

INSTALLMENT NOTE**Amount:** \$750,000.00**Date:** April ____, 2025

FOR VALUE RECEIVED, the undersigned, City of Marengo, Illinois, an Illinois municipal corporation, with its principal office located at 132 East Prairie Street, Marengo, Illinois 60152 (“Borrower”) promises to pay to the order of The County of McHenry, a body politic, with its principal office located at 2200 North Seminary Avenue, Woodstock, Illinois 60098 (“Lender”) the sum of Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) (“Principal”) together with any interest on the unpaid Principal balance as provided for herein.

Payments. The repayment period shall begin and the first annual payment due hereunder shall be one year from the day upon which the first commercial property served by the water and sewer lines extended to the I-90/Route 23 interchange is issued a Certificate of Occupancy by Borrower. Borrower shall repay Lender an annual amount, as set forth in the “Payment Schedule” attached hereto, of the Borrower's portion of Property Tax, Sales Tax, and/or Video Gaming Tax generated during the one year period preceding an annual payment by any commercial properties developed after the date of this Installment Note and served by the extended I-90/Route 23 water and sewer utilities until such time as the Principal balance is paid in full. Each annual payment after the first payment shall be due on the same month and day as the first payment until the Principal balance is paid in full. If the first commercial property served by the water and sewer lines extended to the I-90/Route 23 interchange is issued a certificate of occupancy by Borrower on a leap day, the parties agree that each annual payment required hereunder shall be due on the 28th day of February. Borrower may, at its option at any time on or after the date of this Installment Note listed above, prepay, in whole or in part, without premium or penalty, the Principal balance hereunder.

Interest. The annual interest rate on the unpaid Principal balance shall be zero (0) percent per annum through the date of maturity which shall be twenty (20) years with an option for Lender, at its sole discretion, to extend the term for up to five (5) additional years. Interest shall accrue after the date of maturity (whether by acceleration or otherwise) at three (3%) percent per annum on the unpaid Principal balance until paid in full.

Events of Default. Borrower shall be in default hereunder: if any amount hereunder is not paid when due; or if Borrower shall otherwise fail to perform any covenant or promise to be performed by Borrower hereunder, under any security agreement, or if Borrower fails to perform any

covenant or promise contained in the DCEO Regional Site Readiness Program Loan Agreement between Borrower and Lender; or upon the commencement of an assignment for the benefit of creditors, bankruptcy, receivership, insolvency, reorganization, dissolution or liquidation proceedings by or against, or the entry of any judgment, levy attachment, garnishment or other process against Borrower, or any other party liable with respect to the obligations hereunder.

Acceleration Remedies. Whenever Borrower shall be in default as aforesaid, (1) the entire unpaid amount of the Principal shall become immediately due and payable; and (2) Lender may, at its option, exercise from time to time any rights and remedies available under the Uniform Commercial Code of Illinois.

Waiver. Borrower waives the benefit of any law that would otherwise restrict or limit Lender in the exercise of its right, which is hereby acknowledged; appropriate at any time hereafter to apply any indebtedness owing from Lender to Borrower to any or all of the obligations hereunder. Borrower waives every defense, counterclaim or set-off which Borrower may now have or hereafter may have to any action by Lender in enforcing this Installment Note and ratifies and confirms whatever Lender may do pursuant to the terms hereof and agrees that Lender shall not be liable for any errors of judgment or mistakes of fact or law. Borrower waives presentment, demand, notice of dishonor, protest, cause of action, and all other notices and demands in connection with the enforcement of Lender's rights hereunder. Any failure of Lender to exercise any right available hereunder or otherwise shall not be construed as a waiver of the right to exercise the same or any other right at any other time.

Miscellaneous. Borrower agrees to pay all costs of collection and reasonable attorneys' fees in enforcing any of Lender's rights hereunder, promptly on demand of Lender. Lender may, at any time, transfer this Installment Note. Borrower represents and warrants that the execution and delivery of this Installment Note has been duly authorized by an ordinance heretofore adopted by the City Council of Borrower in accordance with the laws of the State of Illinois and that said ordinance has not been amended, rescinded, or repealed, and is in full force and effect and that the Mayor executing and delivering this Installment Note for and on behalf of Borrower, is duly authorized so to act. Lender, in extending funds to Borrower, is expressly acting and relying upon the aforesaid representations and warranties. This Installment Note shall be governed and construed in accordance with the laws of the State of Illinois and shall be binding upon Borrower and its respective heirs, legal representatives, successors, and assigns. Wherever possible, each

provision of this Installment Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Installment Note shall be prohibited by or invalid under such law, such provisions shall be severable, and be ineffective to the extent of such prohibition of invalidity, without invalidating the remaining provisions of this Installment Note.

The City of Marengo,
an Illinois municipal corporation

By: _____
John Koziol, Mayor
City of Marengo

Attest: _____
Stephanie Matysiewski
City of Marengo Clerk

Payment Schedule

<u>Years</u>	<u>Borrower's portion of Property Tax, Sales Tax, and/or Video Gaming Tax to be paid to Lender</u>
1 and 2	10% per year
3 through 5	15% per year
6 through 20	20% per year
21 through 25 (optional years)	20% per year