

DEED OF TRUST

Parties: CSD VAN ZANDT

to

SANGER BANK

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

On: 06/24/2022 at 01:11 PM

Document Number: 2022-007474

Receipt No.: 2022146043

Amount: \$ 78.00

By: jcollings
Susan Strickland, County Clerk
Van Zandt County, Texas

15 Pages

DO NOT REMOVE THIS PAGE - IT IS A PART OF THIS INSTRUMENT



STATE OF TEXAS
COUNTY OF VAN ZANDT

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded under the Document Number stamped hereon of the Official Public Records of Van Zandt County.

Susan Strickland, County Clerk

Record and Return To:

EAST TEXAS TITLE COMPANY
125 W MAIN ST

GUN BARREL CITY, TX 75156



DEED OF TRUST

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.

Date: June 20, 2022

Grantor: CSD Van Zandt LLC, a Texas limited liability company

Grantor's Mailing Address: 6115 Owens St., Ste. 201, Dallas,
(including County) Dallas County, Texas 75235

Trustee: Charles Fenoglio

Trustee's Mailing Address: P.O. Box 1029, Sanger,
Denton County, Texas 76266

Beneficiary: Sanger Bank

Beneficiary's Mailing Address: P.O. Box 1029, Sanger,
(including County) Denton County, Texas 76266

Note(s):

Date: June 20, 2022

Amount: As set out in Note

Maker: CSD Van Zandt LLC, a Texas limited liability company

Payee: Sanger Bank

Final Maturity Date: June 20, 2027

Terms of Payment: As set out in Note

For value received and to secure payment of the Note, Grantor grants, conveys, and assigns the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Grantor performs all the covenants and pays the Note according to its terms, this Deed of Trust shall have no further effect, and Beneficiary shall release it at Grantor's expense.

Property (including any improvements together with all and singular the rights and appurtenances related thereto):

ALL THAT CERTAIN LOT, TRACT OR PARCEL OF LAND LOCATED WITHIN THE P. YOUNG SURVEY, ABSTRACT NO. 978 OF VAN ZANDT COUNTY, TEXAS, BEING ALL

OF A CALLED 74.507 ACRE TRACT, DESCRIBED AS TRACT 1 AND ALL OF A CALLED 74.507 ACRE TRACT, DESCRIBED AS TRACT 2 IN A DEED FROM T.C. TRAVIS AND WIFE, CAROLYN ANN TRAVIS TO UDO H. BIRNBAUM, DATED SEPTEMBER 17, 1981 AND RECORDED IN VOLUME 964, PAGE 447 OF THE DEED RECORDS OF VAN ZANDT COUNTY, TEXAS, AND THIS 148.12 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN COUNTY ROAD 2916, THE WEST LINE OF A CALLED 96.60 ACRE TRACT, DESCRIBED AS TRACT 2 IN A DEED FROM JERRY D. ROBBINS AND VICKY A. ROBBINS TO THE TEXAS 4 R/S, LP, DATED JULY 19, 2007 AND RECORDED IN VOLUME 2255, PAGE 113, AND THE COMMON LINE OF SAID P. YOUNG SURVEY AND THE A. FLOWERS SURVEY, ABSTRACT NO. 264, AND BEING AT THE NORTHEAST CORNER OF SAID 74.507 ACRE TRACT, TRACT 1 AND THE SOUTHEAST CORNER OF A CALLED 5.00 ACRE TRACT AS DESCRIBED IN A DEED FROM FANNIE MAE TO PAUL G. COKER AND LINDSY K. COKER, DATED MARCH 21, 2014 AND RECORDED IN DOCUMENT NO. 2014-002199, FROM WHICH A 1/2" IRON ROD FOUND IN THE WEST LINE OF SAID COUNTY ROAD 2916 AND THE COMMON LINE OF SAID 5.00 ACRE TRACT AND A CALLED 5.72 ACRE TRACT, DESCRIBED AS TRACT 2 IN A DEED FROM BUNNY E. ANDERSON TO BRADY IRWIN AND SHARON IRWIN, DATED JUNE 26, 2020 AND RECORDED IN DOCUMENT NO. 2020-005698 BEARS NORTH 04 DEG. 44 MIN. 24 SEC. WEST, A DISTANCE OF 513.56 FEET;

