

INSERT DATE

Cary Johnson, President
Burnet Economic Development Corporation
P. O. Box 1369
Burnet, TX 78611

Re: Promissory note securing purchase of Bealls Property.

Dear Mr. Johnson,

The purpose of this letter is to acknowledge Lender's receipt of a \$557,500.00 payment of principal securing the promissory note dated January 23, 2023; and, to offer an extension of the date of payment of the remaining balance.

To that end, please find enclosed herewith a revised promissory note reflecting the new principal amount of \$557,500.00 and due date of September 30, 2025. Also enclosed is a partial release of lien reducing the principal amount accordingly.

It is my understanding that the BEDC Board has approved these documents. Therefore, please execute the enclosed Promissory Note at your earliest convenience. Upon receipt of the executed Promissory Note, I will have the partial release of lien instrument recorded in the public records.

Sincerely,

David Vaughn, City Manager

PARTIAL RELEASE OF LIEN

THE STATE OF TEXAS §
 §
COUNTY OF BURNET §

THAT THE UNDERSIGNED, on behalf of the present legal and equitable owner and holder of that one certain promissory note in the original principal sum of One Million One Hundred Fifteen Thousand 00/100 United States Dollars (\$1,115,000.00), dated January 23, 2023, executed by Cary Johnson as president, and on behalf of the Burnet Economic Development Corporation, and, and payable to the order of the City of Burnet, Texas, more fully described in and secured by a Deed of Trust dated January 23, 2023, duly recorded as Instrument No. 202300890 in the Real Property Records of Burnet County, Texas, by reduction of the principal amount to Five hundred fifty-seven thousand five hundred 00/100 United States Dollars (\$557,500.00) and extension of the principal due date as provided in the revised promissory note dated **INSERT DATE**.

BUT it is expressly agreed and understood that this is a PARTIAL RELEASE only as to the aforesaid purpose and the same shall in no wise release, affect or impair said lien or liens beyond that stated in the paragraph above.

EXECUTED as of the _____ day of _____, 2025.

City of Burnet, a Texas home rule municipality, BY CITY MANAGER DAVID VAUGHN,
AS ATTORNEY IN FACT

By: _____
Name: David Vaugh, City Manager

THE STATE OF §
 §
COUNTY OF §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared David Vaughn, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2025.

(Personalized Seal)

Notary Public's Signature

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: Five-hundred-fifty-seven thousand five hundred
00/100 United States Dollars (\$557,500.00)
Annual Interest Rate: NONE
Maturity Date: September 30, 2025

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

Terms of Payment (principal and interest): The entire Principal Amount shall be payable in full on September 30, 2025.

Security for Payment: This note is secured by a vendor's lien and superior title retained in a deed from Lender to Borrower dated January 23, 2023, 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 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