

**URBAN COUNTY  
PROGRAM**  
Hidalgo County Commissioners' Court  
Agenda Request Form

No. 39728 *Frank*

Date: July 11, 2013 Meeting Date Request: July 23, 2013  
 Deadline for Action: July 23, 2013 Contact Person: Diana R. Serna, Director  
 Department: Urban County Program Phone: (956) 787-8127 Fax: (956) 787-5291

*Diana R. Serna, Urban County Director* *DRS*

**Caption:**

Resolution authorizing a \$500,000 Revolving Line of Credit with Lone Star National Bank of Mcallen for the Urban County Program with authority for the UCP to draw from such line of credit.

**Background:**

Urban County Program is requesting approval to enter into a \$ 500,000 Line of Credit with Lone Star National Bank. The Purpose of the Line of Credit is to help finance the costs of construction and general administration expenses prior to reimbursement from the Texas Department of Housing and Community Affairs, Texas Department of Agriculture and/or Texas General Land Office.

UCP DEPUTY DIRECTOR *TS*  
 UCP FINANCE DIRECTOR *FMM*

*Subject to Bond Council Review*

**Please initial for approval:**

Legal Counsel \_\_\_\_\_ Budget \_\_\_\_\_ Human Resource \_\_\_\_\_  
 Dept./Fund No. \_\_\_\_\_ Amt. Expended: \$ \_\_\_\_\_ Fnds/Staffing Budgeted: Yes \_\_\_\_\_ No \_\_\_\_\_  
 Account Code: \$ \_\_\_\_\_ Impact on Future Budget: Yes \_\_\_\_\_ No \_\_\_\_\_

**Comments:**

**Action taken by Commissioner's Court:**

Approved \_\_\_\_\_ Tabled \_\_\_\_\_ Denied \_\_\_\_\_ Motion made by \_\_\_\_\_ Seconded \_\_\_\_\_ Vote

**APPROVED** Co. Comm. Ct.  
 DATE 7-23-13 *DRS*

**RESOLUTION RENEWING A LINE OF CREDIT**

**WHEREAS**, Hidalgo County Urban County Program has been awarded grants from the Texas Department of Housing and Community Affairs (TDHCA), Texas Department of Agriculture (TDA), and from the Texas General Land Office (GLO);

**WHEREAS**, there is a need to open a line of credit in the amount of \$500,000.00 for the purposes related to the administration and on-going business of these programs; and

**WHEREAS**, any amounts obtained from the line of credit will be re-paid directly from the corresponding TDHCA, TDA and GLO programs.

**THEREFORE, BE IT RESOLVED** by the Commissioners' Court of Hidalgo County that the Urban County Program is authorized to open a Line of Credit with the Lone Star National Bank of McAllen, Texas in the amount of \$500,000.00 at an interest rate so specified in the County's depository contract with Lone Star National Bank of McAllen, Texas.

Signed the 23rd day of July, 2013

Raemon Harro  
County Judge

Attest:

Atton Bergsich Jr  
County Clerk

## PROMISSORY NOTE

**\$500,000.00**

**McAllen, Texas**

**July 24, 2013**

As hereinafter stipulated, for value received, COUNTY OF HIDALGO, acting by and through the URBAN COUNTY PROGRAM (the "Maker"), promises to pay to the order of LONE STAR NATIONAL BANK, a national banking association (the "Payee") the principal sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00), or so much thereof as may be advanced and unpaid hereon from time to time, whichever is the lesser amount, together with interest on the amounts outstanding hereon from date until maturity at a fluctuating rate equal to the Wall Street Journal's Prime Rate (as herein defined) per annum, but in no event shall such rate exceed the maximum lawful rate permitted under applicable Texas or federal law. The initial interest rate on this note shall be three and one-quarter of one percent (3.25%) per annum. The interest rate shall be computed on the basis of a year containing 360 days for the actual number of days elapsed. Both principal and interest shall be payable at 520 E. Nolana Ave., McAllen, Texas 78504. Interest will accrue on any payments of principal and/or interest not made on or before their due date from such due date until paid, and after the maturity of this note on the entire unpaid balance hereof, at a rate equal to the greater of (i) eighteen percent (18%) per annum, or (ii) the quarterly ceiling in effect on the date the note is signed as provided in the Texas Finance Code.

