

ORDINANCE NO. 9495-36

AN ORDINANCE  
AUTHORIZING EXECUTION OF A LOAN EXTENSION AGREEMENT  
WITH THE ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
FOR HOUSING CONSTRUCTION, EADS AT LINCOLN SUBDIVISION

WHEREAS, on February 19, 1990, the City Council of the City of Urbana authorized an application to the Illinois Housing Development Authority for Illinois Affordable Housing Trust Funds to assist with housing rehabilitation in the city's King Park Neighborhood and with housing construction in the city's Eads at Lincoln Subdivision; and

WHEREAS, on April 20, 1990, the Board of Directors of the Illinois Housing Development Authority approved the city's application for funds; and

WHEREAS, the Illinois Housing Development Authority made a loan in the amount of \$150,000 to the city pursuant to a Conditional Commitment letter dated November 13, 1990, for housing construction in the Eads at Lincoln subdivision, said loan evidenced by a note and secured by a first mortgage lien on certain real estate located in the city, said note bearing no interest and maturing February 5, 1994; and

WHEREAS, the city used proceeds of the loan for construction of single-family residences in the first, 14-unit phase of the Eads at Lincoln subdivision for sale to low-income households; and

WHEREAS, the city has entered into an agreement with certain Champaign County financial institutions to construct an

THIS ORDINANCE CONSISTS OF 3 PAGES.

Initials SR

additional 14 single-family residences in said Eads at Lincoln subdivision; and

WHEREAS, the city has requested that the Illinois Housing Development Authority extend the term of the Illinois Affordable Housing Trust Fund loan to February 5, 1996, to allow construction of up to 14 single-family residences in the second phase of the Eads at Lincoln subdivision.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows.

Section 1. That the Mayor of the City of Urbana is hereby authorized and directed to execute a Loan Extension Agreement between the City of Urbana and the Illinois Housing Development Authority for housing construction loan funds for the Eads at Lincoln subdivision, a copy of which said Loan Extension Agreement is attached hereto and incorporated herein by reference.

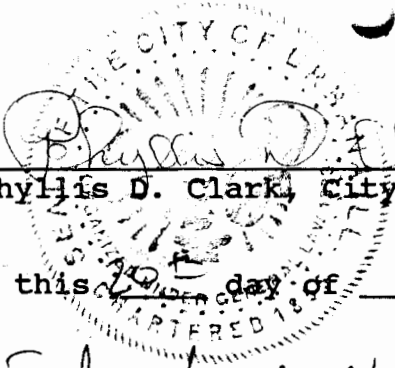
Section 2. That the Mayor of the City of Urbana is further authorized to take any action necessary in conjunction with said Loan Extension Agreement including, but not limited to, execution of a Mortgage, Mortgage Note, and Environmental Indemnity, copies of which said documents are also attached hereto and incorporated herein by reference.

PASSED by the City Council this 17th day of October, 1994.

AYES: Hayes, Patt, Pollock, Ryan, Singer, Taylor, Whelan

NAYS:

ABSTAINS:

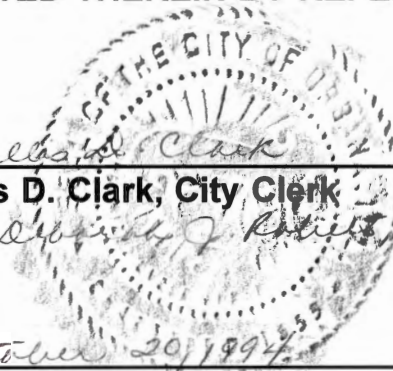


Phyllis D. Clark  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 20 day of October,  
19 94.

Tod Satterthwaite  
Tod Satterthwaite, Mayor

THIS IS THE ATTACHMENT WHICH IS REFERRED TO IN ORDINANCE  
NO. 9495-36 AND IS INCORPORATED THEREIN BY REFERENCE.

The seal of the City of Orlando is circular with a sunburst in the center. The words "CITY OF ORLANDO" are written around the perimeter of the seal.  
Phyllis D. Clark  
**Phyllis D. Clark, City Clerk**  
by *Deborah J. Ricketts*, Deputy Clerk  
October 20, 1994  
**Date**

## LOAN EXTENSION AGREEMENT.

THIS LOAN EXTENSION AGREEMENT (this "Agreement") is made and entered into as of the \_\_\_ day of October, 1994 by and between the CITY OF URBANA, an Illinois municipal corporation (the "City"), and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY (the "Authority"), a body politic and corporate of the State of Illinois, created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq. (1992), having its principal office at 401 N. Michigan Avenue, Suite 900, Chicago, Illinois.

### R E C I T A L S

A. The Authority has previously made a loan under the Illinois Affordable Housing Program in the amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the "Loan") to the City pursuant to that certain Conditional Commitment Letter dated November 13, 1990, issued by the Authority and accepted by the City (the "Letter"). The Loan was evidenced by a note (the "Note"), was secured by a first (1st) mortgage lien on certain real estate located in the City (the "Original Real Estate"), bore no interest and had a maturity date of February 5, 1994.

B. The City used the proceeds of the Loan in connection with the construction of fourteen (14) single family residences on the Original Real Estate. Pursuant to the terms of the Letter, these residences were sold to Low Income Households (as defined in the Letter).

C. The City has requested that the Authority extend the term of the Loan to August 5, 1996. The proceeds of the Loan, as extended (the "Extended Loan"), would be used to construct an additional fourteen (14) single family residences (the "Homes"), and would be secured by a mortgage on the real estate described on Exhibit A attached hereto and made a part hereof (the "New Real Estate").

NOW, THEREFORE, in consideration of the mutual agreements contained below, the parties agree as follows:

1. Recitals. The Recitals set forth above are incorporated herein by this reference.

2. Terms and Conditions of the Extended Loan.

a. Note. The maturity date of the Note shall be extended to August 5, 1996. The Extended Loan shall be evidenced by a new note (the "Extension Note").

b. Mortgage. The Extension Note shall be secured by a first (1st) mortgage lien on the New Real Estate (the

"Mortgage").

3. Closing Date. The closing of the Extended Loan shall occur as such time as the City has satisfied all of the requirements set forth in this Agreement, as determined in the Authority's sole discretion (the "Closing Date"). Unless otherwise agreed by the parties in writing, the Closing Date shall be no later than November 1, 1994 (the "Outside Closing Date").

4. Loan Documents. Prior to or on the Closing Date, Borrower shall deliver to the Authority three (3) original copies of the following documents, except for the Note and the Financing Statement (as hereinafter defined), of which only one (1) original shall be required, all executed in the manner indicated therein, and in form and substance acceptable to the Authority (this Agreement, together with the following documents, are collectively referred to herein as the "Loan Documents"):

a. The Extension Note executed by the City;

b. The Mortgage executed by Borrower securing payment of the Note and creating a first (1st) mortgage lien upon the New Real Estate and a first (1st) security interest in the property described therein;

c. Uniform Commercial Code Form 2 Financing Statement (the "Financing Statement") executed by Borrower, to be filed with the Recorder of Deeds for Champaign County, that perfects a first (1st) security interest in the collateral described in the Mortgage, free and clear of all encumbrances, liens, conditions, restrictions and other matters, rights or interests not approved in writing by the Authority; and

d. Environmental Indemnity given by Borrower to the Authority.

5. Other Showings. Not less than ten (10) business days prior to the Closing Date, the City shall, at its sole cost and expense, deliver to the Authority the following documents, in form and substance satisfactory to the Authority:

a. A copy of the Ordinance of the City authorizing the Extension Loan and Certificate of Incumbency of the City indicating those officers of the City who are authorized to execute and deliver the applicable documents required by Paragraph 4 hereof;

b. Opinion letter from counsel to the City

regarding the Extension Loan transaction, including, but not limited to, statements that the Authority's security interest is a valid first (1st) security interest in the New Real Estate; the City has been duly authorized to enter into and execute all documents relating to the Extension Loan transaction; and the Loan Documents and any other documents executed pursuant to the Extension Loan transaction are enforceable as executed; and

c. Current ALTA mortgagee's title insurance policy (the "Title Policy") or commitment to issue the Title Policy, issued by a company acceptable to the Authority and authorized to do business in the State of Illinois (the "Title Company"), in the amount of the Extended Loan, showing fee simple title to the New Real Estate in the City, subject only to those exceptions as the Authority and its counsel may approve in writing, insuring the Authority that its Mortgage lien is a valid first (1st) lien on the New Real Estate, free and clear of all encumbrances, liens, conditions, easements, restrictions, leases and other matters, rights or interests not approved in writing by the Authority. On the Closing Date, the Title Policy conforming to the above standards shall be furnished to the Authority, insuring its interest as created by the Mortgage.

d. Any and all other documents and showings requested by the Authority or its counsel, in their sole discretion.

6. Occupancy Limitations. All of the Homes shall be sold to Low Income Households (as defined in Paragraph 7). A copy of the current income guidelines is attached to this Agreement as Exhibit B. Borrower shall obtain evidence, satisfactory to the Authority, of each prospective Household's income prior to occupancy.

7. Definitions.

a. Low Income Household. As used in this Agreement, the phrase "Low Income Household" means a single person, family or unrelated persons living together whose adjusted income is less than or equal to eighty percent (80%) but more than fifty percent (50%) of the median income of the area of residence, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.

b. Household. As used in this Agreement, the phrase "Household" is a person, family or unrelated persons purchasing a Home.

8. Assignment. This Agreement is not assignable by the City, in whole or in part, without the prior written approval of the Authority's Director, Deputy Director, Assistant Director or Manager, Portfolio Administration, which may be withheld or conditioned at their sole discretion.

9. Termination. If the closing of the Extension Loan does not take place on or before the Outside Closing Date, except by reason of the Authority's default under the Loan Documents, this Agreement shall, at the Authority's election, immediately terminate and be of no further force and effect.

10. No Personal Liability. No matter, officer, agent or employee of the Authority or the Advisory Commission (as defined in the Letter), or their successors and assigns, shall be liable personally concerning any matters arising out of or in relation to the undertakings or obligations set forth in this Agreement.

11. Publicity. The Authority reserves the right to publicize the issuance of this Agreement and the making of the Extension Loan. The City shall notify the Authority immediately of any formal publicity in connection with the Extension Loan that is arranged or promoted by the City or any other party participating in the financing or development of the Extension Loan. Formal publicity includes, but is not limited to, participation in news conferences and media events such as ground breaking and dedication ceremonies. The use of the Authority's name in any signage is subject to the Authority's prior written consent.

12. Survival of Obligations. The City's obligations as set forth in this Agreement shall survive the Closing Date and the City shall continue to cooperate with the Authority and furnish any documents, exhibits or showings required. In the event of a conflict between the provisions of this Agreement and those of the other Loan Documents, those of the other Loan Documents shall control.

13. Notices. Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail,



postage prepaid, return receipt requested.

City: City of Urbana  
Community Development Services  
115 W. Main Street, Suite 200  
P.O. Box 946  
Urbana, Illinois 61801-0946  
Attention: Bruce Stoffel

Authority: Illinois Housing Development  
Authority  
401 N. Michigan, Suite 900  
Chicago, Illinois 60611  
Attention: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as provided in this Agreement. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

14. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized officers.

**THE CITY:**

**CITY OF URBANA**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**THE AUTHORITY:**

**ILLINOIS HOUSING DEVELOPMENT  
AUTHORITY**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

RBM/CLL/071394[EXTENSIO.AGR](ADMIN)

NO INTEREST

MORTGAGE NOTE  
(EXTENSION NOTE)

\$150,000.00

Chicago, Illinois  
October \_\_, 1994

THIS MORTGAGE NOTE (this "Note") is made as of the \_\_\_\_ day of October, 1994, THE CITY OF URBANA by , an Illinois municipal corporation ("Maker"), to the order of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq. (1992), as amended and supplemented, having its principal office at 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611 ("Payee").

I

DEFINITIONS

Maker agrees that, for the purposes of this Note, the following terms shall have the following respective meanings ascribed thereto.

1.1 "Conditional Commitment Letter" shall mean the conditional commitment letter from Payee dated November 13, 1990.

1.2 "Default Rate" shall mean five percent (5%) per annum, but not in excess of the maximum interest rate permitted by law.

1.3 "Environmental Indemnity" shall mean the Environmental Indemnity of even date herewith between Payee and Maker.

1.4 "Loan" shall mean the Loan evidenced by this Note.

