

ORDINANCE NO. 2024-12

VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS
MT. ZION TAX INCREMENT FINANCING (TIF) DISTRICT

AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT

by and between

THE VILLAGE OF MT. ZION

and

CASA DEVELOPMENT, LLC
(Parkside East Residential Subdivision - Site Marketing)

ADOPTED BY THE CORPORATE AUTHORITIES
OF THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS,
ON THE 15th DAY OF April, 2024.

ORDINANCE NO. 2024-12
VILLAGE OF MT. ZION, ILLINOIS
MT. ZION TAX INCREMENT FINANCING (TIF) DISTRICT
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BE IT ORDAINED BY THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS THAT:

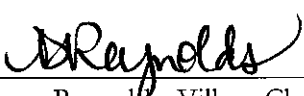
1. The Redevelopment Agreement attached hereto as *Exhibit A* by and between the Village of Mt. Zion, Macon County, Illinois, an Illinois Municipal Corporation (the “Village”) and Casa Development, LLC (the “Developer”) is hereby approved.
2. The Mayor is hereby authorized and directed to enter into and execute on behalf of the Village said Redevelopment Agreement and the Village Clerk of the Village of Mt. Zion is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 15th day of April, 2024.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

(The remainder of this page is intentionally blank.)

UPON MOTION by Trustee Siudyla, seconded by Trustee Kernan, and **PASSED, APPROVED AND ADOPTED** by roll call vote of the Corporate Authorities of the Village of Mt. Zion, Macon County, Illinois, on the 15th day of April A.D., 2024, and deposited and filed in the Office of the Village Clerk of said Village on that date.

CORPORATE AUTHORITIES	AYE VOTE	NAY VOTE	ABSTAIN/ABSENT
Chris Siudyla	X		
Donna Scales	X		
Wendy Kernan	X		
Randy Doty	X		
Nate Patrick			X
Phil Tibbs	X		
Lucas Williams, President			
TOTAL VOTES:	5	0	1

APPROVED:  Date: 4/15/2024
 Lucas Williams, Village President

ATTEST:  Date: 4/15/2024
 Dawn Reynolds, Village Clerk

ATTACHMENT:

EXHIBIT A. REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF MT. ZION AND CASA DEVELOPMENT, LLC (Parkside East Residential Subdivision - Site Marketing).

EXHIBIT A

REDEVELOPMENT AGREEMENT

by and between

THE VILLAGE OF MT. ZION

and

CASA DEVELOPMENT, LLC

(Parkside East Residential Subdivision - Site Marketing)

MT. ZION, ILLINOIS

**MT. ZION RT. 121
TAX INCREMENT FINANCING (TIF) DISTRICT II
REDEVELOPMENT AGREEMENT**

by and between

VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS

and

**CASA DEVELOPMENT, LLC
(Parkside East Residential Subdivision - Site Marketing)**

APRIL 15, 2024

REDEVELOPMENT AGREEMENT

by and between

VILLAGE OF MT. ZION
MT. ZION TIF DISTRICT

and

CASA DEVELOPMENT, LLC

(Parkside East Residential Subdivision - Site Marketing)

THIS AGREEMENT (including *Exhibits*) is entered into this 15th day of April, A.D., 2024, by and between the **VILLAGE OF MT. ZION** (Village), an Illinois Municipal Corporation, Macon County, Illinois, and **CASA DEVELOPMENT, LLC** (“Developer”).

PREAMBLE

WHEREAS, the Village has the authority to promote the health, safety and welfare of the Village and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities, including sanitary sewer, by promoting the development of private investment in the marketability of property thereby increasing the tax base of the Village and providing employment for its citizens; and

WHEREAS, Illinois statute (65 ILCS 5/8-1-2.5) allows a municipality to appropriate and expend funds for economic development purposes, including, without limitation for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended (the “TIF Act”), the Village has the authority to provide incentives to owners or prospective owners of real property to acquire, redevelop, rehabilitate and/or upgrade such property by reimbursing such owner(s) for certain costs incurred in connection with the acquisition, redevelopment, rehab and/or upgrades from increases in real estate tax revenues (“Tax Increment”) resulting therefrom or from other Village revenues to the extent specified and agreed herein; and

WHEREAS, on January 19, 2021, the Village established **Mt. Zion Rt. 121 Tax Increment Financing (TIF) District II** (the “TIF District”), pursuant to the TIF Act by approving a Tax Increment Financing Plan and Projects (Ordinance No. 2021-1), designating a Redevelopment Project Area (Ordinance No. 2021-2), and adopting Tax Increment Financing (Ordinance No. 2021-3; and

WHEREAS, included within the TIF District are twenty-six (26) vacant residential lots which the Developer has developed within the Parkside East Residential Subdivision as further described in *Exhibit “1”* attached hereto (the “Subject Lots” or the “Lots” and cumulatively defined as the “Property”); and

WHEREAS, the Developer intends to sell said Lots on a lot-by-lot basis to R. Glosser Homes, Brettrick Day Construction or such other contractor the Developer shall reasonably select to work with for build-out of the Subject Lots (the “Builder”), based in part on the availability of certain TIF incentives offered by the Village to the Developer, for the purpose of accelerating the marketing of the Lots and subsequent construction of new single-family homes located thereon (for purposes of

this Agreement, the Developer's marketing and sale of the Lots to the Builder on the term and conditions set forth in this Agreement shall be the "Project"); and

WHEREAS, it is the intent of the Village to encourage economic development which will increase the real estate tax revenue of the Village, which increased incremental taxes will be used, in part, to finance incentives to assist redevelopment within the TIF District and other contiguous redevelopment project areas; and

WHEREAS, the Developer's proposed Project is consistent with the TIF District Redevelopment Plan and Projects for the Redevelopment Project Area and further conforms to the land uses of the Village as adopted; and

WHEREAS, pursuant to Section 5/11-74.4-4(b) of the Act, the Village may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of the Redevelopment Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(j) of the Act, the Village may incur project redevelopment costs and reimburse developers who incur redevelopment project costs (hereinafter referred to as "TIF Eligible Project Costs" or "redevelopment project costs") authorized by a redevelopment agreement and further defined in Section 5/11-74.4-3(q) of the Act, including those Estimated TIF Eligible Project Costs as herein listed in the attached *Exhibit "2"* of this Redevelopment Agreement; and

WHEREAS, the Developer requested that incentives for the Project be provided by the Village from incremental increases in real estate taxes of the Village that are generated by the Lots and the Village agreed to such incentives; and

WHEREAS, the Village has determined that this Project requires the incentives requested as set forth herein and that said Project will, as a part of the Redevelopment Plan, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration and to generally enhance the economy of the Village; and

WHEREAS, the Village has reviewed the conditions of the Property and has reason to believe that costs relating to the marketing of sites to be incurred by the Developer in furtherance of the Project are TIF eligible project costs under the Act and are consistent with the Redevelopment Plan of the Village; and

WHEREAS, in consideration of the execution of this Agreement, the Parties are in agreement that the Village shall reimburse the Developer for its redevelopment project costs incurred for the marketing of the Lots as set forth in *Exhibit "2"* and pursuant to the terms set forth in *Section C* below; and

WHEREAS, this Agreement has been submitted to the Mayor and Village Council of the Village (collectively, the "Corporate Authorities") for consideration and review, the Village is entering into this Agreement having encouraged and induced the Developer to proceed with the Project, and the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the Village according to the terms hereof, and any and all actions of the Corporate Authorities of the Village precedent to the execution of this

Agreement have been undertaken and performed in the manner required by law.

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

A. PRELIMINARY STATEMENTS

The parties hereby acknowledge and agree that:

1. The matters set forth in the recitals above are true and correct and form a part of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the TIF Act, unless indicated to the contrary. For purposes of this Agreement, the following definitions shall apply:
 - a. **“Real Estate Tax Increment”** shall mean the annual ad valorem taxes, if any, arising from the tax levies upon the Property and the improvements located thereon by any and all taxing districts having the power to tax real property in the TIF District, which taxes are attributable to the increase in the then current equalized assessed value of the Property and the improvements located thereon over and above the total initial equalized assessed value of the Property (based on the equalized assessed value for tax year 2019 payable in 2020), all as determined by the Macon County Clerk in accordance with Section 11-74.4-9 of the TIF Act.
 - b. **“Net Real Estate Tax Increment”** shall mean increases in annual Real Estate Tax Increment after payment for a proportionate amount of administrative fees and costs and payments pursuant to Village approved Intergovernmental Agreements, if any, for this TIF District. The Developer’s proportionate share of the Village’s annual administrative costs and fees is calculated by dividing the Real Estate Tax Increment for such year by the total real estate tax increment generated by the entire TIF District for such year and then multiplying that number by the annual administrative fees and costs for such year. For purposes of this Agreement, said proportionate amount of administrative fees and costs and payments pursuant to Village approved Intergovernmental Agreements shall not exceed **Twenty-five Percent (25%)** of the annual Real Estate Tax Increment.
 - c. **“TIF Eligible Project Costs”** shall mean those costs which are eligible for reimbursement under the TIF Act, 65 ILCS 5/11-74.4 *et. seq.*, as amended, and are further described in *Exhibit “2”* attached hereto.
3. The Developer requested that TIF incentives for the Project be provided by the Village from Real Estate Tax Increment, and the Village has agreed to such TIF incentives.
4. Each of the Subject Lots have a separate Property Identification Number (PIN) within the TIF District as assigned to it by the Macon County, Illinois Office of the Supervisor of Assessments.

