the same as their free act and deed

My Commission Expires 4-19-2002



Betty S. Smith
(Notary Public)

This instrument was prepared by
Jennifer Howell, as an employee of
Regions Mortgage, Inc
605 South Perry St
Montgomery, AL

Regions Bank

By Marcia T. Johnson
Marcia T. Johnson

Attest Steven E. Fowler
Steven E. Fowler

State of Alabama

County of Montgomery

I, the undersigned, a Notary Public in and for said county in said state, hereby
certify that Marcia T. Johnson and Steven E. Fowler whose names
as Vice President and Senior Vice President respectively, of Regions Bank
are signed to the foregoing instrument and who are known to me, acknowledged
before me on this date that, being informed of the contents of said instrument
they who are known to me as such officers and with full authority, executed the
same voluntarily for and a the act of Regions Bank

Given under my hand and seal of office, this 10 day of February, 2001

Elizabeth A. Mays
Notary Public
My Commission Expires 6-8-2003

Unofficial Document

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

[Signature]

04/20/2001 11:06 AM 2001060350
RYCEKD \$13.00
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/23/2012 05:51 PM

Real Estate Index Detail

Report # 786920 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #: 2002027107	Document Type: MODIFICATION
Date Received: 02/12/2002 11:27:48 AM	Book Type: NONE
Index Status: Permanent Index	Book: 0
Image? ✓	Page: 0
Comments:	

Grantors

- 1 PRESSLEY LAURA A
- 2 ALLRED LEIF D

Grantees

- 1 REGIONS MORTGAGE INC
- 2 REGIONS BANK

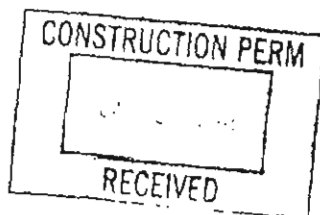
Legal Information

- 1 LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1

Returnee Information

REGIONS MORTGAGE INC
ATTN CUSTOMER SERVICE, POST OFFICE BOX 669
MONTGOMERY, AL 36101

TRV 2002027107
3 pgs



Loan # 009841966

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LOAN MODIFICATION AGREEMENT

(Providing for Adjustable Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 4th day of January, 2002, between Leif D. Allred, a single person and Lydra A. Pressley, a single person ("Borrower") and Regions Bank ("Lender") amends and supplements (1) the Mortgage, Deed of Trust, Deed to Secure Debt or Security Deed ("Security Instrument"), dated December 17, 1998, and recorded in Book or Liber 13335, page(s) 1431 - 1444 of the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at:

7001 Wintersberry Drive, Austin, TX 78750

[Property Address]

the real property described being set forth as follows:

Lot: 28, Block "A", The Jester Estate, Section 1, Phase 1, an addition in Travis County, Texas, according to the map or plat thereof recorded in Book 78, Page 365, of the Plat Records of Travis County, Texas.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of May 1, 2002, the amount payable under the Note and the Security Instrument ("Unpaid Principal Balance") is U.S. \$31,080.85 consisting of the amount(s) loaned to Borrower by Lender and any interest capitalized to date.
2. The borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance until the full amount of principal has been paid. Borrower will pay interest at a yearly rate of 6.625%. The interest rate Borrower will pay will change in accordance with Section 4.
3. (A) Time and Place of Payment:

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

Borrower will make monthly payments on the first (1st) day of each month beginning on May 1, 2002.

Borrower will make payments every month until all of the unpaid principal and interest and any other charges that Borrower may owe under the Note have been paid. Borrower's monthly payments will be applied to interest before principal. If on June 1, 2029 Borrower still owes amounts under the Note, Borrower will pay those amounts in full on that date, which is called the "Maturity Date."

Borrower will make monthly payments at Regions Mortgage, Inc. or at a different place if required by Lender.

(B) Amount of Borrower's Initial Monthly Payments

Each of Borrower's initial monthly payments will be in the amount of U.S. \$2,192.07. This amount may change.

(C) Monthly Payment Changes

Changes in Borrower's monthly payment will reflect changes in the unpaid principal of the Note and in the interest rate that Borrower must pay. Lender will determine the new interest rate and the changed amount of the monthly payment in accordance with Section 4.

4. (A) Change Dates

The interest rate Borrower will pay may change on the first day of January, 2009, and on that day every 12 month thereafter. Each date on which the interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first change date, Borrower's interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one (1) year, as made available by the Federal Reserve Board.

The most recent Index figure available as of the date forty-five (45) days before each Change Date is called the "Current Index."

If the Index is no longer available, Lender will choose a new index that is based upon comparable information. Lender will give Borrower notice of this choice.

(C) Calculation of Changes

Before each Change Date, Lender will calculate Borrower's new interest rate by adding Two and Three Quarters percentage point(s) (2.75 %) to the Current Index. Lender will then round the result of this addition to the nearest one eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be the new interest rate until the next Change Date.

Lender will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date in full, on the Maturity Date at the new interest rate in substantially equal payment. The result of this calculation will be the new amount of the Borrower's monthly payment.

(D) Limits on Interest Rate Changes

(Please check appropriate boxes. If no box is checked, there will be no maximum limit on changes.)

- (1) There will be no maximum limit on interest rate changes.
- ☒ (2) The interest rate Borrower is required to pay at the first Change Date will not be greater than 8.625% or less than 4.625%.
- ☒ (3) Borrower's interest rate will never be increased or decreased on any single Change Date by more than two percentage point(s) (2.00%) from the rate of the interest Borrower has been paying for the preceding period.
- ☒ (4) Borrower's interest rate will never be greater than 11.625 %, which is called the "maximum rate."

(E) Effective Date of Changes

Borrower's interest rate will become effective on each Change Date. Borrower will pay the amount of the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the monthly payment changes again.

(F) Notice of Changes

Lender will deliver or mail to Borrower a notice of any changes in the interest rate and the amount of the monthly payment before the effective date of any change. The notice will include information required by law to be given to Borrower and also the title and telephone number of a person who will answer any questions Borrower may have regarding this notice.

5. If all or any of the Property or any interest in it is sold or transferred (or a beneficial interest in the Borrower is sold or transferred and Borrower is not a natural person) without the Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by the Security Instrument.

If the Lender exercises this option, Lender shall give the Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.

6. Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument.
7. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof as amended by this Agreement.
8. This Modification of Note and Security Instrument shall bind to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

LOAN MODIFICATION AGREEMENT - Single Family - Fannie Mae Uniform Instrument Form 3179 2/88

Witness the hand seal of each of the undersigned as the day and year first above written

Witness (Sign & Print)

Leif D. Alford

(SEAL)

(Borrower)

Witness (Sign & Print)

Laura A. Pressley

(SEAL)

(Borrower)

State of Alabama

County of Montgomery

I, the undersigned authority, a Notary Public in and for said State and County hereby certify that Laura A. Pressley and NO one else whose names are signed to the foregoing conveyance, and who are known to me acknowledged before me on this day, that, being informed of the contents of this conveyance they executed the same voluntarily on the day the same bears date

Given under my hand and seal this 18th day of January, 2002



Betty B. Smith
(Notary Public)
My Commission Expires 4-19-2002

ATTEST

BY Marcia T. Johnson
Marcia T. Johnson

Vice President

LENDER Regions Mortgage, Inc. acting as

BY Glenda V. Veltor
Glenda V. Veltor

Senior Vice President

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Glenda V. Veltor and Marcia T. Johnson whose names as Senior Vice President and Vice President respectively, of Regions Mortgage, Inc. are signed to the foregoing instrument and who are known to me, acknowledged before me on this date, being informed of the contents of said instrument, they who are known to me as such officers and with full authority, executed the same voluntarily for and on the act of Regions Mortgage, Inc.

Given under my hand and seal of office, this 31st day of January, 2002

Glenda V. Veltor
(Notary Public)
My Commission Expires 10/18/04

This instrument was prepared by

Wanda Campbell
an employee of
Regions Mortgage, Inc.
Post Office Box 669
Montgomery, AL 36101

Return Recorded Instrument to:
Regions Mortgage Inc.
Attn: Customer Service
Post Office Box 669
Montgomery, AL 36101

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

02-12-2002 11:27 AM 2002027187
KNOWLES \$13.00
DANA OSBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/23/2012 05:53 PM

Real Estate Index Detail

Report # 786922 Requested By REBECCA LAFLURE (WEBPUBLIC)

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Grantors

- 1 ALLRED LEIF
- 2 PRESSLEY LAURA A

Grantees

- 1 REGIONS BANK

Legal Information

- 1 LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRL AUSTIN TX 78757

Related Documents

- | | | | |
|---|------------|---|-----|
| 1 | 2005128407 | 0 | TRF |
|---|------------|---|-----|

Returnee Information

REGIONS LOAN SERVICEING
P O BOX 4897
MONTGOMERY, AL 36103

91280149
WHEN RECORDED MAIL TO:
Regions/Loan Servicing Release
P.O. Box 4897
Montgomery, AL 36103

DT 2004103556
8 PGS

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

00C236432000894000035900C0000

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF 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.

DEED OF TRUST

THIS DEED OF TRUST is dated May 26, 2004, among ~~LEON D ALLRED~~ ^{Let 2} whose address is 1308 B WEST NORTH LOOP, AUSTIN, TX 78758-0000 and LAURA A PRESSLEY, whose address is 1308 B WEST NORTH LOOP, AUSTIN, TX 78756-0000 ("Grantor"); REGIONS BANK, whose address is ARBORETUM, 4314 WEST BRAKER LANE, AUSTIN, TX 78769 (referred to below sometimes as "Beneficiary"); and Neil S. West, Texas Group President, whose address is 100 East Ferguston Street, Tyler, TX 75702 (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 Lender as 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, (the "Real Property") located in Travis County, State of Texas:

Lot 122, Allandale, Section One, according to the map or plat thereof recorded in Volume 4, Page 313, of the plat records of Travis County, Texas

The Real Property or its address is commonly known as 2210 White Horse Trail, Austin, TX 78757.

