

RESOLUTION NO. 198-2011

AUTHORIZING PROPOSAL FOR & RESTRUCTURING OF THE HYDROJET 108 NOTE

WHEREAS, Hydrojet is in arrears on its principal payment of \$92,000.00 of its 108 Loan to the U.S. Department of Housing and Urban Development and is current in its interest payments; and

WHEREAS, Hydrojet states that these problems arose because of its transition problems in its new location at Buttonwood-Gateway and the Company is now profitable and has secured its necessary lines of credit; and

WHEREAS, HUD'S collateral will remain in place and that Hydrojet provides employment to a large number of local residents,

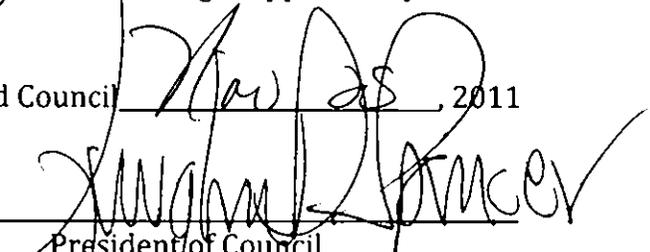
NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

That the Mayor of the City of Reading be authorized to propose to the U.S. Department of Housing and Urban Development (HUD) the following restructuring of the Hydrojet 108 note:

1. That the principal balance due, plus late fees, be rolled into the principal balance outstanding and amortized within the remaining term.
2. That Hydrojet be required to make monthly payments of principal and interest instead of yearly principal payments and quarterly interest payments.

And **BE IT FURTHER RESOLVED**, that should the U.S. Department of Housing and Urban Development be agreeable to these changes, that the Mayor be and hereby is authorized to take all necessary steps to effectuate the changes approved by HUD.

Passed Council Nov 28, 2011



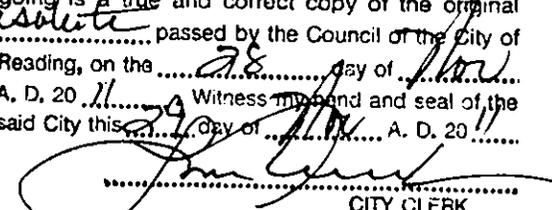
 President of Council

Attest:



 City Clerk

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original resolute passed by the Council of the City of Reading, on the 28 day of Nov, A. D. 2011. Witness my hand and seal of the said City this 29 day of Nov, A. D. 2011.



 CITY CLERK