

DRAFT

STATE OF ILLINOIS
COUNTY OF COOK
VILLAGE OF HOMEWOOD

TAXABLE NON-RECOURSE SUBORDINATE LIEN TAX INCREMENT REVENUE NOTE, SERIES 2021
(DOWNTOWN TRANSIT ORIENTED DEVELOPMENT TIF REDEVELOPMENT PROJECT AREA)

NOTE:
REGISTERED
NO. _____

PRINCIPAL AMOUNT:
REGISTERED
\$ 4,718,377.70

KNOW ALL PERSONS BY THESE PRESENTS that the VILLAGE OF HOMEWOOD, COOK COUNTY, ILLINOIS (the "Village"), a non-home rule municipality organized under the laws of the State of Illinois, for value received acknowledges itself to owe and promises to pay to the Registered Owner hereof, or registered assigns, the outstanding Principal Amount of this Note on the Final Maturity hereof. "Final Maturity" means the earliest to occur of (a) the date on which the Village has provided for or payment in full of all principal of and interest on this Note or (b) the earlier of (i) the date which is 20 years from the Dated Date or (ii) April 25, 2040, the date of the expiration of the Redevelopment Project Area, as provided in the hereinafter defined Redevelopment Agreement, and to pay interest at the hereinafter defined Interest Rate (computed based on a 360-day year of twelve 30-day months) on such Outstanding Principal Amount on April 25 of each year (being the "Regular Interest Payment Date") until paid, commencing on the first April 25 following the Dated Date on which funds are available and on deposit in the hereinafter defined Note Fund, except as the hereinafter stated provisions for redemption before maturity may and shall become applicable. The Interest Rate is a rate percent per annum equal to 9.50 %. The Dated Date hereof shall be deemed to be the date of issuance of this Note.

Interest on this Note paid from the Pledged Moneys (as hereinafter defined) is due April 25 of each year until the earlier of Final Maturity or until this Note is paid in full. Interest when due ("Current Interest") shall be paid from the later of the Dated Date or from the most recent Regular Interest Payment Date to which interest has been paid or duly provided for, until the principal Note is paid or duly provided for, as provided from the EGVTP Sub-Account of the Downtown Transit Oriented Development TIF Redevelopment Project Area Special Tax Allocation Fund (the "Note Fund"), and if funds on deposit and to the credit thereof are insufficient for such purpose and the Village has complied with its obligations to deposit said funds into the Note Fund pursuant to the Redevelopment Agreement, then such failure to pay shall not in and of itself constitute an event of default, but such interest shall be recorded by the Note Registrar as Deferred Accrued Interest ("Deferred Accrued Interest"). The order of payment of interest on this Note shall be *first*, Deferred Accrued Interest, *second*, Current Interest, and *next*, mandatory redemption of the outstanding Principal Amount. Failure to pay when due any installment of Current Interest or any amount of Outstanding Principal Amount due to insufficiency of the hereinafter defined Developer's Incremental Taxes, whether at a Regular Interest Payment Date, at Stated Maturity, Final Maturity or otherwise, shall in no event be deemed to be an event of

default. The Registered Owner of this Note, by acceptance hereof, expressly agrees and acknowledges that (i) there may be Deferred Accrued Interest hereon, that is, that Current Interest may not have been paid, with no special notation having been made upon this Note, and (ii) the amounts due of outstanding Principal Amount hereof and interest are subject to adjustment as provided in the defined Redevelopment Agreement.

The principal of this Note shall be payable by check or draft in lawful money of the United States of America upon presentation at the principal office maintained for the purpose by the Village Treasurer, as paying agent and note registrar (the "Note Registrar"). Interest on this Note shall be paid to the Registered Owner hereof as shown on the Register at the close of business on the [15th day of the month immediately before /1st day of the month of] the Regular Interest Payment Date. Interest shall be paid by check or draft of the Village, payable upon presentation thereof in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on the Register or at such other address furnished to the Note Registrar in writing or as directed by such Registered Owner, all as provided in the hereinafter defined Note Ordinance.

