

G & P INC., DBA GALLUP TITLE COMPANY

308 S. 2nd Street
Gallup, NM 87301
(505)722-4313

August 9, 2016

Philipp Merillat Corporation
PO Box 777
Pagosa Springs, CO 81147

Red Hill Properties, JV; Hidden Valley Development, JV; Holigan Land Development Ltd.; SG,
Partners LP; and Philipp Merillat Corporation
File # 16080300
A Tract of land within Red Hills South Addition

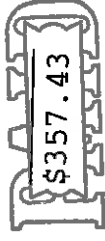
FOR SERVICES RENDERED

Search and Report
Sales Tax

\$330.00
27.43

TOTAL AMOUNT DUE:

\$357.43



*check reviewed
by M.A. Phillips
August 8, 2016*

Please return one copy of this invoice with your payment.

Amount Enclosed: \$ 357.43

Thank you!

G & P INC., DBA GALLUP TITLE COMPANY

308 S. 2nd Street
Gallup, NM 87301
(505) 722-4313 / (505) 863-4515

August 9, 2016

Philipp Merillat Corporation
PO Box 777
Pagosa Springs, CO 81147

SEARCH AND REPORT

Re: Red Hill Properties, JV; Hidden Valley Development, JV; Holigan Land Development Ltd.; SG, Partners LP; and Philipp Merillat Corporation

Legal Description: A Tract of land within Red Hills South Addition

File No. 16080300

Dear Amelia:

Pursuant to your request regarding the above, we have searched the records of the County Clerk of McKinley County, New Mexico and the Clerk of the District Court of the Eleventh Judicial District records from May 21, 1980 at 3:51 PM up to and including July 25, 2016 at 5:00 PM, results are as follows:

AN ORDINANCE ANNEXING INTO THE CITY OF GALLUP, NEW MEXICO, CERTAIN DESCRIBED REAL PROPERTY LYING WITHIN THE SOUTHEAST ¼ OF SECTION 24, T15N, R18W, N.M.P.M. (RED HILL SOUTH ADDITION)

Annexation Ordinance

To

The Public

Dated March 25, 1980 and recorded May 21, 1980 in Book 77 Misc., Page 153, No. 195,814.

ANNEXATION PLAT

Annexation Plat

To

The Public

Dated August 28, 1982 and recorded August 30, 1982 in Book 77 Misc., Page 154, No. 195,815

WARRANTY DEED

Red Hill Properties, a Joint Venture

To

Hidden Valley Development, Joint Venture

Dated August 28, 1982 and recorded August 30, 1982, No. 207,741.

Continued on next page.....

G & P INC., DBA GALLUP TITLE COMPANY

308 S. 2nd Street
Gallup, NM 87301
(505) 722-4313 / (505) 863-4515

Continued

Page 2 of 4

File No. 16080300

ORDER APPROVING TRUSTEE'S MOTION FOR APPROVAL OF AGREEMENT OF PURCHASE AND SALE BETWEEN HIDDEN VALLEY JOINT VENTURE AND DON MCKINNEY

Hidden Valley Joint Venture

To

Don McKinney

Dated April 15, 1996 and recorded May 23, 1996 in Book 10 Comp., Pages 1198-1201, No. 269635.

SPECIAL WARRANTY DEED

Hidden Valley Joint Venture, a New Mexico general partnership

To

Don McKinney and Cynthia McKinney

Dated May 6, 1996 and recorded May 23, 1996 in Book 10 Comp., Pages 1202-1204, No. 269636.

CROSS DEFAULT AND CROSS COLLATERAL AGREEMENT

Southfork Development, LTD.

To

Green Tree Financial Servicing

Dated December 31, 1997 and recorded March 19, 1999 in Book 13 Comp., Pages 8257-8269, No. 284394.

MORTGAGE MODIFICATION AGREEMENT

Southfork Development, Ltd., a Texas limited partnership, et al

To

Green Tree Financial Services Corporation

Dated June __, 1999 and recorded June 25, 1999 in Book 14 Comp., Pages 1971-1982, No. 285930.

MORTGAGE MODIFICATION AGREEMENT

Southfork Development, Ltd., a Texas limited partnership, et al

To

Green Tree Financial Services Corporation

Dated June __, 1999 and recorded July 22, 1999 in Book 14 Comp., Pages 3053-3065, No. 286325.

CROSS DEFAULT AND CROSS COLLATERAL AGREEMENT

Southfork Homes, Ltd., f/k/a Holigan-Patriot, L.P., a Texas limited partnership

To

Green Tree Financial Servicing Corporation, a Delaware corporation

Dated July 14, 1999 and recorded July 28, 1999 in Book 14 Comp., Pages 3339-3353, No. 286415.

RELEASE OF LIENS

Conseco Finance Servicing Corp., f/k/a Green Tree Financial Servicing Corporation, a Delaware corporation

To

Southfork Development, Ltd.

Dated October 9, 2002 and recorded November 27, 2002 in Book 19 Comp., Pages 3722-3725, No. 303745.

Continued on next page.....

G & P INC., DBA GALLUP TITLE COMPANY

308 S. 2nd Street
Gallup, NM 87301
(505) 722-4313 / (505) 863-4515

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Page 3 of 4
File No. 16080300

MORTGAGE

Holigan Land Development, Ltd., a Texas limited partnership
To

PNL MFR II, L.P., a Delaware limited partnership
Dated December 15, 2005 and recorded January 20, 2006 in Book 26 Comp., Page 1868-1876, No. 322874.

MORTGAGE

Harold Holigan and Hermena Holigan
To

PNL MFR II, L.P., a Delaware limited partnership
Dated December 15, 2005 and recorded January 20, 2006 in Book 26 Comp., Pages 1877-1884, No. 322875.

MODIFICATION AGREEMENT

Holigan Land Development, LTD., a Texas limited partnership
To

PNL MFR II, L.P., a Delaware limited partnership
Dated April 24, 2006 and recorded June 5, 2006 in Book 26 Comp., Pages 9090-9099, No. 325249.

MODIFICATION AGREEMENT

Harold Holigan and Hermena Holigan
To

PNL MFR II, L.P., a Delaware limited partnership
Dated April 24, 2006 and recorded June 5, 2006 in Book 26 Comp., Pages 9100-9108, No. 325250.

MORTGAGE

Harold Holigan and Hermena Holigan
To

PNL MFR II, L.P., a Delaware limited partnership
Dated June 29, 2006 and recorded July 12, 2006 in Book 27 Comp., Pages 901-908, No. 325764.

DECLARATION OF COVENANT

Harold Holigan and Hermena Holigan
To
The Public

Dated September 8, 2009 and recorded September 18, 2009 at Doc# 346662.

DECLARATION OF COVENANT

Holigan Land Development, Ltd., a Texas limited partnership
To
The Public

Dated September 8, 2009 and recorded September 18, 2009 at Doc# 346663.

Continued on next page.....

G & P INC., DBA GALLUP TITLE COMPANY

308 S. 2nd Street
Gallup, NM 87301
(505) 722-4313 / (505) 863-4515

Continued

Page 4 of 4

File No. 16080300

SPECIAL WARRANTY DEED

Harold and Hermena Holigan

To

SG Partners, LP a Texas limited partnership

Dated October 15, 2010 and recorded October 19, 2010 at Doc# 351550.

2010 DELINQUENT TAX LIST FOR MCKINLEY COUNTY

McKinley County

Vs.

SG Partners, LP

Filed for record July 12, 2013 at Doc# 363956.

DEED

The Property Tax Division of the Taxation and Revenue Department of the State of New Mexico
To

Philipp Merillat Corporation

Dated June 19, 2014 and recorded August 20, 2014 at Doc# 368264.

JUDGMENT/DISPOSITION

Tedon LLC a NM Limited Partnership and Pintarelli Ted J.

Vs.

City of Gallup, Holigan Land Development, Southfork Development LTD, and Harold Holigan

Filed at District Court Cause No. D1113-CV-200400419

(Not filed in the office of the County Clerk)

A search has been made of the property tax records of the Treasurer of McKinley County, New Mexico. A copy hereto attached.

No search has been made of the Uniform Commercial Code records in the office of the New Mexico Secretary of State, and this report does not warrant or guaranty the title, nor is it in any way an opinion to the title. Further, this report does not warrant or guaranty the sufficiency or insufficiency of any instruments, if any that might have been placed of record between the dates shown and liability is limited to the cost hereof.

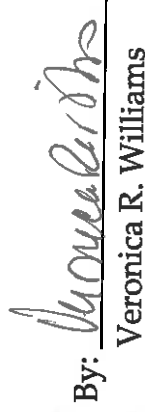
IN WITNESS WHEREOF, Gallup Title Company, by its duly authorized officer, has caused its Corporation Name and Seal to be hereunto affixed and the same to be attested by its Secretary.

GALLUP TITLE COMPANY



Attest:


Heather A. Williams

By: 
Veronica R. Williams

AN ORDINANCE ANNEXING INTO THE CITY OF GALLUP, NEW MEXICO, CERTAIN DESCRIBED REAL PROPERTY LYING WITHIN THE SOUTHEAST $\frac{1}{4}$ OF SECTION 24, T15N, R18W, N.M.P.M. (RED HILL SOUTH ADDITION)

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF GALLUP, NEW MEXICO:

Section 1. In accordance with and by authority of the Laws of 1965, Chapter 300, of the State of New Mexico, the following territory is hereby declared to be annexed to the city of Gallup, New Mexico, to wit:

DESCRIPTION

The southeast $\frac{1}{4}$ of Section 24, T15N, R18W, N.M.P.M., in McKinley County, New Mexico, being more particularly described as follows:

BEGINNING at the southeast corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Sections 24 and 25, T15N, R18W and Sections 19 and 30 in T15N, R17W and from said beginning corner running thence along the south line of said Section 24, S89°47'29"W, 2696.23 feet to the south $\frac{1}{4}$ corner of said Section 24, a 5/8" rebar with plastic survey cap stamped PE & LS No. 2455; thence, N00°49'58"E, 2626.52 feet along the northsouth $\frac{1}{4}$ section line to the center of said Section 24, a 5/8" rebar with plastic survey cap stamped PE & LS No. 2455; thence N89°58'34"E, 2669.36 feet along the east-west $\frac{1}{4}$ section line to the east $\frac{1}{4}$ corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Section 24, T15N, R18W and Section 19, T15N, R17W, said $\frac{1}{4}$ corner also being the southeast corner of RED HILL MOBILE HOME PARK, PHASE II as the same is shown and designated on the plat filed in the office of the County Clerk of McKinley County, New Mexico on August 5, 1976; thence, S00°14'52"W, 2617.57 feet along the east line of said Section 24 to the point and place of beginning and containing 161.474 acres, more or less.

Section 2. The City Clerk is directed to file with the County Clerk of McKinley County, New Mexico, a copy of this ordinance together with the plat of this territory so annexed.

Section 3. This ordinance will be published by title and summary and become effective in accordance with law.

PASSED, ADOPTED AND APPROVED this 25th day of March, 1980.

CITY OF GALLUP, NEW MEXICO



BY

A. Wayne Lewis
MAYOR

CITY CLERK

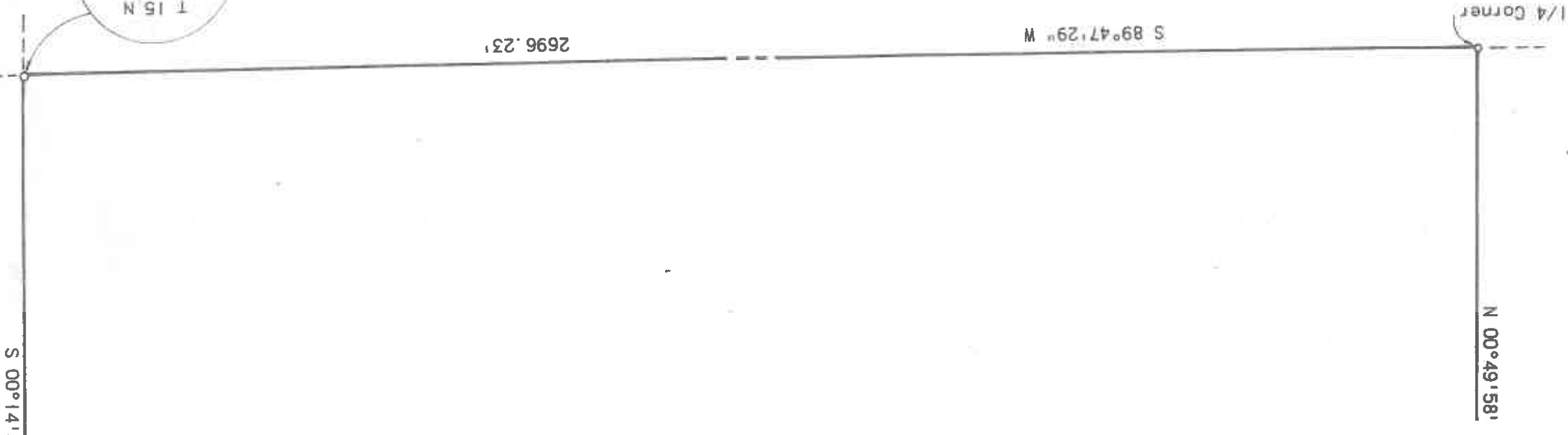
A. William Anderson

CITY ENGINEER

A. William Anderson #195814

STATE OF NEW MEXICO)
COUNTY OF MCKINLEY)
I, D. D. 1980, day of March, 1980, do hereby certify that the foregoing is a true and correct copy of the original as the same is on file in the City Clerk's office.
Attest:
My Comm. expires 1/53
City Clerk

OFFICE OF THE
COUNTY CLERK
MAY 21 3 51 PM '80
MCKINLEY COUNTY



CERTIFICATE OF SURVEYOR

This is to certify that I, Thomas O. Isaacson, am a Registered Professional Engineer and Land Surveyor, No. 3895, within the laws of the State of New Mexico; that this plat was prepared from a survey map of the SE 1/4, Section 24, T 15 N, R 18 W, N.M.P.M., dated May 14, 1979, by A. Dwain Weaver, N.M.P.L.S. No. 6544, and that the same is true and correct to the best of my knowledge and belief.

Thomas O. Isaacson 3/6/80
 CHAMBERS, CAMPBELL, ISAACSON, CHAPLIN, INC.

By Thomas O. Isaacson, P.E. & L.S. No. 3895.

CERTIFICATE OF FILING

I, the undersigned Clerk and Ex-officio, do hereby certify that the City of Gallup, New Mexico, numbered Ordinance No. 5-421, was filed March 1980.

County Clerk and Ex-officio Recorder

INDIAN ALLOTMENT

N 00°49'58" E

2626

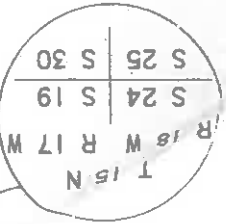
1/4 Corner

S 89°47'29" W

2696.23'

CERTIFICATE OF SURVEYOR

This is to certify that I, Thomas O. Isaacson, am a Registered Professional Engineer and Land Surveyor, No. 3895, within the laws of the State of New



S 00°14'52" W

AN ALLOTMENT

2626.52'

Center of
Section

Portion

RED HILL WEST

N 89°58'34" E

2669.36'

RED HILL MOBILE HOME
PARK

SE 1/4 SECTION 24
T 15 N, R 18 W, N.M.P.M.
161.474 Acres

2617.57'

R 18 W
R 17 W

1/4 C

N

SCALE: 1" = 200'

RED HILL SOUTH ADDITION
SE 1/4 SECTION 24, T 15 N, R 18 W, NMPM
GALLUP, MCKINLEY COUNTY, NEW MEXICO
MARCH, 1980

CERTIFICATE OF OWNER

We, the undersigned Owner and Proprietor of the tract described below, hereby certify that the Plat upon which this certificate appears, has been presented to the City Council of the City of Gallup, New Mexico for annexation upon the petition of and with the consent of all of the signatory parties hereto, and that we are Owner of the said tract as described as follows:
The southeast 1/4 of Section 24, T15N, R18W, N.M.P.M., in McKinley County, New Mexico, being more particularly described as follows:

Beginning at the southeast corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Sections 24 and 25, T15N, R18W and Sections 19 and 30 in T15N, R17W and from said beginning corner running thence along the south line of said Section 24, S89°47'29"W, 2696.23 feet to the south 1/4 corner of said Section 24, a 5/8" rebar with plastic survey cap stamped PE&LS No.2455; thence N00°49'58"E, 2626.52 feet along the north-south 1/4 section line to the center of said Section 24, a 5/8" rebar with plastic survey cap stamped PE&LS No. 2455; thence N89°58'34"E, 2669.36 feet along the east-west 1/4 section line to the east 1/4 corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Section 24, T15N, R18W, and Section 19, T15N, R17W, said 1/4 corner also being the southeast corner of Red Hill Mobile Home Park, Phase II as the same is shown and designated on the plat filed in the office of the County Clerk of McKinley County, New Mexico on August 5, 1976; thence S00°14'52"W, 2617.57 feet along the east line of said Section 24 to the point and place of beginning and containing 161.474 acres, more or less. Said addition known as the Red Hill South Addition of the City of Gallup, New Mexico, is with the desires and free consent to the undersigned Owner and Proprietor .
RED HILL PROPERTIES, A Joint Venture

SCALE: 1" = 200'

CERTIFICATE OF OWNER

We, the undersigned Owner and Proprietor of the tract described below, hereby certify that the Plat upon which this certificate appears, has been presented to the City Council of the City of Gallup, New Mexico for annexation upon the petition of and with the consent of all of the signatory parties hereto, and that we are Owner of the said tract as described as follows:

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Beginning at the southeast corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Sections 24 and 25, T15N, R18W and Sections 19 and 30 in T15N, R17W and from said beginning corner running thence along the south line of said Section 24, S89°47'29"W, 2696.23 feet to the south 1/4 corner of said Section 24, a 5/8" rebar with plastic survey cap stamped PE&LS No. 2455; thence N00°49'58"E, 2626.52 feet along the north-south 1/4 section line to the center of said Section 24, a 5/8" rebar with plastic survey cap stamped PE&LS No. 2455; thence N89°58'34"E, 2669.36 feet along the east-west 1/4 section line to the east 1/4 corner of said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Section 24, T15N, R18W, and Section 19, T15N, R17W, said 1/4 corner also being the southeast corner of Red Hill Mobile Home Park, Phase II as the same is shown and designated on the plat filed in the office of the County Clerk of McKinley County, New Mexico on August 5, 1976; thence S00°14'52"W, 2617.57 feet along the east line of said Section 24 to the point and place of beginning and containing 161.474 acres, more or less. Said addition known as the Red Hill South Addition of the City of Gallup, New Mexico, is with the desires and free consent to the undersigned Owner and Proprietor.

RED HILL PROPERTIES, A Joint Venture
A NEW MEXICO GENERAL PARTNERSHIP
BELLAMAH CORPORATION Managing Partner
By *[Signature]*
Larry D. Stroup, Vice President
[Signature]
Connie Lou Solo, Secretary

Date 5/8/80
Date 5/8/80

ACKNOWLEDGEMENT

STATE OF NEW MEXICO) SS
COUNTY OF BERNALILLO)

On this 8th day of MAY 1980, the foregoing instrument was

acknowledged before me.
My commission expires:

OCT 13, 1981

Notary Public in and for the State of New Mexico

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

On this 8th day of MAY, 1980, the foregoing instrument was acknowledged before me.

My commission expires:

OCT 13, 1981

John C. Gonzalez
Notary Public in and for the State of New Mexico

PLANNING COMMISSION CERTIFICATE

The above described area and the Plat thereof upon which this certificate appears, are hereby approved for annexation to the City of Gallup, New Mexico, by the Planning Commission of the City of Gallup, New Mexico, passed this 20th day of March, 1980.

Philip B. Barcia
Attest: Secretary
Chairman, Planning Commission

CERTIFICATE OF APPROVAL

The above described area and the Plat thereof upon which this certificate appears, are approved for annexation to the City of Gallup, New Mexico by the City of Gallup, New Mexico.

Anthony Polomark
Attest: City Clerk, City of Gallup, New Mexico
W. W. Jones
Mayor, City of Gallup, New Mexico

CERTIFICATE OF FILING

I, the undersigned Clerk and Ex-officio Recorder of the City of Gallup, a municipal corporation of the State of New Mexico, within the County of McKinley, State of New Mexico, do certify that the Plat upon which this certificate appears was duly regularly submitted to the City Council of said City of Gallup, New Mexico, together with an ordinance requesting the annexation of such contiguous territory at a meeting held the 25th day of March, 1980, and said plat was thereafter filed in my office of the 15th day of May, 1980.

Anthony Polomark
Clerk and Ex-officio Recorder, City of Gallup, New Mexico

Ex-officio Recorder of McKinley County,
that a copy of the Plat upon which this
of the Resolution of the City Council of
consenting to such annexation, being
passed the 25th day of
filed in my office on the 27th day of

Recorder, McKinley County, New Mexico

NG

WARRANTY DEED

RED HILL PROPERTIES, a Joint Venture,
HIDDEN VALLEY DEVELOPMENT, JOINT VENTURE

whose address is 6121 Indian School Road, N.E.
Albuquerque, New Mexico 87110

the following described real estate in McKinley

Lots One (1) through Nine (9), inclusive, Block One (1),
Lots One (1) through Twelve (12), inclusive, Block Two (2),
Lots One (1) through Twenty-eight (28), inclusive, Block Three (3),
Lots One (1), Two (2), Three (3) and Nine (9) through Twelve (12), inclusive,
Block Four (4),

HIDDEN VALLEY SUBDIVISION UNIT ONE (1), as the same are shown and designated on
the plat of said subdivision filed in the office of the County Clerk of McKinley
County, NM on April 11, 1980.

AND

Tracts "A", "C", "F-2", "G" & "H",
HIDDEN VALLEY SUBDIVISION, being a replat of Red Hill Addition, as the same are
shown and designated on the plat of said subdivision filed in the office of the
County Clerk of McKinley County, NM on April 11, 1980 as Reception #195,397.

AND

RED HILL SOUTH ADDITION, as the same is shown and designated on the plat of said
subdivision filed in the office of the County Clerk of McKinley County, NM on
May 21, 1980 as Reception #195,815.

SUBJECT TO: That certain Mortgage dated August 17, 1979 between Western Bancorp
Mortgage Company, a California corporation, and Red Hill Properties, a Joint Venture,
recorded in the office of the County Clerk of McKinley County, New Mexico, on
August 20, 1979, in Book 83, Page 551.

SUBJECT TO: Restrictions, reservations and easements of record.

SUBJECT TO: Taxes for current and subsequent years.

with warranty covenants.

WITNESS its hand and seal this 28th day of August, 1982

(Seal) RED HILL PROPERTIES, a Joint Venture
By: Bellamah Corporation, Managing Partner

(Seal) By: *[Signature]*
Its: President (Seal)

ACKNOWLEDGMENT FOR NATURAL PERSONS

STATE OF NEW MEXICO

COUNTY OF

The foregoing instrument was acknowledged before me this _____ day of _____, 19____,

by _____

(Name or Names of Person or Persons Acknowledging)

My commission expires:
(Seal)

Notary Public

FOR RECORDER'S USE ONLY

#207,741

STATE OF NEW MEXICO } ss.
COUNTY OF MCKINLEY }

Filed for record in the Clerk's office
on 30th day of August
A.D. 1982 at 12:04 PM

and attached in Book
#207,741

[Signature]
B. W. H. H. H.

ACKNOWLEDGMENT FOR CORPORATION

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

ss.

The foregoing instrument was acknowledged before me this 28th day of August, 1982,

by LARRY D. STROUP

(Name of Officer)

President of BELLAMAH CORPORATION

(Title of Officer) of corporation, Managing Partner of
New Mexico RED HILL PROPERTIES, a Joint Venture
(State of Incorporation)

My commission expires:

(Seal) May 6, 1984

[Signature]
Notary Public

FILED

on o'clock M

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

APR 15 1996

United States Bankruptcy Court
Albuquerque, New Mexico

In re:

BELLAMAH COMMUNITY DEVELOPMENT,
a New Mexico general partnership,

No. 7-89-01559 MA

Debtor.

ORDER APPROVING TRUSTEE'S MOTION FOR APPROVAL OF
AGREEMENT OF PURCHASE AND SALE BETWEEN
HIDDEN VALLEY JOINT VENTURE AND DON MCKINNEY

This matter having come before the Court on Trustee's Motion for Approval of Agreement of Purchase and Sale Between Hidden Valley Joint Venture and Don McKinney, and or Assigns, Free and Clear of Liens, and the Court having reviewed the pleadings on file herein and being otherwise advised in the premises, FINDS:

1. That Stuart D. Shanor, Chapter 7 Trustee in Bankruptcy for Bellamah Community Development, together with Hidden Valley Joint Venture, a New Mexico general partnership in which Bellamah Community Development, Hamilton Brothers, Inc., a New Mexico corporation and Vernon Hamilton Construction Company, a New Mexico corporation are all general partners and entered into an Agreement of Purchase and Sale wherein Hidden Valley Joint Venture, subject to Bankruptcy Court approval and other contingencies, agreed to sell the Real Property described in Exhibit "A" attached hereto, ("Real Property") to Don McKinney for the total consideration of ONE HUNDRED TWENTY-EIGHT THOUSAND DOLLARS (\$128,000.00).

2. That the Trustee gave Notice of the filing of said Motion wherein he requested approval of the sale and authorization to execute those documents which might be necessary in order to allow

Hidden Valley Joint Venture to sell the Real Property, by mailing

269635 B-10 P-1198 05/23/96 01:48P PG 1 OF 4 REC DOC
CAROL K. SLOAN MCKINLEY COUNTY CLERK'S OFFICE 11.00 2.00

said Notice on March 15, 1996 to all creditors and other parties in interest as listed on the Court supplied matrix. The Notice advised creditors and other parties in interest that they had twenty (20) days from the date of such Notice to file any objection which they had to the proposed sale.

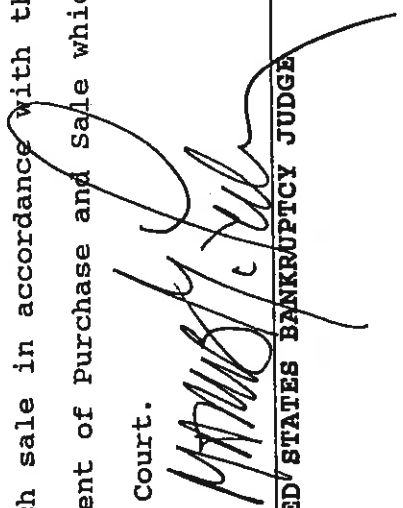
3. No objections have been filed to the proposed sale, and the time period for filing such objections has now expired.

4. The sale of the Real Property to Don McKinney, should be authorized and the Trustee should be granted leave to execute any and all documents necessary or desirable in order for Hidden Valley Joint Venture to effectuate the sale of the Real Property.

IT IS THEREFORE ORDERED AND ADJUDGED:

1. That the sale of the Real Property to Don McKinney, is hereby approved and the Trustee should be and hereby is authorized to execute any and all documents necessary in order for Hidden Valley Joint Venture to sell the Real Property described in Exhibit "A" attached hereto to Don McKinney.

2. That the Trustee be and hereby is authorized to do all things necessary to effectuate such sale in accordance with the terms and provisions of the Agreement of Purchase and Sale which has heretofore been filed with the Court.


UNITED STATES BANKRUPTCY JUDGE

SUBMITTED BY:

HINKLE, COX, EATON, COFFIELD & HENSLEY

By Nancy S. Cusack

Nancy S. Cusack
Andrew J. Cloutier
P.O. Box 10
Roswell, New Mexico 88202-0010

Attorney for Stuart D. Shanor, Chapter 7
Trustee for Bellamah Community Development

269635 B-10 P-1200 05/23/96 01:48P PG 3 OF 4

CERTIFIED a true copy of the
original filed in my office

JOHN M. GREACEN, CLERK
U.S. Bankruptcy Court

Deputy Clerk

I CERTIFY that copies were mailed to listed
counsel on the date file-stamped above

Deputy Clerk

EXHIBIT "A"

The Southeast Quarter of Section 24, Township 15 North, Range 12 West, N.M.P.M., in McKinley County, New Mexico, being more particularly described as follows:

BEGINNING at the southeast corner of the said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Sections 24 and 25, Township 15 North, Range 12 West, and Sections 19 and 30 in Township 15 North, Range 17 West, and from said beginning corner running thence along the south line of the said Section 24, S 89° 47' 29" W, 2696.23 feet to the south $\frac{1}{4}$ corner of the said Section 24, a $\frac{5}{8}$ " rebar with plastic survey cap stamped PEELS No. 2455;

THENCE N 00° 49' 52" E, 2626.52 feet along the north-south $\frac{1}{2}$ section line to the center of the said Section 24, a $\frac{5}{8}$ " rebar with plastic survey cap stamped PEELS No. 2455;

THENCE N 89° 53' 34" E, 2669.36 feet along the east-west $\frac{1}{2}$ section line to the east $\frac{1}{2}$ corner of the said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Section 24, Township 15 North, Range 12 West and Section 19, Township 15 North, Range 17 West, said $\frac{1}{2}$ corner also being the south-east corner of Red Hill Mobile Home Park, Phase II, as the same is shown and designated on the plat filed in the Office of the County Clerk of McKinley County, New Mexico, on August 5, 1976;

THENCE S 00° 14' 52" W, 2617.57 feet along the east line of the said Section 24 to the point and place of beginning.

Said tract of land annexed into the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195,815.



SPECIAL WARRANTY DEED

Hidden Valley Joint Venture, a New Mexico general partnership, whose partners are Hamilton Bros., Inc., a New Mexico corporation, Post Office Box HH, Gallup, New Mexico 87301 (hereinafter referred to as "HBI"), Vernon Hamilton Construction Company, a New Mexico corporation, Post Office Box 2258, Gallup, New Mexico 87305 (hereinafter referred to as "VHCC") and Bellamah Community Development, a New Mexico general partnership, 500 Marquette N.W., Suite 800, Post Office Box 2043, Albuquerque, New Mexico 87102 hereby grants to Don McKinney and Cynthia McKinney, husband and wife, the following described real estate in McKinley County, New Mexico:

As shown and described on Exhibit "A" attached hereto and incorporated herein by reference.

SUBJECT TO: Reservations, restrictions, easements and patent reservations, if any, of record or easements or rights-of-way visible upon an inspection of the property and subject to current taxes and water and/or standby charges.

FURTHER SUBJECT TO: The terms and conditions contained in that certain Agreement of Purchase and Sale dated February 6, 1996, between Hidden Valley Joint Venture, a New Mexico general partnership, and Don and Cynthia McKinney whose address is 109 Sunset, Gallup, New Mexico 87301;

FURTHER SUBJECT TO: The terms and conditions which are set forth in Exhibit "B" attached hereto.

with special warranty covenants.

WITNESS my hand and seal this 6th day of May, 1996.

SELLER: HIDDEN VALLEY JOINT VENTURE, a New Mexico General Partnership

By: BELLAMAH COMMUNITY DEVELOPMENT,
a New Mexico General Partnership
Managing General Partner

By: Stuart D. Shanor
Stuart D. Shanor, Chapter 7
Trustee in Bankruptcy for Bellamah
Community Development

By: Thompson Hamilton
TITLE President C.E.O.
HAMILTON BROTHERS, INC., a New
Mexico Corporation

By: Vernon Hamilton
TITLE Pres
VERNON HAMILTON CONSTRUCTION
COMPANY, a New Mexico Corporation

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CAROL K. SLOAN MCKINLEY COUNTY CLERK'S OFFICE

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO)

COUNTY OF Chaves

This instrument is acknowledged before me this 2nd day of May, 1996, by Stuart D. Shanor, Trustee for Bellamah Community Development, a New Mexico General Partnership, managing general partner on behalf of Hidden Valley Joint Venture, a New Mexico general partnership.

My Commission Expires:

10 March 1999

Sandra D. Hays
Notary Public

STATE OF NEW MEXICO)

COUNTY OF McMurry

This instrument is acknowledged before me this 23rd day of May, 1996, by Thomas M. Hamilton, President of Hamilton Bros., Inc., a New Mexico Corporation, on behalf of said corporation, general partner on behalf of Hidden Valley Joint Venture, a New Mexico general partnership.

My Commission Expires:

9-13-98

Sandra D. Hays
Notary Public

STATE OF NEW MEXICO)

COUNTY OF McMurry

This instrument is acknowledged before me this 23rd day of May, 1996, by Vernon I. Hamilton, President of Vernon Hamilton Construction Company, a New Mexico Corporation, on behalf of said corporation, general partner on behalf of Hidden Valley Joint Venture, a New Mexico general partnership.

My Commission Expires:

9-13-98

Sandra D. Hays
Notary Public

EXHIBIT "A"

The Southeast Quarter of Section 24, Township 15 North, Range 18 West, N.M.P.M., in McKinley County, New Mexico, being more particularly described as follows:

BEGINNING at the southeast corner of the said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Sections 24 and 25, Township 15 North, Range 18 West, and Sections 19 and 30 in Township 15 North, Range 17 West, and from said beginning corner running thence along the south line of the said Section 24, S 89 47'29" W, 2696.23 feet to the south 1/4 corner of the said Section 24, a 1/8" rebar with plastic survey cap stamped PE&LS No. 2455;

THENCE N 80 49'58" E, 2626.52 feet along the north-south 1/4 section line to the center of the said Section 24, a 5/8" rebar with plastic survey cap stamped PE&LS No. 2455;

THENCE N 89 58'34" E, 2669.36 feet along the east-west 1/4 section line to the east 1/4 corner of the said Section 24, a 1931 U.S.G.L.O.S. brass cap common to Section 24, Township 15 North, Range 18 West and Section 19, Township 15 North, Range 17 West, said 1/4 corner also being the south-east corner of Red Hill Mobile Home Park, Phase II, as the same is shown and designated on the Plat filed in the Office of the County Clerk of McKinley County, New Mexico, on August 5, 1976;

THENCE S 00 14'52" W, 2617.57 feet along the east line of the said Section 24 to the point and place of beginning.

Said tract of land annexed into the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195,815.



CROSS DEFAULT AND CROSS COLLATERAL AGREEMENT

THIS AGREEMENT, made as of this 31st day of December, 1997, by and between SOUTHFORK DEVELOPMENT, LTD. (hereinafter referred to as "Borrower"), and GREEN TREE FINANCIAL SERVICING CORPORATION (hereinafter referred to as "Lender,") and is made under the following facts:

RECITALS:

Borrower is indebted to Lender, as evidenced by six (6) promissory notes (the "Notes") in the original principal amount of FIFTEEN MILLION SEVEN HUNDRED TWENTY THOUSAND FIVE HUNDRED TWENTYAND NO/100 DOLLARS (\$15,720,520), which indebtedness is secured by certain mortgages or deeds of trust and other security documents (collectively the "Loan Documents"); the Loan Documents encumber the property described as Exhibit "A" attached hereto and made a part hereof (the "Property") and other property described in the Loan Documents.

NOW, THEREFORE, it is agreed that in consideration of the monies advanced as of this date and other good and valuable consideration, receipt of which is hereby acknowledged by the parties hereto, and in consideration of the Recitals and of the mutual covenants contained herein, the parties agree as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein.
2. Cross-default/Cross-Collateralization. Each and every one of the Notes shall be deemed to be in default in the event of any default made by Borrower, in any of the Notes or Loan Documents. Each and every one of the Loan Documents shall be deemed to be in default in the event of any default made by Borrower, in connection with any one or all of the Notes or Loan Documents. All references in all documents hereinabove mentioned to "loans" or "indebtedness" or "amounts secured" shall be deemed to refer to the entire indebtedness described in the Notes, as may be hereinafter modified, amended, increased or renewed. All collateral named in each and every one of the Loan Documents shall be collateral for the Notes.
3. Warranties and representations. Borrower hereby affirms, warrants and represents that all of the warranties and representations made it in the Notes and Loan Documents described herein are true and correct as of the date hereof, that it is not in default of any of the Loan Documents or Notes nor aware of any default with respect thereto.
4. Miscellaneous.
 - a. Paragraph headings used herein are for convenience only and shall not be construed as controlling the scope of any provisions hereof.
 - b. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas or the state in which the Property is located.
 - c. Time is of the essence of this Agreement.

PREPARED BY AND RETURN TO:

DAVID S. BERNSTEIN, ESQ.
Ruden, McClosky, Smith, Schuster & Russell, P.A.
150 Second Avenue North, Suite 1700
St. Petersburg, Florida 33701

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CAROL K. SLOAN MCKINLEY COUNTY CLERK'S OFFICE *ll*

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d. In the event that Lender resorts to litigation to enforce this Agreement, all costs of such litigation, to include reasonable attorney's fees through all trials, appeals and proceedings, to include, without limitation, any proceedings pursuant to the bankruptcy laws of the United States, shall be paid by Borrower.

e. This Agreement shall inure to the benefit of and be binding upon the parties hereto as well as their successors and assigns, heirs and personal representatives.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement under seal as of the day and year first above written.

WITNESSES:

SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership

By: TRIPLE H MANAGEMENT CORPORATION, a Texas corporation, its general partner

[Signature]
Print Name: Scott C. Davis Jr.
[Signature]
Print Name: Myrna Menden

By: [Signature]
HAROLD HOLIGAN, Chairman

"Borrower"

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 31st, 1997, by HAROLD HOLIGAN, who is personally known to me, as Chairman of TRIPLE H MANAGEMENT CORPORATION, a Texas corporation, as general partner of SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, on behalf of the limited partnership.

