



Control Number: 49272



Item Number: 22

Addendum StartPage: 0

Public Utility Commission of Texas
Central Records
701 N. Congress
PO Box 13326
Austin, Texas 78711-3326

July 10, 2019

RE: Docket Number 49272

Regarding the docket 49272 for Yancey Water Supply and their desire to amend CCN 11463, my husband and I, property owners of 595 County Road 354, Hondo Texas 78861 are formally requesting to be excluded from the requested area (opting out). We have our own septic and water well registered.

After speaking with your Paralegal – Bernice Cox at 512-936-7271, we are presenting a photocopy of our property deed with details describing our land.

If you have any questions, concerns, or feel that this information is not sufficient, we require that you contact us immediately through the following channels:

Home Phone (830) 444-0024 speak with Michael and/or Margot Bowen

Email: mrs margot bowen@gmail.com

Mail: Michael and Margot Bowen 595 County Road 354, Hondo Texas 78861

Regards,

Michael and Margot Bowen
Property Owners
595 County Road 354, Hondo Texas 78861

RECEIVED
PUBLIC UTILITY COMMISSION
JUL 11 2019

22

Notice to Neighboring Systems, Landowners, Customers and Cities
NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MEDINA AND FRIO COUNTIES,
TEXAS

To:

BOWEN MICHAEL A & MARGOT E
595 CR 354
HONDO, TX 78861

(City)

Date Notice Mailed: July 2, 2019

Yancey Water Supply Corporation has filed an application with the Public Utility Commission of Texas to amend Certificate of Convenience and Necessity (CCN) No. 11463 to provide retail water utility service in Medina and Frio Counties.

The requested area is located approximately 20 mile west of downtown San Antonio, Texas, and is generally bounded on the north by Medina Lake; on the east by SH 211 and FM 471 and FM 1343; on the south by Frio County Line; and on the west by CR 5232 and FM 2200 and CR 341. The total requested area includes approximately 224,359* total acres and 1,764 current customers. *The majority of this acreage is already certificated under a facility line CCN where service is currently being provided. The uncertificated requested area includes approximately 3,772 total acres and 0 current customers.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large scale map and a metes and bounds description of the landowner's tract of land.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