THENCE WITH SAID COUNTY ROAD 2916, THE WEST LINE OF SAID 96.60 ACRE TRACT, A CALLED 52.48 ACRE TRACT, DESCRIBED AS TRACT 1 IN SAID VOLUME 2255, PAGE 113, AND THE RESIDUE OF A CALLED 105.72 ACRE TRACT AS DESCRIBED IN A DEED FROM SHIRLEY SOLIVIO PHILLIPS, EXECUTRIX OF THE ESTATE OF HARLAND WILLIAM PHILLIPS TO SUSAN ALICE EMERSON, ET AL, DATED JANUARY 25, 2005 AND RECORDED IN VOLUME 2001, PAGE 529, AND THE COMMON LINE OF SAID P. YOUNG SURVEY, SAID A. FLOWERS SURVEY, AND THE W. FLOWERS SURVEY, ABSTRACT NO. 263, THE FOLLOWING FOUR (4) COURSES AND DISTANCES:

SOUTH 01 DEG. 18 MIN. 19 SEC. EAST, A DISTANCE OF 1,350.63 FEET TO A POINT FOR CORNER;

SOUTH 00 DEG. 56 MIN. 34 SEC. EAST, A DISTANCE OF 1,127.70 FEET TO A POINT FOR CORNER;

SOUTH 01 DEG. 25 MIN. 26 SEC. EAST, A DISTANCE OF 682.62 FEET TO A POINT FOR CORNER;

SOUTH 01 DEG. 08 MIN. 12 SEC. EAST, A DISTANCE OF 313.34 FEET TO A POINT FOR CORNER AT THE SOUTHEAST CORNER OF SAID 74.507 ACRE TRACT, TRACT 2, SAME BEING THE NORTHEAST CORNER OF A CALLED 43.13 ACRE TRACT, DESCRIBED AS TRACT TWO IN A DEED FROM CHARLES E. WOMBLE, TRUSTEE OF THE RICHARD E. WOMBLE IRREVOCABLE TRUST TO CHARLES E. WOMBLE, DATED DECEMBER 5,

2013 AND RECORDED IN DOCUMENT NO. 2014-000264, FROM WHICH AN 8" WOOD FENCE CORNER POST BEAN SOUTH 86 DEG. 56 MIN. 28 SEC. WEST, A DISTANCE OF 39.71 FEET;

THENCE SOUTH 89 DEG. 17 MIN. 06 SEC. WEST, WITH THE NORTH LINE OF SAID 43.13 ACRE TRACT, A DISTANCE OF 1,864.85 FEET TO A POINT IN AN OAK TREE IN THE EAST LINE OF A CALLED 30.86 ACRE TRACT AS DESCRIBED IN A DEED FROM ROY ALLEN PHILLIPS AND GLORIA JEAN PHILLIPS TO STEVEN D. KIEWIT, DATED FEBRUARY 25, 2022 AND RECORDED IN DOCUMENT NO. 2022-002473 AND BEING AT THE MOST NORTHERLY NORTHWEST CORNER OF SAID 43.13 ACRE TRACT, FROM WHICH A 1/2" IRON ROD FOUND AT THE SOUTHEAST CORNER OF SAID 30.86 ACRE TRACT BEARS SOUTH 01 DEG. 20 MIN. 05 SEC. EAST, A DISTANCE OF 423.03 FEET;

THENCE NORTH 01 DEG. 20 MIN. 05 SEC. WEST, WITH THE EAST LINE OF SAID 30.86 ACRE TRACT AND A CALLED 35.96 ACRE TRACT AS DESCRIBED IN A DEED FROM ROY ALLEN PHILLIPS AND GLORIA JEAN PHILLIPS TO R.G. PHILLIPS REVOCABLE TRUST, DATED MAY 12, 2017 AND RECORDED IN DOCUMENT NO. 2017-004184, PASSING A 5/8" IRON ROD FOUND AT THE EAST COMMON CORNER OF SAME AT 522.28 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 1,562.69 FEET TO A 2" STEEL POST FENCE CORNER FOUND AT THE SOUTHEAST CORNER OF A CALLED 17.25 ACRE TRACT AS DESCRIBED IN A DEED FROM THE SHERIFF OF VAN ZANDT COUNTY, TEXAS TO MANUEL GALLEGOS, DATED NOVEMBER 5, 2020 AND RECORDED IN DOCUMENT NO. 2020-011428;

THENCE NORTH 01 DEG. 07 MIN. 07 SEC. WEST, WITH THE EAST LINE OF SAID 17.25 ACRE TRACT, A DISTANCE OF 1,873.23 FEET TO A 3/4" IRON PIPE FOUND IN THE SOUTH LINE OF A CALLED 31.88 ACRE TRACT, DESCRIBED AS TRACT 1 IN SAID DOCUMENT NO. 2020-005698 AT THE NORTHEAST CORNER OF SAID 17.25 ACRE TRACT, FROM WHICH A 1/2" IRON ROD FOUND AT THE SOUTHWEST CORNER OF SAID 31.88 ACRE TRACT BEAN SOUTH 88 DEG. 06 MIN. 23 SEC. WEST, A DISTANCE OF 46.19 FEET;

THENCE NORTH 88 DEG. 06 MIN. 23 SEC. EAST, WITH THE SOUTH LINE OF SAID 17.25 ACRE TRACT, SAID 5.72 ACRE TRACT, AND SAID 5.00 ACRE TRACT, PASSING A 1/2" IRON ROD FOUND AT THE SOUTH COMMON CORNER OF SAID 5.72 ACRE TRACT AND SAID 5.00 ACRE TRACT AT 1,450.81 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 1,866.20 FEET TO THE POINT OF BEGINNING AND CONTAINING 148.12 ACRES OF LAND.

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on said real property, and all heretofore or hereafter vacated alleys and streets and strips and gores abutting said property, and all easements, rights, appurtenances, rents (subject however to the assignment of rents to Beneficiary herein), royalties, mineral, oil and gas rights and profits, water, water rights, and stock appurtenant to said property, and the following types or items of property: (1) To the extent owned by Maker, Maker's successors and assigns, and acquired with the proceeds of the loan secured by this Deed of Trust, all fixtures, goods, furnishings, equipment, building material,

machinery, and personal property now or hereafter located in, on or used or intended to be used in connection with said property, including without limitation: doors; partitions; window and floor coverings; apparatus, material, or equipment for supplying, holding, or distributing heating, cooling, electricity, gas, water, air and lighting; security, access control, and fire prevention and extinguishing apparatus, material, or equipment, household appliances; bathroom and kitchen fixtures; cabinetry; and landscaping; (2) All proceeds on sums payable in lieu of or as compensation for the loss of or damage to the Property (hereinafter defined) and all rights in and to all present and future fire and hazard insurance policies; (3) All proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking, in whole or in part, of the Property, or for conveyance in lieu thereof; (4) All of Maker's interest and rights, as lessor, in and to all leases now or hereafter affecting the Property, and all rental income payable thereunder or otherwise; (5) Any replacements, additions, or betterments to, of proceeds of, the collateral described herein above, the sale or distribution of which is not authorized hereby; and all of the foregoing, together with said property (or the leasehold estate in the event this Instrument is on a leasehold) are herein referred to as the "Property."

TO SECURE TO BENEFICIARY: (a) the repayment of the indebtedness evidenced by Maker's Note of even date herewith (the "Note") and all renewals, extensions, and modifications thereof; (b) the performance of the covenants and agreements of Maker contained in the Note, this Deed of Trust, any loan agreement and all other documents between Beneficiary and Maker related to the Note and/or the Property (herein "Loan Documents"); (c) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect to protect the security of this Deed of Trust; and (d) the performance of the covenants and agreements of Maker herein contained. All indebtedness and sums owing to Beneficiary as described herein above is sometimes referred to as the "Indebtedness" in this Deed of Trust.

Grantor covenants that Grantor is lawfully seized of the estate hereby conveyed and has the right to grant, convey, and assign the Property (and, if this Instrument is on a leasehold, that the ground lease is full force and effect without modification except as noted herein and without default on the part of either lessor or lessee thereunder), that the Property is unencumbered, and that Grantor will warrant and defend generally the title to the Property against all claims and demands, subject to any easements, restrictions and encumbrances noted herein.

Priority lien(s) (including recording information):

This conveyance, however, is made subject to the following matters, if applicable:

- 1.
2. Order of Commissioners, Van Zandt County, Texas, dated May 26, 1987, recorded in Volume 1122, Page 55, Real Records of Van Zandt County, Texas, establishing subdivision regulations, as amended by Order dated July 2, 1990, recorded in Volume 1205, Page 751, Real Records of Van Zandt County, Texas, and as amended by Order dated November 13, 1995, and recorded in Volume 1365, Page 312, Real Records of Van Zandt County, Texas and as amended by order dated November 24, 2009 and recorded in Document No. 2009-010297, Real Records of Van Zandt County, Texas.
3. All oil, gas and other minerals and royalties of every kind and character, together with all rights, privileges and immunities relating thereto as set out in instrument from T. C.

- Travis and wife Carolyn Ann Travis to Udo H. Birnbaum dated September 17, 1981, and recorded in Volume 964, Page 447, Real Records of Van Zandt County, Texas.
4. Oil, Gas and Mineral Lease by and between Udo H. Birnbaum, as Lessor, and Barrow-Shaver Resources Company, as Lessee, dated April 29, 1992, and recorded in Volume 1253, Page 568, Real Records of Van Zandt County, Texas.
 5. Locations of improvements, easements, restrictions, covenants, encroachments, protrusions, encumbrances, roads, set back lines and utilities as shown by survey plat dated May 26, 2022, prepared by Jace D. Scarbrough. Registered Professional Land Surveyor No. 6289.
 6. Rights, title, claims or interest, if any, of adjoining property owners in and to that portion of the subject property between the Fence and the East Boundary Line as shown by survey plat dated May 26, 2022, prepared by Jace D. Scarbrough. Registered Professional Land Surveyor No. 6289.

Grantor's Obligations

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due;
3. preserve the lien's priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that:
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. contains an 80% coinsurance clause;
 - c. provides fire and extended coverage, including windstorm coverage;
 - d. protects Beneficiary with a standard mortgage clause;
 - e. provides flood insurance at any time the property is in a flood hazard area; and
5. comply at all times with the requirements of the 80% coinsurance clause;
6. deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary at least ten days before expiration;
7. keep any buildings occupied as required by the insurance policy;
8. if this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments; and
9. provide Beneficiary with proof of payment upon written request, and pay at least ten (10) days before delinquent all taxes, maintenance charges, assessments, water rates, and all governmental or municipal charges, fines, or impositions, and in default thereof, the Beneficiary may pay the same and such sum paid shall become a part of the debt secured hereby, or the Beneficiary may declare the whole of the debt secured hereby due and payable and foreclose the lien created herein in the manner provided herein.

Maker's Obligations

Maker agrees to:

1. promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, any prepayment and late charges provided in the Note and all other sums secured by this Deed of Trust at the offices of Beneficiary.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.

2. If the proceeds of the Note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.

3. Beneficiary may apply any proceeds received under the insurance policy either to reduce the Note or to repair or replace damaged or destroyed improvements covered by the policy.

4. If Grantor or Maker fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the Note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this Deed of Trust.

5. If Grantor or Maker Defaults on the Note or fails to perform any of Grantor's obligations or if Beneficiary discovers that any warranty, covenant, or representation made to Beneficiary by or on behalf of Grantor, Maker, or any Guarantor is false, misleading, erroneous, or breached in any material respect or if Default occurs on a prior lien note or other instrument, and the Default continues after Beneficiary gives Grantor written notice of the Default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:

- a. declare the unpaid principal balance and earned interest on the note immediately due;
- b. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended;
- c. purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on the note; and
- d. default in the timely payment of any installment of principal and interest or in the performance of any covenant or provision in any Loan Document.

Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. sell and convey all or 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; and
3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure, including a commission to Trustee of 5% of the bid;
 - b. to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance.

Security Agreement

Without limiting any of the provisions of this Deed of Trust, the Maker, as Debtor (and being referred to in this paragraph as "Debtor," whether one or more), expressly GRANTS unto the holder of the indebtedness described herein, as Secured Party (and being referred to in this paragraph as "Secured Party," whether one or more), a security interest in all the properties hereinabove described (including both those now and those hereafter existing) to the full extent that such properties may be subject to the Uniform Commercial Code Secured Transactions

(Chapter 9 Business & Commerce Code of Texas; as amended) (hereinafter called "Uniform Commercial Code"), and covenants and agrees with the Secured Party that:

1. In addition to any other remedies granted in this Deed of Trust to the Secured Party or Trustee, the Secured Party may in event of default, proceed under the Uniform Commercial Code as to all or any part of the Property comprising personal property (tangible or intangible) or fixtures (such portions of the Property being referred to herein as the "Collateral"), and shall have and may exercise with respect to the Collateral all the rights, remedies, and powers of a secured party under the Uniform Commercial Code, including without limitation the right and power to sell, at public or private sale or sales, or otherwise dispose of, lease or utilize the Collateral and any part or parts thereof in any manner authorized or permitted under the Uniform Commercial Code after default by a debtor and to apply the proceeds thereof toward payment of any costs and expenses and reasonable attorney's fees and legal expenses thereby incurred by Secured Party, and toward payment of the Indebtedness in such order or manner as Secured Party may elect.

2. Among the rights of Secured Party in the event of default, and without limitation, Secured Party shall have the right to take possession of the Collateral and to enter upon the Property for such purpose without being deemed guilty of trespass and without liability for damages thereby occasioned and to take any action deemed necessary or appropriate or desirable by Secured Party, at its option and in its discretion, to repair, refurbish, or otherwise prepare the Collateral for sale, lease, or other use or disposition as herein authorized.

3. To the extent permitted by law, Debtor expressly waives any notice of sale or other disposition of the Collateral and any other rights or remedies of a debtor or formalities prescribed by law relative to sale or disposition of the Collateral or exercise of any other right or remedy of Secured Party existing after default hereunder; and to the extent any such notice is required and cannot be waived, Debtor agrees that if such is mailed, postage prepaid, to the Debtor at the address shown herein at least ten (10) days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of such notice.

4. After default, the Secured Party is expressly granted the right, at its option to transfer at any time to itself or to its nominee the Collateral, or any part thereof, and to receive the monies, income, proceeds, or benefits attributable or accruing thereto and to hold the same as security for amounts owing on any of the Indebtedness or to apply it to the principal and interest or other amounts owing on any of the Indebtedness, whether or not then due, in such manner as Secured Party may elect. All rights to marshalling of assets of Debtor, including any such right with respect to the Collateral, are hereby waived.

5. All recitals in any instrument of assignment or any other instrument executed by Secured Party or by the Trustee incident to sale, transfer, assignment, lease, or other disposition or utilization of the Collateral or any part thereof hereunder shall be requisite to establish full legal propriety of the sale or other action of any fact, condition, or thing incident thereto, and all prerequisites of such sale or other action and of any fact, condition, or thing incident there to shall be presumed conclusively to have been performed or to have occurred.

6. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party that is reasonably convenient to both parties. All expenses of retaking, holding, preparing for sale, lease, or other use or disposition, selling, leasing, or otherwise using or disposing of the Collateral and the hereunder, including also all reasonable attorneys' fees, legal expenses and costs, shall be added to the indebtedness and the Debtor shall be liable therefor.

7. Certain of the Collateral is or will become "fixtures" (as that the term is defined in the Uniform Commercial Code) on the real estate hereinabove described and this Deed of Trust upon being filed for record in the real estate records shall operate also as a financing statement upon such of the Collateral which is or may become fixtures.

8. A copy of this Instrument which is signed by Debtor may also serve as a financing statement under the Uniform Commercial Code between the Debtor and Secured Party, whose addresses are set forth herein.

9. So long as any amount remains unpaid on the Indebtedness, Debtor will not execute and there will not be filed in any public office any financing statement or statements affecting the Collateral other than financing statements in favor of Secured Party hereunder, unless the prior written specific consent and approval of Secured Party shall have first been obtained.

10. Secured Party is authorized to file, in jurisdictions where this authorization will be given effect, a financing statement signed only by Secured Party covering the Collateral, and that at the request of Secured Party, Debtor will join Secured Party in executing one or more financing statements, pursuant to the Uniform Commercial Code in form satisfactory to Secured Party, and will pay the cost of filing the same or filing or recording this Instrument, as a financing statement, in all public offices at any time and from time to time whenever filing or recording of any financing statement or of this Deed of Trust is deemed by Secured Party to be necessary or desirable. Any carbon, photographs, or other reproductions of this document may be filed by Secured Party and shall be sufficient as a financing statement.

