

Notice of Foreclosure Sale

December 5, 2018

Deed of Trust ("Deed of Trust"):

Dated: July 31, 2013

Grantor: 34 SUGAR D SHACK, LLC

Trustee: Gary J. Ford

Lender: HAMLIN NATIONAL BANK

Recorded in: Volume 377, Page 518, of the Official Public Records of Jones County, Texas.

Legal Description: LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT A AND INCORPORATED HEREIN.

Secures: Promissory Note No. 1 in the original principal amount of \$6,000,000.00, executed by 34 SUGAR D SHACK, LLC ("Borrower") and payable to the order of Lender and all other indebtedness of Borrower to Lender, and Promissory Note No. 2 in the original principal amount of \$222,750.00, executed by 34 SUGAR D SHACK, LLC ("Borrower") and payable to the order of Lender (the "Notes") and all other indebtedness of Borrower to Lender.

Assignment: The Note and the liens and security interests of the Deed of Trust were transferred and assigned to HNB Holdings, LLC ("Beneficiary").

Foreclosure Sale:

Date: Wednesday, January 2, 2019

Time: The sale of the Property will be held between the hours of 10:00 A.M. and 4:00 P.M. local time; the earliest time at which the Foreclosure Sale will begin is 10:00 and not later than three hours thereafter.

Place: At the South door of the Jones County Courthouse, 12th & Commercial Street, Anson, Texas 79501.

Terms of Sale: The Foreclosure Sale will be conducted as a public auction and the Property will be sold to the highest bidder for cash, except that HNB Holdings, LLC's bid may be by credit against the indebtedness secured by the lien of the Deed of Trust.

POSTED NOTICE

DATE 12/5/18 TIME 4:45 pm
Sue Ann Jennings
JONES COUNTY CLERK, JONES CO., TX
BY: Whitney Ortega

Default has occurred in the payment of the Notes and in the performance of the obligations of the Deed of Trust. Because of that default, HNB Holdings, LLC, the owner and holder of the Notes, has requested Trustee to sell the Property.

The Deed of Trust may encumber both real and personal property. Formal notice is hereby given of HNB Holdings, LLC's election to proceed against and sell both the real property and any personal property described in the Deed of Trust in accordance with HNB Holdings, LLC's rights and remedies under the Deed of Trust and section 9.604(a) of the Texas Business and Commerce Code.

Therefore, notice is given that on and at the Date, Time, and Place for the Foreclosure Sale described above, Trustee will sell the Property in accordance with the Terms of Sale described above, the Deed of Trust, and applicable Texas law.

If HNB Holdings, LLC passes the Foreclosure Sale, notice of the date of any rescheduled foreclosure sale will be reposted and refiled in accordance with the posting and filing requirements of the Deed of Trust and the Texas Property Code.

The Foreclosure Sale will be made expressly subject to any title matters set forth in the Deed of Trust, but prospective bidders are reminded that by law the Foreclosure Sale will necessarily be made subject to all prior matters of record affecting the Property, if any, to the extent that they remain in force and effect and have not been subordinated to the Deed of Trust. For the avoidance of doubt, the Foreclosure Sale will not cover any part of the Property that has been released of public record from the lien and/or security interest of the Deed of Trust by HNB Holdings, LLC. Prospective bidders are strongly urged to examine the applicable property records to determine the nature and extent of such matters, if any.

Pursuant to section 51.009 of the Texas Property Code, the Property will be sold "AS IS," without any expressed or implied warranties, except as to the warranties (if any) provided for under the Deed of Trust. Prospective bidders are advised to conduct an independent investigation of the nature and physical condition of the Property.

Pursuant to section 51.0075(a) of the Texas Property Code, Trustee reserves the right to set further reasonable conditions for conducting the Foreclosure Sale. Any such further conditions shall be announced before bidding is opened for the first sale of the day held by Trustee.

Assert and protect your rights as a member of the armed forces of the United States. If you are or your spouse is serving on active military duty, including active military duty as a member of the Texas National Guard or the National Guard of another state or as a member of a reserve component of the armed forces of the United States, please send written notice of the active duty military service to the sender of this notice immediately.



Gary J. Ford
c/o Isaac M. Castro, Attorney
212 S. Central Avenue
Hamlin, Texas 79520
Tel. (325) 576-2797
Telecopier (325) 576-2799

Exhibit A

Legal Description

TRACT #1

This 22.665 acre tract of land is part of the Hamlin Townsite Company's Addition, Hamlin, Jones County, Texas as shown on slides 41 and 43 in the Plate Cabinet, Jones County, Texas and is part of the Right of Way (ROW) of the old Kansas City, Mexico and Orient Railway Company (K.C., M. & O. Ry. Co.) of Texas as shown in a 43.606 acre tract recorded in Volume 126 Page 676 of Official Public Records, Jones County, Texas. All alleys and streets within this tract have been closed by action of the Hamlin City Council as recorded in Volume 270 Page 583 of the Official Public Records, Jones County, Texas. This tract is more fully described as follows:

Beginning at a recovered $\frac{1}{2}$ " capped rebar in the east Right of Way (ROW) of State Highway (SH) 92 (East Lake Drive) 45 feet from the center of the highway. This point is the most westerly corner of a 0.072 acre tract described in Volume 362 Page 732 of the Official Public Records, Jones County, Texas. A recovered $\frac{1}{2}$ " capped rebar bears S36°41'42"W 40.07 feet;

THENCE N36°41'42"E with the east ROW of SH 92 at a distance of 71.54 feet passing a recovered $\frac{1}{8}$ " capped rebar being the most northerly point on the 0.072 acre tract, continuing with the east ROW of SH 92 a total distance of 1077.20 feet to a recovered $\frac{1}{2}$ " capped rebar being the beginning of a curve to the right for SH 92 east ROW line;

THENCE 616.63 feet along an arc of a curve curving to the right having a radius of 909.93 feet following the south and east ROW line of SH 92 to a point with a broken top concrete ROW marker being 0.5 feet south and a second ROW marker being 90.00 feet to the north when measured at a right angle to the roadway. This arc has a cord bearing of N56°06'35"E and cord length of 604.90 feet;

THENCE N75°37'59"E with the south ROW line of SH 92 and the north line of the 43.606 acre tract a distance of 275.08 feet to a recovered capped rebar being the most northerly northeast corner of this tract and the northwest corner of 137.9 acre tract described in Volume 329 Page 439 of the Official Public Records, Jones County, Texas. A $\frac{3}{8}$ " rebar bears N72°E at 4.8';

THENCE S14°27'00"E with the east line of the 43.606 acre tract and the west line of the 137.9 acre tract a distance of 67.54 feet to a recovered $\frac{1}{2}$ " capped rebar;

THENCE S30°42'56"W the east line of the old K.C., M. & O. Railway Company ROW and the east line of the 43.606 acre tract and the west line of the 137.9 acre tract a distance of 943.91 feet to a recovered $\frac{1}{2}$ " capped rebar being the northwest corner of Block 114 of the Townsite Company's Addition. A rail post bears S10°E at 2.8 feet;

Jones County, Texas

THENCE S13°41'41"W with east line of the old K.C., M. &O. Railway Company ROW and the west line of the 137.9 acre tract a distance of 782.84 feet to a recovered ½" capped rebar being the southwest corner of Block 126 of the Townsite Company's Addition. A rail post bears S25°W at 2.6 feet. This point is the southeast corner of this tract and the northeast corner of a 24.684 acre tract;

THENCE N65°44'04"W with the north line of the 24.684 acre tract a distance of 374.67 feet to a set ½" capped rebar being the most northerly corner of the 24.684 acre tract;

THENCE S36°48'35"W a distance of 434.00 feet to a set ½" capped rebar being the most southerly point of this tract;

THENCE N53°11'25"W with the north line of the 24.684 acre tract a distance of 163.00 feet to a set ½" capped rebar being the southwest corner of this tract;