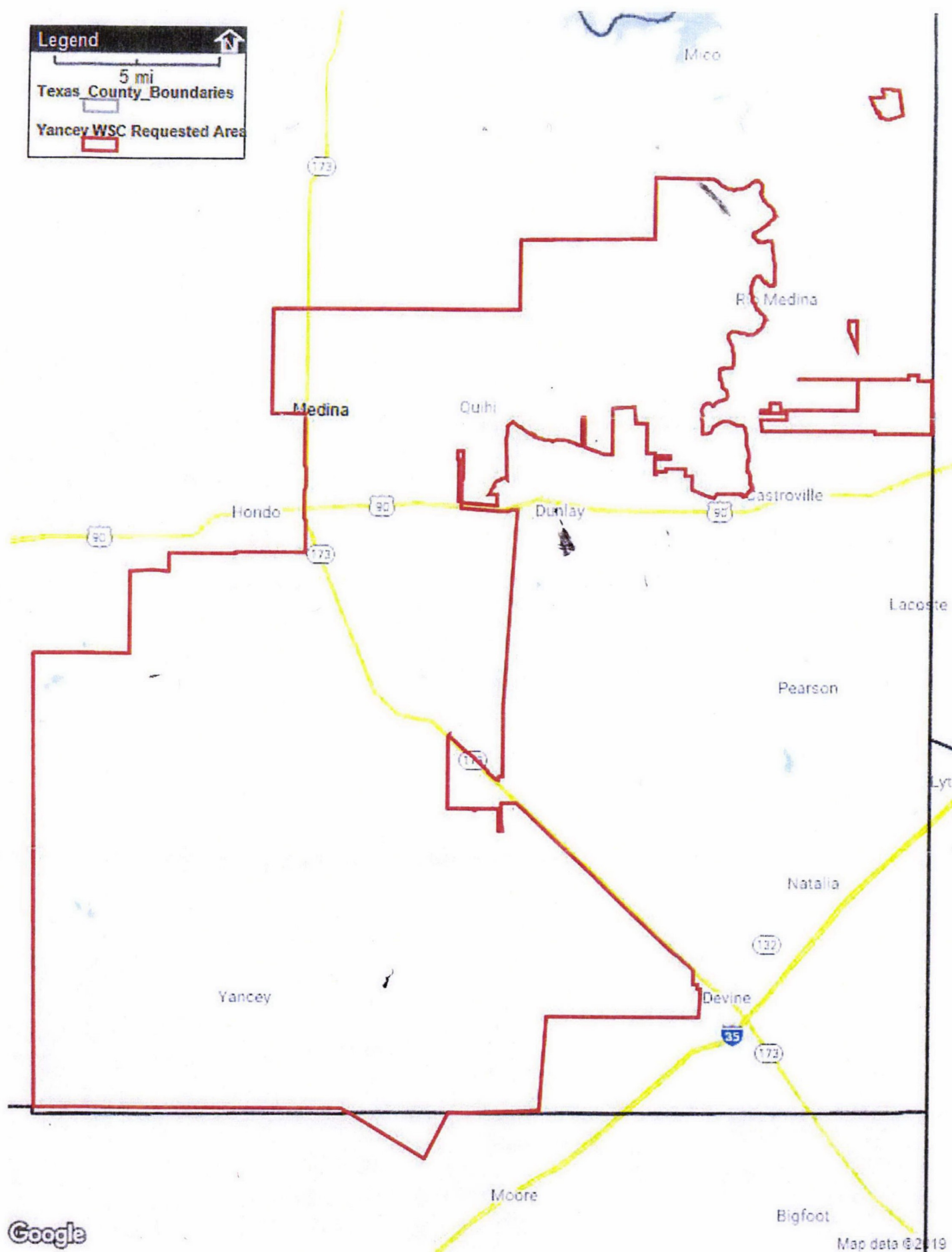
Si desea información en español, puede llamar al 1-888-782-8477.

Legend

5 mi

Texas County Boundaries

Yancey WSC Requested Area



Google

Map data ©2019

17-0235 A

State of Texas

Space Above This Line for Recording Data

Loan No.: 484301

Borrower: Michael A. Bowen

Assn.: Capital Farm Credit, FLCA

Branch: San Antonio

REAL ESTATE DEED OF TRUST

(With Future Advance Clause)

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.

1. **DATE AND PARTIES.** The date of this Deed of Trust (Security Instrument) is August 8, 2017 and the parties, their addresses and tax identification numbers, if required, are as follows:

GRANTOR: Michael A. Bowen A/K/A Michael Alan Bowen and spouse, Margot E. Bowen A/K/A Margot Elaine Bowen; whose address is 2018 Encino Alto St., San Antonio, TX 78259

☐ If checked, refer to the attached Addendum incorporated herein, for additional Grantors, their signatures and acknowledgments.

TRUSTEE: Ben R. Novesad
3000 Briarcrest Dr. Suite 601, Bryan, TX 77802

LENDER: Capital Farm Credit, FLCA
3000 Briarcrest Dr. Suite 601, Bryan, TX 77802

2. **CONVEYANCE.** In consideration of Ten Dollars paid in hand, and for the purpose of securing the Secured Debt (defined below) and Grantor's performance under this Security Instrument, Grantor irrevocably grants, sells, and conveys unto Trustee, in trust for the benefit of Lender, with power of sale, the following described property:

See Attached Exhibit "A"

This property is located in Medina County (ies), Texas.

Together with all rights, easements, appurtenances, royalties, surface, subsurface and/or mineral rights, now owned or after-acquired, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property")

Notwithstanding any other provision, reservation or exception contained herein or on any exhibit hereto, the lien created hereby shall cover all of Grantor's water rights including, but not limited to, rights to surface water, groundwater, underground water, percolating waters, rights to any water from lakes, streams or other bodies of water, adjudicated or permitted water rights, riparian and other water rights which are now owned or which are hereafter acquired by Grantor whether or not expressly excepted from the description of the Property.

3. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications, reamortizations, or substitutions.

One certain promissory note in the original principal sum of \$395,500.00, executed by Michael A. Bowen, Margot E. Bowen, in favor of Lender, with principal and interest payable as provided therein and with a final contractual maturity date of September 01, 2047, which is identified as Loan No. 484301

B All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. Grantor, and each of them if more than one, agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

Loan No.: 454301
Borrower: Michael A. Bowen
Assn Capital Farm Credit, FICA
Branch: San Antonio

- C. All obligations Grantor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities relating to any account agreement between Grantor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.
- E. Secondary to the payment of A., B., C., and D. above, all or any part of the indebtedness, obligations and liabilities of any type whatsoever owed by any Grantor named herein or any maker named in the note to any of Lender's affiliated, or subsidiary institutions, including but not limited to Capital Farm Credit, ACA and/or to Capital Farm Credit, PCA, or their respective successors or assigns (the "Affiliates"). Any lien created hereby for the benefit of an Affiliate or subsidiary upon the Property described herein shall be inferior and secondary to any lien created for the benefit of the Lender against the Property described herein.

All such debts, obligations and liabilities are secured by the Property regardless of whether they are due or to become due, are now or hereafter existing in favor of Lender or any of its Affiliates or subsidiaries, are direct or indirect, primary, secondary, joint, several, joint and several, fixed or contingent, and regardless of whether such debts, obligations and liabilities were originally owing to Lender or were acquired by Lender or its assignees from any third party. It is contemplated that Lender and/or its Affiliates or subsidiaries may make future advances to Grantor or to the maker of the note, and/or may transfer the note from one Affiliate or subsidiary to another and that this Deed of Trust shall further secure the payment to Lender and/or an Affiliate or subsidiary of any and all such future advances and other obligations.

Default in payment of such loans and advances or performance of such obligations shall constitute default under this Deed of Trust, and the holder herein shall be entitled to all rights and remedies provided in this Deed of Trust in the event of default.

- 4. **PAYMENTS.** Grantor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 5. **WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.
- 6. **OTHER SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that creates a subordinate security interest or encumbrance on the Property, Grantor agrees:
 - A. To make all payments when due and to perform or comply with all covenants
 - B. To promptly deliver to Lender any notices that Grantor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 7. **CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due and regardless of any payment deferral provided for by law. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payments. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.
- 8. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 9. **TRANSFER OF AN INTEREST IN THE GRANTOR.** If Grantor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
 - A. A beneficial interest in Grantor is sold or transferred.
 - B. There is a change in either the identity or number of members of a partnership or similar entity.
 - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.
- 10. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Grantor is an entity other than a natural person (such as a corporation or other organization), Grantor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:
 - A. Grantor is duly organized and validly existing in the Grantor's state of incorporation or organization. Grantor is in good standing in all states in which Grantor transacts business. Grantor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Grantor operates.
 - B. The execution, delivery and performance of this Security Instrument by Grantor and the obligation evidenced by the Secured Debt are within the power of Grantor, have been duly authorized, have

Loan No.: 484301
Borrower: Michael A. Bowen
Assn: Capital Farm Credit, FLCA
Branch: San Antonio

received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.

- C. Other than previously disclosed in writing to Lender, Grantor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Grantor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

- 11. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor shall not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

No portion of the Property (including timber, stone, gravel, minerals, geothermal energy or improvements) will be removed, demolished or materially altered without Lender's prior written consent except that Grantor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Grantor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Grantor notice at a time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.

- 12. AUTHORITY TO PERFORM.** If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

- 13. ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably grants, conveys and sells to Trustee, in trust for the benefit of the Lender, as additional security all the right, title and interest in and to any and all:

A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").

B. Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Grantor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

In the event any item listed as Leases or Rents is determined to be personal property, this Security Instrument will also be regarded as a security agreement.

Grantor will promptly provide Lender with true and correct copies of all existing and future Leases. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default. Except for one lease period's rent, Grantor will not collect in advance any future Rents without Lender's prior written consent. Upon default, Grantor will receive Rents in trust for Lender and Grantor will not commingle the Rents with any other funds. Amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing, protecting and preserving the Property and to any other necessary related expenses including Lender's attorney's fees and court costs.

Grantor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on Grantor's default when Lender or Trustee takes an affirmative action as prescribed by the law of the state where the Property is located. This assignment will remain effective until the Secured Debt is satisfied. Unless otherwise provided by state law, Grantor agrees that Lender or Trustee may take actual possession of the Property without commencing any legal action or proceeding. Actual possession of the Property is deemed to occur when Lender notifies Grantor of Grantor's default and demands that Grantor and Grantor's tenants pay all Rents due or to become due directly to Lender. Thereafter, either Lender or Grantor may notify the tenants and demand that all future Rents be paid directly to Lender. On receiving the notice of default, Grantor will endorse and deliver to Lender any payment of Rents. If Grantor becomes subject to a voluntary or involuntary bankruptcy, Grantor agrees that Lender and Trustee are entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

Grantor warrants that no default exists under the Leases or any applicable landlord law. Grantor also agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Grantor will promptly notify Lender of any noncompliance. If Grantor neglects or refuses to enforce compliance with the terms of the Leases, then Lender or Trustee may opt to enforce compliance. Grantor will obtain Lender's written

Loan No.: 484301
Borrower: Michael A. Bowen
Assn.: Capital Farm Credit, FLCA
Branch San Antonio

authorization before Grantor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. If Lender acts to manage, protect and preserve the Property, Lender does not assume or become liable for its maintenance, depreciation, or other losses or damages, except those due to Lender's gross negligence or intentional torts. Otherwise, Grantor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

14. LEASEHOLDS; CONDOMINIUMS; AND PLANNED UNIT DEVELOPMENTS. Grantor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

15. DEFAULT. Grantor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purposes of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Grantor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Grantor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Grantor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt.
- G. If the FSA guaranties the Secured Debt or holds a junior lien on the Property and any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce or to make possible the production of an agricultural commodity, as further explained in 7 C.F.R. Part 12.
- H. The Grantor or maker of any of the Secured Debt fails to pay any indebtedness for borrowed money (other than the Secured Debt) of the Grantor or maker to any lender, or any interest thereon, when due.

16. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure, or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Grantor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents, including without limitation, the power to sell the Property.

In the event of default, it shall be the duty of the Trustee, at the request of Lender (which request is hereby conclusively presumed), to invoke power of sale as required by Section 51.002 of the Texas Property Code, as then amended. Trustee shall advertise and sell the Property as a whole or in separate parcels in Trustee's sole discretion at public auction to the highest bidder for cash and convey indefeasible title to the Property with covenants of general warranty. Trustee shall give notice of sale including the time, terms and place of sale and a description of the Property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the Property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor or Grantor's heirs, executors, administrators, successors or assigns. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

17. FORECLOSURE. In the event a foreclosure under power of sale should be commenced by the Trustee, Lender may at any time before the sale of the Property direct the Trustee to abandon the sale, and may then institute suit for the collection of the Secured Debt and for the foreclosure of the lien of this Security Instrument. It is further agreed that if Lender should institute a suit for the collection of the Secured Debt, and for a foreclosure of the lien of this Security Instrument, that Lender may at any time before the entry of a final judgment in said suit dismiss the same, and require the Trustee to sell the Property in accordance with the provisions of this Security Instrument. Lender, if it is the highest bidder, shall have the right to purchase at any sale of the Property, and to have the amount for which such Property is sold credited on the Secured Debt.

Loan No.: 484301
Borrower.: Michael A. Bowen
Assn.: Capital Farm Credit, FLCA
Branch: San Antonio

18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; AND COLLECTION COSTS.