11. Debtor further warrants and represents to the Secured Party that, except for the security interest granted hereby in the Collateral, the Debtor is the owner and holder of the Collateral, free of any adverse claim, security interest or encumbrance, and Debtor agrees to defend the Collateral against all claims and demands of any person at any time claiming the same or any interest therein, except rights of tenants to use thereof and subject to the other matters set forth herein. Debtor further warrants and represents that it has not heretofore signed any financing statements in connection with the Collateral, and that no financing statements signed by Debtor are now on file in any public office except those statements true and correct copies of which have been delivered to Secured Party.

General Provisions

1. If any of the property is sold under this Deed of Trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

2. Recitals in any Trustee's deed conveying the property will be presumed to be true.

3. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien shall remain superior to liens later created even if the time of payment of all or part of the Note is extended or part of the property is released.

5. If any portion of the Note cannot be lawfully secured by this Deed of Trust, payments shall be applied first to discharge that portion.

6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the Note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums. Such payment will not relieve the Maker from making regular monthly payments in accordance with the Note commencing the first month following the date of receipt of the award. The Beneficiary is hereby authorized in the name of the Maker to execute and deliver valid acquittances for such awards and to appeal from such awards but shall not be liable or responsible for failure to exercise diligence in collection or to collect same.

7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Other than to Beneficiary, Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under the Note or this Deed of Trust. Grantor will apply all rent and other income and receipts to payment of the Note and performance of this Deed of Trust, but if the rent and other income and receipts exceed the amount due under the Note and Deed of Trust, Grantor may retain the excess. If Grantor defaults in payment of the Note or performance of this Deed of Trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the Property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the Property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the Note and this Deed of Trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law. Grantor or Maker hereby assign to the Beneficiary and all rents and leases on the Property, and authorize the Beneficiary to take possession of the Property at any time there is any default on the part of Maker in the performance of any obligation herein imposed and the rent the same for the account of Maker and to deduct from such rents all costs of collection and administering and to apply the remainder of such rents on the debt hereby secured.

8. Interest on the debt secured by this Deed of Trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under the law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

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

10. The term Note includes all sums secured by this Deed of Trust.

11. This Deed of Trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.

12. If Grantor and Maker is not the same person, the term Grantor shall include Maker.

13. Grantor represents that this Deed of Trust and the Note are given for the following purpose: Financing the acquisition of the Property. The note secured hereby is primarily secured by the vendor's lien retained in Deed of even date herewith conveying the Property to Grantor herein, which vendor's lien has been assigned to Beneficiary, this Instrument being additional security thereof.

14. Grantor herein covenants and agrees that it will not convey the above described Property subject to or in assumption of the indebtedness evidenced by the above mentioned Note without first obtaining the written consent of the payee or other holder of said Note, and further acknowledges that the payee or other holder of said Note shall have the right to mature the entire balance owing on the above described Note in the event Grantor conveys the above described Property without first obtaining such written consent for a third party to take such Property subject to or in assumption of the indebtedness evidenced by the above mentioned Note.

15. In the event that an independent test appraisal is required by Beneficiary, Grantor will pay the cost of such appraisal and will pay such sums and perform acts as may be required by any governmental authority to make the loan evidenced by the note a conforming loan under existing governmental regulations governing Beneficiary, but only once per calendar year. In the event Grantor does not pay said cost, Beneficiary may pay said cost, which shall be secured by this Deed of Trust.

16. On default in the payment of this Note or in the performance of any obligation in any instrument securing or collateral to it, this Note and all obligations in all instruments securing or collateral to it shall become immediately due at the election of the Payee. Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate maturity, protests and notices of protest.

17. To the maximum extent permitted by applicable law, the Grantor hereby waives all rights, remedies, claims and defenses based upon or related to Sections 51.003, 51.004 and 51.005 of the Texas Property Code, to the extent the same pertain or may pertain to any enforcement of this Deed of Trust. Grantor or Maker does hereby expressly waive and renounce the benefit of all law now existing or that may hereafter be enacted providing for any appraisal before sale of any of the Property, or credit for appraisal value of the property, commonly known as Appraisal laws, and also the benefit of all laws that may be hereafter enacted in any way extending the time for the enforcement of the collection of the Indebtedness or creating or extending a period of redemption from any sale made in collecting the Indebtedness, commonly known as Stay laws and Redemption laws.

18. In the event that the ownership of the Property or any part thereof becomes vested in a person other than the Grantor, the Beneficiary may, without notice to the Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and to the debt, hereby secured in the same manner as with the Grantor, without in any way vitiating or discharging Grantor's or Maker's liability hereunder or under the Note.