Grantor hereby absolutely assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code "Security Interest in the Personal Property and Rents."

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, 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 Lender 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, this Deed of Trust, and the Related Documents.

VENDOR'S LIEN. The debt evidenced by the Note is in part or total payment of the purchase price of the Property; the debt is secured by both this Deed of Trust and by a vendor's lien on the Property, which is expressly retained in the deed of the Property to Grantor. This Deed of Trust does not waive the vendor's lien and the two liens and the rights created by this instrument shall be cumulative. Lender may elect to foreclose under either of the liens without waiving the other or may foreclose under both. The deed wherein the vendor's lien is retained is incorporated into this Deed of Trust.

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: (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

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

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) 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 Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) 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 Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender 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 Substances. Grantor hereby: (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender 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 Lender'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

DEED OF TRUST
(Continued)

Loan No. 43200069400003590

Page 2

the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals including oil and gas, coal, clay, stone, soil, gravel or rock products without Lender's prior written consent. This restriction will not apply to rights and easements such as gas and oil not owned by Grantor and of which Grantor has informed Lender 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 Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real 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, now or hereafter in effect, 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 Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above or by this Deed of Trust, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender'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 any conveyance of Real Property or any right, title or interest in the Real Property, whether legal, beneficial 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 an interest in the Real Property. However, this option shall not be exercised by Lender if such 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 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 materials furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender 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 Lender'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 Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and Lender's reasonable 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 Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

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

Notice of Construction. Grantor shall notify Lender 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. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender 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 fire 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 Lender, together with such other hazard and liability insurance as Lender may reasonably require. Policies shall be written in form, amount, coverages and basis reasonably acceptable to Lender, with losses made payable to Lender. 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, Lender 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 Lender, Grantor will be so notified, and Grantor will have the option of furnishing equivalent insurance through any insurer authorized to transact business in Texas. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal flood insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and 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 Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditures, pay of 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 Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

LENDER'S EXPENDITURES. If Grantor fails: (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims; (B) to provide any required insurance on the Property; or (C) to make repairs to the Property then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's interests in the Property, then Lender, on Grantor's behalf, may, but is not required to, take any action that Lender believes to be appropriate to protect Lender's interests. All expenses paid by Lender for such purposes will then bear interest at the Note rate from the date paid by Lender to the date of repayment by Grantor. To the extent permitted by applicable law, all such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added in the balance of the Note and be apportioned among and be payable with any installment payments to become due during the term of the Note; or (C) 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. The 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 Lender may be entitled on account of any default. Any such action by Lender shall not be construed as waiving the default so as to bar Lender 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.

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 trust instrument issued in favor of, and accepted by, Lender 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 Lender.

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 Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request 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.

Survival of Promises. All promises, agreements, and statements Grantor has made in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature and shall remain in full force and effect until such time as Grantor's indebtedness is paid in full.

CONDEMNATION, JUDGMENTS AND AWARDS. The following provisions relating to condemnation proceedings, judgments, decrees and awards for injury to the Property are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender 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 Lender 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 Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. To the extent permitted by applicable law, all judgments, decrees and awards for injury or damage to the Property, or any part of the Property, and awards pursuant to proceedings for condemnation of the Property, are hereby absolutely assigned to Lender, and if all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award, judgment or decree shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

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, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Deed of Trust in the real property records, Lender 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 Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning this security interest granted by this Deed of Trust may be obtained (each as required by the 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 and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurances, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve: (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents; and (2) 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 Lender agrees to the contrary in writing, Grantor shall reimburse Lender 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, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender 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 Lender'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, Lender 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 Lender's security interest in the Real and/or Personal Property. However, it is agreed that the payment of all the indebtedness and performance of such obligations shall not terminate this Deed of Trust unless the liens and interests created hereby are released by Lender by a proper recordable instrument. Any filing fees required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. At Lender's option, Grantor will be in default under this Deed of Trust if any of the following happen:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Break Other Promises. Grantor breaks any promise made to Lender or fails to perform promptly at the time and strictly in the manner provided in this Deed of Trust or in any agreement related to this Deed of Trust.

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.

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.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the indebtedness or perform their respective obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect including failure of any collateral document to create a valid and perfected security interest or lien at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Taking of the Property. Any creditor or governmental agency tries to take any of the Property or any other of Grantor's property in which Lender has a lien. This includes taking of, garnishing of or levying on Grantor's accounts with Lender. However, if Grantor disputes in good faith whether the claim on which the taking of the Property is based is valid or reasonable, and if Grantor gives Lender written notice of the claim and furnishes Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

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

DEED OF TRUST
(Continued)

Page 4

Loan No. 43200069400003590

obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, 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 Lender, and, in doing so, cure any Event of Default.

Insolvency. Lender in good faith believes itself insecure

Right to Cure. If any default, other than a default in payment is curable, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within twenty (20) days; or (2) if the cure requires more than twenty (20) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. All of Lender's rights and remedies will be cumulative and may be exercised alone or together. An election by Lender to exercise any one remedy will not bar Lender from using any other remedy. If Lender decides to spend money or to perform any of Grantor's obligations under this Deed of Trust, after Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in default and to exercise Lender's remedies.

Accelerate Indebtedness. Lender 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 Lender invokes the power of sale, Trustee, at the request of Lender, 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 Trustee or its agent has given notice of the time and place 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, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. As additional security for the payment of the indebtedness, Grantor hereby absolutely assigns to Lender all Rents as defined in the Definitions section of this Deed of Trust. Until the occurrence of an Event of Default, Grantor is granted a license to collect and retain the Rents; however, upon receipt from Lender of a notice that an Event of Default exists under this Deed of Trust, Lender may terminate Grantor's license, and then Lender, as Grantor's agent, may collect the Rents. In addition, if the Property is vacant, Lender may rent or lease the Property. Lender 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; Lender shall be accountable only for Rents actually received. Lender 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 Lender first to the remaining unpaid balance of the indebtedness. In such order of payment as Lender 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 Grantor's behalf. 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. Lender 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 its receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender'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 Lender 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 Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either: (1) pay a reasonable rental for the use of the Property; (2) vacate the Property immediately upon the demand of Lender; or (3) if such tenant refuses 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 Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender 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 appraisal, 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 entering the lien, posting for sale, selling, or releasing the Property; (b) then to Lender 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.

Attorneys' Fees/Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as this court may adjudge reasonable as Lender's attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of its indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including Lender's reasonable attorneys' fees and expenses 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), surveys' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. In the event of foreclosure of this Deed of Trust, Lender shall be entitled to recover from Grantor Lender's reasonable attorneys' fees and actual disbursements that Lender necessarily incurs in pursuing such foreclosure.

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

Powers 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 written request of Lender 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 Lender 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 Lender may avail itself as a remedy except to the extent required by

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

Merge. 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 Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by and interpreted in accordance with federal law and the laws of the State of Texas. This Deed of Trust has been accepted by Lender in the State of Texas.

Joint and Several Liability. All obligations of Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Grantor understands Lender will not give up any of Lender's rights under this Deed of Trust unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Deed of Trust. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lender's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, notice of dishonor, notice of intent to accelerate, and notice of acceleration.

Severability. If a court finds that any provision of this Deed of Trust is not valid or should not be enforced, that fact by itself will not mean that the rest of this Deed of Trust will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Deed of Trust even if a provision of this Deed of Trust may be found to be invalid or unenforceable.

Successors and Assigns. Subject to any 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, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness or 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.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

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

Beneficiary. The word "Beneficiary" means REGIONS BANK, and its successors and assigns.

Borrower. The word "Borrower" means LIEF D. ALLRED and LAURA A. PRESSLEY and includes all co-signers and co-makers signing the Note.

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

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation 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. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any or the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means LIEF D. ALLRED and LAURA A. PRESSLEY.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical, or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in the Deed of Trust.

Lender. The word "Lender" means REGIONS BANK, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Note.

Note. The word "Note" means the promissory note dated May 28, 2004, in the original principal amount of \$108,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of the Note is November 28, 2004. 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 now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, 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 real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means Neil S. West, Texas Group President, whose address is 100 East Ferguson Street, Tyler, TX 75702 and any substitute or successor trustee.

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

GRANTOR:

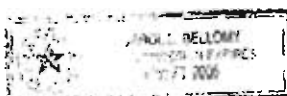
X Neil S. West
NEIL S. WEST
Lender

X Laura A. Pressley
LAURA A. PRESSLEY

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Texas
COUNTY OF Travis

This instrument was acknowledged before me on May 28, 2004 by Neil S. West and Laura A. Pressley.