5. The Developer owns the Property in advance of undertaking the Project and intends to market the Subject Lots to the Builder conditioned upon the availability of TIF incentives provided by the Village as may be generated by the Real Estate Tax Increment, and the Village has agreed to such TIF incentives pursuant to the terms of *Section "C"* below.
6. The Parties have agreed that the total cumulative reimbursements of Real Estate Tax Increment paid by the Village to the Developer for the Project shall not, in any event, exceed **Two Hundred Sixty Thousand and 00/100 Dollars (\$260,000.00)** during the remaining life of the TIF District, including any legislative extensions thereof.
7. Intentionally omitted.
8. Intentionally omitted.
9. Provided that the terms of this Agreement are materially complied with, the Village agrees to reimburse Developer for Developer's TIF Eligible Project Costs as more specifically set forth in this Agreement based upon the Developer's representations herein and undertaking of the Project as set forth in this Agreement.
10. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

The Village has created a Tax Increment Financing District known as "Mt. Zion Rt. 121 TIF District II," which includes the Property. The Village has approved certain Redevelopment Project Costs, including the types described in *Exhibit "2"* for the Project. The Village agrees that it will not revoke or amend the TIF District or any of the ordinances adopted by the Village relating to the TIF District, the Project, or this Agreement if such revocation or amendment would prevent or materially impair the Project by the Developer or the build-out of the Subject Lots by the Builder or interfere with the reimbursement by the Village of the Developer's TIF Eligible Project Costs in accordance with this Agreement.

C. INCENTIVES

In consideration for the Developer marketing the Property as set forth herein, the Village agrees to extend to the Developer the following incentives to assist the Developer's Project:

1. Upon the Developer executing and closing a Land Purchase Agreement with the Builder on a lot-by-lot basis for the transfer of the Subject Lots located on the Property as described in *Exhibit "1"* attached hereto, and for which the Builder subsequently (i) receives a building permit from the Village for a new single-family home within sixty (60) days of the closing of said Land Purchase Agreement, and (ii) thereafter completes the construction of the home within eighteen (18) months of the date of the building permit as evidenced by the Village's issuance of a certificate of occupancy ((i) and (ii) immediately above are sometimes collectively referred to in this Agreement as the "Construction Requirements"):

- a. The Village shall, pursuant to the terms set forth below, annually reimburse the Developer **Eighty Percent (80%) of the Net Real Estate Tax Increment** generated by each Subject Lot, not to exceed **Ten Thousand and 00/100 Dollars (\$10,000.00) per Subject Lot** as further stipulated below:
 - i. The Developer shall for each Subject Lot sold to the Builder use the form of Land Purchase Agreement attached hereto as *Exhibit "3,"* and upon closing provide to the Village a copy of the Land Purchase Agreement, related Promissory Note, Junior Mortgage (as recorded with the Macon County Clerk and Recorder), and the Settlement Statement.
 - ii. Following the Developer's forgiveness, if any, of a portion of the Promissory Note as forth therein and release of the Junior Mortgage, the Developer shall forthwith submit a *Requisition for Reimbursement (Exhibit "4")* per *Section "E"* below as verification of its TIF Eligible Project Costs.
 - iii. Said lot-by-lot reimbursements shall commence with Real Estate Tax Increment derived from the real estate taxes assessed for tax year 2023 and paid in year 2024, if any, and continue annually for the remaining life of the TIF District including any legislative extensions, or until all TIF Eligible Project Costs (*Exhibit "2"*) are fully reimbursed, not to exceed a total of **Two Hundred Sixty Thousand and 00/100 Dollars (\$260,000.00)**, whichever occurs first.
 - iv. Real Estate Tax Increment, when collected, shall be paid to the Village Treasurer for deposit in a separate account within the Special Tax Allocation Fund for Mt. Zion Rt. 121 TIF District II (the "TIF District Special Tax Allocation Fund") designated as the "Casa Development LLC-Parkside East Special Account" (the "Special Account"). All monies deposited in the Special Account shall be used exclusively by the Village for the purposes set forth in this Agreement.
2. In no event shall the total cumulative reimbursements paid by the Village to the Developer pursuant to this Agreement for the marketing of the Developer's twenty-six (26) Subject Lots cumulatively exceed **Two Hundred Sixty Thousand and 00/100 Dollars (\$260,000.00)**.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Developer shall be reimbursed by the Village for all TIF Eligible Project Costs permitted by the Act, up to an amount not to exceed **\$260,000.00** for verified TIF Eligible Project Costs incurred for the Project from the Real Estate Tax Increment deposited in the TIF District Special Tax Allocation Fund and allocated to the Special Account.
2. It is not contemplated nor is the Village obligated to use any of its proportionate share of the monies for any of the Developer's TIF Eligible Project Costs but, rather, the Village shall use its sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for TIF Eligible Project Costs as set forth by the Act, shall be made by a requisition for payment of private redevelopment costs (“Requisition for Reimbursement” attached hereto as *Exhibit “4”* and hereinafter referred to as “Requisition”) submitted from time to time by the Developer to the Village’s TIF Administrator Jacob & Klein, Ltd., with copy to The Economic Development Group, Ltd. (collectively, the “Administrator”), and shall be subject to the Administrator’s approval of the costs and to the availability of funds in the Special Account.
2. All Requisitions must be accompanied by (i) evidence reasonably satisfactory to the Village showing satisfaction of the Construction Requirements, and (ii) a Settlement Statement from the Builder’s sale of such Subject Lot or other evidence reasonably satisfactory to the Village showing that the Junior Mortgage in favor of the Developer has been released by the Developer pursuant to the terms of the Promissory Note and *Section “C”* of this Agreement.
3. In order for the Developer to receive reimbursement of TIF Eligible Project Costs for costs it has incurred in any year as set forth in *Paragraphs “1” and “2”* above, **the Developer must submit such proposed eligible costs to the Village by March 31st of the following year.** If there are no accumulated outstanding costs previously submitted and approved by the Village and if the Developer does not submit such proposed eligible costs by this deadline, the Developer will forfeit reimbursement of such costs from the prior year’s Real Estate Tax Increment to be paid in the current year. Any approved eligible costs submitted after this deadline will be eligible for reimbursement from the next year’s Real Estate Tax Increment receipts.
4. Any Real Estate Tax Increment not required to be paid to the Developer under the terms of *Paragraph “3”* above shall be available to the Village for any purpose set forth in the TIF Plan and allowed by the TIF Act.
5. The Developer shall use such sums as reimbursement for TIF Eligible Project Costs only to the extent permitted by law and the TIF Act and may allocate such funds for any purpose for the term of this Agreement or the term of the TIF District whichever is longer.
6. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals
7. All TIF Eligible Project Costs which have been approved by the Administrator shall then be paid by the Village from the Special Account to the Developer, or to others as directed by the Developer, pursuant to the Redevelopment Plan and as allowed by Illinois Law. The Village shall pay such approved TIF Eligible Project Costs within 45 days of approval of said costs and pursuant to the terms set forth in *Section “C”* above.

8. The Parties acknowledge that the determination of TIF Eligible Project Costs, and, therefore, qualification for reimbursement hereunder are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The Village has no obligation to the Developer to attempt to modify those decisions but will assist the Developer in every respect as to obtaining approval of Eligible Project Costs.
9. The Developer may submit for prior approval by the Village as TIF Eligible Project Costs under the TIF Act estimates of costs before they are incurred subject to later confirmation by actual bills. For purposes of this Agreement, such evidence of estimated costs may be satisfied by the Developer upon presentation of a fully executed Land Purchase Agreement pursuant to the terms set forth in *Section "C"* above.

