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A PROFESSIONAL CORPORATION

NATALIE SCOTT
DIRECTOR

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DIRECT: (512) 541-3846
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November 02, 2021

Public Utilities Commission
P.O. Box 13326
Austin, Texas 78711-3326

Via Electronic Filing

Re: PUC Docket 52435; Petition by Legacy Equestrian Center, LLC for Expedited Release from Water CCN No. 10150 held by Marilee Special Utility District in Collin County

Dear Sir or Madam:

In accordance with Order No. 5, Petitioner files the attached documentation to clarify Petitioner's name:

1. Certificate of Amendment of Legacy Equestrian Center, LLC, dated June 21, 2002;
2. Release of Deed of Trust, dated July 11, 2016; and
3. Release of Lien, dated November 4, 2016.

Please do not hesitate to contact me should you need anything further.

Very truly yours,



Natalie B. Scott

Cc (w/encl.):

Attorneys for Marilee SUD:

John J. Carlton – Email: john@carltonlawaustin.com

Grayson E. McDaniel – Email: grayson@carltonlawaustin.com

Attorney for Commission Staff:

Merritt Lander – Email: merritt.lander@puc.texas.gov

TERRACE 2, 2700 VIA FORTUNA, SUITE 350, AUSTIN, TEXAS 78746
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Office of the Secretary of State

CERTIFICATE OF AMENDMENT OF

Legacy Equestrian Center LLC
800022563

[formerly: Legacy Stables LLC]

The undersigned, as Secretary of State of Texas, hereby certifies that the attached Articles of amendment for the above named entity have been received in this office and have been found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law hereby issues this Certificate of Amendment.

Dated: 06/21/2002

Effective: 06/21/2002



A handwritten signature in cursive script that reads "Gwyn Shea".

Gwyn Shea
Secretary of State

ARTICLES OF AMENDMENT
TO THE ARTICLES OF ORGANIZATION
OF
LEGACY STABLES LLC
(the "Company")

Pursuant to the provisions of the Texas Limited Liability Company Act, the undersigned Company adopts the following "Articles of Amendment" (herein so called) to the Company's "Articles of Organization" (herein so called), which amend "Article One" (herein so called) of the Articles of Organization so as to change the name of the Company.

ARTICLE I

The name of the Company is "Legacy Stables LLC".

ARTICLE II

The following amendment to the Articles of Organization was adopted on June 19, 2002:

Article One of the Articles of Organization is hereby amended to read in its entirety as follows:

"ARTICLE ONE

NAME

The name of the Company is Legacy Equestrian Center LLC."

ARTICLE III

The number of membership interests of the Company outstanding and entitled to vote at the time of such adoption was 1,000 "Membership Interests" (herein so called).

ARTICLE IV

The holders of all 1,000 Membership Interests outstanding and entitled to vote have signed a consent in writing adopting said amendment pursuant to the Texas Limited Liability Company Act.

ARTICLE V

The said amendment does not involve any exchange, reclassification or cancellation of issued Membership Interests of the Company.

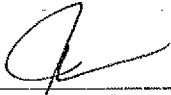
ARTICLE VI

The said amendment does not effect a change in the amount of the stated capital of the Company.

Dated as of June 19, 2002.

Legacy Stables LLC,
a Texas limited liability company

By: _____


Jody M. O'Donnell
Its: Sole Manager

F:\194\1\AMM-A00

Loan No. 467642
 Name: Jody M. O'Donnell
 Assn: Heritage Land Bank, FLCA
 Branch: McKinney

RELEASE OF DEED OF TRUST

THE STATE OF TEXAS §
 §
 COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS

That Heritage Land Bank, FLCA, hereinafter "LENDER," for and in consideration of the full and final payment of all amounts owing to it on that certain promissory note in the principal sum of \$660,200.00, described in deed of trust dated May 4, 2001, executed by Jody M. O'Donnell and spouse, Anita O'Donnell in favor of the Trustee therein named, and recorded in Volume 4912; Page 3143, Official Public Records of Collin County, Texas, identified on the records of the Lender as Loan No. 467642 to which deed of trust and its record reference is here made for all pertinent purposes, DOES HEREBY RELEASE the land described in said deed of trust from any and all liens held by the undersigned Lender that were created by virtue of said deed of trust and note; and for the same consideration, the undersigned does hereby also release such deed of trust above described and the lands therein conveyed, insofar as such lien additionally secures the payment of that certain promissory note dated September 6, 2002, given the Lender by Legacy Stables, LLC, a Texas Limited Liability Company, in the original principal sum of \$304,400.00 and referred to in such deed of trust hereinabove fully set forth and here released.

IT IS EXPRESSLY AGREED that this release shall not and does not in any manner whatsoever affect, impair or release the terms of that certain deed of trust dated September 6, 2002, executed by Legacy Stables LLC, a Texas Limited Liability Company, now of record in Volume 5250; Page 4797, of the Official Public Records of Collin County, Texas, and as to such original deed of trust it shall remain in all of its terms, covenants, contracts, liens, powers of sale, etc., the same as though this release had never been executed.

EXECUTED on July 11, 2016.

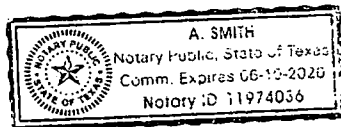
Heritage Land Bank, FLCA

By Brian Harris
 Brian Harris, Regional Vice President

STATE OF TEXAS §
 §
 COUNTY OF SMITH §

This instrument was acknowledged before me on the 11th day of July, 2016, by Brian Harris, Regional Vice President of Heritage Land Bank, FLCA, a Corporation, on behalf of said corporation.

(SEAL)



A. Smith

Notary Public, State of Texas

PROMISSORY NOTE

LOAN NO. : 467642

\$ 660,200.00

DATE : May 4, 2001

ASSN. : HERITAGE LAND BANK, FLCA

BRANCH : MCKINNEY

Page 1

For value received, I, We, or any of Us, the undersigned, jointly and severally, promise to pay to the order of the HERITAGE LAND BANK, FLCA ("Lender"), at its office in the city of TYLER, SMITH County, TEXAS, the principal sum of SIX HUNDRED SIXTY THOUSAND TWO HUNDRED

DOLLARS

(\$ 660,200.00), lawful money of the United States of America, according to the tenor, effect and reading hereof, with interest from the date the principal is advanced until paid at the rate or rates hereinafter provided. Interest will be calculated on the basis of a 30-day month and a 360-day year and will be accrued for the number of days that principal is outstanding.

