



NOTICE OF MEETING OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION

Notice is hereby given that a **Special Meeting** will be held by the Burnet Economic Development Corporation (BEDC) on the **23rd day of January, 2023** at **11:00 a.m.** in the Council Chambers, Burnet Municipal Airport, 2402 S. Water, Burnet, TX. at which time, the following subjects will be discussed, to-wit:

This notice is posted pursuant to the Texas Government Code, Chapter §551-Open Meetings.

1. CALL TO ORDER:

2. CONSENT AGENDA:

- 3.1) Approval of the November 15, 2022 BEDC Regular Meeting minutes.

3. ACTION ITEMS:

- 3.1) Discuss and consider action: A RESOLUTION BY THE DIRECTORS OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE PURCHASE OF THE BEALLS PROPERTY FROM THE CITY OF BURNET. H. Erkan Jr.
- 3.2) Discuss and consider action: Related to the potential sale of all or portions of the Crossings at 281 South Commercial Park.
- 3.3) Discuss and consider action: Related to the sale of all or portions of the Eastside Commercial Park located on Highway 29 East.
- 3.4) Discuss and consider action: Related to the Coke Street Project Realignment.
- 3.5) Discuss and consider action: Related to the findings of the combined BEDC/Chamber of Commerce/City of Burnet Committee.

4. CONVENE TO EXECUTIVE SESSION:

- 4.1) Executive Session: Pursuant to Section 551.072 Texas Government Code the Board of Directors of the Burnet Economic Development Corporation shall convene in executive session to: (i) deliberate the purchase, exchange, lease, or value of real property in order to minimize the detrimental effect of such discussion in open session on the position of the Board in negotiations with third parties: D. Vaughn

The City Council may take action on any of the matters considered in executive session once the City Council reconvenes in open session.

5. RECONVENE TO REGULAR SESSION FOR POSSIBLE ACTION:

5.1) Discuss and consider action: Regarding deliberations of the purchase, exchange, lease, or value of real property: D. Vaughn

6. REQUESTS FROM BEDC FOR FUTURE REPORTS:

7. ADJOURN:

Dated this 20th day, of January, 2023

I, the undersigned authority, do hereby certify that the above NOTICE OF MEETING of the Burnet Economic Development Corporation, is a true and correct copy of said NOTICE and that I posted a true and correct copy of said NOTICE on the bulletin board, in the City Hall of said City, BURNET, TEXAS, a place convenient and readily accessible to the general public at all times, and said NOTICE was posted on January 20, 2023, at or before 11 o'clock a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

Kelly Dix

Kelly Dix, City Secretary

NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS:

The City Council Chamber is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services, such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's office (512.756.6093) at least two working days prior to the meeting. Requests for information may be faxed to the City Secretary at 512.756.8560.

RIGHT TO ENTER INTO EXECUTIVE SESSION:

The Board of Directors for the Burnet Economic Development Corporation reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development

STATE OF TEXAS {}
COUNTY OF BURNET {}

On this the 5th day of January, 2023, the Burnet Economic Development Corporation of the City of Burnet convened in Special Session, at 3:00 p.m., at the Burnet City Council Chambers, 2402 S. Water Street, Burnet, with the following members present, to-wit:

Board Members: David Vaughn, Philip Thurman, Crista Goble Bromley, Wayne Brown, Mary Jane Shanes, Cary Johnson, Brad Zehner

Asst. City Secretary: Leslie Kimbler

Guests: Adrienne Feild, Maria Gonzales, Eric Belaj, Habib Erkan, Jr., Gail Davalos, Kelly Lofton, Fay Crider

CALL TO ORDER: The meeting was called to order by Board President Cary Johnson at 3:00 p.m. and quorum was established.

PRESENTATION:

Report on the Hotel Market Study provided by David Parker:

Mr. Parker presented the completed Hotel Market Study report that included a recommendation of brands and types of hotels best suited for the area, hotel trends, competitive areas, and future market conditions.

CONSENT AGENDA:

Approval of the November 15, 2022 BEDC Regular Meeting minutes:

Board Member Crista Bromley moved to approve the consent agenda as presented. Board Member Mary Jane Shanes seconded. The motion carried unanimously.

