

LEGISLATIVE #

110484

NOTICE OF LEGAL REPRESENTATION OF LENDER

As you are aware, the City of Gainesville, City Attorney has been requested by you or by your Lender, City of Gainesville, Florida, to prepare documents and conduct a closing and to act as legal counsel for the Lender. By your signature below, you are hereby acknowledging that, City Attorney has not been retained by you to act on your behalf as legal counsel and cannot accept a fiduciary duty on your behalf. Rather, City Attorney has been retained by Lender to prepare documents on Lender's behalf and to conduct a real estate or loan closing on Lender's behalf.

By execution hereof, you are acknowledging that you have been advised of your right to obtain separate legal counsel to represent you in the pending transaction and that you have had an opportunity to review this Notice and ask any questions that you desire.

AGREED AND ACKNOWLEDGED this _____

BORROWER:

GAINESVILLE COMMUNITY REDEVELOPMENT AGENCY

By _____

Russ Blackburn, Executive Director

PROMISSORY NOTE
(CONSTRUCTION – DRAW)

DATE AND PARTIES. The date of this Promissory Note (Note) is _____, the parties and their address are:

BORROWER:

GAINESVILLE COMMUNITY REDEVELOPMENT AGENCY
A body corporate and politic of the State of Florida
802 NW 5th Avenue, Suite 200
Gainesville, FL 32601

LENDER:

CITY OF GAINESVILLE
A Florida municipal corporation
200 East University Avenue
Gainesville, FL 32601

1. **PROMISE TO PAY.** For value received, the Gainesville Community Redevelopment Agency promises to pay to the City of Gainesville the following:

The amounts advanced from time to time under the terms of this Note up to the maximum total principal balance of \$_____, plus accrued interest from the date of disbursement on the unpaid outstanding principal balance until this Note matures or the obligation is accelerated.

2. **INTEREST.** Interest will accrue on the unpaid Principal balance of this Note at a rate of 3 percent (Interest Rate) until the Loan is paid off. Interest accrues using an Actual/365 days counting method.
3. **LOAN DISBURSEMENT.** The conditions precedent to loan disbursements and the loan proceeds procedure are described and governed by the Construction Loan Agreement of even date of this Note. The City and the CRA shall separately account for disbursement made for each of the three separate homes that are being constructed with the disbursements made under this Loan. (See Exhibit A attached for the legal descriptions of the homes)

4. **PAYMENT.** Borrower will make the payment of accrued interest beginning on 17th day of the month after the first disbursement is made and continuing each month thereafter until the Loan is paid off in full.
5. **PREPAYMENT.** The Borrower may repay the Note in full at any time without penalty; by paying all interest accrued to date and the outstanding principal balance. Borrower may also make additional payments of principal at any time, such payment will first be applied to accrued interest, then to principal.
6. **SECURITY.** The Loan is secured by separate security instruments prepared together with this Note as follows:
 - a. Leases And Rents Assignment
 - b. Mortgage
7. **DUE ON SALE AND PAYMENT.** The balance of this Note attributable to each home is due and payable upon the closing on the sale of that home. Borrower will have 30 days from the closing date to deliver to Lender the payment of the Note balance plus accrued interest attributable to the home being sold.

In the event that a home is not sold to a third party within 12 months after the issuance of the Certificate of Completion, Lender at Lender's option may do all or any one of the following.

- a. Allow Borrower to lease the home to a third party and Borrower will apply the monthly proceeds of the rent payment (minus the costs of managing, protecting and preserving the home, and other necessary expenses) to the portion of the Loan attributable to the leased home until the Loan is paid off or until the home is sold, whichever occurs first.
- b. Declare the entire Note plus accrued interest due in full five years from the date of this Agreement.

For the Gainesville Community Redevelopment Agency

Russ Blackburn, Executive Director

Date

WAIVER AND RELEASE OF LIEN UPON FINAL PAYMENT

§ 713.20, Florida Statutes

Enter the Contractor's name here _____ The undersigned lienor, in consideration of the sum of \$_____, hereby waives and releases its lien and right to claim a lien for labor, services, or materials furnished through to (insert the name of your customer) on the job of (insert the name of the owner) to the following property:

(description of property)

The undersigned warrants that no assignment of any liens or claims or the right to perfect a lien against the aforementioned real property by virtue of the receipt of this payment has or will be made. The undersigned also warrants and affirms that all labors employed by the undersigned and all bills or invoices for materials and supplies furnished by others to the undersigned in connection with the construction of improvements on the above described real properties have been paid in full as of _____

Signature_____

Enter Contractor's name and title here

Date _____

State of Florida

Country of Alachua

The forgoing instrument was acknowledged before me on this _____ by _____ who is personally known to me or has produced _____ as identification.

Notary Public: