

WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS)
COUNTY OF MONTGOMERY)

KNOW ALL MEN BY THESE PRESENTS:

THAT **BILLY GRAY D'AMICO**, hereinafter called "Grantor" (whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Grantor paid by **KENNETH ALLEN BITGOOD**, A MARRIED PERSON, hereinafter called "Grantee" (whether one or more), the receipt of which is hereby acknowledged and confessed, and the further consideration of the execution and delivery by said Grantee of one certain Promissory Note in the principal sum of **\$100,000.00**, of even date herewith, payable to the order of **BARBARA BAILEY, D/B/A BEST RATE MORTGAGE**, hereinafter called "Mortgagee", bearing interest at the rate therein provided; said Note containing the usual reasonable attorney's fee clause and various acceleration of maturity clauses in case of default, and being secured by Vendor's Lien and superior title retained herein in favor of said Mortgagee, and being also secured by a Deed of Trust of even date herewith from Grantee to **CYNTHIA L. COBURN**, Trustee; and

WHEREAS, Mortgagee has, at the special instance and request of Grantee, paid to Grantor a portion of the purchase price of the property hereinafter described, as included in the above-described Note, said Vendor's Lien against said property securing the payment of said Note is hereby assigned, transferred and delivered to Mortgagee, Grantor hereby conveying to said Mortgagee the said superior title to said property, subrogating said Mortgagee to all the rights and remedies of Grantor in the premises by virtue of said liens; and

The further consideration of the execution and delivery by Grantee of that one certain Second Lien Promissory Note, of even date herewith, in the principal sum of **\$18,750.00**, payable to the order of **BARBARA BAILEY, D/B/A BEST RATE MORTGAGE**, and bearing interest at the rate specified, said Note being secured by a second and inferior Vendor's Lien and Superior Title herein and hereby expressly retained and reserved upon the property herein described and conveyed, and additionally secured by a Second Lien Deed of Trust, of even date from Grantee to the Trustee named therein; and

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

BEING 0.382 ACRE OF LAND IN THE ELIJAH COLLARD SURVEY, ABSTRACT 7, MONTGOMERY COUNTY, TEXAS, AND BEING OUT OF THAT CERTAIN 5.935 ACRE TRACT RECORDED IN VOLUME 238, PAGE 6 THRU 10 OF THE COUNTY DEED TRUST RECORDS, SAID 0.382 ACRE BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HERERIN.

TO HAVE AND TO HOLD the above-described premises, together with all and singular, the rights and appurtenances thereunto in anywise belonging unto said Grantee, his heirs and assigns, forever. And Grantor does hereby bind himself, his heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto said Grantee, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Taxes for the current year have been prorated and their payment is assumed by Grantee.

This conveyance is made subject to any and all valid and subsisting restrictions, easements, rights of way, reservations, maintenance charges together with any lien securing said maintenance charges, zoning laws, ordinances of municipal and/or other governmental authorities, conditions and covenants, if any, applicable to and enforceable against the above-described property as shown by the records of the County Clerk of said County.

The use of any pronoun herein to refer to Grantor or Grantee shall be deemed a proper reference even though Grantor and/or Grantee may be an individual (either male or female), a corporation, a partnership or a group of two or more individuals, corporations and/or partnerships, and when this Deed is executed by or to a corporation, or trustee, the words "heirs, executors and administrators" or "heirs and assigns" shall, with respect to such corporation or trustee, be construed to mean "successors and assigns".

It is expressly agreed that the Vendor's Lien is retained in favor of the payee of said Note against the above-described property, premises and improvements, until said Note and all interest thereon shall have been fully paid according to the terms thereof, when this Deed shall become absolute.

EXECUTED this 18TH day of OCTOBER, 2006.

Billy Gray D'Amico by Billy Gray D'Amico II
 BILLY GRAY D'AMICO, by his agent and
 attorney in fact, BILLY GRAY D'AMICO, II

Billy Gray D'Amico II Agent For Billy Gray D'Amico
 BILLY GRAY D'AMICO, II, as agent and
 attorney in fact for BILLY GRAY D'AMICO

STATE OF TEXAS, COUNTY OF HARRIS, ss:

This instrument was acknowledged before me on this 19 day of October, 2006, by BILLY GRAY D'AMICO, II, in the capacity(ies) therein stated.

John D. Tamburello
 NOTARY PUBLIC

GRANTEE'S ADDRESS:
 9229 LAKE CONROE DRIVE
 CONROE, TEXAS 77304

After Recording, Return to:
Kenneth Allen Bitgood
3431 Bristle Cone Trail
Spring TX 77380

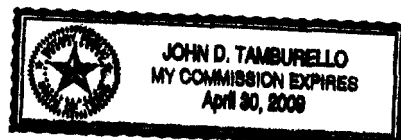


EXHIBIT "A"

BITGOOD
 Loan Number 7700269344
 MIN 100060677002693448

BEING 0.382 ACRE OF LAND IN THE ELIJAH COLLARD SURVEY, ABSTRACT 7, MONTGOMERY COUNTY, TEXAS, AND BEING OUT OF THAT CERTAIN 5.935 ACRE TRACT RECORDED IN VOLUME 238, PAGE 6 THRU 10 OF THE COUNTY DEED TRUST RECORDS, SAID 0.382 ACRE BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON ROD FOUND FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT IN THE SOUTH LINE OF THE ABOVE MENTIONED 5.935 ACRE TRACT, SAID ROD BEING SOUTH 81° 29' 55" EAST, 256.94 FEET FROM THE SOUTHWEST CORNER OF SAID 5.935 ACRES;

THENCE NORTH 08° 20' 05" EAST, FOR A DISTANCE OF 167.78 FEET TO A 1/2 INCH IRON ROD SET FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT IN THE CENTERLINE OF A 60 FOOT WIDE ROAD EASEMENT;

THENCE SOUTH 89° 49' 20" EAST, ALONG THE CENTERLINE OF SAID ROAD EASEMENT FOR A DISTANCE OF 78.52 FEET TO A 1/2 INCH IRON ROD FOUND FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 02° 38' 55" EAST, FOR A DISTANCE OF 182.60 FEET TO A FOUND 1/2 INCH IRON ROD FOUND FOR THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 81° 29' 55" WEST, ALONG THE SOUTH LINE OF THE 5.935 ACRE TRACT FOR A DISTANCE OF 113.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.382 ACRE OF LAND, MORE OR LESS.

ML

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

FILED FOR RECORD

06 OCT 25 AM 11:10

Mark Timball
 COUNTY CLERK
 MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
 COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

OCT 25 2006



Mark Timball
 County Clerk
 Montgomery County, Texas