Neil S. West
Notary Public, State of Texas

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBauvoir
2004 Jun 02 04:10 PM
KNOWLES 824.00
DANA DEBAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 10:32 AM

Real Estate Index Detail

Report # 787209 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information**Instrument #:** 2005098020**Document Type:** MECHANIC'S LIEN**Date Received:** 06/03/2005 11:13:12 AM**Book Type:** book_type**Index Status:** Permanent Index**Book:** book**Image?** ✓**Page:** pg**Comments:**Grantors

- 1 PRESSLEY LAURA A
- 2 ALLRED LEIF D
- 3 ALLRED LIEF D

Grantees

- 1 PRIDE BUILDERS LLC

Legal Information

- 1 LT 122 ALLANDALE SEC 1

Related Documents

- | | | | |
|---|------------|---|-----|
| 1 | 2006157065 | 0 | TRF |
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Returnee Information

FIDELITY NATIONAL TITLE COMPANY
PICK-UP

07-7AT
05-251834-MEM
MECHANIC'S LIEN CONTRACT FOR NEW CONSTRUCTION
(With Partial Transfer of Lien)

RETURN
FIDELITY NATIONAL TITLE

This MECHANIC'S LIEN CONTRACT ("Contract") is made on June 1, 2005, between LAURA A. PRESSLEY and husband, LEIF D. ALLRED a/k/a LIEF D. ALLRED ("Borrower", whether one or more) and PRIDE BUILDERS, LLC, a Texas limited liability company ("Contractor") and provides for a partial transfer of lien to WACHOVIA MORTGAGE CORPORATION ("Lender").

5

1. **Construction of Improvements.** Contractor agrees to furnish and pay for all labor and materials needed to construct the following improvements (the "Improvements") in a good and workmanlike manner according to the agreed upon plans and specifications (the "Plans and Specifications"):

Single family residence with related amenities.



ML

2005098020

B PGS

2. **Description of Property.** The Improvements shall be constructed upon the following described real property (the "Land"):

LOT 122, ALLANDALE SECTION ONE, AN ADDITION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN BOOK 4, PAGE 313, OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

The Land, the Improvements, and all easements, rights and appurtenances pertaining to them are collectively referred to in this Contract as the "Property".

3. **Contract Price.** Borrower agrees to pay, or cause to be paid, to Contractor for the construction of the Improvements, the sum of \$325,362.00 (the "Contract Price") on or before June 1, 2006 as evidenced by the Mechanic's Lien Note (the "Mechanic's Lien Note") dated the same date as this Contract. All or a portion of this indebtedness is to be financed by Lender at the request of and for the benefit of Borrower.

4. **Note Payable to Lender and Assignment of Mechanic's Lien Note.** In consideration of the agreement by Lender to advance all or a portion of the Contract Price to Borrower to pay the cost of construction of the Improvements, Borrower has executed and delivered to Lender a Note in the sum of \$385,000.00 (the "Note") which is executed in renewal and extension of the Mechanic's Lien Note which Contractor agrees to endorse to Lender. Advances on the Note are to be made solely in accordance with the terms of the Note and a Construction Loan Agreement dated the same date as this Contract between Borrower and Lender, and Lender has no obligation whatsoever to Contractor. Contractor has read the Construction Loan Agreement and understands and will follow the procedures for obtaining advances on the Note that are described in the Construction Loan Agreement, and will manage, apply, and disburse the proceeds of any such advances received by Contractor in accordance with Chapter 162 of the Texas Property Code. The Mechanic's Lien Note is hereby assigned by Contractor to Lender to the extent funds are advanced by Lender pursuant to the Construction Loan Agreement. Contractor agrees that the amount of funds advanced by Lender may be conclusively established by an affidavit of the president or any vice president of Lender.

5. **Mechanic's Lien.** To secure the payment of the Mechanic's Lien Note and the amount thereof advanced by Lender, together with interest thereon, to finance the construction of the Improvements, as evidenced by the Mechanic's Lien Note and the Note, Borrower gives and grants a mechanic's, artisan's and materialman's lien on the Property to Contractor. The Note shall also be secured by a Deed of Trust executed by Borrower that will renew and extend the lien created by this Contract.

6. **Partial Transfer of Lien.** Contractor transfers and assigns to Lender, and to Lender's successors, and assigns, with recourse against Contractor, to the extent of the assignment of the Mechanic's Lien Note, all of Contractor's lien rights in this Contract and Lender is subrogated to all the rights and equities of Contractor. Contractor agrees that Lender shall have the sole and exclusive right to foreclose the liens and security interests

granted by this Contract and Contractor TRANSFERS and ASSIGNS these rights to Lender. Contractor agrees that any liens retained by it to secure payment of the unassigned portion of the Mechanic's Lien Note shall be and remain subordinate and inferior to the indebtedness and liens hereby assigned to Lender.

7. **Completion by Contractor, But Not Lender.** Contractor shall be obligated to complete the Improvements in accordance with this Contract and the Plans and Specifications on or before June 1, 2006, but Lender shall not be responsible for the completion of the Improvements and shall not in any manner be considered a guarantor of performance by Contractor. Contractor agrees to indemnify and hold Lender harmless from all claims for completion of the Improvements.

8. **Partial Lien.** In the event the Improvements are not substantially completed by Contractor and for whatever reason it is determined that Lender does not have a lien to the extent of the full amount of the Contract Price, then Lender shall have a valid lien for the Contract Price, less the amount reasonably necessary to complete the Improvements, or in such event Lender, at its option, shall have the right to complete the Improvements and the lien shall be valid for the Contract Price.

9. **Alterations, Extras and Change Orders.** It is contemplated that there may be additions, deletions, and modifications to the Plans and Specifications in connection with the construction of the Improvements, by which additional costs may be incurred. All such additions, deletions, or modifications of the Improvements shall be evidenced by a written agreement between the Borrower and Contractor which shall specify the cost of the addition, deletion or modification and the amount the Contract Price is increased or decreased thereby as well as whether the Completion Date will be extended thereby. Any such additions, deletions or modifications that are agreed to in writing shall be secured by the liens created by this Contract and shall be part of the indebtedness secured hereby as fully as if such amount were included in the original Contract Price. Lender, at its option and subject to the execution of such additional loan documents as it may require, may advance all or part of such additional amount. If Lender elects not to advance such additional amount, Borrower shall pay Contractor in cash upon completion of such additions, deletions, and modifications and Contractor shall have a lien on the Property for the payment of such amount, which lien Contractor agrees shall be subordinate to the lien retained and transferred to Lender in this Contract. All extra work done or material furnished without such agreement shall be considered as performed under the original Contract and no extra pay shall be demanded or allowed. BORROWER AND CONTRACTOR UNDERSTAND THAT NO CHANGES OR ALTERATIONS MAY BE MADE TO THIS CONTRACT OR TO THE PLANS AND SPECIFICATIONS FOR THE IMPROVEMENTS, WHETHER THE CHANGES RESULT IN A PRICE INCREASE OR DECREASE, WITHOUT FIRST OBTAINING THE WRITTEN CONSENT OF LENDER. ALL CHANGES MADE WITHOUT THE WRITTEN CONSENT OF LENDER SHALL, AS TO LENDER, BE VOID AND OF NO EFFECT.

10. **Registration with the Residential Construction Commission.** Contractor represents to Borrower that Contractor is the current holder of a certificate of registration as a builder, issued by the Texas Residential Construction Commission, in accordance with Texas Property Code, Chapter 416, and covenants to maintain that certificate's currency throughout the term of this Contract. Contractor also represents to Borrower that, prior to the date of this Contract, Contractor has registered the Improvements with the Texas Residential Construction Commission in accordance with Section 426.003 of the Texas Property Code.

11. **Payment of Subcontractors, Laborers, and Suppliers.** Contractor agrees to promptly pay when due all valid bills and charges for all labor and materials furnished in connection with the Improvements by all subcontractors, laborers, and suppliers in accordance with Sections 28.002(b) and 28.003 of the Texas Property Code. Contractor agrees to keep the Property free from claims of liens for labor or material arising through Contractor. Upon request Contractor shall furnish Borrower or Lender proper receipts and releases from any and all subcontractors, workmen, and suppliers, so that no liens may be fixed upon the Property except the express lien created by this Contract.

12. **Additional Documents.** In addition to this Contract, this transaction shall be evidenced by the following additional documents (the "Additional Documents"), all of which have been executed on the same date as this Contract unless otherwise described below:

(a) Mechanic's Lien Note.

(b) Promissory Note executed by Borrower and payable to Lender (the "Note").

(c) Deed of Trust, Security Agreement and Financing Statement securing the Note (the "Deed of Trust").

(d) Construction Loan Agreement.

(e) An agreement dated February 23, 2005, entitled "Texas Capitol Area Builders Association Residential Construction Contract", executed by Owner and Contractor concerning the construction of the Improvements (the "Supplemental Contract"). Borrower and Contractor agree that if any of the terms or provisions of the Supplemental Contract conflict with or are inconsistent with the terms of this Contract, the terms of this Contract shall control and this Contract shall amend and replace the conflicting or inconsistent terms of the Supplemental Contract.

This Contract, the Additional Documents, the Plans and Specifications and all change orders and amendments thereto are collectively referred to in this Contract as the "Contract Documents."

13. **No Work Commenced.** This Contract is executed, acknowledged and delivered before any labor has been performed and before any material has been furnished for the construction of the Improvements.

14. **Purpose.** This Contract is a "construction mortgage" within the meaning of Chapter 9 of the Texas Uniform Commercial Code, because it secures an obligation incurred for the construction of improvements upon land.

15. **Insurance.** Contractor shall furnish Borrower and Lender with evidence that fire and extended coverage insurance, builder's risk insurance, and all other insurance required by Borrower and Lender, have been issued to cover the construction of the Improvements, in an amount equal to the full insurable value of the construction work and materials. Contractor shall cause the insurance carrier to furnish Lender with a certificate stating the amount of coverage in force and an agreement that Lender will be notified by the insurance carrier at least fifteen (15) days prior to any renewal or cancellation of the policy. Each policy shall name Lender as an additional insured to the full extent of its insurable interest in the Property. If the Property is sold pursuant to Lender's Deed of Trust, complete title to all policies held by Lender and to all unearned premiums shall pass to and vest in the purchaser at the foreclosure sale. Lender may collect the proceeds of all of the policies that become payable, and at its option, may use the same to rebuild or restore the Improvements or may apply them to the discharge of the indebtedness evidenced by the Note.