[Signature]
Notary Public

LAWYERS TITLE INSURANCE CORPORATION

BEING a tract of land situated in the E. M. PRICE SURVEY, ABSTRACT NUMBER 1114, DALLAS County, Texas, and being part of the land conveyed to Orville Kreymer, Inc., Dr. G. C. Kreymer, J. C. Kreymer, Archie Kreymer, and Bill Kreymer, by Deed recorded in Volume 222, Page 0423 of the Deed Records of DALLAS County, Texas, and being more particularly described as follows:

BEGINNING at an iron pin found for corner, said iron pin being the most Northerly Northeast corner of Cottonwood Park-Section III, according to the Plat recorded in Volume 71164, Page 048, of the Deed Records, Dallas County, Texas;

THENCE North 86 degrees 53 minutes 47 seconds West, along the North line of said addition, a distance of 271.70 feet to an iron pin found for corner;

THENCE North 38 degrees 42 minutes 15 seconds East, a distance of 578.54 feet to an iron pin found for corner in the Southeasterly right of way line of Vinson Road (80 foot right of way);

THENCE North 50 degrees 33 minutes 59 seconds East, along said Southeasterly right of way line, a distance of 614.80 feet to an iron pin found for corner;

THENCE North 85 degrees 37 minutes 12 seconds East, a distance of 210.17 feet to a P. K. nail set for corner in the centerline of F. M. 544;

THENCE South 45 degrees 00 minutes 00 seconds East, along the centerline of F. M. 544, a distance of 412.50 feet to a P. K. nail set for corner;

THENCE South 14 degrees 17 minutes 44 seconds East, a distance of 1373.03 feet to an iron pin found for corner;

THENCE North 81 degrees 01 minutes 59 seconds West, a distance of 823.66 feet to an iron pin set for corner;

THENCE North 43 degrees 37 minutes 36 seconds West, a distance of 858.00 feet to the POINT OF BEGINNING AND CONTAINING 34.552 acres of land, more or less.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

EXHIBIT A

LEGAL DESCRIPTION

Lots 1 thru 14, Block A, Lots 1 thru 26, Block B, Lots 1 thru 16, Block C, Lots 1 thru 45, Block D and Lots 1 thru 13, Block E, Valley Vista, a 125.45 acre subdivision situated in the John McQueen Survey, Abstract 426, recorded in Cabinet P, Slides 18, 19 & 20, Plat Records, Williamson County, Texas.

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STP:151782:1

EXHIBIT "A" LEGAL DESCRIPTION

Being 270.185 acres of land situated within the William T. Neil Survey Number 62, Abstract 544, County Block 5197, Bexar County, Texas. Said 270.185 acres of land being described as two tracts, Tract A and Tract B. Tract A, containing 248.099 acres of land, being part of a 253.388 acre tract of land as described in Special Warranty Deed with Vendor's Lien dated May 6, 1996, Grantor: Kelly Field National Bank, Grantee: JAD Interests, Inc. and recorded in volume 6747, page 1915, a 25.38 acre tract of land as described in Warranty Deed with Vendor's Lien dated May 9, 1996, Grantor: Reb D. Gibson and wife, Colleen J. Gibson, Grantee: Buckeye Place, Ltd., and recorded in volume 6750, Page 1902 and a 1.578 acre tract of land as

described in Warranty Deed dated March 31, 1997, Grantor: J. H. Uptmore & Associates, Inc., Grantee: Buckeye Place, Ltd. and recorded in volume 7057, page 271. Tract B, containing 22.086 acres of land, being a part of the hereinabove 253.388 acre tract of land as described in volume 6747, page 1915. All deed references being located in the Real Property Records of Bexar County, Texas. The bearings recited herein are based on the hereinabove 253.388 acre tract of land. A plat depicting said 270.185 acres of land has been prepared to accompany these field notes. Said 270.185 acres of land being more particularly described by metes and bounds as follows:

TRACT 'A' (248.099 ACRES):

BEGINNING at a found iron pin being the southeast corner of Cagnon Road and U.S. Highway 90 (west) from which a found iron pin being the original corner of the 253.388 acre tract of land bears, South 51° 34' 41" West, 78.56 feet. Said Beginning Point being the northeast corner of a 2.487 acre tract of land as described in Warranty Deed dated March 29, 1996, Grantor: Kelly Field National Bank, Grantee: County of Bexar and recorded in volume 6772, page 1909 of the Real Property Records of Bexar county, Texas;

THENCE leaving the northeast corner of Cagnon Road and U.S. Highway 90 (west) and with the south right-of-way of U.S. Highway 90 (west), generally with a fence, North 51° 34' 41" East 89.51 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE North 74° 15' 43" East, 220.59 feet to a set iron pin;

THENCE North 85° 42' 25" East, 226.01 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE North 82° 26' 30" East, 443.04 feet to a found iron pin;

THENCE leaving the south right-of-way of U.S. Highway 90 (west) and with the west right-of-way of Loop 1604, South 78° 34' 15" East, 299.24 feet to a found iron pin;

THENCE South 56° 42' 18" East, 280.92 feet to a found iron pin;

EXHIBIT "A"
(Legal Description Continued)

THENCE South 45° 43' 01" East, 379.78 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 23° 11' 49" East, 405.61 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 21° 06' 52" East, 336.12 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 45° 42' 51" East, 141.13 feet to a found Texas Highway Department standard concrete right-of-way monument

THENCE South 21° 21' 40" East, 399.83 feet to a found Texas Highway Department standard concrete right-of-way easement;

South 10° 10' 45" East, 205.04 feet to a found 5/8" iron pin;

THENCE South 28° 03' 11" East, 1,198.01 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 21° 18' 03" East, 1,381.73 feet to a found Texas Highway Department standard concrete right-of-way monument. Said monument being the northeast corner of a 25.38 acre tract of land as described in Warranty Deed with Vendor's lien dated May 9, 1996, Grantor: Reb. D. and wife, Colleen J. Gibson and recorded in volume 6750, page 1902 of the Real Property Records of Bexar County, Texas.

THENCE leaving the west right-of-way of Loop 1604 and with the east line of the 25.38 acre tract of land, generally with a fence, South 00° 13' 52" West, 1,408.12 feet to a found Texas Highway Department standard concrete right-of-way monument on the north line of Farm Road 143;

THENCE leaving the east line of the 25.38 acre tract of land and with the north right-of-way of Farm Road 143, generally with a fence, South 83° 05' 34" West, 514.82 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 83° 16' 45" West, 261.91 feet to a found Texas Highway Department standard concrete right-of-way monument and being within the limits of a 135 foot wide City Public Service Board easement and right-of-way as described in volume 5785, page 290 of the Deeds Records of Bexar County, Texas.

North 80° 20' 17" West, 836.83 feet to a found Texas Highway Department standard concrete right-of-way monument;

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EXHIBIT "A"
(Legal Description Continued)

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THENCE leaving the north right-of-way of Farm Road 143 and with the east line of a 403.87 acre tract of land as described in deed dated May 25, 1983 and recorded in volume 3004, page 617 of the Real Property Records of Bexar County, Texas and also with the east line of a 70.63 acre tract of land as described in deed dated June 11, 1992 and recorded in volume S366, page 1129 of the Real Property Records of Bexar County, Texas, generally with a fence, North 00° 12' 06" East, at 880.44 feet the southwest line of the hereinabove 135 foot wide City Public Service Board easement and right-of-way, a total distance of 1,105.63 feet to a set iron pin;

THENCE leaving the fence, and with the northeast line of the 70.63 acre tract of land same being the northeast line of a 135 foot wide City Public Service Board easement and right-of-way, North 36° 31' 05" West, at 1,738.93 feet crossing a found iron pin being the east corner of a 9.946 acre tract of land as described in deed dated October 14, 1994 and recorded in volume 6233, page 522 of the Real Property Records of Bexar County, Texas, a total distance of 2,983.71 feet to a found iron pin on the east right-of-way of Cagnon Road;

THENCE leaving the northeast line of the 9.946 acre tract of land and leaving the northeast line of the 135 foot wide City Public Service Board Easement and right-of-way and with the east right-of-way of Cagnon Road, generally with a fence, North 00° 04' 59" West, 1,848.43 feet to the Place of Beginning and containing 248.099 acres of land in Bexar County, Texas.

TRACT 'B' (22.086 ACRES) :

Commencing at a found Texas Highway Department standard concrete right-of-way monument being the northwest corner of Farm Road 143 and Loop 1604;

Thence with the north right-of-way of Farm Road 143, generally with a fence, south 89° 54' 04" West, 493.75 feet to a found Texas Highway Department standard concrete right-of-way monument. Same being the southeast corner of a 248.099 acre tract of land, called Tract A, surveyed this date;

Thence continuing with the north right-of-way of Farm Road 143 and with the south line of Tract A, containing 248.099 acres of land, South 83° 05' 34" West, 514.82 feet to a found Texas Highway Department standard concrete right-of-way monument;

Thence leaving the south line of Tract A and leaving the north right-of-way of Farm Road 143 and leaving the fence and crossing Farm Road 143, South 00° 17' 38" West, 284.46 feet to a set iron pin on the south right-of-way of Farm Road 143. Said set iron pin being the POINT OF BEGINNING of this herein described 22.086 acre tract of land, called Tract B;

THENCE leaving the south right-of-way of Farm Road 143 and with the west line of a 7.884 acre tract of land, called Tract 1, as described in volume 4549, page 1970 and with the west line of the remainder of a 21.527 acre tract of land, called Tract 6 and with the west line of a 26.040 acre tract of land, called Tract 5, Tracts 6 and 5 being as described in volume 5773, page 672 of the Deed Records of Bexar County, Texas, generally with a fence, South 00° 18' 07" West, at 177.26 crossing the southeast corner of a 135 foot wide City Public Service Board easement and right-of-way as described in volume 5785, page 290 of the Deed Records of Bexar County, Texas, a total distance of 792.20 feet to a set iron pin at a fence corner;

(San Antonio)

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EXHIBIT "A"
(Legal Description Continued)

THENCE leaving the west line of Tracts 1, 6 and 5 and with the north line of a 17.897 acre tract of land, called Tract 4, as described in volume 5773, page 672 of the Deed Records, generally with a fence, North 89° 50' 02" West, at approximately 823 feet the east side of a water pond and crossing the pond, at approximately 983 feet the west side of the pond, a total distance of 1,083.16 feet to a set iron pin on the east line of a 403.87 acre tract of land as described in volume 3004, page 617 of the Real Property Records of Bexar County, Texas.

THENCE leaving the north line of the 17.897 acre tract of land and with the east line of the 403.87 acre tract of land, generally with a fence, North 00° 10' 27" East, 934.84 feet to a found iron pin;

THENCE North 00° 12' 06" East, 54.29 feet to a found Texas Highway Department standard concrete right-of-way monument on the south right-of-way of Farm Road 143;

THENCE leaving the east line of the 403.87 acre tract of land and with the south right-of-way of Farm Road 143, generally with a fence, South 79° 10' 51" East, 916.13 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 73° 51' 17" East, 85.79 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 83° 26' 13" East, 100.94 feet to the Place of Beginning and containing 22.086 acres of land in Bexar County, Texas.

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(San Antonio)

204084

said farm line wholly within the Eleventh Civil District of Williamson County, State of Tennessee, and is bound in general by Thompson Station Road, Buckner Haven Estates, and well as on the north, by unknown and the former Clinebell farm on the west, by unknown, Woodard and Buckner line on the south and by Young, Cameron and unknown on the east.

Beginning at a point in the center of Thompson Station Road at the N corner of Young, thence S 2° 58' 54" W with the west line of Young and Cameron 2,614.70 ft. to an iron pin, thence S 6° 12' 42" W 924.90 ft. to a corner post Woodard's N corner, thence with his north line N 87° 51' 33" W 610.50 ft. to a corner post his N corner to the east line of an unknown owner, thence with their east line N 00° 31' 03" E 411.00 to their N corner thence N 85° 25' 02" W 165.21 ft. with their north line to a corner, thence with said unknown owner with the following survey call, S 1° 59' 41" E 588.29 ft., S 29° 55' 15" W 76.65 ft., S 21° 41' 47" W 101.08 ft., S 2° 27' 01" W 69.17 ft., S 15° 39' 13" E 36.83 ft., S 11° 36' 47" W 134.97 ft., to an iron pin and with no fence line S 5° 17' 34" W 939.03 ft. to the center of Buckner Lane, thence with said centerline N 87° 42' 46" W at approximately 4,295.0 ft. leaving said centerline and containing a total length of 4,396.39 ft. to an iron pin and iron post on the southerly side of Buckner Lane, thence N 1° 32' 21" E crossing Buckner Lane and with the east line of the former Clinebell farm 1,801.37 ft. to a corner post, thence S 89° 50' 05" E 2,873.73 ft. with the south line of well and Country Haven Estates, thence S 89° 53' 25" E 519.08 ft. to the S corner of Country Haven Estates, thence with their east line N 00° 36' 00" W 1,673.10 ft. to a corner post the N corner of an unknown owner, thence with his southerly line S 87° 57' 23" E 896.90 ft. to a corner post, thence with his east line N 1° 48' 59" E 1,447.82 ft. to the center of Thompson Station Road, thence with the following two calls along said centerline S 87° 22' 23" E 344.67 ft. and S 88° 11' 39" E 852.64 ft. to the point of beginning and containing 315.13 acres more or less according to a survey made by C. K. Kelso on 11-16-85 with utility line and spring branch added on 1-13-89.

EXHIBIT A

LEGAL DESCRIPTION

GF NO. 444579-V UP/cde

All that certain lot, tract or parcel of land situated in the Wm. M. Cox Survey, Abstract No. 148, Navarro County, Texas, and being a portion of a called 115 acre tract of land described by deed recorded in Volume 417, Page 547 of the Deed Records of Navarro County, Texas. Said tract or parcel of land being more fully described by metes and bounds as follows:

BEGINNING on a set 3/8" iron rod for the northwest corner of this tract and the above mentioned 115 acre tract located on the north line of the Wm. M. Cox Survey, A.-148 and the south line of the David W. Campbell Survey, A.-140;

THENCE with said common survey line and the line of directional control (based on record bearing) N 60° 00'00" E, 2842.98 feet to a point in the center line of F.M. No. 1126; Witness: S 60° 00' 00" W, 85.31 feet, a set 3/8" iron rod.

THENCE with said center line S 87° 36' 58" E, 191.84 feet to the beginning of a curve to the right;

THENCE with said curve having a Delta Angle of 48° 06' 04", a radius of 652.42 feet, a chord of S 59° 27' 45" E, 531.78 feet for a length of 547.72 feet for the end of this curve;

THENCE continuing with said center line S 30° 58' 29" E, 946.17 feet to a point for the southeast corner of this tract; Witness: S 60° 09' 27" W, 45.12 feet, a set 3/8" iron rod.

THENCE S 60° 09' 27" W, 3314.12 feet to a set 3/8" iron rod for the southwest corner of this tract;

THENCE N 30° 18' 21" W, 1502.57 feet to the place of beginning and containing 114.25 acres of land, more or less, of which 1.70 acre lies within said road.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

EXHIBIT A

SOUTHEAST QUARTER OF SECTION 24, T15N, R18W, N.M.P.M.

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M. Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.53 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24,

THENCE North 00 degrees 49 minutes 52 seconds East for a distance of 2007.52 feet to a point,

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

THENCE South 53 degrees 45 minutes 08 seconds East for a distance of 410 feet to a point,

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

EXHIBIT A

A tract of land lying with in the RED HILLS SOUTH ADDITION, as the same is shown and designated on the plat of said Addition filed for record in the Office of the Clerk of McKinley County, New Mexico on March 25, 1980, and being in the Northeast quarter of Section 24, T. 15N., R. 18 W., N.M.P.M., more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run South 89 degrees 58 minutes 34 seconds West along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

THENCE South $1\frac{1}{4}$ degrees 58 minutes 33 seconds West for a distance of 763.40 feet to a point.

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of North 80 degrees 52 minutes 29 seconds West for a distance of 345.16 feet to a point.

THENCE North 73 degrees 03 minutes 38 seconds West for a distance of 309.79 feet to a point.

THENCE South 88 degrees 17 minutes 11 seconds West for a distance of 253.89 feet to a point.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 619.00 feet to a point.

THENCE North 89 degrees 58 minutes 34 seconds East for a distance of 1084.36 feet to the Real Point of Beginning.

EXHIBIT

THE NORTH, HALF, THE NORTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 15, TOWNSHIP 13 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.

284394 B-13

P-8269 03/19/99 01:13P PG 13 OF 13

S. Chavira

284394

This Instrument Prepared By and Return To:
DAVID S. BERNSTEIN, ESQ.
Ruden, McClosky, Smith, Schuster & Russell, P.A.
Post Office Box 14034
St Petersburg, Florida 33733-4034

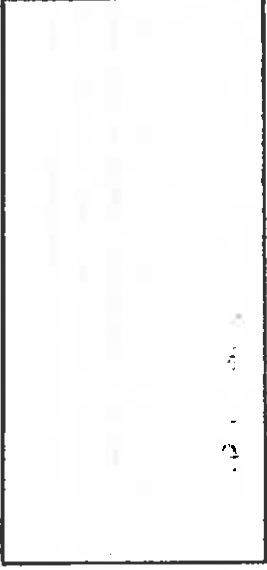
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OFFICE OF THE
COUNTY CLERK

99 JUN 25 PM 1 43

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For Official Use Only



MORTGAGE MODIFICATION AGREEMENT

THIS MORTGAGE MODIFICATION AGREEMENT (this "Agreement"), is made this ___ day of June, 1999, by and between SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, having an address of 6009 Belt Line Road, Suite 100, Dallas, Texas 75240 ("Mortgagor"), HOLIGAN FAMILY INVESTMENTS, INC., a Texas corporation ("HFI"), having an address of 6009 Belt Line Road, Suite 100, Dallas, Texas 75240, OLY HOLIGAN, L.P., a Texas limited partnership ("Oly Holigan"), having an address of 200 Crescent Court, Suite 1650, Dallas, Texas 75201 (HFI and Oly Holigan are together, jointly and severally, referred to as "Guarantor") and GREEN TREE FINANCIAL SERVICING CORPORATION, a Delaware corporation, having its principal place of business at 100 North Point Center East, Suite 200, Alpharetta, Georgia 30022 ("Mortgagee").

RECITALS

Mortgagor is the maker of that certain Promissory Note dated June 10, 1997, executed by Mortgagor in favor of Mortgagee, in the original principal amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Gallup Note").

A. The repayment of the indebtedness evidenced by the Gallup Note and other obligations of Mortgagor is secured by a certain Mortgage, Security Agreement and Financing Statement, as described on Exhibit "A" attached hereto and made a part hereof (the "Gallup Mortgage") and other security documents also described on Exhibit "A" attached hereto and made a part hereof (collectively, the "Other Security Documents"). The Gallup Mortgage and the Other Security Documents, together with all other documents or instruments executed in connection therewith are sometimes collectively referred to as the "Gallup Loan Documents," which Gallup Loan Documents encumber, among other property, the real property described therein.

B. The Gallup Note is secured by the Gallup Loan Documents, and other loan and security documents described on Exhibit "B" attached hereto and made a part hereof (collectively, the "Additional Loan Documents") which encumber the real property described on Exhibit "C" attached hereto and made a part hereof (the "Gallup Property"). The Gallup Loan Documents, the Gallup Mortgage, the Additional Loan Documents, this Agreement and all other documents or instruments executed in connection therewith or herewith are hereinafter collectively referred to as the "Loan Documents."

C. As set forth in that certain Forbearance Agreement dated June 25, 1999, by and between Mortgagor, Guarantor and Mortgagee, Mortgagor and Guarantor acknowledge and agree that Mortgagor is in default under the Gallup Note for failure of Mortgagor to make the monthly payments due thereunder and

285930 B-14
CAROL K. SLOANP-1971 06/25/99 01:43P PG 1 OF 12
MCKINLEY COUNTY CLERK'S OFFICE.

JD

REC 27.00

DOC 2.00

NO

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Gallup, NM

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for breach of certain other obligations required in the Gallup Loan Documents and the Additional Loan Documents (the "Default").

D. Mortgagor desires to modify the Gallup Note pursuant to a Modification Promissory Note (the "Modification Note"), to receive an additional advance under the Gallup Note to cover fees and costs related to the Default (the "Advance") in accordance with the terms of the Loan Documents, and to modify the Gallup Mortgage to include the terms of the Modification Note, in accordance with the terms and conditions herein.

E. Mortgagee has agreed to accept the Modification Note, to fund the Advance, and to modify the Gallup Mortgage in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, and for other good and valuable consideration, receipt of which is hereby acknowledged among the parties, it is agreed as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein.
2. Interest. Accrued interest on the Gallup Note has been paid in full to June 25, 1999.
3. Modification Note. Simultaneously with the execution of this Agreement, Mortgagor has executed and delivered to Lender the Modification Note, in the principal sum of ONE MILLION EIGHT HUNDRED TWO THOUSAND FOUR HUNDRED FORTY-FOUR AND 60/100 DOLLARS (\$1,802,444.60), having a maturity date of June 30, 2001, the terms of which Modification Note are incorporated herein by reference, which Modification Note modifies, amends and replaces in its entirety the Gallup Note, and has been executed to set forth the principal amount, the terms of repayment and various other terms and conditions relating to the existing obligation owed by Mortgagor to Mortgagee.

4. Modification of Gallup Mortgage and Gallup Loan Documents. The terms of the Gallup Mortgage and the Gallup Loan Documents are hereby modified so as to provide that:

Modification Note;

- (a) the repayment terms of the indebtedness secured hereby shall include the
- (b) the Modification Note is hereinafter included in the definition of Secured

Indebtedness set forth in the Gallup Mortgage; and

- (c) the payment of the Secured Indebtedness shall be secured by the Gallup Loan Documents and shall be subject to all of the terms and conditions of the Gallup Loan Documents, as may be modified herein.

5. Security. Mortgagor and Mortgagee acknowledge and agree that the payment of the Secured Indebtedness evidenced by the Modification Note, together with other indebtedness or advances as provided in the Gallup Mortgage, is secured by the Gallup Loan Documents, as modified by the terms and provisions of this Agreement.

6. Novation. It is the intent of the parties that this Agreement shall not constitute or cause a novation and shall in no way adversely affect the lien priority of the Gallup Mortgage and the Gallup Loan Documents. In the event that this Agreement, or any part hereof, shall be construed by a court of competent jurisdiction as operating to affect the lien priority of the Gallup Mortgage or the Gallup Loan Documents, or

285930 B-14 P-1972 06/25/99 01:43P PG 2 OF 12

STP:183221.3

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14 1973

any of them, over the claims which would otherwise be subordinate thereto, then to the extent so ruled by such court, and to the extent that third persons acquiring an interest in such property as is encumbered by the Gallup Mortgage and the Gallup Loan Documents between the time of execution of the Gallup Mortgage, the Gallup Loan Documents, and the execution hereof, are prejudiced thereby, this Agreement, or such portion hereof as shall be so construed, shall be void and of no force and effect and this Agreement shall constitute, as to that portion, a subordinate lien on the collateral described therein, incorporating by reference the terms of the Gallup Mortgage and Gallup Loan Documents, and which Gallup Mortgage and Gallup Loan Documents then shall be enforced pursuant to the terms therein contained, independent of this Agreement; provided, however, that notwithstanding the foregoing, the parties hereto, as between themselves, shall be bound by all terms and conditions hereof until all Secured Indebtedness owing by Mortgagor to Mortgagee shall have been paid in full.

7. Priority Lien. Mortgagor hereby represents and warrants that the lien of the Gallup Mortgage does, and at all times hereafter, shall continue to have a valid first priority position in favor of Mortgagee with no intervening, junior or subordinate liens. Mortgagor shall, at Mortgagor's sole cost and expense, cause any said intervening, junior or subordinate liens to be satisfied and removed of record so that the Gallup Property is at all times free and clear of all liens, taxes, encumbrances and claims of every kind, nature or description, except for the Gallup Mortgage and the Gallup Loan Documents, and Mortgagor shall furnish Mortgagee, at Mortgagor's sole cost and expense, such written evidence as may be required by Mortgagee to establish Mortgagee's priority position.

8. Costs. Mortgagor shall pay all costs of the modification made hereby and other costs related to the Default, to include without limitation attorneys' fees, and recording fees, as well as the cost of an endorsement to Mortgagee's title insurance policy insuring the lien of the Gallup Mortgage after the recording of this Agreement. Such costs shall be due at closing hereunder and the payment thereof shall be a condition precedent to Mortgagee's duties hereunder. In the event it is determined that additional costs relating to this transaction are due, Mortgagor agrees to pay such costs immediately upon demand.

9. RELEASE. MORTGAGOR AND GUARANTOR HEREBY FULLY AND FOREVER REMISE, RELEASE AND DISCHARGE MORTGAGEE, ITS OFFICERS, AGENTS AND EMPLOYEES OF AND FROM ANY AND ALL CLAIMS AND FROM ANY AND ALL OTHER MANNER OF ACTION AND ACTIONS, CAUSE OR CAUSES OF ACTION, RIGHTS, CLAIMS, COUNTERCLAIMS, DEFENSES, SUITS, SET OFFS, DEBTS, DUES, SUMS OF MONEY, ACCOUNTS, COVENANTS, CONTRACTS, CONTROVERSIES, OBLIGATIONS, LIABILITIES, AGREEMENTS, PROMISES, VARIANCES, TRESPASSES, DAMAGES, JUDGMENTS, LIENS, CLAIMS OF LIEN, LOSSES, COSTS, EXPENSES, JUDGMENT BONDS, EXECUTION AND DEMANDS OF EVERY NATURE AND KIND WHATSOEVER, IN LAW AND IN EQUITY, EITHER NOW ACCRUED OR HEREAFTER MATURING, WHICH MORTGAGOR OR GUARANTOR HAD, MAY HAVE HAD, OR NOW HAVE, OR CAN, SHALL OR MAY HAVE, FOR OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER, FROM THE BEGINNING OF THE WORLD TO AND INCLUDING THE DATE HEREOF, ARISING OUT OF OR CONNECTED IN ANY WAY WITH THE LOAN DOCUMENTS AND MORTGAGEE'S CONDUCT AND ACTIONS WITH RESPECT THERETO AND MORTGAGEE'S GENERAL BUSINESS RELATIONSHIP WITH MORTGAGOR, INCLUDING, BUT NOT LIMITED TO, THE NEGLIGENCE OF MORTGAGEE; PROVIDED, HOWEVER, MORTGAGEE IS NOT RELEASED FROM ITS OBLIGATIONS UNDER THIS AGREEMENT.

10. JURY TRIAL WAIVER. MORTGAGEE, MORTGAGOR AND GUARANTOR HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY ACTIONS RELATED TO THIS AGREEMENT, OR THE LOAN DOCUMENTS, INCLUDING, BUT NOT LIMITED TO, ACTIONS, PROCEEDINGS AND

285930 B-14 P-1973 06/25/99 01:43P PG 3 OF 12

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14 1974

COUNTERCLAIMS ARISING FROM THIS AGREEMENT AND ANY ACTIONS TAKEN HEREUNDER BY ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE'S ENTERING INTO THIS AGREEMENT.

11.

Miscellaneous.

(a) Paragraph headings used herein are for convenience only and shall not be construed as controlling the scope of any provision hereof.

(b) This Agreement and the Gallup Mortgage shall be governed by and construed in accordance with the laws of the State of New Mexico and of the United States of America and the rules and regulations promulgated under the authority thereof.

(c) Time is of the essence of this Agreement.

(d) As used herein, the neuter gender shall include the masculine and feminine genders, and vice versa, and the singular the plural, and vice versa, as the context demands.

(e) All costs incurred by Mortgagee in enforcing this Agreement and in collection of sums due Mortgagee from Mortgagor or any Guarantor, to include, without limitation, reasonable attorney's fees through all trials, appeals and proceedings, to include, without limitation, any proceedings pursuant to the bankruptcy laws of the United States, shall be paid by Mortgagor as set forth in the Gallup Mortgage and the Loan Documents.

(f) This Agreement shall inure to the benefit of and be binding upon the parties hereto as well as their successors and assigns, heirs and personal representatives.

(g) This Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

12. Ratifications. Except as herein modified and amended, Mortgagor and Guarantor, acknowledge and agree that the terms and conditions of the Gallup Loan Documents are hereby ratified and affirmed and shall remain in full force and effect. Guarantor, jointly and severally, further acknowledges, agrees and ratifies the terms and conditions of any guaranty agreement executed by Guarantor in favor of Mortgagee, which guaranty agreement shall and hereby does include the indebtedness evidenced by the Modification Note, and is subject to the terms and conditions of said Modification Note.

285930 B-14 P-1974 06/25/99 01:43P PG 4 OF 12

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14 1975

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

WITNESSES:

SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership

By: HOLLY MANAGEMENT, LLC, a Texas limited liability company, its general partner

Print Name: Susan J. WallsSusan J. WallsPrint Name: Susan J. WallsBy: Harold Holigan

HAROLD HOLIGAN, Chairman

(Corporate Seal)

STATE OF TEXAS

COUNTY OF Dallas

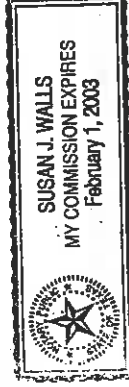
I, Susan J. Walls, a Notary Public in and for the County and State as described, DO HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be Chairman of HOLLY MANAGEMENT, LLC, a Texas limited liability company, as general partner of SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25th day of June, 1999.

My Commission Expires:

2-1-2003

Notary Public



285930 B-14 P-1975 06/25/99 01:43P PG 5 OF 12

STEP:163221:3

5

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14 1976

WITNESSES:


Print Name: Susan J. Walls
Susan J. Walls
Print Name: Susan J. Walls

HOLIGAN FAMILY INVESTMENTS, INC., a Texas
corporation

By: 
HAROLD HOLIGAN
As its: _____

(Corporate Seal)

STATE OF TEXAS

COUNTY OF Dallas

Susan J. Walls, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be President of HOLIGAN
FAMILY INVESTMENTS, INC., a Texas corporation, and whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that he signed and delivered the said
instrument as his free and voluntary act and as the free and voluntary act of the corporation for the uses and
purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25th day of June, 1999.

My Commission Expires:

2-1-2003

Notary Public



285930 B-14 P-1976 06/25/99 01:43P PG 6 OF 12

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14 1977

OLY HOLIGAN, L.P., a Texas limited partnership,

By: OLY/GP HOLIGAN, L.P., a Texas limited partnership,
its managing general partnerBy: OLY FUND II GP INVESTMENTS, L.P.,
a Texas limited partnership, its general partnerBy: OLY REAL ESTATE PARTNERS II, L.P.,
a Texas limited partnership, its general partnerBy: OLY REP II, L.P.,
a Texas limited partnership, its general partnerBy: OLY FUND II, LLC,
a Delaware limited liability company,
its general partnerBy: Paul R. Hall
As its: VICE PRESIDENT

WITNESSES:

Carol Hall
Print Name: Carol HallDebra J. Koryn
Print Name: Debra J. Koryn

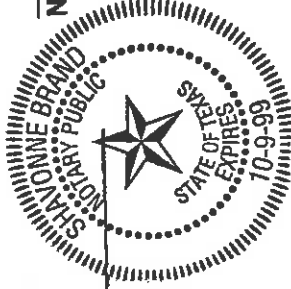
STATE OF TEXAS

COUNTY OF Dallas

I, Shannon Brand, a Notary Public in and for the County and State as described, DO
 HEREBY CERTIFY, that Paul R. Hall, personally known to me to be the Vice President of OLY
 FUND II, L.L.C., a Delaware limited liability company, and whose name is subscribed to the foregoing
 instrument, appeared before me this day in person and acknowledged that he signed and delivered the said
 instrument as his free and voluntary act and as the free and voluntary act of the corporation for the uses and
 purposes therein set forth.

GIVEN under my hand and Notarial Seal this 24th day of June, 1998.

My Commission Expires:

10-9-99Shannon Brand
Notary Public

285930 B-14 P-1977 06/25/99 01:43P PG 7 OF 12

STEP:193221:3

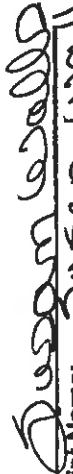
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14 1978

WITNESSES:

GREEN TREE FINANCIAL SERVICING CORPORATION,
a Delaware corporation
Print Name: Susan J. WallsBy: Luis F. Vela
LUIS F. VELA, Vice President
Print Name: Susan Walls

STATE OF TEXAS

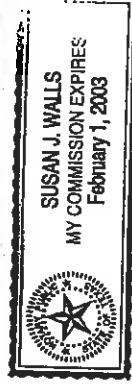
§ § §

COUNTY OF Dallas

I, Susan J. Walls, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that LUIS F. VELA, personally known to me to be Vice President of GREEN TREE
FINANCIAL SERVICING CORPORATION, a Delaware corporation, and whose name is subscribed to the
foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered
the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the
uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25th day of June, 1999.

My Commission Expires:

2-1-2003
Notary Public

285930 B-14 P-1978 06/25/99 01:43P PG 8 OF 12

STP:183221:3

8

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EXHIBIT "A"**Mortgage**

Mortgage, Security Agreement and Financing Statement from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997, and recorded June 18, 1997 in Book 11 Comp., pages 3510-3534, No. 275,176, as modified by Mortgage Modification and Spreader Agreement between Southfork Development Ltd., a Texas limited partnership, Green Tree Financial Servicing Corporation, a Delaware corporation and Holigan Family Investments, Inc., a Texas corporation dated August 11, 1997 and recorded August 12, 1997 in Book 11 Comp., pages 5398-5409, No. 275,957.

Other Security Documents

1. Assignment of Rents, Leases, Profits and Contracts from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997 and recorded June 18, 1997 in Book 11 Comp., Pages 3535-3542, No. 275,177.
2. Assignment of Borrower's Interest in Lot and Mobile Home Purchase Contracts from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997 and recorded June 18, 1997 in Book 11 Comp., Pages 3543-3548, No. 275, 178.
3. Cross Default and Cross Collateral Agreement between Southfork Development, Ltd., a Texas limited partnership, dated June 10, 1997 and recorded June 18, 1997 in Book 22 Comp., pages 3549-3556, No. 275,179.
4. UCC-1 Financing Statement from Southfork Development, Ltd., a Texas limited partnership to Green Tree Financial Servicing Corporation, a Delaware corporation, file No. 54,813, as amended by UCC-3 Financing Statement filed on August 12, 1997, file No. 54,864.
5. UCC-1 Financing Statement from Southfork Development, Ltd., a Texas limited partnership to Green Tree Financial Servicing Corporation, a Delaware corporation, filed in the office of the Secretary of State of New Mexico on June 10, 1997, file No. 970620033, as amended.

NOTE: Unless otherwise noted, all recorded documents are in the office of the County Clerk of McKinley County, New Mexico.

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EXHIBIT "B"

Additional Loan Documents

1. Commitment Letter dated May 10, 1997 issued by Green Tree Financial Servicing Corporation, a Delaware corporation, dated May 10, 1997 and accepted by Southfork Development, Ltd., a Texas limited partnership.
2. Development Loan Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation and Southfork Development, Ltd., a Texas limited partnership.
3. Credit Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation, Southfork Development, Ltd., a Texas limited partnership and Holigan Family Investments, Inc., a Texas corporation, as amended by Amended Credit Agreement dated June 25, 1999.
4. Security Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation and Southfork Development, Ltd., a Texas limited partnership.
5. Real Estate Unconditional Guaranty dated June 10, 1997, by Holigan Family Investments, Inc., a Texas corporation, in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
6. Borrower's/Owner's Affidavit dated June 10, 1997.
7. Statement of Non-Foreign Status: Entity (Loan) dated June 10, 1997.
8. Anti-Coercion Statement/Hazard Insurance dated June 10, 1997.
9. Statement Regarding Title Insurance dated June 10, 1997.
10. Collateral Assignment of Permits and Approvals dated June 10, 1997, between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
11. Assignment of Name dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
12. Indemnity Agreement dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership and Harold Holigan in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
13. Agreement Waiving Right to Jury Trial dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership and favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
14. Environmental Compliance and Indemnity Agreement dated June 10, 1997 by Southfork Development, Ltd., a Texas limited partnership and Harold Holigan in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.

285930 B-14 P-1980 06/25/99 01:43P PG 10 OF

STP:183221:3

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14 1981

15. Agreement Regarding Post Closing Matters dated June 10, 1997 between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
16. Borrower's/Owner's Affidavit dated August 7, 1997.
17. Agreement Regarding Post Closing Matters dated August 7, 1997 between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
18. Real Estate Unconditional Guaranty dated February 28, 1988, by Oly Holigan, L.P., a Texas limited partnership, in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
19. Forbearance Agreement dated June 25, 1999, between Green Tree Financial Servicing Corporation, a Delaware corporation, Southfork Development, Ltd., a Texas limited partnership, Holigan Family Investments, Inc., a Texas corporation, Oly Holigan, L.P., a Texas limited partnership, Harold Holigan and Hermena Holigan.
20. Ratification by Guarantor of Holigan Family Investments, Inc., a Texas corporation dated June 25, 1999.
21. Ratification by Guarantor of Oly Holigan, L.P., a Texas limited partnership dated June 25, 1999.
22. Borrower's/Owner's Affidavit dated June 25, 1999.

285930 B-14 P-1981 06/25/99 01:43P PG 11 OF 12

STEP:183221:3

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14 1982

EXHIBIT "C"

A tract of land lying with in the RED HILLS SOUTH ADDITION, as the same is shown and designated on the plat of said Addition filed for record in the Office of the Clerk of McKinley County, New Mexico on March 25, 1980, and being in the Northeast quarter of Section 24, T. 15N., R. 18 W., N.M.P.M., more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run South 89 degrees 58 minutes 34 seconds West along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 783.40 feet to a point.

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of North 80 degrees 52 minutes 29 seconds West for a distance of 345.16 feet to a point.

THENCE North 73 degrees 03 minutes 38 seconds West for a distance of 309.79 feet to a point.

THENCE South 88 degrees 17 minutes 11 seconds West for a distance of 253.89 feet to a point.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 619.00 feet to a point.

THENCE North 89 degrees 58 minutes 34 seconds East for a distance of 1064.36 feet to the Real Point of Beginning.

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B-14

P-1982 06/25/99 01:43P PG 12 OF 12

(Gallup, NM)

#285930

STATE OF NEW MEXICO }
COUNTY OF MCKINLEY } ss.

Filed for record in the Clerk's office

the 25th day of June
A.D. 1999 at 1:43 o'clock P.
and recorded in Book 14
of Comp. on page 197-1982
M.