F. VERIFICATION OF REAL ESTATE TAX INCREMENT

1. It shall be the sole responsibility of the Developer or its designee to provide to the Village, as requested in writing, to provide evidence reasonably acceptable to the Village of the payment of real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any information required herein after written notice from the Village, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. REIMBURSEMENT OF THE DEVELOPER'S SHARE OF TAX OBJECTION REFUNDS

1. If a refund of Real Estate Tax Increment is potentially due from the TIF District Special Tax Allocation Fund as the result of any tax objection, assessment challenge or formal appeal to the Illinois Property Tax Appeal Board (PTAB), issuance of a certificate of error or other such action, including any appeals therefrom, concerning the potential reduction of assessed value of the Property, the Village may at its sole discretion withhold the Developer's share of any such possible refund from future reimbursements calculated to be paid to the Developer under this Agreement.
 - a. Any funds withheld by the Village under this *Section "G"* shall be deposited by it into a separate interest-bearing bank account. Upon final determination of the assessed value of the Property, the Village shall pay to the Developer the principal amount due under this Agreement as recalculated. The Village shall be entitled to retain any interest earned on the account as partial payment for the administration of the account due to the delay of the determination of the final evaluation and recalculation of the benefits due the Developer under this Agreement.
 - b. If it appears to the Village that it will be unable to recover the Developer's share of any such refund from the remaining future reimbursements due the Developer under this Agreement, the Developer shall reimburse the Village for the Developer's remaining unpaid share of such refund within thirty (30) days upon receiving written

demand of the same from the Village.

- c. Notwithstanding anything contained in this Agreement to the contrary, the obligations contained in this *Section "G"* shall remain in effect for the remaining life of the TIF District, whether the TIF District expires upon the current expiration of the Redevelopment Plan and Projects adopted by the Village (tax year 2044 payable 2045) at an earlier time if the Village passes an ordinance terminating the TIF District; or at a later time if the TIF District is legislatively extended. Furthermore, the obligations set forth in this *Section "G"* shall survive the expiration of the TIF District if a tax objection or other such action taken by the Developer is pending prior to the expiration of the TIF District and shall continue until final disposition of such action.

H. LIMITED OBLIGATION

The Village's obligation hereunder to pay Developer for TIF Eligible Project Costs described in *Exhibit "2"* is a limited obligation to be paid solely from the TIF District Special Tax Allocation Fund. Said obligation does not now and shall never constitute an indebtedness of the Village within the meaning of any State of Illinois constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the Village or a charge or lien against the Village's general credit or taxing power.

I. VILLAGE PUBLIC PROJECTS

The Village intends to use part or all of the Village's share of the Real Estate Tax Increment for other public projects within the TIF District. The Village shall be eligible for reimbursement of the costs of doing so, as well as other eligible costs incurred by the Village of the TIF District.

J. LIMITED LIABILITY OF VILLAGE TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the Village to make any payments to any person other than the Developer, or its authorized designee, nor shall the Village be obligated to make direct payments to any other contractor, subcontractor, mechanic, or materialman providing services or materials to Developer for the Project.

K. COOPERATION OF THE PARTIES

1. The Village and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Project. This includes without limitation the Village assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, subsidy or additional funding which may be available from other governmental sources as the result of the Developer's or Village's activities. This also includes without limitation the Developer assisting or sponsoring the Village, or agreeing to jointly apply with the Village, for any grant, award, or subsidy which may be available as the result of the Village's or Developer's activities.
2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the Village's case, the adoption of such

ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.

3. The Parties shall cooperate fully with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county, or local) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property, including, without limitation, wetland mitigation, gas, telephone, and electric utility services, roads, highways, and rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

L. DEFAULT; CURE; REMEDIES

1. In the event of a default under this Agreement by any party hereto (the “Defaulting Party”), which default is not cured within the cure period provided for below, then the other party (the “Non-defaulting Party”), shall have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Party for the Defaulting Party’s breach of this Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the Village hereunder shall be limited to the Real Estate Tax Increment payable to the Developer under the terms of this Agreement.
 - a. In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Agreement, it shall not be deemed to be in default under this Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any nonmonetary covenant as and when it is required to under this Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting party specifying the nature of the default, provided, however, with respect to those nonmonetary defaults which are not capable of being cured within such thirty (30) day period, a Defaulting Party shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

M. TIME; FORCE MAJEURE

For this Agreement, time is of the essence; provided, however, Developer and Village shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if Developer or Village fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, condemnation, riots, insurrections, war, fuel shortages, pandemic or other public health disaster if declared by a State or Federal official with legal authority for such declaration, Acts of God, acts caused directly or indirectly by the Village (or Village’s agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or Village.

N. ASSIGNMENT

The rights (including, but not limited to, the right to payments contemplated by *Section "C"* of this Agreement,) and obligations (or either of them) of the Developer under this Agreement shall be fully assignable by the Developer provided written notice is provided to the Village and Village's consent is obtained prior to such assignment. The Village's consent shall not be unreasonably withheld, conditioned, or delayed; provided, that the nature of the Project is not substantially changed. Further, no such assignment shall be deemed to release the assignor of its obligations to the Village under this Agreement unless the consent of the Village to the release of the assignor's obligations is first obtained, and the nature of the Developer's Redevelopment Project shall not be substantially changed.

O. WAIVER

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

P. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

Q. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

TO VILLAGE:

Village of Mt. Zion
% Village Clerk
1400 Mt. Zion Parkway
Mt. Zion, IL 62549
Telephone: (217) 864-5424
Fax: (217) 864-5935

With copy to:

Jacob & Klein, Ltd.
The Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, IL 61704
Telephone: (309) 664-7777
Fax: (309) 664-7878

TO DEVELOPER:

Casa Development, LLC
Steve Lewis, Manager
1355 N. State Highway 121
Mt. Zion, IL 62549
(217) 519-5056

With copy to:

Mr. Rob LeSage, Attorney
Ward Murray Pace & Johnson, PC
100 E. First Street
P.O. Box 404
Dixon, IL 61021
Telephone: (815) 625-8200
Fax: (815) 284-0926

R. SUCCESSORS IN INTEREST

Subject to the provisions of *Paragraph "N"* above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

S. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

T. INDEMNIFICATION OF VILLAGE

All fixed works constructed or demolished by any public body or paid for wholly or in part out of public funds are subject to the Prevailing Wage Act (the "PWA Act" 820 ILCS 130/0.01 *et. seq.*). However, it is the understanding of the Parties that the current position of the Illinois Department of Labor is that "funds received from Tax Increment Financing do not qualify as "public funds." A private project that is funded by means of TIF financing ... is not covered by the Prevailing Wage Act unless it also receives funding from another source which does qualify as public funds." This position of the Department of Labor is stated as an answer to a FAQ on its website at: <http://www.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>. The Developer shall indemnify and hold harmless the Village, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, consultants, and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 *et. seq.*), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the Village for any claim asserted against the Village arising from the Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of Village, including but not limited to the reasonable attorney fees of the Village. Notwithstanding anything to the contrary set forth herein, the Developer shall be entitled to select defense counsel of its choosing in connection with the defense

of any such claim and/or action.

U. OTHER GENERAL PROVISIONS

1. **Entire Agreement:** The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the Village and the Developer with respect to the subject matter hereof.
2. **Term of the Agreement:** This Agreement shall expire upon Developer having received all incentives included herein, or the end of the life of the TIF District (**currently tax year 2044 payable 2045**) and any legislative extensions thereof, whichever occurs first. The Agreement shall expire sooner if the Developer files for bankruptcy or otherwise becomes insolvent, a Subject Lot(s) within the Property becomes the subject of foreclosure proceedings during the time period said Subject Lot(s) is owned by the Developer, or in the event of the default of the Developer of any of the provisions set forth herein.
3. **Amendments to this Agreement:** The parties hereto may amend this Agreement at any time by their mutual consent which amendment must be in writing and executed by the parties.
4. **Titles of Paragraphs:** Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.
5. **Choice of Law/Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of **Macon County, Illinois**.
6. **Counterparts:** This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.
7. **Warranty of Signatories:** EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF AND THE SIGNATORIES OF THE PARTIES HEREBY WARRANT FULL AUTHORITY TO BOTH EXECUTE THIS AGREEMENT AND TO BIND THE ENTITY IN WHICH THEY ARE SIGNING ON BEHALF OF.

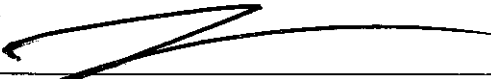
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Mt. Zion, Illinois.

VILLAGE OF MT. ZION, ILLINOIS, an Illinois Home Rule Municipal Corporation

CASA DEVELOPMENT, LLC, an Illinois Limited Liability Company

BY:

BY:



Mayor, Village of Mt. Zion



Casa Development, LLC

4/15/2024
Date

June 5, 2024
Date

ATTEST:



Village Clerk, Village of Mt. Zion

4/15/2024
Date

Attachments:

- Exhibit 1. Subject Lots of the Property
- Exhibit 2. Summary of Estimated TIF Eligible Project Costs
- Exhibit 3. Form of Land Purchase Agreement
- Exhibit 4. Requisition for Reimbursement

EXHIBIT 1

SUBJECT LOTS OF THE PROPERTY

- | | |
|---|---|
| 1. 425 Diamond Dr. / PIN 12-17-03-379-036 | 14. 695 Emerald Ave. / PIN 12-17-03-379-056 |
| 2. 445 Diamond Dr. / PIN 12-17-03-379-037 | 15. 705 Emerald Ave. / PIN 12-17-03-379-055 |
| 3. 460 Diamond Dr. / PIN 12-17-03-379-038 | 16. 710 Emerald Ave. / PIN 12-17-03-379-044 |
| 4. 475 Diamond Dr. / PIN 12-17-03-379-033 | 17. 715 Emerald Ave. / PIN 12-17-03-379-054 |
| 5. 610 Pearl Ct. / PIN 12-17-03-379-002 | 18. 720 Emerald Ave. / PIN 12-17-03-379-045 |
| 6. 645 Emerald Ave. / PIN 12-17-03-379-061 | 19. 725 Emerald Ave. / PIN 12-17-03-379-053 |
| 7. 650 Emerald Ave. / PIN 12-17-03-379-039 | 20. 730 Emerald Ave. / PIN 12-17-03-379-046 |
| 8. 655 Emerald Ave. / PIN 12-17-03-379-060 | 21. 740 Emerald Ave. / PIN 12-17-03-379-047 |
| 9. 665 Emerald Ave. / PIN 12-17-03-379-059 | 22. 750 Emerald Ave. / PIN 12-17-03-379-048 |
| 10. 675 Emerald Ave. / PIN 12-17-03-379-058 | 23. 760 Emerald Ave. / PIN 12-17-03-379-049 |
| 11. 680 Emerald Ave. / PIN 12-17-03-379-042 | 24. 770 Emerald Ave. / PIN 12-17-03-379-050 |
| 12. 685 Emerald Ave. / PIN 12-17-03-379-057 | 25. 780 Emerald Ave. / PIN 12-17-03-379-051 |
| 13. 690 Emerald Ave. / PIN 12-17-03-379-043 | 26. 790 Emerald Ave. / PIN 12-17-03-379-052 |



EXHIBIT 2

**SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS
Mt. Zion Rt. 121 TIF District II, Village of Mt. Zion, Macon County, Illinois**

**CASA DEVELOPMENT, LLC
Parkside East Residential Subdivision**

Estimated TIF Eligible Project Costs:

1. Marketing of site (425 Diamond Dr. / PIN 12-17-03-379-036).....	\$10,000
2. Marketing of site (445 Diamond Dr. / PIN 12-17-03-379-037).....	\$10,000
3. Marketing of site (460 Diamond Dr. / PIN 12-17-03-379-038).....	\$10,000
4. Marketing of site (475 Diamond Dr. / PIN 12-17-03-379-033).....	\$10,000
5. Marketing of site (610 Pearl Ct. / PIN 12-17-03-379-002).....	\$10,000
6. Marketing of site (645 Emerald Ave. / PIN 12-17-03-379-061).....	\$10,000
7. Marketing of site (650 Emerald Ave. / PIN 12-17-03-379-039)	\$10,000
8. Marketing of site (655 Emerald Ave. / PIN 12-17-03-379-060)	\$10,000
9. Marketing of site (665 Emerald Ave. / PIN 12-17-03-379-059).....	\$10,000
10. Marketing of site (675 Emerald Ave. / PIN 12-17-03-379-058).....	\$10,000
11. Marketing of site (680 Emerald Ave. / PIN 12-17-03-379-042).....	\$10,000
12. Marketing of site (685 Emerald Ave. / PIN 12-17-03-379-057).....	\$10,000
13. Marketing of site (690 Emerald Ave. / PIN 12-17-03-379-043).....	\$10,000
14. Marketing of site (695 Emerald Ave. / PIN 12-17-03-379-056).....	\$10,000
15. Marketing of site (705 Emerald Ave. / PIN 12-17-03-379-055).....	\$10,000
16. Marketing of site (710 Emerald Ave. / PIN 12-17-03-379-044).....	\$10,000
17. Marketing of site (715 Emerald Ave. / PIN 12-17-03-379-054).....	\$10,000
18. Marketing of site (720 Emerald Ave. / PIN 12-17-03-379-045).....	\$10,000
19. Marketing of site (725 Emerald Ave. / PIN 12-17-03-379-053).....	\$10,000
20. Marketing of site (730 Emerald Ave. / PIN 12-17-03-379-046).....	\$10,000
21. Marketing of site (740 Emerald Ave. / PIN 12-17-03-379-047).....	\$10,000
22. Marketing of site (750 Emerald Ave. / PIN 12-17-03-379-048).....	\$10,000
23. Marketing of site (760 Emerald Ave. / PIN 12-17-03-379-049).....	\$10,000
24. Marketing of site (770 Emerald Ave. / PIN 12-17-03-379-050).....	\$10,000
25. Marketing of site (780 Emerald Ave. / PIN 12-17-03-379-051).....	\$10,000
26. Marketing of site (790 Emerald Ave. / PIN 12-17-03-379-052).....	\$10,000

Total Estimated TIF Eligible Project Costs¹ \$260,000

¹ The total, cumulative reimbursement of real estate tax increment for TIF Eligible Project Costs payable by the Village to the Developer shall not exceed **\$260,000.00**, as set forth in **Section "C"** of this Redevelopment Agreement. The line items set forth in this **Exhibit "I"** are intended to place a total limit on the described line-item expenditures and preclude payment of other TIF eligible redevelopment project costs in connection with the Developer's Project. Adjustments may be made to the designated and anticipated line items within the total on a lot-by-lot basis by decreasing such line-item costs as may be verified for reimbursement of the Project per the terms and conditions for reimbursement as set forth in this Agreement.

CASA DEVELOPMENT, LLC
Parkside East Residential Subdivision

Calculation for Reimbursement of Site Marketing Cost *(Example Only)*
for Parkside East Lots Owned by Casa Development, LLC

Casa Development LLC (the “Developer”) intends to sell the Subject Lots on a lot-by-lot basis to R. Glosser Homes, Brettrick Day Construction or such other contractor the Developer shall reasonably select to work with for build-out of the Subject Lots (the “Builder”), based in part on the TIF Incentives described in in *Section “C”* of this Agreement. The TIF incentives are intended to accelerate the marketing of the Subject Lots and subsequent construction by the Builder of new single-family homes located thereon (the “Project”) by reducing the purchase price the Developer charges the Builder for each Subject Lot by \$10,000 (thus making the Subject Lots more affordable) in consideration of the Builder agreeing to satisfy the Construction Requirements (as such term is defined in the Agreement) (thus incentivizing more rapid construction and not mere land speculation). The steps for the Developer to use TIF and verify the eligible site marketing costs listed above for each Subject Lot are as follows:

1. Developer and Builder execute a Land Purchase Agreement, the form of which is provided in *Exhibit “3”* attached hereto.
2. Upon closing of the Land Purchase Agreement, Developer deeds the Subject Lot to the Builder and accepts from the Builder (i) initial earnest money of \$100.00 to cover recording fees; (ii) a Promissory Note of an amount equal to the agreed sale price of the Subject Lot as specified therein, including a \$10,000 forgiveness of the sale price if the Builder satisfies the Construction Requirements; and (iii) a Junior Mortgage to be recorded against the Subject Lot securing the Builder’s obligations under the Promissory Note. The Junior Mortgage is a lien on the Subject Property subordinate to the lien of the Builder’s construction lender until the Builder closes on the house and Subject Lot with the new homeowner or the Builder completes construction on the house and leases it to another party.
3. At the closing of the sale from the Builder to the new homeowner (or upon leases of the house to a third party), the Developer shall release the Junior Mortgage upon the Builder’s payment to the Developer of the amounts due under the Promissory Note. If the Builder satisfied the Construction Requirements, \$10,000 of the Promissory Note will be forgiven by the Developer as set forth in the Promissory Note. If not, the Builder shall pay the Developer the full purchase price of the Subject Lot as set forth in the Promissory Note..
4. The Developer may then submit a Requisition for Reimbursement to the Village to verify the TIF eligible site marketing cost associated with the Subject Lot. The Requisition for Reimbursement shall also include: (i) evidence reasonably satisfactory to the Village showing that the Builder satisfied the Construction Requirements, and (ii) a Settlement Statement from the Builder’s sale of such Subject Lot or other evidence reasonably satisfactory to the Village showing that the Junior Mortgage in favor of the Developer has been duly released by the Developer.