16. **Removal of Waste Materials.** Contractor shall from time to time, keep the Property reasonably free from the accumulation of waste materials or rubbish caused by its operations. At the completion of the Improvements Contractor shall remove all of its waste materials and rubbish from and around the Property as well as all of Contractor's tools, construction equipment, machinery and surplus materials.

17. **Permits.** Contractor will obtain all necessary permits and compliance inspections.

18. **Termination by the Borrower.** If Contractor fails to perform any of its obligations under this Contract, the Borrower may, after seven days' written notice to Contractor and without prejudice to any other remedy Borrower may have, make good such deficiencies and may deduct the cost thereof from the payments due Contractor, or, at its option, may order Contractor to stop all work on the Improvements and take possession of the Property and all materials located on it and may finish the construction of the Improvements by whatever method Borrower deems expedient, and if the unpaid balance of the Contract Price exceeds the expense of

finishing the Improvements, such excess shall be paid to the Contractor, but if this expense exceeds the unpaid balance, Contractor shall pay the difference to Borrower. If Borrower orders Contractor to stop work pursuant to this paragraph or if Contractor stops work on the Improvements for any other reason whatsoever, Contractor shall transfer the liens created by this Contract (to the extent not already transferred to Lender) to another contractor chosen by Borrower. For the purposes of enforcing the rights granted to Borrower by this paragraph, Contractor hereby constitutes and appoints Borrower as its true and lawful attorney-in-fact with full power of substitution to transfer the liens created by this Contract to the other contractor chosen by Borrower. It is agreed that this power-of-attorney shall be deemed to be a power coupled with an interest which cannot be revoked. The rights granted to Borrower in this paragraph to transfer the liens shall not prejudice Contractor's rights to sue Borrower for any damages sustained by Contractor for any breach by Borrower of the terms of this Contract.

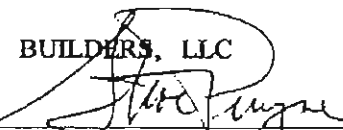
19. **IMPORTANT NOTICE. YOU AND YOUR CONTRACTOR ARE RESPONSIBLE FOR MEETING THE TERMS AND CONDITIONS OF THIS CONTRACT. IF YOU SIGN THIS CONTRACT, YOU MAY LOSE YOUR LEGAL OWNERSHIP RIGHTS IN YOUR HOME. KNOW YOUR RIGHTS AND DUTIES UNDER THE LAW.**

20. THIS CONTRACT IS SUBJECT TO CHAPTER 27 OF THE TEXAS PROPERTY CODE. THE PROVISIONS OF THAT CHAPTER MAY AFFECT YOUR RIGHT TO RECOVER DAMAGES ARISING FROM THE PERFORMANCE OF THIS CONTRACT. IF YOU HAVE A COMPLAINT CONCERNING A CONSTRUCTION DEFECT ARISING FROM THE PERFORMANCE OF THIS CONTRACT AND THAT DEFECT HAS NOT BEEN CORRECTED THROUGH NORMAL WARRANTY SERVICE, YOU MUST PROVIDE THE NOTICE REQUIRED BY CHAPTER 27 OF THE TEXAS PROPERTY CODE TO THE CONTRACTOR BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, NOT LATER THAN THE 60TH DAY BEFORE THE DATE YOU FILE SUIT TO RECOVER DAMAGES IN A COURT OF LAW OR INITIATE ARBITRATION. THE NOTICE MUST REFER TO CHAPTER 27 OF THE TEXAS PROPERTY CODE AND MUST DESCRIBE THE CONSTRUCTION DEFECT. IF REQUESTED BY THE CONTRACTOR, YOU MUST PROVIDE THE CONTRACTOR AN OPPORTUNITY TO INSPECT AND CURE THE DEFECT AS PROVIDED BY SECTION 27.004 OF THE TEXAS PROPERTY CODE.

CONTRACTOR:

PRIDE BUILDERS, LLC

By:


STEVEN PRUYNE, Manager

BORROWER:

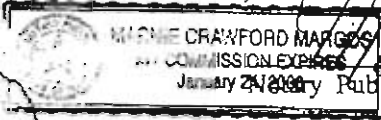
6/8/15
LAURA A. PRESSLEY

 6-2-05
LIEF D. ALLRED a/k/a LIEF D. ALLRED

STATE OF TEXAS
COUNTY OF Travis

This instrument was acknowledged before me on the 2 day of June, 2005 by
LAURA A. PRESSLEY and husband, LEE D. ALLRED a/k/a LIEP D. ALLRED.

[SEAL]



STATE OF TEXAS
COUNTY OF Travis

This instrument was acknowledged before me on the 2 day of June, 2005 by STEVEN PRUYNE,
Manager of PRIDE BUILDERS, LLC, a Texas limited liability company, on behalf of said limited liability
company.

[SEAL]



Notary Public, State of Texas

AFTER RECORDING RETURN TO:
WACHOVIA MORTGAGE CORPORATION
1100 Corporate Center Drive, NC4723
Raleigh, NC, 27607-5066

Please Return To:
FIDELITY NATIONAL TITLE INSURANCE CO.
Charles J. Young, P.C., Fee Attorney Office
4408 Spicewood Springs Rd.
Austin, TX 78759

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2005 Jun 03 11:13 AM 200506020

KNOWLES \$22.00

DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 10:46 AM

Real Estate Index Detail

Report # 787230 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 2005098021	Document Type: DEED OF TRUST
Date Received: 06/03/2005 11:13:12 AM	Book Type: book_type
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 PRESSLEY LAURA A
- 2 ALLRED LEIF D
- 3 ALLRED LIEF D

Grantees

- 1 WACHOVIA MORTGAGE CORP
- 2 MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

Legal Information

- 1 LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRAIL AUSTIN, TX 78757

Related Documents

- | | | | | |
|---|------------|---|------|-----|
| 1 | 2011154481 | 0 | NONE | REL |
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Returnee Information

FIDELITY NATIONAL TITLE COMPANY
PICK-UP

01-7117
94# 05-201834-MEM
After Recording Return to:

WACHOVIA MORTGAGE CORPORATION
1100 Corporate Center Drive, NC4723
Raleigh, NC 27607-5066

Please Return To:

FIDELITY NATIONAL TITLE INSURANCE CO.
Charles J. Young, P.C., Fee Attorney Office
4408 Spicewood Springs Rd.
Austin, TX 78759

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2005090021

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[Space Above This Line For Recording Date]

DEED OF TRUST

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF 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

DEFINITIONS

MIN No. 100013700039223571

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) "Security Instrument" means this document, which is dated June 1, 2005 together with all Riders to this document.
- (B) "Borrower" is LAURA A. PRESSLEY and husband, LEIF D. ALLRED a/k/a LIEF D. ALLRED. Borrower is the grantor under this Security Instrument.
- (C) "Lender" is WACHOVIA MORTGAGE CORPORATION. Lender is a corporation organized and existing under the laws of North Carolina. Lender's address is 1100 Corporate Center Drive, Raleigh, NC 27607-5066. Lender includes any holder of the Note who is entitled to receive payments under the Note.
- (D) "Trustee" is Christopher D. Davies. Trustee's address is 201 South College Street, Charlotte, NC 28202.
- (E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P. O. Box 2026, Flint, MI 48501-2026, tel. (888)679-MERS.
- (F) "Note" means the promissory note signed by Borrower and dated June 1, 2005. The Note states that Borrower owes Lender Three Hundred Eighty Five Thousand and no/100 Dollars (U.S. \$385,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than July 1, 2035.
- (G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
- (H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
- (I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☒ Adjustable Rate Rider

☐ 1-4 Family Rider

☐ Biweekly Payment Rider

☐ Second Home Rider

☒ Other(s) [specify] Renewal and Extension Exhibit

☐ Condominium Rider

☐ Planned Unit Development Rider

☐ Balloon Rider

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Esprow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, RESPA refers to all requirements and restrictions that are imposed in regard to a federally related mortgage loan even if the Loan does not qualify as a federally related mortgage loan under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender; (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Travis County, Texas:

LOT 122, ALLANDALE SECTION ONE, AN ADDITION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN BOOK 4, PAGE 313, OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

which currently has the address of 2210 White Horse Trail, Austin, TX 78757 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the Property. Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender, including, but not limited to, releasing and canceling this Security Instrument.

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the Funds) to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called Escrow Items. At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase covenant and agreement is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the Funds) to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called Escrow Items. At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase covenant and agreement is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term extended coverage, and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument, and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action

under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed *captive reinsurance*. Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has, if any, with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. Opposing Party means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a co-signer): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the

reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word may gives sole discretion without any obligation to take any action.

17. Borrowers' Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, Interest in the Property means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrowers' Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the Loan Servicer) that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There

also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) Hazardous Substances are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) Environmental Law means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) Environmental Cleanup includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an Environmental Condition means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice will result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence. For the purposes of this Section 22, the term Lender includes any holder of the Note who is entitled to receive payments under the Note.