The term Wall Street Journal's "Prime Rate" shall mean the Prime Interest Rate as used in this note means a per annum interest rate equal to the "Prime Rate" as published each day by the Wall Street Journal in its "Money Rate" section, and if more than one such rate is published, then the highest such rate. On any day when the Wall Street Journal is not published or a prime rate is not published under the money rates section thereof, then the prime rate published for the preceding publication date of the Wall Street Journal shall apply. Should the method of establishing the Prime Interest Rate, or the publication of such prime rate, cease or be abolished, then the Prime Interest Rate used for the balance of the term of this note shall be that interest rate established, adopted or used by Payee as its Prime or Prime Interest Rate. The applicable rate shall be adjusted with each change in the Prime Rate and shall be effective until the effective date of the next change in the Prime Rate.

The Maker and Payee of this note have computed the interest under the terms hereof and the instruments securing the payment hereof as not being in excess of the maximum legal rate provided by law and have determined to the satisfaction of both Maker and Payee that interest payable under the terms of this note could not exceed the maximum legal rate provided by law; however, should the interpretation or application of the provisions hereof and the instruments securing the payment hereof when considered jointly or severally be construed by a court of last resort to provide for or permit the payment of interest in excess of the maximum legal rate, such interpretation was not the intention of the parties and results from a mutual mistake and the payments shall be first applied to interest at the maximum legal rate provided by law and the remaining balance to principal or rebated to Maker where applicable.

If default shall be made in the payment of any installment of principal or interest on this note, when due, or in case of failure to perform any covenant or agreement contained in any of the instruments securing the payment hereof, then the indebtedness evidenced by this note and all accrued interest hereon shall, at the election of the legal holder hereof, become immediately due and payable. The holder of this note may waive any default without waiving any prior or subsequent default.

If this note is placed in the hands of an attorney for collection or is collected through the Probate or Bankruptcy Court, or through other legal proceedings, the makers, endorsers, and/or guarantors hereof further promise to pay reasonable attorneys' fees and all costs, including but not limited to court costs and the cost of any bonds required for the preservation or possession of any property securing this note, which may be incurred by the holder of this note.

Except to the extent prohibited by applicable law, the Maker, sureties, endorsers, and guarantors of this note hereby severally waive presentation for payment, notice of non-payment, protest, and notice of protest, demand for payment, presentment for acceleration of maturity, notice of intention to accelerate maturity and diligence in bringing suit against any party hereto, and consent that the time of payment may be extended without notice thereof to any of the sureties, endorsers and/or guarantors on this note, and each agrees that his, her or its liability on or with respect to this note shall not be affected, diminished or impaired by a release or substitution of any security at any time existing for this note or any failure to perfect (or to maintain perfection of) any lien or security interest in any such security.

This note shall constitute an unsecured revolving line of credit and, as such, the Maker shall be entitled to borrow, repay and reborrow the funds evidenced by this note; provided that the total amount advanced hereunder shall at no time exceed \$500,000.00. Interest on the amount of each advance against this note shall be computed on the amount of each advance and shall accrue from the date such funds are made available to Maker.

Upon the occurrence of any event of default hereunder or under any of the other documents evidencing or securing this note, including, but not limited to the occurrence of any event of default upon that certain Loan Agreement between Maker and Payee dated of even date herewith (the "Loan Agreement"), then the indebtedness evidenced by this note and all accrued interest hereon shall, at the election of the legal holder hereof, become immediately due and payable. The holder of this note may waive any default without waiving any prior or subsequent default.

Accrued interest only on this note shall be due and payable in eleven (11) monthly installments beginning August 24, 2013 and continuing on the 24<sup>th</sup> day of each month thereafter until and including June 24, 2014. The entire unpaid principal balance of this note, together with any accrued, but unpaid, interest shall be due and payable in a lump sum on July 24, 2014.

Maker may prepay all or part of this note at any time without the payments of any premium or fee.

THIS LOAN IS PAYABLE IN FULL ON OR BEFORE JULY 24, 2014. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. PAYEE IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE BANK YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER. A NEW APPLICATION FOR REFINANCING MAY BE CONSIDERED AT MATURITY.

THIS WRITTEN 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.

COUNTY OF HIDALGO, acting by and through  
the URBAN COUNTY PROGRAM

By: Ramon Garcia  
Ramon Garcia, County Judge

ATTESTED BY:

Arturo Guajardo Jr.

Arturo Guajardo, Jr., County Clerk

Approved by Commissioners' Court  
on 7-23-13 RO

## BORROWING CERTIFICATE

The undersigned, being the duly elected County Judge of Hidalgo County, Texas, hereby certifies as follows:

1. The minutes attached hereto as Exhibit "A" (the "Minutes") is a true and complete copy of the minutes of the Hidalgo County Commissioners' Court (the "Commissioners' Court") meeting which was held on July 23, 2013 (the "Meeting").
2. The resolutions contained in the Minutes have been duly adopted by the Commissioners' Court and the Commissioners' Court has taken all actions necessary to approve these resolutions.
3. With regard to the resolutions approving a \$500,000.00 line of credit from Lone Star National Bank for use by the Hidalgo County Urban County Program, the undersigned, in his capacity as County Judge, is authorized to execute and deliver the note and other loan documents evidencing this indebtedness (the "Loan Documents"), and when executed, the Loan Documents shall constitute valid and binding obligations of the Court of Hidalgo.

Executed as of this 24<sup>th</sup> day of July, 2013

  
Ramon Garcia, County Judge

Approved by Commissioners' Court  
on 7-23-13 *RD*

## LOAN AGREEMENT

This Loan Agreement is made this 24<sup>th</sup> day of July, 2013, by and between COUNTY OF HIDALGO acting by and through the URBAN COUNTY PROGRAM, (the "Borrower") and LONE STAR NATIONAL BANK, a national banking association (the "Bank"):

### **WITNESSETH:**

WHEREAS, subject to the terms and conditions set forth herein, the Bank has made or agreed to make the loan to Borrower described herein (the "Loan"); and

WHEREAS, the Bank has requested, and the Borrower has agreed to execute and deliver this Loan Agreement to set forth certain terms and conditions pertaining to the Loan.

NOW, THEREFORE, the parties hereto agree as follows:

1. Borrower will execute and deliver to the Bank an unsecured note in the original principal sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00), said note to be in a form and substance acceptable to the Bank in all respects. The Loan shall bear interest at a daily fluctuating rate equal to the Wall Street Journal's Prime Rate (as defined in the note) per annum, but in no event shall such rate exceed the maximum lawful rate permitted under applicable Texas or federal law. The interest rate shall be computed on the basis of a year containing 360 days for the actual number of days elapsed. Accrued interest only on this note shall be due and payable in eleven (11) monthly installments beginning August 24, 2013 and continuing on the 24<sup>th</sup> day of each month thereafter until and including June 24, 2014. The entire unpaid principal balance of this note, together with any accrued, but unpaid, interest, shall be due and payable in a lump sum on July 24, 2014.
2. The Loan shall constitute an unsecured revolving line of credit and, as such, the Borrower shall be entitled to borrow, repay and reborrow the funds evidenced by the Loan; provided that the total amount advanced on the Loan shall at no time exceed \$500,000.00. Interest on the amount of each advance shall be computed on the amount of each advance and shall accrue from the date such funds are made available to Borrower. Diana Serna, Urban County Program Director, or her designee, is authorized to request advances on this Loan. All advance requests shall be in writing on such form as the Bank shall require.
3. Within one hundred eighty (180) days after the end of each fiscal year of the Borrower, Borrower shall provide the Bank with a copy of Borrower's audited annual financial statements for the previous fiscal year, detailing the assets and liabilities of Borrower, and an income statement detailing each item of income and expense incurred by Borrower during the preceding fiscal year. All of said financial statements

shall be prepared by Borrower's customary accountants, in conformance with generally accepted accounting principles consistently applied.