This Note is also subject to mandatory redemption by operation of the Note Fund (as such term is hereinafter defined), at par plus accrued interest without premium, on any date, whenever an annual Accounting shall demonstrate that there is on deposit in the Note Fund an amount in excess of the sum of: (i) the principal of and interest due on any outstanding Tax Exempt Non-Recourse Senior Lien Tax Increment Revenue Notes (Downtown Transit Oriented Development TIF Redevelopment Project Area) due during the Note Year commencing on the _____ next succeeding such Accounting, plus (ii) the principal of and interest due on any outstanding Tax Exempt Non-Recourse Subordinate Lien Tax Increment Revenue Notes (Downtown Transit Oriented Development TIF Redevelopment Project Area) due during the Note Year commencing on the _____ next succeeding such Accounting, plus (iii) the amount required to pay any interest reserve on this Note, plus all Deferred Accrued Interest, plus Current Interest due during the Note Year commencing on the _____ next succeeding such Accounting, plus (iv) an amount not to exceed the greater of earnings on the Note Fund in the immediately preceding Note Year, or 1/12 of the principal and interest payments made on this Note in the prior Note Year. Notwithstanding the foregoing, this Note may not be prepaid for a period of ___ () years after the date of issuance, except as provided in the Redevelopment Agreement or unless otherwise agreed to by the Developer.

The Village covenants it will cause the Note Registrar to redeem this Note under the mandatory redemption required for this Note. Proper provision for mandatory redemption having been made, the Village covenants that the outstanding Principal Amount hereof to be redeemed shall be payable as at Stated Maturity.

This Note is also subject to redemption before maturity, at the option of the Village, in whole or in part, from any available funds, on any date on or after _____, 20___, at the redemption price of par plus accrued interest to the date fixed for redemption.

Subject to the provisions of the hereinafter defined in the Redevelopment Agreement and any Ordinance authorizing the issuance of this Note (the "Note Ordinance"), this Note may be

transferred as a whole but not in part. Upon surrender of this Note at the principal office maintained for the purpose by the Note Registrar, accompanied by a written instrument or instruments of transfer in form satisfactory to the Note Registrar and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the Note Registrar shall register this Note in the name of the new Registered Owner on the registration grid provided, and shall also enter the name and address of the new registered owner in the Note Registrar, or at the Registered Owner's option, the Note Registrar shall issue a new Note of the same maturity and terms and for the same aggregate principal amount to the transferee in exchange for this Note.

The person in whose name this Note is registered on the Note Register shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of or interest shall be made only to or upon the order of the Registered Owner hereof or the owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon this Note to the extent of the sum or sums so paid.

This Note is issued under Division 74.4 of Article 11 of the Illinois Municipal Code (the "TIF Act"), and all laws amendatory thereof and supplemental thereto, and the principal of and interest, and premium, if any, hereon are payable solely from, on parity with any additional Taxable Non-Recourse Subordinate Lien Tax Increment Revenue Notes (Downtown Transit Oriented Development TIF Redevelopment Project Area) if issued under the Redevelopment Agreement and subordinate to any Tax Exempt Non-Recourse Senior Lien Tax Increment Revenue Notes (Downtown Transit Oriented Development TIF Redevelopment Project Area) and any Tax Exempt Non-Recourse Subordinate Lien Tax Increment Revenue Notes (Downtown Transit Oriented Development TIF Redevelopment Project Area) if issued under the Redevelopment Agreement, (i) the Developer's Incremental Taxes on deposit in and pledged to the Note Fund and (ii) the investment earnings thereon (the Developer's Incremental Taxes and the investment earnings thereon being, collectively, the "Pledged Moneys" under the Note Ordinance). This Note is being issued to pay or reimburse a portion of certain costs of a redevelopment project in the Redevelopment Project Area, all as described in proceedings adopted by the President and Board of Trustees of the Village (the "Corporate Authorities") under the Act and the Note Ordinance, and in the Redevelopment Agreement, to all the provisions of which the holder by the acceptance of this Note assents. Under the Act, the Note Ordinance, and the Redevelopment Agreement, the Incremental Property Taxes shall be deposited in the Special Tax Allocation Fund. Developer's Incremental Taxes on deposit in the Note Fund shall be used first and are pledged for paying the principal of and interest on this Note and then in making any further required payments to any funds and accounts as provided by the Note Ordinance.