Interest shall be payable from time to time on the remaining unpaid principal balance prior to default or maturity, as follows:

The initial rate of interest payable on this note shall be 7.850 percent annum and shall be applicable until June 1, 2006. On that date and thereafter, unless the undersigned elect to convert the interest rate by choosing among option (a), (b) or (c) below, the interest rate and term thereof shall, at the option of the payee or other Farm Credit System Institution that becomes the holder of this note, be either increased or decreased at any time and from time to time as authorized, but in no event to exceed the rate permitted by the Farm Credit Act of 1971, Public Law 92-181, as amended, and the regulations promulgated thereunder. The interest rate and the period thereof may be redetermined by the holder when any fixed interest rate period expires, unless at the end of such fixed rate period the undersigned elect to convert to another interest rate by:

- (a) converting to another fixed interest rate period, if such program is then available; or
- (b) converting to a variable interest rate program, if applicable and if such program is then available; or
- (c) converting to an adjustable interest rate loan program with interest determinable by application of a specified margin to a known interest rate index, if applicable and if such program is then available.

If the Lender must so redetermine the interest rate and term thereof because of my/our failure to select from the available interest rate options above, and if the previous interest rate plan contained a prepayment fee, and if permitted by state law, the Lender may select an interest rate plan and term which includes a prepayment fee.

However, in the event that upon expiration of a fixed interest rate period the time remaining until the final maturity date is less than any of the established interest rate period programs identified above and then available, the interest rate and term thereof will be determined by the holder.

Prior to the end of any fixed rate term established above, the undersigned will be notified of the date of expiration of the fixed rate term and advised that on said expiration date the loan shall be eligible for redetermination of the interest rate. In order to further accomplish a new pricing in accordance with the provisions herein, the undersigned must sign and provide any and all documents necessary to accomplish such repricing and return them to the holder prior to any deadline established in such notices. If this note is transferred to the Federal Agricultural Mortgage Corporation or to a holder that is not a Farm Credit System Institution, then this note shall bear interest at the lesser of (a) a fixed rate equal to the rate of interest applicable to this note on the date of transfer, or (b) a fixed rate that will result in an effective yield equal to the maximum lawful rate.

The indebtedness shall be payable in ONE HUNDRED EIGHTY ONE (181) Monthly installments beginning on June 1, 2001, and thereafter on the first day of each month of each calendar year until the indebtedness, both principal and interest, is fully paid.

Interest only payment(s) shall be payable on the first installment due date(s).

After the initial payment of interest only (if applicable), this note shall be payable:

in successive equal installments of principal and interest in an amount sufficient to amortize the indebtedness over the term of the loan, the amount being subject to adjustment to reflect any increase or decrease in the interest rate, if applicable.

The undersigned hereby authorize the holder to apply any payment(s) made on this note toward the loan agreement or any instrument securing or related to this note (collectively, the "Loan Documents") to such part of the indebtedness as the holder may elect.

After default in the payment of any amount due under this note or in the performance of any obligation under this note or the Loan Documents, or upon the death of any of the undersigned, the holder of this note may, at its option, accelerate the maturity hereof and declare the entire unpaid principal balance and accrued interest to be due and payable. The holder's forbearance to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

If the unpaid balance of this note is not paid in full at maturity of this note, whether maturity occurs by lapse of time or by acceleration, the unpaid principal and past due interest shall bear interest at a default rate equal to the rate of interest applicable to this note on the date of maturity plus an additional four percent (4%) per annum. Prior to maturity of this note, any amount owing under this note which is not paid when due, and any advance made by the holder of this note pursuant to any of the Loan Documents, shall bear interest at a default rate equal to the rate in effect at the time repayment of such amount or advance is received by the holder of this note plus an additional four percent (4%) per annum. Any such amount or advance which is not paid prior to maturity shall bear interest at a default rate equal to the rate of interest applicable to the note on the date of maturity plus an additional four percent (4%) per annum from the date such amount is due or such advance is made, and such amount or advance plus accrued default interest thereon shall be added to the unpaid principal at maturity. Notwithstanding the foregoing, if the holder of this note is not a Farm Credit System Institution, then the default rate shall be limited so that it shall not exceed a rate that will result in an effective yield in excess of the maximum lawful rate.

If any amount owed under this note or the loan documents is not paid when due, the holder shall be entitled to collect default interest from the date(s) of default in an amount produced by applying the applicable default interest rate as set out above to the amount in default. If said default(s) is not cured within fifteen (15) days of the occurrence of such default(s), the holder shall be entitled to collect an additional default interest charge of \$25.00.

If any amount due under this note shall be collected by legal proceedings or through a probate or bankruptcy court, whether or not the note is in default, or if this note is placed in the hands of an attorney (salaried, corporate or

Loan No. 472604
Name: Legacy Stables, LLC
Assn: Heritage Land Bank, FLCA
Branch: Commercial

RELEASE OF LIEN

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS:

THAT, Heritage Land Bank, FLCA, being the legal owner and holder of the note(s) and lien(s) hereinafter referred to, whether as original mortgagee or as assignee, by transfer and assignment duly recorded (or held unrecorded) in the county where the land is situated, for and in consideration of the full and final payment of all amounts owing to it on the promissory note(s) set out herein and further described in and secured by deed(s) of trust particularly identified as follows:

That certain deed of trust dated September 6, 2002, executed by Legacy Stables, LLC, a Texas Limited Liability Company, acting herein by and through its duly authorized officer(s), Jody O'Donnell aka Jody M. O'Donnell, Manager, securing a promissory note in the original principal sum of \$304,400.00, recorded at Volume 5250; Page 4797 of the Official Public Records of Collin County, Texas, to which deed(s) of trust and the recording thereof reference is here made for all legal purposes, DOES HEREBY RELEASE the land described therein from any and all liens held by the undersigned bank that were created by said note(s) and deed(s) of trust, and by any agreements which may have been given in rearrangement of the debt secured by said deed(s) of trust.

- ☐ This instrument is executed in multiple originals.
- ☐ This instrument is executed in lieu of and in substitution for a similar instrument executed by _____ on _____, which instrument was lost or misplaced before being filed for record.
- ☐ This instrument is executed in lieu of and in Correction of a similar instrument executed by _____ on _____, and recorded in Volume _____, Page _____, County, Texas.

EXECUTED BY Heritage Land Bank, FLCA on November 4, 2016.

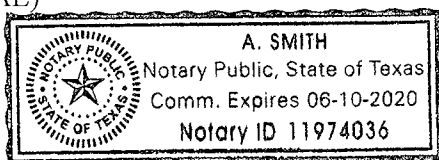
HERITAGE LAND BANK, FLCA

By: Charlotte Sellers
Charlotte Sellers, Chief Credit Officer

STATE OF TEXAS §
 §
COUNTY OF SMITH §

This instrument was acknowledged before me on the 4th day of November, 2016, by Charlotte Sellers, Chief Credit Officer of Heritage Land Bank, FLCA, on behalf of said corporation.