TIF Reimbursement Example:

Lot price	\$50,000
Amount of Promissory Note forgiveness	\$10,000
Anticipated market price for new single-family home and lot	\$285,000
Assumed taxable value (EAV) of new house and lot after homeowner exemption (\$6,000)	\$89,000
Vacant Lot’s TIF Base EAV	\$218

Incremental TIF EAV.....	\$88,782
Assumed real estate tax rate.....	8.275060%
Estimated new real estate tax increment after deducting lot's TIF base value.....	\$7,344
Estimated "net" real estate tax increment.....	\$5,508
Casa share of net real estate tax increment per Agreement.....	\$4,406
Projected number of <i>pay-as-you-go</i> tax years to recover value of forgiven Promissory Note ²	3 years

² Number of *pay-as-you-go* tax years necessary to recover the total cumulative reimbursement payable per the redevelopment agreement will depend on the value of the new home constructed, as well as the assessed valuation and real estate tax rate to be determined by Macon County each year during the remaining life of the TIF District.

EXHIBIT 3

FORM OF LAND PURCHASE AGREEMENT

(see attached)

LAND PURCHASE AGREEMENT

THIS LAND PURCHASE AGREEMENT (the "Land Agreement") is made and entered into as of the date of execution by the Seller and Buyer as set forth on the signature page hereof (the "Land Agreement Date"), by and between **CASA DEVELOPMENT, LLC**, an Illinois limited liability company ("Seller"), and _____ ("Buyer" and also the "Builder").

WHEREAS, Seller is the owner of real estate located in the Parkside East subdivision (hereinafter "Parkside East" or "subdivision") to the Village of Mt. Zion, Macon County, Illinois, (the "Village") being more particularly described as follows:

Subject Lot Permanent Tax Index No. _____

Subject Lot Street Address: _____; and

WHEREAS, the Seller desires to sell said real estate and Buyer desires to purchase the same and construct a single-family home thereon for sale to a third party; and

WHEREAS, the parties have agreement upon the terms and conditions set forth herein to the sale and purchase of said real estate and with to reflect their agreement in writing.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, Buyer and Seller hereby agree as follows:

1. **Mutual Covenants.** Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller the above-described real estate upon the terms set forth in this Land Agreement.
2. **Purchase Price:** Exclusive of earnest money paid hereto, the buyer agrees to pay Seller the total purchase price of _____ **and 00/100 DOLLARS** (\$_____.00).
3. **Payment Terms:** The total Purchase Price shall be payable by the Buyer to the Seller as follows:
 - a. **Upon closing of this Land Agreement:**
 - i. Buyer shall pay Seller earnest money in the sum of **One Hundred and 00/100 Dollars (\$100.00)**, adjusted by prorations and credits allowed to the parties by this Land Agreement; and

6. **Deed of Conveyance.** Subject to terms and conditions described in *Paragraphs 2 and 3* above, at closing of this Land Agreement, Seller shall execute and deliver to Buyer a sufficient Special Warranty Deed for the conveyance of merchantable title to Buyer, subject only to current real estate taxes due and payable on the date of this Land Agreement.
7. **Evidence of Title.** Within a reasonable time, Seller shall deliver a Commitment of Title Insurance issued by a Title Insurance Company authorized to issue policies in Macon County, Illinois, committing the company to issue a policy in the usual form insuring title to the real estate in Buyer for the amount of the total purchase price as stated in Paragraph 2 above. As soon as reasonable thereafter, Seller shall provide a title insurance policy in the full amount of the purchase price, subject only to the usual exceptions contained in such policies and the then real estate taxes due and payable. A concurrent Mortgage Policy may be furnished to Buyer's Lender, if any, at a cost to Buyer.
8. **Condition of Subject Lot.** The parties hereby acknowledge that the Buyer has inspected the Subject Lot and accepts the same as is.
9. **Taxes and Recordings.** Taxes shall be prorated as of the date of this Land Agreement based on the last available real estate tax bill. All transfer and conveyance taxes and/or documentary stamps shall be paid by Seller. The cost of recording the Junior Mortgage and the Special Warranty Deed shall be paid for by Buyer with the exception of any Junior Mortgage release, which will be paid by Seller. The cost of any closing will be paid by Buyer.
10. **Time of the Essence.** The time for performance of the obligations of the parties is of the essence in this Land Agreement.
11. **Default.** If either party shall make default under the terms of this Land Agreement, then the non-defaulting party shall have all remedies available to them by law and reasonable Attorney's Fees may be granted. Any defaulting party is hereby entitled to ten (10) days after receipt of written notice of a default to cure before the other party may terminate or exercise other remedies under this Land Agreement. In the event of default of the Buyer, Seller may elect to retain earnest money paid herein as Seller's sole remedy in liquidation of damages at Seller's discretion.
12. **Notices.** All notices, demands, requests, consents, approvals or other instruments required or permitted by this Land Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

TO SELLER:

| TO BUYER:

CASA DEVELOPMENT, LLC
% Steven A. Lewis, Manager
200 Lewis Parkway
Mt. Zion, IL 62549

13. **Succession of Obligations.** All terms of this Land Agreement shall be binding upon the heirs, legatees, devisees, personal representatives, and assignees of the parties.
14. **Titles of Paragraphs:** Titles of the several parts, paragraphs, sections, or articles of this Land Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.
15. **Choice of Law/Venue:** This Land Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of **Macon County, Illinois.**
16. **Entirety of the Agreement.** This Land Agreement, including **Exhibit A** attached hereto, contains the entire agreement between the parties and no oral representation, warranty, or covenant exists other than those herein set forth.
17. **Warranty of Signatories:** EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS LAND AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS LAND AGREEMENT. THIS LAND AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF AND THE SIGNATORIES OF THE PARTIES HEREBY WARRANT FULL AUTHORITY TO BOTH EXECUTE THIS AGREEMENT AND TO BIND THE ENTITY IN WHICH THEY ARE SIGNING ON BEHALF OF.

IN WITNESS WHEREOF, the parties have executed this Land Agreement as of the _____ day of _____, 20_____.

SELLER:

CASA DEVELOPMENT, LLC, an Illinois
Limited Liability Company

BY:

President

BUYER:

BY:

Attachment: *Exhibit A. Promissory Note*
Exhibit B. Junior Mortgage

EXHIBIT A
(see attached)

PROMISSORY NOTE

FOR VALUE RECEIVED pursuant to the terms of a **Land Purchase Agreement** executed by the parties on the _____ day of _____, 20____ as relates to real estate located in the Parkside East subdivision (hereinafter "Parkside East" or "subdivision") to the Village of Mt. Zion, Macon County, Illinois, (the "Village") being more particularly described as follows:

Subject Lot Permanent Tax Index No. _____

Subject Lot Street Address: _____

The undersigned _____ ("**Borrower**") promises to pay to **CASA DEVELOPMENT, LLC ("Lender")**, or to the order of the holder of the Note, the principal sum of:

_____ **and 00/100 DOLLARS** (\$_____.00) with interest on the unpaid principal balance from the date of this Note until paid at the rate of _____ percent (____%) per annum. The entire principal and interest shall become due and payable on or before the date Borrower completes the construction of a single-family home on the Subject Lot and either (i) closes on the sale of such home to a home buyer or (ii) leases such home to a third party (the "Payment Date"). Notwithstanding the foregoing, the Payment Date shall be not later than _____.

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Note shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

TO LENDER:

CASA DEVELOPMENT, LLC
% Steven A. Lewis, Manager
1355 N. State Highway 121
Mt. Zion, IL 62549
(217) 519-5056

TO BORROWER:

In the event that Borrower satisfies the Buyer's Construction Requirements (as such term is defined in said Land Purchase Agreement), and provides Lender with evidence reasonably satisfactory to Lender of the same, then on the Payment Date Lender shall forgive \$10,000 of the amount due and owing on this Note.

If the principal and interest under this Note is not satisfied when due and remains unpaid for a period of thirty (30) business days after written notice to the undersigned Borrower by the holder of said Note, then the holder of the Note may bring a lawsuit in order to collect the balance due and owing under said Note. The Note holder shall be entitled to collect all reasonable costs and expenses of suit, including but not limited to reasonable attorney fees.

This Promissory Note has been entered into and shall be performed in the Village of Mt. Zion, Macon County, Illinois, and shall be construed in accordance with the laws of Illinois and any applicable federal statutes or regulations of the United States. Any claims or disputes concerning this Note shall, at the sole election of the Lender, be adjudicated in Macon County, Illinois.

LENDER:

**CASA DEVELOPMENT, LLC, an
Illinois Limited Liability Company**

BY:

President

Date

BORROWER:

BY:

Date

EXHIBIT B

(see attached)

**JUNIOR
MORTGAGE**

THIS JUNIOR MORTGAGE (this "*Mortgage*"), made this ____ day of _____, _____, by and between ("*MORTGAGOR*"), and CASA DEVELOPMENT, LLC, an Illinois limited liability company ("*MORTGAGEE*").

WITNESSETH: That MORTGAGOR hereby mortgages, grants and conveys to MORTGAGEE, and to its successors and assigns, the following described real estate located at _____, Mt. Zion, Illinois, to-wit:

(SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN)

TOGETHER WITH, all rents, issues, profits, royalties, income and other benefits derived from the real property, all leases or subleases covering the real property or any portion thereof, now or hereafter existing or entered into, and all right, title and interest of MORTGAGOR thereunder; all interests, estates or other claims, both in law and in equity, which MORTGAGOR now has or may hereafter acquire in the real property, all easements, rights-of-way, tenements, hereditaments and appurtenances thereof and thereto; all oil, gas and mineral rights and profits, water rights and water stock of MORTGAGOR, all right, title and interest of MORTGAGOR, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street or highway adjoining the real property; and any and all buildings, fixtures, improvements, and appurtenances now or hereafter erected thereon or belonging thereto, (herein referred to as "*Improvement*" or "*Improvements*"). All of the foregoing property and interests are herein collectively referred to as the "*Property*." MORTGAGOR waives all right of homestead exemption in the Property.

This Mortgage is given to secure the performance of the Promissory Note from MORTGAGOR in favor of MORTGAGEE, dated _____, _____, in the principal amount of \$ _____ (the "*Promissory Note*"). The Promissory Note has been made and delivered in furtherance of Land Purchase Agreement by and between MORTGAGOR and MORTGAGE, dated _____, _____, (the "*Purchase Agreement*"). This Mortgage is

also given to secure the performance of the Purchase Agreement.

This MORTGAGE is subject solely to the lien of _____ in connection with MORTGAGOR's construction of the single-family home as set forth in the Purchase Agreement.

MORTGAGOR warrants, covenants and agrees as follows:

1. **PERFORMANCE:** MORTGAGOR shall faithfully perform the covenants, restrictions and obligations pursuant to the Promissory Note and the Purchase Agreement ("*Obligations*").

2. **WARRANTY OF TITLE:** MORTGAGOR is lawfully possessed of good and indefeasible title to the Property, and MORTGAGOR will defend the title against any claims by any party during the term of this Mortgage.

3. **FULL FORCE AND EFFECT:** The provisions of this Mortgage shall remain in full force and effect through any extension of time for performance of the Obligations and until the Property is released of record.

4. To protect the security, MORTGAGOR shall:

(a) **TAXES AND OTHER CHARGES:** Pay before the same become delinquent all taxes and assessments, and other charges against the Property, and in default thereof, MORTGAGEE may pay the same at the cost of MORTGAGOR.

(b) **PRESERVATION, REPAIR AND USE OF PROPERTY:** Not commit waste, or authorize the repair or removal of any of the structures, fixtures, or Improvements on the Property, or do or permit any act that would result in the creation of an additional lien upon the land or the structures, fixtures or Improvements thereon without first obtaining prior written consent of MORTGAGEE, and otherwise to maintain the Property in as good condition as at present. Upon any failure to maintain, MORTGAGEE, at its option, may cause reasonable repair and maintenance work to be performed at the cost of MORTGAGOR.

(c) **OBLIGATIONS OF MORTGAGOR:** Comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property, or requiring alterations or improvements to be made thereon, and MORTGAGOR shall not suffer nor permit any act to be done in or upon the Property in violation thereof. MORTGAGOR represents and warrants that prior use of the Property by MORTGAGOR has been in compliance with all applicable laws and regulations.

(d) **HAZARDOUS WASTE:** Warrant, and does hereby warrant, that there has not been, since the date MORTGAGOR acquired title to the Property, any "*release*" (as defined in 42 U.S.C., Sec. 9601 (22)) or threat of a "*release*" of any "*hazardous substances*" (as defined in 42 U.S.C., Sec. 9601 (14)), petroleum, including without limitation, crude oil or any fraction thereof, or natural gas liquids, liquified natural gas, or

synthetic gas on, upon or into the Property and, to MORTGAGOR's knowledge, there have never been any such releases on, upon or into the Property nor on, upon or into any real property adjoining or in the vicinity of the Property which could have come to be located upon the Property or the water or groundwater or thereunder. MORTGAGOR has no knowledge of any underground storage tanks of any kind or character, whether empty or containing substances of any nature located within the Property; and from the date of acquisition by MORTGAGOR, the Property and the use thereof, has been and is in compliance with all applicable laws, statutes, ordinances, rules and regulations of all governmental and quasi-governmental authorities, specifically including without limitation, all laws, statutes, ordinances, rules and regulations relating to environmental protection, toxic waste, underground storage tanks, and hazardous substance handling, treatment, storage and disposal. The representations and warranties contained in this section shall, insofar as they relate to the Property, be deemed to be continuing and shall remain true and correct in all material respects until the Obligations have been satisfied in full.

(e) **INDEMNITY.** MORTGAGOR hereby covenants and agrees to indemnify, protect and hold harmless MORTGAGEE from and against any and all claims, demands, liabilities and costs, including attorney's fees, arising from (a) any "release" (as defined in Section 4(d) above) or threat of a "release", actual or alleged, or any "hazardous substances" (as defined in Section 4(d) above) upon or about 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 the result of the negligence or misconduct of MORTGAGOR or any third party or otherwise, (b) any violation, actual or alleged, of or any other liability under or in connection with any law, statute, ordinance, rule or regulation of any governmental authority or quasi-governmental authority, specifically including without limitation the Resource Conservation and Recovery Act ("*RCRA*"), the Comprehensive Environmental Response, Compensation and Liability Act ("*CERCLA*"), the Emergency Planning and Community Right-to-Know Act of 1986, or any other environmental protection or toxic waste or hazardous substance handling, treatment, storage or disposal laws, statutes, ordinances, rules or regulations, relating to the Property or respecting any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Property, as same may be amended, regardless of whether such violation or alleged violation or other liability has occurred or arisen prior to the date hereof or hereafter occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises as the result of the negligence or misconduct of MORTGAGOR or any third party or otherwise. This indemnify shall survive any foreclosure of this Mortgage as to any such release or threat of release or any such violation, alleged violation or other liability occurring or arising prior to such foreclosure.

5. **PROTECTION OF SECURITY:** MORTGAGEE may appear in and defend any action or proceeding purporting to affect the security hereof, and MORTGAGOR shall pay all costs and expenses, including costs of evidence of title and attorney's fees in a reasonable sum as may be allowed by the Court, in such action or proceeding in which MORTGAGEE may appear.

6. **ASSIGNMENT OF RENTS AND PROFITS:** MORTGAGEE shall have the right, power and authority during the continuance of this Mortgage to collect the rents, income, issues and profits of the Property and of any personal property located thereon with or without taking possession of the property affected hereby, and MORTGAGOR hereby absolutely and unconditionally assigns all such rents, income, issues and profits to MORTGAGEE. MORTGAGEE, however, hereby consents to MORTGAGOR's collection and retention of such rents, income, issues and profits as they accrue and become payable so long as MORTGAGOR is not, at such times, in default as defined herein. Upon any such default, MORTGAGEE may at any time, either in person, by agent, or by a receiver to be appointed by a court, without notice and without regard to the adequacy of any security for the indebtedness hereby secured: (a) enter upon and take possession of the Property or any part thereof, and in its own name sue for or otherwise collect such rents, income, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order and priority as MORTGAGEE may determine; (b) perform such acts of repair or protection as may be necessary or proper to conserve the value of the Property; and (c) lease the same or any part thereof for such rental term, and upon such conditions as its judgment may dictate, or terminate or adjust the terms and conditions of existing leases. The entering upon, the taking possession of the Property, the collection of such rents, income, issues and profits, and the application thereof as described herein, shall not waive or cure any default or notice of default hereunder, or invalidate any act done pursuant to such notice. MORTGAGOR also assigns to MORTGAGEE, as further security for the performance of the Obligations, all prepaid rents and all monies which may have been or may hereafter be deposited with MORTGAGOR by a lease of the Property, to secure the payment of any rent, and upon default in the performance of any of the provisions hereof, MORTGAGOR agrees to deliver such rents and deposits to MORTGAGEE. Delivery of written notice of MORTGAGEE's exercise of the rights granted herein, to any tenant occupying said premises shall be sufficient to require said tenant to pay said rent to MORTGAGEE until further notice.

7. **CONDEMNATION:** Any award of damages, settlement, or compensation in connection with any eminent domain action for public use of or an injury to the Property, or any part thereof, is hereby assigned by MORTGAGOR to MORTGAGEE, and all money received by MORTGAGEE may be applied to the indebtedness secured by this Mortgage, or released by it in the same manner and with the same effect as herein provided for the disposition of the proceeds of insurance. Neither the application nor the release of any such sums shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice, nor shall anything in the section affect the liability of MORTGAGOR for payment of the entire balance of the Obligations secured hereby.

