

Passed: March 06, 2017  
Signed: March 08, 2017

ORDINANCE NO. 2017-02-010

AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT WITH  
DOWNTOWN CREATIONS, LLC

(Crane Alley West - 119 W Main St)

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

Section 1. That a Redevelopment Agreement between the City of Urbana and Downtown Creations, LLC in substantially the form of the copy of said Agreement attached hereto, be and the same is hereby approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this 6<sup>th</sup> day of March, 2017.


AYES: Ammons, Brown, Jakobsson, Madigan, Marlin, Roberts, Smyth

NAYS:

ABSENT:

ABSTAINED:

APPROVED BY THE MAYOR this 8<sup>th</sup> day of March



*Phyllis D. Clark*  
Phyllis D. Clark, City Clerk

*Laurel Lunt Prussing*  
Laurel Lunt Prussing, Mayor

As Authorized by City of Urbana Ordinance No. 2017-02-010

---

---

**REDEVELOPMENT AGREEMENT**

**by and between the**

**CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS**

**and**

**DOWNTOWN CREATIONS, LLC**

Dated as of March 1, 2017

---

---

CITY OF URBANA  
RECEIVED

**APR 12 2017**

CITY CLERKS OFFICE

## TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE I      DEFINITIONS .....</b>	<b>2</b>
Section 1.1.      Definitions.....	2
Section 1.2.      Construction .....	3
<b>ARTICLE II      REPRESENTATIONS AND WARRANTIES .....</b>	<b>4</b>
Section 2.1.      Representations and Warranties of the City .....	4
(a)    Organization and Standing.....	4
(b)    Power and Authority.....	4
(c)    Authorization and Enforceability.....	4
(d)    No Violation .....	4
(e)    Governmental Consents and Approvals.....	4
Section 2.2.      Representations and Warranties of the Developer .....	4
(a)    Organization.....	4
(b)    Power and Authority .....	5
(c)    Authorization and Enforceability.....	5
(d)    No Violation .....	5
(e)    Consents and Approvals .....	5
(f)    No Proceedings or Judgments.....	5
(g)    Maintenance of Existence.....	5
Section 2.3.      Disclaimer of Warranties .....	5
Section 2.4.      Incorporation of Exhibits .....	5
<b>ARTICLE III     CONDITIONS PRECEDENT TO THE UNDERTAKINGS ON THE PART OF THE DEVELOPER AND THE CITY .....</b>	<b>6</b>
Section 3.1      Conditions Precedent .....	6
Section 3.2      Reasonable Efforts and Notice of Termination.....	6
<b>ARTICLE IV      CITY’S COVENANTS AND AGREEMENTS .....</b>	<b>6</b>
Section 4.1.      City’s TIF Funded Financial Obligations.....	6
Section 4.2.      Defense of Redevelopment Project Area .....	7
<b>ARTICLE V      DEVELOPER’S COVENANTS .....</b>	<b>8</b>
Section 5.1.      Commitment to Undertake and Complete Project .....	8
Section 5.2.      Compliance with Agreement and Laws During Project.....	8
Section 5.3.      Prevailing Wages .....	8
Section 5.4.      Continuing Compliance With Laws.....	8
Section 5.5.      Tax and Related Payment Obligations.....	8
Section 5.6.      Businesses Owned by Minorities and Females .....	9

<b>ARTICLE VI</b>	<b>PAYMENT PROCEDURES FOR ELIGIBLE REDEVELOPMENT</b>	
	<b>PROJECT COSTS</b> .....	9
Section 6.1.	Payment Procedures.....	9
Section 6.2.	Approval and Resubmission of Requisitions .....	9
Section 6.3.	Time of Payment.....	10
<b>ARTICLE VII</b>	<b>DEFAULTS AND REMEDIES</b> .....	10
Section 7.1.	Events of Default.....	10
Section 7.2.	Rights to Cure .....	10
Section 7.3.	Remedies .....	11
Section 7.4.	Costs, Expenses and Fees.....	11
<b>ARTICLE VIII</b>	<b>RELEASE, DEFENSE AND INDEMNIFICATION OF CITY</b> .....	11
Section 8.1.	Declaration of Invalidity .....	11
Section 8.2.	Damage, Injury or Death Resulting from Project .....	12
Section 8.3.	Damage or Injury to Developer and Others .....	12
Section 8.4.	No Personal Liability .....	12
Section 8.5.	City Not Liable for Developer Obligations.....	12
Section 8.6.	Actions or Obligations of Developer .....	12
Section 8.7.	Environment Covenants.....	13
Section 8.8.	Notification of Claims.....	13
<b>ARTICLE IX</b>	<b>MISCELLANEOUS PROVISIONS</b> .....	14
Section 9.1.	Entire Agreement and Amendments .....	14
Section 9.2.	Third Parties .....	14
Section 9.3.	Counterparts .....	14
Section 9.4.	Special and Limited Obligation.....	14
Section 9.5.	Time and Force Majeure .....	14
Section 9.6.	Waiver.....	14
Section 9.7.	Cooperation and Further Assurances .....	14
Section 9.8.	Notices and Communications.....	15
Section 9.9.	Assignment.....	15
Section 9.10.	Successors in Interest .....	16
Section 9.11.	No Joint Venture, Agency, or Partnership Created.....	16
Section 9.12.	Illinois Law; Venue.....	16
Section 9.13.	Term .....	16
Section 9.14.	Construction of Agreement.....	16

**EXHIBIT LIST**

EXHIBIT A	Promissory Note
EXHIBIT B	Personal Guaranties
EXHIBIT C	Description of Property

## REDEVELOPMENT AGREEMENT

**THIS REDEVELOPMENT AGREEMENT** (including any exhibits and attachments hereto, collectively, this “**Agreement**”) is dated for reference purposes only as of March 1, 2017, but actually executed by each of the parties on the dates set forth beneath their respective signatures below, by and between the **City of Urbana, Champaign County, Illinois**, an Illinois municipal corporation (the “**City**”), and **Downtown Creations, LLC**, an Illinois limited liability company (the “**Developer**”). This Agreement shall become effective upon the date of the last of the City and the Developer to execute and date this Agreement and deliver it to the other (the “**Effective Date**”).

### RECITALS

**WHEREAS**, in accordance with and pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as supplemented and amended (the “**TIF Act**”), including by the power and authority of the City as a home rule unit under Section 6 of Article VII of the Constitution of Illinois, the City Council of the City (the “**Corporate Authorities**”) adopted a series of ordinances (Ordinance Nos. 2016-09-084, 2016-09-085 and 2016-09-086 on October 17, 2016) including as supplemented and amended (collectively, the “**TIF Ordinances**”); and

**WHEREAS**, under and pursuant to the TIF Act and the TIF Ordinances, the City designated the Central Tax Increment Redevelopment Project Area (the “**Redevelopment Project Area**”) and approved the related redevelopment plan, as supplemented and amended (the “**Redevelopment Plan**”), including the redevelopment projects described in the Redevelopment Plan (collectively, the “**Redevelopment Projects**”); and

**WHEREAS**, as contemplated by the Redevelopment Plan and the Redevelopment Projects, the Developer proposes to undertake (or cause to be undertaken) the Project (including related and appurtenant facilities as more fully defined below); and

**WHEREAS**, the Property (as defined below) is within the Redevelopment Project Area; and

**WHEREAS**, the Developer intends to undertake the Project at an estimated cost of \$400,000 with the goal of achieving full commercial use of the Property; and

**WHEREAS**, the Developer is unwilling to undertake the Project without certain tax increment finance incentives from the City, which the City is willing to provide; and

**WHEREAS**, the City has determined that it is desirable and in the City’s best interests to assist the Developer in the manner set forth herein in this Agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:

**ARTICLE I**  
**DEFINITIONS**

**Section 1.1. Definitions.** For purposes of this Agreement and unless the context clearly requires otherwise, the capitalized words, terms and phrases used in this Agreement shall have the meaning provided in the above Recitals and from place to place herein, including as follows:

**“Eligible Redevelopment Project Costs”** means those costs paid and incurred in connection with the Project which are authorized to be reimbursed or paid from the Fund as a loan as provided in Section 5/11-74.4-3(q) (2) and (3) of the TIF Act, including the rehabilitation, reconstruction, repair or remodeling of an existing building upon the Property.

**“Finance Director”** means the Finance Director of the City, or his or her designee.

**“Fund”** means, collectively, the “Special Tax Allocation Fund” for the Redevelopment Project Area established under Section 5/11-74.4-8 of the TIF Act and the TIF Ordinances.