County Clerk
Samuel K. Patterson
Deputy Clerk III

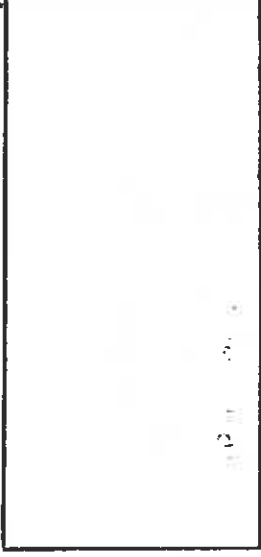
285930

This instrument prepared by and returned to:
DAVID S. BERNSTEIN, ESQ.
Ruden, McClosky, Smith, Schuster & Russell, P.A.
Post Office Box 14034
St Petersburg, Florida 33733-4034

14 1971

OFFICE OF THE
COUNTY CLERK
99 JUN 25 PM 1 43
RECEIVED BY

For Official Use Only



MORTGAGE MODIFICATION AGREEMENT

THIS MORTGAGE MODIFICATION AGREEMENT (this "Agreement"), is made this ____ day of June, 1999, by and between SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, having an address of 6009 Belt Line Road, Suite 100, Dallas, Texas 75240 ("Mortgagor"), HOLIGAN FAMILY INVESTMENTS, INC., a Texas corporation ("HFI"), having an address of 6009 Belt Line Road, Suite 100, Dallas, Texas 75240, OLY HOLIGAN, L.P., a Texas limited partnership ("Oly Holigan"), having an address of 200 Crescent Court, Suite 1650, Dallas, Texas 75201 (HFI and Oly Holigan are together, jointly and severally, referred to as "Guarantor") and GREEN TREE FINANCIAL SERVICING CORPORATION, a Delaware corporation, having its principal place of business at 100 North Point Center East, Suite 200, Alpharetta, Georgia 30022 ("Mortgagee").

RECITALS

Mortgagor is the maker of that certain Promissory Note dated June 10, 1997, executed by Mortgagor in favor of Mortgagee, in the original principal amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Gallup Note").

A. The repayment of the indebtedness evidenced by the Gallup Note and other obligations of Mortgagor is secured by a certain Mortgage, Security Agreement and Financing Statement, as described on Exhibit "A" attached hereto and made a part hereof (the "Gallup Mortgage") and other security documents also described on Exhibit "A" attached hereto and made a part hereof (collectively, the "Other Security Documents"). The Gallup Mortgage and the Other Security Documents, together with all other documents or instruments executed in connection therewith are sometimes collectively referred to as the "Gallup Loan Documents," which Gallup Loan Documents encumber, among other property, the real property described therein.

B. The Gallup Note is secured by the Gallup Loan Documents, and other loan and security documents described on Exhibit "B" attached hereto and made a part hereof (collectively, the "Additional Loan Documents") which encumber the real property described on Exhibit "C" attached hereto and made a part hereof (the "Gallup Property"). The Gallup Loan Documents, the Gallup Mortgage, the Additional Loan Documents, this Agreement and all other documents or instruments executed in connection therewith or herewith are hereinafter collectively referred to as the "Loan Documents."

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285930 B-14 P-1971 06/25/99 01:43P PG 1 OF 12 REC 27.00 DOC 2.00 NO
CAROL K. SLOAN MCKINLEY COUNTY CLERK'S OFFICE

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Gallup, NM

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For Official Use Only

286325 B-14 P-3054 07/22/99 10:15A PG 2 OF 13

14 1972

for breach of certain other obligations required in the Gallup Loan Documents and the Additional Loan Documents (the "Default").

D. Mortgagor desires to modify the Gallup Note pursuant to a Modification Promissory Note (the "Modification Note"), to receive an additional advance under the Gallup Note to cover fees and costs related to the Default (the "Advance") in accordance with the terms of the Loan Documents, and to modify the Gallup Mortgage to include the terms of the Modification Note, in accordance with the terms and conditions herein.

E. Mortgagee has agreed to accept the Modification Note, to fund the Advance, and to modify the Gallup Mortgage in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, and for other good and valuable consideration, receipt of which is hereby acknowledged among the parties, it is agreed as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein.
2. Interest. Accrued interest on the Gallup Note has been paid in full to June 25, 1999.
3. Modification Note. Simultaneously with the execution of this Agreement, Mortgagor has executed and delivered to Lender the Modification Note, in the principal sum of ONE MILLION EIGHT HUNDRED TWO THOUSAND FOUR HUNDRED FORTY-FOUR AND 60/100 DOLLARS (\$1,802,444.60), having a maturity date of June 30, 2001, the terms of which Modification Note are incorporated herein by reference, which Modification Note modifies, amends and replaces in its entirety the Gallup Note, and has been executed to set forth the principal amount, the terms of repayment and various other terms and conditions relating to the existing obligation owed by Mortgagor to Mortgagee.

4. Modification of Gallup Mortgage and Gallup Loan Documents. The terms of the Gallup Mortgage and the Gallup Loan Documents are hereby modified so as to provide that:

Modification Note;

(a) the repayment terms of the indebtedness secured hereby shall include the

Indebtedness set forth in the Gallup Mortgage; and

(b) the Modification Note is hereinafter included in the definition of Secured

(c) the payment of the Secured Indebtedness shall be secured by the Gallup Loan Documents and shall be subject to all of the terms and conditions of the Gallup Loan Documents, as may be modified herein.

5. Security. Mortgagor and Mortgagee acknowledge and agree that the payment of the Secured Indebtedness evidenced by the Modification Note, together with other indebtedness or advances as provided in the Gallup Mortgage, is secured by the Gallup Loan Documents, as modified by the terms and provisions of this Agreement.

6. Novation. It is the intent of the parties that this Agreement shall not constitute or cause a novation and shall in no way adversely affect the lien priority of the Gallup Mortgage and the Gallup Loan Documents. In the event that this Agreement, or any part hereof, shall be construed by a court of competent jurisdiction as operating to affect the lien priority of the Gallup Mortgage or the Gallup Loan Documents, or

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14 1973

any of them, over the claims which would otherwise be subordinate thereto, then to the extent so ruled by such court, and to the extent that third persons acquiring an interest in such property as is encumbered by the Gallup Mortgage and the Gallup Loan Documents between the time of execution of the Gallup Mortgage, the Gallup Loan Documents, and the execution hereof, are prejudiced thereby, this Agreement, or such portion hereof as shall be so construed, shall be void and of no force and effect and this Agreement shall constitute, as to that portion, a subordinate lien on the collateral described therein, incorporating by reference the terms of the Gallup Mortgage and Gallup Loan Documents, and which Gallup Mortgage and Gallup Loan Documents then shall be enforced pursuant to the terms therein contained, independent of this Agreement; provided, however, that notwithstanding the foregoing, the parties hereto, as between themselves, shall be bound by all terms and conditions hereof until all Secured Indebtedness owing by Mortgagor to Mortgagee shall have been paid in full.

7. Priority Lien. Mortgagor hereby represents and warrants that the lien of the Gallup Mortgage does, and at all times hereafter, shall continue to have a valid first priority position in favor of Mortgagee with no intervening, junior or subordinate liens. Mortgagor shall, at Mortgagor's sole cost and expense, cause any said intervening, junior or subordinate liens to be satisfied and removed of record so that the Gallup Property is at all times free and clear of all liens, taxes, encumbrances and claims of every kind, nature or description, except for the Gallup Mortgage and the Gallup Loan Documents, and Mortgagor shall furnish Mortgagee, at Mortgagor's sole cost and expense, such written evidence as may be required by Mortgagee to establish Mortgagee's priority position.

8. Costs. Mortgagor shall pay all costs of the modification made hereby and other costs related to the Default, to include without limitation attorneys' fees, and recording fees, as well as the cost of an endorsement to Mortgagee's title insurance policy insuring the lien of the Gallup Mortgage after the recording of this Agreement. Such costs shall be due at closing hereunder and the payment thereof shall be a condition precedent to Mortgagee's duties hereunder. In the event it is determined that additional costs relating to this transaction are due, Mortgagor agrees to pay such costs immediately upon demand.

9. RELEASE. MORTGAGOR AND GUARANTOR HEREBY FULLY AND FOREVER REMISE, RELEASE AND DISCHARGE MORTGAGEE, ITS OFFICERS, AGENTS AND EMPLOYEES OF AND FROM ANY AND ALL CLAIMS AND FROM ANY AND ALL OTHER MANNER OF ACTION AND ACTIONS, CAUSE OR CAUSES OF ACTION, RIGHTS, CLAIMS, COUNTERCLAIMS, DEFENSES, SUITS, SET OFFS, DEBTS, DUES, SUMS OF MONEY, ACCOUNTS, COVENANTS, CONTRACTS, CONTROVERSIES, OBLIGATIONS, LIABILITIES, AGREEMENTS, PROMISES, VARIANCES, TRESPASSES, DAMAGES, JUDGMENTS, LIENS, CLAIMS OF LIEN, LOSSES, COSTS, EXPENSES, JUDGMENT BONDS, EXECUTION AND DEMANDS OF EVERY NATURE AND KIND WHATSOEVER, IN LAW AND IN EQUITY, EITHER NOW ACCRUED OR HEREFTER MATURING, WHICH MORTGAGOR OR GUARANTOR HAD, MAY HAVE HAD, OR NOW HAVE, OR CAN, SHALL OR MAY HAVE, FOR OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER, FROM THE BEGINNING OF THE WORLD TO AND INCLUDING THE DATE HEREOF, ARISING OUT OF OR CONNECTED IN ANY WAY WITH THE LOAN DOCUMENTS AND MORTGAGEE'S CONDUCT AND ACTIONS WITH RESPECT THERETO AND MORTGAGEE'S GENERAL BUSINESS RELATIONSHIP WITH MORTGAGOR, INCLUDING, BUT NOT LIMITED TO, THE NEGLIGENCE OF MORTGAGEE; PROVIDED, HOWEVER, MORTGAGEE IS NOT RELEASED FROM ITS OBLIGATIONS UNDER THIS AGREEMENT.

10. JURY TRIAL WAIVER. MORTGAGEE, MORTGAGOR AND GUARANTOR HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY ACTIONS RELATED TO THIS AGREEMENT, OR THE LOAN DOCUMENTS, INCLUDING, BUT NOT LIMITED TO, ACTIONS, PROCEEDINGS AND

14 1974

286325 B-14 P-3056 07/22/99 10:15A PG 4 OF 13

COUNTERCLAIMS ARISING FROM THIS AGREEMENT AND ANY ACTIONS TAKEN HEREUNDER BY ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE'S ENTERING INTO THIS AGREEMENT.

11. Miscellaneous.

(a) Paragraph headings used herein are for convenience only and shall not be construed as controlling the scope of any provision hereof.

(b) This Agreement and the Gallup Mortgage shall be governed by and construed in accordance with the laws of the State of New Mexico and of the United States of America and the rules and regulations promulgated under the authority thereof.

(c) Time is of the essence of this Agreement.

(d) As used herein, the neuter gender shall include the masculine and feminine genders, and vice versa, and the singular the plural, and vice versa, as the context demands.

(e) All costs incurred by Mortgagee in enforcing this Agreement and in collection of sums due Mortgagee from Mortgagor or any Guarantor, to include, without limitation, reasonable attorney's fees through all trials, appeals and proceedings, to include, without limitation, any proceedings pursuant to the bankruptcy laws of the United States, shall be paid by Mortgagor as set forth in the Gallup Mortgage and the Loan Documents.

(f) This Agreement shall inure to the benefit of and be binding upon the parties hereto as well as their successors and assigns, heirs and personal representatives.

(g) This Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

12. Ratifications. Except as herein modified and amended, Mortgagor and Guarantor, acknowledge and agree that the terms and conditions of the Gallup Loan Documents are hereby ratified and affirmed and shall remain in full force and effect. Guarantor, jointly and severally, further acknowledges, agrees and ratifies the terms and conditions of any guaranty agreement executed by Guarantor in favor of Mortgagee, which guaranty agreement shall and hereby does include the indebtedness evidenced by the Modification Note, and is subject to the terms and conditions of said Modification Note.

285930 B-14 P-1974 06/25/99 01:43P PG 4 OF 12

STP:183221.13

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14 1975

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

WITNESSES:

SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership

By: HOLLY MANAGEMENT, LLC, a Texas limited liability company, its general partner

By: [Signature]
HAROLD HOLIGAN, Chairman

(Corporate Seal)

Print Name: Susan J. Walls

Print Name: Susan J. Walls

STATE OF TEXAS

COUNTY OF Dallas

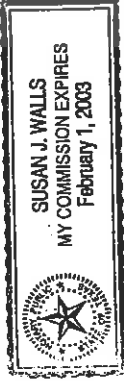
I, Susan J. Walls, a Notary Public in and for the County and State as described, DO HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be Chairman of HOLLY MANAGEMENT, LLC, a Texas limited liability company, as general partner of SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25th day of June, 1999.

My Commission Expires:

2-1-2003

[Signature]
Notary Public



For Official Use Only

286325 B-14 P-3058 07/22/99 10:15A PG 6 OF 13

14 1976

WITNESSES:

Print Name: Susan WallsPrint Name: Susan Walls

HOLIGAN FAMILY INVESTMENTS, INC., a Texas corporation

By: [Signature]

HAROLD HOLIGAN

As Its:

(Corporate Seal)

STATE OF TEXAS

COUNTY OF Dallas

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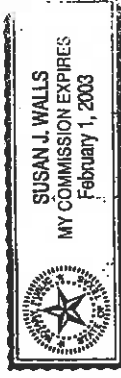
Susan J. Walls, a Notary Public in and for the County and State as described, DO HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be Harold Holigan of HOLIGAN FAMILY INVESTMENTS, INC., a Texas corporation, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 20th day of June, 1999.

My Commission Expires:

2-1-2003

Notary Public



285930 B-14 P-1976 06/25/99 01:43P PG 6 OF 12

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14 1977

OLY HOLIGAN, L.P., a Texas limited partnership,

By: OLY/GP HOLIGAN, L.P., a Texas limited partnership,
its managing general partner

By: OLY FUND II GP INVESTMENTS, L.P.,
a Texas limited partnership, its general partner

By: OLY REAL ESTATE PARTNERS II, L.P.,
a Texas limited partnership, its general partner

By: OLY REP II, L.P.,
a Texas limited partnership, its general partner

By: OLY FUND II, LLC,
a Delaware limited liability company,
its general partner

WITNESSES:

Carol Hall
Print Name: Carol Hall

Debra J. Kavanagh
Print Name: Debra J. Kavanagh

By: Paul R. Hall
As its: VICE PRESIDENT

STATE OF TEXAS

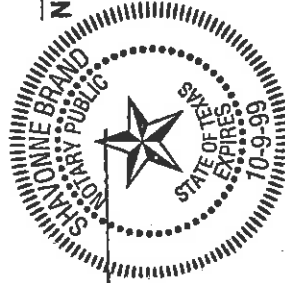
§ § §
COUNTY OF Dallas

I, Shannon Brand, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that Paul R. Hall, personally known to me to be the Vice President of OLY
FUND II, L.L.C., a Delaware limited liability company, and whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that he signed and delivered the said
instrument as his free and voluntary act and as the free and voluntary act of the corporation for the uses and
purposes therein set forth.

GIVEN under my hand and Notarial Seal this 24th day of June, 1999.

My Commission Expires:

10-9-99



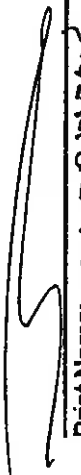
Shannon Brand
Notary Public

286325 B-14 P-3060 07/22/99 10:15A PG 8 OF 13

For Official Use Only

14 1978

WITNESSES:

GREEN TREE FINANCIAL SERVICING CORPORATION,
a Delaware corporation
Print Name: Susan J. WallsBy: Luis F. Vela
LUIS F. VELA, Vice PresidentSusan J. Walls
Print Name: Susan Walls

STATE OF TEXAS

COUNTY OF Dallas

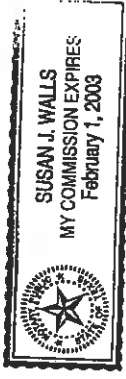
I, Susan J. Walls, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that LUIS F. VELA, personally known to me to be Vice President of GREEN TREE
FINANCIAL SERVICING CORPORATION, a Delaware corporation, and whose name is subscribed to the
foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered
the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the
uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25th day of June, 1999.

My Commission Expires:

2-1-2003

Notary Public

Susan J. Walls

285930 B-14 P-1978 06/25/99 01:43P PG 8 OF 12

STP:183221:3

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For Official Use Only

14 1979

EXHIBIT "A"

Mortgage

Mortgage, Security Agreement and Financing Statement from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997, and recorded June 18, 1997 in Book 11 Comp., pages 3510-3534, No. 275,176, as modified by Mortgage Modification and Spreader Agreement between Southfork Development Ltd., a Texas limited partnership, Green Tree Financial Servicing Corporation, a Delaware corporation and Holigan Family Investments, Inc., a Texas corporation dated August 11, 1997 and recorded August 12, 1997 in Book 11 Comp., pages 5398-5409, No. 275,967.

Other Security Documents

1. Assignment of Rents, Leases, Profits and Contracts from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997 and recorded June 18, 1997 in Book 11 Comp., Pages 3535-3542, No. 275,177.
2. Assignment of Borrower's Interest in Lot and Mobile Home Purchase Contracts from Southfork Development, Ltd., a Texas limited partnership, to Green Tree Financial Servicing Corporation, a Delaware corporation, dated June 10, 1997 and recorded June 18, 1997 in Book 11 Comp., Pages 3543-3548, No. 275, 178.
3. Cross Default and Cross Collateral Agreement between Southfork Development, Ltd., a Texas limited partnership, dated June 10, 1997 and recorded June 18, 1997 in Book 22 Comp., pages 3549-3556, No. 275,179.
4. UCC-1 Financing Statement from Southfork Development, Ltd., a Texas limited partnership to Green Tree Financial Servicing Corporation, a Delaware corporation, file No. 54,813, as amended by UCC-3 Financing Statement filed on August 12, 1997, file No. 54,864.
5. UCC-1 Financing Statement from Southfork Development, Ltd., a Texas limited partnership to Green Tree Financial Servicing Corporation, a Delaware corporation, filed in the office of the Secretary of State of New Mexico on June 10, 1997, file No. 970620033, as amended.

NOTE: Unless otherwise noted, all recorded documents are in the office of the County Clerk of McKinley County, New Mexico.

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286325 B-14 P-3062 07/22/99 10:15A PG 10 OF 13

14 1980

EXHIBIT "B"

Additional Loan Documents

1. Commitment Letter dated May 10, 1997 issued by Green Tree Financial Servicing Corporation, a Delaware corporation, dated May 10, 1997 and accepted by Southfork Development, Ltd., a Texas limited partnership.
2. Development Loan Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation and Southfork Development, Ltd., a Texas limited partnership.
3. Credit Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation, Southfork Development, Ltd., a Texas limited partnership and Holigan Family Investments, Inc., a Texas corporation, as amended by Amended Credit Agreement dated June 25, 1999.
4. Security Agreement dated June 10, 1997, between Green Tree Financial Servicing Corporation, a Delaware corporation and Southfork Development, Ltd., a Texas limited partnership.
5. Real Estate Unconditional Guaranty dated June 10, 1997, by Holigan Family Investments, Inc., a Texas corporation, in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
6. Borrower's/Owner's Affidavit dated June 10, 1997.
7. Statement of Non-Foreign Status: Entity (Loan) dated June 10, 1997.
8. Anti-Coercion Statement/Hazard Insurance dated June 10, 1997.
9. Statement Regarding Title Insurance dated June 10, 1997.
10. Collateral Assignment of Permits and Approvals: dated June 10, 1997, between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
11. Assignment of Name dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
12. Indemnity Agreement dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership and Harold Holigan in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
13. Agreement Waiving Right to Jury Trial dated June 10, 1997, by Southfork Development, Ltd., a Texas limited partnership and favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
14. Environmental Compliance and Indemnity Agreement dated June 10, 1997 by Southfork Development, Ltd., a Texas limited partnership and Harold Holigan in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.

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14 1981

15. Agreement Regarding Post Closing Matters dated June 10, 1997 between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
16. Borrower's/Owner's Affidavit dated August 7, 1997.
17. Agreement Regarding Post Closing Matters dated August 7, 1997 between Southfork Development, Ltd., a Texas limited partnership and Green Tree Financial Servicing Corporation, a Delaware corporation.
18. Real Estate Unconditional Guaranty dated February 28, 1998, by Oly Holigan, L.P., a Texas limited partnership, in favor of Green Tree Financial Servicing Corporation, a Delaware corporation.
19. Forbearance Agreement dated June 25, 1999, between Green Tree Financial Servicing Corporation, a Delaware corporation, Southfork Development, Ltd., a Texas limited partnership, Holigan Family Investments, Inc., a Texas corporation, Oly Holigan, L.P., a Texas limited partnership, Harold Holigan and Hermena Holigan.
20. Ratification by Guarantor of Holigan Family Investments, Inc., a Texas corporation dated June 25, 1999.
21. Ratification by Guarantor of Oly Holigan, L.P., a Texas limited partnership dated June 25, 1999.
22. Borrower's/Owner's Affidavit dated June 25, 1999.

285930 B-14 P-1981 06/25/99 01:43P PG 11 OF 12

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EXHIBIT C

SOUTHEAST QUARTER OF SECTION 24, T15N, R18W, N.M.P.M.

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M. Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point.

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of north 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410 feet to a point,

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

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14 1982

EXHIBIT "C"

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A tract of land lying with in the RED HILLS SOUTH ADDITION, as the same is shown and designated on the plat of said Addition filed for record in the Office of the Clerk of McKinley County, New Mexico on March 25, 1980, and being in the Northeast quarter of Section 24, T. 15N., R. 18 W., N.M.P.M., more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run South 89 degrees 58 minutes 34 seconds West along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 783.40 feet to a point.

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of North 80 degrees 52 minutes 29 seconds West for a distance of 345.16 feet to a point.

THENCE North 73 degrees 03 minutes 38 seconds West for a distance of 309.79 feet to a point.

THENCE South 88 degrees 17 minutes 11 seconds West for a distance of 253.89 feet to a point.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 619.00 feet to a point.

THENCE North 89 degrees 58 minutes 34 seconds East for a distance of 1084.36 feet to the Real Point of Beginning.

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(Gallup, NM)

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#285930

STATE OF NEW MEXICO }
COUNTY OF MCKINLEY } SS.

Filed for record in the Clerk's office

the 25th day of June 1999 at 1:43 o'clock P. M.
A.D. 19 99 at 1:43 o'clock P. M.
and recorded in Book Comp. 14
of Comp. on page 1971-1982

Charles R. Sloan
County Clerk

Samela R. Patterson
Deputy Clerk III

286325

CROSS DEFAULT AND CROSS COLLATERAL AGREEMENT

THIS AGREEMENT, made as of this 14 day of July, 1999, by and between **SOUTHFORK HOMES, LTD., f/k/a HOLIGAN-PATRIOT, L.P.**, a Texas limited partnership ("Homes"), and **SOUTHFORK DEVELOPMENT, LTD.**, a Texas limited partnership ("Southfork") and **GREEN TREE FINANCIAL SERVICING CORPORATION**, a Delaware corporation, its successors or assigns ("Lender") and is made under the following facts:

RECITALS

- A. Homes is indebted to Lender, as evidenced by one (1) Inventory Financing and Security Agreement dated April 21, 1997 (the "Floor Plan Agreement") which encumbers the property described therein (the "Homes Property").
- B. Southfork is indebted to Lender, as evidenced by five (5) promissory notes, as modified (the "Southfork Notes") in the original principal amount of THIRTEEN MILLION FIVE HUNDRED FOURTEEN THOUSAND NINE HUNDRED FIFTY FOUR AND 04/100 DOLLARS (\$13,514,954.04), which indebtedness is secured by certain mortgages or deeds of trust and other security documents (collectively the "Southfork Loan Documents"); the Southfork Loan Documents encumber the properties described in Exhibit "A" attached hereto and made a part hereof (collectively, the "Southfork Property") and other properties described in the Southfork Loan Documents.
- C. On or about June 25, 1999, Lender and Southfork entered into that certain Forbearance Agreement (the "Forbearance Agreement").
- D. Additionally, in conjunction with the execution and delivery of this Agreement, Lender, Southfork and Homes have entered into that certain Master Loan Agreement (the "Master Loan Agreement") of even date herewith, which requires that the parties enter into this Agreement.
- E. The Floor Plan Agreement and the Southfork Notes are hereinafter collectively referred to as the "Notes." The Floor Plan Agreement, the Southfork Loan Documents, the Forbearance Agreement and the Master Loan Agreement are hereinafter collectively referred to as the "Loan Documents."

NOW, THEREFORE, it is agreed that in consideration of the monies advanced as of this date and other good and valuable consideration, receipt of which is hereby acknowledged by the parties hereto, and in consideration of the Recitals and of the mutual covenants contained herein, the parties agree as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein.
2. Cross-Default/Cross-Collateralization. The Notes shall be deemed to be in default in the event of any default made by Homes or Southfork in any of the Notes or Loan Documents. Each and every one of the Loan Documents shall be deemed to be in default in the event of any default made by Homes or Southfork in connection with any one or all of the Notes or Loan Documents. All references in all documents hereinabove

286415 B-14 P-3339 07/28/99 10:03A PG 1 OF 15 REC 33.00 DOC 2.00
CAROL K. SLOAN MCKINLEY COUNTY CLERK'S OFFICE

PREPARED BY AND RETURN TO:

DAVID S. BERNSTEIN, ESQ.
Ruden, McClosky, Smith, Schuster & Russell, P.A.
150 Second Avenue North, Suite 1700
St. Petersburg, Florida 33701

NOV 2 00 01 15

mentioned to "loans" or "indebtedness" or "amounts secured" shall be deemed to refer to the entire indebtedness described in the Notes, as may be hereinafter modified, amended, increased or renewed. All collateral named in each and every one of the Loan Documents shall be collateral for the Notes. A default under any of the Loan Documents shall entitle Lender to accelerate the maturity of any or all of the Notes, including the Note to which the default relates. Lender shall have the right to exercise any rights or remedies it may have against Homes or Southfork, or any or all properties described in the Loan Documents serving as security for any of the loans, (specifically including the Homes Property and the Southfork Property), or any of the credit enhancements that may be available to Lender, all of which rights and remedies may be exercised by Lender in such order and combination as Lender deems appropriate.

3. Warranties and Representations. Homes and Southfork hereby affirm, warrant and represent that all of the warranties and representations made by them in the Notes and Loan Documents described herein are true and correct as of the date hereof, that it is not in default of any of the Loan Documents or Notes nor aware of any default with respect thereto.

4. Miscellaneous.

- a. Paragraph headings used herein are for convenience only and shall not be construed as controlling the scope of any provisions hereof.
- b. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida or the state in which the Homes Property or the Southfork Property is located.
- c. Time is of the essence of this Agreement.
- d. In the event that Lender resorts to litigation to enforce this Agreement, all costs of such litigation, to include reasonable attorney's fees through all trials, appeals and proceedings, to include, without limitation, any proceedings pursuant to the bankruptcy laws of the United States, shall be paid by Homes and Southfork, jointly and severally.
- e. This Agreement shall inure to the benefit of and be binding upon the parties hereto as well as their successors and assigns, heirs and personal representatives.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

WITNESSES:

GREEN TREE FINANCIAL SERVICING CORPORATION,
a Delaware corporation

Meredith Boulton
Print Name: Meredith Boulton

By: Luis F. Vela
LUIS F. VELA, Vice President

Luis F. Vela
Print Name: Luis F. Vela

"Lender"

STATE OF TEXAS

§
§
§

COUNTY OF DALLAS

I, Doris Cline, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that LUIS F. VELA, personally known to me to be Vice President of GREEN TREE
FINANCIAL SERVICING CORPORATION, a Delaware corporation, and whose name is subscribed to the
foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered
the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the
uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 14 day of July, 1999.

My Commission Expires:

3.25.2009

Doris Cline
Notary Public



286415 B-14 P-3341 07/28/99 10:03A PG 3 OF 15

SOUTHFORK:

SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership

Meredith Bartlett
Print Name: Meredith Bartlett
Jack Doris
Print Name: Jack Doris

By: HOLLY MANAGEMENT, LLC, a Texas limited liability company, its general partner

By: Harold Holigan
HAROLD HOLIGAN, Chairman

(Corporate Seal)

STATE OF TEXAS

§
§
§

COUNTY OF DALLAS

I, Doris Cline, a Notary Public in and for the County and State as described, DO HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be Chairman of HOLLY MANAGEMENT, LC, a Texas limited liability company, as general partner of SOUTHFORK DEVELOPMENT, LTD., a Texas limited partnership, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 14 day of July, 1999.

My Commission Expires:

3.25.2002

Doris Cline
Notary Public



HOMES:

Meredith Barlett
Print Name: Meredith Barlett

Jack Davis
Print Name: Jack Davis

SOUTHFORK HOMES, LTD. f/k/a HOLIGAN-PATRIOT,
L.P., a Texas limited partnership

By: [Signature]
HAROLD HOLIGAN
As its: _____

(Corporate Seal)

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

I, Doris Cline, a Notary Public in and for the County and State as described, DO
HEREBY CERTIFY, that HAROLD HOLIGAN, personally known to me to be clearance of
SOUTHFORK HOMES, LTD. f/k/a HOLIGAN-PATRIOT, L.P., a Texas limited partnership, and whose name
is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he
signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of the
corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 14 day of July, 1999.

My Commission Expires:

3.25.2002

Doris Cline
Notary Public

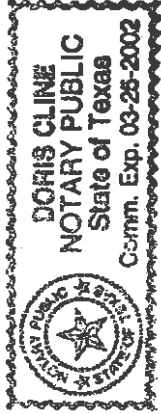


EXHIBIT "A"

EXHIBIT "A" - LEGAL DESCRIPTION
(Springhill, Tennessee)

REAL PROPERTY LOCATED IN THE 11TH CIVIL DISTRICT OF WILLIAMSON COUNTY, TENNESSEE, BEING WITHIN THE CORPORATE LIMITS OF THE TOWN OF SPRUNG HILL, BEING TAX PARCEL 40 AS SHOWN ON WILLIAMSON COUNTY PROPERTY MAP NUMBER 154 AND BEING MORE PARTICULARLY DESCRIBED ACCORDING TO A BOUNDARY SURVEY PREPARED BY WAMBLE AND ASSOCIATES, PLLC, DATED MAY 21, 1997, AS FOLLOWS:

BEGINNING AT A POINT, SAID POINT BEING A P.K. NAIL (NEW) SET IN THE CENTER LINE OF BUCKNER ROAD, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF PROPERTY CONVEYED TO FOUNT I. SMOTHERS, ETUX AS OF RECORD IN DEED BOOK 887, PAGE 140, R.O.W.C., TN.; THENCE, FOLLOWING THE CENTER LINE OF BUCKNER ROAD NORTH 86 DEGREES 02 MINUTES 51 SECONDS WEST 1,816.47 FEET TO A P.K. NAIL (NEW); THENCE, NORTH 85 DEGREES 34 MINUTES 27 SECONDS WEST 1,213.99 FEET TO A P.K. NAIL (NEW); THENCE, NORTH 85 DEGREES 48 SECONDS WEST 878.85 FEET, TO AN IRON ROD (NEW) ON THE SOUTH SIDE OF BUCKNER ROAD; THENCE, NORTH 01 DEGREES 55 MINUTES 39 SECONDS EAST 277.75 FEET, CROSSING BUCKNER ROAD, TO AN IRON ROD (NEW), BEING ON THE EAST LINE OF PROPERTY CONVEYED TO ANGELA CHERYL SHERLING MAGLI AND RANDOLPH R. SHERLING, JR. TRUSTEES AS OF RECORD IN DEED BOOK 639, PAGE 930, R.O.W.C., TN.; THENCE, CONTINUING WITH SAID EAST LINE NORTH 03 DEGREES 50 MINUTES 39 SECONDS EAST 1,511.58 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST, BEING MAGLI AND SHERLING'S NORTHEAST CORNER, ALSO BEING ON THE SOUTH LINE OF PROPERTY CONVEYED TO CYNTHIA JEAN SHATTUCK AS OF RECORD IN DEED BOOK 876, PAGE 352, R.O.W.C., TN.; THENCE, FOLLOWING SAID SOUTH LINE SOUTH 87 DEGREES 21 MINUTES 48 SECONDS EAST 624.14 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST, BEING SHATTUCK'S SOUTHEAST CORNER, ALSO BEING THE SOUTHWEST CORNER OF PROPERTY CONVEYED TO JAMES LEE TOMLIN AND BILLY CARL TOMLIN AS OF RECORD IN DEED BOOK 486, PAGE 124, R.O.W.C., TN.; THENCE, FOLLOWING THE SOUTH LINE OF SAID TOMLIN, AND THE SOUTH LINE OF PROPERTY CONVEYED TO JENALICE JORDAN RAMSEY AS OF RECORD IN DEED BOOK 183, PAGE 84, R.O.W.C., TN., JAMES B. JACKSON, ETUX AS OF RECORD IN DEED ESTATES PAGE 234, R.O.W.C., TN., AND THE SOUTH LINE OF COUNTRY HAVEN ESTATES SUBDIVISION AS OF RECORD IN PLAT BOOK 5, PAGE 30, R.O.W.C., TN. SOUTH 87 DEGREES 21 MINUTES 48 SECONDS EAST 2,240.65 FEET TO AN IRON ROD (NEW), BEING AT THE END OF THE EAST RIGHT-OF-WAY LINE OF COUNTRY HAVEN DRIVE; THENCE, CONTINUING WITH THE SOUTH LINE OF SAID COUNTRY HAVEN ESTATES SOUTH 87 DEGREES 46 MINUTES 45 SECONDS EAST 519.20 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST; THENCE, FOLLOWING THE EAST LINE OF SAID COUNTRY HAVEN ESTATES NORTH 01 DEGREES 26 MINUTES 32 SECONDS EAST 1,675.70 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST, BEING THE SOUTHWEST CORNER OF PROPERTY CONVEYED TO JOHN A. FRANTZ, JR., ETUX AS OF RECORD IN DEED BOOK 1466, PAGE 513, R.O.W.C., TN.; THENCE, FOLLOWING THE SOUTH LINE OF SAID FRANTZ AND THE SOUTH LINE OF PROPERTY CONVEYED TO KENDALL PATTERSON AS OF RECORD IN DEED BOOK 1450, PAGE 899, R.O.W.C., TN., SOUTH 87 DEGREES 48 MINUTES 42 SECONDS EAST 897.61 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST, BEING PATTERSON'S

EXHIBIT "A" - LEGAL DESCRIPTION

SOUTHEAST CORNER; THENCE, FOLLOWING THE EAST LINE OF SAID PATTERSON PROPERTY NORTH 01 DEGREES 57 MINUTES 43 SECONDS EAST PASSING THRU AND IRON ROD (OLD) AT 1,428.36 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 1,453.36 FEET TO A P.K. NAIL (NEW) SET IN THE CENTER OF THOMPSON STATION ROAD; THENCE, FOLLOWING SAID CENTER LINE SOUTH 87 DEGREES 45 MINUTES 32 SECONDS EAST 351.46 FEET TO A P.K. NAIL (NEW); THENCE, SOUTH 86 DEGREES 04 MINUTES 15 SECONDS EAST 846.16 FEET TO A P.K. NAIL (NEW), BEING THE NORTHWEST CORNER OF PROPERTY CONVEYED TO KENNETH BRUCE BEMISDERFER AS OF RECORD IN DEED BOOK 766, PAGE 883, R.O.W.C., TN.; THENCE, LEAVING THE CENTER OF THOMPSON STATION ROAD AND FOLLOWING THE WEST LINE OF SAID BEMISDERFER SOUTH 05 DEGREES 51 MINUTES 34 SECONDS WEST, PASSING THRU AN IRON ROD (OLD) AT 25.00 FEET, AND CONTINUING FOR A TOTAL DISTANCE OF 935.35 FEET TO AN IRON ROD (OLD); THENCE, CONTINUING WITH BEMISDERFER'S WEST LINE AND THE WEST LINE OF PROPERTY CONVEYED TO DOUGLAS G. GOETSCH AS OF RECORD IN DEED BOOK 750, PAGE 879, R.O.W.C., TN., SOUTH 05 DEGREES 31 MINUTES 32 SECONDS WEST 425.45 FEET TO AN IRON ROD (OLD) BEING THE SOUTHWEST CORNER OF GOETSCH, ALSO BEING THE NORTHWEST CORNER OF PROPERTY CONVEYED TO TIM L. CAMERON AS OF RECORD IN DEED BOOK 472, PAGE 988, R.O.W.C., TN.; THENCE, FOLLOWING THE WEST LINE OF SAID CAMERON SOUTH 03 DEGREES 51 MINUTES 35 SECONDS WEST 2,170.13 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST, BEING THE NORTHEAST CORNER OF MAPLELAWN ESTATES SUBDIVISION AS OF RECORD IN PLAT BOOK 22, PAGE 27, R.O.W.C., TN.; THENCE, LEAVING CAMERON AND FOLLOWING THE NORTH LINE OF SAID MAPLELAWN ESTATES NORTH 87 DEGREES 51 MINUTES 48 SECONDS WEST, PASSING THRU AN IRON ROD (OLD) AT 267.62 FEET, AND CONTINUING FOR A TOTAL DISTANCE OF 388.60 FEET TO AN IRON ROD (NEW); THENCE, NORTH 86 DEGREES 17 MINUTES 52 SECONDS WEST 222.82 FEET TO AN IRON ROD (OLD); THENCE, NORTH 01 DEGREES 55 MINUTES 20 SECONDS EAST 410.64 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST; THENCE, NORTH 87 DEGREES 41 MINUTES 42 SECONDS WEST 166.99 FEET TO AN IRON ROD (OLD) AT A FENCE CORNER POST; THENCE, FOLLOWING THE WEST LINE OF SAID MAPLELAWN ESTATES SOUTH 00 DEGREES 58 MINUTES 03 SECONDS EAST 134.95 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 00 DEGREES 03 MINUTES 31 SECONDS WEST 153.70 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 00 DEGREES 42 MINUTES 29 SECONDS EAST 204.60 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 00 DEGREES 25 MINUTES 31 SECONDS WEST 93.50 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 25 DEGREES 54 MINUTES 31 SECONDS WEST 184.60 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 02 DEGREES 07 MINUTES 29 SECONDS EAST 94.67 FEET TO AN IRON ROD (NEW); THENCE, SOUTH 12 DEGREES 49 MINUTES 31 SECONDS WEST 92.68 FEET TO AN IRON PIPE (OLD) BEING THE NORTHWEST CORNER OF PROPERTY CONVEYED TO FOUNT T. SMOTHERS AS OF RECORD IN DEED BOOK 887, PAGE 140, R.O.W.C., TN.; THENCE, LEAVING SAID MAPLELAWN ESTATES AND FOLLOWING THE WEST LINE OF SAID SMOTHERS SOUTH 14 DEGREES 06 MINUTES 08 SECONDS WEST 45.84 FEET TO AN IRON ROD (OLD); THENCE, SOUTH 07 DEGREES 01 MINUTES 08 SECONDS WEST 937.23 FEET TO THE POINT OF BEGINNING.