ACTION ITEMS:

Discuss and consider action: Related to the potential sale of all or portions of the Crossings at 281 South Commercial Park. Board Member David Vaughn updated all of a potential opportunity for a medical facility that could possibly be interested in land at the Crossing at 281 South. Board Member Crista Bromley made a motion authorizing City Staff to proceed with negotiations as discussed. Board Member David Vaughn seconded. The motion carried unanimously.

Discuss and consider action: Related to the sale of all or portions of the Eastside Commercial Park located on Highway 29 East: Board Member David Vaughn updated all present on a potential commercial business interested in Eastside Commercial. Mr. Vaughn discussed pursuing childcare facilities at Eastside Commercial Park as well. No action taken.

Discuss and consider action: BEDC/Chamber of Commerce/City of Burnet Committee update report and request for funding: Board Member David Vaughn reported on the focus of the Committee. No action taken.

Discuss and consider action: Program funding for Workforce Network, Inc.: Gail Davalos of Workforce Network, Inc., presented an update report on current trainings being offered by the organization as well as participation. Ms. Davalos expressed appreciation for the support the Burnet Economic Development Corporation has provided to date and requested continued support in the amount of five thousand dollars to be used for staffing and administration costs. Board Member Philip Thurman moved to approve funding in an amount not to exceed five thousand dollars to Workforce Network, Inc. as presented. Board Member Wayne Brown seconded; the motion carried unanimously.

EXECUTIVE SESSION: Executive Session: Pursuant to Section 551.072 Texas Government Code the Board of Directors of the Burnet Economic Development Corporation shall convene in executive session to: (i) deliberate the purchase, exchange, lease, or value of real property in order to minimize the detrimental effect of such discussion in open session on the position of the Board in negotiations with third parties: D. Vaughn
RECONVENE TO REGULAR SESSION FOR POSSIBLE ACTION: Passed.

Discuss and consider action: Discuss and consider action: Regarding deliberations of the purchase, exchange, lease, or value of real property: D. Vaughn: No action taken

REQUESTS FOR FUTURE REPORTS: None.

ADJOURN: There being no further business a motion to adjourn was made by Board Member Mary Jane Shanes at 4:58 p.m., seconded by Board Member Crista Bromley. The motion carried unanimously.

ATTEST:

Kelly Dix, City Secretary

Cary Johnson, President
Burnet Economic Development Corporation



Administration

ITEM 3.1

Habib Erkan Jr.
Assistant City Manager
512-715-3201
herkan@cityofburnet.com

Action Item.

Meeting Date: January 23, 2023

Agenda Item: Discuss and consider action: A RESOLUTION BY THE DIRECTORS OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE PURCHASE OF THE BEALLS PROPERTY FROM THE CITY OF BURNET. H. Erkan Jr.

Background: In June 2021 the City purchased the Bealls property ("Property") for the relocation of city hall. Subsequently the City received inquiries as to the property's availability for retail development. As the Property is situated on a prime commercial location the city determined it is beneficial to explore such options and place the new city hall at an alternative location. Section 253.012 Texas Government Code authorizes the transfer of municipal real property to its economic development corporation without going through the formality of a competitive process; provided the corporation uses the real property for a public purpose. On January 10, 2023, the City Council authorized the sale of the property to the corporation; and declared the corporation's resale or lease of the Property to an entity that generates sales and use tax to be a public purpose.

Information: This resolution approves an agreement to purchase the Property from the City for a purchase price of \$1,115,000.00; and the form of the transaction documents (special warranty deed, deed of trust, promissory note). Payment of the purchase price shall be guaranteed by balloon note payable in full by January 31, 2024. Moreover, this resolution authorizes the board president to execute the agreement and the transaction documents, and close on the sale without further action by the directors; provided the transaction documents are substantively the same as approved by this resolution and the purchase price does not exceed \$1,115,000.00.

Fiscal Impact The corporation shall be liable to make payment of the purchase price amount in full no later than January 31, 2023; and shall be responsible for payment of all closing costs.

Recommendation: Approve Resolution No. BEDC R2023-01 as presented.

RESOLUTION NO. BEDC R2023-01

A RESOLUTION BY THE DIRECTORS OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE PURCHASE OF THE BEALLS PROPERTY FROM THE CITY OF BURNET. H. Erkan Jr.