**“Incremental Property Taxes”** means, net of all amounts required by operation of the TIF Act to be paid to other taxing districts, including as surplus, in each calendar year during the term of this Agreement, the portion of the ad valorem real estate taxes arising from levies upon the Redevelopment Project Area by taxing districts that is attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real estate within the Redevelopment Project Area over the equalized assessed value of each taxable lot, block, tract or parcel of real estate within the Redevelopment Project Area which, pursuant to the TIF Ordinances and Section 5/11-74.4-8(b) of the TIF Act, will be allocated to and when collected shall be paid to the Finance Director for deposit by the Finance Director into the Fund established to pay Eligible Redevelopment Project Costs and other redevelopment project costs as authorized under Section 5/11-74.4-3(q) of the TIF Act.

**“Loan Advances”** means, collectively, the amount of proceeds to be advanced by the City in connection with the Redevelopment Loan to or at the direction of the Developer under and pursuant to Section 4.1(a) of this Agreement.

**“Loan Documents”** means, collectively, the form of the Promissory Note attached hereto as Exhibit A and the form of each Personal Guaranty attached hereto as Exhibit B.

**“Phase Completion Dates”** mean the dates on which each phase of the Project is deemed completed as evidenced by a certificate of occupancy issued by the Building Safety Manager of the City in connection with Phases I, II and III of the Project.

**“Prevailing Wage Act”** means the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) of the State of Illinois, the material terms of which require all contractors and subcontractors to pay all laborers, workers and mechanics performing work on any “public works” (as therein defined) no less than the current “prevailing rate of wages” (hourly cash wages plus fringe benefits) applicable to the county where performed and to comply with all notice, recordkeeping and filing duties.

**“Project”** means, collectively, the rehabilitation, reconstruction, repair or remodeling of the building upon the Property to include:

- (i) a tenanted bar and/or restaurant on the first story of the building upon the Property with an adjoining outdoor beer garden (**“Phase I”**),
- (ii) subject to the approval of the City Engineer, improvements to the immediately adjacent City-owned right-of-way and parking deck to provide for a safe, visually appealing and publically accessible beer garden and event space (**“Phase II”**), and
- (iii) the addition of an upper story mezzanine to the interior of the building upon the Property which is accessible to bar and/or restaurant patrons and/or the addition of an upper story balcony to the exterior of the building upon the Property which is accessible to beer garden patrons (**“Phase III”**);

provided, however, that Phase III shall be undertaken, if at all, in the sole and absolute discretion of the Developer.

**“Project Commencement Dates”** means, as applicable, December 31, 2017, the date on or before which construction of Phases I or II of the Project are to commence, and December 31, 2019, the date on or before which Phase III of the Project is to commence.

**“Project Completion Date”** means, subject to “unavoidable delays” as described in Section 9.5 of this Agreement, the date on which the Project is completed as evidenced by a certificate of occupancy for the entire Project issued by the Building Safety Manager of the City, but in no event shall such date be later than December 31, 2021.

**“Property”** means, the real estate consisting of the parcel commonly known as 119 West Main Street, Urbana, Illinois and legally described on Exhibit C hereto, upon or within which the Project is to be undertaken and completed.

**“Redevelopment Loan”** means a loan to be provided by the City to the Developer in the not to exceed principal amount, at the interest rate and due and payable as specified in Section 4.1(a) of this Agreement.

**“Requisition”** means a request by the Developer for a payment or reimbursement of Eligible Redevelopment Project Costs pursuant to the procedures set forth in Article VI of this Agreement.

**“TIF Financing”** means financing arrangements to or for the benefit of a developer arising out of the TIF Act which pay or reimburse redevelopment project costs in whole or in part.

**Section 1.2. Construction.** This Agreement, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

- (a) definitions include both singular and plural.
- (b) pronouns include both singular and plural and cover all genders; and

- (c) headings of sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.
- (d) all exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the context of use where mentioned and referenced in this Agreement.

## **ARTICLE II**

### **REPRESENTATIONS AND WARRANTIES**

**Section 2.1. Representations and Warranties of the City.** In order to induce the Developer to enter into this Agreement, the City hereby makes certain representations and warranties to the Developer, as follows:

(a) **Organization and Standing.** The City is a home rule municipality duly organized, validly existing and in good standing under the Constitution and laws of the State of Illinois.

(b) **Power and Authority.** The City has full power and authority to execute and deliver this Agreement and to perform all of its agreements, obligations and undertakings hereunder.

(c) **Authorization and Enforceability.** The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on the part of the City's Corporate Authorities. This Agreement is a legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms, except to the extent that any and all financial obligations of the City under this Agreement shall be limited to the availability of such Incremental Property Taxes therefor as may be specified in this Agreement and that such enforceability may be further limited by laws, rulings and decisions affecting remedies, and by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforceability of debtors' or creditors' rights, and by equitable principles.

(d) **No Violation.** Neither the execution nor the delivery of this Agreement or the performance of the City's agreements, obligations and undertakings hereunder will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of any agreement, rule, regulation, statute, ordinance, judgment, decree, or other law by which the City may be bound.

(e) **Governmental Consents and Approvals.** No consent or approval by any other governmental authority is required in connection with the execution and delivery by the City of this Agreement or the performance by the City of its obligations hereunder.

**Section 2.2. Representations and Warranties of the Developer.** In order to induce the City to enter into this Agreement, the Developer makes the following representations and warranties to the City:

(a) **Organization.** The Developer is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois.



(b) **Power and Authority.** The Developer has full power and authority to execute and deliver this Agreement and to perform all of its agreements, obligations and undertakings hereunder.

(c) **Authorization and Enforceability.** The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on the part of the Developer's members. This Agreement is a legal, valid and binding agreement, obligation and undertaking of the Developer, enforceable against the Developer in accordance with its terms, except to the extent that such enforceability may be limited by laws, rulings and decisions affecting remedies, and by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforceability of debtors' or creditors' rights, and by equitable principles.

(d) **No Violation.** Neither the execution nor the delivery or performance of this Agreement will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or declare a default under any contract, agreement, lease, license or instrument or any rule, regulation, statute, ordinance, judicial decision, judgment, decree or other law to which the Developer is a party or by which the Developer or any of its assets may be bound.

(e) **Consents and Approvals.** No consent or approval by any governmental authority or by any other person or entity is required in connection with the execution and delivery by the Developer of this Agreement or the performance by the Developer of its obligations hereunder.

(f) **No Proceedings or Judgments.** There is no claim, action or proceeding now pending, or to the best of its knowledge, threatened, before any court, administrative or regulatory body, or governmental agency (1) to which the Developer is a party and (2) which will, or could, prevent the Developer's performance of its obligations under this Agreement.

(g) **Maintenance of Existence.** During the term of this Agreement, the Developer shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence as an Illinois limited liability company.

**Section 2.3. Disclaimer of Warranties.** The City and the Developer acknowledge that neither has made any warranties to the other except as set forth in this Agreement. The City hereby disclaims any and all warranties with respect to the Property and the Project, express or implied, including, without limitation, any implied warranty of fitness for a particular purpose or merchantability or sufficiency of the Incremental Property Taxes for the purposes of this Agreement. Nothing has come to the attention of the Developer to question the assumptions or conclusions or other terms and provisions of any projections of Incremental Property Taxes, and the Developer assumes all risks in connection with the practical realization of any such projections of Incremental Property Taxes.

**Section 2.4. Incorporation of Exhibits.** This Agreement and the Loan Documents shall be deemed and construed as a single Agreement between the parties.

**ARTICLE III**  
**CONDITIONS PRECEDENT TO THE UNDERTAKINGS**  
**ON THE PART OF THE DEVELOPER AND THE CITY**

**Section 3.1. Conditions Precedent.** The undertakings on the part of the City as set forth in this Agreement are expressly contingent upon each of the following:

- (a) **Lease.** The Developer shall have entered into a lease agreement with the owner of the Property and shall have permission under the terms of such lease or otherwise to undertake the Project and perform its obligations under this Agreement.
- (b) **Project Budget.** The Developer shall have delivered to the City an itemized list of any and all estimated costs to complete the Project (the “**Project Budget**”) in accordance with such final development plans as may be approved by the City;
- (c) **Ability to Pay.** The Developer shall have provided evidence, in a commercially reasonable form satisfactory to the City, of its ability to pay for the costs of the Project, as itemized in the Project Budget;
- (d) **Construction Schedule.** The Developer shall have delivered to the City a detailed construction schedule for the commencement and completion of each significant phase for completing the Project which shall include the Project Commencement Dates and the Project Completion Date; and
- (e) **City Approvals.** The Developer shall have obtained approval of each phase of the Project in accordance with all applicable laws, codes, rules, regulations and ordinances of the City, including without limitation all applicable subdivision, zoning, environmental, building code or any other land use regulations (collectively, the “**City Codes**”), including the issuance of all required permits, it being understood that the City in its capacity as a municipal corporation has discretion to approve the issuance of any such permits.

**Section 3.2. Reasonable Efforts and Notice of Termination.** The Developer shall use due diligence to timely satisfy the conditions set forth in Section 3.1 above on or before each of the applicable Project Commencement Dates, but if such conditions are not so satisfied or waived by the City, then the City may terminate this Agreement by giving written notice thereof to the Developer. In the event of such termination, this Agreement shall be deemed null and void and of no force or effect and neither the City nor the Developer shall have any obligation or liability with respect thereto.

**ARTICLE IV**  
**CITY'S COVENANTS AND AGREEMENTS**

**Section 4.1. City's TIF Funded Financial Obligations.** The City shall have the obligations set forth in this Section 4.1 relative to financing Eligible Redevelopment Project Costs in connection with the Project. Upon the submission to the City by the Developer of a Requisition for Eligible Redevelopment Project Costs incurred and paid and the approval thereof by the City in accordance with Article VI of this Agreement, the City, subject to the terms, conditions and

limitations set forth in this Section 4.1 immediately below, agrees to reimburse the Developer, or to pay as directed by the Developer, from the Fund the Loan Advances related to Project at the Property as follows:

- (a) **Redevelopment Loan Financing.** Upon satisfaction by the Developer of all of the applicable conditions precedent for each phase of the Project as set forth in Section 3.1 of this Agreement and the execution and delivery by the Developer of the Loan Documents, the City shall provide to the Developer Loan Advances in connection with the Redevelopment Loan. The Redevelopment Loan shall be a straight line of credit in the principal amount of up to \$92,000, shall bear interest at a non-default rate of -0%- per annum, and shall be due and payable upon demand on the day immediately following the date occurring two years from and after the Project Completion Date. The applicable proceeds of the Redevelopment Loan shall be made available to the Developer upon the completion of each of the Phase Completion Dates at the times specified in Section 6.3 of this Agreement in the form of Loan Advances payable to or at the direction of the Developer, in accordance with the following schedule:
- i. **Phase I:** an amount equal to twenty percent (20%) of the Eligible Redevelopment Costs up to a maximum amount of Forty-Four Thousand Dollars (\$44,000);
  - ii. **Phase II:** an amount equal to one-hundred percent (100%) of the Eligible Redevelopment Costs up to a maximum amount of Fifteen Thousand Dollars (\$15,000); and
  - iii. **Phase III:** an amount equal to twenty percent (20%) of the Eligible Redevelopment Costs up to a maximum of Thirty-Three Thousand Dollars (\$33,000).
- (b) **Loan Forgiveness.** Anything to the contrary in the Loan Documents notwithstanding, in the event the Developer completes the Project on or before the Project Completion Date and thereafter conducts productive business operations on the Property in the manner contemplated by the Project and in full compliance with Sections 5.2, 5.4 and 5.5 for a period of two continuous years immediately thereafter, and if no "Default" under Section 7.1 of this Agreement by the Developer has then occurred and is continuing, the Redevelopment Loan shall be deemed fully paid and discharged.

**Section 4.2. Defense of Redevelopment Project Area.** In the event that any court or governmental agency having jurisdiction over enforcement of the TIF Act and the subject matter contemplated by this Agreement shall determine that this Agreement, including the payment of the Loan Advances to be paid or reimbursed by the City is contrary to law, or in the event that the legitimacy of the Redevelopment Project Area is otherwise challenged before a court or governmental agency having jurisdiction thereof, the City will defend the integrity of the Redevelopment Project Area and this Agreement.

**ARTICLE V**  
**DEVELOPER'S COVENANTS**

**Section 5.1. Commitment to Undertake and Complete the Project.** The Developer covenants and agrees to commence the applicable Phases of the Project on or before the Project Commencement Dates and to have the Project completed on or before the Project Completion Date. The Developer recognizes and agrees that the City has sole discretion with regard to all approvals and permits relating to the Project, including but not limited to approval of any required permits and any failure on the part of the City to grant or issue any such required permit shall not give rise to any claim against or liability of the City pursuant to this Agreement. The City agrees, however, that any such approvals shall be made in conformance with the applicable City Codes and shall not be unreasonably denied, withheld, conditioned or delayed.

**Section 5.2. Compliance with Agreement and Laws During Construction** The Developer shall at all times undertake the Project, including any related activities in connection therewith, in conformance with this Agreement and all applicable federal and state laws, rules and regulations and all City Codes.

**Section 5.3. Prevailing Wages.** The Developer acknowledges that the Illinois Department of Labor currently takes the position as a matter of its enforcement policy that the TIF financing of the Project under this Agreement does not subject the Project to the Prevailing Wage Act unless the Project also receives funding from another public source. The City makes no representation as to any such application of the Prevailing Wage Act to the Project, and any failure by the Developer to comply with the Prevailing Wage Act, if and to the extent subsequently found to be applicable by any legal authority having jurisdiction, shall not be deemed a "Default" under this Agreement. Notwithstanding the foregoing sentence, the Developer agrees to assume all responsibility for any such compliance (or noncompliance) with the Prevailing Wage Act in connection with the Project under this Agreement in the event of any action by any party to enforce its provisions.

**Section 5.4. Continuing Compliance with Laws.** The Developer agrees that in the continued use, occupation, operation and maintenance of the Property, the Developer will comply with all applicable federal and state laws, rules, regulations and all applicable City Codes and other ordinances.

**Section 5.5. Tax and Related Payment Obligations.** The Developer agrees to pay and discharge, promptly and when the same shall become due, all general ad valorem real estate taxes and assessments, all applicable interest and penalties thereon, and all other charges and impositions of every kind and nature which may be levied, assessed, charged or imposed upon the Property or any part thereof that at any time shall become due and payable upon or with respect to, or which shall become liens upon, any part of the Property. The Developer, including any others claiming by or through it, also hereby covenants and agrees not to file any application for property tax exemption for any part of the Property or the Project or any part thereof under any applicable provisions of the Property Tax Code of the State of Illinois (35 ILCS 200/1-1 et seq.), as supplemented and amended, unless the City and the Developer shall otherwise have first entered into a mutually acceptable agreement under and by which the Developer shall have agreed to make a payment in lieu of taxes to the City, it being mutually acknowledged and understood by both the City and the Developer that any such payment of taxes (or payment in lieu thereof) by the Developer is a material part of the consideration under and by which the City has entered into this

Agreement. This covenant of the Developer shall be a covenant that runs with the land being the Property upon which the Project is undertaken and shall be and remain in full force and effect during the term of this Agreement and following its expiration or termination, as the case may be, until December 31, 2042, upon which date this covenant shall terminate and be of no further force or effect (and shall cease as a covenant binding upon or running with the land) immediately, and without the necessity of any further action by City or Developer or any other party; provided, however, upon request of any party in title to the Property, the City shall execute and deliver to such party an instrument, in recordable form, confirming for the record that this covenant has terminated and is no longer in effect. Nothing contained within this Section 5.5 shall be construed, however, to prohibit the Developer from initiating and prosecuting at its own cost and expense any proceedings permitted by law for the purpose of contesting the validity or amount of taxes, assessments, charges or other impositions levied or imposed upon the Property or any part thereof, provided that the Developer shall first have given to the City written notice of its intent to do so at least forty-five (45) days prior to initiating any such proceedings.

**Section 5.6. Businesses Owned by Minorities and Females.** It is the policy of the Corporate Authorities of the City to promote and encourage the use by the Developer of businesses owned by “minorities” and “females” (as such terms are defined in the Business Enterprise for Minorities, Females and Persons with Disabilities Act) in connection with the Project. Toward this end, the Developer shall establish goals for contracting with businesses owned by minorities and females, including a plan by which the Developer intends to meet these goals, and shall submit such plan to the staff of the City for administrative review and approval.

## **ARTICLE VI**

### **PAYMENT PROCEDURES FOR ELIGIBLE REDEVELOPMENT PROJECT COSTS**

**Section 6.1. Payment Procedures.** The City and the Developer agree that the Eligible Redevelopment Project Costs constituting the Loan Advances shall be paid solely, and to the extent available, from Incremental Property Taxes that are deposited in the Fund and not otherwise. The City and the Developer intend and agree that the Loan Advances shall be disbursed by the Finance Director for payment to the Developer in accordance with the procedures set forth in this Section 6.1 of this Agreement.

The City hereby designates the Finance Director as its representative to coordinate the authorization of disbursement of the Loan Advances for the Eligible Redevelopment Project Costs. Payments to the Developer of the Loan Advances for Eligible Redevelopment Project Costs shall be made upon request therefor, in form reasonably acceptable to the City (each being a “**Requisition**”) submitted by the Developer upon completion of the Eligible Redevelopment Project Costs which have been incurred and paid. Each such Requisition shall be accompanied by appropriately supporting documentation, including, as applicable, receipts for paid bills or statements of suppliers, contractors or professionals, together with required contractors’ and materialmen’s partial and final affidavits or lien waivers, as the case may be.

**Section 6.2. Approval and Resubmission of Requisitions.** The Finance Director shall give the Developer written notice disapproving any of the Requisitions within ten (10) days after receipt thereof. No such approval shall be denied except on the basis that (i) all or some part of the Requisition does not constitute Eligible Redevelopment Project Costs or has not otherwise been sufficiently documented as specified in Section 6.1 of this Agreement; (ii) any subsequent

amendment of the TIF Act or any subsequent decision of a court of competent jurisdiction makes any such payment to not be authorized; or (iii) a "Default" under Section 7.1 of this Agreement by the Developer has occurred and is continuing.. If a Requisition is disapproved by such Finance Director, the reasons for disallowance will be set forth in writing and the Developer may resubmit any such Requisition with such additional documentation or verification as may be required, if that is the basis for denial. The same procedures set forth herein applicable to disapproval shall apply to such resubmittals.

**Section 6.3. Time of Payment.** Provided that performance of this Agreement has not been suspended or terminated by the City under Article VII hereof, the City shall pay any Loan Advances attributable to each phase of the Project which is approved by any one or more Requisitions under this Article to the Developer within twenty-one (21) calendar days after (i) each Phase Completion Date, and (ii) the approval of any such Requisition(s) applicable thereto, whichever in (i) and (ii) occurs last.

## **ARTICLE VII DEFAULTS AND REMEDIES**

**Section 7.1. Events of Default.** The occurrence of any one or more of the events specified in this Section 7.1 shall constitute a "Default" under this Agreement.

**By the Developer:**

(1) The furnishing or making by or on behalf of the Developer of any statement or representation in connection with or under this Agreement that is false or misleading in any material respect;

(2) The failure by the Developer to timely perform any term, obligation, covenant or condition contained in this Agreement and/or the Loan Documents;

**By the City:**

(1) The failure by the City to pay any of the Loan Advances which become due and payable in accordance with the provisions of this Agreement; and

(2) The failure by the City to timely perform any other term, obligation, covenant or condition contained in this Agreement.

**Section 7.2. Rights to Cure.** The party claiming a Default under Section 7.1 of this Agreement (the "Non-Defaulting Party") shall give written notice of the alleged Default to the other party (the "Defaulting Party") describing the nature of the Default complained of and the term or provision of this Agreement which the Non-Defaulting Party believes is in default. Except as required to protect against immediate, irreparable harm, the Non-Defaulting Party may not institute proceedings or otherwise exercise any right or remedy against the Defaulting Party until thirty (30) days after having given such notice, provided that in the event a Default is of such nature that it will take more than thirty (30) days to cure or remedy, such Defaulting Party shall have an additional period of time reasonably necessary to cure or remedy such Default provided that such Defaulting Party promptly commences and diligently pursues such cure or remedy. During any such period following the giving of notice, the Non-Defaulting party may suspend performance under this Agreement until the Non-Defaulting Party receives written assurances from the

Defaulting Party, deemed reasonably adequate by the Non-Defaulting Party, that the Defaulting Party will cure or remedy or has cured or remedied the Default and remain in compliance with its obligations under this Agreement. A Default not cured or remedied or otherwise commenced and diligently pursued within thirty (30) days as provided above shall constitute a “**Breach**” under this Agreement. Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any Default or any Breach shall not operate as a waiver of any such Default, Breach or of any other rights or remedies it may have as a result of such Default or Breach.

**Section 7.3. Remedies.** Upon the occurrence of a Breach under this Agreement by the Developer, the City shall have the right to terminate this Agreement by giving written notice to the Developer of such termination and the date such termination is effective. Except for such right of termination by the City, the only other remedy available to either party upon the occurrence of a Breach under this Agreement by the Defaulting Party shall be to institute such proceedings as may be necessary or desirable in its opinion to cure or remedy such Breach, including but not limited to proceedings to compel any legal action for specific performance, or other appropriate equitable relief. Notwithstanding anything herein to the contrary, the sole remedy of the Developer upon the occurrence of an Breach by the City under any of the terms and provisions of this Agreement shall be to institute legal action against the City for specific performance or other appropriate equitable relief and under no circumstances shall the City be liable to the Developer for any indirect, special, consequential or punitive damages, including without limitation, loss of profits or revenues, loss of business opportunity or production, cost of capital, claims by customers, fines or penalties, whether liability is based upon contract, warranty, negligence, strict liability or otherwise, under any of the provisions, terms and conditions of this Agreement. In the event that any failure of the City to pay any Loan Advances which become due and payable in accordance with the provisions hereof is due to insufficient Incremental Property Taxes being available to the City, any such failure shall not be deemed to be a Default or a Breach on the part of the City.

**Section 7.4. Costs, Expenses and Fees.** Upon the occurrence of a Default or Breach which requires either party to undertake any action to enforce any provision of this Agreement, the Defaulting Party shall pay upon demand all of the Non-Defaulting Party’s charges, costs and expenses, including the reasonable fees of attorneys, agents and others, as may be paid or incurred by such Non-Defaulting Party in enforcing any of the Defaulting Party’s obligations under this Agreement or in any litigation, negotiation or transaction in connection with this Agreement in which the Defaulting Party causes the Non-Defaulting Party, without the Non-Defaulting Party’s fault, to become involved or concerned.

## **ARTICLE VIII**

### **RELEASE, DEFENSE AND INDEMNIFICATION OF CITY**

**Section 8.1. Declaration of Invalidity.** Notwithstanding anything herein to the contrary, the City, its Corporate Authorities, elected and appointed officials, agents, employees and independent contractors shall not be liable to the Developer for damages of any kind or nature whatsoever or otherwise in the event that all or any part of the TIF Act, or any of the TIF Ordinances or other ordinances of the City adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, shall be declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from

performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof; provided that nothing in this Section 8.1 shall limit otherwise permissible claims by the Developer against the Fund or actions by the Developer seeking specific performance of this Agreement or other relevant contracts, if any, in the event of a Breach of this Agreement by the City.

**Section 8.2. Damage, Injury or Death Resulting from Project.** The Developer releases from and covenants and agrees that the City and its Corporate Authorities, elected and appointed officials, agents, employees and independent contractors shall not be liable for, and agrees to indemnify, defend, and hold harmless the City, its Corporate Authorities, elected and appointed officials, agents, employees and independent contractors thereof against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from the Project, except as such may be caused by the intentional conduct, gross negligence, negligence or other acts or omissions of the City, its Corporate Authorities, officials, agents, employees or independent contractors that are contrary to the provisions of this Agreement.

**Section 8.3. Damage or Injury to Developer and Others.** The City and its Corporate Authorities, elected and appointed officials, agents, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or any of its officers, agents, independent contractors or employees or of any other person who may be about the Property or the Project due to any act of negligence of any person, except as such may be caused by the intentional misconduct, gross negligence, or acts or omissions of the City, its Corporate Authorities, officials, agents, employees, or independent contractors that are contrary to the provisions of this Agreement.

**Section 8.4. No Personal Liability.** All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its Corporate Authorities, officials, agents, employees or independent contractors in their individual capacities. No member of the Corporate Authorities, elected or appointed officials, agents, employees or independent contractors of the City shall be personally liable to the Developer (i) in the event of a Default or Breach by any party under this Agreement, or (ii) for the payment of any Loan Advances which may become due and payable under the terms of this Agreement.

**Section 8.5. City Not Liable for Developer Obligations.** Notwithstanding anything herein to the contrary, the City shall not be liable to the Developer for damages of any kind or nature whatsoever arising in any way from this Agreement, from any other obligation or agreement made in connection therewith or from any Default or Breach under this Agreement; provided that nothing in this Section 8.5 shall limit otherwise permissible claims by the Developer against the Fund or actions by the Developer seeking specific performance of this Agreement or other relevant contracts in the event of a Breach of this Agreement by the City.