(SEAL)



A. Smith
Notary Public, State of Texas

05250 04797

2002- 0130015

DEED OF TRUST

Loan No. : 472604
 Name : LEGACY STABLES LLC.
 Assn. : HERITAGE LAND BANK, FLCA
 Branch : GREENVILLE

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Borrower's Initials JS

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

THAT, the undersigned whether named herein or not, in or of the Counties according to their acknowledgments respectively, hereinafter called "Mortgagors", (whether one or more) including:

LEGACY STABLES LLC., a Texas limited liability company, acting herein by and
through its duly authorized officer(s), Jody O'Donnell aka Jody M. O'Donnell,
Manager

execute this instrument, for and in consideration of the sum of Ten Dollars in hand paid by:
 TED F. CONOVER, Trustee, of TYLER, SMITH County, TEXAS, whose address is P. O. BOX 8025, TYLER, TEXAS, 75711-8025,
 the receipt whereof is hereby acknowledged, and the further consideration, uses, purposes and trust herein set forth and declared,
 have granted, sold and conveyed, and by these presents do grant, sell and convey unto the said Trustee herein named, and to his
 successors and substitutes in the trust hereby created, all of the following described real estate situated in:

COLLIN County(ies), Texas, containing 76.7430 acres,

more or less, and consisting of the following surveys and parts of survey, to wit:

SEE ATTACHED EXHIBIT "A"

It is expressly understood and agreed that, as a part of the consideration for the loan made to the undersigned and secured by the premises hereinabove described, this instrument covers and includes all surface, subsurface and/or mineral estate ownership now or after acquired by the undersigned in the above property and whether or not expressly excepted from the description to the above security premises, any provisions herein to the contrary being of no force and effect.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any-wise belonging, unto the said Trustee herein named, his successors and substitutes in this trust, forever. And we, the mortgagors, do hereby bind ourselves, our heirs, executors and administrators to warrant and forever defend all and singular the said premises unto the said Trustee herein named, his successors and substitutes in this trust, and to his and their assigns forever, against the claim, or claims, of all persons claiming or to claim the same or any part thereof.

This conveyance is made in trust to secure and enforce the payment of one certain promissory note executed by the mortgagors, payable to the order of the HERITAGE LAND BANK, FLCA (hereinafter called "Lender"), at its office in TYLER, SMITH County, TEXAS, for the principal sum of

THREE HUNDRED FOUR THOUSAND FOUR HUNDRED DOLLARS,

with interest at the rate therein provided, said principal and interest being payable in installments on an amortization plan or otherwise, as therein provided, the last installment in an amount equal to the balance of principal and interest then remaining owing on said indebtedness, being due and payable on the first day of October, 2017; and providing for an option to accelerate the maturity thereof upon failure to pay an installment when due; and to secure the full and complete performance of the covenants and agreements herein contained and in any Loan Agreement or any other agreement executed in connection with said note, and the payment of an attorney or collection fee and interest on matured items, according to the tenor, reading and effect of said note.

And mortgagors hereby warrant that the indebtedness renewed is a valid lien on said land and hereby request said Lender to

DEED OF TRUST

Loan No. : 472604
 Name : LEGACY STABLES LLC.
 Assn. : HERITAGE LAND BANK, FLCA
 Branch : GREENVILLE

Page 2

Borrower's Initials g

become payable to the Lender and be subject to the terms and conditions hereof.

(3) To pay when due, all taxes, liens, judgments, charges and assessments that may be assessed against the premises hereinbefore described, and the Lender, in the event we fail to do so, may obtain such insurance, pay when due any taxes, liens, judgments or assessments against said premises, whether delinquent or not, and be subrogated to the lien securing the sums paid. The Lender may prosecute, or defend, any court proceedings involving the debt, lien, or title to the premises hereinbefore described, or any part thereof; and may incur expenses of said court proceedings; and may obtain and pay for abstracts of title to said premises. Mortgagors agree to pay said Lender immediately, any sums advanced by it for any of the aforesaid purposes, with interest as provided by said note on matured items, and that such sums shall be secured hereby.

(4) That in the event they are required to purchase or do purchase life insurance (group, credit or other) or private mortgage insurance in connection with this loan but subsequently fail to pay the premium to keep same in force, the Lender, at its option, may pay such premium on mortgagors' behalf, charge such payment to the loan, and such advance of premium shall be secured by this mortgage and bear interest the same as other advances provided for in this mortgage.

(5) That premises hereinbefore described shall be continuously used for agriculture in a husbandlike manner; that waste will not be committed or permitted and adequate terraces and drainage ditches be constructed and maintained; that all improvements now on said premises, or hereafter put thereon, be kept in good condition and repair, and not be removed or demolished; that merchantable timber, stone, gravel, minerals, water, caliche, geothermal energy, clay, or improvements not be removed from said security without the written consent of the Lender, and that any restrictions affecting said security not be violated.

(6) To not sell, assign, or convey any part or all of the mortgaged premises (regardless of whether the buyer or assignee "assumes" the note or takes the mortgaged premises "subject to" such note, or whether by contract for deed or sale) without first obtaining the Lender's prior written consent as long as the above note remains unpaid. If mortgagor or one or more of the mortgagors is a corporation, not to change the substantial ownership and/or control of said corporation.

(7) To not commit an Act of Bankruptcy, or authorize the filing of voluntary petition in bankruptcy, or allow the above described property to be taken over by a Receiver as long as the above note remains unpaid.

(8) To pay when due all additional ad valorem taxes attributed to the above described mortgaged premises caused by the change of ownership (if any) or the change of use (if any) from open-space or agriculture use as defined in the State of Texas Constitution, V.A.T.S. Art. 7174A et seq and/or the Property Tax Code of the State of Texas; and to not change the use of said mortgaged premises as therein defined by the aforementioned Constitutional provisions or statutes.

(9) To furnish to the Lender upon request a financial statement and income statement attested to by Mortgagors or verified by a public accountant.

Mortgagors hereby transfer and assign unto the Lender to be applied on the debt secured hereby: (a) all eminent domain or condemnation award monies which may hereafter be awarded or paid for damages done to the security, or for any portion of the premises which may be appropriated for any character of public or quasi-public use; (b) all the bonuses, rentals, royalties, damages, and delay monies that may be due or that may hereafter become due and payable to the mortgagors or their assigns under any oil, gas, mining or mineral lease or leases of any kind now existing, or which may hereafter come into existence (including agricultural contracts of every kind) covering the above described land or any part thereof. Mortgagors authorize and direct payment of such money to said Lender until the debt secured hereby is paid. Such money may, at the option of the Lender, be applied on the debt whether due or not. The Lender shall not be obligated, in any manner, to collect said monies or any part thereof, and shall be responsible only for amounts received by the Lender. Nothing herein contained shall be construed as a waiver of or to prejudice the priority of this lien or the options hereunder in favor of said Lender.

The Lender may, at any time, without notice, release all or any part of the premises described herein, grant extensions and deferments of the time of payment of the indebtedness secured hereby, or any part thereof, agree to and grant renewals and reamortizations of said indebtedness, or any part thereof, or release from liability any one or more parties who are or may become liable for the payment of said indebtedness or any part thereof without affecting the priority of the deed of trust or the personal liability of the borrower or any party liable or who may become liable for the payment of the indebtedness hereby secured; and all such extensions, deferments, renewals, and reamortizations shall be secured by the lien hereof. It is stipulated and agreed that all agreements, stipulations and covenants contained in this deed of trust shall be binding upon the mortgagors, their assigns, heirs, executors, administrators and successors.