8. **INSURANCE, CASUALTY, GENERAL LIABILITY AND RESTORATION:** MORTGAGOR shall keep the Improvements and other fixtures upon the premises insured against such hazards and in such amounts as may be reasonably required by MORTGAGEE. After the happening of any casualty to the Property or any part thereof, MORTGAGOR shall give prompt written notice thereof to MORTGAGEE.

MORTGAGOR shall further maintain insurance against general liability with respect to

damages or injuries arising from use or occupation of the Property and against such risks or hazards as MORTGAGEE from time to time reasonably may designate, in form and amounts reasonably satisfactory to MORTGAGOR.

Unless MORTGAGOR and MORTGAGEE otherwise agree in writing, and provided there does not then exist an uncured Event of Default (as hereafter defined) under this Mortgage, insurance proceeds shall be applied to restoration or repair of the improvements damaged. MORTGAGOR will restore the value of the improvements to at least equal value and substantially same character as existed at the time of execution of this Mortgage.

In the event of such loss or damage, all proceeds of insurance shall be payable to MORTGAGEE, and MORTGAGOR hereby assigns said proceeds to MORTGAGEE, and authorizes and directs any affected insurance company to make payment of such proceeds directly to MORTGAGEE. MORTGAGEE is hereby authorized and empowered by MORTGAGOR to settle, adjust or compromise any claims for loss, damage or destruction under any policy or policies of insurance.

Except to the extent that insurance proceeds are received by MORTGAGEE and applied to the Obligations, which MORTGAGEE may do in the event there exists an uncured Event of Default, nothing herein contained shall be deemed to excuse MORTGAGOR from repairing or maintaining the Property as provided in this Mortgage or restoring all damage or destruction to the Property, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by MORTGAGEE of any insurance proceeds shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

All insurance policies required shall be written with companies satisfactory to MORTGAGEE, shall contain non-contributory standard mortgage clauses, shall name MORTGAGEE as an additional insured, shall be maintained, throughout the term of the Mortgage without cost to MORTGAGEE, and shall contain such provisions as MORTGAGEE deems necessary or desirable to protect its interest including, without limitation, a provision for thirty (30) days prior written notice to MORTGAGEE of cancellation of or any change in the risk or coverages insured.

9. **PARTIAL PERFORMANCE:** Acceptance by MORTGAGEE of any partial performance of any portion of the Obligations shall not constitute a waiver of MORTGAGEE's right to require prompt performance of the remainder of the Obligations, nor shall such acceptance cure or waive any remaining default or waive any subsequent default or prejudice against the rights of the MORTGAGEE under this Mortgage.

10. **ACTIONS BY MORTGAGEE:** Without affecting the personal liability of any person, including MORTGAGOR (other than any person or entity released pursuant hereto), for the payment of the Obligations, and without affecting the lien of this Mortgage for the full amount of the Obligations remaining unpaid upon any property conveyed pursuant hereto, MORTGAGEE is authorized and empowered at any time and from time to time, either before or after the termination of the Promissory Note and the Purchase Agreement, and without notice, to: (a) release any person or entity liable for the performance of any of the Obligations, (b) make

any agreement extending the time or otherwise modifying the terms or performance of any of the Obligations, (c) accept additional security therefor of any kind or (d) release any property, real or personal, securing the Obligations.

11. TRANSFER OF PROPERTY: For the purpose of protecting MORTGAGOR's security and keeping the Property free from subordinate financing liens, MORTGAGOR agrees that any sale, conveyance, further encumbrance, or other transfer of legal, equitable or beneficial title to the Property, or any interest therein (whether voluntarily or by operation of law), without MORTGAGOR's prior written consent, shall be an Event of Default hereunder. In the event MORTGAGOR, without the prior written consent of MORTGAGEE, shall sell, convey, alienate, transfer, mortgage or encumber the Property described herein or any part thereof, or any interest therein, whether legal, equitable or beneficial, or shall be divested of his title or any interest therein, in any manner or way, whether voluntary or involuntary, the entire balance of the Obligations shall become immediately due and payable at the option of MORTGAGEE.

For the purpose of, and without limiting the generality of the foregoing, the occurrence at any time of any of the following events, without MORTGAGOR's prior written consent, shall be deemed to be an unpermitted transfer of title of the Property and therefore an Event of Default hereunder:

(a) Any sale, conveyance, assignment, grant or other transfer of all or any part of the legal and/or equitable title to the Property; or

(b) Any sale, conveyance, assignment, grant or other transfer of the legal, equitable and/or beneficial title to the Property which occurs by operation of law, by trustees in bankruptcy, receivers or estate administrators, personal representatives or executors, or by or through a bankruptcy court.

Any consent by the MORTGAGEE or any waiver of an Event of Default under this Section 11 shall not constitute a consent to any further transfer of the legal, equitable and/or beneficial title to the Property, or a waiver of any rights, remedies or powers of the MORTGAGOR upon a subsequent Event of Default under this Section 11.

12. EVENTS OF DEFAULT: Any of the following events shall be deemed an Event of Default ("*Event of Default*") hereunder:

(a) MORTGAGOR shall fail to perform any Obligations and such failure continues beyond any applicable notice and cure period set forth in the Promissory Note or the Purchase Agreement;

(b) MORTGAGOR seeks relief pursuant to bankruptcy laws, Title 11 U.S. Code, or is made a defendant in a bankruptcy or receivership proceeding, provided that MORTGAGOR shall have ninety (90) days from the commencement of involuntary bankruptcy proceedings to have such proceedings dismissed;

(c) A writ of execution or attachment or any similar process shall be entered against MORTGAGOR which shall become a lien on the Property, or any portion thereof or interest therein and such execution, attachment or similar process of judgment is not released, bonded, satisfied, vacated or stayed within ninety (90) days after its entry or levy;

(d) There has occurred a breach of or default under any term, covenant, agreement, condition, provision, representation or warranty contained herein and such breach or default continues for a period of thirty (30) days; or

(e) MORTGAGOR fails to perform any terms, conditions, covenants or agreements which are part of this Mortgage or any other document or agreement which secures all or any part of the Obligations.

13. **ACCELERATION, REMEDIES:** Subject to the rights of the prior lien holders, upon the occurrence of an Event of Default, MORTGAGEE may require immediate payment in full of all sums secured by this Mortgage without further demand, and/or immediately foreclose this Mortgage or pursue any other available legal remedy. In the event of any action by MORTGAGEE to enforce collection of any of the Obligations, MORTGAGOR agrees that any expense incurred in connection therewith or incurred to procure or extend an abstract of title or a policy of title insurance shall, when incurred or paid by MORTGAGEE, become a part of the Obligations and shall be paid by MORTGAGOR together with all of the costs of such action. In the event any action is brought to foreclose this Mortgage, MORTGAGEE shall be entitled to immediate possession of the Property, and the court may appoint and MORTGAGOR hereby consents to the appointment of a receiver to take possession of the Property to collect and receive the rents, income, issues and profits arising therefrom; and from any moneys so collected, to pay taxes, provide insurance, make needed repairs to Improvements upon the Property, and make any other expenditures authorized by the court, and apply any sum remaining after the payment of such authorized expenditures to the Obligations.

14. **REMEDIES NOT EXCLUSIVE:** MORTGAGEE shall be entitled to enforce payment and performance of any Obligations and to exercise all rights and powers under this Mortgage or any other agreement executed in connection herewith or any laws now or hereafter in force, notwithstanding some or all of the such Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect MORTGAGEE'S right to realize upon or enforce any other security now or hereafter held by MORTGAGEE, it being agreed that MORTGAGEE shall be entitled to enforce this Mortgage and any other security now or hereafter held by MORTGAGEE in such order and manner as MORTGAGEE may in its sole and absolute discretion determine. No remedy herein conferred upon or reserved to MORTGAGEE is intended to be exclusive or any other remedy herein or by law provided or permitted, but shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy provided under this Mortgage to MORTGAGEE or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by MORTGAGEE and MORTGAGOR may pursue inconsistent remedies. Nothing herein shall be construed as

prohibiting MORTGAGEE from seeking a deficiency judgment against MORTGAGOR to the extent such action is permitted by law.

15. **NO IMPLIED WAIVER:** The failure of MORTGAGEE promptly to exercise any right, power or remedy provided herein or at law or in equity shall not constitute a waiver of the same, nor shall MORTGAGEE be estopped from later exercising such right, power or remedy.

16. **NOTICE:** Except for any notices, demands, requests or other communications required under applicable law to be given in another manner, whenever MORTGAGOR or MORTGAGEE give or serve any notice, demands, requests or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and delivered in the manner and to the addresses set forth in the Purchase Agreement.

17. **PRESERVATION, REPAIR AND USE OF PROPERTY:** MORTGAGOR shall constantly maintain and shall not diminish the value of any of the Property during the existence of the Mortgage. MORTGAGOR shall not destroy, remove or sell any buildings or improvements. MORTGAGOR shall constantly maintain or cause to be maintained the Improvements in accordance with standards customary in the area. In the event that MORTGAGOR shall default in the performance of any of the provisions of this section, MORTGAGEE may, without notice or demand, ask for and obtain the appointment of a receiver for the protection and management of said security or may remedy such default, and carry out and perform all of the obligations of the MORTGAGOR hereunder at the cost and expense of the MORTGAGOR and pay the cost thereof, and the MORTGAGOR hereby agrees immediately to repay to MORTGAGEE on demand any sums so paid, with interest thereon at the rate of nine percent (9%) per annum.

18. **INSPECTION:** MORTGAGOR agrees to permit MORTGAGEE and/or its agents, at reasonable time and intervals, to inspect the Property described herein for the purpose of determining whether MORTGAGOR is in compliance with the provisions of the Promissory Note, the Purchase Agreement and this Mortgage.

19. **ATTORNEY'S FEES:** Except where prohibited by law, if MORTGAGEE refers this Mortgage to an attorney or seeks legal advice following default alleged in good faith, or MORTGAGEE is the prevailing party in any action instituted on this Mortgage, the Promissory Note or the Purchase Agreement, or if any judicial or nonjudicial action, suit, declaratory action, or proceeding is instituted by MORTGAGEE to appear in any such action or proceeding, or to reclaim, seek relief from a judicial or statutory stay, sequester, protect, preserve or enforce interest in this Mortgage (including but not limited to proceedings under federal bankruptcy law, in eminent domain, under probate proceedings, or in connection with any state or federal tax lien), then in such event, MORTGAGOR promises to pay reasonable attorney's fees and reasonable costs and expenses incurred by MORTGAGEE or its attorney in connection with the above mentioned events.

20. **ACTIONS BY MORTGAGEE TO PRESERVE THE PROPERTY:** If MORTGAGOR fails to make any payment required under this Mortgage, whether for real estate taxes, insurance premiums, attorney's fees, or otherwise, or fails to do any act as may be required

hereunder, MORTGAGEE may, at the discretion of MORTGAGEE, without obligation to do so and without releasing MORTGAGOR from any obligation, make or do the same in such manner and such event as MORTGAGEE shall deem necessary to protect the Property. Without notice to MORTGAGOR, MORTGAGEE may bill MORTGAGOR for such advancements, which amounts shall be due on demand, plus interest at the rate of nine percent (9%) per annum from the date of advancement until repaid.

21. **ENTIRE AGREEMENT:** This instrument, together with the Promissory Note and the Purchase Agreement, constitutes and sets forth the entire understanding and agreement between the parties, and no party hereto has relied upon any representations, agreements or understandings, verbal or written, not set forth herein, in the Promissory Note or in the Purchase Agreement, whether made by any party hereto or by any agent, employee or representative of any party hereto. Specifically, without limiting the generality of the foregoing, the parties agree that MORTGAGEE has made no agreement to extend or renew any of the Obligations, and no such agreement will be binding upon MORTGAGEE unless made in writing, subsequent to the date hereof, and executed by a duly authorized representative of MORTGAGEE.

22. **BINDING AGREEMENT:** This Mortgage inures to the benefit of, and binds all parties hereto, their heirs, legal representatives, successors and assigns. The term MORTGAGEE shall mean the owner and holder of the Promissory Note, whether or not named as MORTGAGEE herein.

23. **MORTGAGOR NOT RELEASED:** Extension of the time for performance of the Obligations granted by MORTGAGEE to any successor in interest of MORTGAGOR shall not operate to release, in any manner, the liability of the original MORTGAGOR or MORTGAGOR's successor in interest. MORTGAGEE shall not be required to commence proceedings against such successor or refuse to extend time for performance or otherwise modify terms of the Promissory Note or Redevelopment Agreement secured by this Mortgage by reason of any demand made by the original MORTGAGOR and MORTGAGOR's successors in interest.

24. **GOVERNING LAW:** This Mortgage and each instrument securing it shall be governed by and construed according to the laws of the State of Illinois with venue in Macon County.

25. **SEVERABILITY:** In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of MORTGAGEE, not affect any other provision of this Mortgage but the same shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If the lien of this Mortgage is invalid or unenforceable as to any part of the Obligations, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the Obligations shall be considered to have been first paid on and applied to the full payment of that portion of the Obligations which is not secured or not fully secured by the lien of this Mortgage.

26. **CONSENT NOT REQUIRED OF MORTGAGEE:** Any consent by MORTGAGEE in any single instance shall not be deemed or construed to be MORTGAGEE's

consent in any like matter arising at a subsequent date and the failure of MORTGAGEE to promptly exercise any right, power, remedy, consent or approval provided herein or at law or in equity shall not constitute or be construed as a waiver of the same nor shall MORTGAGEE be estopped from exercising such right, power, remedy, consent or approval at a later date. Any consent or approval requested of and granted by MORTGAGEE pursuant hereto shall be narrowly construed to be applicable only to MORTGAGOR and the matter identified in such consent or approval and no third party shall claim any benefit by reason thereof, and any such consent or approval shall not be deemed to constitute MORTGAGEE a venturer or partner with MORTGAGOR nor shall privity of contract be presumed to have been established with any such third party. If MORTGAGEE deems it to be in its best interest to retain the assistance of persons, firms or corporations (including, but not limited to, attorneys, appraisers, engineers, consultants and surveyors) with respect to a request for consent or approval, MORTGAGOR shall reimburse MORTGAGEE for all costs incurred in connection with the employment of such persons, firms or corporations.

27. **HEADINGS:** Headings are for convenience only and are not intended as a limitation on the content of the section following nor as an aid to the construction thereof.

28. **CONSENTS:** Unless otherwise specifically provided for in this Mortgage, no consent required of MORTGAGEE pursuant to this Mortgage shall be unreasonably withheld.

(THE SIGNATURE OF THE MORTGAGOR APPEARS ON THE FOLLOWING PAGE).

IN WITNESS WHEREOF, the undersigned executed this Mortgage as of the date first above written.

MORTGAGOR:

By _____

Its _____

ACKNOWLEDGEMENT

STATE OF ILLINOIS)

) SS

COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act on behalf of _____ for the uses and purposes therein set forth.

Given under my hand and official seal, this ____ day of _____, ____.

Notary Public

Prepared by and return to:

EXHIBIT A to JUNIOR MORTGAGE

INSERT LEGAL DESCRIPTION

EXHIBIT 4

VILLAGE OF MT. ZION, ILLINOIS - MT. ZION TIF DISTRICT

**PRIVATE PROJECT
REQUEST FOR REIMBURSEMENT**

by
CASA DEVELOPMENT, LLC
Parkside East Residential Subdivision – Site Marketing, Mt. Zion, IL

Date _____

Attention: Village TIF Administrator, Village of Mt. Zion, Illinois

Re: TIF Redevelopment Agreement, dated _____, by and between the Village of Mt. Zion, Illinois, and Casa Development, LLC (the "Developer").

The Village of Mt. Zion is hereby requested to disburse funds from the TIF District Special Tax Allocation Fund pursuant to the Redevelopment Agreement described above in the following amount(s), to the Developer and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. REQUEST FOR REIMBURSEMENT NO. _____
2. PAYMENT DUE TO: **CASA DEVELOPMENT, LLC**
3. AMOUNTS REQUESTED TO BE DISBURSED:

Description of TIF Eligible Project Cost	Amount
Total	

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for TIF Eligible Project Costs for the Project detailed in *Exhibit "2"* of the Redevelopment Agreement.

5. The undersigned certifies that:

- a. the amounts included in (3) above were made or incurred and were necessary for the Project; and
- b. the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for TIF Eligible Project Costs; and
- c. the expenditures for which amounts are requested represent proper TIF Eligible Project Costs as identified in the "Limitation of Incentives to Developer" described in **Section "D"** of the Redevelopment Agreement, have not been included in any previous Request for Reimbursement; and
- d. the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.

6. Attached to this Request for Reimbursement is *Exhibit "2"* of the Redevelopment Agreement, together with the documentation required under Section "C" of the Redevelopment Agreement.

SUBMITTED BY: _____ (Developer)

Title: _____

FOR VILLAGE USE:

REVIEWED BY JACOB & KLEIN, LTD. & THE ECONOMIC DEVELOPMENT GROUP, LTD.

BY: _____

Title: _____ Date: _____

VILLAGE OF MT. ZION, ILLINOIS

BY: _____

Title: _____ Date: _____