If Lender invokes the power of sale, Lender or Trustee shall give notice of the time, place and terms of sale by posting and filing the notice at least 21 days prior to sale as provided by Applicable Law. Lender shall mail a copy of the notice to Borrower in the manner prescribed by Applicable Law. Sale shall be made at public vendue. The sale must begin at the time stated in the notice of sale or not later than three hours after that time and between the hours of 10 a.m. and 4 p.m. on the first Tuesday of the month. Borrower authorizes Trustee to sell the Property to the highest bidder for cash in one or more parcels and in any order Trustee determines. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustees' deed conveying indefeasible title to the Property with covenants of general warranty from Borrower. Borrower covenants and agrees to defend generally the purchasers' title to the Property against all claims and demands. The recitals in the Trustees' deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustees' and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Property is sold pursuant to this Section 22, Borrower or any person holding possession of the Property through Borrower shall immediately surrender possession of the Property to the purchaser at that sale. If possession is not surrendered, Borrower or such person shall be a tenant at sufferance and may be removed by writ of possession or other court proceeding.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall provide a release of this Security Instrument to Borrower or Borrower's designated agent in accordance with Applicable Law. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee; Trustee Liability. All rights, remedies and duties of Trustee under this Security Instrument may be exercised or performed by one or more trustees acting alone or together. Lender, at its option and with or without cause, may from time to time, by power of attorney or otherwise, remove or substitute any trustee, add one or more trustees, or appoint a successor trustee to any Trustee without the necessity of any formality other than a designation by Lender in writing. Without any further act or conveyance of the Property the substitute, additional or successor trustee shall become vested with the title, rights, remedies, powers and duties conferred upon Trustee herein and by Applicable Law.

Trustee shall not be liable if acting upon any notice, request, consent, demand, statement or other document believed by Trustee to be correct. Trustee shall not be liable for any act or omission unless such act or omission is willful.

25. Subrogation. Any of the proceeds of the Note used to take up outstanding liens against all or any part of the Property have been advanced by Lender at Borrower's request and upon Borrower's representation that such amounts are due and are secured by valid liens against the Property. Lender shall be subrogated to any and all rights, superior titles, liens and equities owned or claimed by any owner or holder of any outstanding liens and debts, regardless of whether said liens or debts are acquired by Lender by assignment or are released by the holder thereof upon payment.

26. Partial Invalidity. In the event any portion of the sums intended to be secured by this Security Instrument cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

27. Purchase Money; Ovelty of Partition; Renewal and Extension of Liens Against Homestead Property; Acknowledgment of Cash Advanced Against Non-Homestead Property. Check box as applicable:

☐ **Purchase Money.**

The funds advanced to Borrower under the Note were used to pay all or part of the purchase price of the Property. The Note also is primarily secured by the vendors' lien retained in the deed of even date with this Security Instrument conveying the Property to Borrower, which vendors' lien has been assigned to Lender, this Security Instrument being additional security for such vendors' lien.

☐ **Ovelty of Partition.**

The Note represents funds advanced by Lender at the special instance and request of Borrower for the purpose of acquiring the entire fee simple title to the Property and the existence of an ovelty of partition imposed against the entirety of the Property by a court order or by a written agreement of the parties to the partition to secure the payment of the Note is expressly acknowledged, confessed and granted.

☒ **Renewal and Extension of Liens Against Homestead Property.**

The Note is in renewal and extension, but not in extinguishment, of the indebtedness described on the attached Renewal and Extension Exhibit which is incorporated by reference. Lender is expressly subrogated to all rights, liens and remedies securing the original holder of a note evidencing Borrower's indebtedness and the original liens securing the indebtedness are removed and extended to the date of maturity of the Note in renewal and extension of the indebtedness.

☐ **Acknowledgment of Cash Advanced Against Non-Homestead Property.**

The Note represents funds advanced to Borrower on this day at Borrower's request and Borrower acknowledges receipt of such funds. Borrower states that Borrower does not now and does not intend ever to reside on, use in any manner, or claim the Property secured by this Security Instrument as a business or residential homestead. Borrower disclaims all homestead rights, interests and exemptions related to the Property.

28. Loan Not a Home Equity Loan. The Loan evidenced by the Note is not an extension of credit as defined by Section 50(a)(6) or Section 50(a)(7), Article XVI, of the Texas Constitution. If the Property is used as Borrowers' residence, then Borrower agrees that Borrower will receive no cash from the Loan evidenced by the Note and that any advances not necessary to purchase the Property, extinguish an owelty lien, complete construction, or renew and extend a prior lien against the Property, will be used to reduce the balance evidenced by the Note or such Loan will be modified to evidence the correct Loan balance, at Lenders' option. Borrower agrees to execute any documentation necessary to comply with this Section 28.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witness:

Witness:

LAURA A. PRESSLEY

(Seal)

-Borrower

LIEF D. ALLRED a/k/a LIEF D. ALLRED

(Seal)

-Borrower

(Seal)

-Borrower

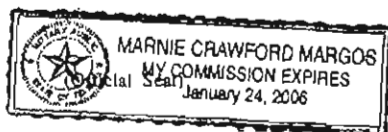
(Seal)

-Borrower

[Space Below This Line For Acknowledgment]

STATE OF TEXAS, Travis County §

This instrument was acknowledged before me on the 2 day of June, 2005 by LAURAA. PRESSLEY and husband, LIEF D. ALLRED a/k/ LIEF D. ALLRED.



Marnie Crawford Margos
Notary Public

FIXED/ADJUSTABLE RATE RIDER

(LIBOR One-Year Index (As Published in The Wall Street Journal) - Rate Caps)

THIS FIXED/ADJUSTABLE RATE RIDER is made on June 1, 2005 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Fixed/Adjustable Rate Note (the "Note") to

WACHOVIA MORTGAGE CORPORATION,
("Lender") of the same date and covering the property described in the Security Instrument and located at:

2210 White Horse Trail
Austin, TX 78757
(Property Address)

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial fixed interest rate of 5.500%. The Note also provides for a change in the initial fixed rate to an adjustable interest rate, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The initial fixed interest rate I will pay may change to an adjustable interest rate on the first day of July, 2010, and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and One Quarter percentage points (2.250%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 10.500% or less than 2.250%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 10.500%.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective day of any change. The notice will include the amount of my monthly payment, any information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument shall read as follows:

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

2. When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument described in Section B1 above shall then cease to be in effect, and the provisions of Uniform Covenant 18 of the Security Instrument shall be amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited

to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and the Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

LAURAA. PRESSLEY (Seal) LEIF D. ALLRED a/k/a LIEF D. ALLRED (Seal)
-Borrower -Borrower

____ (Seal) ____ (Seal)
-Borrower -Borrower

____ (Seal) ____ (Seal)
-Borrower -Borrower

[Sign Original Only]

RENEWAL AND EXTENSION EXHIBIT TO DEED OF TRUST

DATED June 1, 2005

EXECUTED BY LAURA A. PRESSLEY and husband, LEIF D. ALLRED
FOR THE BENEFIT OF WACHOVIA MORTGAGE CORPORATION

This Deed of Trust and the Note secured by it are given in renewal and extension of the following described indebtednesses and all of the liens, rights, assignments, and security interests securing them, including without limitation, those created, made, or granted by the following described instruments, all of which are now owned and held by Lender or will be transferred and assigned to Lender and which Borrower expressly acknowledges to be valid and existing against the Property:

Mechanic's Lien Note in the amount of **\$325,362.00** dated the same date as this Deed of Trust, executed by Borrower, payable to **PRIDE BUILDERS, LLC**, a Texas limited liability company, and secured by a Mechanic's Lien Contract, dated the same date, recorded in the Real Property Records of Travis County, Texas.

Promissory Note dated **May 28, 2004** in the original principal sum of **\$108,000.00** executed by **LEIF D. ALLRED and LAURA A. PRESSLEY** payable to **REGIONS BANK** and described in and secured by the instrument(s) recorded in the following Volumes and Pages and/or County Clerk's File Numbers of the Real Property Records of Travis County, Texas:

Document No.(s). 2004105355 and 2004105556

SIGNED FOR IDENTIFICATION:

LAURA A. PRESSLEY
6/2/05
LAURA A. PRESSLEY

Leif D. Allred 6-2-05
LEIF D. ALLRED a/k/a LIEF D. ALLRED

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2005 Jun 03 11:13 AM 2005090021

KNOWLES \$44.00

DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 10:48 AM

Real Estate Index Detail

Report # 787232 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 2006035013	Document Type: WARRANTY DEED
Date Received: 02/28/2006 01:45:35 PM	Book Type: book_type
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 ALLRED LEIF D
- 2 PRESSLEY LAURA A

Grantees

- 1 SPURGEON LARRY
- 2 SPURGEON LIZABETH

Legal Information

- 1 LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1

Returnee Information

LARRY SPURGEON
115 WHITE SANDS DR
AUSTIN, TX 78734

01- 6010078- GP 179

3

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF 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.

WARRANTY DEED WITH VENDOR'S LIEN

Date: February 27, 2006

Grantor (whether one or more): LEIF D. ALLRED AND SPOUSE,
LAURA A. PRESSLEY

Grantor's Mailing Address (including county):
1306 W North Loop #B
Austin, Texas 78756
Travis County

Grantee (whether one or more): LARRY SPURGEON AND LIZABETH
SPURGEON

Grantee's Mailing Address (including county):
115 White Sands Dr.
Austin, Texas 78734
Travis County



LD

2006035013

3 PGS

Consideration:

TEN DOLLARS (\$10.00) and a note of even date that is in the principal amount of FOUR HUNDRED SEVENTY EIGHT THOUSAND NINE HUNDRED THIRTY FIVE AND NO/100 DOLLARS (\$478,935.00), and is executed by Grantee, payable to the order of AMERICAN BANK OF TEXAS, N.A. The note is secured by a vendor's lien retained to the extent of \$197,500.00 in favor of AMERICAN BANK OF TEXAS, N.A. in this deed, and by a deed of trust of even date from Grantee to STEVEN W. SMITH, Trustee.

Property (including any improvements):

Lot 28, Block "A", of THE JESTER ESTATE, Section 1, Phase 1, a subdivision in Travis County, Texas, according to the map or plat, of record in Volume 78, Pages 385-389, of the Plat Records of Travis County, Texas.