1.5 "Loan Documents" shall mean this Note, the Mortgage, the Loan Extension Agreement, the Environment Indemnity, the Conditional Commitment Letter and other documents entered into in connection with the Loan.

1.6 "Loan Extension Agreement" shall mean the Agreement extending the terms of the loan provided for in the Conditional Commitment Letter.

1.7 "Maturity Date" shall mean August 5, 1996 (or on the first (1st) business day thereafter if such day is not a business day), or such earlier date upon which the entire Outstanding Principal Balance and accrued and unpaid interest thereon and any other sums that are due and payable pursuant to the terms and provisions of this Note are due and payable by reason of the acceleration of the maturity of this Note.

1.8 "Mortgage" shall mean the Mortgage date herewith executed by Maker, as mortgagor, and delivered to Payee, as mortgagee.

1.9 "Outstanding Principal Balance" shall mean the aggregate of all sums advanced by Payee to or for the benefit of Maker under this Note and not repaid.

1.10 "Premises" shall mean the real estate legally described in Exhibit A to the Mortgage.

## II

### PAYMENT OF INTEREST AND PRINCIPAL

For value received, Maker promises to pay to the order of Payee, in lawful U.S. currency, the principal amount of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000.00), without interest, except as provided in Paragraph 2.2 hereof, payable in one (1) single payment on the Maturity Date.

**2.1 No Prepayment.** Without the prior written consent of Payee, this Note may not be prepaid in whole or in part prior to the Maturity Date.

**2.2 Default Interest.** Subsequent to a Default (as hereinafter defined), and until such Default is cured, interest ("Default Interest") shall accrue on the Outstanding Principal Balance at the Default Rate.

**2.3 Principal and Interest at Maturity.** The entire Outstanding Principal Balance and any Default Interest, and any and all other sums that are due and payable pursuant to the terms and provisions of this Note, the Mortgage or the other Loan Documents, shall be due and payable on the Maturity Date, unless due and payable earlier by reason of the acceleration of the maturity of this Note.

**2.4 Application of Payments.** All monies paid by Maker to Payee shall be applied in the following order of priority: (a) first, toward repayment of all amounts advanced by Payee under the provisions of the Loan Documents to protect and preserve the security provided for therein (if any); (b) next, toward payment of all amounts due and owing pursuant to Paragraph 3.5 hereof (if any); (c) next, toward the payment of Default Interest (if any) (d) next, toward payment of all amounts due and owing pursuant to Paragraph 3.4 hereof (if any); and (e) last, toward payment of the Outstanding Principal Balance.

**2.5 Place of Payment.** Payments to be made under this Note

or under any of the other Loan Documents are to be made at such place as the legal holder of this Note may from time to time in writing appoint, and, in the absence of such appointment, then at the following address:

Illinois Affordable Housing Trust Fund  
P.O. Box 94438  
Chicago, Illinois 60690-4438

### III

#### SECURITY, DEFAULTS AND REMEDIES

**3.1 Security for Payment.** The payment of this Note is secured by, among other things, the Mortgage constituting a first (1st) lien on the Premises. The Mortgage and the other Loan Documents are incorporated herein by this reference.

**3.2 Occurrence of Default; Acceleration of Maturity Date.** It is agreed that upon occurrence of any of the following events of default under this Note (a "Default"):

(a) default in any payment under this Note that continues uncured for fifteen (15) days after such payment is due; or

(b) occurrence of a Prohibited Transfer under the Mortgage (as defined therein); or

(c) default in the performance or observance of any other covenant or agreement of Maker contained in this Note; or

(d) occurrence of any default under the Loan Extension Agreement or the Mortgage that is not cured within any applicable grace or cure period as set forth in those documents; or

(e) occurrence of any default, not cured within any applicable grace or cure period, under any of the other Loan Documents,

then, at any time thereafter, at the election of Payee or any other holder or holders of this Note, and without additional notice to Maker, the Outstanding Principal Balance, together with any Default Interest thereon, shall become at once due and payable at the place of payment as aforesaid, and Payee may proceed to foreclose the Mortgage, to exercise any other rights and remedies available to Payee under the Mortgage and the other Loan Documents, and to exercise any other rights and remedies against Maker or with respect to this Note that Payee may have at law, in equity or otherwise.

**3.3 Nature of Remedies.** The remedies of Payee, as provided in this Note, in the Mortgage or any of the other Loan Documents, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Payee, and may be exercised as often as occasion therefor shall arise. Failure of Payee, for any period of time or on more than one occasion, to exercise its option to accelerate the Maturity Date of this Note shall not constitute a waiver of the right to exercise such option at any time thereafter or in the event of any subsequent Default. No act of omission or commission of Payee, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of that right, remedy or recourse; any such waiver or release is to be effected only through a written document executed by Payee, and then only to the extent specifically recited in that document. A waiver or release in connection with any one event shall not be construed as a waiver or release of any subsequent event, or as a bar to any subsequent exercise of Payee's rights or remedies under this Note. Except as otherwise specifically required in this Note, notice of the exercise of any right or remedy granted to Payee by this Note is not required to be given.

**3.4 Payment of Attorneys' Fees and Costs.** If (i) this Note or any other Loan Document is placed in the hands of an attorney for collection or enforcement, or is collected or enforced through any legal proceeding; (ii) an attorney is retained to represent Payee in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving a claim under this Note or any of the other Loan Documents; (iii) an attorney is retained to protect or enforce the lien of the Mortgage or any of the other Loan Documents; or (iv) an attorney is retained to represent Payee in any other proceedings whatsoever in connection with this Note, the Mortgage, any of the other Loan Documents, or any property subject to them, then Maker shall pay to Payee all reasonable attorneys' fees, costs and expenses incurred in connection therewith, in addition to all other amounts due under this Note.

**3.5 Late Charge.** If any installment of principal is not paid when due, Maker shall pay to Payee a late charge of two percent (2%) of the amount so overdue in order to defray part of the expense incident to handling such delinquent payment or payments. Such late charge shall be in addition to, and separate from, any Default Interest due under this Note.