Whereas, on January 10, 2023, City Council authorized the sale of the Bealls Property located at 118 E Polk St, Burnet, TX 78611, to the corporation; and

Whereas, the board of directors deems it appropriate to purchase the Property pursuant to the terms and conditions tendered by the City.

NOW THEREFORE BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:

Section one. Approval. The following is hereby approved:

- (a) The agreement to purchase the Property from the City for a purchase price of \$1,115,000.00; and
- (b) the form of the sales agreement and transaction documents (special warranty deed, deed of trust, promissory note) that are attached hereto; and
- (c) the terms of the promissory note obligating the corporation to pay the purchase price in full by January 31, 2024.

Section two. Authorization. The board president is hereby authorized to execute instruments in substantial form as the agreement and transaction documents and take such further action, and execute such ancillary documents, as may be reasonably necessary to facilitate the close of the transaction authorized by this resolution. In that regard the board president is hereby authorized to close on the sale without further action by the board of directors; provided the final sales price does not exceed \$1,100,000.00 dollars.

Section three. Declaration. In accordance with the requirements of Section 253.012, Texas Local Government Code, it is hereby declared that any resale of the Property by the board of directors shall comply with the Public Purpose pronounced by Council by resolution on January 10, 2023.

Section four. Findings. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the board of directors.

Section five. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice

Resolution approving purchase of Bealls Property from City

of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

Section four. Effective Date. That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.

PASSED AND APPROVED this the 23rd day of January 2023.

**BURNET ECONOMIC DEVELOPMENT
CORPORATION**

ATTEST:

Cary Johnson, President

Kelly Dix, City Secretary

STATE OF TEXAS §
 § **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF BURNET §

PURCHASE AGREEMENT

THAT, the City of Burnet, a Texas home rule municipality acting through its mayor, hereinafter referred to as "**SELLERS**", for and in consideration of the agreed purchase price of One Million One Hundred Fifteen Thousand 00/000 United States Dollars (\$1,115,000.00) (the "Purchase Price") and upon the terms and conditions hereof, contracts to **GRANT, SELL** and **CONVEY** by Special Warranty Deed to the Burnet Economic Development Corporation, a 4B established pursuant to the Development Corporation Act of 1979, hereinafter referred to as "**PURCHASER**"; a good, marketable, and title, free and clear of all liens and encumbrances of every kind (except liens for current taxes and assessments), to the following described Property in the City of Burnet, Burnet County, Texas, to-wit:

Being that approximately 1.177-acre lot legally described in the Subdivision Plat known as Lot 1-B, Block No. 17, Peter Kerr Portion, City of Burnet, recorded as Document No. 202213519 in the Public Records of Burnet County, Texas.

Together with all improvements incident or belonging thereto.

Purchase and Sale Agreement. Seller agrees to sell and convey the Property to Buyer, and Buyer agrees to buy and pay Seller for the Property. The promises by Buyer and Seller stated in this contract are the consideration for the formation of this contract.

SELLER hereby agrees to furnish **PURCHASER** a Release, Partial Release or Subordination of Lien, if applicable.

Special Conditions:

- (a) **Section 253.012 Texas Local Government Code.** Pursuant to the statute the parties agree the Property shall be used in a manner that primarily promotes the public purpose of the City of Burnet, Texas as expressed in the resolution approving this agreement.
- (b) **Special Warranty Deed.** The form of the Special Warranty Deed attached hereto as **Exhibit "A"** is hereby approved by the Parties, and an instrument of conveyance, in substantial form as **Exhibit "A"** shall be duly executed by the Parties representatives and recorded in the Burnet County Public Records.
- (c) **SELLER financing.** The Purchase Price shall be financed by the **SELLER**, and **PURCHASER'S** representative shall duly execute a Promissory Note in substantial form as **Exhibit "B"** and a Deed of Trust in substantial form as **Exhibit "C"**.
- (d) **Closing Costs.** All closing costs, including the costs of recordation of the Special Warranty Deed and Deed of Trust, shall be paid by **PURCHASER**.
- (e) **Dispute Resolution.** Any dispute arising between the Parties regarding any aspect of this Agreement, or transaction, shall be resolved by the Burnet City Council, whose decision shall be final and binding.

