

PROMISSORY NOTE

\$749,000.00

Klamath Falls, Oregon

FOR VALUE RECEIVED, the undersigned, KLAMATH COUNTY ECONOMIC DEVELOPMENT ASSOCIATION, an Oregon Domestic Nonprofit Corporation (“**Maker**”), hereby promises to pay to the order of KLAMATH COUNTY (“**Holder**”), a Political Subdivision of the State of Oregon, at 305 Main Street, Klamath Falls, Oregon 97601, Attn: _____, or at such other place or to such other party as Holder may from time to time designate in writing, the principal sum of Seven Hundred Forty Nine Thousand and No/100 Dollars (\$749,000.00), together with interest thereon from the date of this Promissory Note (this “**Note**”) at the rate of one percent (1%) per annum as follows:

1. **Payment Terms.**

(a) Commencing on the first (1st) day of February, 2023, an interest only payment of Seven Thousand Four Hundred Ninety and No/100 Dollars (\$7,490.00) shall be payable. A like sum shall be payable on the first (1st) day of each February thereafter until the Maturity Date.

(b) The entire unpaid balance of this Note, together with all accrued and unpaid interest, shall be due and payable in full on the first (1st) day of February, 2027 (“**Maturity Date**”).

(c) Simple interest of one percent (1%) shall be applied to the principal sum each calendar year.

(d) This Note may be prepaid at any time prior to the Maturity Date.

2. **Default.** If any of the installment payments required by the terms hereof of by the terms of any other document securing or evidencing this Note are not paid within five (5) business days of the due date, or if the payment due on the Maturity Date is not paid when due, Holder shall commence any and all remedies available to it under the laws of the State of Oregon.

(a) If Maker fails to make any payment as required above, or fails to satisfy this Note on the Maturity Date, then interest shall commence to accrue at the rate of twelve percent (12%) per annum (“**Default Rate**”) until paid, such interest to be compounded annually.

3. **Costs and Expenses.**

(a) **Enforcement Expenses.** Maker agrees to pay immediately upon demand all costs and expenses incurred by Holder, including reasonable attorney fees, (i) if, after default, this Note is placed in the hands of an attorney or attorneys for collection; (ii) if Holder finds it

necessary or desirable upon default to secure the services or advice of one or more attorneys with regard to collection of this Note against Maker or any other party liable therefore or for the protection of its right under this Note; all costs shall be reimbursed by Maker immediately upon demand.

2. **Governing Law.** This Note shall be interpreted, construed and enforced according to the laws of the state of Oregon.

MAKER:

KLAMATH COUNTY ECONOMIC DEVELOPMENT ASSOCIATION,
an Oregon Domestic Nonprofit Corporation

By: _____
Randy L. Shaw, President

Date: _____

HOLDER:

KLAMATH COUNTY BOARD OF COMMISSIONERS

Date: _____

Chair

Vice Chair

Commissioner