#### IV

#### OTHER GENERAL AGREEMENTS

**4.1 Notices.** Any notice, demand, request or other communication which any party may desire or may be required to give to any other party under this Note shall be given in

writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

Maker: Department of Community Development  
Services  
City of Urbana  
115 W. Main Street, Suite 200  
P.O. Box 946  
Attention: Bruce Stoffel

Authority: Illinois Housing Development  
Authority  
401 North Michigan Avenue, Suite  
900 Chicago, Illinois 60611  
Attention: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) shall be served and effective one (1) business day after such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective upon deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

**4.2 Governing Law and Other Agreements.** Maker acknowledges and agrees that: (i) this Note and the rights and obligations of the parties under it shall be governed by the laws of the State of Illinois, without reference to the conflict of law principles of such State; (ii) the obligation evidenced by this Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C. Section 1601 et seq.; and (iii) such obligation constitutes a business loan within the purview of 815 ILCS 205/4 (1992).

**4.3 Interpretation.** The headings of sections and paragraphs in this Note are for convenience only and shall not be construed in any way to limit or define the content, scope or intent of its provisions. As used in this Note, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable where the context so requires. The parties hereto intend and believe that each provision in this Note comports with all applicable law. However, if any provision in this Note is found by a court of law to be in violation of any applicable law, and if such court should declare such provision of this Note to be unlawful, void or unenforceable as written, then it is the intent of all parties to the fullest possible extent that it is legal, valid and enforceable, that the remainder of this Note shall be construed as if such unlawful,

void or unenforceable provision were not contained in it, and that the rights, obligations and interests of Maker or its holder under the remainder of this Note shall continue in full force and effect. However, if any provision of this Note found to be in violation of any applicable law concerns the imposition of Default Interest, the rights, obligations and interests of Maker and Payee with respect to the imposition of Default Interest shall be governed and controlled by the provisions of Paragraph 4.2. Time is of the essence of this Note.

**4.4 Waiver.** Maker and any and all others who are now or may become liable for all or part of the obligations of Maker under this Note (collectively the "Obligors") jointly and severally: (i) waive and renounce any and all redemption and exemption rights and the benefit of all valuation and appraisal privileges against the indebtedness evidenced by this Note or by an extension or renewal of it; (ii) waive presentment and demand for payment, notices of nonpayment and of dishonor, protest of dishonor and notice of protest; (iii) waive all notices in connection with the delivery and acceptance of this Note and all other notices in connection with the performance, default or enforcement of its payment; (iv) waive any and all lack of diligence and delays in the enforcement of the payment of this Note; (v) agree that the liability of each of the Obligors shall be unconditional and without regard to the liability of any other person or entity for the payment of this Note, and shall not in any manner be affected by any indulgence or forbearance granted or consented to by Payee to any of them; (vi) consent to any and all extensions of time, renewals, waivers or modifications that may be granted by Payee with respect to the payment or other provisions of this Note, and to the release of any security at any time given for the payment of this Note, or any part of it, with or without substitution, and to the release of any person or entity liable for its payment; and (vii) consent to the addition of any and all other makers, endorsers, guarantors and other Obligors for the payment of this Note, and to the acceptance of any and all other security for its payment, and agree that the addition of any such Obligors or security shall not affect the liability of any of the Obligors for its payment.

**4.5 Successors, Holders and Assigns.** Upon any endorsement, assignment or other transfer of this Note by Payee or by operation of law, the term "Payee," as used in this Note, shall mean such endorsee, assignee or other transferee or successor to Payee then becoming the holder of this Note. This Note shall inure to the benefit of Payee and its successors and assigns and shall be binding upon the undersigned and its successors and assigns. The terms "Maker" and "Obligors," as used in this Note, shall include the respective successors, assigns, legal and personal representatives, executors, administrators, devisees, legatees and heirs of Maker and any other Obligors.



IN WITNESS WHEREOF, Maker has through its duly authorized officer executed and delivered this Note as of the day and year first above written.

CITY OF URBANA, an Illinois  
municipal corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

RBM/CLL/092094{SUBDIR:HTF019(INTNOTE.RPT)}(TF)

This instrument was prepared by  
and after recording return to:  
Richard B. Muller  
Illinois Housing Development Authority  
401 N. Michigan Ave., Suite 900  
Chicago, IL 60611

P.I.N. No. \_\_\_\_\_

Property Address: \_\_\_\_\_

Urbana, Illinois

## MORTGAGE

THIS MORTGAGE is made this \_\_\_\_ day of October, 1994, between the CITY OF URBANA ("Borrower"), and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Lender"), a body politic and corporate created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 (1992) et seq., as amended and supplemented.

WHEREAS, Borrower is indebted to Lender in the principal sum of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the "Loan"), which indebtedness is evidenced by Borrower's note dated \_\_\_\_\_, 1994 (the "Note") and governed by that certain Loan Extension Agreement between the Lender and the Borrower dated \_\_\_\_\_, 1994 (the "Loan Extension Agreement"); the Loan Extension Agreement and the other documents evidencing, securing and governing the Loan are referred to herein as the "Loan Documents").

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, the payment of all other sums, with any interest accrued thereon, advanced in accordance with this Mortgage to protect the security of this Mortgage, and the performance of the agreements of Borrower in this Mortgage, and (b) the repayment of any future advances, with any interest accrued on them, made to Borrower by Lender pursuant to Paragraph 7 of this Mortgage ("Future Advances"), Borrower **MORTGAGES AND WARRANTS** to Lender the real estate legally described on **Exhibit A** hereto (the "Real Estate");

**TOGETHER** with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with the Real Estate are referred to in this Mortgage as the "Property".

Borrower and Lender agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and any accrued interest on (i) the indebtedness evidenced by the Note, including any prepayment and late charges as provided in the Note, and (ii) any Future Advances secured by this Mortgage.