CONTAINING 13,481,645.22 SQUARE FEET OR 309.50 ACRES.

BEING THE SAME PROPERTY CONVEYED TO HOLIGAN FAMILY INVESTMENTS, INC., AS SHOWN IN DEED BOOK 1766 PAGE 574 R.O.W.C., TN.

286415

286415 B-14 P-3346 07/28/99 10:03A PG 8 OF 15

LEGAL DESCRIPTION

THE NORTH HALF, THE NORTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 15, TOWNSHIP 13 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 15 (P.O.B.); THENCE S00°76'47"W, 3250.73 FEET ALONG THE EASTERLY LINE OF SAID SECTION TO THE SOUTHEAST CORNER THEREOF; THENCE S89°23'18"W, 1317.03 FEET ALONG THE SOUTHERLY LINE OF SAID SECTION TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER THEREOF; THENCE N00°00'14"W, 1316.00 FEET ALONG THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER TO THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER; THENCE S89°21'08"W, 1309.47 FEET ALONG THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTH HALF OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER TO THE SOUTHERLY LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION TO THE SOUTHWEST CORNER THEREOF; THENCE N00°74'34"E, 3953.51 FEET ALONG THE WESTERLY LINE OF SAID SECTION TO THE NORTHEAST CORNER THEREOF; THENCE N89°36'47"E, 5268.96 FEET ALONG THE NORTHERLY LINE OF SAID SECTION TO THE POINT OF BEGINNING.

(Colorado Springs)

200413

EXHIBIT C

SOUTHEAST QUARTER OF SECTION 24, T15N, R18W, N.M.P.M.

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M. Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point.

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of north 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

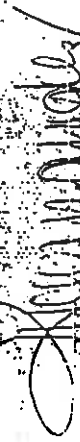
THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410 feet to a point,

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

286415

A handwritten signature, possibly "K. M. H. H. H.", is written over a circular official stamp. The stamp contains some illegible text, likely a notary seal.

14 1982

EXHIBIT "C"

A tract of land lying with in the RED HILLS SOUTH ADDITION, as the same is shown and designated on the plat of said Addition filed for record in the Office of the Clerk of McKinley County, New Mexico on March 25, 1980, and being in the Northeast quarter of Section 24, T. 15N., R. 18 W., N.M.P.M., more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run South 89 degrees 58 minutes 34 seconds West along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 783.40 feet to a point.

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of North 80 degrees 52 minutes 29 seconds West for a distance of 345.16 feet to a point.

THENCE North 73 degrees 03 minutes 38 seconds West for a distance of 309.79 feet to a point.

THENCE South 88 degrees 17 minutes 11 seconds West for a distance of 253.89 feet to a point.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 619.00 feet to a point.

THENCE North 89 degrees 58 minutes 34 seconds East for a distance of 1084.36 feet to the Real Point of Beginning.

285930

B-14

P-1982 06/25/99 01:43P PG 12 OF 12

286415

B-14

P-3348 07/28/99 10:03A PG 10 OF 15

(Gallup, NM)

Page 2 of 2

#285930

STATE OF NEW MEXICO }
COUNTY OF MCKINLEY }

SS.

Filed for record in the Clerk's office

the 25th day of June 1999 at 1:43 o'clock P. M.
A.D. 1999 and recorded in Book Comp. 14
of Comp. on page 1971-1982
Carol K. Peterson

County Clerk
Pamela R. Peterson

LEGAL DESCRIPTION

Being 270.185 acres of land situated within the William T. Neil Survey Number 62, Abstract 544, County Block 5197, Bexar County, Texas. Said 270.185 acres of land being described as two tracts, Tract A and Tract B. Tract A, containing 248.099 acres of land, being part of a 253.388 acre tract of land as described in Special Warranty Deed with Vendor's Lien dated May 6, 1996, Grantor: Kelly Field National Bank, Grantee: JAD Interests, Inc. and recorded in volume 6747, page 1915, a 25.38 acre tract of land as described in Warranty Deed with Vendor's Lien dated May 9, 1996, Grantor: Reb D. Gibson and wife, Colleen J. Gibson, Grantee: Buckeye Place, Ltd., and recorded in volume 6750, Page 1902 and a 1.578 acre tract of land as described in Warranty Deed dated March 31, 1997, Grantor: J. K. Uptmore & Associates, INC., Grantee: Buckeye Place, Ltd. and recorded in volume 7057, page 271. Tract B, containing 22.086 acres of land, being a part of the hereinabove 253.388 acre tract of land as described in volume 6747, page 1915. All deed references being located in the Real Property Records of Bexar County, Texas. The bearings recited herein are based on the hereinabove 253.388 acre tract of land. A plat depicting said 270.185 acres of land has been prepared to accompany these field notes. Said 270.185 acres of land being more particularly described by metes and bounds as follows:

TRACT 'A' (248.099 ACRES):

BEGINNING at a found iron pin being the southeast corner of Cagnon Road and U.S. Highway 90 (west) from which a found iron pin being the original corner of the 253.388 acre tract of land bears, South 51° 34' 41" West, 78.56 feet. Said Beginning Point being the northeast corner of a 2.487 acre tract of land as described in Warranty Deed dated March 29, 1996, Grantor: Kelly Field National Bank, Grantee: County of Bexar and recorded in volume 6772, page 1909 of the Real Property Records of Bexar county, Texas;

THENCE leaving the northeast corner of Cagnon Road and U.S. Highway 90 (west) and with the south right-of-way of U.S. Highway 90 (west), generally with a fence, North 51° 34' 41" East 89.51 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE North 74° 15' 43" East, 220.59 feet to a set iron pin;

THENCE North 85° 42' 25" East, 226.01 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE North 82° 26' 30" East, 443.04 feet to a found iron pin;

THENCE leaving the south right-of-way of U.S. Highway 90 (west) and with the west right-of-way of Loop 1604, South 78° 34' 15" East, 259.24 feet to a found iron pin;

TEENCE South 56° 56' 42" 18" East, 280.92 feet to a found iron pin;

(Legal description continued)

THENCE South 45° 43' 01" East, 379.78 feet to a found Texas Highway Department standard concrete right-of-way monument.

THENCE South 23° 11' 4" East, 405.61 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 21° 06' 52" East, 336.12 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 45° 42' 51" East, 141.18 feet to a found Texas Highway Department standard concrete right-of-way monument

THENCE South 21° 21' 40" East, 399.83 feet to a found Texas Highway Department standard concrete right-of-way easement;

South 10° 10' 45" East, 205.04 feet to a found 5/8" iron pin;

THENCE South 28° 03' 11" East, 1,198.01 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 21° 18' 03" East, 1,381.73 feet to a found Texas Highway Department standard concrete right-of-way monument. Said monument being the northeast corner of a 25.38 acre tract of land as described in Warranty Deed with Vendor's lien dated May 9, 1995, Grantor: Reb. D. and wife, Colleen J. Gibson and recorded in volume 6750, page 1902 of the Real Property Records of Bexar County, Texas.

THENCE leaving the west right-of-way of Loop 1604 and with the east line of at the 25.31 acre tract of land, generally with a fence, South 00° 13' 52" West, 1,408.12 feet to a found Texas Highway Department standard concrete right-of-way monument on the north line of Farm Road 143;

THENCE leaving the east line of the 25.38 acre tract of land and with the north right-of-way of Farm Road 143, generally with a fence, South 83° 05' 34" West, S14.82 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 83° 16' 45" West, 261.91 feet to a found Texas Highway Department standard concrete right-of-way monument and being within the limits of a 135 foot wide City Public Service Board easement and right-of-way as described in volume 5765, page 290 of the Deeds Records of Bexar County, Texas.

North 80° 20' 17" West, 836.83 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE leaving the north right-of-way of Farm Road 143 and with the east line of a 403.8 acre tract of land as described in deed dated May 25, 1993 and recorded in volume 3004, page 617 of the Real Property Records of Bexar County, Texas and also with the east line of a 70.63 acre tract of land as described in deed dated June 11, 1992 and recorded in volume 5366, page 1129 of the Real Property Records of Bexar County, Texas, generally with a fence, North 00° 12' 06" East, at 880.44 feet the southwest line of the hereinabove 135 foot wide City Public Service Board easement and right-of-way, a total distance of 1,105.63 feet to a set iron pin;

(Legal description continued)

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THENCE leaving the fence, and with the northeast line of the 70.63 acre tract of land same being the northeast line of a 135 foot wide City Public Service Board easement and right-of-way, North 36° 31' 03" West, at 1,738.93 feet crossing a found iron pin being the east corner of a 9.946 acre tract of land as described in deed dated October 14, 199, and recorded in volume 6233, page 522 of the Real Property Records of Bexar County, Texas, a total distance of 2,583.71 feet to a found iron pin on the east right-of-way of Cagnon Road;

THENCE leaving the northeast line of the 9.946 acre tract of land and leaving the northeast line of the 135 foot wide City Public Service Board Easement and right-of-way and with the east right-of-way of Cagnon Road, generally with a fence, North 00° 04' 59" West, 1,848.43 feet to the Place of Beginning and containing 248.099 acres of land in Bexar County, Texas.

TRACT 'B' (22.086 ACRES):

Commencing at a found Texas Highway Department standard concrete right-of-way monument being the northwest corner of Farm Road 143 and Loop 1604;

Thence with the north right-of-way of Farm Road 143, generally with a fence, south 89° 54' 04" West, 493.75 feet to a found Texas Highway Department standard concrete right-of-way monument. Same being the southeast corner of a 248.099 acre tract of land, called Tract A, surveyed this date;

Thence continuing with the north right-of-way of Farm Rod 143 and with the south line of Tract A, containing 248.099 acres of land, South 83° 05' 34" West, 514.82 feet to a found Texas Highway Department standard concrete right-of-way monument;

Thence leaving the south line of Tract A and leaving the north right-of-way of Farm Road 143 and leaving the fence and crossing Farm Road 143, South 00° 17' 38" West, 284.46 feet to a set iron pin on the south right-of-way of Farm Road 143. Said set iron pin being the POINT OF BEGINNING of these herein described 22.086 acre tract of land, called Tract B;

THENCE leaving the south right-of-way of Farm Road 143 and with the west line of a 7.884 acre tract of land, called Tract 1, as described in volume 4549, page 1970 and with the west line of the remainder of a 21.587 acre tract of land, called Tract 6 and with the west line of a 26.040 acre tract of land, called Tract 5, Tracts 6 and 5 being as described in volume 5773, page 672 of the Deed Records of Bexar County, Texas, generally with a fence, South 00° 18' 07" West, at 177.26 crossing the southeast corner of a 135 foot wide City Public Service Board easement and right-of-way as described in volume 5785, page 290 of the Deed Records of Bexar County, Texas, a total distance of 792.20 feet to a set iron pin at a fence corner;

(Legal description continued)

THENCE leaving the west line of Tracts 1, 6 and 5 and with the north line of a 17.897 acre tract of land, called Tract 4, as described in volume 5773, page 672 of the Deed Records, generally with a fence, at approximately 823 feet the east side of a water pond and crossing the pond, at approximately 983 feet the west side of the pond, a total distance of 1,083.16 feet to a set iron pin on the east line of a 403.87 acre tract of land as described in volume 3004, page 617 of the Real Property Records of Bexar County, Texas.

THENCE leaving the north line of the 17.697 acre tract of land and with the east line of the 403.87 acre tract of land, generally with a fence, North 00° 10' 27" East, 934.84 feet to a found iron pin;

THENCE North 00° 12' 06" East, 54.29 feet to a found Texas Highway Department standard concrete right-of-way monument on the south right-of-way of Farm Road 143;

THENCE leaving the east line of the 403.87 acre tract of land and with the south right-of-way of Farm Road 143, generally with a fence, South 79° 10' 51" East, 916.13 feet to a found Texas Highway Department standard concrete right-of-way monument;

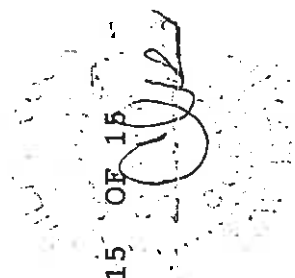
THENCE South 78° 51' 17" East, 85.79 feet to a found Texas Highway Department standard concrete right-of-way monument;

THENCE South 83° 26' 13" East, 100.94 feet to the Place of Beginning and containing 22.086 acres of land in Bexar County, Texas.

LEGAL DESCRIPTION

Lots 1 thru 14, Block A, Lots 1 thru 26, Block B, Lots 1 thru 16, Block C, Lots 1 thru 45, Block D and Lots 1 thru 13, Block E, Valley Vista, a 125.45 acre subdivision situated in the John McQueen Survey, Abstract 426, recorded in Cabinet P, Slides 18, 19 & 20, Plat Records, Williamson County, Texas.

286415 B-14 P-3353 07/28/99 10:03A PG 15 OF 15



277856 B-12 P-515 01/05/98 11:19A PG 8 OF 17

①

This instrument was prepared by and when
recorded, return to:

Yolanda Haley, Paralegal)
Weil, Gotshal & Manges, LLP)
100 Crescent Court, Suite 1300)
Dallas, Texas 75201-6950)

RELEASE OF LIENS

THE STATE OF NEW MEXICO §
COUNTY OF MCKINLEY §

THAT Conseco Finance Servicing Corp., f/k/a Green Tree Financial Servicing Corporation, a Delaware corporation ("Noteholder"), the legal and equitable holder of that certain Promissory Note (as amended, the "Note"), dated June 10, 1997, executed by Southfork Development, Ltd. ("Maker") and payable to Green Tree Financial Servicing Corporation, a Delaware corporation, in the original principal amount of Two Million Two Hundred Fifty Thousand and No/100 Dollars (\$2,250,000.00), with such interest and other provisions as set forth in the Note and as more fully described in the following described documents:

- A. That certain Mortgage, Security Agreement and Financing Statement (as modified, the "Mortgage"), dated June 10, 1997, executed by Maker for the benefit of Green Tree Financial Servicing Corporation, a Delaware corporation, and covering the property described therein, which Mortgage was recorded on June 18, 1997 in Book 11 Comp., pages 3510-3534, No. 275,176, as modified by (i) Mortgage Modification and Spreader Agreement recorded on August 12, 1997 in Book 11 Comp., pages 5398-5409, No. 275,957 and (ii) Mortgage Modification Agreement recorded on June 25, 1999 in Book 14 Comp., pages 1971-1982, No. 285,930 and re-recorded for correction on July 22, 1999 in Book 14 Comp., pages 3053-3065, No. 286,325;
- B. That certain Assignment of Rents, Leases, Profits and Contracts (the "Assignment of Rents"), dated June 10, 1977, executed by Maker for the benefit of Green Tree Financial Servicing Corporation, a Delaware corporation, recorded on June 10, 1997 in Book 11 Comp., pages 3535-3542, No. 275,177;
- C. That certain Assignment of Borrower's Interest in Lot and Mobile Home Purchase Contracts (the "Assignment of Contracts"), dated June 10, 1997, executed by Maker for the benefit of Green Tree Financial Servicing Corporation, a Delaware corporation, recorded on June 18, 1997 in Book 11 Comp., pages 3543-3548, No. 275,178; and
- D. Those certain Cross Default and Cross Collateral Agreements (the "Cross Collateral Agreements") recorded on June 18, 1997 in Book 22 Comp., pages 3549-3556, No. 275,179 and recorded on March 19, 1999 in Book 13 Comp., pages 8257-8269, No. 284,394;

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1 of 4 B19 P3722 R 15.00 D 0.00
McKinley County, Carol K. Sloan - County Clerk

303745

and in consideration of the sum of Ten and No/100 Dollars (\$10.00), the receipt of which is hereby acknowledged, the Noteholder has released, discharged and quitclaimed, and by these presents does hereby release, discharge and quitclaim unto Maker and their successors in interest to the property described on Exhibit A, attached hereto and incorporated herein by reference (herein the "Property") and all of the right, title and interest in and to the Property which the undersigned has or may be entitled to by virtue of the liens of the Note, the Mortgage, the Assignment of Rents, the Assignment of Contracts, the Cross Collateral Agreements, all Guarantys of the Note, all modifications and all other assignments, liens and security interests securing the payment thereof, and does hereby declare the Property fully released and discharged therefrom and from any and all liens, rights, claims, security interests and assignments held by the undersigned whatsoever.

SIGNED this 9th day of Oct., 2002, but effective as of December 29, 2000.

CONSECO FINANCE SERVICING CORP. f/k/a
GREEN TREE FINANCIAL SERVICING
CORPORATION, a Delaware corporation

By: [Signature]

THE STATE OF Georgia §
COUNTY OF Lawrence §:

I, Angela R. Shepard a Notary Public in and for the County and State as described, DO HEREBY CERTIFY, that Leo Gubault, Jr., personally known to me to be the Vice President of Conesco Finance Servicing Corp. f/k/a Green Tree Financial Servicing Corporation, a Delaware corporation, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 9th day of October, 2002.

[Signature]
Notary Public in and for the State of Georgia

(Personalized Seal)



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McKinley County, Carol K. Sloan - County Clerk

DATE: 25227401\SNRM01\DOC66174.0023

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303745

SOUTHEAST QUARTER OF SECTION 24, T15N, R18W, N.M.P.M.

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M. Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point.

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point.

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point.

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point.

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point.

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point.

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point.

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 583.64 feet, being subtended by a chord of north 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point.

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point.

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point.

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point.

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point.

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point.

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point.

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410 feet to a point.

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

tract of land lying with in the RED HILLS SOUTH ADDITION, as the same is shown and designated on the plat of said Addition filed for record in the Office of the Clerk of McKinley County, New Mexico on March 25, 1980, and being in the Northeast quarter of Section 24, T. 15N., R. 18 W., N.M.P.M., more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section and run South 89 degrees 58 minutes 34 seconds West along said corner section line for a distance of 1585.00 feet to the Real Point Beginning.

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 783.40 feet to a point.

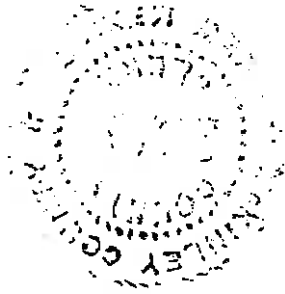
THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord with 80 degrees 52 minutes 29 seconds West for a distance of 106.56 feet to a point.

THENCE North 73 degrees 03 minutes 38 seconds West for a distance of 309.79 feet to a point.

THENCE South 88 degrees 17 minutes 11 seconds West for a distance of 253.89 feet to a point.

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 619.00 feet to a point.

THENCE North 89 degrees 58 minutes 34 seconds East for a distance of 1084.36 feet to the Real Point of Beginning.



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McKinley County, Carol K. Sloan - County Clerk

TOTAL P.05

303745

DRAWN BY AND RETURN TO:
Kirkpatrick & Lockhart Nicholson Graham, LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attention: Brian R. Forbes

STATE OF NEW MEXICO

COUNTY OF MCKINLEY

MORTGAGE

THIS MORTGAGE (this "Mortgage") is made and entered into effective as of the 15th day of December, 2005, which date shall be the effective date of this Mortgage, by **HOLIGAN LAND DEVELOPMENT, LTD.**, a Texas limited partnership ("HLD"), in favor of **PNL MFR II, L.P.**, a Delaware limited partnership, together with its successors and assigns (the "Lender").

This Mortgage secures the performance of all obligations of HLD under that certain Unconditional Guaranty executed by HLD of even date herewith (the "Guaranty").

Capitalized terms used, but not defined, herein shall have the meanings given to such terms in the Guaranty. All of the terms, definitions, conditions and covenants of the Guaranty are expressly made a part of this Mortgage by reference in the same manner and with the same effect as if set forth herein at length and any beneficiary of this Mortgage is entitled to the benefits of and remedies provided in the Guaranty.

W I T N E S S E T H:

HLD, in consideration of the indebtedness herein recited, irrevocably grants, mortgages, conveys and assigns to Lender and Lender's successors and assigns, all of the following described land, real property interests, improvements, fixtures, and other personal property:

- (a) All that tract or parcel of land and other real property interests in McKinley County, New Mexico, more particularly described on Exhibit A, attached hereto and made a part hereof (the "Land"), subject to the permitted encumbrances filed of record (the "Permitted Encumbrances"); and
- (b) All buildings, improvements and tenements of every kind and description now or hereafter erected or placed on the Land, if any (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected or placed thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the Land.

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, to Lender and Lender's successors and assigns to secure the indebtedness herein recited and upon this special condition: that should the indebtedness secured hereby be paid according to the tenor and effect thereof when the same shall be due and payable and should HLD timely and fully discharge its obligations hereunder and under the Guaranty, then this Mortgage shall be released of record by Lender so that the Land and Improvements (hereinafter collectively referred to as the "Mortgaged Premises") shall be free and clear of the lien and operation of this Mortgage, with mortgage covenants and subject to the statutory mortgage conditions.

NEW MEXICO MORTGAGE
Trails of Glenwood
DA-170762 v2 1201150-0003

PAGE 1

322875

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McKinley County Jacqueline Sloan - County Clerk

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McKinley County Jacqueline Sloan - County Clerk

HLD covenants, warrants, represents and agrees as follows:

1. Amount Secured. This Mortgage secures all obligations under the Guaranty, including without limitation, HLD's obligation to pay all amounts due under that certain Promissory Note of even date herewith executed by The Stoddard Group, Ltd. in favor of Lender, in the original principal amount of \$2,000,000.00 (the "Loan"), and any and all renewals, extensions, replacements notes, sums expended to protect Lender's interest, or future advances thereto, and shall have priority from the time of recording of this Mortgage as to all such additional amounts. Lender is making a \$2,000,000.00 loan to The Stoddard Group, Ltd. and is requiring collateral to secure such loan. HLD, in consideration of the loan being made to The Stoddard Group, Ltd., wishes to grant a mortgage on its property to Lender as security for the loan to The Stoddard Group, Ltd. This Mortgage is being granted to Lender by HLD with full knowledge and consent of HLD that its property may be foreclosed upon if there is a default upon this Mortgage, and that the Mortgaged Premises is being mortgaged, collateralized and hypothecated for a loan to a person or entity other than HLD to secure the full payment of the principal and interest of said Loan, and any renewals or extensions thereof, in accordance with the terms of said Loan and this Mortgage.
2. Foreclosure. Upon the occurrence of an event of default under the Guaranty, or any loan document securing the Loan, Lender, at Lender's option, may foreclose the lien of this Mortgage by judicial proceeding and may pursue any other remedies permitted by applicable law or provided herein or in the Guaranty. Lender shall be entitled to collect all fees, costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorney's fees, costs of documentary evidence, abstracts and title reports. If a foreclosure suit is commenced, Lender, without notice to HLD and without regard to the value of the Mortgaged Premises or the solvency of HLD, shall be entitled to the immediate appointment of a receiver, having the usual powers, to take possession of the Mortgaged Premises and to manage the same during the pendency of the foreclosure suit.
3. Rights Upon Event of Default. Upon the occurrence of any event of default under the Guaranty, Lender, immediately and without additional notice and without liability therefor to HLD, except for the gross negligence or willful misconduct of Lender, may do or cause to be done any or all of the following: (a) take physical possession of the Mortgaged Premises; (b) exercise its right to collect any profits deriving from the Mortgaged Premises; (c) enter into contracts for the repair and maintenance of the Improvements thereon; (d) expend funds and any profits for the payment of any taxes, insurance premiums, assessments and charges for repair and maintenance of the Improvements, preservation of the lien of this Mortgage and satisfaction and fulfillment of any liabilities or obligations of HLD arising out of or in any way connected with the use, repair or maintenance of Improvements on the Mortgaged Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Mortgage; (e) take any steps to protect and enforce the specific performance of any covenant, condition or agreement in the Guaranty, or to aid in the execution of any power herein granted; and (f) generally, supervise, manage, and contract with reference to the Mortgaged Premises as if Lender were an equitable owner of the Mortgaged Premises, and upon such terms and conditions as Lender may elect in its sole and absolute discretion. HLD also agrees that any of the foregoing rights and remedies of Lender may be exercised at any time independently of the exercise of any other such rights and remedies, and Lender may continue to exercise any or all such rights and remedies until the event of default under the Guaranty is cured or until foreclosure and the conveyance of the Mortgaged Premises to the high bidder.
4. Appointment of Receiver. Upon the occurrence of an event of default under the Guaranty, Lender shall be entitled, without additional notice and without regard to the adequacy of any security for the Loan or the solvency of any party bound for its payment, to seek the appointment of a receiver to take possession of and to operate the Mortgaged Premises, and to collect any profits derived therefrom, all expenses of which shall be added to the indebtedness secured hereby.



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5. Waivers. No waiver of any event of default under the Guaranty shall at any time thereafter be held to be a waiver of any rights of Lender stated anywhere in this Mortgage, the Guaranty, or any loan documents executed in connection with the Loan, nor shall any waiver of any prior event of default under the Guaranty operate to waive any subsequent event of default. All remedies provided in this Mortgage and the Guaranty are cumulative and may, at the election of Lender, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by applicable law.

6. Terms. The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and assigns, provided that nothing herein shall be construed to authorize or permit HLD to make or effect any transfer of any interest in or with respect to HLD or the Mortgaged Premises. The term "Lender" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

7. Notices. All notices and other communications shall have been duly given and shall be effective (i) when delivered, (ii) when transmitted via telecopy (or other facsimile device) to the number set forth below, (iii) on the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iv) on the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties at the address set forth below, or at such other address as such party may specify by written notice to the other party hereto. No notice of change of address shall be effective except upon actual receipt.

if to HLD:

Holigan Land Development, Ltd.
15950 North Dallas Parkway, Suite 750
Dallas, Texas 75248
Attn: Harold Holigan
Telephone:
Telecopy:

to Lender:

PNL MFR II, L.P.
2100 Ross Avenue, Suite 2900
Dallas, Texas 75201
Attn: Daniel S. Levitan
Telephone: (214) 379-2209
Telecopy: (214) 379-9003

with a copy to:

Kirkpatrick & Lockhart Nicholson Graham LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attn: Brian R. Forbes
Telephone: (214) 939-4944
Telecopy: (214) 939-4949

The parties hereto agree that any notice sent to HLD at its address set forth herein (or designated in accordance with this Section) shall be deemed notice to all general partners or members of HLD, if any. Personal delivery to a party or to any officer, partner, member, agent or employee of such party at its address herein shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been received shall also constitute receipt.

8. Headings. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Mortgage nor the intent of any provision hereof.

9. General Provisions. A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Mortgage to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Mortgage may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. The terms, provisions, covenants and conditions hereof shall be binding upon HLD and its heirs, devisees, representatives, successors and assigns, provided that nothing herein shall be construed to authorize or permit HLD to make or effect any transfer of any interest in or with respect to the Mortgaged Premises.

10. Due on Sale; Due on Encumbrance. Without limiting any other provision in the Guaranty, should HLD, without the prior written consent of Lender, which consent may be withheld in Lender's sole and absolute discretion, permit any sale, transfer, conveyance or other disposal of the Mortgaged Premises or engage in any subordinate financing of the Mortgaged Premises or grant any consensual liens against the Mortgaged Premises, or replat or rezone the Mortgaged Premises, Lender may, at its option, accelerate the entire unpaid principal balance of the indebtedness secured hereby without advance notice to HLD, the same becoming immediately due and payable.

11. Right of Redemption. Pursuant to N.M. Stat. Ann. Section 39-5-18 the period of redemption after any foreclosure shall be one month in lieu of nine months.

12. WRITTEN AGREEMENT.

(a) THE RIGHTS AND OBLIGATIONS OF HLD AND LENDER SHALL BE DETERMINED SOLELY FROM THIS WRITTEN MORTGAGE AND THE GUARANTY, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN LENDER AND HLD CONCERNING THE SUBJECT MATTER HEREOF AND OF THE GUARANTY ARE SUPERSEDED BY AND MERGED INTO THIS MORTGAGE AND THE GUARANTY.

(b) THIS MORTGAGE AND THE GUARANTY MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS MORTGAGE OR THE GUARANTY.

(c) THIS WRITTEN MORTGAGE AND THE GUARANTY REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

13. WAIVER OF JURY TRIAL. LENDER AND HLD HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS MORTGAGE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY LENDER AND HLD, AND LENDER AND HLD ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY

WAY TO MODIFY OR NULLIFY ITS EFFECT. LENDER AND HLD FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

[SIGNATURE PAGE FOLLOWS.]

NEW MEXICO MORTGAGE
Trails of Glenwood
DA-170762 v2 1201150-0003



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McKinley County Jacqueline Sloan - County Clerk

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IN WITNESS WHEREOF, HLD has executed this Mortgage.

Execution Date: December 15, 2005

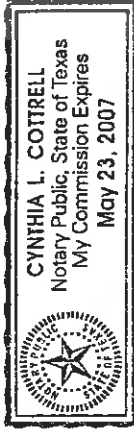
HOLIGAN LAND DEVELOPMENT, LTD., a
Texas limited partnership

By: HL Development, LLC, a Texas limited liability
company, its general partner

By: [Signature]
Name: Harold Holigan
Title: Senior Vice President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 15, 2005, by Harold Holigan, as Senior Vice President of HL Development, LLC, a Texas limited liability company and general partner of Holigan Land Development, Ltd., a Texas limited partnership, on behalf of said limited liability company and limited partnership.



[Signature]
Notary Public, State of Texas
Cynthia L. Cottrell
Printed Name of Notary
My Commission Expires: 5-23-07

NEW MEXICO MORTGAGE
Trails of Glenwood

Error! Unknown document property name.



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McKinley County Jacqueline Sloan - County Clerk

SIGNATURE PAGE

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EXHIBIT A

Legal Description of Mortgaged Premises

EXHIBIT A -- NEW MEXICO MORTGAGE
Trails of Glenwood
DA-170762 v2 1201150-0003



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McKinley County Jacqueline Sloan -- County Clerk

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EXHIBIT " A "
LEGAL DESCRIPTION

A tract of land within the Southeast Quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Beginning at the East quarter corner of said Section 24, being the Real Point of Beginning;

THENCE South 00 degrees 14 minutes 52 seconds West along the East line of said Section 24 for a distance of 990.00 feet to a point;

THENCE North 89 degrees 45 minutes 08 seconds West for a distance of 345.00 feet to a point;

THENCE North 58 degrees 45 minutes 08 seconds West for a distance of 410.00 feet to a point;

THENCE South 27 degrees 14 minutes 52 seconds West for a distance of 420.00 feet to a point;

THENCE South 72 degrees 51 minutes 45 seconds West for a distance of 132.54 feet to a point;

THENCE North 58 degrees 21 minutes 01 seconds West for a distance of 195.00 feet to a point;

THENCE South 29 degrees 40 minutes 00 seconds West for a distance of 100.00 feet to a point;

THENCE South 06 degrees 57 minutes 00 seconds West for a distance of 175.00 feet to a point;

THENCE North 83 degrees 03 minutes 00 seconds West for a distance of 145.00 feet to a point of curvature;

THENCE along a curve to the left having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of South 81 degrees 21 minutes 39 seconds West for a distance of 378.92 feet to a point;

THENCE North 24 degrees 13 minutes 42 seconds West for a distance of 57.98 feet to a point;

THENCE North 02 degrees 26 minutes 58 seconds West for a distance of 463.37 feet to a point;

THENCE North 14 degrees 58 minutes 33 seconds East for a distance of 900.00 feet to a point on the center section line of said Section 24;

THENCE North 89 degrees 58 minutes 33 seconds East along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

Said tract of land annexed into the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the Office of the County Clerk of McKinley County, New Mexico on May 21, 1980 at reception No. 195,815.



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McKinley County Jacqueline Sloan - County Clerk

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410.00 feet to a point,

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

Said tract of land annexed in the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195, 815.

PARCEL 2:

Tracts C-1, C-2, C-3, and H-1 of HIDDEN VALLEY SUBDIVISION as the same are shown and designated on the replat of Tracts C, D, and H, HIDDEN VALLEY SUBDIVISION, Gallup, McKinley County, New Mexico filed in the office of the Clerk of McKinley County, New Mexico on November 13, 1998.

A-2

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McKinley County Jacqueline Sloan - County Clerk

DRAWN BY AND RETURN TO:
Kirkpatrick & Lockhart Nicholson Graham, LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attention: Brian R. Forbes

STATE OF NEW MEXICO

COUNTY OF MCKINLEY

MORTGAGE

THIS MORTGAGE (this "*Mortgage*") is made and entered into effective as of the 15th day of December, 2005, which date shall be the effective date of this Mortgage, by HAROLD HOLIGAN and HERMENA HOLIGAN (collectively, "*Holigan*"), in favor of PNL MFR II, L.P., a Delaware limited partnership, together with its successors and assigns (the "*Lender*").

This Mortgage secures the performance of all obligations of Holigan under that certain Unconditional Guaranty executed by Holigan of even date herewith (the "*Guaranty*").

Capitalized terms used, but not defined, herein shall have the meanings given to such terms in the Guaranty. All of the terms, definitions, conditions and covenants of the Guaranty are expressly made a part of this Mortgage by reference in the same manner and with the same effect as if set forth herein at length and any beneficiary of this Mortgage is entitled to the benefits of and remedies provided in the Guaranty.

WITNESSETH:

Holigan, in consideration of the indebtedness herein recited, irrevocably grants, mortgages, conveys and assigns to Lender and Lender's successors and assigns, all of the following described land, real property interests, improvements, fixtures, and other personal property:

- (a) All that tract or parcel of land and other real property interests in McKinley County, New Mexico, more particularly described on Exhibit A, attached hereto and made a part hereof (the "Land"), subject to the permitted encumbrances filed of record (the "Permitted Encumbrances"); and
- (b) All buildings, improvements and tenements of every kind and description now or hereafter erected or placed on the Land, if any (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected or placed thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the Land.

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, to Lender and Lender's successors and assigns to secure the indebtedness herein recited and upon this special condition: that should the indebtedness secured hereby be paid according to the tenor and effect thereof when the same shall be due and payable and should Holigan timely and fully discharge its obligations hereunder and under the Guaranty, then this Mortgage shall be released of record by Lender so that the Land and Improvements (hereinafter collectively referred to as the "Mortgaged Premises") shall be free and clear of the lien and operation of this Mortgage, with mortgage covenants and subject to the statutory mortgage conditions.

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Holigan covenants, warrants, represents and agrees as follows:

1. **Amount Secured.** This Mortgage secures all obligations under the Guaranty, including without limitation, Holigan's obligation to pay all amounts due under that certain Promissory Note of even date herewith executed by The Stoddard Group, Ltd. in favor of Lender, in the original principal amount of \$2,000,000.00 (the "Loan"), and any and all renewals, extensions, replacements notes, sums expended to protect Lender's interest, or future advances thereto, and shall have priority from the time of recording of this Mortgage as to all such additional amounts. Lender is making a \$2,000,000.00 loan to The Stoddard Group, Ltd. and is requiring collateral to secure such loan. Holigan, in consideration of the loan being made to The Stoddard Group, Ltd., wishes to grant a mortgage on its property to Lender as security for the loan to The Stoddard Group, Ltd. This Mortgage is being granted to Lender by Holigan with full knowledge and consent of Holigan that its property may be foreclosed upon if there is a default upon this Mortgage, and that the Mortgaged Premises is being mortgaged, collateralized and hypothecated for a loan to a person or entity other than Holigan to secure the full payment of the principal and interest of said Loan, and any renewals or extensions thereof, in accordance with the terms of said Loan and this Mortgage.

2. **Foreclosure.** Upon the occurrence of an event of default under the Guaranty, or any loan document securing the Loan, Lender, at Lender's option, may foreclose the lien of this Mortgage by judicial proceeding and may pursue any other remedies permitted by applicable law or provided herein or in the Guaranty. Lender shall be entitled to collect all fees, costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorney's fees, costs of documentary evidence, abstracts and title reports. If a foreclosure suit is commenced, Lender, without notice to Holigan and without regard to the value of the Mortgaged Premises or the solvency of Holigan, shall be entitled to the immediate appointment of a receiver, having the usual powers, to take possession of the Mortgaged Premises and to manage the same during the pendency of the foreclosure suit.

3. **Rights Upon Event of Default.** Upon the occurrence of any event of default under the Guaranty, Lender, immediately and without additional notice and without liability therefor to Holigan, except for the gross negligence or willful misconduct of Lender, may do or cause to be done any or all of the following: (a) take physical possession of the Mortgaged Premises; (b) exercise its right to collect any profits deriving from the Mortgaged Premises; (c) enter into contracts for the repair and maintenance of the Improvements thereon; (d) expend funds and any profits for the payment of any taxes, insurance premiums, assessments and charges for repair and maintenance of the Improvements, preservation of the lien of this Mortgage and satisfaction and fulfillment of any liabilities or obligations of Holigan arising out of or in any way connected with the use, repair or maintenance of Improvements on the Mortgaged Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Mortgage; (e) take any steps to protect and enforce the specific performance of any covenant, condition or agreement in the Guaranty, or to aid in the execution of any power herein granted; and (f) generally, supervise, manage, and contract with reference to the Mortgaged Premises as if Lender were an equitable owner of the Mortgaged Premises, and upon such terms and conditions as Lender may elect in its sole and absolute discretion. Holigan also agrees that any of the foregoing rights and remedies of Lender may be exercised at any time independently of the exercise of any other such rights and remedies, and Lender may continue to exercise any or all such rights and remedies until the event of default under the Guaranty is cured or until foreclosure and the conveyance of the Mortgaged Premises to the high bidder.