The agreed Purchase Price includes full accord, satisfaction and compensation for all demands and damages to the remaining property of the **SELLER**, if any.

Until title has been conveyed to the **PURCHASER**, loss or damage to the property by fire or other casualty, except that caused by **PURCHASER**, shall be at the risk of the **SELLER** and the amount thereof shall be deducted from the Purchase Price. In the event this purchase fails to close through no fault of **SELLER**, **PURCHASER** shall repair any damage caused by **PURCHASER'S** entry on the Property.

This Agreement shall remain binding on the Parties for a period of 180 days after execution by the Mayor, or other designated city official. After such period should the sale that is the subject of this contract not close this Agreement shall terminate.

The **PURCHASER** may take possession of the Property and begin construction immediately upon the **SELLER'S** execution of this contract.

PURCHASER takes the Property "As Is Where Is" with all faults both latent and patent.

EXECUTED to be EFFECTIVE this the _____ day of January 2023.

SELLER:
CITY OF BURNET

PURCHASER:
**BURNET ECONOMIC DEVELOPMENT
CORPORATION**

BY: _____
Crista Goble Bromley, Mayor

BY: _____
Cary Johnson, President

ADDRESS: City of Burnet
P. O. Box 1369
1001 Buchanan Drive, Suite 4
Burnet, Texas 78611

ADDRESS: Burnet Economic Development Corp.
P. O. Box 1369
1001 Buchanan Drive, Suite 4
Burnet, Texas 78611

- (1) Grantee is required to use the property in a manner that primarily promotes a public purpose of Grantor; and
- (2) should Grantee fail to use the property for the promotion of such public purpose the Property shall automatically revert to Grantor.

Grantor acknowledges that by resolution of its governing body, the sale or lease of the property by Grantee to an entity that generates sales and use tax is declared a public purpose; and that on conveyance of the property to such entity, Grantor shall have entered into the public record an instrument declaring the statutory condition is fulfilled.

Grantor in consideration of the valuable consideration paid by Grantee, to Grantor, the receipt and sufficiency of which is hereby acknowledged, has granted, sold, and conveyed and by these presents does grant, sell, and convey to Grantee, all of the Property, together with all and singular the rights and appurtenances thereto in any wise belonging to have and to hold it to Grantee, Grantee's successors or assigns forever. Grantor binds Grantor, Grantor's heirs, executors, administrators, and successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, subject to the statutory condition and except as to the reservations from and exceptions to conveyance and warranty.

Ad valorem taxes on the Property for the current year are assumed by Grantee.

The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its terms, at which time this deed will become absolute subject to the statutory condition.

GRANTEE ACCEPTS THE PROPERTY "AS IS" AND "WHERE IS", WITH ALL FAULTS, AND , EXCEPT FOR THE WARRANTIES OF TITLE CONTAINED IN THIS DEED AND THE LIMITED EXPRESS WRITTEN REPRESENTATIONS CONTAINED IN THE SURVIVING LANGUAGE OF THE CONTRACT FOR SALE OF THE PROPERTY, NEITHER GRANTOR, NOR ANY OF GRANTOR'S EMPLOYEES OFFICERS, MEMBERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND/OR AGENTS (COLLECTIVELY THE "SELLER RELATED PARTIES") HAVE MADE OR GIVEN ANY WARRANTIES, GUARANTEES, OR REPRESENTATIONS OF ANY KIND WHATSOEVER, REGARDING ANY MATTER RELATING TO THE PROPERTY WHETHER ORAL OR WRITTEN, EXPRESSED OR IMPLIED. MOREOVER, EXCEPT AS SET FORTH IN THE SURVIVING LANGUAGE OF THE CONTRACT FOR SALE OF THE PROPERTY AND THIS DEED, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE AND THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS REGARDING THE PRESENT OR FUTURE VALUE, PROFITABILITY, PERFORMANCE OR PRODUCTIVITY OF THE PROPERTY, THE CONDITION OF THE PROPERTY FOR GRANTEE'S INTENDED USE OR ANY OTHER USE, OR REGARDING THE PAST OR PRESENT COMPLIANCE BY SELLER WITH LAWS RELATED TO LAND USE, ENVIRONMENTAL MATTERS, POLLUTION,

OR ANY LAWS PERTAINING TO THE HANDLING, GENERATING, TREATING, STORING, TRANSPORTING, OR DISPOSING, OR THE PRESENCE OR ABSENCE ON THE PROPERTY OF HAZARDOUS OR TOXIC WASTE OR SUBSTANCES AS SUCH TERMS ARE DEFINED IN FEDERAL, STATE AND LOCAL LAWS.