Reservations from and Exceptions to Conveyance and Warranty:

Easements and rights-of-way, of record; ad valorem taxes for 2006; all presently recorded restrictions, reservations, covenants, conditions, and mineral severances, that affect the property.

TRAVIS COUNTY


Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

The vendor's lien against and superior title to the property are retained to the extent of \$197,500.00 until each note described is fully paid according to its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

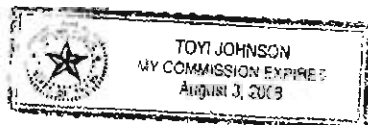
AMERICAN BANK OF TEXAS, N.A., at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the property that is evidenced by the note described. The vendor's lien and superior title to the property are retained to the extent of \$197,500.00 for the benefit of AMERICAN BANK OF TEXAS, N.A., and are transferred to that party without recourse on Grantor.



LEIF D. ALLRED


LAURA A. PRESSLEY

STATE OF TEXAS)
)
COUNTY OF TRAVIS)

This instrument was acknowledged before me on the 27th day of February, 2006, by LEIF D. ALLRED AND LAURA A. PRESSLEY.




NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING RETURN TO:
LARRY AND LIZABETH SPURGEON
115 WHITE SANDS DR.
AUSTIN, TEXAS 78734

PREPARED IN THE LAW OFFICE OF:
CLINT PARSLEY
604 W. 12TH STREET
AUSTIN, TEXAS 78701

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2008 Feb 28 01:45 PM

FERGUSON \$24.00

DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

2006035013

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 10:50 AM

Real Estate Index Detail

Report # 787235 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #: 2006035013	Document Type: TRANSFER
Date Received: 02/28/2006 01:45:35 PM	Book Type: book_type
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 ALLRED LEIF D
- 2 PRESSLEY LAURA A

Grantees

- 1 AMERICAN BANK OF TEXAS

Legal Information

- 1 LT 28 BLK A THE JESTER ESTATE SEC 1 PH 1

Returnee Information

LARRY SPURGEON
115 WHITE SANDS DR
AUSTIN, TX 78734

01- 6010078- GP 179

3

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF 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.

WARRANTY DEED WITH VENDOR'S LIEN

Date: February 27, 2006

Grantor (whether one or more): LEIF D. ALLRED AND SPOUSE,
LAURA A. PRESSLEY

Grantor's Mailing Address (including county):
1308 W. North Loop #B
Austin, Texas 78756
Travis County

Grantee (whether one or more): LARRY SPURGEON AND LIZABETH
SPURGEON

Grantee's Mailing Address (including county):
115 White Sands Dr.
Austin, Texas 78734
Travis County



WD 2006035013
3 PGS

Consideration:

TEN DOLLARS (\$10.00) and a note of even date that is in the principal amount of FOUR HUNDRED SEVENTY EIGHT THOUSAND NINE HUNDRED THIRTY FIVE AND NO/100 DOLLARS (\$478,935.00), and is executed by Grantee, payable to the order of AMERICAN BANK OF TEXAS, N.A. The note is secured by a vendor's lien retained to the extent of \$197,500.00 in favor of AMERICAN BANK OF TEXAS, N.A. in this deed, and by a deed of trust of even date from Grantee to STEVEN W. SMITH, Trustee.

Property (including any improvements):

Lot 28, Block "A", of THE JESTER ESTATE, Section 1, Phase 1, a subdivision in Travis County, Texas, according to the map or plat, of record in Volume 78, Pages 385-389, of the Plat Records of Travis County, Texas.

Reservations from and Exceptions to Conveyance and Warranty:

Easements and rights-of-way, of record, ad valorem taxes for 2006; all presently recorded restrictions, reservations, covenants, conditions, and mineral severances, that affect the property.

TRAVIS COUNTY


Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

The vendor's lien against and superior title to the property are retained to the extent of \$197,500.00 until each note described is fully paid according to its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

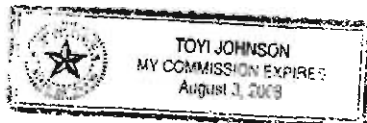
AMERICAN BANK OF TEXAS, N.A., at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the property that is evidenced by the note described. The vendor's lien and superior title to the property are retained to the extent of \$197,500.00 for the benefit of AMERICAN BANK OF TEXAS, N.A., and are transferred to that party without recourse on Grantor.



LEIF D. ALLRED


LAURA A. PRESSLEY

STATE OF TEXAS)
)
COUNTY OF TRAVIS)

This instrument was acknowledged before me on the 27th day of February, 2006, by LEIF D. ALLRED AND LAURA A. PRESSLEY.




NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING RETURN TO:
LARRY AND LIZABETH SPURGEON
115 WHITE SANDS DR.
AUSTIN, TEXAS 78734

PREPARED IN THE LAW OFFICE OF:
CLINT PARSLEY
604 W. 12TH STREET
AUSTIN, TEXAS 78701

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2008 Feb 28 01:45 PM

FERGUSONY \$24.00

2006035013

DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/23/2012 05:46 PM

Real Estate Index Detail

Report # 786916 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 2006157066	Document Type: TRANSFER
Date Received: 08/15/2006 03:00:07 PM	Book Type: book_type
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 PRIDE BUILDERS LLC
- 2 PRESSLEY LAURA
- 3 ALLRED LEIF D

Grantees

- 1 WACHOVIA MORTGAGE CORPORATION

Legal Information

- 1 LT 122 ALLANDALE SEC 1

Returnee Information

THOMAS G ROBINS
1635 NE LOOP 410 # 607
SAN ANTONIO, TX 78209



TRANSFER OF MECHANIC'S LIEN

This Transfer of Mechanic's Lien ("Transfer") is executed by LAURA A. PRESSLEY and husband, LEIF D. ALLRED as agent and attorney-in-fact for PRIDE BUILDERS, LLC, a Texas limited liability company.

ARTICLE 1
Introductory Provisions

The following Introductory Provisions are the basis for and a part of this Transfer:

1.1 PRIDE BUILDERS, LLC ("Contractor") and LAURA A. PRESSLEY and husband, LEIF D. ALLRED ("Owners") executed a Mechanic's Lien Contract dated June 1, 2005 in which Contractor agreed to construct a single family residence on the following described real property (the "Property") for a contract price of \$325,362.00 as evidenced by a Mechanic's Lien Note in the original principal sum of \$325,362.00 dated the same date as the Mechanic's Lien Contract:

LOT 122, ALLANDALE SECTION ONE, AN ADDITION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN BOOK 4 PAGE 313, OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

1.2 The Mechanic's Lien Contract is recorded under Document No. 2005098020, Real Property Records of Travis County, Texas.

1.3 Paragraph 17 of the Mechanic's Lien Contract states as follows:

"17. Termination by the Borrower. If Contractor fails to perform any of its obligations under this Contract, the Borrower may, after seven days' written notice to Contractor and without prejudice to any other remedy Borrower may have, make good such deficiencies and may deduct the cost thereof from the payments due Contractor, or, at its option, may order Contractor to stop all work on the Improvements and take possession of the Property and all materials located on it and may finish the construction of the Improvements by whatever method Borrower deems expedient, and if the unpaid balance of the Contract Price exceeds the expense of finishing the Improvements, such excess shall be paid to the Contractor, but if this expense exceeds the unpaid balance, Contractor shall pay the difference to Borrower. If Borrower orders Contractor to stop work pursuant to this paragraph or if Contractor stops work on the Improvements for any other reason whatsoever, Contractor shall transfer the liens created by this Contract (to the extent not already transferred to Lender) to another contractor chosen by Borrower. For the purposes of enforcing the rights granted to Borrower by this paragraph, Contractor hereby constitutes and appoints Borrower as its true and lawful attorney-in-fact with full power of substitution to transfer the liens created by this Contract to the other contractor chosen by Borrower. It is agreed that this power-of-attorney shall be deemed to be a power coupled with an interest which cannot be revoked. The rights granted to Borrower in this paragraph to transfer the liens shall not prejudice Contractor's rights to sue Borrower for any damages sustained by Contractor for any breach by Borrower of the terms of this Contract."

1.4 Pursuant to the terms of the Mechanic's Lien Contract, Contractor has partially transferred the liens created by the Mechanic's Lien Contract (the "Liens") to **WACHOVIA MORTGAGE CORPORATION**.

1.5 On December 1, 2005, Contractor stopped work on the residence. Since that date, no work of any kind has been performed by Contractor on the Property.

1.6 Owners have selected a new contractor to complete the construction of the residence. The new contractor is **SHILOH HARTMAN dba Tallstar Homes** (the "Replacement Contractor"). Owners are executing this transfer to transfer and assign (i) the indebtedness evidenced by the Mechanic's Lien Note and the Mechanic's Lien Contract (collectively, the "Indebtedness") and (ii) the Liens to Replacement Contractor in accordance with paragraph 17 of the Mechanic's Lien Contract, to the extent that the Indebtedness and the Liens have not already been transferred to **WACHOVIA MORTGAGE CORPORATION** pursuant to the terms of the Mechanic's Lien Contract.

ARTICLE 2 Transfer and Assignment

LAURA A. PRESSLEY and husband, **LEIF D. ALLRED** as agent and attorney-in-fact for **PRIDE BUILDERS, LLC**, a Texas limited liability company TRANSFERS, ASSIGNS, AND CONVEYS the Indebtedness and the Liens to **SHILOH HARTMAN dba Tallstar Homes** to the extent that they have not been previously transferred to **WACHOVIA MORTGAGE CORPORATION**.