Except when prohibited by law, Grantor agrees to pay all of Lender's expenses if Grantor breaches any covenant in this Security Instrument. Grantor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Grantor agrees to pay all costs and expense incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Grantor agrees to pay for any recordation costs of such release.

19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1)

Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Grantor represents, warrants, and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Grantor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Grantor will immediately notify Lender if (1) a release or threatened release of a Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Grantor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Grantor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Grantor or any tenant of any Environmental Law. Grantor will immediately notify Lender in writing as soon as Grantor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceeding.
- E. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Grantor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Grantor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property, or (3) whether or not Grantor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Grantor agrees, at Grantor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Grantor's obligations under this section at Grantor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Grantor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation cost, penalties and expense, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Grantor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.
- L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. CONDEMNATION. Grantor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions.

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Borrower: Michael A. Bowen
Assn.: Capital Farm Credit, FLCA
Branch: San Antonio

or claims. Grantor assigns to Lender the Proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. INSURANCE. Grantor agrees to maintain insurance as follows:

- A. Grantor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

The proceeds of such insurance shall be paid by the Insurer directly to Lender, which is hereby granted full power to settle and compromise claims under all policies, to endorse in the name of Grantor any check or draft representing the proceeds of any such insurance, and to demand, receive and give receipt in the name of Grantor for all sums coming due thereunder.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and where applicable, a "loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payments. Any excess will be paid to the Grantor. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

- B. Grantor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured, as required by Lender, in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

- C. Grantor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. ESCROW FOR TAXES AND INSURANCE. Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.

23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Grantor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and Lender's lien status on the Property.

24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND. All duties under this Security Instrument are joint and individual. If Grantor signs this Security Instrument but does not sign an evidence of debt, Grantor does so only to mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Grantor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Grantor and Lender.

25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION. This Security Instrument is governed by the laws of jurisdiction in which Lender is located, except to the extent otherwise required by laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

26. SUCCESSOR TRUSTEE. Lender, at Lender's option, may from time to time remove a Trustee and appoint a successor or substitute trustee without any other formality than the designation in writing. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon the Trustee by this Security Instrument and applicable law.

27. NOTICE. Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.

28. **USURY SAVINGS.** In no event shall any provision of this Security Instrument or any other instrument evidencing or securing the Secured Debt ever obligate Grantor to pay or allow Lender to collect interest on the Secured Debt at a rate greater than the maximum non-usurious rate permitted by state or federal applicable law.

WAIVER OF TRIAL BY JURY

30. **U.C.C. PROVISIONS.** Grantor grants to Lender a security interest in allocated equities in Lender, if any, now owned or hereafter acquired. If checked, the following are applicable to, but do not limit this Security Instrument:

☐ **Farm Products; Use of Social Security Number.** If the Property includes farm products, Grantor will provide Lender with a list of buyers, commission merchants, and selling agents to or through whom the Grantor may sell the farm products and Grantor consents to the use of Grantor's Social Security or Tax Identification Number when notice of Lender's security interest is given to them. Grantor authorizes Lender to notify any additional parties regarding Lender's interest in Grantor's farm products unless prohibited by law.

Loan No.: 484301
Borrower: Michael A. Bowen
Assn.: Capital Farm Credit, FLCA
Branch: San Antonio

- ☐ **Separate Assignment.** The Grantor has executed or will execute a separate assignment of leases and rents. Any such separate assignment duly executed will supersede the "Assignment of Leases and Rents" section of this Security Instrument.
- ☒ **Additional Terms.**

Any proceeds of the Note used to take up outstanding liens against all or any part of the Property have been advanced by Lender at Grantor's request and upon Grantor's representation that such amounts are due and are secured by valid liens against the Property. In addition, Lender shall be subrogated to any and all rights, superior titles, liens and equities owned or claimed by any owner or holder of outstanding liens and/or debts, regardless of whether said liens and/or debts are acquired by Lender by assignment or are released by the holder thereof upon payment, and regardless of whether such outstanding liens and/or debts are more specifically described herein.