For the purpose of accumulating funds for payment of taxes, insurance, and other charges, but in no way relieving mortgagors of the covenants expressed in paragraphs (2), (3), and (8) above, mortgagors further agree that at the request of the holder of the note secured by this deed of trust and at the sole option and discretion of such note holder, together with and in addition to the payments of principal and interest payable under the terms of the note secured hereby, they will pay the holder of the note, until the note herein is fully paid, a sum of money which, multiplied by the total number of payments to be made in the next succeeding twelve-month period, will equal the total sum of money that will next become due for one year's premiums on insurance policies, plus all taxes and assessments next due for a one-year period on the property hereby conveyed (all as estimated by the holder of the note). Mortgagors covenant and agree that any default in the making of said deposits as herein provided shall, at the option of Lender, mature at once the entire amount remaining unpaid on the note hereby secured. The Lender or other holder of the note shall hold such payments in trust, without obligation to pay interest thereon, and without bond, to pay such insurance premiums, taxes and assessments when due, having the right to require additional payments to make up any deficiency and having the option to refund or apply on future payments any excess. Any balance on hand in such fund at the time of any sale, voluntary, judicial or made under the terms of this deed of trust, of the property herein described, shall without assignment thereof, inure to the benefit of the purchaser at such sale and shall be applied under and subject to the provisions hereof.

If any payment on the above described note is not made as the same becomes due and payable; or if the premises herein conveyed become embraced within the boundaries of any irrigation, levee, drainage or other improvement district (except school or road district), and such district shall have power to issue bonds or other evidence of indebtedness requiring the levy and collection of taxes and payment thereof; or if there is a violation of any of the covenants, agreements, provisions or warranties of this mortgage, or any agreement executed in connection with the loan, the whole of the unmatured principal of the note together with accrued interest, shall at the option of the Lender, or the legal or equitable owner or holder thereof, become immediately due and payable, and at the request of said Lender, or said owner or holder, said trustee, or his successors or substitutes, is hereby authorized and empowered to sell the premises hereby conveyed at public auction to the highest bidder for cash at the door of the courthouse of the county in which such real estate, or a portion thereof, is situated, between the hours of ten o'clock in the forenoon and four o'clock in the afternoon, on the first day of the month of January, next following the date of the default.

DEED OF TRUST

Loan No. : 472604
Name : LEGACY STABLES LLC.
Assn. : HERITAGE LAND BANK, FLCA
Branch : GREENVILLE

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Borrower's Initials CA _____

the right to request the trustee or successor or substitute trustee to sell the premises herein conveyed in satisfaction of such defaulted installment(s) without the whole debt being declared due; and said trustee or his successor or substitute is hereby authorized and empowered to sell the property hereby conveyed in satisfaction of such installment(s), pursuing the same procedure provided herein for trustee's sale and when the whole of the unmatured principal is declared due. It is specifically agreed and understood (a) that all sales under installment foreclosures as herein provided for shall pass title to the purchaser at such sale free and clear of any and all other installments previously assigned; (b) that the title of the purchaser at such sale shall in all respects be subject and inferior to the unpaid and unassigned balance of the debt; (c) that no sale in satisfaction of a defaulted installment shall exhaust the right of sale under any subsequently maturing installment(s) nor any other power of sale elsewhere conferred in this instrument; (d) that in the event the land herein conveyed shall be sold because of failure to pay one or more of the installments, without the whole debt being declared due, the stock or participation certificates owned by the mortgagors incident to this loan shall automatically pass to the purchaser of said land.

The trustee shall apply the proceeds of any sale hereunder as follows: he shall pay (1) the reasonable expense of making the sale, including fee to the trustee of 5% of the amount received in cash; (2) as far as may be possible, the debt in satisfaction of which sale is made, discharging first any portion of said debt not evidenced by note; (3) the attorney's or collection fees provided for in the note; and (4) the residue, if any, to mortgagors or their heirs, executors, administrators, successors or assigns.

If the trustee shall resign and he is hereby authorized to resign, or shall die, retire, or shall remove from the State of Texas or shall be disqualified from acting in the execution of this trust, or shall fail or refuse to execute the same when requested by said Lender or the owner or holder of the note so to do, said Lender, or the owner or holder of the note, shall have full power to appoint a successor trustee or substitute trustee, or several successor or substitute trustees in succession who shall succeed to all the estate, rights, powers, and duties of the trustee herein named. The Lender or owner or holder of the note may at any time it desires appoint another trustee in the place and stead of the trustee herein named, or any succeeding or substitute trustee. And mortgagors do hereby ratify and confirm any and all acts which the said trustee or his successor or substitute shall lawfully do by virtue hereof. And the trustee or any substitute or successor trustee is hereby authorized and empowered to appoint an attorney-in-fact of his own choosing, without notice to or consent of mortgagors, to act as trustee under him and in his name, place and stead, such appointment to be evidenced by an instrument signed by said trustee, substitute or successor. All acts done by any attorney-in-fact shall be as valid, lawful and binding as if done by the trustee herein named, or any successor or substitute in person; and mortgagors hereby ratify any and all acts done by any attorney-in-fact.

All parties to this mortgage or to the note hereby secured covenant and agree that upon the death of any signatory, maker, or co-maker of such note, the owner and holder of said note may, at holder's option, mature or accelerate the entire balance owing on said note, whereupon all amounts owing by virtue thereof shall immediately be due and payable.

It is stipulated and agreed that in case of any sale hereunder all prerequisites to said sale or sales shall be presumed to have been performed and the sale shall be presumed to have been duly held and all statements of facts or other recitals contained in the conveyance from the trustee or successor or substitute trustee or his attorney-in-fact to the purchaser at any such sale shall be taken in all courts of law or equity as prima facie evidence that facts stated or recited are true.

It is further stipulated and agreed that in case of any sale hereunder mortgagor shall immediately surrender possession to the purchaser. If mortgagor fails to do so, mortgagor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

It is especially agreed by the undersigned, that in the event any portion of the indebtedness, evidenced by the note referred to above, is not or cannot be secured by a valid lien under the terms of this contract deed of trust covering the premises herein described, the mortgagee is hereby directed to apply all payments received first to pay and discharge in full that portion, if any, of such indebtedness which may be unsecured.

This deed of trust, the note(s) secured hereby, and all security is subject to the Farm Credit Act of 1971 and all acts amendatory thereof or supplementary thereto, and the Rules and Regulations promulgated thereunder; and any act or omission thereof by mortgagor in violation thereof constitutes a default thereunder.

For purposes of giving any notice that may be required by the terms of this deed of trust, mortgagors hereby stipulate and agree that their mailing address is as shown below and mortgagee may rely upon this stipulation until such time as mortgagee has been advised in writing by mortgagor of a change in such address:

LEGACY STABLES LLC.
8280 CR 130, CELINA, TEXAS 75009

This deed of trust also secures the payment of the unpaid balance of a note in favor of mortgagee for \$ 660,200.00 , described in a deed of trust dated 5/04/01 , executed by

Jody M. O'Dowell and spouse, Anita O'Donnell

recorded in Volume 4912 , Page 3143 , Deed of Trust Records of COLLIN County, Texas.

Mortgagors agree that a failure to pay when due an installment on said note, or the note herein described shall, at the option of the holder, or its assigns, mature either or both of said notes; and as a special covenant herein, and as a part of the consideration for the loan this date received, the mortgagors hereby assume and agree to pay the unpaid balance owing as of this date on such note heretofore executed, according to its tenor, effect, and reading or any rearrangement, renewal, or extension thereof, and as secured by the premises, covenants, and conditions of such deed of trust, which note and deed of trust are hereinabove fully referred to for all legal purposes.

Mortgagors further agree that as part of the consideration for the making of this loan by Mortgagee that should Mortgagor elect to prepay all or any part of either of the above referred to notes, then and in the event Mortgagee is granted the option to apply any such repayment monies to either or both of said notes as Mortgagee in its sole discretion may elect. Except as herein modified, the terms of the herein described notes and liens shall remain in full force and effect.

All riders, appendages, exhibits, erasures, corrections, and interlineations, if any, have been made and approved before the signing hereof.


DEED OF TRUST

Loan No. : 472604
Name : LEGACY STABLES LLC.
Assn. : HERITAGE LAND BANK, FLCA
Branch : GREENVILLE

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Borrower's Initials  _____
LEGACY STABLES LLC. _____

Attest:

By: _____ By:  _____
Jody O'Donnell,
Manager

Printed Name: _____

Title: _____

DEED OF TRUST

Loan No. : 472604
 Name : LEGACY STABLES LLC.
 Assn. : HERITAGE LAND BANK, FLCA
 Branch : GREENVILLE

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THE STATE OF TEXAS

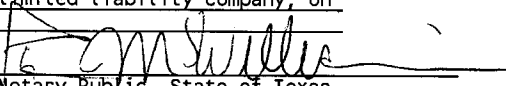
COUNTY OF COLLIN

This instrument was acknowledged before me on the 6th day of September 2002 by

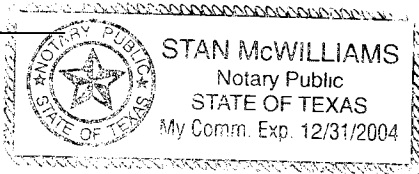
Jody O'Donnell, Manager of LEGACY STABLES LLC., a limited liability company, on behalf of said company.

(SEAL)

My commission expires:


 Notary Public, State of Texas

Notary's Printed Name



THE STATE OF TEXAS

COUNTY OF COLLIN

THIS CERTIFIES that the foregoing deed of trust, with its certificate of authentication, was filed for record in my office on the _____ day of _____, at _____ o'clock _____ M., and duly recorded by me on the _____ day of _____, A.D. _____, in Vol. _____, Page _____, of the Deed of Trust or Land Mortgage Records of _____ County, Texas.

(SEAL)

Clerk of Said County

By _____, Deputy.

AFTER RECORDING RETURN TO:

HERITAGE LAND BANK, FLCA
 GREENVILLE
 3101 LOOP 315, SUITE 106
 GREENVILLE, TX 75401
 (903) 455-2835

EXHIBIT "A" - LEGAL DESCRIPTION**TRACT ONE:**

All that certain tract or parcel of land situated in the B.B.B. & C.R.R. Survey, Abstract Number 130, and the Hezekiah Culwell Survey, Abstract Number 186, County of Collin, State of Texas; said tract being all of a tract as described in Deed to Bobby Thomas Davis, filed 20 February 1992, and recorded at 92-0088726 of the Deed Records of the County of Collin, State of Texas, and being more fully described as follows:

BEGINNING for the Southeast corner of the tract being described herein at a found 1/2 inch steel rebar, said rebar being the Southeast corner of said Davis tract, and in the center of Collin County Road Number 130 (a gravel surfaced public road), and near the West line of Collin County Road Number 128 (a gravel surfaced public road);

THENCE North 89 deg. 26 min. 32 sec. West, with the South line of said Davis tract, and with said road, a distance of 1650.06 feet to a set railroad spike for the Southwest corner of said Davis tract, said spike being in said road #130, and the center line of Long Branch;

THENCE with the center line of said Long Branch the following 4 (four) calls:

1. North 09 deg. 26 min. 30 sec. East, a distance of 123.07 feet;
2. North 40 deg. 22 min. 18 sec. East, a distance of 364.43 feet;
3. North 03 deg. 29 min. 25 sec. West, a distance of 282.14 feet;
4. North 14 deg. 02 min. 45 sec. East, a distance of 87.53 feet;

THENCE South 55 deg. 50 min. 00 sec. East, a distance of 80.32 feet to a found 1/2 inch steel square tubing for a corner;

THENCE North 10 deg. 00 min. 00 sec. West, a distance of 293.00 feet to a found 1/2 inch steel square tubing for a corner;

THENCE North 41 deg. 30 min. 00 sec. West, a distance of 948.00 feet to a wood fence corner post for a corner;

THENCE North 15 deg. 13 min. 43 sec. West, a distance of 168.12 feet to a wood fence corner post for a West corner of said Davis tract;

THENCE South 89 deg. 33 min. 06 sec. East, with the North line of said Davis tract, a distance of 1093.10 feet to the center line of said Long Branch for a corner;

THENCE with the center line of said Long Branch the following 9 (nine) calls:

1. North 07 deg. 59 min. 51 sec. East, a distance of 75.27 feet;
2. North 18 deg. 53 min. 39 sec. West, a distance of 99.40 feet;
3. North 38 deg. 15 min. 29 sec. West, a distance of 195.00 feet;
4. North 81 deg. 20 min. 23 sec. East, a distance of 285.00 feet;
5. South 60 deg. 46 min. 11 sec. East, a distance of 198.86 feet;
6. North 59 deg. 35 min. 25 sec. East, a distance of 293.75 feet;
7. South 68 deg. 18 min. 54 sec. East, a distance of 106.63 feet;
8. South 83 deg. 35 min. 16 sec. East, a distance of 122.08 feet;
9. North 35 deg. 20 min. 42 sec. East, a distance of 256.39 feet to the Northeast corner of said Davis tract;

THENCE South 00 deg. 25 min. 48 sec. East, with the East line of said Davis tract, a distance of 2461.13 feet to the POINT OF BEGINNING and containing 76.551 acres of land, more or less.

