

RESOLUTION NO. 2595

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN EXTENSION TO THE PROMISSORY NOTE EXECUTED BY CHILTON L.L.C. IN FAVOR OF THE TOWN OF PAYSON  
(EXTENSION OF DOOR STOP PROMISSORY NOTE)

WHEREAS, on July 16, 2001, Chilton L.L.C., an Arizona limited liability company dba the Door Stop, ("the Door Stop") executed a promissory note ("the Note") in favor of the Town of Payson ("the Town") in the amount of One Hundred Twenty-seven Thousand, Nine Hundred Thirteen Dollars (\$127,913.00); and

WHEREAS, the entire principle balance of the Note is due and payable on July 17, 2011; and

WHEREAS, the Note is secured by a Deed of Trust executed on July 16, 2001 and recorded in the Gila County Recorder's Office on July 17, 2001 ("the Deed of Trust"); and

WHEREAS, the Town executed a Subordination Agreement in 2002 allowing Bank One's deed of trust securing the financing for the improvements at the Door Stop facilities to be superior to the Town's Deed of Trust; and

WHEREAS, the Door Stop and the Town desire to extend the Note; and

WHEREAS, the Town desires and the Door Stop agrees to add annual interest payments in the amount of three percent per annum (3%) to the Note; and

WHEREAS, the Door Stop and the Town have negotiated and have agreed to an extension of the Note,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Extension of Promissory Note Executed by Chilton L.L.C. in Favor of the Town of Payson ("the Extension") is hereby approved in substantially the form attached.

Section 2. That Kenny J. Evans, Mayor of the Town of Payson is hereby authorized to execute the Extension in substantially the form attached.

Section 3. That the Town of Payson, acting by and through its Mayor and/or its other appropriate officers and officials, is hereby authorized to execute any and all other documents and instruments and to take all other actions necessary or appropriate to carrying out the terms of this Resolution and the Extension.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON this \_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES \_\_\_\_ NOES \_\_\_\_ ABSTENTIONS \_\_\_\_ ABSENT \_\_\_\_

\_\_\_\_\_  
Kenny J. Evans, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Silvia Smith, Town Clerk

  
\_\_\_\_\_  
Timothy M. Wright, Town Attorney

**EXTENSION OF  
PROMISSORY NOTE  
EXECUTED BY CHILTON L.L.C.  
IN FAVOR OF THE TOWN OF PAYSON**

**RECITALS:**

- A. On July 16, 2001, Chilton L.L.C., an Arizona limited liability company ("Maker") executed a promissory note ("the Note") in favor of the Town of Payson ("Holder") in the amount of One Hundred Twenty-seven Thousand, Nine Hundred Thirteen Dollars (\$127,913.00).
- B. The principle balance of the Note is due and payable on July 17, 2011 ("Maturity Date").
- C. The Note was secured by a Deed of Trust executed on July 16, 2001 and recorded in the Gila County Recorder's Office on July 17, 2001 at Fee 2001 10674 ("the Deed of Trust").
- D. The Maker and Holder desire to extend the Note for three years.
- E. The Maker and Holder desire to add annual interest payments in the amount of three percent per annum (3%) to the Note.
- F. The Maker and the Holder desire for the extension and the interest to be secured by the Deed of Trust. Such extension is provided for in the Deed of Trust.

**EXTENSION:**

NOW, THEREFORE, in consideration of the promises and agreements herein set forth, the Maker and the Holder do hereby agree as follows:

- 1. The principle amount of the Note shall remain unchanged.
- 2. Maker acknowledges that this Extension is secured by the Deed of Trust.
- 3. The term of the Note shall be extended for three years, with the entire principle amount of the Note being due and payable on or before July 17, 2014, the extended maturity date.
- 4. Beginning on July 17, 2011, the Note shall accrue interest at the rate of 3% per annum. Such interest shall be compounded annually and shall be payable each year on or before July 17<sup>th</sup>. Annual interest payments shall be in the amount of Three Thousand Thirty-seven dollars and thirty-nine cents (\$3,837.39). If Maker prepays the Note, any outstanding interest shall be prorated.

5. Any notice which the Holder may desire or may be required to give to the Maker shall be given by certified or registered United States mail, postage prepaid, return receipt requested, and addressed to the Maker at:

Chilton, L.L.C.  
Attention \_\_\_\_\_  
910 N. Chenault Parkway  
Payson, AZ 85541

6. All other terms and conditions of the Note, except as specifically amended herein, shall remain in full force and effect and are affirmed and restated.

IN WITNESS WHEREOF, the parties have executed this Extension, or caused this Extension to be executed by their duly authorized representative, to be effective this \_\_\_\_ day of \_\_\_\_\_, 2011.

TOWN OF PAYSON,

CHILTON L.L.C

By \_\_\_\_\_  
Kenny J. Evans, Mayor

By \_\_\_\_\_  
James Hill, Member

By \_\_\_\_\_  
Sioux Hill, Member