When the context requires, singular nouns and pronouns include the plural.

**GRANTOR
CITY OF BURNET**

By _____
Crista Goble Bromley, Mayor

STATE OF TEXAS
COUNTY OF BURNET

This instrument was acknowledged before me on the ____ day of January 2023 by Crista Goble Bromley, City of Burnet, on behalf of said municipality.

(Personalized Seal)

Notary Public in and for the State
of Texas

Promissory Note

Date: **INSERT DATE**

Borrower: Burnet Economic Development Corporation
Borrower's Mailing Address: P. O. Box 1369 Burnet, TX 78611
Lender: City of Burnet, Texas
Place for Payment: 1001 Buchanan Drive, Suite 4, Burnet, TX 78611
Principal Amount: One Million One Hundred Fifteen Thousand 00/000
United States Dollars (\$1,115,000.00)
Annual Interest Rate: NONE
Maturity Date: January 31, 2024

Annual Interest Rate on Matured, Unpaid Amounts: Maximum amount authorities by law.

Terms of Payment (principal and interest): The entire Principal Amount shall be payable in full on January 31, 2024.

Security for Payment: This note is secured by a vendor's lien and superior title retained in a deed from Lender to Borrower dated **INSERT DATE** and by a deed of trust of even date from the Burnet Economic Development Corporation to David Vaughn, trustee, both of which cover the following real property: Being that approximately 1.177-acre lot legally described in the Subdivision Plat known as Lot 1-B, Block No. 17, Peter Kerr Portion, City of Burnet, recorded as Document No. 202213519 in the Public Records of Burnet County, Texas. .

Other Security for Payment: None.

Borrower promises to pay to the order of Lender the Principal Amount plus interest at the Annual Interest Rate. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date. If any amount is not paid either when due under the Terms of Payment or on acceleration of maturity, Borrower promises to pay any unpaid amount plus interest from the date the payment was due to the date of payment at the Annual Interest Rate on Matured, Unpaid Amounts.

If Borrower defaults in the payment of this note or in the performance of any obligation in any instrument securing or collateral to this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive, to the extent permitted by law, all (1) demand for payment, (2) presentation for payment, (3) notice of intention to accelerate maturity, (4) notice of acceleration of maturity, (5) protest, (6) notice of protest, and (7) rights under sections 51.003 and 51.004 of the Texas Property Code.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

Borrower may prepay this note in any amount at any time before the Maturity Date without penalty or premium.

Interest on the debt evidenced by this note will not exceed the maximum rate or amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or, if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this note and all other instruments concerning the debt.

Each Borrower is responsible for all obligations represented by this note.

When the context requires, singular nouns and pronouns include the plural.

Burnet Economic Development
Corporation

By _____
Cary Johnson, President

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the public records: your Social Security number or your driver's license number

DEED OF TRUST

STATE OF TEXAS §
 §
COUNTY OF BURNET §

KNOW ALL PERSONS BY THESE PRESENTS:

Terms

Date: **INSERT DATE**

Grantor: Burnet Economic Development Corporation
Grantor's Mailing Address: P. O. Box 1369 Burnet, TX 78611

Trustee: David Vaughn
Trustee's Mailing Address: City of Burnet
P. O. Box 1369 Burnet, TX 78611

Lender: City of Burnet
Lender's Mailing Address: City of Burnet

P. O. Box 1369 Burnet, TX 78611

Obligation: Grantor is obligated to perform on that certain Promissory Note of even date.

Original principal amount: One Million One Hundred Fifteen Thousand 00/000 United States Dollars (\$1,115,000.00)

Borrower: Burnet Economic Development Corporation

Lender: City of Burnet

Maturity date: January 31, 2024

Property (including any improvements): . Being that approximately 1.177-acre lot legally described in the Subdivision Plat known as Lot 1-B, Block No. 17, Peter Kerr Portion, City of Burnet, recorded as Document No. 202213519 in the Public Records of Burnet County, Texas. .