TRACT TWO:

All that certain tract or parcel of land situated in the Aaron Huffstettler Survey, Abstract Number 443, County of Collin, State of Texas; said tract being shown by Deed to Bobby Thomas Davis, filed 20 November 1992, and recorded at 92-0088726 of the Deed Records of the County of Collin, State of Texas, and being more fully described as follows:

PROMISSORY NOTE

LOAN NO. : 472604

\$ 304,400.00

DATE : September 6, 2002

ASSN. : HERITAGE LAND BANK, FLCA

BRANCH : GREENVILLE

Page 1

For value received, I, We, or any of Us, the undersigned, jointly and severally, promise to pay to the order of the HERITAGE LAND BANK, FLCA ("Lender"), at its office in the city of TYLER, SMITH County, TEXAS, the principal sum of THREE HUNDRED FOUR THOUSAND FOUR HUNDRED

DOLLARS

(\$ 304,400.00), lawful money of the United States of America, according to the tenor, effect and reading hereof, with interest from the date the principal is advanced until paid at the rate or rates hereinafter provided. Interest will be calculated on the basis of a 30-day month and a 360-day year and will be accrued for the number of days that principal is outstanding.

Interest shall be payable from time to time on the remaining unpaid principal balance prior to default or maturity, as follows:

The initial rate of interest payable on this note shall be 5.000 percent per annum. At the option of the payee or other Farm Credit System Institution that becomes the holder of this note, the rate of interest may be either increased or decreased at any time and from time to time as authorized, but it will in no event exceed the rate permitted by the Farm Credit Act of 1971, Public Law 92-181, as amended, and the regulations promulgated thereunder. If this note is transferred to the Federal Agricultural Mortgage Corporation, or to a holder that is not a Farm Credit System Institution, then this note shall bear interest at the lesser of (a) a fixed rate equal to the rate of interest applicable to this note on the date of transfer, or (b) a fixed rate that will result in an effective yield equal to the maximum lawful rate.

The indebtedness shall be payable in ONE HUNDRED EIGHTY (180) Monthly installments beginning on November 1, 2002, and thereafter on the first day of each month of each calendar year until the indebtedness, both principal and interest, is fully paid.

After the initial payment of interest only (if applicable), this note shall be payable:

in successive equal installments of principal and interest in an amount sufficient to amortize the indebtedness over the term of the loan, the amount being subject to adjustment to reflect any increase or decrease in the interest rate, if applicable.

The undersigned hereby authorize the holder to apply any payment(s) made on this note or owed under the loan agreement or any instrument securing or related to this note (collectively, the "Loan Documents") to such part of the indebtedness as the holder may elect.

After default in the payment of any amount due under this note or in the performance of any obligation under this note or the Loan Documents, or upon the death of any of the undersigned, the holder of this note may, at its option, accelerate the maturity hereof and declare the entire unpaid principal balance and accrued interest to be due and payable. The holder's forbearance to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

If the unpaid balance of this note is not paid in full at maturity of this note, whether maturity occurs by lapse of time or by acceleration, the unpaid principal and past due interest shall bear interest at a default rate equal to the rate of interest applicable to this note on the date of maturity plus an additional four percent (4%) per annum. Prior to maturity of this note, any amount owing under this note which is not paid when due, and any advance made by the holder of this note pursuant to any of the Loan Documents, shall bear interest at a default rate equal to the rate in effect at the time repayment of such amount or advance is received by the holder of this note plus an additional four percent (4%) per annum. Any such amount or advance which is not paid prior to maturity shall bear interest at a default rate equal to the rate of interest applicable to the note on the date of maturity plus an additional four percent (4%) per annum from the date such amount is due or such advance is made, and such amount or advance plus accrued default interest thereon shall be added to the unpaid principal at maturity. Notwithstanding the foregoing, if the holder of this note is not a Farm Credit System Institution, then the default rate shall be limited so that it shall not exceed a rate that will result in an effective yield in excess of the maximum lawful rate.

If any amount owed under this note or the loan documents is not paid when due, the holder shall be entitled to collect default interest from the date(s) of default in an amount produced by applying the applicable default interest rate as set out above to the amount in default. If said default(s) is not cured within fifteen (15) days of the occurrence of such default(s), the holder shall be entitled to collect an additional default interest charge of \$25.00.

If any amount due under this note shall be collected by legal proceedings or through a probate or bankruptcy court, whether or not the note is in default, or if this note is placed in the hands of an attorney (salaried, corporate or any other attorney) for collection after default or maturity or for enforcement of any of the holder's rights under this note or the Loan Documents, the undersigned agree to pay all costs incurred by the holder, including reasonable costs of attorneys (salaried, corporate or any other attorney) and other costs provided for in the Loan Documents.

The undersigned and each assumpor, surety, guarantor and endorser of this note or any part of this note, severally waive demand, presentment, notice of dishonor, notice of intent to accelerate maturity, notice of acceleration, diligence in collecting, grace, notice and notice of protest, and agree to one or more renewals, extensions and rearrangements of this note, for any period or periods of time and upon any terms and conditions, whether before or after default or maturity, without notice from or prejudice to the holder of this note. The holder of this note may, at its option, at any time and from time to time, release anyone liable to pay the indebtedness, or release all or any part of the collateral securing this note, and any such actions shall not release or impair the obligations of the undersigned under this note except as expressly agreed to in writing by the holder.

The holder of this note may, at the holder's discretion and as an accommodation to the undersigned, accept late or partial payment of any amount due under this note or any of the Loan Documents; however, acceptance of one or more late or partial payments shall not constitute a waiver of any default nor of the holder's right to receive timely payment. Acceptance of any partial payment after default and acceleration shall not constitute a reinstatement of the preacceleration

CONVERSION AGREEMENT
Direct Lender Form

Borrower Legacy Stables LLC

Loan No. 472604

Lender Heritage Land Bank, FLCA - Greenville Branch

The undersigned agree(s) to modify, amend and supplement my/our existing Promissory/Installment Note ("Note") which is in the original amount of \$ 304,400.00 and dated September 6, 2002. This Agreement shall modify and amend any prior agreements that established interest rates or loan terms.

IN CONSIDERATION of the Lender, being the current holder of the note, modifying its rights in accordance with the terms of the Note, as it may have been previously amended, I/we agree to repay the debt represented by the Note in accordance with the following:

☐ **CONVERSION TO FIXED RATE OF INTEREST** ☐ **WITH PREPAYMENT FEE** ☐ **WITHOUT PREPAYMENT FEE**

1. **DETERMINATION OF FIXED RATE OF INTEREST.** Unless I/we have paid a Lock-In Fee, the Lender will establish the fixed rate of interest to be charged for a specific period of time on the date that this Conversion Agreement is returned to the Lender fully executed by me/us. In appropriate cases, the establishment of such rate of interest is contingent upon the payment of the required fee and contingent upon the return of this Agreement, fully executed, to the Lender. However, no provisions hereof are effective nor are any options created on behalf of me/us until all information required of Borrower(s) is provided and until this Agreement is executed by or on behalf of the Lender.