2. **Intentionally Omitted.**

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 shall be applied by Lender first, to interest and principal on any Future Advances and second to the principal of the Note.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority lien over this Mortgage by Borrower making payment, when due, directly to the payee. Borrower shall promptly furnish to Lender all notices of amounts due under this Paragraph 4, and Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien that has priority over this Mortgage, provided that Borrower shall not be required to discharge any such lien so long as Borrower agrees in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or in good faith contests such lien by, or defends enforcement of such lien in, legal proceedings that operate to prevent the enforcement of the lien or forfeiture of the Property or any part of it, or prevent the forfeiture of this Mortgage.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards, and in such amounts and for such periods, as Lender may require; however, Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and their renewals shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and their renewals, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss, if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible, and the security of this Mortgage is not impaired by such restoration or repair. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired by such restoration or repair, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to the Borrower. If the Property is abandoned by the Borrower, or if Borrower fails to respond to Lender within thirty (30) days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the payment referred to in Paragraph 1, or change the amount of such payment. If, under Paragraph 18, the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies, and in and to the proceeds of such policies resulting from damage to the Property prior to the sale or acquisition, shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

**6. Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property.

**7. Protection of Lender's Security.** If Borrower fails to perform the agreements contained in this Mortgage, or if any action or proceeding is commenced that materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, building code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this Paragraph 7, with interest on them, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment of them, and shall bear interest from the date of disbursement at the rate of the lesser of five percent (5%) per year and the highest rate permissible under applicable law. Nothing contained in this Paragraph 7 shall require Lender to incur any expense or take any action under this Mortgage.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part of it, or for conveyance in lieu of condemnation, are assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the maturity date of the payment referred to in Paragraph 1.

10. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest.

11. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy under this Mortgage, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

12. **Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this

Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

**13. Successors and Assigns Bound; Joint and Several Liability; Captions.** The agreements in this Mortgage shall bind, and the rights under this Mortgage shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 17. All agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define its provisions.

**14. Notice.** Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

**Borrower:** City of Urbana  
Community Development Services  
115 W. Main St., Suite 200  
Urbana, Illinois 61801-0946  
Attn: Bruce Stoffel

**Authority:** Illinois Housing Development  
Authority  
401 N. Michigan Ave., Suite 900  
Chicago, Illinois 60611  
Attn: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as provided in this Paragraph 14. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

**15. Severability.** If any provision or clause of this Mortgage or the other Loan Documents conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the other Loan Documents that can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the other Loan Documents are declared to be severable.

**16. Borrower's Copy.** Borrower shall be furnished with a conformed copy of the Note and of this Mortgage at the time their execution or after recordation of this Mortgage.

**17. Transfer of the Property.** If all or any part of the Property,

or an interest in it, is sold or transferred by Borrower without Lender's prior written consent, excluding the creation of a lien or encumbrance subordinate to this Mortgage, Lender may, at Lender's option, declare all sums secured by this Mortgage to be immediately due and payable.

**18. Intentionally Omitted.**

**19. Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender, prior to acceleration of the sums secured under this Mortgage, shall mail notice to Borrower as provided in Paragraph 14 specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, or foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of its right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default, or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at its option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect, in such proceeding, all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, and costs of documentary evidence, abstracts and title reports.

**20. Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings implemented by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums that would then be due under this Mortgage, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in Paragraph 19, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

**21. Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security under this Mortgage, Borrower

assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under Paragraph 19 or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under Paragraph 19 or abandonment of the Property, and at any time prior to the expiration of any period of redemption following a judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

22. **Future Advances.** At no time shall the principal amount of the indebtedness secured by this Mortgage, excluding sums advanced in accordance with it to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

24. **Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

25. **Waiver of Statutory Rights.** Notwithstanding anything to the contrary contained herein, to the extent permitted by law, Borrower shall not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but waives the benefit of such laws. Borrower expressly waives any and all rights of redemption under any order or decree of foreclosure of this Mortgage on behalf of Borrower, except decrees of judgment creditors of Borrower, acquiring any interest in or title to the Development subsequent to the date of this Mortgage.

26. **Illinois Mortgage Foreclosure Law.** If any provision in this Mortgage is inconsistent with any provision of the Illinois Mortgage Foreclosure Law (Chapter 110, Sections 15-1101 et seq., Illinois Revised Statutes) (the "Foreclosure Act"), the provisions of the Foreclosure Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Foreclosure Act.

If any provision of this Mortgage grants to Lender any rights or remedies upon default of the Borrower which are more limited than the rights that would otherwise be vested in Lender under the



Foreclosure Act in the absence of that provision, Lender shall be vested with the rights granted in the Foreclosure Act to the full extent permitted by law.

27. **Incorporation.** The Loan Documents are incorporated in this Mortgage by this reference.

**IN WITNESS WHEREOF,** Borrower has caused this Mortgage to be executed by its authorized officer.

**CITY OF URBANA**

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF ILLINOIS) ) SS  
COUNTY OF COOK )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1994, I certify that the above-named \_\_\_\_\_, as \_\_\_\_\_ of the **CITY OF URBANA**, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such \_\_\_\_\_ of the **CITY OF URBANA**, appeared before me this day in person and acknowledged that \_\_\_ signed and delivered the said instrument as \_\_\_ free and voluntary act and as the free and voluntary act of the **CITY OF URBANA**, for the uses and purposes therein set forth.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**LEGAL DESCRIPTION**  
**PARKING LOT 22**

A portion of Block 1 of George G. Webber's First Addition to the City of Urbana, more particularly described as follows:

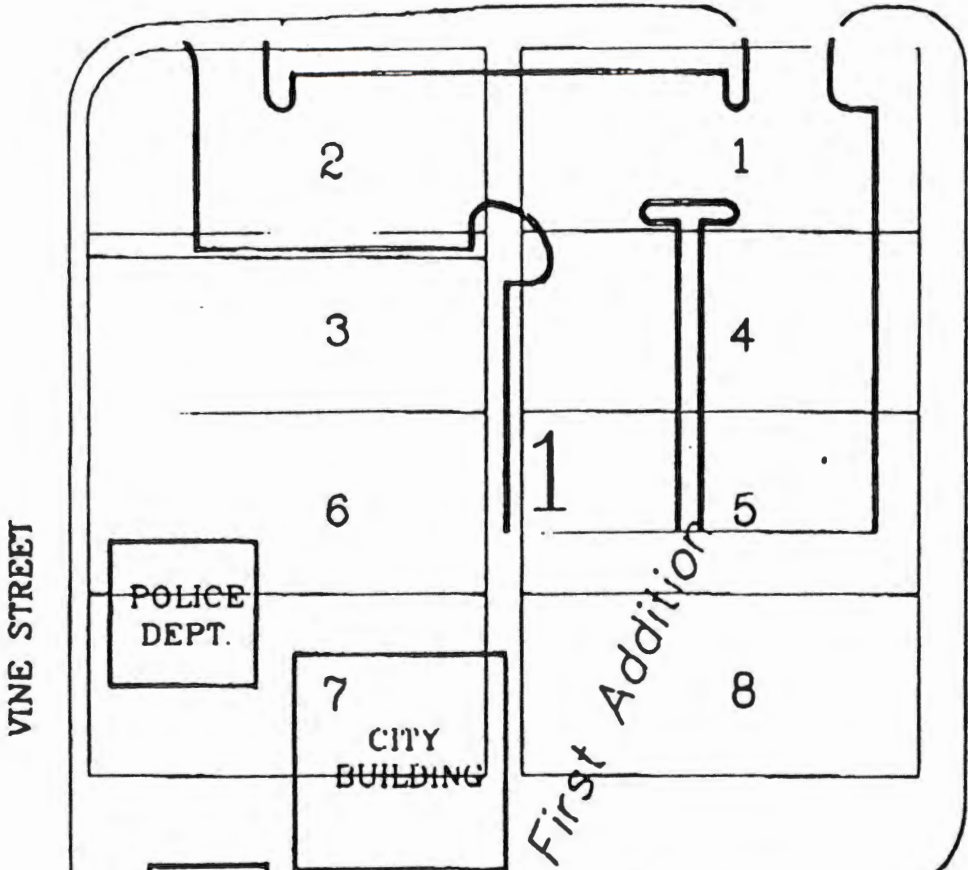
Lots 1, 2, 4, 5, 8 and the North 7.50 feet of even width of Lot 3, all in Block 1 of George G. Webber's First Addition to the City of Urbana as shown on a plat recorded in Deed Record Book 22 at Page 376 in the Office of the Recorder, Champaign County, Illinois.

**LEGAL DESCRIPTION**  
**PARKING LOT 23**

A portion of Block 2 of George G. Webber's First Addition to the City of Urbana, more particularly described as follows:

Lots 1, 4, 5 and the East 52.50 feet of even width of Lots 3 and 6, all in Block 2 of George G. Webber's First Addition to the City of Urbana, as shown on a plat recorded in Deed Record Book 22 at Page 376 in the Office of the Recorder, Champaign County, Illinois.

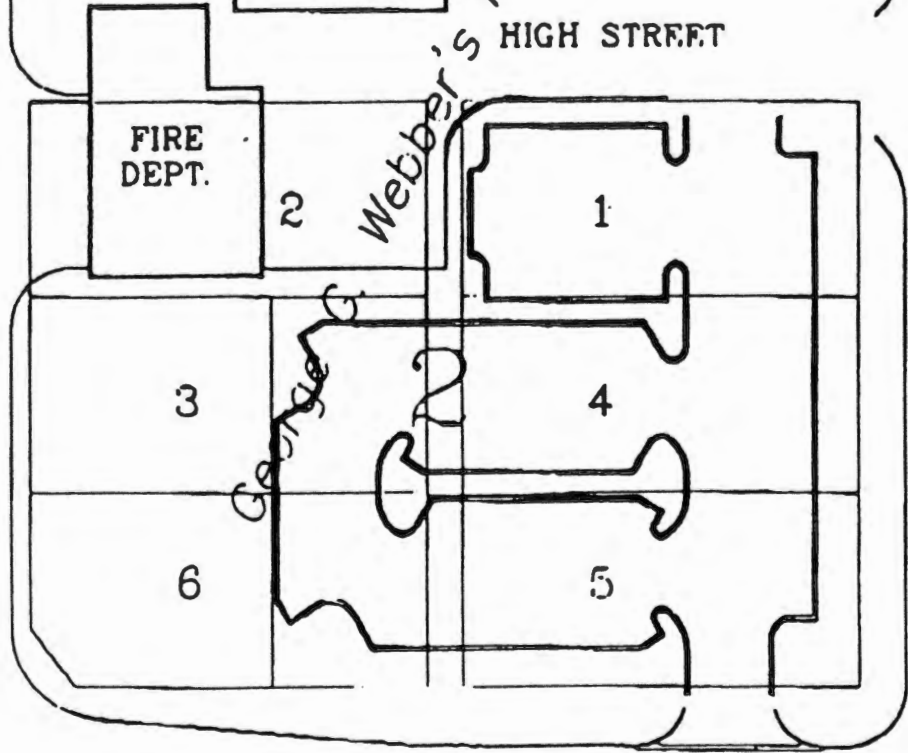
GREEN STREET



VINE STREET

URBANA AVENUE

HIGH STREET



ILLINOIS STREET

## ENVIRONMENTAL INDEMNITY

THIS ENVIRONMENTAL INDEMNITY (this "Indemnity") is given as of this \_\_\_\_ day of October, 1994 by the CITY OF URBANA (the "Indemnitor"), an Illinois municipal corporation, to the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq. (1992), as amended and supplemented (the "Lender").

### Recitals

A. The Indemnitor, concurrently with the execution and delivery of this Indemnity, is borrowing the sum of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the "Loan") from the Lender as program administrator of the Illinois Affordable, secured by the real estate legally described in **Exhibit A** attached hereto and made a part hereof, together with all improvements located or to be located on it (the real estate and improvements are hereinafter referred to as the "Premises").

B. The Lender is unwilling to make the Loan unless the Indemnitor executes and delivers this Indemnity.

NOW, THEREFORE, in consideration of the Lender's making of the Loan to the Indemnitor, the Indemnitor agrees as follows:

1. Definitions. For purposes of this Indemnity, "Hazardous Material" means: (i) "hazardous substances", as defined by the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. Sec. 9601 et seq., and the Illinois Environmental Protection Act ("Illinois Environmental Act"), 415 ILCS 5/1 et seq. (1992); (ii) "hazardous wastes", as defined by the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Sec. 6902 et seq.; (iii) any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials, or substances within the meaning of any other applicable Federal, State, or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, all as amended or hereafter amended; (iv) more than 100 gallons of crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (v) any radioactive materials, including any source, special nuclear or by-product material as defined at 42 U.S.C. Sec. 2011 et seq., as amended or hereafter amended; and (vi) asbestos in any form or condition.