4. **Appointment of Receiver.** Upon the occurrence of an event of default under the Guaranty, Lender shall be entitled, without additional notice and without regard to the adequacy of any security for the Loan or the solvency of any party bound for its payment, to seek the appointment of a receiver to take possession of and to operate the Mortgaged Premises, and to collect any profits derived therefrom, all expenses of which shall be added to the indebtedness secured hereby.

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5. **Waivers.** No waiver of any event of default under the Guaranty shall at any time thereafter be held to be a waiver of any rights of Lender stated anywhere in this Mortgage, the Guaranty, or any loan documents executed in connection with the Loan, nor shall any waiver of any prior event of default under the Guaranty operate to waive any subsequent event of default. All remedies provided in this Mortgage and the Guaranty are cumulative and may, at the election of Lender, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by applicable law.

6. **Terms.** The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and assigns, provided that nothing herein shall be construed to authorize or permit Holigan to make or effect any transfer of any interest in or with respect to Holigan or the Mortgaged Premises. The term "Lender" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

7. **Notices.** All notices and other communications shall have been duly given and shall be effective (i) when delivered, (ii) when transmitted via telecopy (or other facsimile device) to the number set forth below, (iii) on the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iv) on the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties at the address set forth below, or at such other address as such party may specify by written notice to the other party hereto. No notice of change of address shall be effective except upon actual receipt.

if to Holigan:

Harold and Hermena Holigan
5310 Meaders Lane
Dallas, Texas 75229
Telephone:
Telecopy:

to Lender:

PNL MFR II, L.P.
2100 Ross Avenue, Suite 2900
Dallas, Texas 75201
Attn: Daniel S. Levitan
Telephone: (214) 379-2209
Telecopy: (214) 379-9003

with a copy to:

Kirkpatrick & Lockhart Nicholson Graham LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attn: Brian R. Forbes
Telephone: (214) 939-4944
Telecopy: (214) 939-4949

The parties hereto agree that any notice sent to Holigan at its address set forth herein (or designated in accordance with this Section) shall be deemed notice to all general partners or members of Holigan, if any. Personal delivery to a party or to any officer, partner, member, agent or employee of such party at its address herein shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been received shall also constitute receipt.

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8. **Headings.** The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Mortgage nor the intent of any provision hereof.

9. **General Provisions.** A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Mortgage to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Mortgage may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. The terms, provisions, covenants and conditions hereof shall be binding upon Holigan and its heirs, devisees, representatives, successors and assigns, provided that nothing herein shall be construed to authorize or permit Holigan to make or effect any transfer of any interest in or with respect to the Mortgaged Premises.

10. **Due on Sale; Due on Encumbrance.** Without limiting any other provision in the Guaranty, should Holigan, without the prior written consent of Lender, which consent may be withheld in Lender's sole and absolute discretion, permit any sale, transfer, conveyance or other disposal of the Mortgaged Premises or engage in any subordinate financing of the Mortgaged Premises or grant any consensual liens against the Mortgaged Premises, or replat or rezone the Mortgaged Premises, Lender may, at its option, accelerate the entire unpaid principal balance of the indebtedness secured hereby without advance notice to Holigan, the same becoming immediately due and payable.

11. **Right of Redemption.** Pursuant to N.M. Stat. Ann. Section 39-5-18 the period of redemption after any foreclosure shall be one month in lieu of nine months.

12. **WRITTEN AGREEMENT.**

(a) THE RIGHTS AND OBLIGATIONS OF HOLIGAN AND LENDER SHALL BE DETERMINED SOLELY FROM THIS WRITTEN MORTGAGE AND THE GUARANTY, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN LENDER AND HOLIGAN CONCERNING THE SUBJECT MATTER HEREOF AND OF THE GUARANTY ARE SUPERSEDED BY AND MERGED INTO THIS MORTGAGE AND THE GUARANTY.

(b) THIS MORTGAGE AND THE GUARANTY MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS MORTGAGE OR THE GUARANTY.

(c) THIS WRITTEN MORTGAGE AND THE GUARANTY REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

13. **WAIVER OF JURY TRIAL.** LENDER AND HOLIGAN HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS MORTGAGE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY LENDER AND HOLIGAN, AND LENDER AND HOLIGAN ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN

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ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. LENDER AND HOLIGAN FURTHER
ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE
OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS MORTGAGE AND IN THE
MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN
FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER
WITH COUNSEL.

[SIGNATURE PAGE FOLLOWS.]

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IN WITNESS WHEREOF, Holigan has executed this Mortgage.

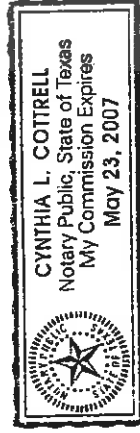
Execution Date: December 15, 2005

Harold Holigan
HAROLD HOLIGAN

Hermena Holigan
HERMENA HOLIGAN

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

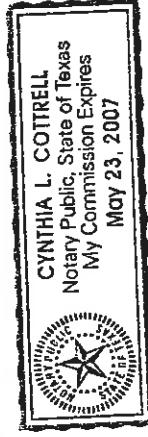
This instrument was acknowledged before me on December 15, 2005, by HAROLD HOLIGAN, individually.



Cynthia L. Cottrell
Notary Public, State of Texas
CYNTHIA L. COTTRELL
Printed Name of Notary
My Commission Expires: 5-23-07

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 15, 2005, by HERMENA HOLIGAN, individually.



Cynthia L. Cottrell
Notary Public, State of Texas
CYNTHIA L. COTTRELL
Printed Name of Notary
My Commission Expires: 5-23-07

NEW MEXICO MORTGAGE
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SIGNATURE PAGE

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EXHIBIT A

Legal Description of Mortgaged Premises

EXHIBIT A -- NEW MEXICO MORTGAGE
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GE A - 1

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EXHIBIT A

PARCEL 1:

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24,

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point,

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of North 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

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WHEN RECORDED, RETURN TO:
Kirkpatrick & Lockhart Nicholson Graham LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attention: Brian R. Forbes

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McKinley County Jacqueline Sloan - County Clerk

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT (this "Agreement") is made to be effective as of the 24th day of April, 2006, by and between **HOLIGAN LAND DEVELOPMENT, LTD.**, a Texas limited partnership ("Partnership Guarantor"), whose mailing address is 15950 North Dallas Parkway, Suite 750, Dallas, Texas 75248, and **PNL MFR II, L.P.**, a Delaware limited partnership ("Lender"), whose address is 2100 Ross Avenue, Suite 2900, Dallas, Texas 75201.

RECITALS:

- A. On December 15, 2005, Lender made a loan (the "Loan") in the original principal amount of Two Million and No/100 Dollars (\$2,000,000.00) to The Stoddard Group, Ltd., a Texas limited partnership ("Borrower").
- B. To evidence the Loan, Borrower executed and delivered to Lender that certain Promissory Note dated December 15, 2005, as same may have been subsequently amended (the "Note"), payable to the order of Lender in the original principal sum of Two Million and No/100 Dollars (\$2,000,000.00), bearing interest and being payable as therein provided.
- C. Payment of the Note is secured by, among other instruments, that certain Deed of Trust and Security Agreement (as same may have been subsequently amended, the "Deed of Trust") dated December 15, 2005, recorded on December 21, 2005 under Instrument No. 2005-0178577 in the Official Public Records of Real Property of Collin County, Texas, executed by Borrower for the benefit of Lender, encumbering, among other property, that certain parcel of real property located in Collin County, Texas. The Deed of Trust and the record thereof are incorporated herein for all purposes.
- D. The Note is further secured by, among other instruments, that certain (i) Security Agreement dated December 15, 2005 executed by Borrower in favor of Lender, (ii) Unconditional Guaranty dated December 15, 2005 executed by Harold Holigan, an individual, and Hermena Holigan individual, in favor of Lender, and (iii) Unconditional Guaranty (the "Partnership Guaranty") dated December 15, 2005 executed by Partnership Guarantor in favor of Lender.
- E. The Partnership Guaranty is secured by that certain Mortgage (as same may have been subsequently amended, the "Mortgage") dated December 15, 2005, recorded on January 20, 2006 in Book 26, Page 1868 of the Official Public Records of Real Property of McKinley County, New Mexico, executed by Partnership Guarantor for the benefit of Lender, encumbering, among other property, that certain parcel of real property located in McKinley County, New Mexico, which is more particularly described on Exhibit A attached hereto and incorporated herein for all purposes. The Mortgage and the record thereof are incorporated herein for all purposes.
- F. The Partnership Guaranty and the Mortgage and all other related agreements or instruments evidencing or securing the obligations set forth in the Partnership Guaranty, together with this Agreement, are hereinafter collectively referred to as the "Loan Documents."
- G. Partnership Guarantor and Lender desire to modify certain terms and provisions of the Mortgage as more specifically provided hereinbelow.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

A G R E E M E N T S:

1. **Modification of the Mortgage.** The following paragraph shall be inserted immediately after the last sentence of Section 10 of the Mortgage:

Notwithstanding the foregoing, following HLD's written request to Lender, and provided that no event of default exists hereunder or under the Guaranty, Lender may consent to the creation of additional liens or encumbrances against the Mortgaged Premises, in which event Lender shall agree to subordinate the lien of this Mortgage to such liens or encumbrances. Lender's consent shall be based upon the satisfaction of all of the following conditions, as determined in Lender's reasonable discretion: a) the proposed encumbrance is for the sole purpose of securing financing for the development of all or a portion of the Mortgaged Premises; b) the proceeds of such loan will be used solely to fund construction of planned improvements (previously approved by Lender) on the Mortgaged Premises; c) the improvements constructed with the proceeds of such loan are expected to enhance the economic value of the Mortgaged Premises during the term of the Guaranty; and d) the subordination will not materially impair the rights and remedies of Lender hereunder or under the Guaranty. This provision shall be effective in accordance with the terms hereof, notwithstanding any other provisions to the contrary herein or in the Guaranty.

2. **Modification of the Partnership Guaranty Agreement and Other Loan Documents.**
The definition of the Mortgage contained in the Partnership Guaranty and the other Loan Documents, as applicable, shall be amended to mean the Mortgage as modified, amended and extended from time to time.

3. **Ratification of the Partnership Guaranty Agreement.** This Agreement is only a modification of the Loan Documents and not a novation of same. The undersigned Partnership Guarantor acknowledges this Agreement and consents to the terms and conditions hereof and agrees and confirms that the execution and delivery hereof and the modification provided for herein shall in no way extinguish, release, modify, reduce, impair, terminate or adversely affect any of the obligations or liabilities of the undersigned under the terms of the Partnership Guaranty except to the extent provided for in this Agreement. Except as expressly set forth herein, the provisions, representations and conditions set forth in the Loan Documents, which are incorporated herein, are unmodified and shall remain in full force and effect; and Partnership Guarantor, to the extent applicable, does hereby ratify and confirm such provisions, representations and conditions, as amended hereby.

4. **Lien of the Mortgage.** Partnership Guarantor hereby ratifies, confirms and adopts all mortgages, liens, security interests, assignments and encumbrances under the Mortgage and agrees that the Mortgage shall continue in full force and effect for the purpose of securing all the indebtedness therein described, including specifically, without limitation, all indebtedness evidenced by the Partnership Guaranty, as modified herein, and all renewals and extensions thereof. Partnership Guarantor agrees to execute any instruments which, in the opinion of Lender, are necessary to perfect such mortgages, liens, security interests, assignments and encumbrances.

5. **Usury Savings Clause.** Notwithstanding anything to the contrary contained elsewhere in this Agreement, Partnership Guarantor and Lender hereby agree that all agreements between them under this Agreement and with respect to the Loan, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid,

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or agreed to be paid, to Lender for the use, forbearance, or detention of the money loaned to Borrower, or for the performance or payment of any covenant or obligation contained herein or therein, exceed the maximum rate of interest under applicable law (the "Maximum Rate"). If from any circumstance whatsoever, fulfillment of any provisions of this Agreement at the time performance of such provisions shall be due shall involve transcending the limit of validity prescribed by law, then, automatically, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Lender should ever receive anything of value deemed interest by applicable law which would exceed the Maximum Rate, such excessive interest shall be applied to the reduction of the principal amount owing with respect to the Loan or on account of the other indebtedness secured by the Loan Documents and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance of the Loan and such other indebtedness, such excess shall be refunded to Borrower. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the Loan and other indebtedness of Borrower to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the actual rate of interest on account of all such indebtedness is uniform throughout the actual term of the Loan or does not exceed the Maximum Rate throughout the entire term of the Loan, as appropriate.

6. No Waiver. Except as expressly provided herein, the execution of this Agreement by Lender does not and shall not constitute a waiver of any rights or remedies to which Lender is entitled pursuant to the Loan Documents, nor shall the same constitute a waiver of any default which may have heretofore occurred or which may hereafter occur with respect to the Loan Documents.

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

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

9. Governing Law. The terms and conditions of this Agreement shall be governed by the applicable laws of the State of New Mexico.

10. Interpretation. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. The section headings used herein are intended for reference purposes only and shall not be considered in the interpretation of the terms and conditions hereof. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

11. Amendment. The terms and conditions hereof may not be modified, altered or otherwise amended except by an instrument in writing executed by Partnership Guarantor and Lender.

12. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the modification of the Loan and fully supersedes all prior agreements and understanding between the parties pertaining to such subject matter.

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13. Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

14. Time is of the Essence. The parties agree that time is of the essence with respect to all terms, agreements and obligations contained in this Agreement and in the Loan Documents.

(SIGNATURE PAGES FOLLOW)

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement to be effective as of the day and year first above written.

LENDER:

PNL MFR II, L.P.,
a Delaware limited partnership

By: PNL VP, LLC, a Delaware limited liability
company, its General Partner

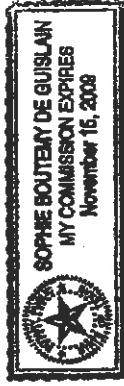
By: *John C. Gilbert*

John C. Gilbert, Manager

STATE OF TEXAS §
 §
 §

COUNTY OF DALLAS

This instrument was acknowledged before me on this 24 day of April, 2006, by JOHN C. GILBERT, Manager of PNL VP, LLC, a Delaware limited liability company and General Partner of PNL MFR II, L.P., a Delaware limited partnership, on behalf of said limited liability company and limited partnership.



Sophie Bouteau de Guislain
Notary Public in and for the State of Texas
Printed or Typed Name of Notary
My Commission Expires: 11-15-2008



MODIFICATION AGREEMENT
Trails of Glenwood
DA-179695 v2 1202273-0002

SIGNATURE PAGE

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PARTNERSHIP GUARANTOR:

HOLIGAN LAND DEVELOPMENT, LTD.,
a Texas limited partnership

By: HL Development, LLC, a Texas limited liability
company, its general partner

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

By: [Signature]
Name: Harold Holigan
Title: Senior Vice President

This instrument was acknowledged before me on the 27th day of April, 2006 by HAROLD
HOLIGAN, as Senior Vice President of HL Development, LLC, a Texas limited liability company and
general partner of **HOLIGAN LAND DEVELOPMENT, LTD.**, a Texas limited partnership, on behalf
of said limited liability company and limited partnership.



[Signature]
Notary Public, State of Texas
[Signature]
Printed Name of Notary
My Commission Expires: 29.08

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SIGNATURE PAGE

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EXHIBIT A

Legal Description

(Texas Tract)

SITUATED in the State of Texas, County of Collin and City of Plano, being part of the A.M. Hatfield Survey, Abstract No. 432, part of the J.O. Straughan Survey, Abstract No. 825, part of the W.J. Jackson Survey, Abstract No. 485, being part of a composite 286.35 acres of land as described in several tracts in a deed dated May 26, 1960 from L. Roden, et ux to W. Lee Moore, Jr. as recorded in Volume 567, Page 117 and further referenced as The Todd A. Moore and Jonathan A. Moore Family Limited Partnership, Ltd. under County Clerk No. 97-0017330 of the Collin County Land Records with said premises being more particularly described as follows:

BEGINNING at Roome capped ½-inch iron rod set in the curving northeast right-of-way line of Los Rios Boulevard (110' R.O.W.) and the west line of said Moore Family Limited tract, said beginning corner being in the east line of Timber Brook Estates Phase VIII, an addition to the City of Plano as recorded in Volume O, Page 244 of the Collin County Map Records;

THENCE with a west line of said premises, said Moore Family Limited tract and the east line of Timber Brook Estates Phase VIII, North 01°01'34" East, 377.38 feet to a Roome capped ½-inch iron rod found marking the southwest corner of a Plano ISD 1.00 acre tract as referenced in Volume 44, Page 387 of the Collin County Land Records;

THENCE with the south line of said Plano ISD 1.00 acre tract, South 88°57'23" East, 197.85 feet to a Roome capped 1/2-inch iron rod found marking its southeast corner;

THENCE with the east line of said Plano ISD 1.00 acre tract, North 01°02'37" East, 220.00 feet to a Roome capped 1/2-inch iron rod found marking its northeast corner;

THENCE with the north line of said Plano ISD 1.00 acre tract, North 88°57'23" West, 197.91 feet to a Roome capped 1/2-inch iron rod found marking its northwest corner, said corner being in the west line of said Moore Family Limited tract;

THENCE with a west line of said premises, said Moore Family Limited tract and the east line of Timber Brook Estates Phase VII, an addition to the City of Plano as recorded in Volume M, Page 470, the east line of Timber Brook Estates Phase III as recorded in Volume K, Page 927 and Timber Brook Estates Phase VI as recorded in Volume L, Page 366 of the Collin County Map Records as follows: North 01°01'34" East, 1208.97 feet to a Roome capped 1/2-inch iron rod set; North 00°58'29" East, 178.09 feet to a Roome capped ½-inch iron rod set; North 01°02'03" East, 1089.69 feet to a Roome capped ½-inch iron rod found and with the east line of Timber Brook Estates Phase II as recorded in Volume O, Page 76 of the Collin County Map Records, North 02°07'50" East, 65.16 feet to a Roome capped ½-inch iron rod set marking the northwest corner of said Moore Family Limited tract and the southwest corner of a City of Plano 82.895 acre tract as recorded in Volume 1938, Page 929 of the Collin County Land Records;

THENCE with the north line of said Moore Family Limited tract and the south line of said City of Plano 82.895 acre tract, North 89°24'44" East, passing at 2329.98 feet an old wood fence post on line and continuing for a total distance of 2482.79 feet to the northeast corner of said premises and the southeast corner of said 82.895 acre tract in the approximate middle of Cottonwood Creek;



THENCE with the approximate middle and downstream meanders of Cottonwood Creek along the east line of said premises and Moore Family Limited tract as follows: South 40°13'08" West, 534.77 feet; South 04°02'02" East, 336.86 feet; South 15°59'04" West, 131.47 feet; South 04°17'44" West, 117.17 feet; South 29°03'48" East, 210.50 feet; South 19°02'51" East, 361.08 feet; South 43°22'09" East, 92.23 feet; South 59°48'37" East, 128.59 feet; South 13°42'00" East, 89.55 feet; South 21°41'56" West, 297.09 feet; South 05°04'50" West, 500.59 feet; South 23°38'22" East, 374.98 feet; South 32°17'08" East, 305.09 feet; South 02°52'23" East, 283.44 feet; South 09°45'55" East, 269.94 feet and South 33°21'32" West, 46.10 feet to the southeast corner of said premises and the northeast corner of Haws 3.862 acre tract as recorded in Volume 3851, Page 426 and Volume 1448, Page 270 of the Collin County Land Records;

THENCE with the south line of said premises, the north line of said Haws 3.862 acre tract and the north line of a City of Plano 51.9830 acre tract as recorded in Volume 1769, Page 769 of the Collin County Land Records, North 88°22'07" West, passing at 645.07 feet a ½-inch iron rod found in a dry creek bed marking the northwest corner of Haws' 3.862 acre tract and the northeast corner of City of Plano's 51.9830 acre tract and continuing for a total distance of 2135.90 feet to a cross-tie fence corner post found marking a southwest corner of said premises and the southeast corner of the aforementioned Irene Humphries Trust 5.864 acre tract;

THENCE with a west line of said premises and the east line of said 5.864 acre tract, North 01°43'57" East, 207.30 feet to a cross-tie fence corner post found marking the northeast corner of said 5.864 acre tract;

THENCE with a south line of said premises and the north line of said 5.864 acre tract, North 88°21'32" West, 204.50 feet to a Roome capped ½-inch iron rod set in the curving northeast right-of-way line of Los Rios Boulevard (110' R.O.W.);

THENCE with the curving northeast right-of-way line of Los Rios Boulevard, a curve to the left having a central angle of 28°26'15" with a radius of 1055.00 feet, for an arc distance of 523.63 feet (chord = North 60°14'40" West, 518.27 feet) to the point of beginning and containing 197.98 gross acres of land.

EXHIBIT A - MODIFICATION AGREEMENT
Trails of Glenwood
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EXHIBIT B

Legal Description

(New Mexico Tract)

PARCEL 1:

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24,

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point,

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of North 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

EXHIBIT B - MODIFICATION AGREEMENT
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THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410.00 feet to a point,

THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

Said tract of land annexed in the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195, 815.

PARCEL 2:

Tracts C-1, C-2, C-3, and H-1 of HIDDEN VALLEY SUBDIVISION as the same are shown and designated on the replat of Tracts C, D, and H, HIDDEN VALLEY SUBDIVISION, Gallup, McKinley County, New Mexico filed in the office of the Clerk of McKinley County, New Mexico on November 13, 1998.



EXHIBIT B - MODIFICATION AGREEMENT
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WHEN RECORDED, RETURN TO:
Kirkpatrick & Lockhart Nicholson Graham LLP
2828 North Harwood, Suite 1800
Dallas, Texas 75201
Attention: Brian R. Forbes

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MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT (this "Agreement") is made to be effective as of the 24th day of April, 2006, by and between HAROLD HOLIGAN, an individual, and HERMENA HOLIGAN, an individual (collectively referred to herein as "Guarantor"), whose mailing address is 15950 North Dallas Parkway, Suite 750, Dallas, Texas 75248, and PNL MFR II, L.P., a Delaware limited partnership ("Lender"), whose address is 2100 Ross Avenue, Suite 2900, Dallas, Texas 75201.

RECITALS:

- A. On December 15, 2005, Lender made a loan (the "Loan") in the original principal amount of Two Million and No/100 Dollars (\$2,000,000.00) to The Stoddard Group, Ltd., a Texas limited partnership ("Borrower").
- B. To evidence the Loan, Borrower executed and delivered to Lender that certain Promissory Note dated December 15, 2005, as same may have been subsequently amended (the "Note"), payable to the order of Lender in the original principal sum of Two Million and No/100 Dollars (\$2,000,000.00), bearing interest and being payable as therein provided.
- C. Payment of the Note is secured by, among other instruments, that certain Deed of Trust and Security Agreement (as same may have been subsequently amended, the "Deed of Trust") dated December 15, 2005, recorded on December 21, 2005 under Instrument No. 2005-0178577 in the Official Public Records of Real Property of Collin County, Texas, executed by Borrower for the benefit of Lender, encumbering, among other property, that certain parcel of real property located in Collin County, Texas. The Deed of Trust and the record thereof are incorporated herein for all purposes.
- D. The Note is further secured by, among other instruments, that certain (i) Security Agreement dated December 15, 2005 executed by Borrower in favor of Lender, (ii) Unconditional Guaranty (the "Guaranty Agreement") dated December 15, 2005 executed by Guarantor in favor of Lender, and (iii) Unconditional Guaranty dated December 15, 2005 executed by Holigan Land Development, Ltd., a Texas limited partnership, in favor of Lender.
- E. The Guaranty Agreement is secured by that certain Mortgage (as same may have been subsequently amended, the "Mortgage") dated December 15, 2005, recorded on January 20, 2006 in Book 26, Page 1877 of the Official Public Records of Real Property of McKinley County, New Mexico, executed by Guarantor for the benefit of Lender, encumbering, among other property, that certain parcel of real property located in McKinley County, New Mexico, which is more particularly described on Exhibit A attached hereto and incorporated herein for all purposes. The Mortgage and the record thereof are incorporated herein for all purposes.
- F. The Guaranty Agreement and the Mortgage and all other related agreements or instruments evidencing or securing the obligations set forth in the Guaranty Agreement, together with this Agreement, are hereinafter collectively referred to as the "Loan Documents."
- G. Guarantor and Lender desire to modify certain terms and provisions of the Mortgage as more specifically provided hereinbelow.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

AGREEMENTS:

1. **Modification of the Mortgage.** The following paragraph shall be inserted immediately after the last sentence of Section 10 of the Mortgage:

Notwithstanding the foregoing, following Holigan's written request to Lender, and provided that no event of default exists hereunder or under the Guaranty, Lender may consent to the creation of additional liens or encumbrances against the Mortgaged Premises, in which event Lender shall agree to subordinate the lien of this Mortgage to such liens or encumbrances. Lender's consent shall be based upon the satisfaction of all of the following conditions, as determined in Lender's reasonable discretion: a) the proposed encumbrance is for the sole purpose of securing financing for the development of all or a portion of the Mortgaged Premises; b) the proceeds of such loan will be used solely to fund construction of planned improvements (previously approved by Lender) on the Mortgaged Premises; c) the improvements constructed with the proceeds of such loan are expected to enhance the economic value of the Mortgaged Premises during the term of the Guaranty; and d) the subordination will not materially impair the rights and remedies of Lender hereunder or under the Guaranty. This provision shall be effective in accordance with the terms hereof, notwithstanding any other provisions to the contrary herein or in the Guaranty.

2. **Modification of the Guaranty Agreement and Other Loan Documents.** The definition of the Mortgage contained in the Guaranty Agreement and the other Loan Documents, as applicable, shall be amended to mean the Mortgage as modified, amended and extended from time to time.

3. **Ratification of the Guaranty Agreement.** This Agreement is only a modification of the Loan Documents and not a novation of same. The undersigned Guarantor acknowledges this Agreement and consents to the terms and conditions hereof and agrees and confirms that the execution and delivery hereof and the modification provided for herein shall in no way extinguish, release, modify, reduce, impair, terminate or adversely affect any of the obligations or liabilities of the undersigned under the terms of the Guaranty Agreement except to the extent provided for in this Agreement. Except as expressly set forth herein, the provisions, representations and conditions set forth in the Loan Documents, which are incorporated herein, are unmodified and shall remain in full force and effect; and Guarantor, to the extent applicable, does hereby ratify and confirm such provisions, representations and conditions, as amended hereby.

4. **Lien of the Mortgage.** Guarantor hereby ratifies, confirms and adopts all mortgages, liens, security interests, assignments and encumbrances under the Mortgage and agrees that the Mortgage shall continue in full force and effect for the purpose of securing all the indebtedness therein described, including specifically, without limitation, all indebtedness evidenced by the Guaranty Agreement, as modified herein, and all renewals and extensions thereof. Guarantor agrees to execute any instruments which, in the opinion of Lender, are necessary to perfect such mortgages, liens, security interests, assignments and encumbrances.

5. **Usury Savings Clause.** Notwithstanding anything to the contrary contained elsewhere in this Agreement, Guarantor and Lender hereby agree that all agreements between them under this Agreement and with respect to the Loan, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed

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to be paid, to Lender for the use, forbearance, or detention of the money loaned to Borrower, or for the performance or payment of any covenant or obligation contained herein or therein, exceed the maximum rate of interest under applicable law (the "*Maximum Rate*"). If from any circumstance whatsoever, fulfillment of any provisions of this Agreement at the time performance of such provisions shall be due shall involve transcending the limit of validity prescribed by law, then, automatically, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Lender should ever receive anything of value deemed interest by applicable law which would exceed the Maximum Rate, such excessive interest shall be applied to the reduction of the principal amount owing with respect to the Loan or on account of the other indebtedness secured by the Loan Documents and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance of the Loan and such other indebtedness, such excess shall be refunded to Borrower. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the Loan and other indebtedness of Borrower to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the actual rate of interest on account of all such indebtedness is uniform throughout the actual term of the Loan or does not exceed the Maximum Rate throughout the entire term of the Loan, as appropriate.

6. No Waiver. Except as expressly provided herein, the execution of this Agreement by Lender does not and shall not constitute a waiver of any rights or remedies to which Lender is entitled pursuant to the Loan Documents, nor shall the same constitute a waiver of any default which may have heretofore occurred or which may hereafter occur with respect to the Loan Documents.

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

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

9. Governing Law. The terms and conditions of this Agreement shall be governed by the applicable laws of the State of New Mexico.

10. Interpretation. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. The section headings used herein are intended for reference purposes only and shall not be considered in the interpretation of the terms and conditions hereof. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

11. Amendment. The terms and conditions hereof may not be modified, altered or otherwise amended except by an instrument in writing executed by Guarantor and Lender.

12. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the modification of the Loan and fully supersedes all prior agreements and understanding between the parties pertaining to such subject matter.

MODIFICATION AGREEMENT
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13. Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

14. Time is of the Essence. The parties agree that time is of the essence with respect to all terms, agreements and obligations contained in this Agreement and in the Loan Documents.

(SIGNATURE PAGES FOLLOW)

MODIFICATION AGREEMENT
Trails of Glenwood
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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement to be effective as of the day and year first above written.

LENDER:

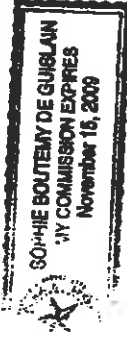
PNL MFR II, L.P.,
a Delaware limited partnership

By: PNL VP, LLC, a Delaware limited liability
company, its General Partner

By: *John C. Gilbert*
John C. Gilbert, Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 21 day of April, 2006, by JOHN C. GILBERT, Manager of PNL VP, LLC, a Delaware limited liability company and General Partner of PNL MFR II, L.P., a Delaware limited partnership, on behalf of said limited liability company and limited partnership.



Sohier Boutemy de Guislan
Notary Public in and for the State of Texas
Printed or Typed Name of Notary
My Commission Expires: 11.17.2009

MODIFICATION AGREEMENT
Trails of Glenwood
DA-179695 v2 1202273-0002


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SIGNATURE PAGE

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GUARANTOR:

Harold Holigan
HAROLD HOLIGAN
Hermena Holigan
HERMENA HOLIGAN

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 27th day of April, 2006 by **HAROLD HOLIGAN**, individually.



Elia Eguia
Notary Public, State of Texas
Elia Eguia
Printed Name of Notary
My Commission Expires: 29.08

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 27th day of April, 2006 by **HERMENA HOLIGAN**, individually.



Elia Eguia
Notary Public, State of Texas
Elia Eguia
Printed Name of Notary
My Commission Expires: 29.08

MODIFICATION AGREEMENT
Trails of Glenwood
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SIGNATURE PAGE

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DRAWN BY AND RETURN TO:
The PNL Companies
2100 Ross Avenue, Suite 2900
Dallas, Texas 75201
Attention: Daniel S. Levitan

STATE OF NEW MEXICO
COUNTY OF MCKINLEY

MORTGAGE

THIS MORTGAGE (this "Mortgage") is made and entered into effective as of the ~~22~~²⁴ day of June, 2006, which date shall be the effective date of this Mortgage, by **HAROLD HOLIGAN AND HERMENA HOLIGAN** (collectively, "Holigan"), in favor of **PNL TRAILS, L.P.**, a Delaware limited partnership, together with its successors and assigns (the "Lender").

This Mortgage secures the performance of all obligations of Holigan under i) that certain Unconditional Guaranty (the "Panther Creek Guaranty") executed by Holigan on April 21, 2006 in connection with a loan by Lender in the principal amount of FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000) (the "Panther Creek Loan), and ii) that certain Unconditional Guaranty (the "Southern Trails Guaranty") executed by Holigan of even date herewith in connection with a loan by Lender in the principal amount of ONE MILLION FOUR HUNDRED FIFTY THREE THOUSAND EIGHT HUNDRED SEVEN AND NO/100 DOLLARS (\$1,453,807) (the "Southern Trails Loan"). The Panther Creek Guaranty and Southern Trails Guaranty are referred to collectively herein as the "Guaranties", and the Panther Creek Loan and Southern Trails Loan are referred to collectively herein as the "Loans".

Capitalized terms used, but not defined, herein shall have the meanings given to such terms in the Guaranties. All of the terms, definitions, conditions and covenants of the Guaranties are expressly made a part of this Mortgage by reference in the same manner and with the same effect as if set forth herein at length and any beneficiary of this Mortgage is entitled to the benefits of and remedies provided in the Guaranties.

WITNESSETH:

Holigan, in consideration of the indebtedness herein recited, irrevocably grants, mortgages, conveys and assigns to Lender and Lender's successors and assigns, all of the following described land, real property interests, improvements, fixtures, and other personal property:

- (a) All that tract or parcel of land and other real property interests in McKinley County, New Mexico, more particularly described on Exhibit A, attached hereto and made a part hereof (the "Land"), subject to the permitted encumbrances filed of record (the "Permitted Encumbrances"); and
- (b) All buildings, improvements and tenements of every kind and description now or hereafter erected or placed on the Land, if any (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected or placed thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the Land.

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and

NEW MEXICO MORTGAGE

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appurtenances thereunto belonging, to Lender and Lender's successors and assigns to secure the indebtedness herein recited and upon this special condition: that should the indebtedness secured hereby be paid according to the tenor and effect thereof when the same shall be due and payable and should Holigan timely and fully discharge its obligations hereunder and under the Guaranties, then this Mortgage shall be released of record by Lender so that the Land and Improvements (hereinafter collectively referred to as the "Mortgaged Premises") shall be free and clear of the lien and operation of this Mortgage, with mortgage covenants and subject to the statutory mortgage conditions.

Holigan covenants, warrants, represents and agrees as follows:

1. **Amount Secured.** This Mortgage secures all obligations under the Guaranties, including without limitation, Holigan's obligation to pay all amounts due under i) the Panther Creek Loan evidenced by that certain Promissory Note dated April 21, 2006, executed by The Stoddard Group, Ltd. in favor of Lender in the original principal amount of \$400,000, and ii) the Southern Trails Loan evidenced by that certain Promissory Note of even date herewith, executed by The Stoddard Group, Ltd. in favor of Lender in the original principal amount of \$1,453,807, and any and all renewals, extensions, replacements, sums expended to protect Lender's interest, or future advances thereto. This Mortgage shall have priority from the time of recording as to all such additional amounts. Lender has made the Panther Creek Loan and is making the Southern Trails Loan to The Stoddard Group, Ltd. and is requiring collateral to secure such Loans. Holigan, in consideration of the Loans being made to The Stoddard Group, Ltd., wishes to grant a mortgage on its property to Lender as security for the Loans to The Stoddard Group, Ltd. This Mortgage is being granted to Lender by Holigan with full knowledge and consent of Holigan that its property may be foreclosed upon if there is a default upon this Mortgage, and that the Mortgaged Premises is being mortgaged, collateralized and hypothecated for Loans to a person or entity other than Holigan to secure the full payment of the principal and interest of said Loans, and any renewals or extensions thereof, in accordance with the terms of said Loans and this Mortgage.

2. **Foreclosure.** Upon the occurrence of an event of default under the Guaranties, or any loan document securing the Loans, Lender, at Lender's option, may foreclose the lien of this Mortgage by judicial proceeding and may pursue any other remedies permitted by applicable law or provided herein or in the Guaranties. Lender shall be entitled to collect all fees, costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorney's fees, costs of documentary evidence, abstracts and title reports. If a foreclosure suit is commenced, Lender, without notice to Holigan and without regard to the value of the Mortgaged Premises or the solvency of Holigan, shall be entitled to the immediate appointment of a receiver, having the usual powers, to take possession of the Mortgaged Premises and to manage the same during the pendency of the foreclosure suit.

3. **Rights Upon Event of Default.** Upon the occurrence of any event of default under the Guaranties, Lender, immediately and without additional notice and without liability therefor to Holigan, except for the gross negligence or willful misconduct of Lender, may do or cause to be done any or all of the following: (a) take physical possession of the Mortgaged Premises; (b) exercise its right to collect any profits deriving from the Mortgaged Premises; (c) enter into contracts for the repair and maintenance of the Improvements thereon; (d) expend funds and any profits for the payment of any taxes, insurance premiums, assessments and charges for repair and maintenance of the Improvements, preservation of the lien of this Mortgage and satisfaction and fulfillment of any liabilities or obligations of Holigan arising out of or in any way connected with the use, repair or maintenance of Improvements on the Mortgaged Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Mortgage; (e) take any steps to protect and enforce the specific performance of any covenant, condition or agreement in the Guaranties, or to aid in the execution of any power herein granted; and (f) generally, supervise, manage, and contract with reference to the Mortgaged Premises as if Lender were an equitable owner of the Mortgaged Premises, and upon such terms and conditions as Lender may elect in its sole and absolute

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discretion. Holigan also agrees that any of the foregoing rights and remedies of Lender may be exercised at any time independently of the exercise of any other such rights and remedies, and Lender may continue to exercise any or all such rights and remedies until the event of default under the Guaranties is cured or until foreclosure and the conveyance of the Mortgaged Premises to the high bidder.

4. Appointment of Receiver. Upon the occurrence of an event of default under the Guaranties, Lender shall be entitled, without additional notice and without regard to the adequacy of any security for the Loans or the solvency of any party bound for its payment, to seek the appointment of a receiver to take possession of and to operate the Mortgaged Premises, and to collect any profits derived therefrom, all expenses of which shall be added to the indebtedness secured hereby.

5. Waivers. No waiver of any event of default under the Guaranties shall at any time thereafter be held to be a waiver of any rights of Lender stated anywhere in this Mortgage, the Guaranties, or any loan documents executed in connection with the Loans, nor shall any waiver of any prior event of default under the Guaranties operate to waive any subsequent event of default. All remedies provided in this Mortgage and the Guaranties are cumulative and may, at the election of Lender, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by applicable law.

6. Terms. The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and assigns, provided that nothing herein shall be construed to authorize or permit Holigan to make or effect any transfer of any interest in or with respect to Holigan or the Mortgaged Premises. The term "Lender" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

7. Notices. All notices and other communications shall have been duly given and shall be effective (i) when delivered, (ii) when transmitted via telecopy (or other facsimile device) to the number set forth below, (iii) on the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iv) on the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties at the address set forth below, or at such other address as such party may specify by written notice to the other party hereto. No notice of change of address shall be effective except upon actual receipt.

