

Denton County
Cynthia Mitchell
County Clerk
Denton, Tx 76202



70 2008 00123172

Instrument Number: 2008-123172

As

Recorded On: November 17, 2008

Warranty Deed

Parties: PETRUS INVESTMENT

To

Billable Pages: 7

Number of Pages: 7

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Warranty Deed	35.00
Total Recording:	35.00

***** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2008-123172

Receipt Number: 537293

Recorded Date/Time: November 17, 2008 12:28:26P

Record and Return To:

REPUBLIC TITLE OF TEXAS

2626 HOWELL ST 10TH FL

DALLAS TX 75204

User / Station: J Morris - Cash Station 1



THE STATE OF TEXAS }
COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

C Mitchell

County Clerk
Denton County, Texas

Return to:
Republic Title of Texas, Inc.
2626 Howell Street, 10th Floor
Dallas TX 75204
GF # 08122576 CR7 FF \$35

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

THAT, PETRUS INVESTMENT, L.P., a Texas limited partnership ("Grantor"), for and in consideration of the sum of \$10.00 cash in hand paid by THE CITY OF DENTON, TEXAS ("Grantee"), whose address is 901-A Texas Street, Second Floor, Denton, Texas 76201, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, has GRANTED, BARGAINED, SOLD and CONVEYED and by these presents does GRANT, BARGAIN, SELL and CONVEY unto Grantee for park and recreational purposes only, that certain tract of real property situated in Denton County, Texas, and described in Exhibit "A" attached hereto and made a part hereof for all purposes, together with all and singular the rights, privileges, hereditaments, and appurtenances pertaining to such real property, including any and all improvements and fixtures currently attached to and located thereon (the "Property").

There is hereby reserved for Grantor and Grantor's successors and assigns, all of Grantor's interest in the oil, gas and other minerals that are in and under the Property and that may be produced from it (all of which interests are excluded from the definition of "Property"); provided, however, Grantor shall not have the right of ingress and egress over the surface of the Property for mining, drilling, exploring, operating, and developing such oil, gas and other minerals.

This conveyance is being made by Grantor and accepted by Grantee subject to all easements, restrictions, rights, reservations, encumbrances and other matters described in Exhibit "B", attached hereto and incorporated herein by reference (collectively, the "Permitted Exceptions").

TO HAVE AND TO HOLD the Property, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Grantee and Grantee's successors and assigns forever; and subject to the Permitted Exceptions, Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend, all and singular, the Property unto the Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through or under Grantor, but not otherwise, subject to the Permitted Exceptions.

Grantee acknowledges that, except for the special warranty of title contained in this Deed, neither Grantor nor its representatives have made any representations or warranties as to the Property or its environmental or physical condition, upon which Grantee has relied. Grantee further acknowledges and agrees that (1) **GRANTEE RELEASES GRANTOR FROM CLAIMS BASED ON SELLER'S NEGLIGENCE AND CLAIMS BASED ON STRICT LIABILITY, AND (2) GRANTOR HAS NOT MADE, DOES NOT MAKE AND EXPRESSLY DISCLAIMS, ANY WARRANTIES, REPRESENTATIONS, COVENANTS OR GUARANTEES, EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE MERCHANTABILITY, HABITABILITY, QUANTITY, QUALITY OR ENVIRONMENTAL CONDITION OF THE PROPERTY OR ITS SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. GRANTEE AFFIRMS THAT IT (a) HAS INVESTIGATED AND INSPECTED THE PROPERTY TO ITS SATISFACTION AND IS FAMILIAR AND SATISFIED WITH THE CONDITION OF THE PROPERTY, AND (b) HAS MADE ITS OWN DETERMINATION AS TO (i) THE MERCHANTABILITY, QUANTITY, QUALITY AND CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE POSSIBLE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR**

WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES, AND (ii) THE PROPERTY'S SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. GRANTEE HEREBY ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS", INCLUDING ENVIRONMENTAL, BASIS AND ACKNOWLEDGES THAT (a) WITHOUT THIS ACCEPTANCE, THIS CONVEYANCE WOULD NOT BE MADE, AND (b) THAT GRANTOR SHALL BE UNDER NO OBLIGATION WHATSOEVER TO UNDERTAKE ANY REPAIR, ALTERATION, REMEDIATION OR OTHER WORK OF ANY KIND WITH RESPECT TO ANY PORTION OF THE PROPERTY. GRANTEE AND ITS SUCCESSORS AND ASSIGNS HAVE, AND SHALL BE DEEMED TO HAVE, ASSUMED ALL RISK AND LIABILITY WITH RESPECT TO THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES ON, WITHIN OR UNDER THE SURFACE OF THE PROPERTY, WHETHER KNOWN OR UNKNOWN, APPARENT, NON-APPARENT OR LATENT, AND WHETHER EXISTING PRIOR TO, AT OR SUBSEQUENT TO, TRANSFER OF THE PROPERTY TO GRANTEE. GRANTOR IS HEREBY RELEASED BY GRANTEE AND ITS SUCCESSORS AND ASSIGNS OF AND FROM ANY AND ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS, KNOWN OR UNKNOWN, INCLUDING, WITHOUT LIMITATION (1) ANY OBLIGATION TO TAKE THE PROPERTY BACK OR REDUCE THE PRICE, OR (2) ACTIONS FOR CONTRIBUTION OR INDEMNITY, THAT GRANTEE OR ITS SUCCESSORS AND ASSIGNS MAY HAVE AGAINST GRANTOR OR THAT MAY ARISE IN THE FUTURE BASED IN WHOLE OR IN PART UPON THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES ON, WITHIN OR UNDER THE SURFACE OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS THAT MAY ARISE UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, AS AMENDED, 42 U.S.C. § 9601 ET SEQ., THE RESOURCE CONSERVATION AND RECOVERY ACT, AS AMENDED, 42 U.S.C. § 6901 ET. SEQ., THE OIL POLLUTION ACT, 33 U.S.C. § 2701 ET SEQ., AND THE TEXAS SOLID WASTE DISPOSAL ACT TEX. HEALTH & SAFETY CODE ANN. § 361 ET SEQ. GRANTEE FURTHER ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY EXPLAINED TO GRANTEE AND THAT GRANTEE FULLY UNDERSTANDS AND ACCEPTS THE SAME.

*REMAINDER OF PAGE INTENTIONALLY BLANK.
SIGNATURE PAGE(S) FOLLOWS.*

EXECUTED to be effective the 17th day of November, 2008.

GRANTOR:

PETRUS INVESTMENT, L.P.,
a Texas limited partnership

By: PMC Management, L.P.,
a Texas limited partnership,
its general partner

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

By: *M. Thomas Mason*
Name: M. Thomas Mason
Title: Executive Vice President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 17 day of November, 2008, by *M. Thomas Mason*, *Executive VP* of Hillwood Development Company, LLC, a Texas limited liability company, as general partner of PMC Management, L.P., a Texas limited partnership, in its capacity as general partner of Petrus Investment, Inc., a Texas limited partnership, on behalf of said limited partnership.

My Commission Expires:

Melissa Jones
Notary Public, State of Texas
Melissa Jones
Printed/Typed Name



EXHIBIT A
to
Special Warranty Deed
Legal Description

BEING a 196.467 acre tract of land situated in the B.B.B. & C. Railroad Company Survey, Abstract No.160, Denton County, Texas, being a portion of TRACT II as described in deed to Petrus Investment, L.P., recorded in Volume 4246, Page 574, Deed Records, Denton County, Texas (DRDCT) and being more particularly described as follows:

BEGINNING at a 1/2" rebar with a yellow plastic cap stamped "Goodwin & Marshall" set (hereafter referred to as 1/2" rebar capped set) in a gravel road, at the intersection of Allred Road (a variable width non dedicated R.O.W.), with West line of Bonnie Brae Street (adjoining R.O.W. per 2005-46746, DRDCT), from which the most easterly Southeast corner of said Petrus TRACT II bore N 89 degrees 59 minutes 21 seconds E, 52.25 feet per deed call;

THENCE S 89 degrees 59 minutes 21 seconds W, along said Allred Road and a reentrant line of said Petrus TRACT II, a distance of 2631.22 feet to a 1/2" rebar capped set in a gravel road at the Southwest corner of the herein described tract of land, from which a 1/2" rebar found in asphalt pavement at an angle point in said Petrus TRACT II and the Northeast corner of a tract of land as described in deed to Angela Dominguez and Michael John Barber, recorded in 99-R0058950, DRDCT bears S 89 degrees 59 minutes 21 seconds W, 926.14 feet;

THENCE N 00 degrees 47 minutes 37 seconds W, departing said Allred Road, traversing said Petrus TRACT II, a distance of 3256.08 feet to a 1" rebar found at a reentrant corner of said Petrus TRACT II and the Southwest corner of a Parcel 1 as described in deed to Denton-CJW Partners, Ltd., recorded in 98-R0036601, DRDCT, from which a 1" rebar found at the most northerly Northeast corner of said Petrus TRACT II bears N 00 degrees 47 minutes 37 seconds W, 2217.64 feet (Petrus deed 2217.65 feet, Denton-CJW Partners, Ltd. deed 2217.66 feet, and a 1/2" rebar with a yellow plastic cap stamped "RPLS 4818" found bears N 00 degrees 47 minutes 37 seconds W, 3080.95 feet (deeds 3080.82 feet);

