

**STATE OF GEORGIA**  
**COUNTY OF HENRY**

**LOAN AGREEMENT AND PROMISSORY NOTE**

8/24, 2013, is by and between the STOCKBRIDGE DOWNTOWN DEVELOPMENT AUTHORITY, a public body corporate and politic created and existing under the Constitution and laws of the State of Georgia and O.C.G.A. § 36-42-1 et seq. ("Borrower") and the CITY OF STOCKBRIDGE, GEORGIA, a municipal corporation located within Henry County, Georgia, duly organized and existing under the laws of the State of Georgia ("Lender").

**WITNESSETH:**

That the parties hereto, intending to be legally bound hereby, and for and in consideration of the premises and mutual covenants hereinafter contained, do hereby covenant, agree, and bind themselves as follows:

1. Loan

For value received, the Lender promises to pay to Borrower the sum of \$1,000,000.00 (one million dollars) to be used and repaid as hereinafter described for the term of thirty (30) years. For value received, the Borrower does hereby promise to pay to Lender the principal sum of \$1,000,000.00 (one million dollars) in legal tender of the United States, with simple interest thereon in the amount of 0.5% on the principal sum if paid following the expiration of the term described in paragraph 3 herein.

2. Use of Funds

For value received, Borrower promises and covenants to make use of the aforementioned loan proceeds solely for the purposes and by the methods described in O.C.G.A. § 36-42-1 et seq., as amended, during the term of the loan. Should Borrower make use of the loan proceeds for any purposes or by any methods other than those described in O.C.G.A. § 36-42-1 et seq., the Lender is entitled at its option to accelerate the payment of this loan by giving written notice to Borrower, such that the entire unpaid principal amount due hereunder, with all accrued interest if any, shall become due and payable, and may be collected forthwith, time being of the essence of this note. The failure of the Lender to exercise this right of accelerating the maturity date hereof, or any indulgence granted from time to time, shall in no event be considered as a waiver of any such right of acceleration.

### 3. Term and Payment

Upon the expiration of thirty years from the date of this agreement and note, Borrower promises and covenants to repay the entire principal of this agreement and note, in the amount of \$1,000,000.00 (one million dollars), plus 0.5% interest on the principal sum. The entire principal shall be due and payable not later than thirty years from the date of this agreement and note. In the event that the entire principal is paid in full before the expiration of thirty years from the date of this agreement and note, no interest shall accrue.

### 4. Approval

The parties agree that each will approve this agreement and note by a vote of its governing authority at a properly noticed meeting of its governing authority according to the requirements of Georgia law. Borrower shall so approve this document prior to accepting the funds referenced in paragraph 1.

### 5. Payment

All principal and interest are to be paid directly to the City of Stockbridge, Georgia at Stockbridge City Hall, in care of the Mayor or City Manager.

### 6. Collection

In the event this note is collected according to law, as through an attorney at law, all costs of collection, including fifteen percent (15%) of the principal and interest as attorneys' fees, shall be paid by the Borrower. In addition, in the event of a default on this note lasting more than six months following the expiration of the term hereunder, the Lender may, at its election, declare the unpaid balance of the principal sum and any accrued interest hereunder due and payable, and said principal and interest, or so much thereof as may remain unpaid at the time of such declaration, shall bear interest at the rate of eighteen percent (18%) per annum from the date of such declaration.

### 7. Waiver

The Borrower does hereby waive demand, protest, and notice of demand, protest, and non-payment.

### 8. Construction

This agreement and note is to be construed in all respects, and enforced, according to the laws of the State of Georgia.

### 9. Severability

In the event any term or provision of this agreement and note shall be held to be invalid or unenforceable, the same shall not affect the validity or enforceability of the remainder of the agreement and note.

This agreement and note may be prepaid in whole or in part at any time, without penalty or unearned interest.

[Signatures on following page.]

This 8th day of July, 2013.

**CITY OF STOCKBRIDGE, GEORGIA**

Mark A. Alarcon  
MARK A. ALARCON, MAYOR

ATTEST:

Rhonda A. Blackmon  
RHONDA A. BLACKMON, CITY CLERK

APPROVED AS TO FORM:

William J. Linkous, III  
WILLIAM J. LINKOUS, III, CITY ATTORNEY

**STOCKBRIDGE DOWNTOWN DEVELOPMENT  
AUTHORITY**

J.T. Williams  
J.T. WILLIAMS, CHAIRMAN

ATTEST:

Robin L. Buschman  
ROBIN L. BUSCHMAN, SECRETARY/TREASURER