**Section 8.6. Actions or Obligations of Developer.** The Developer agrees to indemnify, defend and hold harmless the City, its Corporate Authorities, elected and appointed officials, agents, employees and independent contractors, from and against any and all suits, claims and cost of attorneys' fees, resulting from, arising out of, or in any way connected with (i) any of the Developer's obligations under or in connection with this Agreement, (ii) the construction or installation of the Project, (iii) the Developer's compliance with the Prevailing Wage Act if, as, and



when applicable to the Project and (iv) the negligence or willful misconduct of the Developer, its officials, agents, employees or independent contractors in connection with the Project, except as such may be caused by the intentional conduct, gross negligence, negligence or breach of this Agreement by the City, its Corporate Authorities, officials, agents, employees or independent contractors.

**Section 8.7. Environmental Covenants.** To the extent permitted by law, the Developer agrees to indemnify, defend, and hold harmless the City, its Corporate Authorities, officials, agents, employees and independent contractors, from and against any and all claims, demands, costs, liabilities, damages or expenses, including attorneys' and consultants' fees, investigation and laboratory fees, court costs and litigation expenses, arising from: (i) any release or threat of a release, actual or alleged, of any hazardous substances, upon or about the Property or respecting any products or materials previously, now or thereafter located upon, delivered to or in transit to or from the Property regardless of whether such release or threat of release or alleged release or threat of release has occurred prior to the date hereof or hereafter occurs and regardless of whether such release occurs as a result of any act, omission, negligence or misconduct of the City or any third party or otherwise; (ii) (A) any violation now existing (actual or alleged) of, or any other liability under or in connection with, any environmental laws relating to or affecting the Property, or (B) any now existing or hereafter arising violation, actual or alleged, or any other liability, under or in connection with, any environmental laws relating to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Property, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen prior to the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises, as the result of any act, omission, negligence or misconduct of the City or any third party or otherwise; (iii) any assertion by any third party of any claims or demands for any loss or injury arising out of, relating to or in connection with any hazardous substances on or about or allegedly on or about the Property; or (iv) any breach, falsity or failure of any of the representations, warranties, covenants and agreements of the like. For purposes of this paragraph, "hazardous materials" includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§ 5101 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 6901 et seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule, or regulation.

**Section 8.8. Notification of Claims.** Not later than thirty (30) days after the Developer becomes aware, by written or other overt communication, of any pending or threatened litigation, claim or assessment, the Developer will, if a claim in respect thereof is to be made against the Developer which affects any of the Developer's rights or obligations under this Agreement, notify the City of such pending or threatened litigation, claim or assessment, but any omission so to notify the City will not relieve the Developer from any liability which it may have to the City under this Agreement.

**ARTICLE IX**  
**MISCELLANEOUS PROVISIONS**

**Section 9.1. Entire Agreement and Amendments.** This Agreement (together with Exhibits A and B attached hereto) constitutes the entire agreement by and between the City and the Developer relating to the subject matter hereof. This Agreement supersedes all prior and contemporaneous negotiations, understandings and agreements, whether written or oral, and may not be modified or amended except by a written instrument executed by both of the parties.

**Section 9.2. Third Parties.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the City and the Developer and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation or liability of any third persons to either the City or the Developer, nor shall any provision give any third parties any rights of subrogation or action over or against either the City or the Developer. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

**Section 9.3. Counterparts.** Any number of counterparts of this Agreement may be executed and delivered and each shall be considered an original and together they shall constitute one agreement.

**Section 9.4. Special and Limited Obligation.** This Agreement shall constitute a special and limited obligation of the City according to the terms hereof. This Agreement shall never constitute a general obligation of the City to which its credit, resources or general taxing power are pledged. The City pledges to the payment of its obligations under Section 4.1 hereof only such amount of the Incremental Property Taxes as is set forth in Section 4.1 hereof, if, as and when received, and not otherwise.

**Section 9.5. Time and Force Majeure.** Time is of the essence of this Agreement; provided, however, neither the Developer nor the City shall be deemed in Default with respect to any performance obligations under this Agreement on their respective parts to be performed if any such failure to timely perform is due in whole or in part to the following (which also constitute "unavoidable delays"): any strike, lock-out or other labor disturbance (whether legal or illegal, with respect to which the Developer, the City and others shall have no obligations hereunder to settle other than in their sole discretion and business judgment), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruption of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, acts of terrorism, war, fuel shortages, accidents, casualties, acts of God or third parties, or any other cause beyond the reasonable control of the Developer or the City.

**Section 9.6. Waiver.** Any party to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing and duly executed by the party giving such waiver. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

**Section 9.7. Cooperation and Further Assurances.** The City and the Developer covenant and agree that each will do, execute, acknowledge and deliver or cause to be done, executed and

delivered, such agreements, instruments and documents supplemental hereto and such further acts, instruments, pledges and transfers as may be reasonably required for the better assuring, mortgaging, conveying, transferring, pledging, assigning and confirming unto the City or the Developer or other appropriate persons all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under or in respect of this Agreement.

**Section 9.8. Notices and Communications.** All notices under or in respect of this Agreement shall be in writing and shall be deemed to have been given when the same are (a) deposited in the United States mail in a properly addressed envelope and sent by registered or certified mail, postage prepaid, return receipt requested, (b) personally delivered, or (c) sent by a nationally recognized overnight courier, delivery charge prepaid. All requests, claims or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given in the manner specified in clauses (a), (b) or (c) above or when the same are: (d) sent by email transmission confirmed by email reply or other writing as being actually received. In each case, all such notices, requests, claims or other communications shall be sent or delivered to the City and the Developer at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

- (i) In the case of the Developer, to:  
Downtown Creations, LLC  
1115 W. Oregon Street, Suite A  
Urbana, IL 61801  
Attn: Scott Glassman  
Tel: (217) 384-7526  
Email: scott@crane-alley.com
- (ii) In the case of the City, to:  
City of Urbana, Illinois  
400 South Vine Street  
Urbana, IL 61801  
Attn: Community Development Director  
Tel: (217) 384-2439  
Email: ehtyler@urbanaininois.us

Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

**Section 9.9. Assignment.** The Developer agrees that it shall not sell, assign or otherwise transfer any of its rights and obligations under this Agreement without the prior express written consent of the City. Any assignment in whole or in part shall be void and shall, at the option of the City, terminate this Agreement. No such sale, assignment or transfer as authorized in this Section, including any with the City's prior written consent, shall be effective or binding on the City, however, unless and until the Developer delivers to the City a duly authorized, executed and delivered instrument which contains any such sale, assignment or transfer and the assumption of all the applicable covenants, agreements, terms and provisions of this Agreement by the applicable parties thereto.

**Section 9.10. Successors in Interest.** Subject to Section 9.9 above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respectively authorized successors, assigns and legal representatives (including successor Corporate Authorities).

**Section 9.11. No Joint Venture, Agency, or Partnership Created.** Nothing in this Agreement nor any actions of either of the City or the Developer shall be construed by either of the City, the Developer or any third party to create the relationship of a partnership, agency, or joint venture between or among the City and any party being the Developer.

**Section 9.12. Illinois Law; Venue.** This Agreement shall be construed and interpreted under the laws of the State of Illinois. If any action or proceeding is commenced by any party to enforce any of the provisions of this Agreement, the venue for any such action or proceeding shall be in Champaign County, Illinois, whether in the United States District Court for the Central District of Illinois or the Circuit Court for the Sixth Judicial Circuitry, Champaign County, Illinois.

**Section 9.13. Term.** Unless earlier terminated pursuant to the terms hereof, this Agreement shall be and remain in full force and effect from and after the Effective Date and shall terminate two (2) years after the Project Completion Date or the termination of the Redevelopment Project Area, whichever occurs first, provided, however, that anything to the contrary notwithstanding, the Developer's obligations under the Loan Documents and Section 5.5 and Article VIII of this Agreement shall be and remain in full force and effect in accordance with the express provisions thereof.

**Section 9.14. Construction of Agreement.** This Agreement has been jointly negotiated by the parties and shall not be construed against a party because that party may have primarily assumed responsibility for preparation of this Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed by their duly authorized officers or manager(s) as of the date set forth below.