2. Representations and Warranties. The Indemnitor represents and warrants to the Lender that:

(a) Compliance. The Premises (including underlying groundwater and areas leased to tenants, if any), and the use and operation thereof, are currently in compliance with all applicable Federal, State and local laws, ordinances, requirements and regulations (including consent decrees and those in connection with health, safety and protection of the environment, including those statutes, laws, regulations, and ordinances identified in Paragraph 1 hereof, all as amended and modified from time to time (collectively, "Environmental Laws")). To the best of Indemnitor's knowledge, after due and diligent inquiry, all Hazardous Materials generated or handled on the Premises have been disposed of in a lawful manner.

(b) Absence of Hazardous Material. No generation, manufacture, storage, treatment, transportation or disposal of Hazardous Material has (to the best of Indemnitor's knowledge, after due and diligent inquiry) occurred, or is occurring on or from the Premises, except as has been disclosed in writing to and approved by the Lender ("Permitted Material"). No environmental or public health or safety hazards currently exist with respect to the Premises, or the business or operations conducted thereon. No underground storage tanks (including petroleum storage tanks) are present on or under the Premises except as has been disclosed in writing to and approved by the Lender ("Permitted Tanks").

(c) Proceedings and Actions. There have been (to the best of the Indemnitor's knowledge, after due and diligent inquiry) no past, and there are no pending or (to the best of Indemnitor's knowledge) threatened: (i) actions or proceedings by any governmental agency or any other entity regarding public health risks or the environmental condition of the Premises, or the disposal or presence of Hazardous Material, or regarding any Environmental Laws; or (ii) liens or governmental actions, notices of violations, notice of noncompliance or other proceedings of any kind (except for possible building code violations to be cured by the Indemnitor in the rehabilitation of the Premises) relating to Hazardous Material or Environmental Laws that could impair the value of the Premises, or the priority of the Lender's mortgage lien thereon.

3. Indemnitors' Covenants. The Indemnitor agrees as follows:

(a) Compliance. The Premises, and the use and operation thereof, shall comply with all Environmental Laws, and all required governmental permits and licenses shall remain in effect, and the Indemnitor shall comply therewith. All Hazardous Materials present, handled or generated on the Premises will be disposed in a lawful manner. The Indemnitor will satisfy all requirements of applicable Environmental Laws for the maintenance and removal of all underground storage tanks on the Premises, if any. Without limiting the foregoing, all Hazardous Material shall be handled in compliance with all applicable Environmental Laws.

(b) Absence of Hazardous Material. Other than Permitted Material, no Hazardous Material shall be introduced to or handled on the Premises without thirty (30) days' prior written notice to the Lender.

(c) Proceedings and Actions. The Indemnitor shall immediately notify the Lender, and provide copies upon receipt, of all written complaints, claims, citations, demands, inquiries, reports or notices relating to the condition of the Premises or compliance with Environmental Laws. The Indemnitor shall promptly cure and have dismissed with prejudice any such actions and proceedings to the satisfaction of the Lender. The Indemnitor shall keep the Premises free of any lien imposed pursuant to any Environmental Laws.

(d) Environmental Audit. The Indemnitor shall provide such information and certifications that the Lender may reasonably request from time to time to insure the Indemnitor's compliance with this Indemnity. To investigate the Indemnitor's compliance with Environmental Laws and with this Indemnity, the Lender shall have the right, but no obligation, at any time to enter upon the Premises, take samples, review books and records of the Indemnitor, interview the employees and officers of the Indemnitor, and conduct similar activities. The Indemnitor shall cooperate in the conduct of such an audit.

4. Lender's Right to Rely. The Lender is entitled to rely upon the Indemnitor's representations and warranties contained in this Indemnity despite any independent investigations by the Lender or its consultants. The Indemnitor shall take reasonable actions to determine for itself, and to remain aware of, the environmental condition of the Premises, and shall have no right to rely upon any environmental investigations or findings made by the Lender or its consultants.

5. **Indemnifications.** The term "Lender's Environmental Liability" shall mean any losses, liabilities, obligations, penalties, claims, litigation demands, defenses, costs, judgments, suits, proceedings, damages (including consequential damages), disbursements or expenses of any kind or nature whatsoever related to the Premises (including reasonable attorneys' fees at trial and appellate levels and experts' fees and disbursements and expenses incurred in investigating, defending against or prosecuting any litigation, claim or proceeding) that may at any time be imposed upon, incurred by or asserted or awarded against the Lender in connection with or arising from:

(a) any Hazardous Material, on, in, under or affecting all or any portion of the Premises, the groundwater, or any surrounding areas;

(b) any misrepresentation, inaccuracy or breach of any warranty, covenant or agreement contained or referred to in this Indemnity;

(c) any violation or claim of violation by the Indemnitor of any Environmental Laws;

(d) the imposition of any lien for damages caused by or the recovery of any costs for the cleanup, release or threatened release of Hazardous Material; or

(e) any claim against the Lender under Environmental Laws, or any similar law now existing or hereafter enacted.

The Indemnitor agrees to indemnify, defend (at trial and appellate levels and with counsel acceptable to the Lender and at the Indemnitor's sole cost) and hold the Lender free and harmless from and against the Lender's Environmental Liability.

It is expressly understood and agreed that, to the extent that the Lender is strictly liable under any Environmental Laws, the Indemnitor's obligation to the Lender under this indemnity shall likewise be without regard to fault on the part of the Indemnitor with respect to the violation or condition which results in Lender's Environmental Liability.

6. **Survival.** The foregoing indemnification, defense and hold harmless obligations shall forever survive repayment of the Loan or any transfer of the Premises by foreclosure or by a deed in lieu of foreclosure in connection with any Lender's Environmental Liability.

7. **Interest.** Any amount claimed hereunder by the Lender which is not paid by the Indemnitor within thirty (30) days after written demand from the Lender shall bear interest at the rate of the lesser of nine percent (9%) per year and the highest rate permitted by law.
8. **Binding Nature.** This Indemnity and the indemnities and agreements contained herein shall be continuing, irrevocable and binding upon each of the persons and entities comprising the Indemnitor and their respective successors and assigns, and shall benefit the Lender and its successors and assigns.
9. **Governing Law.** This Indemnity shall be governed by and construed under the laws of the State of Illinois, exclusive of its conflict of laws principles, and any applicable laws of the United States of America.
10. **No Impairment.** The Indemnitor's obligations under this Indemnity shall in no way be impaired, reduced or released by reason of the Lender's omission or delay to exercise any right described herein, or any act or omission of the Lender in connection with any notice, demand, warning or claim regarding violations of codes, laws, or ordinances governing the Premises.