Terms used but not defined herein shall have the same meaning as provided in the Note Ordinance and the Redevelopment Agreement. If any conflict arises between this Note and the Redevelopment Agreement, the Redevelopment Agreement shall control. The terms of the Redevelopment Agreement are incorporated into this Note by this reference thereto as if fully set forth herein.

This Note, together with the interest thereon, is a limited obligation of the Village, payable solely from the Pledged Moneys and the amounts on deposit in and pledged to the Note Fund as provided in the Note Ordinance and the Redevelopment Agreement. Additional obligations on a

parity with this Note may be issued as provided in the Redevelopment Agreement and the Note Ordinance provided. For the prompt payment of this Note, both principal and interest, as aforesaid, at Stated Maturity, the Pledged Moneys are irrevocably pledged. THIS NOTE SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE VILLAGE, NOR IS IT SECURED BY THE FULL FAITH AND CREDIT OF THE VILLAGE. THE NOTE IS PAYABLE SOLELY FROM DEVELOPER'S INCREMENTAL TAXES DEPOSITED FROM TIME TO TIME INTO THE NOTE FUND. INSUFFICIENCY OF THE NOTE FUND TO PAY INTEREST OR PRINCIPAL OBLIGATION RELATING TO THE VILLAGE WHEN DUE SHALL NOT BE A DEFAULT THEREON, AND NO HOLDER OF THIS NOTE SHALL HAVE ANY RECOURSE WHATSOEVER AGAINST THE VILLAGE IN THE EVENT THAT THE DEVELOPER'S INCREMENTAL TAXES ARE INSUFFICIENT TO PAY ANY INTEREST OR PRINCIPAL OBLIGATION WHEN DUE, WHETHER AT STATED MATURITY OR REDEMPTION.

The Village expressly finds and determines that the Final Maturity of this Note does not exceed the earlier of (i) the date which is twenty (20) years from the Dated Date or (ii) the twenty-third (23rd) anniversary of the date of designation by the Corporate Authorities of the Redevelopment Project Area, to-wit: April 25, 2040.

It is certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in issuing this Note did exist, have happened, been done and performed in regular and due form and time as required by law, and the Village covenants and agrees that it has provided for the segregation of the Pledged Moneys and that it will properly account for the taxes and will comply with all the covenants of and maintain the funds and accounts as provided by the Note Ordinance and the Redevelopment Agreement.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Note Registrar.

The tables and forms following the signatures on this Note and Registered Owner Notation are an integral part of this Note as if in each case fully set forth at this place and are incorporated herein by this reference.

IN WITNESS WHEREOF the Village has caused this Note to be signed by the manual or duly authorized facsimile signatures of its President and by its Village Clerk and its corporate seal or a facsimile thereof to be affixed, all as of the date of delivery hereof, to wit, the ____ day of _____, 202__.

VILLAGE OF HOMEWOOD, COOK COUNTY,
ILLINOIS

[SEAL]

By _____
President, Village of Homewood,
Cook County, Illinois

Attest:

Village Clerk, Village of Homewood
Cook County, Illinois

Date of Authentication: _____, 202__

CERTIFICATE
OF
AUTHENTICATION

Note Registrar and Paying Agent:
_____, _____,
Illinois

This Note is the Note described in the within mentioned Note Ordinance and is the Taxable Non-Recourse Subordinate Lien Tax Increment Revenue Note, Series 202_ (Downtown Transit Oriented Development TIF Redevelopment Project Area), of the Village of Homewood, Cook County, Illinois.

VILLAGE TREASURER,
as Note Registrar

By _____

