

PROMISSORY NOTE

1. **DATE AND PARTIES.** The date of this Promissory Note (Note) is August 13, 2021. This Note evidences a loan which includes all extensions, renewals, modifications and substitutions (Loan). The parties to this Note and Loan are:

BORROWER: City of Rochelle, an Illinois municipality
c/o Jeff Fiegenschuh, City Manager
420 N. 6th St., P.O. Box 601
Rochelle, IL 61068

LENDER: Greater Rochelle Economic Development Corporation,
an Illinois not-for-profit corporation
c/o Richard Ohlinger, President
City of Rochelle
420 N. 6th St., P.O. Box 601
Rochelle, IL 61068

2. **PROMISE TO PAY.** For value received, BORROWER promises to pay to LENDER's order at its office at the above address, or such other place as LENDER may designate, the sum of \$659,750 (Principal), without interest.

Principal is due and payable as follows:

- a. A payment in the amount of \$164,937.50 due and payable one year from the date hereof;
- b. A payment in the amount of \$164,937.50 due and payable two years from the date hereof;
- c. A payment in the amount of \$164,937.50 due and payable three years from the date hereof; and
- d. A payment in the amount of \$164,937.50 due and payable four years from the date hereof.

If any payment day is a holiday or is a non-business day for LENDER, then that payment day shall be the next day. Unless paid prior to maturity, the last scheduled payment is due and payable on June 30, 2025, which is the date of maturity. These payment amounts are based upon timely payment of each installment. All amounts shall be paid in legal U.S. currency. Any payment made with a check will constitute payment only when collected.

3. **EFFECT OF PREPAYMENT.** BORROWER may prepay this Loan in full, subject to any prepayment penalty or minimum charge as agreed to below. However, no partial prepayment shall excuse or defer BORROWER's subsequent payments or entitle BORROWER to a release of any collateral. Interest will cease to accrue on the amounts prepaid on the day actually credited by LENDER.

4. **RIGHT TO PREPAY.** BORROWER may prepay in whole or part at any time without any premium or penalty, notwithstanding any refinancing, renewal, extension or modification of this Note.

5. **LATE CHARGE.** BORROWER agrees to pay LENDER a late charge equal to 5% of the unpaid installment, if any payment is not made in full on or before 10 days after the scheduled due date.

6. **RETURNED CHECK CHARGE.** To the extent not prohibited by law, BORROWER agrees to pay LENDER \$40.00 for each check presented for payment and dishonored because of insufficient funds or no account.

7. **EVENTS OF DEFAULT.** BORROWER shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):

A. Failure of BORROWER to make payment when due; or

B. A default or breach by BORROWER of the terms of this Note or the mortgage referred to hereunder.

8. **COLLECTION EXPENSES.** On or after an Event of Default, LENDER may recover from BORROWER all fees and expenses in collecting, enforcing and protecting liabilities and reasonable expenses in realizing on any security

incurred by LENDER, plus expenses of collecting and enforcing this Note. Such fees and expenses shall include, but are not limited to, filing fees, publication expenses, deposition fees, stenographer fees, witness fees and any other court costs. Any such fees and expenses shall be added to the Principal of this Note and shall accrue interest at the same rate as provided for in this Note.

9. ATTORNEYS' FEES. Upon default of this Note, LENDER may recover from BORROWER reasonable attorneys' fees incurred by LENDER. Such reasonable attorneys' fees shall include, without limitation, paralegal fees. Any such reasonable attorneys' fees shall be added to the principal amount of this Note and shall accrue interest at the same rate as this Note. Such recovery will be to the extent not prohibited by law.

10. NO DUTY BY LENDER. LENDER is under no duty to preserve or protect any Collateral until LENDER is in actual, or constructive, possession of the Collateral. For purposes of this paragraph, LENDER shall only be considered to be in "actual" possession of the Collateral when LENDER has physical, immediate and exclusive control over the Collateral and has affirmatively accepted such control. LENDER shall only be considered to be in "constructive" possession of the Collateral when LENDER has both the power and the intent to exercise control over the Collateral.

11. WAIVER AND CONSENT BY BORROWER AND OTHER SIGNERS. Regarding this Note, to the extent not prohibited by law, BORROWER and any other signers:

- A. waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.
- B. consent to any renewals and extensions for payment on this Note, regardless of the number of such renewals or extensions.

12. SECURITY. This Note is secured by a real estate mortgage over the real estate, the legal descriptions of which are attached to and made a part of this Note

13. GENERAL PROVISIONS.

A. **TIME IS OF THE ESSENCE.** Time is of the essence in BORROWER's performance of all duties and obligations imposed by this Note.

B. **NO WAIVER BY LENDER.** LENDER's course of dealing, or LENDER's forbearance from, or delay in, the exercise of any of LENDER's rights, remedies, privileges or right to insist upon BORROWER's strict performance of any provisions contained in this Note, or other loan documents, shall not be construed as a waiver by LENDER, unless any such waiver is in writing and is signed by LENDER.

C. **AMENDMENT.** The provisions contained in this Note may not be amended, except through a written amendment which is signed by BORROWER and LENDER.

D. **INTEGRATION CLAUSE.** This written Note and all documents executed concurrently herewith, represent the entire understanding between the parties as to the Obligations and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.

E. **FURTHER ASSURANCES.** BORROWER agrees, upon request of LENDER and within the time LENDER specifies, to provide any information, and to execute, acknowledge, deliver and record or file such further instruments or documents as may be required by LENDER to secure this Note or confirm any lien.

F. **GOVERNING LAW.** This Note shall be governed by the laws of the State of ILLINOIS, provided that such laws are not otherwise preempted by federal laws and regulations.

G. **FORUM AND VENUE.** In the event of litigation pertaining to this Note, the exclusive forum, venue and place of jurisdiction shall be in the State of written amendment which is signed by BORROWER and LENDER, unless otherwise designated in writing by LENDER or otherwise required by law.

H. **SUCCESSORS.** This Note shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties; provided however, that BORROWER may not assign, transfer or delegate any of the rights or obligations under this Note.

I. **NUMBER AND GENDER.** Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

J. **DEFINITIONS.** The terms used in this Note, if not defined herein, shall have their meanings as defined in the other documents executed contemporaneously, or in conjunction, with this Note.

K. **PARAGRAPH HEADINGS.** The headings at the beginning of any paragraph, or any subparagraph, in

this Note are for convenience only and shall not be dispositive in interpreting or construing this Note.

L. **IF HELD UNENFORCEABLE.** If any provision of this Note shall be held unenforceable or void, then such provision to the extent not otherwise limited by law shall be severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions nor the validity of this Note.

M. **CHANGE IN APPLICATION.** BORROWER will notify LENDER in writing prior to any change in BORROWER's name, address, or other application information.

N. **NOTICE.** All notices under this Note must be in writing. Any notice given by LENDER to BORROWER hereunder will be effective upon personal delivery or 24 hours after mailing by first class United States mail, postage prepaid, addressed to BORROWER at the address indicated below BORROWER's name on page one of this Note. Any notice given by BORROWER to LENDER hereunder will be effective upon receipt by LENDER at the address indicated below LENDER's name on page one of this Note. Such addresses may be changed by written notice to the other party.

O. **HOLDER.** The term "LENDER" shall include any transferee and assignee of LENDER or other holder of this Note.

P. **BORROWER DEFINED.** The term "BORROWER" means the City of Rochelle, an Illinois municipality.

14. **IMPUTED INTEREST.** Any imputed interest on this Note is not intended to be treated and shall not be treated as tax-exempt by LENDER or any assignee for purposes of Section 103 and Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (such provisions being generally related to municipal bonds and other municipal obligations).

15. **RECEIPT OF COPY.** By signing below, BORROWER acknowledges that BORROWER has read and received a copy of this Note.

BORROWER

CITY OF ROCHELLE, an Illinois municipality

By:


 Jeff Fiegenschuh, City Manager

THIS IS THE LAST PAGE OF A 3 PAGE DOCUMENT. EXHIBITS AND/OR ADDENDA MAY FOLLOW.