IN WITNESS WHEREOF, the Indemnitor has caused this Indemnity to be executed by its authorized representatives.

THE CITY OF URBANA

By: \_\_\_\_\_  
Its: \_\_\_\_\_

RBM\CLL\092094\SUBDIR:HTF019\ENVIRON.RPT(TF)



**LEGAL DESCRIPTION**  
**PARKING LOT 22**

A portion of Block 1 of George G. Webber's First Addition to the City of Urbana, more particularly described as follows:

Lots 1, 2, 4, 5, 8 and the North 7.50 feet of even width of Lot 3, all in Block 1 of George G. Webber's First Addition to the City of Urbana as shown on a plat recorded in Deed Record Book 22 at Page 376 in the Office of the Recorder, Champaign County, Illinois.

**LEGAL DESCRIPTION**  
**PARKING LOT 23**

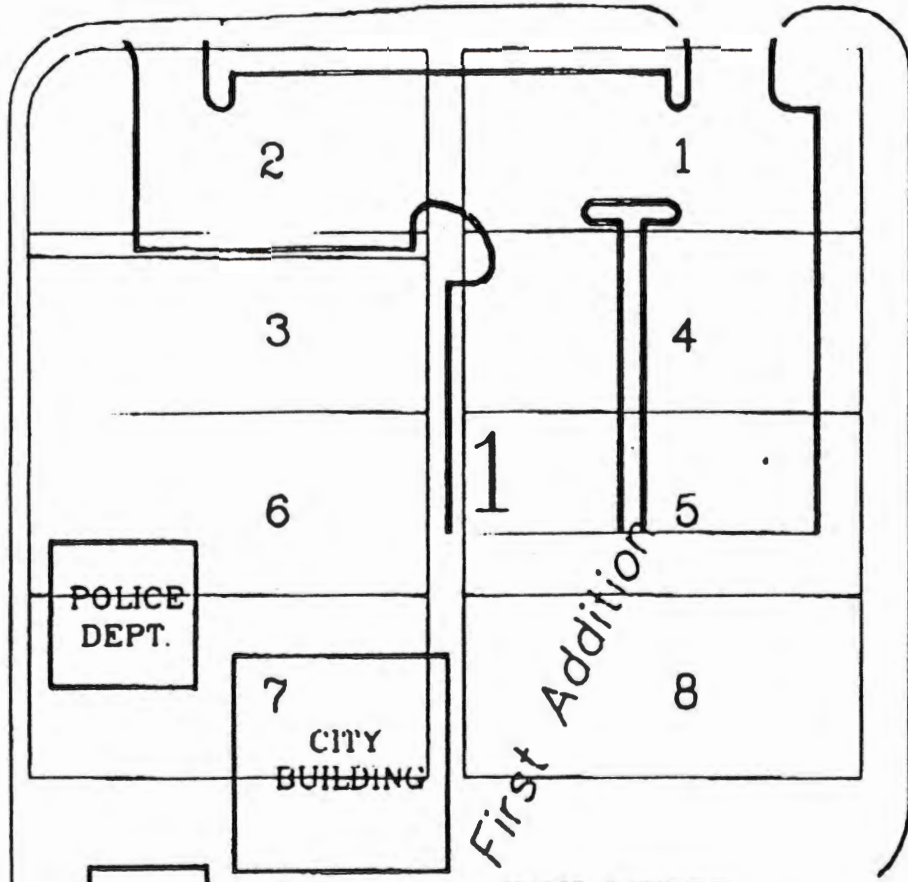
A portion of Block 2 of George G. Webber's First Addition to the City of Urbana, more particularly described as follows:

Lots 1, 4, 5 and the East 52.50 feet of even width of Lots 3 and 6, all in Block 2 of George G. Webber's First Addition to the City of Urbana, as shown on a plat recorded in Deed Record Book 22 at Page 376 in the Office of the Recorder, Champaign County, Illinois.

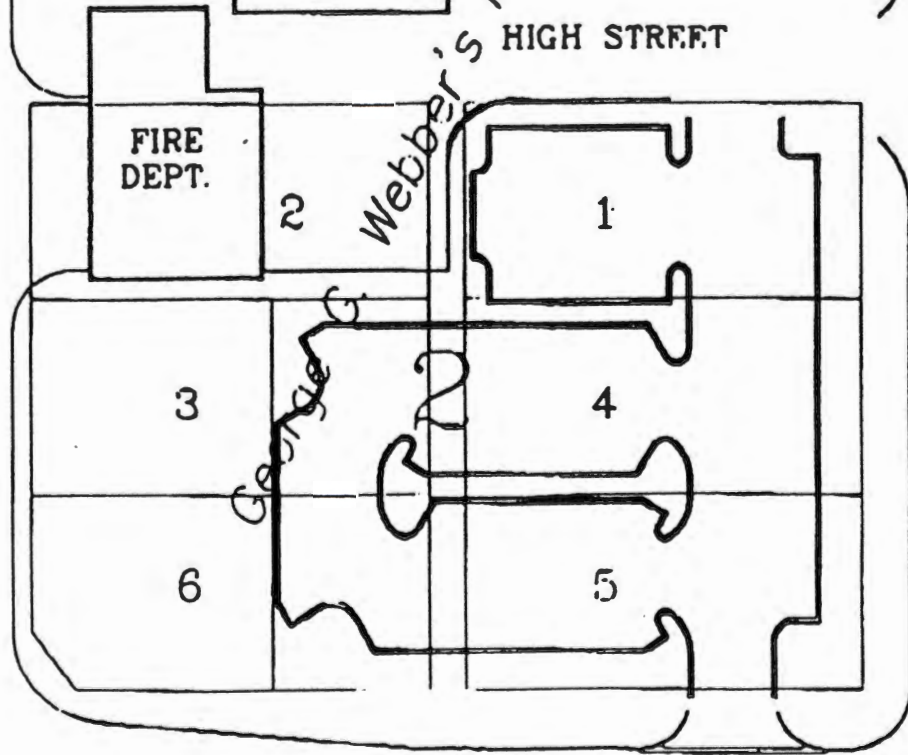
GREEN STREET

VINE STREET

URBANA AVENUE



HIGH STREET



ILLINOIS STREET