19. For the purpose of securing the payment of the Note, principal, interest, and attorney's fees, Maker does further covenant with the Beneficiary and its assigns to pay the sums named in the Note, with interest thereon, as therein provided; to permit no waste, to keep all improvements in good repair, and to do and permit to be done, through any act or omission, nothing that may in any way endanger, impair or weaken the security under this Deed of Trust.

20. Grantor covenants that it has good and indefeasible title in fee simple (or such other estate, if any, as is stated herein) to the Property, free and clear from all encumbrances except as herein otherwise recited, with full right and authority to convey the same and will warrant and defend the title against the claims of all persons whomsoever. Maker understands that the lien created herein is a first and prior lien and agrees not to place any type of inferior lien on the Property without first obtaining express written approval from the Beneficiary.

21. Maker shall pay and discharge any and all prior indebtedness that may be owing against the Property. If Maker shall fail to pay and discharge any such prior indebtedness, then the Beneficiary, at its option may pay and discharge the same without waiver of any of its rights hereunder, and the sums expended for such purposes shall become a part of the debt secured hereby, shall become immediately due and payable and shall draw interest from date so expended until paid at the highest non-usurious legal rate.

22. Maker hereby acknowledges that any prior existing liens against the Property which have been previously disclosed to the Beneficiary are valid and subsisting liens against the Property and that the payment for the debt secured thereby is expressly requested by Maker to be made by the Beneficiary which is hereby expressly subrogated to all rights, powers, liens, equities, superior title, and benefits owned and enjoyed by the owner of any debt or portion thereof hereby refinanced, renewed, or extended to secure payment of the Beneficiary of the Note, regardless of whether said lien or debts are acquired by Beneficiary by assignment or are released by the holder

thereof upon payment and provided further that as to any of the funds advanced by the Beneficiary used to remove liens, encumbrances, or claims to pay same, whether expressly herein set forth or not, the Beneficiary is hereby expressly subrogated to all the rights, powers, liens, equities, superior title, and benefits held, owned, and enjoyed by the holder of any debt for which the funds advanced to Maker by the Beneficiary shall be used to pay and shall extend to and secure the payment of the Beneficiary of the Note. It is expressly agreed that any power of sale heretofore existing, securing any part of the debt hereby refunded or extended by the term hereof, whether expressly set forth or not, shall be kept alive and in force in this and in any future deed of trust hereafter executed securing any portion of the Indebtedness, which power of sale shall remain in all things superior to the rights of any purchaser or lien holder and this provision shall be a covenant running with the title to said land, and shall be cumulative to this Deed of Trust so that a foreclosure hereunder shall operate as a foreclosure under any power of sale heretofore existing, and it is hereby expressly mutually agreed and understood that the amount of such indebtedness, if any, refunded and extended is the correct and lawful amount of the balance due, owing and unpaid on said indebtedness, and that all offsets, credits, charges, and claims of every character, except as set forth in this Deed of Trust and/or the Note, have been compromised, liquidated, and allowed.

23. No partial release of the Property, no modification of the Note including an increase in the interest rate, no forbearance or other act or omission on the part of the Beneficiary and no extension of the time for the payment of the Indebtedness given by the Beneficiary, its successors or assigns, shall operate to release, discharge, modify, change, or affect the liability or obligation of either the Maker, Grantor, or any subsequent owner of the Property who assumes the Indebtedness nor will such acts create any waiver of or estoppel to enforce any of the rights of the Beneficiary hereunder. Maker and any and all such guarantors and subsequent owners shall be bound by any and all modifications of the Note, including increases in the applicable interest rate.

24. It is expressly provided that this Deed of Trust shall secure, in addition to the above described Note, all other indebtedness owing or to become owing to Sanger Bank, by Maker.