Prior Lien: NONE

Other Exceptions to Conveyance and Warranty: NONE

For value received and to secure payment of the Obligation, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property, subject to the Other Exceptions to Conveyance and Warranty. On payment of the Obligation and all other amounts secured by this deed of trust, this deed of trust will have no further effect, and Lender will release it at Grantor's expense.

Clauses and Covenants

A. Grantor's Obligations

Grantor agrees to—

1. Keep the Property in good repair and condition;
2. Pay all taxes and assessments on the Property before delinquency, not authorize a taxing entity to transfer its tax lien on the Property to anyone other than Lender, and not request a deferral of the collection of taxes pursuant to section 33.06 of the Texas Tax Code;
3. Defend title to the Property subject to the Other Exceptions to Conveyance and Warranty and preserve the lien's priority as it is established in this deed of trust;
4. Maintain all insurance coverages with respect to the Property, revenues generated by the Property, and operations on the Property that Lender reasonably requires ("Required Insurance Coverages"), issued by insurers and written on policy forms acceptable to Lender, and deliver evidence of the Required Insurance Coverages in a form acceptable to Lender at least ten days before the expiration of the Required Insurance Coverages;
5. Obey all laws, ordinances, and restrictive covenants applicable to the Property;
6. Keep any buildings occupied as required by the Required Insurance Coverages;
7. If the lien of this deed of trust is not a first lien, pay or cause to be paid all prior lien notes and abide by or cause to be abided by all prior lien instruments; and
8. Notify Lender of any change of address.

B. Lender's Rights

1. Lender or Lender's mortgage servicer may appoint in writing one or more substitute trustees, succeeding to all rights and responsibilities of Trustee.

2. If the proceeds of the Obligation are used to pay any debt secured by prior liens, Lender is subrogated to all the rights and liens of the holders of any debt so paid.
3. Lender may apply any proceeds received under the property insurance policies covering the Property either to reduce the Obligation or to repair or replace damaged or destroyed improvements covered by the policy. If the Property is Grantor's primary residence and Lender reasonably determines that repairs to the improvements are economically feasible, Lender will make the property insurance proceeds available to Grantor for repairs.
4. Notwithstanding the terms of the Note to the contrary, and unless applicable law prohibits, all payments received by Lender from Grantor with respect to the Obligation or this deed of trust may, at Lender's discretion, be applied first to amounts payable under this deed of trust and then to amounts due and payable to Lender with respect to the Obligation, to be applied to late charges, principal, or interest in the order Lender in its discretion determines.
5. If Grantor fails to perform any of Grantor's obligations, Lender may perform those obligations and be reimbursed by Grantor on demand for any amounts so paid, including attorney's fees, plus interest on those amounts from the dates of payment at the rate stated in the Note for matured, unpaid amounts. The amount to be reimbursed will be secured by this deed of trust.
6. If a default exists in payment of the Obligation or performance of Grantor's obligations and the default continues after any required notice of the default and the time allowed to cure, Lender may—
 - a. declare the unpaid principal balance and earned interest on the Obligation immediately due;
 - b. exercise Lender's rights with respect to rent under the Texas Property Code as then in effect;
 - c. direct Trustee to foreclose this lien, in which case Lender or Lender's agent will cause notice of the foreclosure sale to be given as provided by the Texas Property Code as then in effect; and
 - d. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligation.
7. Lender may remedy any default without waiving it and may waive any default without waiving any prior or subsequent default.

C. Trustee's Rights and Duties

If directed by Lender to foreclose this lien, Trustee will:

1. Either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then in effect;
2. Sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general warranty binding Grantor, subject to the Prior Lien and to the Other Exceptions to Conveyance and Warranty and without representation or warranty, express or implied, by Trustee;
3. From the proceeds of the sale, pay, in this order—
 - a. Expenses of foreclosure, including a reasonable commission to Trustee;
 - b. To Lender, 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 Grantor; and
 - d. To Grantor, any balance; and
4. Be indemnified, held harmless, and defended by Lender against all costs, expenses, and liabilities incurred by Trustee for acting in the execution or enforcement of the trust created by this deed of trust, which includes all court and other costs, including attorney's fees, incurred by Trustee in defense of any action or proceeding taken against Trustee in that capacity.