**CITY OF URBANA, CHAMPAIGN COUNTY,  
ILLINOIS**

By:   
Mayor

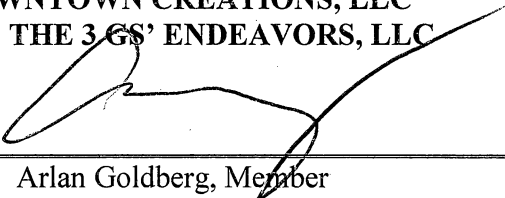
ATTEST:

By:   
City Clerk

Date: 4/12/17

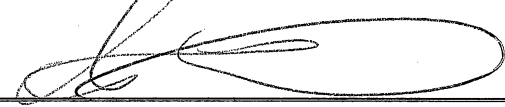


**DOWNTOWN CREATIONS, LLC  
By: THE 3 GS' ENDEAVORS, LLC**

By:   
Arlan Goldberg, Member

By: \_\_\_\_\_  
Jay Goldberg, Member

**By: PHLAT 5, INC.**

By:   
Scott Glassman, President

Date: 4/12/2017

[Exhibits A, B and C follow this page and are an integral part of this Agreement in the context of use.]

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed by their duly authorized officers or manager(s) as of the date set forth below.

**CITY OF URBANA, CHAMPAIGN COUNTY,  
ILLINOIS**

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

ATTEST:

By: \_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

**DOWNTOWN CREATIONS, LLC  
By: THE 3 GS' ENDEAVORS, LLC**

By: \_\_\_\_\_  
Arlan Goldberg, Member

By: Jay Goldberg  
Jay Goldberg, Member

**By: PHLAT 5, INC.**

By: \_\_\_\_\_  
Scott Glassman, President

Date: 4/12/2017

[Exhibits A, B and C follow this page and are an integral part of this Agreement in the context of use.]

**EXHIBIT A**

**PROMISSORY NOTE**

**Borrower:**     **Downtown Creations, LLC**  
                  an Illinois limited liability company  
                  1115 W. Oregon Street, Suite A  
                  Urbana, IL 61801  
                  Attn: Scott Glassman

**Lender:**       **City of Urbana, Champaign County, Illinois,**  
                  an Illinois municipal corporation  
                  400 S. Vine Street  
                  Urbana, IL 61801  
                  Attn: Finance Director

**Principal Amount:** up to \$92,000.00

**Interest Rate:** -0-%

**Date of Note:** \_\_\_\_\_, 2017

---

---

**PROMISE TO PAY.** Downtown Creations, LLC, an Illinois limited liability company (the “**Borrower**”) promises to pay to City of Urbana, Champaign County, Illinois (“**Lender**”), or order, in lawful money of the United States of America, the principal amount of up to Ninety-Two Thousand Dollars (\$92,000.00), or so much as may be outstanding, together with interest at the rate of -0-% per annum on the unpaid principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of such advance.

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule:

Any and all principal and interest owing hereon is due and payable upon demand by the City in the event that any and all such principal and interest owing hereon is not deemed fully paid and discharged on the day immediately following the date described in that certain Redevelopment Agreement between Lender and Borrower dated as of March 1, 2017 (the “**Redevelopment Agreement**”).

The annual interest rate for this Note is computed on a 365/360 day basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lenders address shown above or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to principal, and any remaining amount to any unpaid collection costs and late charges.

**PREPAYMENT.** Borrower may pay all or a portion of the amount owed earlier than it is due without Lender’s consent.

**LATE CHARGE.** If a payment is **10 days or more late**, Borrower will be charged **5.000%** of the regularly scheduled payment.

**DEFAULT.** Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due; (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Note, the related Redevelopment Agreement or other agreement related to this Note, or in any other agreement or loan Borrower has with Lender; (c) any representation or statement made or furnished to Lender by Borrower or on Borrower’s behalf is false or misleading in any material respect either now or at the time made or furnished; (d) Borrower does or becomes insolvent, a receiver is appointed for any part of Borrower’s property, Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws; (e) any creditor tries to take any of Borrower’s property on or in which Lender has a lien or security interest; or (f) any guarantor dies or any of the other events described in this default section occurs with respect to any guarantor of this Note.

**LENDER’S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, without notice, and then Borrower will pay that amount. Upon default, or if this Note is not paid or deemed paid at final maturity, Lender, at its option, may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid, at the rate of 8% per annum. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower also will pay Lender that amount. This includes, subject to any limits under applicable law, Lender’s attorneys’ fees and Lender’s legal expenses whether or not there is a lawsuit, including attorneys’ fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law. **This Note has been delivered to Lender and accepted by Lender in the State of Illinois. If there is a lawsuit, Borrower agrees upon Lender’s request to submit to the jurisdiction of the courts of Champaign County, the State of Illinois. Lender and Borrower hereby waive the right to any jury**

**PROMISSORY NOTE**  
**(Continued)**

**trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other. This Note shall be governed by and construed in accordance with the laws of the State of Illinois.**

**CONFESSION OF JUDGMENT.** Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment against Borrower for the unpaid amount of this Note as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, plus attorney's fees as provided in this Note, plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on this Note have been paid in full.

**COLLATERAL.** This Note is secured by Personal Guaranties of Scott Glassman and Arlan Goldberg to Lender dated \_\_\_\_\_, 2017, all the terms and conditions of which are hereby incorporated within and made a part of this Note.

**LINE OF CREDIT.** This Note evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested by Borrower or by an authorized person in accordance with the Redevelopment Agreement. The following party or parties are authorized to request advances under the line of credit until Lender receives from Borrower at Lender's address shown above written notice of revocation of their authority: **Scott Glassman.** Borrower agrees to be liable for all sums advanced in accordance with the instructions of an authorized person. The unpaid principal balance owing on this Note at any time shall be evidenced by endorsements on this Note. Lender will have no obligation to advance funds under this Note if: (a) Borrower is in default under the terms of this Note; or any agreement that Borrower has with Lender, including the Redevelopment Agreement made in connection with the signing of this Note; (b) Borrower ceases doing business or is insolvent; or (c) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender.

**GENERAL PROVISIONS.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made.

**PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTANDS ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.**

**BORROWER:**

**DOWNTOWN CREATIONS, LLC**  
**By: THE 3 GS' ENDEAVORS, LLC**

By: \_\_\_\_\_  
Arlan Goldberg, Member

By: \_\_\_\_\_  
Jay Goldberg, Member

**By: PHLAT 5, INC.**

By: \_\_\_\_\_  
Scott Glassman, President



**PROMISSORY NOTE  
(Continued)**

**ENDORSEMENTS**

DATE OF TRANSACTION	PRINCIPAL ADVANCE	PRINCIPAL BALANCE

**EXHIBIT B**

**PERSONAL GUARANTY**

The undersigned, Scott Glassman of \_\_\_\_\_, Illinois (the "**Guarantor**"), the sole shareholder, director, and president of Phlat 5, Inc., an Illinois corporation, which is a member of Downtown Creations, LLC, an Illinois limited liability company (the "**Borrower**"), in consideration of the City of Urbana, Champaign County, Illinois (the "**Lender**"), making a loan in the amount of up to \$92,000.00 (the "**Loan**") to the Borrower pursuant to that certain Promissory Note, dated \_\_\_\_\_, 2017 of the Borrower (the "**Note**") under that certain Redevelopment Agreement dated as of March 1, 2017, by and between Lender and Borrower, and in order to induce Lender to make the Loan, hereby agrees and covenants as follows:

1. The Guarantor hereby unconditionally, absolutely, and irrevocably guarantees to Lender as follows:

(a) The prompt payment in full when due or declared due and all times hereafter of all amounts owing under the Note evidencing the Loan.

(b) The repayment to Lender of any and all advances made or expenses incurred by Lender pursuant to the provisions of the Note.

(c) The performance of all conditions and obligations of Lender under the Note.

2. Lender may seek recourse against the Guarantor without looking to any collateral given to secure the Loan or to enforce any rights under any other security held by it.

3. The Guarantor agrees to pay any and all costs or fees of collection incurred by Lender, including, without limitation, reasonable attorneys' fees for consultation, preparing demand letters, or bringing any action for collection or for enforcement of the Loan or the Note.

4. This Guaranty shall be the primary obligation of the Guarantor. The Guarantor agrees that Lender may proceed under the Note or this Guaranty separately or collectively without prejudicing or waiving any of its rights under any of the Note or this Guaranty.