25. Upon Maker's failure to timely pay taxes and/or insurance premiums, after written notice and 10 days to cure, and at Payee's Option, Maker agrees to make an initial deposit in a reasonable amount to be determined by Payee and then make monthly payments to a fund for taxes and insurance premiums on the Property. Monthly payments will be made on the payment dates specified in the Note, and each payment will be one-twelfth of the amount that Payee estimates will be required annually for payment of taxes and insurance premiums; in addition, Maker shall pay one-twelfth of said escrow payment to Payee as an escrow cushion. The fund will accrue no interest, and Payee will hold it without bond in escrow and use it to pay the taxes and insurance premiums. If Maker has complied with the requirements of this paragraph, Payee must pay taxes before delinquency. Maker agrees to make additional deposits on demand if the fund is ever insufficient for its purpose. If an excess accumulates in the fund, Payee may either credit it to future monthly deposits until the excess is exhausted or refund it to Maker. Payee shall within thirty (30) days from the date of the escrow account analysis refund any surplus to Maker, if the surplus is greater than or equal to fifty (\$50) dollars. When Maker makes the final payment on the Note, Payee will credit to that payment the whole amount then in the fund or, at Payee's option, refund it after the Note is paid. Any balance in the fund over that needed to pay taxes, including taxes accruing but not yet payable, and to pay insurance premiums will be paid. If the Property is transferred, any balance then in the fund will still be subject to the provisions of this paragraph and will inure to the benefit of the transferee. Deposits to the fund described in this paragraph are in addition to the monthly payments provided for in the Note.

26. No part of the Property is Grantor's homestead of any type or character and this Deed of Trust is and shall continue to be a valid and enforceable lien and security interest against the Property until the obligation is fully discharged.

27. The loan evidenced by the Note is solely for the purpose of carrying on or acquitting a business of Grantor, and is not for personal, family, household or agricultural purposes.

28. Maker will pay a late charge fee of 5.00% of the overdue payment of principal and interest if more than 10 days late.

CSD Van Zandt LLC,
a Texas limited liability company
By: Panola Holdings LLC,
a Texas limited liability company
Its: Manager



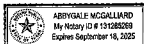
Robert O. Dow, Manager

STATE OF TEXAS §

COUNTY OF Denton §

Before me, the undersigned authority, on this day personally appeared of Robert O. Dow, Manager of Panola Holdings LLC, a Texas limited liability company the Manager of CSD Van Zandt LLC, a Texas limited liability company, known to me (or proved to me on the oath of _____ or through driver's license) 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 21 day of June, 2022.



Abbygale McGalliard
Notary Public, State of Texas

After recording return to:
Sanger Bank
P.O. Box 1029
Sanger, Texas 76266

Prepared in the Office of:
Minor & Jester, PC
P.O. Box 280
Denton, Texas 76202

BALLOON RIDER TO MORTGAGE, DEED OF TRUST, OR SECURITY DEED

DATE: June 20, 2022
BORROWER: CSD Van Zandt LLC, a Texas limited liability company
PROPERTY ADDRESS: 148.12 Acres TBD Van Zandt County Road 2916
LOAN NO.: 7075522-15

NOTE: Promissory Note dated June 20, 2022 in the original principal sum of \$850,000.00, executed by CSD Van Zandt LLC, a Texas limited liability company and payable to the order of Sanger Bank.

DEFINED TERMS:

1) **RIDER A PART OF THE SECURITY INSTRUMENT.** "Rider" means this Balloon Rider to Deed of Trust or Security Deed which is attached to, made a part of and amends and supplements the Deed of Trust, Deed of Trust or Security Deed ("Security Instrument") which Borrower(s) gave to Sanger Bank, ("the Lender") and which is dated the same date as this Rider. The Security Instrument secures the Note and Security Agreement (Note") and covers the property described therein located at the address set forth above. The term "the Lender" includes Lender's successors and assigns. In the event there are any conflicts between this Rider and the Security Instrument or the Note, the provisions of the Rider will control.

2) **BALLOON NOTE.** The final payment due under the Note is larger than the previous monthly payments. The final payment includes a substantial payment of principal. The Note is commonly called a "balloon note."

3) **BALLOON NOTE AGREEMENT.** Borrower(s) understand and agree as follows:

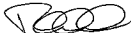
THIS LOAN IS PAYABLE IN FULL ON THE MATURITY DATE SET FORTH IN THE NOTE. THE BORROWERS MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN, UNPAID INTEREST AND OTHER SUMS THEN DUE.

4) **SIGNATURES.** BORROWER HAS READ AND AGREES TO ALL PROVISIONS OF THIS RIDER.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Balloon Rider.

BORROWER(S):

CSD Van Zandt LLC,
 a Texas limited liability company
 By: Pamela Holdings LLC,
 a Texas limited liability company
 Its: Manager



Robert O. Dow, Manager