THENCE N 89 degrees 48 minutes 33 seconds E, along a North line of said Petrus TRACT II and the South line of said Denton-CJW Partners, Ltd. Parcel 1, a distance of 2621.08 feet to a 1/2" rebar capped set in the West line of aforementioned Bonnie Brae Street (adjoining R.O.W. per 2005-46746, DRDCT), from which a 1/2" rebar with a plastic cap stamped "Alliance" found bears N 01 degree 23 minutes 11 seconds W, 0.94 feet, and a 1/2" rebar with a plastic cap stamped "Alliance" found previously (now obliterated) at the Northeast corner of said Denton-CJW Partners, Ltd. Parcel 1 bore N 89 degrees 48 minutes 33 seconds E, 38.18 feet (Denton-CJW Partners, Ltd. deed 37.61 feet) and N 01 degrees 13 minutes 59 seconds W, 5300.29 feet (Denton-CJW Partners, Ltd. deed 5300.12 feet);

THENCE along the West line of said Bonnie Brae Street R.O.W., as follows:

--S 01 degrees 23 minutes 11 seconds E, a distance of 695.97 feet (R.O.W. deed 696.91 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 03 degrees 06 minutes 15 seconds W, a distance of 191.59 feet (R.O.W. deed 191.59 feet) to a 1/2" rebar capped set;

--S 01 degree 05 minutes 53 seconds E, a distance of 908.78 feet (R.O.W. deed 908.65 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 03 degrees 53 minutes 30 seconds E, a distance of 100.12 feet (R.O.W. deed 100.13 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 01 degree 01 minute 45 seconds E, a distance of 300.13 feet (R.O.W. deed 300.00 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 03 degrees 53 minutes 30 seconds E, a distance of 100.12 feet (R.O.W. deed 100.13 feet) to a 1/2" rebar capped set;

--S 01 degree 01 minute 45 seconds E, a distance of 675.18 feet (R.O.W. deed 675.00 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 04 degrees 39 minutes 53 seconds W, a distance of 50.40 feet (R.O.W. deed 50.25 feet) to a 1/2" rebar with a plastic cap stamped "Alliance" found;

--S 01 degree 01 minute 45 seconds E, a distance of 243.20 feet (R.O.W. deed 243.20 feet) to the POINT OF BEGINNING and containing 8,558,112 square feet or 196.467 acres of land, SAVE & EXCEPT any rights to the public in and along said Allred Road.

EXHIBIT B
to
Special Warranty Deed

Permitted Exceptions

1. The lien for 2009 ad valorem taxes not yet due and payable.

2.
 - a. Easements to Denton County Electric Cooperative, Inc. by Agreement Defining Area Embraced filed 04/06/1992, recorded in Volume 3196, Page 765, Real Property Records, Denton County, Texas, as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.

 - b. Easement to General Telephone Company of the Southwest, recorded in Volume 478, Page 347, Real Property Records of Denton County, Texas, and as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.

 - c. Easement to Southwestern Gas Pipeline, Inc., recorded in Volume 569, Page 450, Real Property Records of Denton County, Texas, and as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.

 - d. Underground Water Utility Easement granted by Petrus Investment, L.P., to City of Denton, filed 05/25/2006, cc# 2006-62279, Real Property Records of Denton County, Texas, and as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.

 - e. Mineral Estate and interest, and all rights incident thereto, conveyed by Mineral Deed (Hunter Ranch) from Petrus Investment, L.P. to Petrus Real Estate, L.P., dated 03/23/2001, filed 02/28/2001, recorded in Volume 4784, Page 1114, Real Property Records of Denton County, Texas; as affected by Waiver of Surface Rights dated ___/___/2008, filed ___/___/2008, cc# _____, Real Property Records of Denton County, Texas. Title to said interest not checked subsequent to the date thereof.

 - f. Mineral estate and interest, and all rights incident thereto, described in Special Warranty Deed from Petrus Investment, L.P., to The City of Denton, Texas, without the right of ingress or egress over the surface of the property for mining, drilling, exploring, operating and developing such oil, gas and other minerals, dated ___/___/2008, filed ___/___/2008, cc# _____, Real Property Records of Denton County, Texas. Title to said interest not checked subsequent to the date thereof.

 - g. Rights, if any, of third parties with respect to any portion of the subject property lying within the boundaries of Allred Road as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.

 - h. Encroachment of fence along the North boundary line of subject property as shown on survey of Joel S. Barton, R.P.L.S. #4914, dated 08/04/2008.