The parties hereto agree that any notice sent to Holigan at its address set forth herein (or designated in accordance with this Section) shall be deemed proper and adequate notice. Personal delivery to a party or to any officer, partner, member, agent or employee of such party at its address herein shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been received shall also constitute receipt.

IF TO HOLIGAN: Holigan Land Development, Ltd.
15950 North Dallas Parkway, Suite 750
Dallas, Texas 75248
Attn: Harold Holigan
Telephone: _____
Telecopy: _____

NEW MEXICO MORTGAGE

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McKinley County Jacqueline Sloan - County Clerk

IF TO LENDER:

PNL Trails, L.P.
2100 Ross Avenue, Suite 2900
Dallas, Texas 75201
Attn: Daniel S. Levitan
Telephone: (214) 379-2209 Telecopy: (214) 379-9003

8. Headings. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Mortgage nor the intent of any provision hereof.

9. General Provisions. A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of this Mortgage to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Mortgage may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. The terms, provisions, covenants and conditions hereof shall be binding upon Holigan and its heirs, devisees, representatives, successors and assigns, provided that nothing herein shall be construed to authorize or permit Holigan to make or effect any transfer of any interest in or with respect to the Mortgaged Premises.

10. Due on Sale; Due on Encumbrance. Subject to the provisions of Section 11 below, should Holigan, without the prior written consent of Lender, which consent may be withheld in Lender's sole and absolute discretion, permit any sale, transfer, conveyance or other disposal of the Mortgaged Premises or engage in any subordinate financing of the Mortgaged Premises or grant any consensual liens against the Mortgaged Premises, or replat or rezone the Mortgaged Premises, Lender may, at its option, accelerate the entire unpaid principal balance of the indebtedness secured hereby without advance notice to Holigan, the same becoming immediately due and payable.

11. Financing of Future Development. Following Holigan's written request, and provided that no event of default exists hereunder or under the Guaranties, Lender may consent to the creation of additional liens or encumbrances against the Mortgaged Premises, in which event Lender shall agree to subordinate the lien of this Mortgage to such liens or encumbrances. Lender's consent shall be based upon the satisfaction of all of the following conditions, as determined in Lender's reasonable discretion: a) the proposed encumbrance is for the sole purpose of securing financing for the development of all or a portion of the Mortgaged Premises, b) the proceeds of the loan will be used solely to fund construction of the planned Improvements on the Mortgaged Premises, c) the Improvements constructed with the proceeds of the loan are expected to enhance the economic value of the Mortgaged Premises during the term of each Guaranty, and d) the subordination will not materially impair the rights and remedies of Lender hereunder or under the Guaranties. This provision shall be effective in accordance with the terms hereof, notwithstanding any other provisions to the contrary herein or in the Guaranties.

12. Right of Redemption. Pursuant to N.M. Stat. Ann. Section 39-5-18 the period of redemption after any foreclosure shall be one month in lieu of nine months.

NEW MEXICO MORTGAGE



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McKinley County Jacqueline Sloan - County Clerk

13. WRITTEN AGREEMENT.

(a) THE RIGHTS AND OBLIGATIONS OF HOLIGAN AND LENDER SHALL BE DETERMINED SOLELY FROM THIS WRITTEN MORTGAGE AND THE GUARANTIES, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN LENDER AND HOLIGAN CONCERNING THE SUBJECT MATTER HEREOF AND OF THE GUARANTIES ARE SUPERSEDED BY AND MERGED INTO THIS MORTGAGE AND THE GUARANTIES.

(b) THIS MORTGAGE AND THE GUARANTIES MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS MORTGAGE OR THE GUARANTIES.

(c) THIS WRITTEN MORTGAGE AND THE GUARANTIES REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

14. **WAIVER OF JURY TRIAL.** LENDER AND HOLIGAN HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS MORTGAGE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY LENDER AND HOLIGAN, AND LENDER AND HOLIGAN ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. LENDER AND HOLIGAN FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

[SIGNATURE PAGE FOLLOWS.]

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McKinley County Jacqueline Sloan - County Clerk

EXECUTED effective as of this 28th day of June, 2006.

HOLIGAN:

Harold Holigan
HAROLD HOLIGAN

Hermena Holigan
HERMENA HOLIGAN

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on June 28th, 2006, by HAROLD HOLIGAN,
individually.



Elia Eguia
Notary Public, State of Texas
Elia Eguia
Printed Name of Notary
My Commission Expires: *2.9.08*

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on June 28th, 2006, by HERMENA HOLIGAN,
individually.



Elia Eguia
Notary Public, State of Texas
Elia Eguia
Printed Name of Notary
My Commission Expires: *2.9.08*

NEW MEXICO MORTGAGE

EXHIBIT *A*

PARCEL 1:

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.
THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,
THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24,
THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point,
THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,
THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,
THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,
THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,
THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,
THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,
THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of North 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,
THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,
THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,
THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,
THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,
THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,
THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410.00 feet to a point,
THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

Said tract of land annexed in the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195, 815.

PARCEL 2:

Tracts C-1, C-2, C-3, and H-1 of HIDDEN VALLEY SUBDIVISION as the same are shown and designated on the replat of Tracts C, D, and H, HIDDEN VALLEY SUBDIVISION, Gallup, McKinley County, New Mexico filed in the office of the Clerk of McKinley County, New Mexico on November 13, 1998.

Lots 9, 12, 16, 18, 21 and 29 of Block 3 of Southfork Subdivision UNIT ONE (1) as the same is shown and designated on the plat of said subdivision filed in the office of the County Clerk of McKinley County, New Mexico on January 2, 1998, Plat Cabinet "D", Folio No. 142, and "Corrected Plat" filed for record on July 17, 2002 in Plat Cabinet "E", Folio No. 141.

Lot 6-A of the replat of Lots 5 and 6 in Block 3 of Southfork Subdivision Unit One (1), as the same is shown and designated on the Plat of said Subdivision filed in the office of the County Clerk of McKinley County, New Mexico on May 22, 1998 in Plat Cabinet "D", Folio No. 166.



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McKinley County Jacqueline Sloan - County Clerk

When Recorded
Return To:
Freehold Capital Partners
P.O. Box 6193
Round Rock, TX 78683

DECLARATION OF COVENANT

NOTICE TO CLOSING AGENT, GRANTOR AND GRANTEE

THIS DECLARATION OF COVENANT MAY REQUIRE COLLECTION OF A FEE,
CHARGE OR ASSESSMENT IN CONNECTION WITH CONVEYANCE OF TITLE.
THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES.

Instructions to Closing Agent: Check the official public records for subsequent amendments to this Declaration. See ¶6 of this Declaration for exempt sales. For non-exempt sales made before termination of this Declaration (see ¶2), collect from Grantor one percent (1%) of the Consideration paid by the Grantee (see ¶5), retain Closing Agent fee (see ¶13d) and remit balance to Trustee (see ¶9, ¶14). Contact Trustee with inquiries related to this Declaration and for assistance with closing. See also ¶13.

STATE OF NEW MEXICO

COUNTY OF MCKINLEY

KNOW ALL MEN BY THESE PRESENTS

This Declaration of Covenant (this "Declaration") is made by **HAROLD HOLIGAN AND HERMENA HOLIGAN**, whose mailing address is 6505 W Park Blvd, Ste 306, LB 342, Plano, TX 75093 (hereinafter "Declarant") for the purposes herein set forth as follows:

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property ("Property") located in McKinley County, State of New Mexico, described as follows:

The real property described in Exhibit "A" attached hereto and incorporated herein for all purposes.

NOW THEREFORE, Declarant hereby declares that the Property shall be transferred, held, sold and conveyed subject to this Declaration and all matters set forth in this Declaration, which shall be deemed covenants running with the land and the title to the Property and shall be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof.

1. **DEFINITIONS.** In addition to words and phrases defined elsewhere in this Declaration, the following words when used in this Declaration shall have the following meanings:
 - a. "Beneficiary" and "Beneficiaries" shall refer to each party listed in Paragraph 17 of this Declaration, including all successors and assigns thereof.
 - b. "Closing Agent" or "Settlement Agent" shall have its customary meaning within the real estate industry, and generally shall refer to the party responsible for conducting and/or facilitating a closing of a conveyance of all or any portion of the Property; usually either a title company, attorney or escrow agent who prepares paperwork and conducts a closing related to the Conveyance.
 - c. "Consideration" means the price actually paid or required to be paid for the real property or interest therein, including payment for an option or contract to purchase real property, whether or not expressed in the Conveyance Instrument and whether paid or required to be paid by money, property, or any other thing of value. It shall include the cancellation or discharge of an indebtedness or obligation. It shall also include the amount of

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any mortgage, purchase money mortgage, lien or other encumbrance, whether or not the underlying indebtedness is assumed or taken subject to.

(i) In the case of a creation of a leasehold interest or the granting of an option with use and occupancy of real property, Consideration shall include (without limitation) the value of the rental and other payments attributable to the use and occupancy of the real property or interest therein, the value of any amount paid for an option to purchase or renew and the value of rental or other payments attributable to the exercise of any option to renew.

(ii) In the case of a creation of a subleasehold interest, Consideration shall include (without limitation) the value of the sublease rental payments attributable to the use and occupancy of the real property, the value of any amount paid for an option to renew and the value of rental or other payments attributable to the exercise of any option to renew less the value of the remaining prime lease rental payments required to be made.

(iii) In the case of a Controlling Interest in any entity that owns real property, Consideration shall mean the fair market value of the real property or interest therein, apportioned based on the percentage of the ownership interest transferred or acquired in the entity.

(iv) In the case of an assignment or surrender of a leasehold interest or the assignment or surrender of an option or contract to purchase real property, Consideration shall not include the value of the remaining rental payments required to be made pursuant to the terms of such lease or the amount to be paid for the real property pursuant to the terms of the option or contract being assigned or surrendered.

(v) In the case of (i) the original conveyance of shares of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold by the cooperative corporation or cooperative plan sponsor and (ii) the subsequent conveyance by the owner thereof of such stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold for a cooperative unit other than an individual residential unit, Consideration shall include a proportionate share of the unpaid principal of any mortgage on the real property of the cooperative housing corporation comprising the cooperative dwelling or dwellings. Such share shall be determined by multiplying the total unpaid principal of the mortgage by a fraction, the numerator of which shall be the number of shares of stock being conveyed in the cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold and the denominator of which shall be the total number of shares of stock in the cooperative housing corporation.

d. "Controlling Interest" means (i) in the case of a corporation, either fifty percent or more of the total combined voting power of all classes of stock of such corporation, or fifty percent or more of the capital, profits or beneficial interest in such voting stock of such corporation, and (ii) in the case of a partnership, association, trust or other entity, fifty percent or more of the capital, profits or beneficial interest in such partnership, association, trust or other entity.

e. "Conveyance" means the transfer or transfers of any Real Property Interest by any method, including but not limited to sale, exchange, assignment, surrender, foreclosure, transfer in lieu of foreclosure, option, trust indenture, taking by eminent domain, conveyance upon liquidation or by a receiver, or transfer or acquisition of a Controlling Interest in any entity with a Real Property Interest. Transfer of a Real Property Interest shall include the creation of a leasehold or sublease only where (i) the sum of the term of the lease or sublease and any options for renewal exceeds forty-nine years, (ii) substantial capital improvements are or may be made by or for the benefit of the lessee or sublessee, and (iii) the lease or sublease is for substantially all of the premises constituting the portion of the Property that is the subject of the conveyance. Notwithstanding the foregoing, Conveyance shall not include a conveyance pursuant to devise, bequest or inheritance; the creation, modification, extension, spreading, severance, consolidation, assignment, transfer, release or satisfaction of a mortgage; a mortgage subordination agreement, a mortgage severance agreement, an instrument given to perfect or correct a recorded mortgage or deed of trust; or a release of lien of tax.

f. "Conveyance Instrument" shall mean the instrument of Conveyance, which shall include (without limitation): warranty deed; trustee deed; quit claim deed; executor's deed; administrator's deed; court order; lease; assignment; or other instrument of Conveyance.

g. "Estoppel Certificate" shall mean a document, in recordable form, signed by the Trustee, that sets forth

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whether or not there exists, at the time of issuance of the Estoppel Certificate, any amount due under, or defaults in connection with, this Declaration, as the same relates to the Property that is the subject of the Estoppel Certificate.

h. "Grantor" means the Person making the Conveyance. Where the Conveyance consists of a transfer or an acquisition of a Controlling Interest in an entity with a Real Property Interest, "Grantor" means the entity with a Real Property Interest or a shareholder or partner transferring stock or partnership interest, respectively.

i. "Grantee" means the Person who obtains the Real Property Interest as a result of a Conveyance.

j. "Of Record" shall mean filed in the OPR.

k. "OPR" shall mean the Office of Public Records (also known as, and also referred to herein as, "official public records", "real property records", "deed records", "county recorder's office", "county clerk's office" and "public records") of the county, municipality, parish, township, town or similar political subdivision in which the Property is located; the recorder's office for recording of deeds, liens and similar real property records. All documents required under this Declaration to be filed in the OPR shall be filed in recordable form, with all filing fees paid, and with a copy to the Trustee by certified mail.

l. "Owner" shall mean the record owner(s) holding fee simple title to all or any part of the Property that is subject to this Declaration.

m. "Parties to this Declaration" shall mean persons, firms and entities then holding rights or having obligations under this Declaration and their successors and assigns.

n. "Person" means an individual, partnership, limited liability company, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

o. "Property" shall mean the real property described on page one of this Declaration, together with (i) any and all buildings, structures, improvements, alterations or appurtenances now or hereafter situated or to be situated on the real property (collectively the "Improvements"); and (ii) all right, title and interest of Owner, now owned or hereafter acquired, in and to (1) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, existing or proposed, abutting, adjacent, used in connection with or pertaining to the real property or the Improvements; and (2) all water and water rights, timber, and mineral interests on or pertaining to the real property. and **SAVE AND EXCEPT** any portion of the Property that is owned by a governmental entity (whether state, local, federal, or otherwise, hereinafter "Public Property"). This Covenant shall not apply to Public Property. Where the context requires it, the term Property shall refer to that portion of the Property that is sold or acquired in connection with a Conveyance.

p. "Real Property Interest" includes title in fee, a leasehold interest, a beneficial interest, an encumbrance, development rights, air space and air rights, or any other interest with the right to use or occupancy of all or any portion of the Property or the right to receive rents, profits or other income derived from all or any portion of the Property. It shall also include an option or contract to purchase all or any portion of the Property, to the extent that such option or contract gives the Grantee use and occupancy rights of the real property. It shall not include a right of first refusal to purchase all or any portion of the Property.

q. "Reconveyance Fee" shall mean the fee described in paragraph 5 of this Declaration, together with interest, costs and fees associated with an Unpaid Reconveyance Fee as otherwise described in this Declaration.

2. **TERM.** Except as otherwise provided herein, this Declaration and the covenants contained herein shall become binding upon the Property and the Parties to this Declaration upon filing of this Declaration in the OPR and shall expire at midnight ninety nine (99) years following the date referenced in paragraph 6(i) of this Declaration.

3. **CONSENT.** By acceptance of the Conveyance Instrument or Conveyance, each Owner of such Real Property Interest covenants, acknowledges, consents and agrees to the terms, conditions, promises, stipulations, grant of rights and authority, covenants, charges, liens, obligations, duties and restrictions contained in this Declaration, intending to be legally bound by same to the maximum extent allowed by law, and to the same extent as if expressed in the Conveyance Instrument, and takes and conveys such Real Property Interest subject to the



provisions of this Declaration. Each Owner acquiring the Real Property Interest, whether expressed in the Conveyance Instrument or not, covenants and agrees to payment of the Reconveyance Fee upon a Conveyance by such Owner of such Real Property Interest, in whole or in part.

4. **CONSIDERATION FOR BENEFITS AND BURDENS.** By acceptance of a Conveyance Instrument or Conveyance, whether expressed therein or not, each Owner consents and agrees (a) that Declarant has caused one or more tangible and intangible improvements to, impressed benefits upon, or created common areas and easements appurtenant to, the Property; and/or (b) this Declaration is an essential component to the future viability of the community and the Property and will allow the Property to be used for other purposes by initial and subsequent owners; (c) the Consideration paid by Owner was based in whole or in part upon the existence of this Declaration; (d) that this Declaration benefits the land within the community in which the Property is located, and, by extension, the Property itself and (e) that the foregoing and this Declaration benefit the Property and the Owner, (said benefits and consideration in "a-e" jointly and singularly "Property Benefits"). In addition, each Owner expressly covenants, acknowledges and agrees (i) that the Property Benefits all and singularly, jointly and severally, are appurtenant to the Property; (ii) the Reconveyance Fee is, in whole or in part, compensation for the Property Benefits, the Consideration paid for the Property, and for the rights granted herein and the benefits flowing therefrom, and (iii) that in consideration therefore, and for other good, valuable, independent and adequate consideration, the receipt and sufficiency of which is intended, acknowledged, stipulated and accepted by Owner's acceptance of a Conveyance Instrument, and as a covenant running with the Property and any portion thereof, the Owner shall be bound by the terms and conditions of this Declaration.

5. **AMOUNT DUE.** Except as otherwise provided herein, contemporaneous with, and as an encumbrance in connection with a Conveyance, the Grantor shall pay to Trustee, as trustee for Beneficiaries, a fee (the "Reconveyance Fee") equal to one percent (1%) of the Consideration (as defined in section 1(c)) paid by or on behalf of the Grantee in connection with the Conveyance.

6. **EXEMPTIONS.** The Reconveyance Fee shall not be assessed or payable in connection with a Conveyance (a) by the Declarant; (b) made by the Owner in connection with a mortgage or deed of trust where the conveyance is for the sole purpose of securing the indebtedness of the Owner; (c) resulting from death or legal disability of an Owner, including transfers by will or probate; (d) by or to an Institutional Lender or trustee under a deed of trust made in connection with a judicial or non-judicial foreclosure; (e) by or to a governmental entity or agency (whether local, state, federal or otherwise) or 501(c)(3) entity; (f) made by a Grantor with a Controlling Interest in the Grantee, or where the Grantee owns a Controlling Interest in the Grantor (an "Affiliate Transaction"); (g) made by order of a court (whether in connection with bankruptcy, divorce or otherwise); (h) where the Trustee cannot be identified by reference to this Instrument or the OPR; or (i) occurring prior to 01/01/2012. "Institutional Lender" shall mean any bank, government sponsored entity, savings and loan association or other lender that is engaged in the business of owning, servicing or providing mortgage financing on real property and is licensed to engage in such business if required by applicable law.

7. **RESERVATION:** This Declaration and the premises and promises contained herein are intended to be a covenant running with the land and title to the real property and as a deed restriction (whether stated in the deed or not) and be binding upon each Owner and its successors and assigns. Whether expressed therein or not, a Conveyance Instrument conveying a Real Property Interest shall be deemed to contain therein a reservation providing that the Conveyance is expressly subject to this Declaration. Parties acquiring any portion of the Real Property Interest take title subject to this Declaration and the reservation heretofore provided. In the event of any conflict between the provisions of this Declaration and any Conveyance Instrument, this Declaration shall control.

8. **LIEN AND PRIORITY; LIABILITY; COLLECTION.** To the extent permitted by law, a Reconveyance Fee that is not paid when due ("Unpaid Reconveyance Fee") shall thereupon become a continuing lien and charge ("Lien") upon the portion of the Property that was the subject of the Conveyance giving rise to the Unpaid Reconveyance Fee ("Lien Property"), which Lien shall thereafter be binding upon such Lien Property and a personal obligation of such Lien Property's Owner, and:

a. The Lien is effective from and shall relate back to the most recent of the date of recording in the OPR of (1) this Declaration, (2) an Estoppel Certificate or (3) a Substitute Estoppel Certificate.

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- b. The Lien shall secure the Unpaid Reconveyance Fee as well as interest and all reasonable costs and attorney's fees incurred incident to the collection process.
- c. The liability of an Institutional Lender (including its successor or assignees) for any Unpaid Reconveyance Fee is limited to one percent (1%) of the original first lien mortgage debt.
- d. With the prior written consent of the Beneficiaries then holding a majority interest in this Declaration (which consent shall include instructions pertaining to payment of enforcement costs and disposition of Lien Property ultimately acquired at any foreclosure) the Trustee may bring an action, in its name or on behalf of one or more Beneficiaries, to foreclose the Lien for Unpaid Reconveyance Fees, together with such other sums incident thereto, in the manner a mortgage of real property is foreclosed in the jurisdiction where the property is located (including a power of sale and non-judicial foreclosure if applicable) and may also bring an action to recover a money judgment for such unpaid amounts. The Trustee is entitled to recover from the Owner of the Lien Property (including from the proceeds of the sale, if any) reasonable attorney's fees incurred in either a foreclosure action or an action to recover a money judgment for Unpaid Reconveyance Fees.
- e. For the benefit of the Beneficiaries, the Trustee has the power to purchase the Lien Property at the foreclosure sale and to then hold, lease, mortgage, or convey it.
- f. Except as otherwise set forth herein, the Lien Property shall remain subject to Unpaid Reconveyance Fees and any party acquiring title to Lien Property is liable for, and shall promptly pay to the Trustee, all Unpaid Reconveyance Fees accrued prior to the acquisition of the Lien Property by such party. This liability is without prejudice to any right that such party may have to seek contribution or indemnity from prior Grantor(s) or owner (s) of the Lien Property.
- g. An Institutional Lender (or its successor or assignees) who acquires title to Lien Property by foreclosure (including by an instrument of conveyance in lieu of foreclosure) shall have no liability for Unpaid Reconveyance Fees that became due prior to the mortgagee's acquisition of title to such Lien Property.
- h. For purposes of this subsection, the term "successor or assignee" as used with respect to an Institutional Lender includes only a subsequent holder of the first first lien mortgage debt.
- i. The Trustee shall be a proper party to intervene in any foreclosure proceeding related to Lien Property.
- j. A foreclosure by the Trustee shall not extinguish this Declaration with respect to the Lien Property.
- k. Any proceeding under one remedy shall not constitute an election of remedies. Failure to proceed under any remedy shall not be deemed a waiver of that remedy.
- l. Unpaid sums due under this Declaration shall bear interest at the lesser of the maximum non-usurious lawful rate allowed by law or 18 percent per year. Interest shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under 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. This provision overrides other provisions, demands or actions to the contrary.
- m. Except as provided under 10(c), payment received by the Trustee shall be applied first to any permissible accrued interest, then to any costs and reasonable attorney's fees incurred in collection, and then to the Unpaid Reconveyance Fee. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.
- n. Within 10 business days after Trustee's receipt of a written request ("Estoppel Request") from an Owner or their designated representative, including any mortgagee or closing agent (the "Requesting Party"), the Trustee shall furnish to such Requesting Party an Estoppel Certificate. All Estoppel Requests shall include a copy of this Declaration and shall describe with reasonable particularity (i) the Owner; (ii) the approximate date of and Consideration for the Conveyance; and (iii) the Requesting Party's name, address and contact information. An Estoppel Certificate delivered by the Trustee shall be conclusive and binding upon the Trustee and Beneficiaries, and the Property described in the Estoppel Certificate shall not be subject to liens or claims arising out of this Declaration for any amounts or defaults (including, without limitation, Unpaid Reconveyance Fees) that may have accrued prior to the date of the Estoppel Certificate and which are not otherwise described within the Estoppel Certificate. If the Trustee fails to timely respond to a written request made pursuant to this provision, then after an additional five (5) days notice of intent to file a Substitute Estoppel Certificate ("Substitute Estoppel

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Notice") with a copy of said Substitute Estoppel Certificate contained therein, delivered to Trustee by certified mail, return receipt requested, it shall be conclusively deemed that there are no unpaid amounts or defaults as of the date of the request, and the Requesting Party shall have the right to record an affidavit (attaching all prior requests for an Estoppel Certificate) to such effect (a "Substitute Estoppel Certificate") in the OPR, provided that same is recorded within fourteen (14) days from date of mailing of the Substitute Estoppel Notice.

o. Within ten (10) business days from date of receipt of a written request from Trustee, an Owner or Closing Agent shall promptly provide information reasonably requested by the Trustee related to a Conveyance to or from an Owner, including date of Conveyance, the Grantor and Grantee, the Consideration, and a copy of any closing statement prepared in connection therewith (redacted as to each tax identification number and date of birth appearing therein). By acceptance of a Conveyance Instrument, each Owner does thereby irrevocably authorize and instruct each Closing Agent involved in closing a Conveyance to comply with the foregoing, and does release said Closing Agent(s) from liability of whatever kind and of whatever nature arising out of or related to a Closing Agent's compliance with this provision.

p. The Trustee shall be entitled to charge a reasonable fee for Estoppel Certificates.

q. To the extent the foregoing conflicts with any applicable statute, the statute shall apply.

9. TRUSTEE AND SUCCESSORS. The following shall serve as Trustee: Rjon Robins, Esq., 6300 NW 5th Way, Ft. Lauderdale, FL 33309 Check www.covenantclearinghouse.com to contact Trustee and for additional information, including any successor trustee, the "Trustee"). The Trustee shall act on behalf of the Beneficiaries in accordance with the rights, privileges and duties granted in this Instrument together with any separate agreement as contemplated herein. Licensors shall have the sole and exclusive authority to appoint successor trustees, succeeding to all rights and responsibilities of Trustee, including the right to bifurcate and designate the trustee rights and duties herein into more than one person or entity, but said appointment shall be by notice(s) filed in the OPR. A Trustee shall be entitled to appoint a successor trustee, but such appointment shall be subordinate to Licensor's aforementioned right of appointment. Upon Licensor's or Trustee's request, parties to this Declaration shall promptly join in execution of any appointment made pursuant to this provision together with any documents necessary to effectuate same. However, failure of one or more party to provide written consent shall not invalidate an appointment. Appointment of a substitute Trustee shall be in writing and filed Of Record. To the extent permitted by law, all Parties to this Declaration jointly and severally waive any and all claims against Licensor and Trustee which arise out of or which are related to acts undertaken pursuant to an Appointment made pursuant to this section.

10. NON-JUDICIAL FORECLOSURE. To the extent permitted by law, each Owner, by acceptance of the Conveyance Instrument, whether expressed therein or not, hereby expressly vests in the Trustee the power to bring all actions against such Owner personally for the collection of unpaid amounts due hereunder and the power to enforce any Liens by all methods available for enforcement of such Liens, including judicial and non-judicial foreclosure of Lien Property by an action or proceeding brought in the name of the Trustee or Beneficiaries in the manner provided for in the laws of the jurisdiction where the Lien Property is located for mortgage or deed of trust liens on real property, and Owner expressly grants the Trustee a power of sale of the Lien Property. In connection with a non-judicial foreclosure, and subject to any requirements imposed by applicable law, the Trustee shall:

- a. give notice of default, and notice of the foreclosure sale, to the Owner of the Lien Property;
- b. sell and convey the Lien Property to the highest bidder for cash, with conveyance subject to valid prior liens, and other valid and prior exceptions to conveyance and warranty, and to this Declaration; and
- c. from the proceeds of the sale, pay, in this order:
 - i. expenses of foreclosure, including a commission to the Trustee of 3% of the bid;
 - ii. to a non-profit made pursuant to 12(b), five percent of the sums remaining after deducting 10(c)(i);
 - iii. to Beneficiaries, all sums due and unpaid, in accordance with their respective interest;
 - iii. any amounts required by law to be paid before payment to Owner; and
 - iv. to the Owner of the Lien Property prior to foreclosure, any balance.

Recitals in any Trustee's deed conveying the Lien Property will be presumed true. Foreclosure of sums due and secured by the Lien shall not discharge this Declaration. Trustee is authorized to undertake any lawful action

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necessary to effectuate this provision.

11. TRUSTEE RIGHTS. To the maximum extent permitted by law, Beneficiaries jointly and severally grant unto Trustee the right to undertake on behalf of Beneficiaries, as agent thereof, any action Trustee deems reasonably necessary or appropriate to prosecute, defend, administer and exercise rights and obligations arising out of or related to this Declaration, including, but not limited to, the right to:

- a. collect and disburse sums in connection with this Declaration;
 - b. undertake or defend, including retaining others to undertake and defend, legal, arbitration and administrative proceedings;
 - c. execute Estoppel Certificates and similar documents;
 - d. re-file this Declaration (or a document containing the terms and conditions thereof, including any abstract or similar document) if necessary to comply with any statutes (including recording statutes) that limit the duration or validity of, or liability for, this Declaration, provided, however, that the re-filed Declaration shall not extend the original Term. Any Lien arising under the re-filed instrument shall relate back to the most recent of date of recordation in the OPR of (i) this Declaration, (ii) an Estoppel Certificate or (iii) a Substitute Estoppel Certificate.
 - e. with respect to each Conveyance retain, as its fee, three percent (3%) of a (i) Reconveyance Fees and (ii) other sums collected by the Trustee pursuant to the terms of this Declaration, together with any reimbursements due Trustee under this Declaration (the Trustee shall not be entitled to collect a fee for the sale of a beneficiary's beneficial interest in this Instrument as described in paragraph 17);
 - f. be reimbursed by Beneficiaries (or retain from any sums due Beneficiaries under this Declaration), on a prorata basis in accordance with each Beneficiaries respective ownership interest in this Declaration, amounts necessary to reimburse Trustee for reasonable and necessary expenses incurred in initiating or defending legal proceedings in connection with this Declaration, recordation fees (including fees associated with filing of notice of successor Trustee), and such other fees and expenses as Trustee shall reasonably incur in connection herewith;
 - g. decline to undertake action under subsection b of this paragraph 11 until such time as the Beneficiaries have made suitable financial arrangements with Trustee for costs and expenses related to same.
12. TRUSTEE DUTIES. The Trustee shall, to the maximum extent allowed by law, and as agent for Beneficiaries:

- a. hold in trust for, and not more than ninety days from date of receipt pay to, the Beneficiaries, in proportion to their respective ownership interest, all Reconveyance Fees (after permitted deductions and distributions otherwise described herein), arising out of or related to this Declaration;
- b. retain in a separate escrow account five percent (5%) of all Reconveyance Fees and within ninety days from date of receipt of same pay said funds to one or more non-profit or not-for-profit entities ('non-profit' or 'charity') engaged in non-political, non-religious activities for the direct or indirect benefit of the community within which the Property is located, it being the intention of this Declaration, the Beneficiaries and each owner that a portion of the Reconveyance Fee arising from the Property be reinvested in the community for the direct or indirect betterment of the Property and land within the community. The Parties to this Declaration, including each Owner (by acceptance of a Conveyance Instrument) acknowledge, agree and stipulate that (i) non-profit organizations build better communities and enhance property values; (ii) the foregoing allocation is good, independent and sufficient consideration for this Declaration and the Reconveyance Fee due hereunder and (iii) the foregoing touches and concerns the land. In no event shall a non-profit, as a condition of acceptance of funds, be required to segregate or trace the funds to the Property or the community. The Trustee's discretion and determination as to the interpretation and application of this subparagraph "b" shall be conclusive and no Beneficiary shall have a right or claim to the aforementioned funds or authority as to the disbursement of same, provided however that Licensor shall have the superior right (but not the obligation) to designate the non-profit (s) for receipt of funds pursuant to, and for the purposes stated in, this subparagraph "b" and such designation shall be binding;
- c. exercise the rights and duties assigned hereunder;
- d. maintain records of Trustee's receipts and disbursements related to this Declaration;
- e. execute Estoppel Certificates and similar documents reasonably requested by Requesting Parties;

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- f. exercise the Trustee Rights when reasonable or necessary to do so;
- g. comply with any other written agreements between Trustee and Beneficiaries;
- h. accept as agent for each Beneficiary service of process and other notices related to this Declaration; and
- i. have (and is hereby granted) authority to undertake the foregoing as agent for the Beneficiaries.

Notwithstanding the foregoing, Trustee shall have no obligation to (i) issue payment to a non-profit or Beneficiary until the gross sum due and unpaid thereto exceeds One Hundred Dollars \$100.00 or (ii) pay or distribute interest accrued or collected on funds held by Trustee in accordance with this Declaration.

13. CLOSING AGENT ADMINISTRATION. In connection with any Conveyance:

- a. a Closing Agent shall have no obligation to investigate or ascertain the location of a Trustee or any other information related to this Declaration by means other than by reference to the OPR.
- b. if for any reason the Trustee cannot be located by reference to the OPR, a Closing Agent shall (1) remit to each Beneficiary that can be located through reference to the OPR each Beneficiary's prorata portion of the Reconveyance Fee, as determined by reference to the OPR, and (2) administer the balance of the Reconveyance Fee applying applicable state escheatment rules.
- c. upon tender of payment to Trustee of sums due under this Declaration, or upon Closing Agent's written agreement to hold the Estoppel Certificate in trust and unrecorded until tender of payment of such sums to the Trustee, a Closing Agent shall be entitled to and Trustee shall issue an Estoppel Certificate;
- d. where permitted by law a Closing Agent shall be and hereby is entitled to withhold from each Reconveyance Fee paid in connection with a Conveyance, and retain as a fee, the greater of \$100.00 or two percent (2%) of the Reconveyance Fee collected;

e. when in doubt as to duties or liabilities related to disbursement of funds, a Closing Agent shall (i) deposit said funds with the clerk of any court of competent jurisdiction in McKinley County, and (ii) provide written notice of same to Trustee, and shall thereafter have no liability with respect to the deposited sums;

f. a Closing Agent shall be entitled to rely solely upon information contained in the OPR and is hereby released as to claims resulting from information not contained in the OPR; and

g. it is understood that Closing Agent shall be under no obligation to invest any funds deposited with it, nor shall it be accountable for any incidental benefit attributable to the funds which may be received by Closing Agent while it holds such funds.

14. PAYMENT AND NOTICE. Payment shall be deemed made when tendered to the Trustee in good and collected funds. In order to insure proper credit, payment transmittal must reference the recording information of this Declaration. Except as otherwise provided herein, notices, requests and communications of any kind required under or made in connection with this Declaration shall be deemed made when (1) sent by certified mail, return receipt requested to the Trustee or (2) acknowledged in writing by the Trustee. An Estoppel Certificate or similar written acknowledgment of payment shall not be required in order to satisfy the then-existing indebtedness but Trustee shall be authorized to provide same, and in accordance with this Declaration shall do so upon request of a Closing Agent.

15. ADDITIONAL RECONVEYANCE FEES PROHIBITED. During the term of this Declaration no additional Reconveyance Fee or similar fee payable in connection with a Conveyance shall be imposed upon the Property as a covenant running with the land; provided, however, that the foregoing shall not prohibit fees, charges or assessments of whatever kind or of whatever nature payable to and for the benefit of a homeowner's association, governmental entity or non-profit organization.

16. MODIFICATIONS. Trustee shall be entitled to (and upon request of Licensor shall) make technical modifications to this Declaration for the purpose of securing or clarifying rights and obligations intended or contemplated in this Declaration, to correct clerical errors, to clarify ambiguity, to remove any contradiction in the terms hereof, or to make such other changes deemed necessary to comply with applicable law; provided, however, that no such modification shall (i) result in an increase in the total consideration contemplated in paragraph 5 of this Declaration, (ii) affect Owner's rights or obligations under this Declaration, (iii) extend the term of this Declaration nor (iv) make any modifications to substantive terms that change the general intent of this Declaration. Any modification shall be made by instrument filed in the OPR. In the event the Declarant listed on page one is a



beneficial owner at the time of any modification made pursuant to this paragraph 16, said Declarant's consent thereto shall be required. All parties to this Declaration jointly and severally waive any and all claims against Licensors and Trustee which arise out of or which are related to any modification undertaken in good faith pursuant to this section.

17. **BENEFICIARIES.** All rights, interest, ownership and privileges in and to this Declaration, **SAVE AND EXCEPT** "Declarant's Right to Terminate" under paragraph 25, and rights assigned to Licensor, belong to and are hereby vested in the following Beneficiaries, who/which are each hereby declared the owner(s) of an undivided interest in this Declaration in the percentages shown below:

- a. Harold Holigan and Hermena Holigan, 6505 W Park Blvd, Ste 306, LB 342, Plano, TX 75093 (50%)
 - b. FCP Realty Interests II, LLC., a Nevada limited liability company, P.O. Box 6193, Round Rock, TX 78683 (31%)
 - c. CBGS, LLC., 10000 N Central Expressway, Suite 900, Dallas, TX 75231 (10%)
 - d. OLT Properties, Ltd., a Texas limited partnership, by PDC Properties, Inc., a Texas corporation, its sole general partner, 5225 Village Creek Dr., ste. 300, Plano, TX 75093 (5%)
 - e. DTF Holdings Company, LLC., a Texas limited liability company, 600 Congress Avenue, Suite 1300, Austin, TX 78701 (2%)
 - f. Buckingham Trading, LLC., a California limited liability company, PO Box 4761, San Jose, CA 95150 (2%)
18. **BENEFICIARY SALE/ASSIGNMENT.** Each Beneficiary is entitled to sell, convey, assign, pledge, subordinate and hypothecate, in whole or in part, their beneficial interest in this Declaration, provided however, that any offer to acquire the beneficial interest described in 17(a), made within five years from the date this Declaration was recorded in the OPR, shall include an equal offer per one percent interest for the remaining beneficial interests described under paragraph 17. Licensor shall have the right (but not the duty) to waive the foregoing provision.
19. **BENEFICIARY DUTIES.** Each Beneficiary shall:
- a. provide notice of a purchase, sale, pledge, assignment or similar conveyance of all or part of Beneficiary's interest in this Declaration by filing notice of same in the OPR, with a copy to Trustee. The foregoing notice shall generally meet the content requirements of a Conveyance Instrument, containing therein a complete description of the parties, the interest conveyed and reference to the recording information of the document by which the grantor/assignor obtained title. Any person, firm or entity who acquires (by sale, assignment or otherwise), in whole or in part, rights in and to this Declaration shall, by taking such assignment, have consented and agreed to the terms of this Declaration.
 - b. notify Trustee, in a method and manner reasonably required by Trustee, of any change in Beneficiary's mailing address or other material information and, failing to do, shall be subject to forfeiture to the state of New Mexico, applying state escheatment rules, all unpaid sums.
20. **LICENSE.** This Declaration was prepared under license from Freehold Licensing, Ltd., a Texas limited partnership (together with it's heirs, successors, predecessors, controlled entities, affiliates, and assigns "Freehold" and "Licensor").
21. **LICENSOR'S AUTHORITY.** If Licensor should discontinue operations and cease to exist, and provided that the rights granted herein to Licensor have not otherwise been assigned by notice of assignment executed by Licensor and filed in the Recorder's Office of Travis County, Texas, then upon written certification of the foregoing made under oath by Trustee, the rights assigned to Licensor shall thereafter be exercisable by Beneficiaries (whether one or more) holding a majority beneficial interest in this Declaration. Upon Trustee's request, all parties to this Declaration shall promptly join in execution of any document necessary to effectuate this provision, but failure to do so shall not impair any action taken pursuant to this provision.
22. **IMPAIRMENT OF CONSIDERATION.** To the extent that Improvements or Property Benefits form, in whole or in part, the basis for consideration for the benefits and burdens imposed by this Declaration, the parties, by acceptance of a Conveyance Instrument, stipulate and agree to the adequacy of said Improvements and Property Benefits, and further stipulate and agree, by acceptance of a Conveyance Instrument, whether expressed therein or not, that neither destruction nor obsolescence of, nor defect in, said Improvements or Property Benefits shall



directly or indirectly diminish, impair or invalidate this Declaration in any way. No party holding rights in and to this Declaration, as a beneficiary thereof, shall have an obligation to construct, maintain, warranty, modify, add to, or transfer additional improvements to the Property beyond the date of recordation of this Declaration, in order for this Declaration to be in full force and effect.

23. **BENEFIT AND BURDEN.** It is the intent of the Parties to this Declaration that this Declaration and the benefits, burdens, premises and promises contained herein run with the land and shall be binding upon and shall inure to the burden and benefit of each Owner and the Beneficiaries, together with their respective successors, heirs and assigns. All burdens and benefits are stipulated to be appurtenant to the land.

24. **SAVINGS CLAUSE.** In the event any provision in this Declaration, including any modification thereto, is adjudicated impermissible or unenforceable, then the offending provision shall be deemed modified to the extent possible and necessary to comply with applicable law and to preserve each Beneficiary's right to compensation equal to compensation originally contemplated under this Declaration.

25. **DECLARANT'S RIGHT TO TERMINATE.** Notwithstanding any provision or term to the contrary herein, this Declaration shall terminate and be rendered null, void and of no force and effect in its entirety with respect to any portion of the Property that is the subject of a Termination (hereinafter defined). As used herein, a "Termination" shall refer to a written document that (i) describes the portion of the Property to be released and exonerated from this Declaration ("Released Property"); (ii) is recorded in the OPR and (iii) is executed SOLELY by Declarant in Declarant's sole and absolute discretion without necessity of joinder of the Beneficiary(ies), the Trustee, an Owner, any non-profit designated in this Declaration or any other party affected by this Declaration (jointly and severally the "Affected Parties"). Declarant shall be free to record a Termination notwithstanding any duty or obligation to the Affected Parties and regardless of any financial or legal effect such Termination may or will have on Affected Parties. Notwithstanding the foregoing, Declarant shall have no right to record a Termination and no Termination shall be valid or effective after the earlier of the sale, conveyance, transfer or assignment of (x) Declarant's interest in the Released Property or (y) Declarant's beneficial interest in this Declaration, whether in whole or in part. Within ten (10) days from date of filing a Termination, Declarant shall provide a copy to Trustee, by certified mail. If a Termination is recorded as provided above, the legal description of the Property, for purposes of this Declaration, shall be deemed amended to exclude the Released Property. Upon Declarant's written request, the Trustee and Affected Parties shall execute any document(s) necessary to effectuate this provision. This right to terminate is personal to the Declarant and cannot be conveyed, assigned or otherwise exercised by another party.

26. **NO GENERAL ASSIGNMENT.** Any purported assignment of rights under this Declaration shall be invalid and of no force and effect unless said assignment specifically references this Declaration and is filed Of Record. In particular, but not by way of limitation, a general assignment by Declarant (whether by Conveyance Instrument, contract for sale, or otherwise), executed in connection with a sale of the Property or otherwise, shall not constitute a valid sale or assignment of Declarant's rights under this Declaration, or invalidate or modify this Declaration in any way.

27. **LOAN REQUIREMENT.** To the extent that any of the provisions of this Declaration shall be found to be contrary to the promulgated rules and regulations of the Federal Housing Administration, the Veterans Administration or any other recognized governmental or quasi-governmental lending institution or agency (public or private) primarily engaged in granting or insuring loans, to such an extent that same unreasonably interferes with a Grantee's or Owner's ability to obtain financing for the Property, Trustee shall have the right and authority to waive or subordinate such provision for purposes of a given loan and, upon request of the Beneficiaries holding a majority interest, shall do so.

28. **CONSTRUCTION.** This Declaration shall be liberally construed in and for the interest, benefit and protection of Beneficiaries.

29. **LIMITATION ON DAMAGES.** Except as otherwise provided herein no party to this Declaration shall be entitled to recover from another party to the Declaration, costs, including attorney fees, incurred in connection with legal proceedings arising out of or related to this Declaration. Each party to this Declaration, including Owner, Trustee and Beneficiaries, hereby jointly and severally waive all claims against each other for exemplary, punitive,



consequential, and emotional damages arising out of or related to this Declaration.

30. APPLICABLE LAW. This Declaration shall be construed according to the laws of the State of New Mexico as they exist at the time of filing of this Declaration, provided that should a later created law, ordinance or regulation related to the subject matter of this Declaration provide additional grounds for enforcement of this Declaration then same shall apply. If any provision of this Declaration is found to be in violation or conflict with applicable law then said provision shall be amended only to the extent necessary to comply with the applicable law, but shall otherwise remain in full force and effect.

IN WITNESS WHEREOF, this Declaration is executed on the date indicated below.

DECLARANT

HH
Harold Holigan
Hermena Holigan
Hermena Holigan

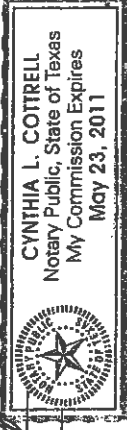
STATE OF Texas §

COUNTY OF Denton §

ACKNOWLEDGMENT

Before me, the Undersigned Notary, on the 8th day of September, 2009, personally appeared Harold Holigan, signer of the foregoing instrument, proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that s/he executed the same for the purposes therein contained.

Cynthia L. Cottrell
Notary Public, State of Texas



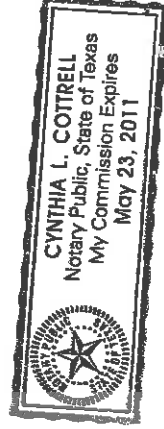
STATE OF Texas §

COUNTY OF Denton §

ACKNOWLEDGMENT

Before me, the Undersigned Notary, on the 8th day of September, 2009, personally appeared Hermena Holigan, signer of the foregoing instrument, proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that s/he executed the same for the purposes therein contained.

Cynthia L. Cottrell
Notary Public, State of Texas



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EXHIBIT " A "
LEGAL DESCRIPTION

A tract of land within the Southeast Quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Beginning at the East quarter corner of said Section 24, being the Real Point of Beginning:

THENCE South 00 degrees 14 minutes 52 seconds West along the East line of said Section 24 for a distance of 990.00 feet to a point;

THENCE North 89 degrees 45 minutes 08 seconds West for a distance of 345.00 feet to a point;

THENCE North 58 degrees 45 minutes 08 seconds West for a distance of 410.00 feet to a point;

THENCE South 27 degrees 14 minutes 52 seconds West for a distance of 420.00 feet to a point;

THENCE South 72 degrees 51 minutes 45 seconds West for a distance of 132.54 feet to a point;

THENCE North 58 degrees 21 minutes 01 seconds West for a distance of 195.00 feet to a point;

THENCE South 29 degrees 40 minutes 00 seconds West for a distance of 100.00 feet to a point;

THENCE South 06 degrees 57 minutes 00 seconds West for a distance of 175.00 feet to a point;

THENCE North 83 degrees 03 minutes 00 seconds West for a distance of 145.00 feet to a point of curvature;

THENCE along a curve to the left having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of South 81 degrees 21 minutes 39 seconds West for a distance of 378.92 feet to a point;

THENCE North 24 degrees 13 minutes 42 seconds West for a distance of 57.98 feet to a point;

THENCE North 02 degrees 26 minutes 58 seconds West for a distance of 463.37 feet to a point;

THENCE North 14 degrees 58 minutes 33 seconds East for a distance of 900.00 feet to a point on the center section line of said Section 24;

THENCE North 89 degrees 58 minutes 33 seconds East along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

Said tract of land annexed into the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the Office of the County Clerk of McKinley County, New Mexico on May 21, 1980 at reception No. 195,815.



Handwritten signature

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When Recorded
Return To:
Freehold Capital Partners
P.O. Box 6193
Round Rock, TX 78683

DECLARATION OF COVENANT

NOTICE TO CLOSING AGENT, GRANTOR AND GRANTEE

THIS DECLARATION OF COVENANT MAY REQUIRE COLLECTION OF A FEE,
CHARGE OR ASSESSMENT IN CONNECTION WITH CONVEYANCE OF TITLE.

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES.

Instructions to Closing Agent: Check the official public records for subsequent amendments to this Declaration. See ¶6 of this Declaration for exempt sales. For non-exempt sales made before termination of this Declaration (see ¶2), collect from Grantor one percent (1%) of the Consideration paid by the Grantee (see ¶5), retain Closing Agent fee (see ¶13d) and remit balance to Trustee (see ¶9, ¶14). Contact Trustee with inquiries related to this Declaration and for assistance with closing. See also ¶13.

STATE OF NEW MEXICO

COUNTY OF MCKINLEY

KNOW ALL MEN BY THESE PRESENTS

This Declaration of Covenant (this "Declaration") is made by **HOLIGAN LAND DEVELOPMENT, LTD., A TEXAS LIMITED PARTNERSHIP**, whose mailing address is 6505 W Park Blvd, Ste 306, LB 342, Plano, TX 75093 (hereinafter "Declarant") for the purposes herein set forth as follows:

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property ("Property") located in McKinley County, State of New Mexico, described as follows:

The real property described in Exhibit "A" attached hereto and incorporated herein for all purposes.

NOW THEREFORE, Declarant hereby declares that the Property shall be transferred, held, sold and conveyed subject to this Declaration and all matters set forth in this Declaration, which shall be deemed covenants running with the land and the title to the Property and shall be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof:

1. **DEFINITIONS.** In addition to words and phrases defined elsewhere in this Declaration, the following words when used in this Declaration shall have the following meanings:
 - a. "Beneficiary" and "Beneficiaries" shall refer to each party listed in Paragraph 17 of this Declaration, including all successors and assigns thereof.
 - b. "Closing Agent" or "Settlement Agent" shall have its customary meaning within the real estate industry, and generally shall refer to the party responsible for conducting and/or facilitating a closing of a conveyance of all or any portion of the Property, usually either a title company, attorney or escrow agent who prepares paperwork and

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conducts a closing related to the Conveyance.

c. "Consideration" means the price actually paid or required to be paid for the real property or interest therein, including payment for an option or contract to purchase real property, whether or not expressed in the Conveyance Instrument and whether paid or required to be paid by money, property, or any other thing of value. It shall include the cancellation or discharge of an indebtedness or obligation. It shall also include the amount of any mortgage, purchase money mortgage, lien or other encumbrance, whether or not the underlying indebtedness is assumed or taken subject to.

(i) In the case of a creation of a leasehold interest or the granting of an option with use and occupancy of real property, Consideration shall include (without limitation) the value of the rental and other payments attributable to the use and occupancy of the real property or interest therein, the value of any amount paid for an option to purchase or renew and the value of rental or other payments attributable to the exercise of any option to renew.

(ii) In the case of a creation of a subleasehold interest, Consideration shall include (without limitation) the value of the sublease rental payments attributable to the use and occupancy of the real property, the value of any amount paid for an option to renew and the value of rental or other payments attributable to the exercise of any option to renew less the value of the remaining prime lease rental payments required to be made.

(iii) In the case of a Controlling Interest in any entity that owns real property, Consideration shall mean the fair market value of the real property or interest therein, apportioned based on the percentage of the ownership interest transferred or acquired in the entity.

(iv) In the case of an assignment or surrender of a leasehold interest or the assignment or surrender of an option or contract to purchase real property, Consideration shall not include the value of the remaining rental payments required to be made pursuant to the terms of such lease or the amount to be paid for the real property pursuant to the terms of the option or contract being assigned or surrendered.

(v) In the case of (i) the original conveyance of shares of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold by the cooperative corporation or cooperative plan sponsor and (ii) the subsequent conveyance by the owner thereof of such stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold for a cooperative unit other than an individual residential unit, Consideration shall include a proportionate share of the unpaid principal of any mortgage on the real property of the cooperative housing corporation comprising the cooperative dwelling or dwellings. Such share shall be determined by multiplying the total unpaid principal of the mortgage by a fraction, the numerator of which shall be the number of shares of stock being conveyed in the cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold and the denominator of which shall be the total number of shares of stock in the cooperative housing corporation.

d. "Controlling Interest" means (i) in the case of a corporation, either fifty percent or more of the total combined voting power of all classes of stock of such corporation, or fifty percent or more of the capital, profits or beneficial interest in such voting stock of such corporation, and (ii) in the case of a partnership, association, trust or other entity, fifty percent or more of the capital, profits or beneficial interest in such partnership, association, trust or other entity.

e. "Conveyance" means the transfer or transfers of any Real Property Interest by any method, including but not limited to sale, exchange, assignment, surrender, foreclosure, transfer in lieu of foreclosure, option, trust indenture, taking by eminent domain, conveyance upon liquidation or by a receiver, or transfer or acquisition of a Controlling Interest in any entity with a Real Property Interest. Transfer of a Real Property Interest shall include the creation of a leasehold or sublease only where (i) the sum of the term of the lease or sublease and any options for renewal exceeds forty-nine years, (ii) substantial capital improvements are or may be made by or for the benefit of the lessee or sublessee, and (iii) the lease or sublease is for substantially all of the premises constituting the portion of the Property that is the subject of the conveyance. Notwithstanding the foregoing, Conveyance shall not include a conveyance pursuant to devise, bequest or inheritance; the creation, modification, extension, spreading, severance, consolidation, assignment, transfer, release or satisfaction of a mortgage; a mortgage subordination agreement, a mortgage severance agreement, an instrument given to perfect or correct a recorded



mortgage or deed of trust; or a release of lien of tax.

f. "Conveyance Instrument" shall mean the instrument of Conveyance, which shall include (without limitation): warranty deed; trustee deed; quit claim deed; executor's deed; administrator's deed; court order; lease; assignment; or other instrument of Conveyance.

g. "Estoppel Certificate" shall mean a document, in recordable form, signed by the Trustee, that sets forth whether or not there exists, at the time of issuance of the Estoppel Certificate, any amount due under, or defaults in connection with, this Declaration, as the same relates to the Property that is the subject of the Estoppel Certificate.

h. "Grantor" means the Person making the Conveyance. Where the Conveyance consists of a transfer or an acquisition of a Controlling Interest in an entity with a Real Property Interest, "Grantor" means the entity with a Real Property Interest or a shareholder or partner transferring stock or partnership interest, respectively.

i. "Grantee" means the Person who obtains the Real Property Interest as a result of a Conveyance.

j. "Of Record" shall mean filed in the OPR.

k. "OPR" shall mean the Office of Public Records (also known as, and also referred to herein as, "official public records", "real property records", "deed records", "county recorder's office", "county clerk's office" and "public records") of the county, municipality, parish, township, town or similar political subdivision in which the Property is located; the recorder's office for recording of deeds, liens and similar real property records. All documents required under this Declaration to be filed in the OPR shall be filed in recordable form, with all filing fees paid, and with a copy to the Trustee by certified mail.

l. "Owner" shall mean the record owner(s) holding fee simple title to all or any part of the Property that is subject to this Declaration.

m. "Parties to this Declaration" shall mean persons, firms and entities then holding rights or having obligations under this Declaration and their successors and assigns.

n. "Person" means an individual, partnership, limited liability company, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

p. "Property" shall mean the real property described on page one of this Declaration, together with (i) any and all buildings, structures, improvements, alterations or appurtenances now or hereafter situated or to be situated on the real property (collectively the "Improvements"); and (ii) all right, title and interest of Owner, now owned or hereafter acquired, in and to (1) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, existing or proposed, abutting, adjacent, used in connection with or pertaining to the real property or the Improvements; and (2) all water and water rights, timber, and mineral interests on or pertaining to the real property. and SAVE AND EXCEPT any portion of the Property that is owned by a governmental entity (whether state, local, federal, or otherwise, hereinafter "Public Property"). This Covenant shall not apply to Public Property. Where the context requires it, the term Property shall refer to that portion of the Property that is sold or acquired in connection with a Conveyance.

q. "Real Property Interest" includes title in fee, a leasehold interest, a beneficial interest, an encumbrance, development rights, air space and air rights, or any other interest with the right to use or occupancy of all or any portion of the Property or the right to receive rents, profits or other income derived from all or any portion of the Property. It shall also include an option or contract to purchase all or any portion of the Property, to the extent that such option or contract gives the Grantee use and occupancy rights of the real property. It shall not include a right of first refusal to purchase all or any portion of the Property.

r. "Reconveyance Fee" shall mean the fee described in paragraph 5 of this Declaration, together with interest, costs and fees associated with an Unpaid Reconveyance Fee as otherwise described in this Declaration.

2. TERM. Except as otherwise provided herein, this Declaration and the covenants contained herein shall become binding upon the Property and the Parties to this Declaration upon filing of this Declaration in the OPR and shall expire at midnight ninety nine (99) years following the date referenced in paragraph 6(i) of this Declaration.

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3. **CONSENT.** By acceptance of the Conveyance Instrument or Conveyance, each Owner of such Real Property Interest covenants, acknowledges, consents and agrees to the terms, conditions, promises, stipulations, grant of rights and authority, covenants, charges, liens, obligations, duties and restrictions contained in this Declaration, intending to be legally bound by same to the maximum extent allowed by law, and to the same extent as if expressed in the Conveyance Instrument, and takes and conveys such Real Property Interest subject to the provisions of this Declaration. Each Owner acquiring the Real Property Interest, whether expressed in the Conveyance Instrument or not, covenants and agrees to payment of the Reconveyance Fee upon a Conveyance by such Owner of such Real Property Interest, in whole or in part.

4. **CONSIDERATION FOR BENEFITS AND BURDENS.** By acceptance of a Conveyance Instrument or Conveyance, whether expressed therein or not, each Owner consents and agrees (a) that Declarant has caused one or more tangible and intangible improvements to, impressed benefits upon, or created common areas and easements appurtenant to, the Property; and/or (b) this Declaration is an essential component to the future viability of the community and the Property and will allow the Property to be used for other purposes by initial and subsequent owners; (c) the Consideration paid by Owner was based in whole or in part upon the existence of this Declaration; (d) that this Declaration benefits the land within the community in which the Property is located, and, by extension, the Property itself and (e) that the foregoing and this Declaration benefit the Property and the Owner, (said benefits and consideration in "a-e" jointly and singularly "Property Benefits"). In addition, each Owner expressly covenants, acknowledges and agrees (i) that the Property Benefits all and singularly, jointly and severally, are appurtenant to the Property; (ii) the Reconveyance Fee is, in whole or in part, compensation for the Property Benefits, the Consideration paid for the Property, and for the rights granted herein and the benefits flowing therefrom, and (iii) that in consideration therefore, and for other good, valuable, independent and adequate consideration, the receipt and sufficiency of which is intended, acknowledged, stipulated and accepted by Owner's acceptance of a Conveyance Instrument, and as a covenant running with the Property and any portion thereof, the Owner shall be bound by the terms and conditions of this Declaration.

5. **AMOUNT DUE.** Except as otherwise provided herein, contemporaneous with, and as an encumbrance in connection with a Conveyance, the Grantor shall pay to Trustee, as trustee for Beneficiaries, a fee (the "Reconveyance Fee") equal to one percent (1%) of the Consideration (as defined in section 1(c)) paid by or on behalf of the Grantee in connection with the Conveyance.

6. **EXEMPTIONS.** The Reconveyance Fee shall not be assessed or payable in connection with a Conveyance (a) by the Declarant; (b) made by the Owner in connection with a mortgage or deed of trust where the conveyance is for the sole purpose of securing the indebtedness of the Owner; (c) resulting from death or legal disability of an Owner, including transfers by will or probate; (d) by or to an Institutional Lender or trustee under a deed of trust made in connection with a judicial or non-judicial foreclosure; (e) by or to a governmental entity or agency (whether local, state, federal or otherwise) or 501(c)(3) entity; (f) made by a Grantor with a Controlling Interest in the Grantee, or where the Grantee owns a Controlling Interest in the Grantor (an "Affiliate Transaction"); (g) made by order of a court (whether in connection with bankruptcy, divorce or otherwise); (h) where the Trustee cannot be identified by reference to this Instrument or the OPR; or (i) occurring prior to 01/01/2012. "Institutional Lender" shall mean any bank, government sponsored entity, savings and loan association or other lender that is engaged in the business of owning, servicing or providing mortgage financing on real property and is licensed to engage in such business if required by applicable law.

7. **RESERVATION:** This Declaration and the premises and promises contained herein are intended to be a covenant running with the land and title to the real property and as a deed restriction (whether stated in the deed or not) and be binding upon each Owner and its successors and assigns. Whether expressed therein or not, a Conveyance Instrument conveying a Real Property Interest shall be deemed to contain therein a reservation providing that the Conveyance is expressly subject to this Declaration. Parties acquiring any portion of the Real Property Interest take title subject to this Declaration and the reservation heretofore provided. In the event of any conflict between the provisions of this Declaration and any Conveyance Instrument, this Declaration shall control.

8. **LIEN AND PRIORITY; LIABILITY; COLLECTION.** To the extent permitted by law, a Reconveyance Fee that is not paid when due ("Unpaid Reconveyance Fee") shall thereupon become a continuing lien and charge

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("Lien") upon the portion of the Property that was the subject of the Conveyance giving rise to the Unpaid Reconveyance Fee ("Lien Property"), which Lien shall thereafter be binding upon such Lien Property and a personal obligation of such Lien Property's Owner, and:

- a. The Lien is effective from and shall relate back to the most recent of the date of recording in the OPR of (1) this Declaration, (2) an Estoppel Certificate or (3) a Substitute Estoppel Certificate.
- b. The Lien shall secure the Unpaid Reconveyance Fee as well as interest and all reasonable costs and attorney's fees incurred incident to the collection process.
- c. The liability of an Institutional Lender (including its successor or assignees) for any Unpaid Reconveyance Fee is limited to one percent (1%) of the original first lien mortgage debt.
- d. With the prior written consent of the Beneficiaries then holding a majority interest in this Declaration (which consent shall include instructions pertaining to payment of enforcement costs and disposition of Lien Property ultimately acquired at any foreclosure) the Trustee may bring an action, in its name or on behalf of one or more Beneficiaries, to foreclose the Lien for Unpaid Reconveyance Fees, together with such other sums incident thereto, in the manner a mortgage of real property is foreclosed in the jurisdiction where the property is located (including a power of sale and non-judicial foreclosure if applicable) and may also bring an action to recover a money judgment for such unpaid amounts. The Trustee is entitled to recover from the Owner of the Lien Property (including from the proceeds of the sale, if any) reasonable attorney's fees incurred in either a foreclosure action or an action to recover a money judgment for Unpaid Reconveyance Fees.
- e. For the benefit of the Beneficiaries, the Trustee has the power to purchase the Lien Property at the foreclosure sale and to then hold, lease, mortgage, or convey it.
- f. Except as otherwise set forth herein, the Lien Property shall remain subject to Unpaid Reconveyance Fees and any party acquiring title to Lien Property is liable for, and shall promptly pay to the Trustee, all Unpaid Reconveyance Fees accrued prior to the acquisition of the Lien Property by such party. This liability is without prejudice to any right that such party may have to seek contribution or indemnity from prior Grantor(s) or owner (s) of the Lien Property.
- g. An Institutional Lender (or its successor or assignees) who acquires title to Lien Property by foreclosure (including by an instrument of conveyance in lieu of foreclosure) shall have no liability for Unpaid Reconveyance Fees that became due prior to the mortgagee's acquisition of title to such Lien Property.
- h. For purposes of this subsection, the term "successor or assignee" as used with respect to an Institutional Lender includes only a subsequent holder of the first first lien mortgage debt.
- i. The Trustee shall be a proper party to intervene in any foreclosure proceeding related to Lien Property.
- j. A foreclosure by the Trustee shall not extinguish this Declaration with respect to the Lien Property.
- k. Any proceeding under one remedy shall not constitute an election of remedies. Failure to proceed under any remedy shall not be deemed a waiver of that remedy.
- l. Unpaid sums due under this Declaration shall bear interest at the lesser of the maximum non-usurious lawful rate allowed by law or 18 percent per year. Interest shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under 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. This provision overrides other provisions, demands or actions to the contrary.
- m. Except as provided under 10(c), payment received by the Trustee shall be applied first to any permissible accrued interest, then to any costs and reasonable attorney's fees incurred in collection, and then to the Unpaid Reconveyance Fee. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.
- n. Within 10 business days after Trustee's receipt of a written request ("Estoppel Request") from an Owner or their designated representative, including any mortgagee or closing agent (the "Requesting Party"), the Trustee shall furnish to such Requesting Party an Estoppel Certificate. All Estoppel Requests shall include a copy of this Declaration and shall describe with reasonable particularity (i) the Owner; (ii) the approximate date of and Consideration for the Conveyance; and (iii) the Requesting Party's name, address and contact information. An Estoppel Certificate delivered by the Trustee shall be conclusive and binding upon the Trustee and Beneficiaries,

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and the Property described in the Estoppel Certificate shall not be subject to liens or claims arising out of this Declaration for any amounts or defaults (including, without limitation, Unpaid Reconveyance Fees) that may have accrued prior to the date of the Estoppel Certificate and which are not otherwise described within the Estoppel Certificate. If the Trustee fails to timely respond to a written request made pursuant to this provision, then after an additional five (5) days notice of intent to file a Substitute Estoppel Certificate ("Substitute Estoppel Notice") with a copy of said Substitute Estoppel Certificate contained therein, delivered to Trustee by certified mail, return receipt requested, it shall be conclusively deemed that there are no unpaid amounts or defaults as of the date of the request, and the Requesting Party shall have the right to record an affidavit (attaching all prior requests for an Estoppel Certificate) to such effect (a "Substitute Estoppel Certificate") in the OPR, provided that same is recorded within fourteen (14) days from date of mailing of the Substitute Estoppel Notice.

o. Within ten (10) business days from date of receipt of a written request from Trustee, an Owner or Closing Agent shall promptly provide information reasonably requested by the Trustee related to a Conveyance to or from an Owner, including date of Conveyance, the Grantor and Grantee, the Consideration, and a copy of any closing statement prepared in connection therewith (redacted as to each tax identification number and date of birth appearing therein). By acceptance of a Conveyance Instrument, each Owner does thereby irrevocably authorize and instruct each Closing Agent involved in closing a Conveyance to comply with the foregoing, and does release said Closing Agent(s) from liability of whatever kind and of whatever nature arising out of or related to a Closing Agent's compliance with this provision.

p. The Trustee shall be entitled to charge a reasonable fee for Estoppel Certificates.

q. To the extent the foregoing conflicts with any applicable statute, the statute shall apply.

9. **TRUSTEE AND SUCCESSORS.** The following shall serve as Trustee: Rjon Robins, Esq., 6300 NW 5th Way, Ft. Lauderdale, FL 33309 Check www.covenantclearinghouse.com to contact Trustee and for additional information, including any successor trustee, the "Trustee". The Trustee shall act on behalf of the Beneficiaries in accordance with the rights, privileges and duties granted in this Instrument together with any separate agreement as contemplated herein. Licensors shall have the sole and exclusive authority to appoint successor trustees, succeeding to all rights and responsibilities of Trustee, including the right to bifurcate and designate the trustee rights and duties herein into more than one person or entity, but said appointment shall be by notice(s) filed in the OPR. A Trustee shall be entitled to appoint a successor trustee, but such appointment shall be subordinate to Licensor's aforementioned right of appointment. Upon Licensor's or Trustee's request, parties to this Declaration shall promptly join in execution of any appointment made pursuant to this provision together with any documents necessary to effectuate same. However, failure of one or more party to provide written consent shall not invalidate an appointment. Appointment of a substitute Trustee shall be in writing and filed Of Record. To the extent permitted by law, all Parties to this Declaration jointly and severally waive any and all claims against Licensor and Trustee which arise out of or which are related to acts undertaken pursuant to an Appointment made pursuant to this section.

10. **NON-JUDICIAL FORECLOSURE.** To the extent permitted by law, each Owner, by acceptance of the Conveyance Instrument, whether expressed therein or not, hereby expressly vests in the Trustee the power to bring all actions against such Owner personally for the collection of unpaid amounts due hereunder and the power to enforce any Liens by all methods available for enforcement of such Liens, including judicial and non-judicial foreclosure of Lien Property by an action or proceeding brought in the name of the Trustee or Beneficiaries in the manner provided for in the laws of the jurisdiction where the Lien Property is located for mortgage or deed of trust liens on real property, and Owner expressly grants the Trustee a power of sale of the Lien Property. In connection with a non-judicial foreclosure, and subject to any requirements imposed by applicable law, the Trustee shall:

- a. give notice of default, and notice of the foreclosure sale, to the Owner of the Lien Property;
- b. sell and convey the Lien Property to the highest bidder for cash, with conveyance subject to valid prior liens, and other valid and prior exceptions to conveyance and warranty, and to this Declaration; and
- c. from the proceeds of the sale, pay, in this order:
 - i. expenses of foreclosure, including a commission to the Trustee of 3% of the bid;
 - ii. to a non-profit made pursuant to 12(b), five percent of the sums remaining after deducting 10(c)(i);

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- iii. to Beneficiaries, all sums due and unpaid, in accordance with their respective interest;
- iii. any amounts required by law to be paid before payment to Owner; and
- iv. to the Owner of the Lien Property prior to foreclosure, any balance.

Recitals in any Trustee's deed conveying the Lien Property will be presumed true. Foreclosure of sums due and secured by the Lien shall not discharge this Declaration. Trustee is authorized to undertake any lawful action necessary to effectuate this provision.

11. TRUSTEE RIGHTS. To the maximum extent permitted by law, Beneficiaries jointly and severally grant unto Trustee the right to undertake on behalf of Beneficiaries, as agent thereof, any action Trustee deems reasonably necessary or appropriate to prosecute, defend, administer and exercise rights and obligations arising out of or related to this Declaration, including, but not limited to, the right to:

- a. collect and disburse sums in connection with this Declaration;
- b. undertake or defend, including retaining others to undertake and defend, legal, arbitration and administrative proceedings;
- c. execute Estoppel Certificates and similar documents;
- d. re-file this Declaration (or a document containing the terms and conditions thereof, including any abstract or similar document) if necessary to comply with any statutes (including recording statutes) that limit the duration or validity of, or liability for, this Declaration, provided, however, that the re-filed Declaration shall not extend the original Term. Any Lien arising under the re-filed instrument shall relate back to the most recent of date of recordation in the OPR of (i) this Declaration, (ii) an Estoppel Certificate or (iii) a Substitute Estoppel Certificate.
- e. with respect to each Conveyance retain, as its fee, three percent (3%) of a (i) Reconveyance Fees and (ii) other sums collected by the Trustee pursuant to the terms of this Declaration, together with any reimbursements due Trustee under this Declaration (the Trustee shall not be entitled to collect a fee for the sale of a beneficiary's beneficial interest in this Instrument as described in paragraph 17);
- f. be reimbursed by Beneficiaries (or retain from any sums due Beneficiaries under this Declaration), on a prorata basis in accordance with each Beneficiaries respective ownership interest in this Declaration, amounts necessary to reimburse Trustee for reasonable and necessary expenses incurred in initiating or defending legal proceedings in connection with this Declaration, recordation fees (including fees associated with filing of notice of successor Trustee), and such other fees and expenses as Trustee shall reasonably incur in connection herewith;
- g. decline to undertake action under subsection b of this paragraph 11 until such time as the Beneficiaries have made suitable financial arrangements with Trustee for costs and expenses related to same.

12. TRUSTEE DUTIES. The Trustee shall, to the maximum extent allowed by law, and as agent for Beneficiaries:

- a. hold in trust for, and not more than ninety days from date of receipt pay to, the Beneficiaries, in proportion to their respective ownership interest, all Reconveyance Fees (after permitted deductions and distributions otherwise described herein), arising out of or related to this Declaration;
- b. retain in a separate escrow account five percent (5%) of all Reconveyance Fees and within ninety days from date of receipt of same pay said funds to one or more non-profit or not-for-profit entities ('non-profit' or 'charity') engaged in non-political, non-religious activities for the direct or indirect benefit of the community within which the Property is located, it being the intention of this Declaration, the Beneficiaries and each owner that a portion of the Reconveyance Fee arising from the Property be reinvested in the community for the direct or indirect betterment of the Property and land within the community. The Parties to this Declaration, including each Owner (by acceptance of a Conveyance Instrument) acknowledge, agree and stipulate that (i) non-profit organizations build better communities and enhance property values; (ii) the foregoing allocation is good, independent and sufficient consideration for this Declaration and the Reconveyance Fee due hereunder and (iii) the foregoing touches and concerns the land. In no event shall a non-profit, as a condition of acceptance of funds, be required to segregate or trace the funds to the Property or the community. The Trustee's discretion and determination as to the interpretation and application of this subparagraph "b" shall be conclusive and no Beneficiary shall have a right or claim to the aforementioned funds or authority as to the disbursement of same, provided however that Licensors shall have the superior right (but not the obligation) to designate the non-profit

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- (s) for receipt of funds pursuant to, and for the purposes stated in, this subparagraph "b" and such designation shall be binding;
- c. exercise the rights and duties assigned hereunder;
- d. maintain records of Trustee's receipts and disbursements related to this Declaration;
- e. execute Estoppel Certificates and similar documents reasonably requested by Requesting Parties;
- f. exercise the Trustee Rights when reasonable or necessary to do so;
- g. comply with any other written agreements between Trustee and Beneficiaries;
- h. accept as agent for each Beneficiary service of process and other notices related to this Declaration; and
- i. have (and is hereby granted) authority to undertake the foregoing as agent for the Beneficiaries.

Notwithstanding the foregoing, Trustee shall have no obligation to (i) issue payment to a non-profit or Beneficiary until the gross sum due and unpaid thereto exceeds One Hundred Dollars \$100.00 or (ii) pay or distribute interest accrued or collected on funds held by Trustee in accordance with this Declaration.

13. CLOSING AGENT ADMINISTRATION. In connection with any Conveyance:

- a. a Closing Agent shall have no obligation to investigate or ascertain the location of a Trustee or any other information related to this Declaration by means other than by reference to the OPR.
- b. if for any reason the Trustee cannot be located by reference to the OPR, a Closing Agent shall (1) remit to each Beneficiary that can be located through reference to the OPR each Beneficiary's prorata portion of the Reconveyance Fee, as determined by reference to the OPR, and (2) administer the balance of the Reconveyance Fee applying applicable state escheatment rules.
- c. upon tender of payment to Trustee of sums due under this Declaration, or upon Closing Agent's written agreement to hold the Estoppel Certificate in trust and unrecorded until tender of payment of such sums to the Trustee, a Closing Agent shall be entitled to and Trustee shall issue an Estoppel Certificate;
- d. where permitted by law a Closing Agent shall be and hereby is entitled to withhold from each Reconveyance Fee paid in connection with a Conveyance, and retain as a fee, the greater of \$100.00 or two percent (2%) of the Reconveyance Fee collected;
- e. when in doubt as to duties or liabilities related to disbursement of funds, a Closing Agent shall (i) deposit said funds with the clerk of any court of competent jurisdiction in McKinley County, and (ii) provide written notice of same to Trustee, and shall thereafter have no liability with respect to the deposited sums;
- f. a Closing Agent shall be entitled to rely solely upon information contained in the OPR and is hereby released as to claims resulting from information not contained in the OPR; and
- g. it is understood that Closing Agent shall be under no obligation to invest any funds deposited with it, nor shall it be accountable for any incidental benefit attributable to the funds which may be received by Closing Agent while it holds such funds.

14. PAYMENT AND NOTICE. Payment shall be deemed made when tendered to the Trustee in good and collected funds. In order to insure proper credit, payment transmittal must reference the recording information of this Declaration. Except as otherwise provided herein, notices, requests and communications of any kind required under or made in connection with this Declaration shall be deemed made when (1) sent by certified mail, return receipt requested to the Trustee or (2) acknowledged in writing by the Trustee. An Estoppel Certificate or similar written acknowledgment of payment shall not be required in order to satisfy the then-existing indebtedness but Trustee shall be authorized to provide same, and in accordance with this Declaration shall do so upon request of a Closing Agent.

15. ADDITIONAL RECONVEYANCE FEES PROHIBITED. During the term of this Declaration no additional Reconveyance Fee or similar fee payable in connection with a Conveyance shall be imposed upon the Property as a covenant running with the land; provided, however, that the foregoing shall not prohibit fees, charges or assessments of whatever kind or of whatever nature payable to and for the benefit of a homeowner's association, governmental entity or non-profit organization.

16. MODIFICATIONS. Trustee shall be entitled to (and upon request of Licensor shall) make technical modifications to this Declaration for the purpose of securing or clarifying rights and obligations intended or contemplated in this Declaration, to correct clerical errors, to clarify ambiguity, to remove any contradiction in the



terms hereof, or to make such other changes deemed necessary to comply with applicable law; provided, however, that no such modification shall (i) result in an increase in the total consideration contemplated in paragraph 5 of this Declaration, (ii) affect Owner's rights or obligations under this Declaration, (iii) extend the term of this Declaration nor (iv) make any modifications to substantive terms that change the general intent of this Declaration. Any modification shall be made by instrument filed in the OPR. In the event the Declarant listed on page one is a beneficial owner at the time of any modification made pursuant to this paragraph 16, said Declarant's consent thereto shall be required. All parties to this Declaration jointly and severally waive any and all claims against Licensor and Trustee which arise out of or which are related to any modification undertaken in good faith pursuant to this section.