4. Borrower's failure to comply with any of the terms contained herein shall constitute an event of default on the Loan.
  
6. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns. This Agreement represents the entire agreement of the parties regarding the matters addressed herein. This Agreement shall not be amended except by written instrument signed by all parties hereto. This Agreement shall be governed by the Laws of the State of Texas and the obligations of the parties hereunder are performable in Hidalgo County, Texas.
  
8. THIS WRITTEN 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.

EXECUTED as of the date first above written.

**BORROWER:**

COUNTY OF HIDALGO, acting by and through  
the URBAN COUNTY PROGRAM

By: Ramon Garcia  
Ramon Garcia, County Judge

ATTESTED BY:

Arturo Guajardo, Jr.  
Arturo Guajardo, Jr., County Clerk

Approved by Commissioners' Court  
on 7-23-13 RW

**BANK:**

LONE STAR NATIONAL BANK, a national  
banking association

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COUNTY OF HIDALGO	LONE STAR NATIONAL BANK	Line of Credit No. 253774
URBAN COUNTY PROGRAM	117 S 10th	Date JULY 24, 2013
100 N CLOSNER-A GUAJARDO	EDINBURG, TX 78539	Max. Credit Amt. 500,000.00
EDINBURG TX 78539		Loan Ref. No. 253774
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	

You have extended to me a line of credit in the  
**AMOUNT** of Five hundred thousand & no/100 \$ 500,000.00

You will make loans to me from time to time until 5:00 p.m. on JULY 24, 2014. Although the line of credit expires on that date, I will remain obligated to perform all my duties under this agreement so long as I owe you any money advanced according to the terms of this agreement, as evidenced by any note or notes I have signed promising to repay these amounts.

This line of credit is an agreement between you and me. It is not intended that any third party receive any benefit from this agreement, whether by direct payment, reliance for future payment or in any other manner. This agreement is not a letter of credit.

**1. AMOUNT:** This line of credit is:

- OBLIGATORY:** You may not refuse to make a loan to me under this line of credit unless one of the following occurs:
- a. I have borrowed the maximum amount available to me;
  - b. This line of credit has expired;
  - c. I have defaulted on the note (or notes) which show my indebtedness under this line of credit;
  - d. I have violated any term of this line of credit or any note or other agreement entered into in connection with this line of credit;
  - e. \_\_\_\_\_

- DISCRETIONARY:** You may refuse to make a loan to me under this line of credit once the aggregate outstanding advances equal or exceed \$ \_\_\_\_\_.

Subject to the obligatory or discretionary limitations above, this line of credit is:

- OPEN-END (Business or Agricultural only):** I may borrow up to the maximum amount of principal more than one time.  
 **CLOSED-END:** I may borrow up to the maximum only one time.

**2. PROMISSORY NOTE:** I will repay any advances made according to this line of credit agreement as set out in the promissory note, I signed on 07/24/13, or any note(s) I sign at a later time which represent advances under this agreement. The note(s) set(s) out the terms relating to maturity, interest rate, repayment and advances. If indicated on the promissory note, the advances will be made as follows:  
DRAWS AS REQUESTED

**3. RELATED DOCUMENTS:** I have signed the following documents in connection with this line of credit and note(s) entered into in accordance with this line of credit:

- security agreement dated \_\_\_\_\_  \_\_\_\_\_  
 mortgage dated \_\_\_\_\_  \_\_\_\_\_  
 guaranty dated \_\_\_\_\_  \_\_\_\_\_

**4. REMEDIES:** If I am in default on the note(s) you may:  
a. take any action as provided in the related documents;  
b. without notice to me, terminate this line of credit.  
By selecting any of these remedies you do not give up your right to later use any other remedy. By deciding not to use any remedy should I default, you do not waive your right to later consider the event a default, if it happens again.

**5. COSTS AND FEES:** If you hire an attorney to enforce this agreement I will pay your reasonable attorney's fees, where permitted by law. I will also pay your court costs and costs of collection, where permitted by law.

**6. COVENANTS:** For as long as this line of credit is in effect or I owe you money for advances made in accordance with the line of credit, I will do the following:  
a. maintain books and records of my operations relating to the need for this line of credit;  
b. permit you or any of your representatives to inspect and/or copy these records;  
c. provide to you any documentation requested by you which support the reason for making any advance under this line of credit;  
d. permit you to make any advance payable to the seller (or seller and me) of any items being purchased with that advance;

e. \_\_\_\_\_

**7. NOTICES:** All notices or other correspondence with me should be sent to my address stated above. The notice or correspondence shall be effective when deposited in the mail, first class, or delivered to me in person.

