

PROMISSORY NOTE

Borrower: Gainesville Community Redevelopment Agency

Lender: City of Gainesville

Amount: \$221,083

For value received on this date, the Gainesville Community Redevelopment Agency, by and through its undersigned agent, Wayne Bowers, Executive Director, promises to pay to the City of Gainesville the principal sum of Two Hundred Twenty-one Thousand Eighty-three Dollars and no cents, with interest thereon from October 1, 2001.

INTEREST RATE

Interest at the rate of 7.0% per annum will be applied to the principal balance outstanding and any unpaid or underpaid interest. Interest shall be accrued beginning October 1, 2001, as noted more particularly below.

PAYMENTS

Interest on this note shall be accrued on a monthly basis beginning October 1, 2001 and shall be paid monthly in the amount of \$1,289.65 on the first day of each month beginning November 1, 2001 and continuing so long as the original principal amount remains unpaid. When the property owned by the Borrower and located at 609 West University Avenue (Tax Parcels 12936 and 12937) is sold, all proceeds from the sale shall be remitted to the City of Gainesville in repayment of the principal outstanding and any unpaid or underpaid interest. The amount remitted to the City shall not exceed the principal outstanding and any unpaid or underpaid interest. If, upon sale of the property and application of the proceeds therefrom, a balance remains unpaid on this note, the payment of such remaining balance shall be renegotiated between Lender and Borrower.

GENERAL TERMS

This note is not payable on demand. 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. Any such payments will first be applied to accrued, unpaid interest and then to principal.

for the Gainesville Community Redevelopment Agency

Wayne Bowers

Wayne Bowers, Executive Director

9/12/01 Date

for the City of Gainesville

Paula M. DeLaney
Paula M. DeLaney, Mayor

9/12/01 Date

Wayne Bowers
Wayne Bowers
Executive Director
Gainesville
Community Redevelopment Agency