17. **BENEFICIARIES.** All rights, interest, ownership and privileges in and to this Declaration, **SAVE AND EXCEPT** "Declarant's Right to Terminate" under paragraph 25, and rights assigned to Licensor, belong to and are hereby vested in the following Beneficiaries, who/which are each hereby declared the owner(s) of an undivided interest in this Declaration in the percentages shown below:

- a. Holigan Land Development, Ltd., a Texas limited partnership, 6505 W Park Blvd, Ste 306, LB 342, Plano, TX 75093 (50%)
 - b. FCP Realty Interests II, LLC., a Nevada limited liability company, P.O. Box 6193, Round Rock, TX 78683 (31%)
 - c. CBGS, LLC., 10000 N Central Expressway, Suite 900, Dallas, TX 75231 (10%)
 - d. OLT Properties, Ltd., a Texas limited partnership, by PDC Properties, Inc., a Texas corporation, its sole general partner, 5225 Village Creek Dr., ste. 300, Plano, TX 75093 (5%)
 - e. DTF Holdings Company, LLC., a Texas limited liability company, 600 Congress Avenue, Suite 1300, Austin, TX 78701 (2%)
 - f. Buckingham Trading, LLC., a California limited liability company, PO Box 4761, San Jose, CA 95150 (2%)
18. **BENEFICIARY SALE/ASSIGNMENT.** Each Beneficiary is entitled to sell, convey, assign, pledge, subordinate and hypothecate, in whole or in part, their beneficial interest in this Declaration, provided however, that any offer to acquire the beneficial interest described in 17(a), made within five years from the date this Declaration was recorded in the OPR, shall include an equal offer per one percent interest for the remaining beneficial interests described under paragraph 17. Licensor shall have the right (but not the duty) to waive the foregoing provision.
19. **BENEFICIARY DUTIES.** Each Beneficiary shall:
- a. provide notice of a purchase, sale, pledge, assignment or similar conveyance of all or part of Beneficiary's interest in this Declaration by filing notice of same in the OPR, with a copy to Trustee. The foregoing notice shall generally meet the content requirements of a Conveyance Instrument, containing therein a complete description of the parties, the interest conveyed and reference to the recording information of the document by which the grantor/assignor obtained title. Any person, firm or entity who acquires (by sale, assignment or otherwise), in whole or in part, rights in and to this Declaration shall, by taking such assignment, have consented and agreed to the terms of this Declaration.
 - b. notify Trustee, in a method and manner reasonably required by Trustee, of any change in Beneficiary's mailing address or other material information and, failing to do, shall be subject to forfeiture to the state of New Mexico, applying state escheatment rules, all unpaid sums.
20. **LICENSE.** This Declaration was prepared under license from Freehold Licensing, Ltd., a Texas limited partnership (together with it's heirs, successors, predecessors, controlled entities, affiliates, and assigns "Freehold" and "Licensor").
21. **LICENSOR'S AUTHORITY.** If Licensor should discontinue operations and cease to exist, and provided that the rights granted herein to Licensor have not otherwise been assigned by notice of assignment executed by Licensor and filed in the Recorder's Office of Travis County, Texas, then upon written certification of the foregoing made under oath by Trustee, the rights assigned to Licensor shall thereafter be exercisable by Beneficiaries (whether one or more) holding a majority beneficial interest in this Declaration. Upon Trustee's request, all parties to this Declaration shall promptly join in execution of any document necessary to effectuate this



provision, but failure to do so shall not impair any action taken pursuant to this provision.

22. **IMPAIRMENT OF CONSIDERATION.** To the extent that Improvements or Property Benefits form, in whole or in part, the basis for consideration for the benefits and burdens imposed by this Declaration, the parties, by acceptance of a Conveyance Instrument, stipulate and agree to the adequacy of said Improvements and Property Benefits, and further stipulate and agree, by acceptance of a Conveyance Instrument, whether expressed therein or not, that neither destruction nor obsolescence of, nor defect in, said Improvements or Property Benefits shall directly or indirectly diminish, impair or invalidate this Declaration in any way. No party holding rights in and to this Declaration, as a beneficiary thereof, shall have an obligation to construct, maintain, warranty, modify, add to, or transfer additional improvements to the Property beyond the date of recordation of this Declaration, in order for this Declaration to be in full force and effect.

23. **BENEFIT AND BURDEN.** It is the intent of the Parties to this Declaration that this Declaration and the benefits, burdens, premises and promises contained herein run with the land and shall be binding upon and shall inure to the burden and benefit of each Owner and the Beneficiaries, together with their respective successors, heirs and assigns. All burdens and benefits are stipulated to be appurtenant to the land.

24. **SAVINGS CLAUSE.** In the event any provision in this Declaration, including any modification thereto, is adjudicated impermissible or unenforceable, then the offending provision shall be deemed modified to the extent possible and necessary to comply with applicable law and to preserve each Beneficiary's right to compensation equal to compensation originally contemplated under this Declaration.

25. **DECLARANT'S RIGHT TO TERMINATE.** Notwithstanding any provision or term to the contrary herein, this Declaration shall terminate and be rendered null, void and of no force and effect in its entirety with respect to any portion of the Property that is the subject of a Termination (hereinafter defined). As used herein, a "Termination" shall refer to a written document that (i) describes the portion of the Property to be released and exonerated from this Declaration ("Released Property"); (ii) is recorded in the OPR and (iii) is executed SOLELY by Declarant in Declarant's sole and absolute discretion without necessity of joinder of the Beneficiary(ies), the Trustee, an Owner, any non-profit designated in this Declaration or any other party affected by this Declaration (jointly and severally the "Affected Parties"). Declarant shall be free to record a Termination notwithstanding any duty or obligation to the Affected Parties and regardless of any financial or legal effect such Termination may or will have on Affected Parties. Notwithstanding the foregoing, Declarant shall have no right to record a Termination and no Termination shall be valid or effective after the earlier of the sale, conveyance, transfer or assignment of (x) Declarant's interest in the Released Property or (y) Declarant's beneficial interest in this Declaration, whether in whole or in part. Within ten (10) days from date of filing a Termination, Declarant shall provide a copy to Trustee, by certified mail. If a Termination is recorded as provided above, the legal description of the Property, for purposes of this Declaration, shall be deemed amended to exclude the Released Property. Upon Declarant's written request, the Trustee and Affected Parties shall execute any document(s) necessary to effectuate this provision. This right to terminate is personal to the Declarant and cannot be conveyed, assigned or otherwise exercised by another party.

26. **NO GENERAL ASSIGNMENT.** Any purported assignment of rights under this Declaration shall be invalid and of no force and effect unless said assignment specifically references this Declaration and is filed Of Record. In particular, but not by way of limitation, a general assignment by Declarant (whether by Conveyance Instrument, contract for sale, or otherwise), executed in connection with a sale of the Property or otherwise, shall not constitute a valid sale or assignment of Declarant's rights under this Declaration, or invalidate or modify this Declaration in any way.

27. **LOAN REQUIREMENT.** To the extent that any of the provisions of this Declaration shall be found to be contrary to the promulgated rules and regulations of the Federal Housing Administration, the Veterans Administration or any other recognized governmental or quasi-governmental lending institution or agency (public or private) primarily engaged in granting or insuring loans, to such an extent that same unreasonably interferes with a Grantee's or Owner's ability to obtain financing for the Property, Trustee shall have the right and authority to waive or subordinate such provision for purposes of a given loan and, upon request of the Beneficiaries holding a majority interest, shall do so.



28. CONSTRUCTION. This Declaration shall be liberally construed in and for the interest, benefit and protection of Beneficiaries.

29. LIMITATION ON DAMAGES. Except as otherwise provided herein no party to this Declaration shall be entitled to recover from another party to the Declaration, costs, including attorney fees, incurred in connection with legal proceedings arising out of or related to this Declaration. Each party to this Declaration, including Owner, Trustee and Beneficiaries, hereby jointly and severally waive all claims against each other for exemplary, punitive, consequential, and emotional damages arising out of or related to this Declaration.

30. APPLICABLE LAW. This Declaration shall be construed according to the laws of the State of New Mexico as they exist at the time of filing of this Declaration, provided that should a later created law, ordinance or regulation related to the subject matter of this Declaration provide additional grounds for enforcement of this Declaration then same shall apply. If any provision of this Declaration is found to be in violation or conflict with applicable law then said provision shall be amended only to the extent necessary to comply with the applicable law, but shall otherwise remain in full force and effect.

IN WITNESS WHEREOF, this Declaration is executed on the date indicated below.

DECLARANT

Holigan Land Development, Ltd., a Texas limited partnership
By: HL Development, LLC., its General Partner

HL, Senior Vice President
Harold Holigan

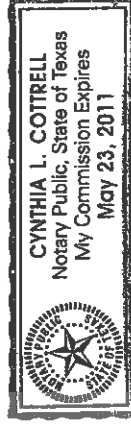
STATE OF Texas §

COUNTY OF Denton §

ACKNOWLEDGMENT

Before me, the Undersigned Notary, on the 8th day of September, 2009, personally appeared Harold Holigan, Sr. Vice Pres. of HL Development, LLC., signer of the foregoing instrument, proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that s/he executed the same in the aforementioned capacity for the purposes therein contained.

Cynthia L. Cottrell
Notary Public, State of Texas



File# 5016

DOCH 346663

09/16/2009 12:09 PM Page: 11 of 13
Doc R:\$33.00 J. C. Sisco, McKinley County



EXHIBIT A

PARCEL 1:

A tract of land in the southeast quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Commencing for a tie at the east quarter corner of said Section 24, and run thence South 00 degrees 14 minutes 52 seconds West for a distance of 990.00 feet to a point on east line of said Section 24 said point being the Real Point of Beginning.

THENCE South 00 degrees 14 minutes 52 seconds West for a distance of 1627.58 feet to the southeast corner of said Section 24,

THENCE South 89 degrees 47 minutes 29 seconds West for a distance of 2696.23 feet to the south quarter corner of said Section 24,

THENCE North 00 degrees 49 minutes 58 seconds East for a distance of 2007.52 feet to a point,

THENCE North 88 degrees 17 minutes 11 seconds East for a distance of 253.89 feet to a point,

THENCE South 73 degrees 03 minutes 38 seconds East for a distance of 309.79 feet to a point,

THENCE along a curve to the right having a radius of 1269.32 feet and an arc length of 346.23 feet, being subtended by a chord of South 80 degrees 52 minutes 29 seconds East for a distance of 345.16 feet to a point,

THENCE South 14 degrees 58 minutes 33 seconds West for a distance of 116.60 feet to a point,

THENCE South 02 degrees 26 minutes 58 seconds East for a distance of 463.37 feet to a point,

THENCE South 24 degrees 13 minutes 42 seconds East for a distance of 57.98 feet to a point,

THENCE along a curve to the right having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of North 81 degrees 21 minutes 38 seconds East for a distance of 378.92 feet to a point,

THENCE South 83 degrees 03 minutes 00 seconds East for a distance of 145.00 feet to a point,

THENCE North 06 degrees 57 minutes 00 seconds East for a distance of 175.00 feet to a point,

THENCE North 29 degrees 40 minutes 00 seconds East for a distance of 100.00 feet to a point,

THENCE South 58 degrees 21 minutes 01 seconds East for a distance of 195.00 feet to a point,

THENCE North 72 degrees 51 minutes 45 seconds East for a distance of 132.54 feet to a point,

THENCE North 27 degrees 14 minutes 52 seconds East for a distance of 420.00 feet to a point,

DOC# 346663

09/18/2009 12:09 PM Page: 12 of 13
Gov R:\$33.00 J. C. Sloan, McKinley County



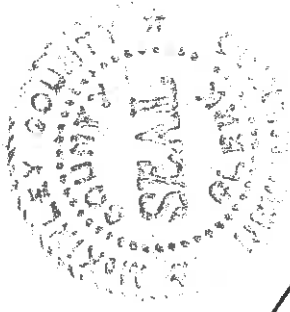
346663

THENCE South 58 degrees 45 minutes 08 seconds East for a distance of 410.00 feet to a point,
THENCE South 89 degrees 45 minutes 08 seconds East for a distance of 345.00 feet to the Real Point of Beginning.

Said tract of land annexed in the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the office of the clerk of McKinley County, New Mexico, on May 21, 1980 at reception NO. 195, 815.

PARCEL 2:

Tracts C-1, C-2, C-3, and H-1 of HIDDEN VALLEY SUBDIVISION as the same are shown and designated on the replat of Tracts C, D, and H, HIDDEN VALLEY SUBDIVISION, Gallup, McKinley County, New Mexico filed in the office of the Clerk of McKinley County, New Mexico on November 13, 1998.



Proved

DOCH 346663

09/18/2009 12:08 PM Page: 13 of 13
COV R: \$33.00 J. C. Sloan, McKinley County



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.

SPECIAL WARRANTY DEED

STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF MCKINLEY §

THAT, HAROLD AND HERMENA HOLIGAN., individuals (hereinafter referred to as "Grantor"), for the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration to the undersigned in hand paid by SG PARTNERS, LP a Texas limited partnership (hereinafter referred to as "Grantee"), whose address is 4560 BELTLINE RD, #350, ADDISON, TX 75001, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY to Grantee all those certain Land (the "Land") situated in McKinley County, New Mexico, and described on Exhibit A attached hereto and incorporated herein by reference, together with any and all improvements situated thereon and together with (but without warranty) (i) all and singular the rights, benefits, privileges, easements, tenements, hereditaments, and appurtenances thereon or in anywise appertaining to the Land, including, but not limited to, all right, title and interest of Seller in and to all utilities and utility availability, sewage treatment capacity, water capacity, and utility taps which serve or will serve the Land, and (ii) all right, title and interest of Seller in and to all strips and gores and any land lying in the bed of any street, road or alley, open or proposed, adjoining such Land; provided that to the extent any of the rights described in (i) and (ii) above serve the Land and other property adjacent to, contiguous with or in close proximity to the Land, the conveyance of such rights described in (i) and (ii) above shall be on a non-exclusive basis (the Lot, the improvements situated thereon, and all of the foregoing set forth in clauses (i) and (ii) are collectively referred to as the "Land").

TO HAVE AND TO HOLD, the Land unto Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns forever, and Grantor does hereby bind Grantor and Grantor's heirs, executors, administrators, legal representatives, successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Land unto Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the Land or any part thereof,

Ad valorem taxes relating to the Land have been prorated between Grantor and Grantee as provided in Section 9.03 of that certain Real Estate Purchase and Sale Agreement between Grantor and Grantee pertaining to the Land (the "Agreement"), and shall be subject to adjustment after the date hereof as set forth in Section 9.03 of the Agreement in the event the actual taxes are different than the estimated taxes used for such prorations. Furthermore, certain taxes, assessments, penalties and/or interest (collectively, the "Rollback Taxes") may be incurred or assessed against the Land as a result of the change in usage or ownership of said Land, which Rollback Taxes accruing for all periods prior to and up through the date of this Deed, if any, are

Grantor's sole responsibility. In this regard, Grantor hereby affirms its obligations to pay such Rollback Taxes accruing for all periods prior to and up through the date of this Deed.

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

EXECUTED AND DELIVERED on this the 15 day of October, 2010

GRANTOR:

HAROLD AND HERMENA HOLIGAN,
individuals

[Signature]
Harold Holigan

[Signature]
Hermena Holigan

Date: 10/15/10

STATE OF TEXAS §
 Denton §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Harold and Hermena Holigan, individuals.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15 day of October, 2007: 2010

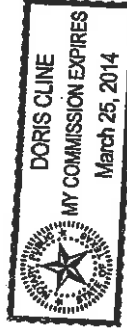
[SEAL]

My Commission Expires:

3.25.2014

[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

[Signature]
Printed Name of Notary



DOC# 351550

10/19/2010 11:17 AM Page: 2 of 3
DEED R:\$13.00 J. C. Sloan, McKinley County

SPECIAL WARRANTY DEED

EXHIBIT "A"

LEGAL DESCRIPTION

A tract of land within the Southeast Quarter (1/4) of Section 24, T15N, R18W, N.M.P.M., Red Hill South Addition, City of Gallup, McKinley County, New Mexico, and being more particularly described as follows:

Beginning at the East quarter corner of said Section 24, being the Real Point of Beginning;

THENCE South 00 degrees 14 minutes 52 seconds West along the East line of said Section 24 for a distance of 990.00 feet to a point;

THENCE North 89 degrees 45 minutes 08 seconds West for a distance of 345.00 feet to a point;

THENCE North 58 degrees 45 minutes 08 seconds West for a distance of 410.00 feet to a point;

THENCE South 27 degrees 14 minutes 52 seconds West for a distance of 420.00 feet to a point;

THENCE South 72 degrees 51 minutes 45 seconds West for a distance of 132.54 feet to a point;

THENCE North 58 degrees 21 minutes 01 seconds West for a distance of 195.00 feet to a point;

THENCE South 29 degrees 40 minutes 00 seconds West for a distance of 100.00 feet to a point;

THENCE South 06 degrees 57 minutes 00 seconds West for a distance of 175.00 feet to a point;

THENCE North 83 degrees 03 minutes 00 seconds West for a distance of 145.00 feet to a point of curvature;

THENCE along a curve to the left having a radius of 705.00 feet and an arc length of 383.64 feet, being subtended by a chord of South 81 degrees 21 minutes 39 seconds West for a distance of 378.92 feet to a point;

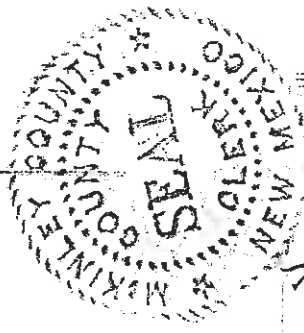
THENCE North 24 degrees 13 minutes 42 seconds West for a distance of 57.98 feet to a point;

THENCE North 02 degrees 26 minutes 58 seconds West for a distance of 463.37 feet to a point;

THENCE North 14 degrees 58 minutes 33 seconds East for a distance of 900.00 feet to a point on the center section line of said Section 24;

THENCE North 89 degrees 58 minutes 33 seconds East along said center section line for a distance of 1585.00 feet to the Real Point of Beginning.

Said tract of land annexed into the City of Gallup, New Mexico by plat titled REDHILL SOUTH ADDITION, as the same is shown and designated on the plat of said addition filed in the Office of the County Clerk of McKinley County, New Mexico on May 21, 1980 at reception No. 195,815.



Return to:
SG Partners
4860 Beltline, #350
Addison, TX 75001

DOCH 351550

10/19/2010 11:17 AM Page: 3 of 3
DEED R:\$13,000 J. C. Sloan, McKinley County





MCKINLEY COUNTY

OFFICE OF THE TREASURER

ERNEST C. BECENTI JR.
COUNTY TREASURER

2010 DELINQUENT TAX LIST FOR MCKINLEY COUNTY

Pursuant to NMSA 1978 Section 7-38-61, the following is a list of al properties for which property taxes have been delinquent for more than two years.

The County Clerk is hereby directed to record this list without a recording fee

207 WEST HILL AVENUE SUITE 101, GALLUP, NEW MEXICO 87301
PHONE (505) 722-4459. FAX (505) 722-4450

Handwritten signature

DOC# 363956
07/12/2013 10:35 AM Page: 1 of 12
DPTL R:\$0.00 H. K. Becenti, McKinley County

CC ID#	DELINQUENT OWNER	NAME2 & ADDRESS	CITY	ST	ZIP	LEGAL
13 R206733	RICHARDS, TIM	P.O. BOX 1545	GALLUP	NM	873051545	BLOCK 3, LOT 12, NAVAJO ESTATES SUB UNIT #3, T16 R18 S7 BK 17 PG 6129 11/30/01 BK 20 PG 7221 7/3/03 BK 25 PG 456 7/5/05 CODE #2-108-095-446-420
13 R016047	RIVAS, ROSE MARIE G, ETAL	P.O. BOX 2151	GALLUP	NM	8730505000	THE W.14' OF LOT 6, LOT 7, THE E.21' OF LOT 8, BLOCK 6 STATE LAND ADDN. D.B. 27-706 & 707 PROBATE NO.PB 86-42 CODE #2-106-088-065-368
13 R055190	ROMERO, DAVID	707 CASCADE	GAMERCO	NM	8731700000	A TRACT 200' X 200' IN 07 13 11, SW1/4 OF CONT. .92 ACRES BK 13 PG 4661 12/14/98 CODE #2-066-077-610-052 RSJFCD
13 R202967	ROMERO, FRANCES &	GENARO403 E. HILL	GALLUP	NM	8730100000	LOT 7 BLOCK 16, VOGEL ADDN. #1 BK 25 PG 2920 08/11/05 CODE #2-106-087-011-499
13 R189154	ROMERO, FRANCES C.	403 E. HILL AVE.	GALLUP	NM	8730100000	THE E.6' OF LOT 15, ALL OF 16 THE W.20' OF LOT 17, BLOCK 11, A&P ADDN. D.B. 33-23 1/22/82 CODE #2-105-088-370-162
13 R668788	ROSALES, ELAINE	413 FREEDOM DR.	GALLUP	NM	8730100000	089
13 R655775	RYERSON, RAY R.	ROBERT P.212 REED	LAKEWOOD	CO	8022600000	NE1/4SW1/4, 07 14 09, BLOCK 14 A/K/A LOT 11, BLOCK AMBROSIA TRACT #3, W.D.13-623
13 R178128	SALAS, CLARENCE D. & MARIE R.	P.O. BOX 2101	GALLUP	NM	873052101	BLOCK 53, LOT 5, GAMERCO TOWNSITE UNIT #1 T16 R18 S32 BK 16 PG 9515 7/12/01 CODE #2-107-091-259-308
13 R011223	SANCHEZ, ADELINA L.	DR.	GALLUP	NM	8730100000	LOT 20, CEDAR HILLS SUBDIVISION UNIT #1 DOC 338662 02/25/08 CODE #2-105-087-511-228
13 R300226	SANCHEZ, CAY & IDA TRUSTEES	C/O SANCHEZ, FRANK & DIMAS, MA	GALLUP	NM	873050544	LOT 2, LINDSAY SUB. BK 10 PG 0644 5/13/96 PLAT FILED 8/21/01 BK 28 PG 5176 03/15/07 BK 28 PG 5177 03/15/07 BK 28 PG 7590 05/02/07 BK 28 PGS 7591-92 05/02/07 CODE 2-119 071-427-499
13 R214709	SANCHEZ, CAY & IDA TRUSTEES	C/O SANCHEZ, FRANK & DIMAS, MA	GALLUP	NM	873050544	LOT 1, LINDSAY SUB. BK 10 PG 0644 5/13/96 PLAT FILED 8/21/01 BK 28 PG 5176 03/15/07 BK 28 PG 5177 03/15/07 BK 28 PG 7590 05/02/07 BK 28 PGS 7591-92 05/02/07 CODE 2-119 071-493-499
13 R300722	SANDOVAL, ARTHUR	HCR 79 BOX 60	CUBA	NM	8701300000	LIVESTOCK ONLY ON ACCT.#R065218
13 R208529	SAUTER, WILLIAM A.L.	P.O. BOX 895	THOREAU	NM	873230895	2 ACS M/L IN SE1/4 OF 21 14 14, BK 10 PG 5413 9/18/96 CODE #2-082-081-133-126
13 R126497	SAVAGE, CLAUDE & CAROLYN	PAUL E.12674 W.	PEORIA	AZ	853833410	BLOCK 19 LOT 22 TIMBERLAKE RANCH UNIT #7 BK 9 PG 4568 10/11/95 BK 18 PG 6535 7/12/02 BK 22 PG 1478 2/9/04 CODE #2-091-064-293-190
13 R636789	SECRETARY OF HOUSING & URBAN D	ATTN: MICHAELSON, CONNOR & BOU	OKLAHOMA CITY	OK	7310800000	BLOCK A N1/2 OF LOT 2 104' X 200' WILLIAMS ACRES DOC 338644 02/25/08 CODE #2-113-086-019-165
13 R214843	SG PARTNERS, LP	4560 BELTLINE RD. #350	ADDISON	TX	7500100000	A TRACT OF LAND WITHIN THE SE1/4 SEC.24 T15N R18W, RED HILLS SOUTH ADDN. CONT. 43.70865 ACS M/L DOC 351550 10/19/10 CODE #2-103-087-085-214
13 R115037	SHAH, & TO HIS HEIRS	ALICEP O. BOX 180	GALLUP	NM	8730500000	THE S1/2NE1/4 THE N1/2SE1/4 OF 31 14 17, CONTAINING 160 ACS. D.B. 23-623 08/04/75 CODE #2-102-079-040-421
13 R015520	SILVA, HELEN	508C W. GREEN AVE.	GALLUP	NM	8730100000	LOT 5A OF REDIVISION OF LOT 5 BLOCK 30, VOGEL ADDN. D.B. 31-199 8/29/81 BK 15 PG 3 2/22/00 DEATH CERT. CODE 2-106-087-113-522
13 R169773	SILVERSMITH, TEDDIE JR. & ANTOINETTE P.O.	BOX 628	GALLUP	NM	873050628	BLOCK 48, LOT 9, GAMERCO TOWNSITE UNIT #1 T16 R18 S32 BK 15 PG 3754 6/12/00 CODE #2-107-091-238-294
13 R176788	SIMPSON, COLLEEN	C/O BEAN, BRENDA & GLADISH, BR	BLUEWATER VIL	NM	870050252	BLOCK 3 LOT 4 HOMER C.JONES ADDN. BK 24 PG 2884 3/10/05 DOC 349871 06/14/10 DOC 353989 04/25/81 DOC 358468 05/07/12 CODE 2-069-073-451-005 RSJFCD
13 R205662	SMITH, EMERY W. &	CORALTEE, REV. TRUST616 SAGE ST	GRANTS	NM	8702000000	PROPERTIES D.B.35-278 11/4/83 BK 2 PG 2450 08/06/90 CODE #2-073-073-140-128 RSJFCD 295 BLW Pwy
13 R300166	SMITH, LASHINA	C/O P.O. BOX 1078	THOREAU	NM	873231078	TRACT A, WITHIN SEC. 5 T14 R12 CONT. 2.37 ACS M/L DOC 343250 12/29/08 DOC 346125 08/04/09 CODE #2-071-084-247-282 RSJFCD

DOC# 363956

DEED

The Property Tax Division of the Taxation and Revenue Department of the State of New Mexico, pursuant to # 7-38-70, NMSA 1978, hereby grants and conveys to :

PHILIPP MERILLAT CORPORATION

POST OFFICE BOX 777
PAGOSA SPRINGS CO 81147-777

all of the former owner's interest in the following described real property, in
MC KINLEY COUNTY, that interest being as of the date the state's lien
for property taxes arose, pursuant to the Property Tax Code, that date being
January 1, 2010, Tax Delinquent Account Number = 13-192-2010
and that interest being subject only to perfected interests in the real property
existing before the date the property tax lien arose :

A TRACT OF LAND WITHIN THE SE1/4 SEC.24 T15N R18W, RED HILLS SOUTH ADDN.
CONT. 43.70865 ACS M/L DOC
351550



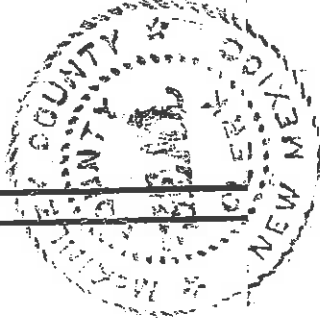
WITNESS the execution hereof by the grantor this day of : 6/19/2014
and seal affixed this date.

PROPERTY TAX DIVISION

Delegate

DOCH 368264

08/20/2014 09:56 AM Page: 1 of 1
DEED R:\$25.00 H. K. Becenti, McKinley County



ORIGINAL

351550

New Mexico Courts
Case Lookup

Exit

Name Search

Case Number Search

DWI Search

Case Detail

TED J. PINTARELLI, et. al., v. CITY OF GALLUP, et. al.

CASE DETAIL			
CASE NUMBER	CURRENT JUDGE	FILING DATE	COURT
D-1113-CV-200400419	Rich, Joseph L.	11/10/2004	GALLUP DISTRICT

PARTIES TO THIS CASE			
PARTY TYPE	PARTY DESCRIPTION	PARTY #	PARTY NAME
D	Defendant	1	CITY OF GALLUP
		ATTORNEY: ISAACSON THOMAS LYNN	
D	Defendant	2	HOLIGAN LAND DEVELOPMENT
		ATTORNEY: BINGHAM SETH V.	
D	Defendant	3	SOUTHFORK DEVELOPMENT LTD
D	Defendant	4	HOLIGAN HAROLD
		ATTORNEY: BINGHAM SETH V.	
P	Plaintiff	1	PINTARELLI TED J.
		ATTORNEY: MURPHY DENNIS P.	
P	Plaintiff	2	TEDON LLC A NM LIMITED LIABILITY
		ATTORNEY: MURPHY DENNIS P.	

HEARINGS FOR THIS CASE				
HEARING DATE	HEARING TIME	HEARING TYPE	HEARING JUDGE	COURT COURT ROOM
07/25/2005	9:00 AM	MOTION HEARING	Rich, Joseph L.	GALLUP DISTRICT COURT
05/20/2005	9:00 AM	MOTION HEARING	Rich, Joseph L.	GALLUP DISTRICT COURT

CIVIL COMPLAINT DETAIL				
COMPLAINT DATE	COMPLAINT SEQ #	COMPLAINT DESCRIPTION	DISPOSITION	DISPOSITION DATE
11/10/2004	1	CLS: JUDGMENT/ DISPOSITION	CVB: VOLUNTARY DISMISSAL	08/18/2005
COA SEQUENCE #	COA DESCRIPTION			
1	Other Damages			

PARTY NAME	PARTY TYPE	PARTY #
HOLIGAN HAROLD	D	4
SOUTHFORK DEVELOPMENT LTD	D	3
HOLIGAN LAND DEVELOPMENT	D	2
TEDON LLC A NM LIMITED LIABILITY	P	2
CITY OF GALLUP	D	1
PINTARELLI TED J.	P	1

REGISTER OF ACTIONS ACTIVITY				
EVENT DATE	EVENT DESCRIPTION	EVENT RESULT	PARTY TYPE	PARTY # AMOUNT
08/18/2005	CLS: ORDER OF DISMISSAL			
	THE GROUNDS THAT THE PARTIES HAVE RESOLVED ALL MEMBERS IN DISPUTE BETWEEN THEM; AND IT APPEARING TO THE COURT THE MOTION SHOULD BE GRANTED. IT IS ORDERED THAT PLAINTIFF COMPLAINT AGAINST THE DEFENDANT CITY OF GALLUP EACH PARTY SHALL BEAR THE OWN COSTS AND ATTY FEES.			
08/16/2005	MTN: TO DISMISS			
	JOINT: PLAINTIFFS COMPLAINT AGAINST THE DEFENDANT CITY OF GALLUP AND UPON THE GROUNDS THAT THE PARTIES HAVE ENTERED INTO A SETTLEMENT AGREEMENT RESOLVING ALL DISPUTES BETWEEN THE PARTIES.			
07/28/2005	NCJ: DISMISS WITHOUT PREJUDICE			
	STIPULATED MOTION FOR ENTRY OF AN ORDER DISMISSING ALL CLAIMS AGAINST HAROLD HOLIGAN AND HOLIGAN LAND DEVELOPMENT IT IS ORDERED BE AND HEREBY IS DISMISSED WITHOUT PREJUDICE			
07/28/2005	MTN: TO DISMISS			
	CLAIMS AGAINST HAROLD HOLIGAN AND HOLIGAN LAND DEVELOPMENT: AFTER THE HEARING THE ZONING AUTHORITY DENIED HOLIGAN LAND DEVELOPMENT'S APPLICATION FOR ZONING CHANGE. THE ACTION OF THE ZONING AUTHORITY RENDERS PLAINTIFFS CLAIMS AGAINST HAROLD HOLIGAN AND HOLIGAN LAND DEVELOPMENT MOOT AT THIS POINT. PARTIES HAVE AGREED TO ENTRY OF AN ORDER TO DISMISS WITHOUT PREJUDICE.			
05/13/2005	ORD: OF CONTINUANCE			
	GRANTING CONTINUANCE ON MAY 20, 2005 UPON DEFENDANTS MOTION TO DISMISS			
05/13/2005	MTN: FOR CONTINUANCE			
	PLAINTIFFS MOTION FOR CONTINUANCE ON FOR MAY 20, 2005			
05/13/2005	NTC: HEARING (CIVIL)			
	JULY 25, 2005 @ 9:00 AM HEARING ON MOTION TO STRIKE AND MOTION TO DISMISS (CONT. AND RESET FROM 5/20/05 BY THE COURT) AMENDED			
04/25/2005	NTC: HEARING (CIVIL)			
	MAY 20, 2005 @ 10:00 AM (HEARING ON MOTION TO STRIKE AND MOTION TO DISMISS)			
03/02/2005	REPLY			
	BRIEF ON MOTION TO STRIKE AND DISMISS BY THE DEFENDANT HOLIGAN			
02/17/2005	ANSWER			
	PLAINTIFF'S ANSWER BRIEF ON THE HOLIGAN DEFENDANT'S MOTION TO STRIKE AND MOTION TO DISMISS			

02/03/2005	NCJ: DISMISSAL BY PARTY				
	OF PLAINTIFFS CLAIMS AGAINST SOUTHFORK DEVELOPMENT, LTD: ATTY OF RECORD DENNIS MURPHY OF THE LAW OF MONTOYA, MURPHY AND GARCIA PURSUANT TO AND VOLUNTARILY DISMISSES ALL CLAIMS AGAINST DEFENDANT SOUTHFORK DEVELOPMENT. SOUTHFORK AS PROVIDED SATISFACTORY EVIDENCE THAT IT NO LONGER POSSESSES ANY LEGAL INTEREST IN THE REAL ESTATE WHICH IS THE SUBJECT OF THE LITIGATION.				
01/22/2005	MTN: MOTION				
	THE HOLIGAN DEFENDANTS' MOTION TO STRIKE AND MOTION TO DISMISS				
12/22/2004	ENTRY OF APPEARANCE				
	MILLER STRATVERT ON BEHALF OF HOLIGAN LAND DEVELOPMENT & HAROLD HOLIGAN				
12/22/2004	SUMMONS NOTICE RECEIPT				
	SIGNED BY MILLER STRATVERT ON DECEMBER 5, 2004 ON BEHALF OF HOLIGAN LAND DEVELOPMENT				
12/22/2004	SUMMONS NOTICE RECEIPT				
	SIGNED BY MILLER STRATVERT ON DECEMBER 5, 2004-ON BEHALF OF HAROLD HOLIGAN				
12/10/2004	ANSWER				
	OF DEFENDANT CITY OF GALLUP				
11/29/2004	ENTRY OF APPEARANCE				
	LYNN ISSACSON ON BEHALF OF THE CITY OF GALLUP				
11/17/2004	RETURN OF SERVICE				
	TO ALFRED ABEITA, DEPUTY CITY CLERK ON NOVEMBER 10, 2004				
11/10/2004	OPN: APPLICATION				

JUDGE ASSIGNMENT HISTORY			
ASSIGNMENT DATE	JUDGE NAME	SEQUENCE #	ASSIGNMENT EVENT DESCRIPTION
11/10/2004	Rich, Joseph L.	1	INITIAL ASSIGNMENT

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McKINLEY COUNTY
STATEMENT OF TAXES DUE

Account Number R214843
Assessed To

Parcel 2-103-087-085-214
PHILIPP MERILLAT CORPORATION
P.O. BOX 777
PAGOSA SPRINGS, CO 81147-0777

Legal Description

Situs Address

A TRACT OF LAND WITHIN THE SE1/4 SEC.24 T15N R18W, RED HILLS SOUTH ADDN.
CONT. 43.70865 ACS M/L DOC 368264 08/20/14 CODE 2-103-087-085-214

Year	Tax	Interest	Fees	Payments	Balance
Tax Charge					
2015	\$1,221.48	\$0.00	\$0.00	(\$1,221.48)	\$0.00
2014	\$1,210.88	\$0.00	\$0.00	(\$1,210.88)	\$0.00
2013	\$1,239.16	\$0.00	\$0.00	(\$1,239.16)	\$0.00
2012	\$1,216.76	\$0.00	\$0.00	(\$1,216.76)	\$0.00
2011	\$1,184.00	\$0.00	\$0.00	(\$1,184.00)	\$0.00
2010	\$1,212.64	\$0.00	\$0.00	(\$1,212.64)	\$0.00
2009	\$1,201.16	\$66.07	\$48.05	(\$1,315.28)	\$0.00
2008	\$1,213.22	\$12.13	\$12.13	(\$1,237.48)	\$0.00
2007	\$1,203.04	\$6.26	\$6.26	(\$1,215.56)	\$0.00
2006	\$1,193.32	\$0.00	\$0.00	(\$1,193.32)	\$0.00
Total Tax Charge					\$0.00
Grand Total Due as of 08/01/2016					\$0.00

Tax Billed at 2015 Rates for Tax Area 120 - INSIDE NON-RES - 120

Authority	Mill Levy	Amount	Values	Actual	Assessed
STATE DEBT SERVICE	1.3600000	\$39.63	SUB - ACRES	\$87,420	\$29,140
COUNTY OPERATIONAL-NON RES	11.8500000	\$345.31	Total	\$87,420	\$29,140
GALLUP MUNICIPAL OPERATIONAL	7.6500000	\$222.92			
SCHOOL DISTRICT OPERATIONAL	0.5000000	\$14.57			
SCHOOL DIST CAP IMPROVEMENT	2.0000000	\$58.28			
GALLUP BRANCH COLLEGE - NON	2.0000000	\$58.28			
REHOBOTH CHRISTIAN HOSPITAL	3.0000000	\$87.42			
UNM GALLUP SPECIAL VOCATION	1.0000000	\$29.14			
GALLUP MUNICIPAL DEBT SERVI	1.4870000	\$43.33			
SCHOOL DISTRICT DEBT SERVICE	8.3200000	\$242.45			
GALLUP BRANCH DEBT SERVICE	2.7500000	\$80.14			
Taxes Billed 2015		41.9170000	\$1,221.48		

207 WEST HILL ~ SUITE 101 ~ GALLUP, NEW MEXICO 87301 ~ PHONE (505) 722-4459