D. General Provisions

1. If any of the Property is sold under this deed of trust, Grantor must immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will 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 will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.
5. If any portion of the Obligation cannot be lawfully secured by this deed of trust, payments will be applied first to discharge that portion.
6. Grantor assigns to Lender all amounts 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 and court and other costs, Lender will either release any remaining amounts to Grantor or apply such amounts to reduce the Obligation. Lender will not be liable for failure to collect or to exercise diligence in collecting any such amounts. Grantor will immediately give Lender notice of any actual or threatened proceedings for condemnation of all or part of the Property.

8. Grantor collaterally assigns to Lender all present and future rent from the Property and its proceeds. Grantor warrants the validity and enforceability of the assignment. Grantor will apply all rent to payment of the Obligation and performance of this deed of trust, but if the rent exceeds the amount due with respect to the Obligation and the deed of trust, Grantor may retain the excess. If a default exists in payment of the Obligation or performance of this deed of trust, Lender may exercise Lender's rights with respect to rent under the Texas Property Code as then in effect. Lender neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Lender may exercise Lender's rights and remedies under this paragraph without taking possession of the Property. Lender will apply all rent collected under this paragraph as required by the Texas Property Code as then in effect. Lender is not required to act under this paragraph, and acting under this paragraph does not waive any of Lender's other rights or remedies.
8. Interest on the debt secured by this deed of trust will 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 will 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 will 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 provision overrides any conflicting provisions in this and all other instruments concerning the debt.
9. In no event may this deed of trust secure payment of any debt that may not lawfully be secured by a lien on real estate or create a lien otherwise prohibited by law.
10. Grantor may not sell, transfer, or otherwise dispose of any Property, whether voluntarily or by operation of law, without the prior written consent of Lender. If granted, consent may be conditioned upon (a) the grantee's integrity, reputation, character, creditworthiness, and management ability being satisfactory to Lender; and (b) the grantee's executing, before such sale, transfer, or other disposition, a written assumption agreement

containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Grantor may not cause or permit any Property to be encumbered by any liens, security interests, or encumbrances other than the liens securing the Obligation and the liens securing ad valorem taxes not yet due and payable without the prior written consent of Lender. If granted, consent may be conditioned upon Grantor's executing, before granting such lien, a written modification agreement containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, an approval fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Grantor may not grant any lien, security interest, or other encumbrance (a "Subordinate Instrument") covering the Property that is subordinate to the liens created by this deed of trust without the prior written consent of Lender. If granted, consent may be conditioned upon the Subordinate Instrument's containing express covenants to the effect that—

- a. the Subordinate Instrument is unconditionally subordinate to this deed of trust;
- b. if any action is instituted to foreclose or otherwise enforce the Subordinate Instrument, no action may be taken that would terminate any occupancy or tenancy without the prior written consent of Lender, and that consent, if granted, may be conditioned in any manner Lender determines;
- c. rents, if collected by or for the holder of the Subordinate Instrument, will be applied first to the payment of the Obligation then due and to expenses incurred in the ownership, operation, and maintenance of the Property in any order Lender may determine, before being applied to any indebtedness secured by the Subordinate Instrument;
- d. written notice of default under the Subordinate Instrument and written notice of the commencement of any action to foreclose or otherwise enforce the Subordinate Instrument must be given to Lender concurrently with or immediately after the occurrence of any such default or commencement; and
- e. in the event of the bankruptcy of Grantor, all amounts due on or with respect to the Obligation and this deed of trust will be payable in full before any payments on the indebtedness secured by the Subordinate Instrument.