The indebtedness, the payment of which is hereby secured, is in part payment of the purchase price of the real property herein described, and is also secured by a vendor's lien thereon retained in Warranty Deed to the undersigned, and this Deed of Trust is given as additional security for the payment of said indebtedness.

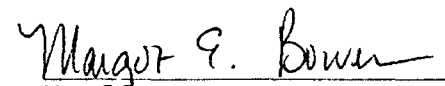
SIGNATURES. By signing below, Grantor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Grantor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

The parties' signatures below indicate agreement with the statement contained within this box.

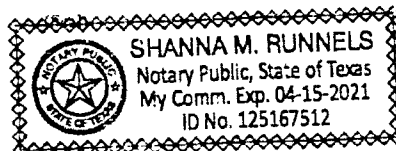

Michael A. Bowen


Margot E. Bowen

STATE OF Texas
COUNTY OF Medina

This instrument was acknowledged before me this 8th day of August, 2017
by Michael A. Bowen A/K/A Michael Alan Bowen.

My commission expires: 04-15-2021 Shanna M. Runnels
(Notary Public)

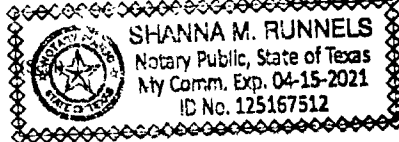


Loan No.: 484301
Borrower.: Michael A. Bowen
Assn.: Capital Farm Credit, FLCA
Branch: San Antonio

STATE OF Texas
COUNTY OF Medina

This instrument was acknowledged before me this 6th day of August, 2017
by Margot E. Bowen A/K/A Margot Elaine Bowen

My commission expires: 04-15-2021 Shanna Runnels
(Notary Public)



Capital Farm Credit, FLCA

NMLS ID: 493828

Laura Martinez

NMLS ID: 835200

AFTER RECORDING SEND TO:

Capital Farm Credit, FLCA

San Antonio

17721 Rogers Ranch Pkwy #200, San Antonio, TX, 78258



**FIELD NOTE DESCRIPTION
OF**

A 61.072 acre tract of land lying in the J. Bendele Survey No. 24, Abstract No. 81, the J. Bendele Survey No. 23, Abstract No. 77, and the J.B. Schmidt Survey No. 17, Abstract 863, Medina County, Texas, same being a called a 63.50524 acre tract of land described in a General Warranty Deed to Frank A. Fournier, III and wife Doree Singleton, recorded in Volume 592, Page 807, Official Public Records of Medina County, Texas, said 61.072 acre tract of land being more particularly described as follows:

BEGINNING: At a 5/8" iron rod found in the south right-of-way line of County Road 354 for a northwest corner of the aforementioned 63.50524 acre tract, a northeast corner of 81.99 acre tract described in a General Warranty Deed to Samuel D. Stool and Patricia K. Stool, recorded in Document Number 2016039057, Official Public Records of Medina County, Texas, and a northwest corner of the herein described 61.072 acre tract.

THENCE: along a north line of the aforementioned 63.50524 acre tract and the south right-of-way line of the aforementioned County Road 354, S89°58'16"E, a distance of 629.91 feet (Record-S89°56'00"E, 635.60') to 2" pipe fence corner post found for an angle point of the herein described 61.072 acre tract;

THENCE: along the northwest line of the aforementioned 63.50524 acre tract and the southeast right-of-way line of the aforementioned County Road 354, N46°26'00"E, a distance of 223.06 feet (Record-N45°00'00"E, 220.55') to a 6" pipe fence corner post found for an angle point of the herein described 61.072 acre tract.