5. THE GUARANTOR WAIVES ANY CLAIM OR OTHER RIGHT THAT THE GUARANTOR MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST BORROWER OR ANY OTHER PERSON THAT IS PRIMARILY OR CONTINGENTLY LIABLE ON THE NOTE THAT ARISES FROM THE EXISTENCE OF THE PERFORMANCE OF THE GUARANTOR'S OBLIGATIONS UNDER THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY RIGHT OF SUBROGATION, REIMBURSEMENT, EXONERATION, CONTRIBUTION, OR INDEMNIFICATION, OR ANY RIGHT TO PARTICIPATE IN ANY CLAIM OR REMEDY OF LENDER AGAINST BORROWER OR ANY COLLATERAL SECURITY THEREFOR THAT LENDER NOW HAS OR HEREAFTER ACQUIRES, WHETHER SUCH CLAIM, REMEDY, OR RIGHT ARISES IN EQUITY OR UNDER CONTRACT, STATUTE, OR COMMON LAW.

6. This Guaranty is binding on the Guarantor and his personal representatives, successors, and assigns and shall inure to the benefit of Lender and its successors and assigns. This is a continuing Guaranty, and notice of its acceptance is waived.

IN WITNESS WHEREOF, this Guaranty is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_, an individual

**PERSONAL GUARANTY**

The undersigned, Arlan Goldberg of \_\_\_\_\_, Illinois (the "Guarantor"), being a member of The 3 GS' Endeavors, LLC, an Illinois limited liability company, which is a member of Downtown Creations, LLC, an Illinois limited liability company (the "Borrower"), in consideration of the City of Urbana, Champaign County, Illinois (the "Lender"), making a loan in the amount of up to \$92,000.00 (the "Loan") to the Borrower pursuant to that certain Promissory Note, dated \_\_\_\_\_, 2017 of the Borrower (the "Note") under that certain Redevelopment Agreement dated as of March 1, 2017, by and between Lender and Borrower, and in order to induce Lender to make the Loan, hereby agrees and covenants as follows:

1. The Guarantor hereby unconditionally, absolutely, and irrevocably guarantees to Lender as follows:

(a) The prompt payment in full when due or declared due and all times hereafter of all amounts owing under the Note evidencing the Loan.

(b) The repayment to Lender of any and all advances made or expenses incurred by Lender pursuant to the provisions of the Note.

(c) The performance of all conditions and obligations of Lender under the Note.

2. Lender may seek recourse against the Guarantor without looking to any collateral given to secure the Loan or to enforce any rights under any other security held by it.

3. The Guarantor agrees to pay any and all costs or fees of collection incurred by Lender, including, without limitation, reasonable attorneys' fees for consultation, preparing demand letters, or bringing any action for collection or for enforcement of the Loan or the Note.

4. This Guaranty shall be the primary obligation of the Guarantor. The Guarantor agrees that Lender may proceed under the Note or this Guaranty separately or collectively without prejudicing or waiving any of its rights under any of the Note or this Guaranty.

5. THE GUARANTOR WAIVES ANY CLAIM OR OTHER RIGHT THAT THE GUARANTOR MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST BORROWER OR ANY OTHER PERSON THAT IS PRIMARILY OR CONTINGENTLY LIABLE ON THE NOTE THAT ARISES FROM THE EXISTENCE OF THE PERFORMANCE OF THE GUARANTOR'S OBLIGATIONS UNDER THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY RIGHT OF SUBROGATION, REIMBURSEMENT, EXONERATION, CONTRIBUTION, OR INDEMNIFICATION, OR ANY RIGHT TO PARTICIPATE IN ANY CLAIM OR REMEDY OF LENDER AGAINST BORROWER OR ANY COLLATERAL SECURITY THEREFOR THAT LENDER NOW HAS OR HEREAFTER ACQUIRES, WHETHER SUCH CLAIM, REMEDY, OR RIGHT ARISES IN EQUITY OR UNDER CONTRACT, STATUTE, OR COMMON LAW.

6. This Guaranty is binding on the Guarantor and his personal representatives, successors, and assigns and shall inure to the benefit of Lender and its successors and assigns. This is a continuing Guaranty, and notice of its acceptance is waived.

IN WITNESS WHEREOF, this Guaranty is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_, an individual

**EXHIBIT C**

**Description of Property**

Commonly known as 119 W. Main Street, Urbana, Illinois.

PIN: 92-21-17-206-006

## PROMISSORY NOTE

**Borrower:** **Downtown Creations, LLC**  
an Illinois limited liability company  
1115 W. Oregon Street, Suite A  
Urbana, IL 61801  
Attn: Scott Glassman

**Lender:** **City of Urbana, Champaign County, Illinois,**  
an Illinois municipal corporation  
400 S. Vine Street  
Urbana, IL 61801  
Attn: Finance Director

**Principal Amount:** up to \$92,000.00

**Interest Rate:** -0-%

**Date of Note:** April 12<sup>th</sup>, 2017

---

**PROMISE TO PAY.** Downtown Creations, LLC, an Illinois limited liability company (the “**Borrower**”) promises to pay to City of Urbana, Champaign County, Illinois (“**Lender**”), or order, in lawful money of the United States of America, the principal amount of up to Ninety-Two Thousand Dollars (\$92,000.00), or so much as may be outstanding, together with interest at the rate of -0-% per annum on the unpaid principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of such advance.

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule:

Any and all principal and interest owing hereon is due and payable upon demand by the City in the event that any and all such principal and interest owing hereon is not deemed fully paid and discharged on the day immediately following the date described in that certain Redevelopment Agreement between Lender and Borrower dated as of March 1, 2017 (the “**Redevelopment Agreement**”).

The annual interest rate for this Note is computed on a 365/360 day basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lenders address shown above or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to principal, and any remaining amount to any unpaid collection costs and late charges.

**PREPAYMENT.** Borrower may pay all or a portion of the amount owed earlier than it is due without Lender’s consent.

**LATE CHARGE.** If a payment is **10 days or more late**, Borrower will be charged **5.000% of the regularly scheduled payment**.

**DEFAULT.** Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due; (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Note, the related Redevelopment Agreement or other agreement related to this Note, or in any other agreement or loan Borrower has with Lender; (c) any representation or statement made or furnished to Lender by Borrower or on Borrower’s behalf is false or misleading in any material respect either now or at the time made or furnished; (d) Borrower does or becomes insolvent, a receiver is appointed for any part of Borrower’s property, Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws; (e) any creditor tries to take any of Borrower’s property on or in which Lender has a lien or security interest; or (f) any guarantor dies or any of the other events described in this default section occurs with respect to any guarantor of this Note.

**LENDER’S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, without notice, and then Borrower will pay that amount. Upon default, or if this Note is not paid or deemed paid at final maturity, Lender, at its option, may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid, at the rate of 8% per annum. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower also will pay Lender that amount. This includes, subject to any limits under applicable law, Lender’s attorneys’ fees and Lender’s legal expenses whether or not there is a lawsuit, including attorneys’ fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law. **This Note has been delivered to Lender and accepted by Lender in the State of Illinois. If there is a lawsuit, Borrower agrees upon Lender’s request to submit to the jurisdiction of the courts of Champaign County, the State of Illinois. Lender and Borrower hereby waive the right to any jury**

**PROMISSORY NOTE**  
**(Continued)**

trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other. This Note shall be governed by and construed in accordance with the laws of the State of Illinois.

**CONFESSION OF JUDGMENT.** Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment against Borrower for the unpaid amount of this Note as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, plus attorney's fees as provided in this Note, plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on this Note have been paid in full.

**COLLATERAL.** This Note is secured by Personal Guaranties of Scott Glassman and Arlan Goldberg to Lender dated April 12<sup>th</sup>, 2017, all the terms and conditions of which are hereby incorporated within and made a part of this Note.

**LINE OF CREDIT.** This Note evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested by Borrower or by an authorized person in accordance with the Redevelopment Agreement. The following party or parties are authorized to request advances under the line of credit until Lender receives from Borrower at Lender's address shown above written notice of revocation of their authority: **Scott Glassman**. Borrower agrees to be liable for all sums advanced in accordance with the instructions of an authorized person. The unpaid principal balance owing on this Note at any time shall be evidenced by endorsements on this Note. Lender will have no obligation to advance funds under this Note if: (a) Borrower is in default under the terms of this Note; or any agreement that Borrower has with Lender, including the Redevelopment Agreement made in connection with the signing of this Note; (b) Borrower ceases doing business or is insolvent; or (c) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender.

**GENERAL PROVISIONS.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made.

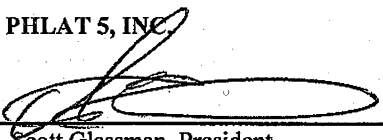
**PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTANDS ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.**

**BORROWER:**

**DOWNTOWN CREATIONS, LLC**  
By: **THE 3 GS' ENDEAVORS, LLC**

By:   
Arlan Goldberg, Member

By: \_\_\_\_\_  
Jay Goldberg, Member

By: **PHLAT 5, INC.**  
  
Scott Glassman, President

**PROMISSORY NOTE**  
**(Continued)**

trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other. This Note shall be governed by and construed in accordance with the laws of the State of Illinois.