Grantor may not cause or permit any of the following events to occur without the prior written consent of Lender: if Grantor is (a) a corporation, the dissolution of the corporation or the sale, pledge, encumbrance, or assignment of any shares of its stock; (b) a limited liability company, the dissolution of the company or the sale, pledge, encumbrance, or assignment of any of its membership interests; (c) a general partnership or joint venture, the dissolution of the partnership or venture or the sale, pledge, encumbrance, or assignment of any of its partnership or joint venture interests, or the withdrawal from or admission into it of any general partner or joint venturer; or (d) a limited partnership, (i) the dissolution of the partnership, (ii) the sale, pledge, encumbrance, or assignment of any of its general partnership interests, or the withdrawal from or admission into it of any general partner, (iii) the sale, pledge, encumbrance, or assignment of a controlling portion of its limited partnership interests, or (iv) the withdrawal from or admission into it of any controlling limited partner or partners. If granted, consent may be conditioned upon (a) the integrity, reputation, character, creditworthiness, and management ability of the person succeeding to the ownership interest in Grantor (or security interest in such ownership) being satisfactory to Lender; and (b) the execution, before such event, by the person succeeding to the interest of Grantor in the Property or ownership interest in Grantor (or security interest in such ownership) of a written modification or assumption agreement containing such terms as Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

11. When the context requires, singular nouns and pronouns include the plural.
12. The term *Note* includes all extensions, modifications, and renewals of the Note and all amounts secured by this deed of trust.
13. This deed of trust binds, benefits, and may be enforced by the successors in interest of all parties.
14. If Grantor and Borrower are not the same person, the term *Grantor* includes Borrower.
15. Grantor and each surety, endorser, and guarantor of the Obligation waive, to the extent permitted by law, all (a) demand for payment, (b) presentation for payment, (c) notice of intention to accelerate maturity, (d) notice of acceleration of maturity, (e) protest, and (f) notice of protest, and (g) rights under sections 51.003, 51.004, and 51.005 of the Texas Property Code.

16. Grantor agrees to pay reasonable attorney's fees, trustee's fees, and court and other costs of enforcing Lender's rights under this deed of trust if this deed of trust is placed in the hands of an attorney for enforcement.
17. If any provision of this deed of trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.
18. The term *Lender* includes any mortgage servicer for Lender.
19. Grantor represents that this deed of trust and the Note are given for the following purposes: Purchase money for purchase of the Property describe herein.

Burnet Economic Development Corporation

By _____
Cary Johnson, President

STATE OF TEXAS
COUNTY OF BURNET

This instrument was acknowledged before me on the ____ day of January, 2023 by Cary Johnson, President of the Burnet Economic Development Corporation, on behalf of said corporation.

(Personalized Seal)

Notary Public in and for the State
of Texas



ITEM 3.2

Action

Meeting Date:	January 23, 2023
Agenda Item:	Discuss and consider action: Related to the potential sale of all or portions of the Crossings at 281 South Commercial Park.
Background:	To be presented at the meeting.
Information:	
Fiscal Impact:	
Recommendation:	To be determined by the board.



ITEM 3.3

Action

Meeting Date:	January 23, 2023
Agenda Item:	Discuss and consider action: Related to the potential sale of all or portions of the Eastside Commercial Park located on Highway 29 East.
Background:	To be presented at the meeting.
Information:	
Fiscal Impact:	
Recommendation:	To be determined by the board.



ITEM 3.4

Agenda Item Brief

Meeting Date:	Janaury 23, 2023
Agenda Item:	Discuss and consider action: Related to the Coke Street Project-realignment.
Background:	To be presented at the meeting.
Information:	
Fiscal Impact:	
Recommendation:	To be determined by the board.



ITEM 3.5

Agenda Item Brief

Meeting Date:	January , 2023
Agenda Item:	Discuss and consider action: Related to the findings of the combined BEDC/Chamber of Commerce/City of Burnet Committee.
Background:	To be presented at the meeting.
Information:	
Fiscal Impact:	
Recommendation:	To be determined by the board.



ITEM 5.1

Agenda Item Brief

Meeting Date: January 5, 2022

Agenda Item: Executive Session: Pursuant to Section 551.072 Texas Government Code the Board of Directors of the Burnet Economic Development Corporation shall convene in executive session to: (i) deliberate the purchase, exchange, lease, or value of real property in order to minimize the detrimental effect of such discussion in open session on the position of the Board in negotiations with third parties: D. Vaughn

Background:

Information:

Fiscal Impact:

Recommendation: To be determined by the board.



ITEM 6.1

Agenda Item Brief

Meeting Date:	January 5, 2022
Agenda Item:	Discuss and consider action: Regarding deliberations of the purchase, exchange, lease, or value of real property: D. Vaughn
Background:	
Information:	
Fiscal Impact:	
Recommendation:	To be determined by the board.