2. **END OF FIXED INTEREST RATE PERIOD.** The interest rate established herein shall remain in effect for _____ years following the appropriate beginning date established herein. In the event this Agreement is executed simultaneously with loan closing, the interest rate established herein shall remain in effect through the last day of the month in which the fixed interest rate period expires. At the expiration of said period or upon the expiration of any subsequent fixed rate period, unless I/we elect to convert the interest rate by choosing among options (a), (b) or (c) below, the interest rate and term thereof shall, pursuant to interest rate programs approved by the Lender, be determined by the Lender. If the Lender must so redetermine the interest rate and term thereof because of my/our failure to select from the available interest rate options below, and if the previous interest rate plan contained a prepayment fee, and if permitted by state law, the Lender may select an interest rate plan and term which includes a prepayment fee.

At the end of any fixed rate period, and upon election by me/us, the interest rate may be converted by:

- converting to another fixed interest rate period, if such program is then available, applicable under Lender's procedures in effect on the date established as the end of such fixed rate period; or
- converting to the Lender's Variable interest rate loan program, applicable to me/us upon payment of the required fee under Lender's procedures in effect at that time, if such program is available; or
- converting to the Lender's adjustable interest rate loan program with interest determinable by application of a specified margin to a known interest rate index, applicable to me/us upon payment of the required fee under Lender's procedures in effect at that time, if such program is available.

However, in the event that the time remaining until the final maturity date is less than any established interest rate period program then offered, the interest rate and term thereof will be determined by the Lender. I/We agree that at any time that the interest rate chargeable on the loan is the Variable interest rate, it shall be the Variable loan rate applicable to me/us as established by the Lender.

3. **NOTIFICATION.** Prior to the end of any fixed rate term established above, I/we will be notified of the date of expiration of the fixed rate term and advised that on said expiration date the loan shall be eligible for redetermination of the interest rate. I/We agree that in order to further accomplish a new pricing in accordance with the provisions herein, I/we must sign and provide any and all documents necessary to accomplish such repricing and return them to the Lender prior to any deadlines established in such notice(s).

4. **PREPAYMENT FEE RELATING TO FIXED INTEREST RATE PERIODS.**

☐ **FULL YIELD MAINTENANCE**

Prepayment In Full: Provided that all accrued charges to the date of prepayment are paid, if this note is paid in full prior to the scheduled maturity date the holder may assess a prepayment fee if on the date of prepayment in full of the remaining unpaid principal indebtedness owing on this note the contractual interest rate on this note is greater than the interest rate on a new loan with similar characteristics offered by holder on the date of prepayment with a fixed interest rate term which is nearest in duration to, but not longer than, the remaining term on this note. The prepayment fee will be equal to the sum of the present values of the remaining unpaid contractual principal and interest cash flows calculated over the remaining fixed interest rate term of this note (the "Present Value Cash Flows") minus the current outstanding principal balance on this note (the "Principal Balance"). If the Present Value Cash Flows is equal to or less than the Principal Balance, no prepayment fee will be assessed. The discount rate used to determine the Present Value Cash Flows is equal to the holder's current offer rate for a loan with a fixed interest rate period which is nearest in duration to, but not longer than, the remaining duration of the fixed interest rate period on this note.

Prepayment In Part: Provided that all accrued charges to the date of prepayment are paid, the holder may assess a prepayment fee if an unscheduled principal payment, in excess of \$100.00, is made in addition to any of the scheduled principal payments. The prepayment fee will be equal to the sum of the present values of the principal and interest cash flows calculated over the remaining fixed interest rate term of this note before prepayment less the sum of the present values of the principal and interest cash flows calculated over the remaining fixed interest rate term of this note remaining after the unscheduled principal payment, (the "Present Value Change"). If the Present Value Change is less than the amount of the unscheduled principal payment no prepayment fee will be assessed. The discount rate used to determine the Present Value Change is equal to the holder's current offer rate for a new loan with similar characteristics with a fixed interest rate period which is nearest in duration to, but not longer than, the remaining duration of the fixed interest rate period on this note.

☐ **5-4-3-2-1 PREPAYMENT PENALTY**

Provided that all accrued charges to the date of prepayment are paid, if an unscheduled principal payment, in excess of \$100.00, is made in addition to any of the scheduled principal payments on this note before the fifth anniversary of the date of this note, the holder may assess a prepayment fee. The fee will be in an amount determined as follows:

Years until fifth anniversary of date of this note	Prepayment Fee as a percent of the amount of principal reduction
Less than 5	5%
Less than 4	4%
Less than 3	3%
Less than 2	2%
Less than 1	1%

Any such principal payments in addition to those hereinbefore contracted to be made, shall operate to discharge the debt evidenced hereby at an earlier date, and shall not defer the due date of any installment of principal and interest. Without prejudice to the Lender's rights under the note, for purposes of this section of this agreement, the date of the note or the debt instrument shall be deemed to be the date upon which the new rate of interest begins.

☐ **CONVERSION TO VARIABLE INTEREST RATE**

The beginning rate of interest payable on the current indebtedness will not be less than _____% per annum; the Lender may from time to time, at the option of the Lender, either decrease or increase the rate of interest from said beginning rate, but it is expressly understood that any increase in the rate of interest contracted for herein shall not exceed the maximum rate permitted by law, and the regulations issued pursuant thereto, under the Farm Credit Act of 1971, Section 1.8, Public Law 91-181, as amended. As a result of the conversion to the variable interest rate, it shall be the variable interest loan rate applicable to me/us established by the Lender.

☐ **MONTHLY VARIABLE RATE**

The initial rate of interest payable on the current indebtedness shall be _____ percent per annum. At the option of the payee or other Farm Credit System Institution that becomes the holder of the note, the rate of interest may, effective on the first day of each month, be either increased or decreased, but it will in no event exceed the rate permitted by the Farm Credit Act of 1971, Public Law 92-181, as amended, and the regulations promulgated thereunder.

percentage points) ☐ above ☐ below (the "Margin") [if neither box is selected, "above" shall apply] the Prime interest rate as quoted in the "Money Rates" section of the Wall Street Journal on the last business day of the prior month and rounded up to the nearest five (5) basis points (0.05 percentage points) (the "Index"). The interest rate will change during the term of the loan until maturity on each Interest Rate Change Date if there is a change in the Index.

☒ Adjustable Margin. However, on the first Interest Rate Change Date following 36 - MONTHS from the Agreement Date hereof, and upon the expiration of each successive 36 - MONTH period thereafter, at the option of the payee or other holder of this note the Margin may be either increased or decreased, without limitation and in the holder's sole discretion.

In the event the Wall Street Journal or the Prime interest rate is no longer available as a source for the Index, the Lender may select another source of comparable information in its sole discretion. The rate shall not exceed the maximum lawful rate applicable to the holder.