DATED: August 3, 2006

PRIDE BUILDERS, LLC,

By: _____

LAURA A. PRESSLEY, Its agent and attorney-in-fact

PRIDE BUILDERS, LLC,

By: _____

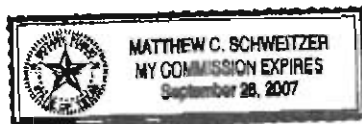
LEIF D. ALLRED, Its agent and attorney-in-fact

STATE OF TEXAS
COUNTY OF TRAVIS

This instrument was acknowledged on the 14 day of AUGUST, 2006 by Laura A. Pressley as agent and attorney-in-fact on behalf of **PRIDE BUILDERS, LLC**, a Texas limited liability company.

[SEAL]

Notary Public, State of Texas



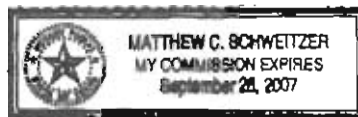
STATE OF TEXAS
COUNTY OF TRAVIS

This instrument was acknowledged on the 14 day of August, 2006 by Leif D. Allred as agent and attorney-in-fact on behalf of PRIDE BUILDERS, LLC, a Texas limited liability company.

SEAL


Notary Public, State of Texas

AFTER RECORDING, RETURN TO:
Thomas G. Rabner
1635 NE Loop 410 #607
San Antonio, TX 78209



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2006 Aug 15 03:00 PM 2086257096
RANEVJ \$24.00
DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 10:53 AM

Real Estate Index Detail

Report # 787238 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument#: 2007081072	Document Type: MODIFICATION
Date Received: 05/03/2007 05:00:53 PM	Book Type: book_type
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 PRESSLEY LAURA A
- 2 ALLRED LEIF D

Grantees

- 1 WACHOVIA MORTGAGE CORPORATION
- 2 MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

Legal Information

- 1 SEE INSTRUMENT

Returnee Information

FIDELITY TITLE COMPANY
PICK-UP

02-FNT
03-201834/mcm

Please Return To:
FIDELITY NATIONAL TITLE INSURANCE CO.
Longhorn Escrow Services, Inc. Fee Office
4408 Spicewood Springs Road
Austin, TX 78759

RETURN
FIDELITY NATIONAL TITLE



AGM 2007081072
8 PGS

Space Above This Line For Recording Data

STATE OF Texas) **MORTGAGE MODIFICATION AGREEMENT**
COUNTY OF Travis) **AMENDMENT TO NOTE AND SECURITY INSTRUMENT**
(Change to Interest Rate and/or Loan Amount)

Prepared By:
Return To:

Lenders Loan Number: 3922357
MIN: 100013700039223571 MERS Phone: 1-888-679-6377

THIS MODIFICATION AGREEMENT ("Agreement") to Note, Security Instrument, and Adjustable Rate Rider is made this 20th day of April, 2007, by and between Laura A. Pressley and Husband, Leif D. Allred a/k/a Lief D Allred a/k/a Leif D. Allred ("Borrower") and Wachovia Mortgage Corporation ("Lender") whose address is 1100 Corporate Center Drive, Raleigh, NC 27607 and Mortgage Electronic Registration Systems, Inc. whose address is P.O. Box 2026, Flint, MI 48501-2026 ("Mortgagee" or "Beneficiary") and Christopher D. Davies ("Trustee") whose address is 201 South College Street, Charlotte NC 28202

RECITALS:

A. Lender is the owner and holder of that certain Promissory Note ("Note") dated June 1, 2005, in the original amount of \$385,000.00, plus an Addendum to the Note and Construction Loan Agreement of the same date, secured by a Mortgage/Deed of Trust ("Security Instrument") which encumbers property located at 2210 White Horse Trail, Austin TX 78757 and which property is more particularly described in said Security Instrument which incorporates a Construction/Permanent Rider of the same date, granted or assigned to MERS solely as a nominee for Lender and Lender's successors and assigns, recorded on June 3, 2005 in Official Records/Deed Book 2005098021, Page 16, Public Records of Travis County.

B. Borrower has requested Lender to modify the Note and Security Instrument, and the parties have mutually agreed to modify the terms as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto mutually covenant and agree as follows:

1. **LOAN AMOUNT.** The unpaid principal balance of the Note is \$385,000.00 and that interest has been paid through the date of this Agreement.

2. **AMENDMENTS TO THE NOTE.** The terms and provisions of the Note are amended and modified as follows:

(a) Paragraph 2 of the NOTE is amended as follows:

INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will pay interest at yearly rate of 6.000% from April 20, 2007.

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

(b) Paragraphs 3(A) and 3(B) of the Note are amended as follows:

(A) Time and Place of Payments

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

I will make my monthly payments on the 1st day of each month beginning on June , 2007. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on May, 2037, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

(B) Amount of Monthly Payments

My monthly payments will be in the amount of U.S. \$2,308.27.

(c) The Construction/Permanent Addendum to the Note is null and void as of the date of this Agreement and is no longer in effect.

3. **AMENDMENTS TO THE SECURITY INSTRUMENT.** The terms and provisions of the Security Instrument are amended and modified as follows:

☐ (a) The unpaid principal balance of the Note that is secured by the Security Instrument is [☐ increased / ☐ decreased] to Three Hundred Eighty Five Thousand and no/100 Dollars (\$385,000.00).

☒ (b) The outstanding balance of the debt, if any remaining, evidenced by Borrower's Note dated the same date as the Security Instrument, if not paid earlier, shall be due and payable on May, 2037.

☒ (c) The Construction/Permanent Rider to the Security Instrument is null and void as of the date of this Agreement and is no longer in effect.

4. **CONSTRUCTION LOAN AGREEMENT OF NO FORCE AND EFFECT.** The original provisions of the Note and related Construction Loan Agreement provide for the payment of interest only during the Construction Phase of the loan and construction and completion of improvements on the security property. Borrower and Lender agree that the Construction Phase is now complete and that all construction draws and loan proceeds have been disbursed to the Borrower in accordance with the terms of the Note. Borrower further acknowledges Lender's compliance with all terms, conditions and obligations of the Construction Loan Agreement and other loan documents during the Construction Phase and hereby releases Lender and any subsequent assignee or note holder of all liability thereunder. Payments of principal and interest shall be due and payable as outlined in the Note, as amended by this Modification Agreement. The Construction Loan Agreement shall be null and void as of the date of this Agreement.

5. **NO RELEASE.** Nothing herein invalidates or shall impair or release any covenants, conditions, agreements or

stipulations in Note and Security Instrument and the same, except as herein modified, shall continue in full force and effect, and the undersigned further covenant and agree to perform and comply with and abide by each of the covenants, agreements, conditions and stipulations of Note and Security Instrument which are not inconsistent herewith. **This Agreement shall not constitute a novation.**

6. **BINDING EFFECT.** This Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators and assigns, or successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto the day and year first above written.

WITNESSES:

BORROWERS:

Laura A Pressley

4/23/07

(SEAL)

Leif D Allred

4.23.2007

(SEAL)

Attest:

LENDER:

Maria Cor
Vice President/Assistant Secretary
(SEAL)

By: Carla Phoonphiphatana
Assistant Vice President/Assistant Secretary
Carla Phoonphiphatana

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

Maria Cor
Vice President/Assistant Secretary
(SEAL)

By: Carla Phoonphiphatana
Assistant Vice President/Assistant Secretary
Carla Phoonphiphatana

TRUSTEE:

Maria Cor
Vice President/Assistant Secretary

By: Carla Phoonphiphatana
Assistant Vice President/Carla Phoonphiphatana

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF TRAVIS

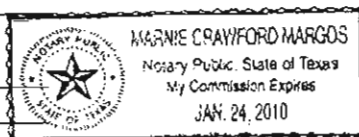
The foregoing Mortgage Modification Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 23 day of April, 2007 by, Laura A. Pressley and Leif D. Allred, the Borrower(s) named above. She/they is (are) personally known to me or has (have) produced satisfactory proof of his/her/their identity.

Signature of Person Administering Oath:

Printed Name of Person Administering Oath:

Title:

(If Applicable) My Commission Expires:



_____ OF _____

COUNTY OF _____

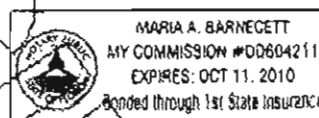
The foregoing Mortgage Modification Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 19th day of April, 2009 by, Carla Phoonphiphatana as Assistant Vice President of said Lender named above, on behalf of the Lender pursuant to authority granted by its board of directors or other governing body. She is personally known to me or has produced satisfactory proof of his/her identity.

Signature of Person Administering Oath:

Printed Name of Person Administering Oath:

Title:

(If Applicable) My Commission Expires:



_____ OF _____

COUNTY OF _____

The foregoing Mortgage Modification Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this _____ 19th _____ day of _____ April _____, 2006 ~~2007~~, by _____ Carla Phoonphiphatana

_____ as _____ Assistant Vice President _____ of Mortgage Electronic Registration Systems, Inc., on behalf of the Mortgage Electronic Registration Systems, Inc. pursuant to authority granted by its board of directors or other governing body. S/he is personally known to me or has produced satisfactory proof of his/her identity.

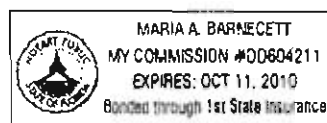
Signature of Person Administering Oath:

Maria A. Barnegett

Printed Name of Person Administering Oath: _____

Title: _____

(If Applicable) My Commission Expires: _____



_____ OF _____

COUNTY OF _____

The foregoing Mortgage Modification Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this _____ 19th _____ day of _____ April _____, 2006 ~~2007~~, by _____ Carla Phoonphiphatana _____ as _____ Assistant Vice President _____ of said Trustee named above, on behalf of the Trustee pursuant to authority granted by Trustee's board of directors or other governing body. S/he is personally known to me or has produced satisfactory proof of his/her identity.