THENCE N36°48'35"E with the east line of a 1.485 acre tract described in Volume 362 Page 732 of the Official Public Records, Jones County, Texas a distance of 434.00 feet to a recovered ½" capped rebar;

THENCE N53°11'25"W with the north line of the 1.485 acre tract at 70.00 feet passing a recovered ½" capped rebar being the northwest corner of the 1.485 acre tract and the most westerly corner of a 0.150 acre tract described in Volume 362 Page 732 of the Official Public Records, Jones County, Texas, continuing a total distance of 150.23 feet to a recovered ½" capped rebar being an interior corner of the 0.150 acre tract;

THENCE S36°48'35"W with the southeast line of the 0.150 acre tract a distance of 54.21 feet to a recovered ½" capped rebar being a corner of the 0.150 acre tract;

THENCE N53°11'25"W with the southwest line of the 0.150 acre tract a distance of 56.14 feet to a recovered ½" capped rebar being the most westerly corner of the 0.150 acre tract and on the south line of Lot 10, Block 117 of the Townsite Company's Addition as shown on slides 41 and 43 in the Plat Cabinet, Jones County, Texas;

THENCE S75°33'00"W with the south line of the said Lot 10 extended to the center of the alley at a distance of 24.22 feet passing a recovered ½" capped rebar being the southeast corner of the 0.072 acre tract, continuing a total distance of 93.33 feet to a recovered ½" capped rebar being the most southerly point of the 0.072 acre tract;

THENCE N53°11'25"W with the southwest line of the 0.072 acre tract a distance of 74.46 feet to the Point of Beginning.

Jones County, Texas

TRACT #2

This 2.343 acre tract is part of the Right of Way (ROW) of the old Kansas City, Mexico and Orient Railway Company (K.C., M. & O. Ry. Co.) of Texas and is described as a 2.345 acre tract recorded in Volume 116 Page 23 of the Official Public Records, Jones County, Texas. This tract is more fully described as follows:

Beginning at a recovered $\frac{1}{2}$ " capped rebar being the northwest corner of this tract. The southwest corner of Block 150 of the Townsite Company's Addition as shown on sildes 41 and 43 in the Plat Cabinet, Jones County, Texas bears N14°27'00"W at 70.00 feet;

THENCE N75°33'00"E with the extended south line of SE 2nd Street and the north line of the 2.345 acre tract a distance of 300.00 feet to a recovered $\frac{1}{2}$ " rebar;

THENCE N30°32'48"E with the north line of the 2.345 acre tract 98.76 feet to the northeast corner of this tract and a corner of a 24.684 acre tract;

THENCE S14°27'00"E with the west line of the 24.684 acre tract and the east line of the 2.345 acre tract a distance of 459.98 feet to a recovered capped rebar being the southeast corner of this tract and the 2.345 acre tract and the southwest corner of the 24.684 acre tract;

THENCE N74°55'00"W with the south line of the 2.345 acre tract a distance of 249.66 feet to a recovered $\frac{1}{2}$ " rebar;

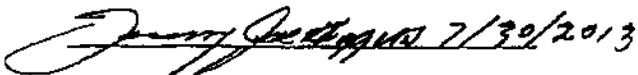
THENCE N58°19'51"W with the south line of the 2.345 acre tract a distance of 180.43 feet to a recovered $\frac{1}{2}$ " rebar;

THENCE N40°13'02"W with the south line of the 2.345 acre tract a distance of 63.36 feet to recovered $\frac{1}{2}$ " rebar with this point being on the east line of SE Avenue B;

THENCE N14°27'00"W with the east line of SE Avenue B and the west line of the 2.345 acre tract a distance of 80.00 feet to the Point of Beginning.

Bearing base on bearings of the Original Town of Hamlin, Jones County, Texas.

I hereby certify that this property was surveyed on the ground under my direction and supervision in April 2012 and November 2012 and June 25, 2013.

 7/30/2013

Tommy Joe Higgins Date
1041 NW 5th, Hamlin, Texas 79520 (RPLS #2805 State of Texas)