**CONFESSION OF JUDGMENT.** Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment against Borrower for the unpaid amount of this Note as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, plus attorney's fees as provided in this Note, plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on this Note have been paid in full.

**COLLATERAL.** This Note is secured by Personal Guaranties of Scott Glassman and Arlan Goldberg to Lender dated April 12<sup>th</sup>, 2017, all the terms and conditions of which are hereby incorporated within and made a part of this Note.

**LINE OF CREDIT.** This Note evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested by Borrower or by an authorized person in accordance with the Redevelopment Agreement. The following party or parties are authorized to request advances under the line of credit until Lender receives from Borrower at Lender's address shown above written notice of revocation of their authority: **Scott Glassman**. Borrower agrees to be liable for all sums advanced in accordance with the instructions of an authorized person. The unpaid principal balance owing on this Note at any time shall be evidenced by endorsements on this Note. Lender will have no obligation to advance funds under this Note if: (a) Borrower is in default under the terms of this Note; or any agreement that Borrower has with Lender, including the Redevelopment Agreement made in connection with the signing of this Note; (b) Borrower ceases doing business or is insolvent; or (c) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender.


**GENERAL PROVISIONS.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made.

**PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTANDS ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.**

**BORROWER:**

**DOWNTOWN CREATIONS, LLC**  
By: **THE 3 GS' ENDEAVORS, LLC**

By: \_\_\_\_\_  
Arlan Goldberg, Member

By:  \_\_\_\_\_  
Jay Goldberg, Member

By: **PHLAT 5, INC.**

By: \_\_\_\_\_  
Scott Glassman, President

**PROMISSORY NOTE  
(Continued)**

**ENDORSEMENTS**

DATE OF TRANSACTION	PRINCIPAL ADVANCE	PRINCIPAL BALANCE

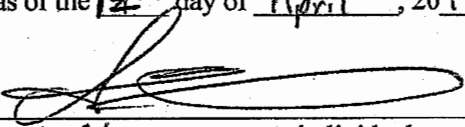


PERSONAL GUARANTY

The undersigned, Scott Glassman of Urbana, Illinois (the "Guarantor"), the sole shareholder, director, and president of Phlat 5, Inc., an Illinois corporation, which is a member of Downtown Creations, LLC, an Illinois limited liability company (the "Borrower"), in consideration of the City of Urbana, Champaign County, Illinois (the "Lender"), making a loan in the amount of up to \$92,000.00 (the "Loan") to the Borrower pursuant to that certain Promissory Note, dated April 12<sup>th</sup>, 2017 of the Borrower (the "Note") under that certain Redevelopment Agreement dated as of March 1, 2017, by and between Lender and Borrower, and in order to induce Lender to make the Loan, hereby agrees and covenants as follows:

1. The Guarantor hereby unconditionally, absolutely, and irrevocably guarantees to Lender as follows:
  - (a) The prompt payment in full when due or declared due and all times hereafter of all amounts owing under the Note evidencing the Loan.
  - (b) The repayment to Lender of any and all advances made or expenses incurred by Lender pursuant to the provisions of the Note.
  - (c) The performance of all conditions and obligations of Lender under the Note.
2. Lender may seek recourse against the Guarantor without looking to any collateral given to secure the Loan or to enforce any rights under any other security held by it.
3. The Guarantor agrees to pay any and all costs or fees of collection incurred by Lender, including, without limitation, reasonable attorneys' fees for consultation, preparing demand letters, or bringing any action for collection or for enforcement of the Loan or the Note.
4. This Guaranty shall be the primary obligation of the Guarantor. The Guarantor agrees that Lender may proceed under the Note or this Guaranty separately or collectively without prejudicing or waiving any of its rights under any of the Note or this Guaranty.
5. THE GUARANTOR WAIVES ANY CLAIM OR OTHER RIGHT THAT THE GUARANTOR MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST BORROWER OR ANY OTHER PERSON THAT IS PRIMARILY OR CONTINGENTLY LIABLE ON THE NOTE THAT ARISES FROM THE EXISTENCE OF THE PERFORMANCE OF THE GUARANTOR'S OBLIGATIONS UNDER THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY RIGHT OF SUBROGATION, REIMBURSEMENT, EXONERATION, CONTRIBUTION, OR INDEMNIFICATION, OR ANY RIGHT TO PARTICIPATE IN ANY CLAIM OR REMEDY OF LENDER AGAINST BORROWER OR ANY COLLATERAL SECURITY THEREFOR THAT LENDER NOW HAS OR HEREAFTER ACQUIRES, WHETHER SUCH CLAIM, REMEDY, OR RIGHT ARISES IN EQUITY OR UNDER CONTRACT, STATUTE, OR COMMON LAW.
6. This Guaranty is binding on the Guarantor and his personal representatives, successors, and assigns and shall inure to the benefit of Lender and its successors and assigns. This is a continuing Guaranty, and notice of its acceptance is waived.

IN WITNESS WHEREOF, this Guaranty is executed as of the 12<sup>th</sup> day of April, 2017.

  
\_\_\_\_\_  
Scott Glassman, an individual

**PERSONAL GUARANTY**

The undersigned, Arlan Goldberg of Urbana, Illinois (the "Guarantor"), being a member of The 3 GS' Endeavors, LLC, an Illinois limited liability company, which is a member of Downtown Creations, LLC, an Illinois limited liability company (the "Borrower"), in consideration of the City of Urbana, Champaign County, Illinois (the "Lender"), making a loan in the amount of up to \$92,000.00 (the "Loan") to the Borrower pursuant to that certain Promissory Note, dated April 12<sup>th</sup>, 2017 of the Borrower (the "Note") under that certain Redevelopment Agreement dated as of March 1, 2017, by and between Lender and Borrower, and in order to induce Lender to make the Loan, hereby agrees and covenants as follows:

1. The Guarantor hereby unconditionally, absolutely, and irrevocably guarantees to Lender as follows:

(a) The prompt payment in full when due or declared due and all times hereafter of all amounts owing under the Note evidencing the Loan.

(b) The repayment to Lender of any and all advances made or expenses incurred by Lender pursuant to the provisions of the Note.

(c) The performance of all conditions and obligations of Lender under the Note.

2. Lender may seek recourse against the Guarantor without looking to any collateral given to secure the Loan or to enforce any rights under any other security held by it.

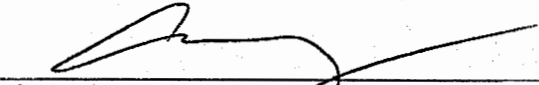
3. The Guarantor agrees to pay any and all costs or fees of collection incurred by Lender, including, without limitation, reasonable attorneys' fees for consultation, preparing demand letters, or bringing any action for collection or for enforcement of the Loan or the Note.

4. This Guaranty shall be the primary obligation of the Guarantor. The Guarantor agrees that Lender may proceed under the Note or this Guaranty separately or collectively without prejudicing or waiving any of its rights under any of the Note or this Guaranty.

5. THE GUARANTOR WAIVES ANY CLAIM OR OTHER RIGHT THAT THE GUARANTOR MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST BORROWER OR ANY OTHER PERSON THAT IS PRIMARILY OR CONTINGENTLY LIABLE ON THE NOTE THAT ARISES FROM THE EXISTENCE OF THE PERFORMANCE OF THE GUARANTOR'S OBLIGATIONS UNDER THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY RIGHT OF SUBROGATION, REIMBURSEMENT, EXONERATION, CONTRIBUTION, OR INDEMNIFICATION, OR ANY RIGHT TO PARTICIPATE IN ANY CLAIM OR REMEDY OF LENDER AGAINST BORROWER OR ANY COLLATERAL SECURITY THEREFOR THAT LENDER NOW HAS OR HEREAFTER ACQUIRES, WHETHER SUCH CLAIM, REMEDY, OR RIGHT ARISES IN EQUITY OR UNDER CONTRACT, STATUTE, OR COMMON LAW.

6. This Guaranty is binding on the Guarantor and his personal representatives, successors, and assigns and shall inure to the benefit of Lender and its successors and assigns. This is a continuing Guaranty, and notice of its acceptance is waived.

IN WITNESS WHEREOF, this Guaranty is executed as of the 12<sup>th</sup> day of April, 2017.

  
\_\_\_\_\_  
Arlan Goldberg an individual