GENERAL CONDITIONS

BEGINNING OF INTEREST RATE PERIOD. The date on which the new rate of interest begins shall be the first day of the month following the Agreement Date, subject to delivery and acceptance requirements set out herein. Until that date, the rate of interest shall be governed by the Note or any existing Conversion Agreement. In the event that this Conversion Agreement is executed simultaneously with closing a loan, the date on which the rate of interest begins shall be the date that interest begins to accrue upon loan closing. In the event that this Conversion Agreement is being executed with respect to the end of an existing interest rate period, the date on which the rate of interest established by this Agreement begins shall be the first day of the month after the previous rate period ends. In the event the interest rate has been established by the payment of a Lock-In Fee, then either (a) the date on which the rate of interest established by this Agreement begins shall be the first day of the month after the previous interest rate period ends, or (b) if a new loan, then the date on which the rate of interest established by this Agreement begins shall be the date that interest begins to accrue upon loan closing.

NO PREPAYMENT FEE. Except as otherwise provided herein, the undersigned, and any assumptors, sureties, guarantors and endorsers of the Note or of this Conversion Agreement shall have the privilege of paying, at any time, one or more installments of principal or the entire unpaid balance of said principal sum. Any principal payments made, in addition to those hereinbefore contracted to be made, shall operate to discharge the debt at an earlier date and shall not defer the due date of any installment of principal and interest hereinbefore provided.

COVENANT. The undersigned, their heirs, successors and assigns covenant and agree that they will furnish to the Lender, upon request, financial statement(s) and income statement(s) attested to by the undersigned or verified by a public accountant. This covenant shall be read into and become a part of the Note and the Mortgage, Deed of Trust or any other security documents securing same, and any renewal and extension thereof, and that a default under this provision shall constitute a default under the Note and Mortgage, Deed of Trust or other security documents securing same.

DEFAULT. Lender is hereby authorized to apply any payment(s) made on the Note to the payment of such part thereof as Lender may elect. If the unpaid balance of the Note is not paid in full at maturity, whether maturity occurs by lapse of time or by acceleration, the unpaid principal and past due interest shall bear interest at a default rate equal to the rate of interest applicable to the Note on the date of maturity plus an additional four percent (4%) per annum. Prior to maturity of the Note, any amount owing under the Note which is not paid when due, and any advance made by the holder of the Note pursuant to any of the loan documents, shall bear interest at a default rate equal to the rate in effect at the time repayment of such amount or advance is received by the holder of the Note plus an additional four percent (4%) per annum. Any such amount or advance which is not paid prior to maturity shall bear interest at a default rate equal to the rate of interest applicable to the Note on the date of maturity plus an additional four percent (4%) per annum from the date such amount is due or such advance is made, and such amount or advance plus accrued default interest thereon shall be added to the unpaid principal at maturity. Notwithstanding the foregoing, if the holder of the Note is not a Farm Credit System Institution, then the default rate shall be limited so that it shall not exceed a rate that will result in an effective yield in excess of the maximum lawful rate. In the event my/our loan is for any reason in default at the time this Conversion Agreement is accepted by the Lender, such acceptance shall not be construed as a waiver of such defaults or of future defaults.

If any amount owed under this note or the loan documents is not paid when due, the holder shall be entitled to collect default interest from the date(s) of default in an amount produced by applying the applicable default interest rate as set out above to the amount in default. If said default(s) is not cured within fifteen (15) days of the occurrence of such default(s), the holder shall be entitled to collect an additional default interest charge of \$25.00.

REFERENCE TO INSTALLMENT NOTE AND THE MORTGAGE OR DEED OF TRUST. The promises, covenants, conditions and agreements contained in the Note and Mortgage, Deed of Trust or any other security documents which are not modified or changed by this Conversion Agreement will continue to apply as if this document had not been executed. Included in this provision, by way of example, are references to acceleration of debt if payments are not paid on time, payments of taxes, insurance or other assessments by the Lender to protect its collateral if I/we fail to pay them, adding these amounts to the debt and being secured by the Mortgage or Deed of Trust, and the manner of application of payments to the debt. This Conversion Agreement shall not serve as a novation.

REAMORTIZATION. During the term of this Conversion Agreement the loan may be reamortized in special circumstances upon application by me/us and under policies established by the Lender.

PAYMENT AND AMORTIZATION SCHEDULE. Regardless of the interest rate conversion under this Conversion Agreement, each installment will be due with the same frequency and on the same date as stated in the Note, as amended. All interest shall be computed on the basis of a 30-day month and a 360-day year.

USURY. The interest rate shall in no event exceed the maximum lawful rate applicable to the lender.

FUNDS HELD. Funds may be placed with the Lender under various advance conditional payment programs, known as Funds Held accounts or Future Payment accounts. These funds, whether on hand at the time of this conversion or placed with the Lender in the future, will earn interest at rates approved by the Lender and such interest rate may vary at the Lender's discretion.

AGREEMENT SUBJECT TO LENDER APPROVAL. I/We understand that the beginning date of the term for the rate of interest, as specified herein, is dependent upon this Conversion Agreement being signed and delivered to the Lender. THEREFORE, I/we agree that the Effective Date of the fixed rate, one-year adjustable rate or the variable rate of interest under this Conversion Agreement is expressly subject to the approval of the Lender.

☐ **ADJUSTABLE RATE MORTGAGE (ARM) PROVISIONS.** I/We modify the interest rate on the Note to include a variable rate or an adjustable rate feature. The holder will notify me/us in writing of any changes in the rate of interest and the amount of any installment payment affected by the change in the rate of interest before the due date of such installment. The notice will include all information required by law to be given and will also include the name, title and telephone number of a person who will be able to answer any questions regarding the notice. The interest rate will never be greater than 21% per annum.

BY SIGNING THIS AGREEMENT, I/WE HAVE READ AND UNDERSTOOD ITS TERMS AND AGREE TO BE BOUND THEREBY AND AGREE TO EXECUTE ANY DOCUMENTS REASONABLY REQUIRED TO CORRECT TYPOGRAPHICAL ERRORS AND OMISSIONS.

BORROWER INTEREST RATE DISCLOSURE: YOUR COPY OF THIS AGREEMENT SHALL SERVE AS DISCLOSURE OF YOUR NEW INTEREST RATE AND THE EFFECTIVE DATE OF IT AS SHOWN IN THE BOX BELOW. THIS LENDER OFFERS LOANS WITH INTEREST RATES BASED UPON CERTAIN CREDIT AND COLLATERAL CRITERIA. YOU MAY REQUEST A REVIEW TO DETERMINE IF THE PROPER INTEREST RATE HAS BEEN ESTABLISHED FOR YOU.

THIS WRITTEN CONVERSION AGREEMENT REPRESENTS THE FINAL CONVERSION 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.

Borrower 7/5/05
Andrew O'Donoghue Date 7/5/05
Borrower Date

Borrower Date
Borrower Date

Borrower Date

Borrower Date

Agreement Date 7-5-05
% per annum 8-1-0.5