Signature of Person Administering Oath:

Maria A. Barnegett

Printed Name of Person Administering Oath: _____

Title: _____

(If Applicable) My Commission Expires: _____

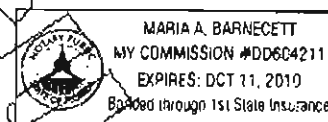


EXHIBIT A-ADJUSTABLE RATE TO FIXED RATE LOAN

ADJUSTABLE RATE PROVISIONS OF NO FORCE AND EFFECT

The Borrower also will comply with all other covenants, agreements and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds and all other payments that the Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void as follows:

- A) All terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note; and
- B) All terms and provisions of an Adjustable Rate Rider or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms as those referred to in (a) above.

4/23/07

Laura A. Pressley

Leif D. Alfred 4-23-2007

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2007 May 03 05:00 PM 2007081072

ESPINOZAC \$36.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS

DANA DEBEAUVOIR, COUNTY CLERK

Date: 01/24/2012 11:06 AM

Real Estate Index Detail

Report # 787257 Requested By REBECCA LAFLURE (WEBPUBLIC)

Document Information

Instrument #: 2011148035	Document Type: DEED OF TRUST
Date Received: 10/05/2011 03:08:08 PM	Book Type: NONE
Index Status: Permanent Index	Book: book
Image? ✓	Page: pg
Comments:	

Grantors

- 1 ALLRED LEIF D
- 2 PRESSLEY LAURA A

Grantees

- 1 SWBC MORTGAGE CORPORATION
- 2 MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

Legal Information

- 1 LT 122 ALLANDALE SEC 1 2210 WHITE HORSE TRAIL AUSTIN TX 78757

Returnee Information

SIMPLIFILE L.C.
ERETURNED

ELECTRONICALLY RECORDED

2011146035

TRV

18

PGS

Return To:
SWEC MORTGAGE CORPORATION

9312 San Pedro, Suite 100
San Antonio, TX 78216

Prepared By:
POLINSKY & BEITEL, LLP
8000 IH 10 WEST, SUITE 1600
SAN ANTONIO, TX 78230

146035-11-00273 RD

Loan #: 000154244

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 100086200001542449

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

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated September 26, 2011 together with all Riders to this document.

(B) "Borrower" is LELF D. ALLRED and LAURA A. PRESSLEY, HUSBAND AND WIFE

Borrower is the grantor under this Security Instrument.

(C) "Lender" is SWEC MORTGAGE CORPORATION

TEXAS-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS

Form 3044 1/01

Wolters Kluwer Financial Services

VMP 6-8A(TX) 0311

Page 1 of 16

Initials: *29778*



000154244

Lender is a Corporation
organized and existing under the laws of the State of Texas
Lender's address is 9311 San Pedro, Suite 100, San Antonio, TX 78216

Lender includes any holder of the Note who is entitled to receive payments under the Note.

(D) "Trustee" is EDWARD KERSHNER

Trustee's address is

P.O. Box 795027, San Antonio, TX 78279

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is a beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Filmt, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated September 26, 2011

The Note states that Borrower owes Lender Three Hundred Sixty Two Thousand Four Hundred Fifty And No/100ths Dollars
(U.S. \$ 362,450.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than October 1, 2026

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower (check box as applicable):

- | | | |
|--|---|--|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input checked="" type="checkbox"/> Other(s) (specify) |
| | | RENEWAL AND EXTENSION
EXERCISE/FINANCING RIDER |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

000154244

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of TRAVIS:

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]

LOT 122, ALLANDALE, SECTION ONE, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 4, PAGE 313, OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

Parcel ID Number: 02320305040000
2210 WHITE HORSE TRAIL
AUSTIN
("Property Address"):

which currently has the address of
[Street]
[City], Texas 78757 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this

Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests; including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property. If the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any

interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or foreclosure, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. **Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy, including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually

received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentally or entity, or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan

servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice will result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence. For the purposes of this Section 22, the term "Lender" includes any holder of the Note who is entitled to receive payments under the Note.

If Lender invokes the power of sale, Lender or Trustee shall give notice of the time, place and terms of sale by posting and filing the notice at least 21 days prior to sale as provided by Applicable Law. Lender shall mail a copy of the notice to Borrower in the manner prescribed by Applicable Law. Sale shall be made at public venue. The sale must begin at the time stated in the notice of sale or not later than three hours after that time and between the hours of 10 a.m. and 4 p.m. on the first Tuesday of the month. Borrower authorizes Trustee to sell the property to the highest bidder for cash in one or more parcels and in any order Trustee determines. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying indefeasible title to the Property with covenants of general warranty from Borrower. Borrower covenants and agrees to defend generally the purchaser's title to the Property against all claims and demands. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Property is sold pursuant to this Section 22, Borrower or any person holding possession of the Property through Borrower shall immediately surrender possession of the Property to the purchaser at that sale. If possession is not surrendered, Borrower or such person shall be a tenant at sufferance and may be removed by writ of possession or other court proceeding.

23. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall provide a release of this Security Instrument to Borrower or Borrower's designated agent in accordance with Applicable Law. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. **Substitute Trustee; Trustee Liability.** All rights, remedies and duties of Trustee under this Security Instrument may be exercised or performed by one or more trustees acting alone or together. Lender, at its option and with or without cause, may from time to time, by power of attorney or otherwise, remove or substitute any trustee, add one or more trustees, or appoint a successor trustee to any Trustee without the necessity of any formality other than a designation by Lender in writing. Without any further act or conveyance of the Property the substitute, additional or successor trustee shall become vested with the title, rights, remedies, powers and duties conferred upon Trustee herein and by Applicable Law.

Trustee shall not be liable if acting upon any notice, request, consent, demand, statement or other document believed by Trustee to be correct. Trustee shall not be liable for any act or omission unless such act or omission is willful.

25. **Subrogation.** Any of the proceeds of the Note used to take up outstanding liens against all or any part of the Property have been advanced by Lender at Borrower's request and upon Borrower's representation that such amounts are due and are secured by valid liens against the Property. Lender shall be subrogated to any and all rights, superior titles, liens and equities owned or claimed by any owner or holder of any outstanding liens and debts, regardless of whether said liens or debts are acquired by Lender by assignment or are released by the holder thereof upon payment.

26. **Partial Invalidity.** In the event any portion of the sums intended to be secured by this Security Instrument cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

27. **Purchase Money; Ovelty of Partition; Renewal and Extension of Liens Against Homestead Property; Acknowledgment of Cash Advanced Against Non-Homestead Property.** Check box as applicable:

☐ **Purchase Money.**

The funds advanced to Borrower under the Note were used to pay all or part of the purchase price of the Property. The Note also is primarily secured by the vendor's lien retained in the deed of even date with this Security Instrument conveying the Property to Borrower, which vendor's lien has been assigned to Lender, this Security Instrument being additional security for such vendor's lien.

☐ **Ovelty of Partition.**

The Note represents funds advanced by Lender at the special instance and request of Borrower for the purpose of acquiring the entire fee simple title to the Property and the existence of an ovelty of partition imposed against the entirety of the Property by a court order or by a written agreement of the parties to the partition to secure the payment of the Note is expressly acknowledged, confessed and granted.

☒ **Renewal and Extension of Liens Against Homestead Property.**

The Note is in renewal and extension, but not in extinguishment, of the indebtedness described on the attached **Renewal and Extension Exhibit** which is incorporated by reference. Lender is expressly subrogated to all rights, liens and remedies securing the original holder of a note evidencing Borrower's indebtedness and the original liens securing the indebtedness are renewed and extended to the date of maturity of the Note in renewal and extension of the indebtedness.

☐ **Acknowledgment of Cash Advanced Against Non-Homestead Property.**

The Note represents funds advanced to Borrower on this day at Borrower's request and Borrower acknowledges receipt of such funds. Borrower states that Borrower does not now and does not intend ever to reside on, use in any manner, or claim the Property secured by this Security Instrument as a business or residential homestead. Borrower disclaims all homestead rights, interests and exemptions related to the Property.

28. **Loan Not a Home Equity Loan.** The Loan evidenced by the Note is not an extension of credit as defined by Section 50(a)(6) or Section 50(a)(7), Article XVI, of the Texas Constitution. If the Property is used as Borrower's residence, then Borrower agrees that Borrower will receive no cash from the Loan evidenced by the Note and that any advances not necessary to purchase the Property, extinguish an ovelty lien, complete construction, or renew and extend a prior lien against the

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Property, will be used to reduce the balance evidenced by the Note or such Loan will be modified to evidence the correct Loan balance, at Lender's option. Borrower agrees to execute any documentation necessary to comply with this Section 28.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

LEIF D. ALLRED 9-24-2011 (Seal)
-Borrower

DAURA K. PRESSLEY 9-26-11 (Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

000154244

STATE OF TEXAS
County of TRAVIS

Before me, BIRUTA G. DAVENPORT
LEIF D. ALFRED and LAURA A. PRESSLEY

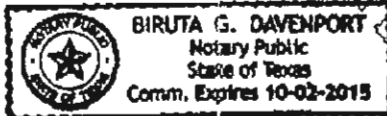
on this day personally appeared

known to me (or proved to me on the oath of
or through TRAVIS) to be the person whose name is subscribed to the
foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and
consideration therein expressed.

Given under my hand and seal of office this

26 day of September 2011

(Seal)



Notary Public

My Commission Expires:

Loan #: 000154244

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Unpaid Document