THENCE: along a north line of the aforementioned 63.50524 acre tract and the south right-of-way line of the aforementioned County Road 354, N75°00'45"E, a distance of 634.51 feet (Record-N75°00'00"E, 635.83') to a 4" square fence corner post found at the intersection of the south right-of-way line of said County Road 354 and the west line of a line, being approximately 40 feet in width, for the northeast corner of said 63.50524 acre tract and the northeast corner of the herein described 61.072 acre tract;

EXHIBIT "A"

- THENCE:** leaving the south right-of-way line of the aforementioned County Road 354, along the east line of the aforementioned 63.50524 acre tract, S00°02'43"E, a distance of 3,169.28 feet (Record-S00°00'00"E, 3,163.88') to a 1 1/2" iron found with plastic cap stamped "SAMS INC." in the north line of a 191.09 acre tract of land described in a General Warranty Deed to Southwest Gulf Railroad Company, recorded in Document Number 2015004052, Official Public Records of Medina County, Texas, for the southeast corner of said 63.50524 acre tract and the southeast corner of the herein described 61.072 acre tract;
- THENCE:** along a south line of the aforementioned 63.50524 and the north line of the aforementioned 191.09 acre tract, S89°43'47"W (Record-N89°30'00"W), passing a 5/8" iron rod found for the northwest corner of said 191.09 acre tract and a northeast corner of the aforementioned 81.99 acre tract at a distance of 666.33 feet, a total distance of 696.85 feet (Record-697.20') to a 1 1/2" iron rod set with plastic cap stamped "MIMS RPLS 6490" for the most southerly southwest corner of said 63.50524 acre tract, an interior corner of said 81.99 acre tract, and the most southerly southwest corner of the herein described 61.072 acre tract;
- THENCE:** along a west line of the aforementioned 63.50524 acre tract and an east line of the aforementioned 81.99 acre tract, N00°01'13"W, a distance of 30.81 feet (Record-N00°45'00"E, 30.00') to a 5/8" iron rod found for a northwest corner of said 63.50524 acre tract, an interior corner of said 81.99 acre tract, and a northwest corner of the herein described 61.072 acre tract;
- THENCE:** along a north line of the aforementioned 63.50524 acre tract and a south line of the aforementioned 81.99 acre tract, N89°09'30"E, a distance of 29.89 feet (Record-S89°30'00"E, 30.00') to a 5/8" iron rod found for an interior corner of said 63.50524 acre tract, a southeast corner of said 81.99 acre tract, and an interior corner of the herein described 61.072 acre tract;
- THENCE:** along a west line of the aforementioned 63.50524 acre tract and an east line of the aforementioned 81.99 acre tract, N00°00'41"W, a distance of 2,014.92 feet (Record-N00°44'32", 2,015.67') to a 6" pipe fence corner post found for an interior corner of said 63.50524 acre tract, a northeast corner of said 81.99 acre tract, and an interior corner of the herein described 61.072 acre tract.

THENCE: along a south line of the aforementioned 63.50524 acre tract and a north line of the aforementioned 81.99 acre tract S88°51'15"W, a distance of 735.91 feet (Record-S89°36'00"W, 735.80') to a 6" pipe fence corner post found for a southwest corner of said 63.50524 acre tract, an interior corner of said 81.99 acre tract, and a southwest corner of the herein described 61.072 acre tract.

THENCE: along a west line of the aforementioned 63.50524 acre tract and an east line of the aforementioned 81.99 acre tract, N00°16'00"W, a distance of 823.62 feet (Record-N00°17'00"W, 823.05') to the **POINT OF BEGINNING** and containing 61.072 acres of land.

NOTES: 1.) Basis of Bearing, Grid North, Texas State Plane Coordinate System, South Central Zone (4201), NAD 83 (93).

2.) (Record-) Record Information

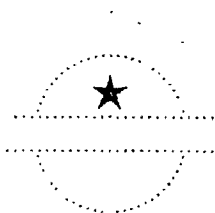
4.) A survey map of even date accompanies this field note description and made a part hereof.

STATE OF TEXAS
COUNTY OF BEXAR

SA

I, Paul L. Myers, a Registered Professional Land Surveyor, do hereby certify that the above field notes were prepared using information obtained by an on the ground survey made by me on 1/15/2017.

Date 1/15/2017 day of January, 2017



Paul L. Myers
Paul L. Myers
Registered Professional Land Surveyor
No. 6490 - State of Texas

Exp #17056
July 20, 2017
PLM