

RESOLUTION AUTHORIZING BORROWING OF MONEY

WHEREAS, on the 18th day of October, 1976, the Urbana City Council passed an Ordinance authorizing the purchase of certain real estate by the City of Urbana, being Ordinance No. 7677-45, which said Ordinance authorized and directed the Mayor to execute on behalf of the City of Urbana a certain contract for the purchase of the following described premises:

Lot 1, 2, 3, and 4 of a Subdivision of Lots 33 and 35, of the Original Town of Urbana, now City of Urbana,

WHEREAS, Busey First National Bank has given to the City of Urbana a written commitment to make an unsecured loan in the amount of \$187,000.00, provided said loan is used for the purchase of the same real estate described above, and

WHEREAS, the aforesaid commitment satisfies the contingency contained in Section 2 of the aforementioned contract to purchase real estate,

THEREFORE BE IT RESOLVED by the City Council of Urbana, Illinois, as follows:

1. That the City of Urbana is hereby authorized to borrow the sum of \$187,000.00 from the Busey First National Bank at an interest rate not exceeding 5 1/4% per annum, payable in semiannual installments, the first five installments of which shall consist of payments of interest only, and the last one of which shall consist of the principal amount together with interest then due and owing.

2. That the Note to be executed by the Mayor on behalf of the City of Urbana shall contain a privilege to prepay the principal amount in part or in full at any time and shall contain language to the effect that if the property is ever sold while this loan remains unpaid, the proceeds of sale of the said premises shall be applied to the retirement of this loan and shall contain a further provision that if bonds are issued by the City of Urbana for downtown development, this loan will be repayed in full within sixty (60) days of the issuance of such bonds.

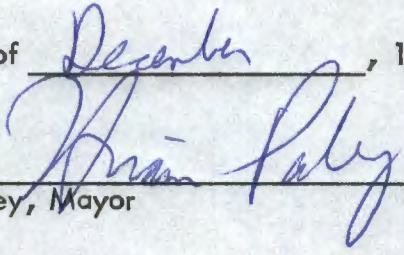
3. The Mayor of the City of Urbana is authorized and directed to execute the Note securing this loan, a facsimile of which is attached hereto and incorporated herein by reference.

PASSED by the City Council this 20<sup>TH</sup> day of December, 1976

Duane Eckerty  
Duane Eckerty, City Clerk



APPROVED by the Mayor this 22 day of December, 1976.

  
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Hiram Paley, Mayor



FRIEND'S LAWMARK

25% COTTON FIBRE

PROMISSORY NOTE

AMOUNT     \$187,000.00

DATE

MATURITY

NUMBER

FOR VALUE RECEIVED, the City of Urbana, a municipal corporation, (hereinafter called Debtor), promises to pay to the order of BUSEY FIRST NATIONAL BANK at its office in Urbana, Illinois in lawful money of the United States, \_\_\_\_\_ the sum of \$ 187,000.00, with interest thereon at the rate of 5 1/4 per cent per annum from \_\_\_\_\_ until maturity, with interest only payable semi-annually from the date hereof, and principal and unpaid accrued interest payable in full at maturity. Interest shall be calculated on a 365-day year. To secure payment of this note, the City of Urbana pledges its full faith and credit.

If any one or more of the following events shall occur (hereinafter called an "Event of Default"), that is to say, if (i) default shall be made in the punctual payment of any obligation hereunder, when due; (ii) default shall be made in the punctual payments of any other obligation of the Debtor to the Holder, when due; or shall file or commence or have filed or commenced against it any proceeding for any relief under bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, compositions or extensions, or a receiver or trustee shall be appointed for the Debtor; then upon the occurrence of any such event, this Note shall, at the option of the Holder, become immediately due and payable, without presentment, demand, notice of protest of any kind, all of which are expressly waived by the Debtor. In case of the occurrence of an Event of Default hereunder, any indebtedness due from the Holder to the Debtor may, at the option of the Holder, be set off and applied against this Note whether due or not. The Debtor agrees to pay all costs of collection, legal expenses and reasonable attorney's fees incurred or paid by the Legal Holder in collecting this Note after the occurrence of an Event of Default.



No delay or omission on the part of the Holder in exercising any power or right hereunder shall impair such right or power or any other right or power of Holder hereunder. All rights, powers and remedies of Holder are cumulative. No waiver by Holder or any default shall operate as a waiver of any other default or of the same default on a future occasion.

Every legal Holder of this Note shall have and may exercise all the rights and powers given to the Lender in this Note.

Interest shall cease to accrue on the amount of any prepayment. Any unearned interest herefore collected will be computed proportionately and rebated when the loan is paid in full. City shall have privilege of prepaying, without penalty, any amount so long as each payment is in a multiple of \$10,000.00.

It is understood and agreed that City shall use the proceeds hereof only for the purpose of purchasing certain real estate as authorized by Ordinance No. 7677-45; and City further agrees that if said real estate is sold while this loan remains unpaid, the proceeds of sale shall be applied to the retirement of this loan; and City further agrees that if bonds are issued by the City of Urbana for downtown development, this loan will be repaid in full within sixty (60) days of the issuance of such bonds.

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Hiram Paley, Mayor  
City of Urbana, Illinois

Attest:

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Duane Eckerty  
City Clerk  
City of Urbana, Illinois