

DEED OF TRUST

DATE: 22 July 2010

GRANTOR: Greg Johnson / Celia Hartwell for C&E Enterprises

GRANTORS' MAILING ADDRESS: 1111 Main Street, Killeen, TX 76543

TRUSTEE: Capital Lenders, L.L.C.

TRUSTEE'S MAILING ADDRESS: 1234 Anystreet
Tallahassee, Florida 32309

BENEFICIARY: Capital Lenders

BENEFICIARY'S MAILING ADDRESS: 1234 Anystreet
Tallahassee, Florida 32309

NOTE:

Date: 22 July 2010

Amount: \$50,000

Maker: Greg Johnson / Celia Hartwell for C&E Enterprises

Payee: Capital Lenders, L.L.C.

Terms of Payment: 12% Interest Only, No payments for 6 months

DUE ON SALE: To induce Capital Lenders, L.L.C. to make the loan herein described, the maker of the note described herein specifically agrees that the herein described property shall not be conveyed, and the lien herein described shall not be assumed by any person or other party without the prior written consent of the holder of the note described herein. Any such attempted conveyance and assumption of lien without the prior written consent of the holder of the note herein described shall, at the election of the holder of the note secured hereby, mature said note and same shall become at once due and payable and subject to foreclosure proceedings under the terms of any lien securing payment of said note. Prior to giving its consent, the holder of the note herein described must be furnished with a written application by the person or party desiring to assume the lien and indebtedness secured hereby, a credit report upon such person or party, and a service fee in an amount not in excess of one percent (1%) of the unpaid principal balance, for services rendered by the holder of the note described herein in connection with the approval of the transfer and the giving of its consent.

PROPERTY: (Legal description)

Lot 6, Block 4, SOUTH MEADOWS ADDITION, Copperas Cove, Coryell County, Texas as shown of record in Volume 9, Page 42, Plat Records of Coryell County, Texas.

OTHER EXCEPTIONS TO CONVEYANCE AND WARRANTY: Easements, rights-of-ways, and prescriptive rights, whether of record or not; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severance's, and other instruments, other than liens and conveyances, that affect the property; rights of adjoining owners in any walls and fences situated on a common boundary; and discrepancies, conflicts, or shortages in area of boundary lines; any encroachments or overlapping of improvements.

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

Grantor's Obligations

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due;
3. preserve the lien's priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that;
 - (a) covers all improvements for their fully insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - (b) contains an 80% coinsurance clause;
 - (c) provides fire and extended coverage, including windstorm coverage;
 - (d) protects Beneficiary with a standard mortgage clause;
 - (e) provides flood insurance at any time the property is in a flood hazard area; and
 - (f) contains such coverage as Beneficiary may reasonably require;
5. comply at all times with the requirements of the 80% coinsurance clause;
6. deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary at least ten days before expiration;
7. keep any buildings occupied as required by the insurance policy; and
8. If this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds of the note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. Beneficiary may apply any proceeds received under the insurance policy either to reduce the note or to repair or replace damaged or destroyed improvements covered by the policy.
4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the note is payable for any sums so paid, including attorney's fees, plus interest on

- those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor defaults on the note or fails to perform any of Grantor's obligations or if default occurs on a prior lien note or other instrument, Beneficiary may:
 - (a) declare the unpaid principal balance and earned interest on the note immediately due;
 - (b) request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and
 - (c) purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on the note.

Trustee's Duties

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

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior lien and to other exceptions to conveyance and warranty; and
3. from the proceeds of the sale, pay, in this order:
 - (a) expenses of foreclosure, including a commission to Trustee of 5% of the bid;
 - (b) to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - (c) any amounts required by law to be paid before payment to Grantors; and
 - (d) to Grantor, any balance.

General Provisions

1. If any of the property is sold under this deed of trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the property will be presumed to be true.
3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.
5. If any portion of the note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property, Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as

long as Grantor is not in default under the note or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the note and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due under the note and deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the note or performance of this deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the note and this deed of trust in the other determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.

8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of non-usurious 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. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provisions overrides other provisions in this and all other instruments concerning the debt.
 9. When the context requires, singular nouns and pronouns include the plural.
 10. The term "note" includes all sums secured by this deed of trust.
 11. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
 12. If Grantor and Maker are not the same person, the term "Grantor" shall include Maker.
 13. Grantor represents that this deed of trust and the note are given for the following purposes: The debt evidenced by the note is in part payment of the purchase price of the property; the debt is secured by this deed of trust and by a vendor's lien on the property, which is expressly retained in a deed of even date from Maria A Showery to Grantor herein. This deed of trust does not waive the vendor's lien, and the two liens and the rights created by this instrument shall be cumulative. Beneficiary may elect to foreclose under either of the liens without waiving the other or may foreclose under both. The deed is incorporated into this deed of trust.
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Greg Johnson for C&G Enterprises

Celia Hartwell for C&G Enterprises

THE STATE OF TEXAS

COUNTY OF _____

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

Notary Public, State of Texas

Printed Name of Notary

Commission Expires: _____