**8. MISCELLANEOUS:** This line of credit may not be changed except by a written agreement signed by you and me. The law of the state in which you are located will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation.

**FOR THE LENDER**

\_\_\_\_\_  
Pedro Salazar  
Title Senior Vice President

**SIGNATURES:** I AGREE TO THE TERMS OF THIS LINE OF CREDIT. I HAVE RECEIVED A COPY ON TODAY'S DATE.  
COUNTY OF HIDALGO  
URBAN COUNTY PROGRAM

Ramon Garcia  
RAMON GARCIA COUNTY JUDGE

# Request for Taxpayer Identification Number and Certification

**Give form to the  
requester. Do not  
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as reported on your income tax return) <b>COUNTY OF HIDALGO URBAN COUNTY PROG</b>	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Other <input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.) <b>100 N CLOSNER-A GUAJARDO</b>	Requester's name and address (optional) <b>LONE STAR NATIONAL BANK 117 S 10th EDINBURG, TX 78539</b>
	City, state, and ZIP code <b>EDINBURG TX 78539</b>	List account number(s) here (optional) <b>253774</b>

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								
or								

Employer identification number								
7	4	6	0	0	0	7	1	7

**Note:** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification Instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person <i>Armen Garcia</i>	Date
------------------	--	------

## Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note:** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a U.S. person if you are:

- ♦ an individual who is a citizen or resident of the United States,
- ♦ a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

Approved by Commissioners' Court  
*7-23-13 w*

any estate (other than a foreign estate) or trust. See Regulation section 301.7701-6(a) for additional information.

**Foreign person.** If you are a foreign person, use the appropriate Form W-8 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exemption contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

- 7. A foreign central bank of issue;
- 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;
- 9. A futures commission merchant registered with the Commodity Futures Trading Commission;
- 10. A real estate investment trust;
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940;
- 12. A common trust fund operated by a bank under section 584(a);
- 13. A financial institution;
- 14. A middleman known in the investment community as a nominee or custodian; or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt recipients 1 through 7 <sup>2</sup>

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note:** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at [www.socialsecurity.gov/online/ss-5.pdf](http://www.socialsecurity.gov/online/ss-5.pdf). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses/](http://www.irs.gov/businesses/) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60 day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

COUNTY OF HIDALGO	LONE STAR NATIONAL BANK 117 S 10th EDINBURG, TX 78539	Loan File Number 253774
URBAN COUNTY PROGRAM		Date JULY 24, 2013
100 N CLOSNR-A GUAJARDO		Loan Amount \$500,000.00
EDINBURG TX 78539		Maturity Date JULY 24, 2014
<b>BORROWER'S NAME AND ADDRESS</b> Includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> Includes the lender, its successors and assigns.	Renewal Of _____

**DISCLAIMER OF ORAL AGREEMENTS**

The Borrower, any other obligor, and Lender, hereinafter the Parties, have entered into a transaction generally described as Promissory Note #253774 Dated 07/24/13 In The Amount Of \$500,000.00. In conjunction with this transaction the Parties have executed one or more promissory notes, assignments, security agreements, guaranty agreements, mortgages, deeds of trust or other documents. It is the intention of the Parties that this Disclaimer be incorporated by reference into each of the documents so executed for this transaction.

The Parties warrant and represent that the entire agreement made between the Parties is contained within the executed documents, as amended and supplemented hereby, and that no agreements or promises exist between the Parties that are not reflected in the language of the various documents executed in conjunction with this transaction.

**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.**

COUNTY OF HIDALGO  
URBAN COUNTY PROGRAM  
Ramon Garcia  
Borrower RAMON GARCIA COUNTY JUDGE

LONE STAR NATIONAL BANK  
\_\_\_\_\_  
Lender Pedro Salazar  
Senior Vice President

Borrower \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved by Commissioners' Court  
7-23-13 RW

