STATE OF ILLINOIS
COUNTY OF DEKALB SS
CITY OF DEKALB

I, LYNN A. FAZEKAS, do hereby certify that I am the duly appointed City Clerk of the City of DeKalb, DeKalb County, Illinois, and as such officer of said City I do further certify that the attached is a true and correct copy of:

ORDINANCE 2019-05

AUTHORIZING A ZONING MAP AMENDMENT FROM THE "LI" LIGHT INDUSTRIAL DISTRICT TO THE "PD-C" PLANNED DEVELOPMENT - COMMERCIAL DISTRICT, AND APPROVING A PLANNED DEVELOPMENT PRELIMINARY AND FINAL PLAN AGREEMENT (204 N. FOURTH STREET AND 420 OAK STREET – AGORA TOWER – MOONEY PROPERTY) (PNG DEVELOPMENT, LLC).

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, on the 9th day of September 2019. The original will be kept on file at the City of DeKalb Municipal Building.

WITNESS my hand and the official seal of said City this 24th day of September 2019.

LYNN A. FAZEKAS, City Clerk

Prepared by and Return to:

City of DeKalb
200 S. Fourth Street
DeKalb, Illinois 60115
ORDINANCE 2019-057  

PASSED: SEPTEMBER 9, 2019


WHEREAS, the City of DeKalb is a home rule municipality with the power and authority conferred upon it by the Illinois Municipal Code and the Constitution of the State of Illinois; and

WHEREAS, PNG Development, LLC, represented by John Pappas, (herein referred to as “Owner”) of the property commonly known as the Mooney Property (204 N. Fourth Street and 420 Oak Street), DeKalb, Illinois (herein referred to as “Subject Property”) has petitioned the City of DeKalb for approval of a zoning map amendment from the “LI” Light Industrial District to the “PD-C” Planned Development – Commercial District; along with a Planned Development Preliminary and Final Plan, in order to allow for a new 4-story mixed use building on the Subject Property; and

WHEREAS, the City and Owner seek to enter into a Development Agreement for the Subject Property, a copy of which is attached hereto and incorporated herein as Exhibit A; and

WHEREAS, pursuant to proper legal notice, a public hearing was conducted by the Planning and Zoning Commission on August 7, 2019; and

WHEREAS, the City and Owner have conducted all required public hearings before the Planning and Zoning Commission of the City of DeKalb for the rezoning for the Subject Property, and have otherwise satisfied all conditions precedent to the adoption of this Ordinance; and

WHEREAS, the City Council adopts the findings of fact of the Planning and Zoning Commission of the City of DeKalb, finds that the proposed rezoning is in conformance with the applicable zoning factors contained therein, and finds that approval of the rezoning for the Subject Property is in the public interest and promotes the public health, safety and welfare subject to the conditions approved herein, and finds as follows:

STANDARDS OF REZONING

1. The proposed rezoning conforms to the Comprehensive Plan, or conditions have changed to warrant the need for different types of land uses in that area. The proposed rezoning is appropriate considering the length of time the property has been vacant, as originally zoned, and taking into account the surrounding areas trend in development.

The 2005 Comprehensive Plan recommends the subject site for commercial use. In addition, the proposed project is in conformance with many of the recommendations
outlined in the 2007 Downtown Revitalization Plan, the 2011 Design Guidelines, and the 2013 DeKalb City Center Plan. Mixed use buildings with commercial uses on the first floor are recommended and encouraged in the Plans for the downtown area. Staff believes the proposed development meets the intent of the City’s Comprehensive Planning Documents. The proposed rezoning request will allow the redevelopment of the site that will spur additional development in the downtown area and increase the day and nighttime population.

2. The proposed rezoning conforms to the intent and purpose of the Unified Development Ordinance.

The intent and purpose of the Planned Development zoning district states:

The purpose of the Planned Development Districts is to provide a means of achieving greater flexibility in development of land in a manner not always possible in conventional zoning districts; to encourage a more imaginative and innovative design of projects; to promote a more desirable community environment; and to retain maximum control over both the design and future operation of the development.

The rezoning of the subject property to PD-C provides the opportunity to more directly shape the development, use and appearance of this property in accordance with the City’s design criteria and conformance with the Comprehensive Plan. The Planned Development allows the developer and the City the flexibility to agree to a development plan and standards that seek relief from the Unified Development Ordinance. The proposed rezoning request, exceptions to the UDO and associated plans will allow the redevelopment of the site into a mixed-use project that will spur additional development in the surrounding area.

3. The proposed rezoning will not have a significantly detrimental effect on the long-range development of adjacent properties or adjacent land uses.

The proposed rezoning should not have a detrimental effect on the adjacent properties or land uses as it entitles the subject property to a re-use of the property that is complementary with the adjacent area. The PD-C zoning provides the mechanism to provide imaginative and innovative design that will have a positive effect on the surrounding area while providing relief to the applicant allowing the redevelopment of the subject property. The proposed rezoning request and development plan will allow the redevelopment of a highly visible corner in the downtown area into a mixed-use development that will generate new business opportunities and support existing commerce in the surrounding area, while spurring increased property values and other development opportunities.

4. The proposed rezoning constitutes an expansion of an existing zoning district that, due to the lack of undeveloped land, can no longer meet the demand for the intended land uses.

The subject property is currently zoned “LI” Light Industrial District. Rezoning the property to “PD-C” will allow for a well-designed project. The rezoning will allow for flexibility by the
applicant to redevelop the property in a manner that will complement the surrounding neighborhood in terms of size, scale and density.

5. **Adequate public facilities and services exist or can be provided.**

Adequate public services can be provided to the subject property. The developer is responsible for necessary utility improvements, which can be readily made. The subject property lies within adequate service areas for other City services, such as police and fire protection.

**STANDARDS FOR PLANNED DEVELOPMENT**

General Standards: The approval of the Development Plan may provide for such exceptions from the regulations associated with traditional zoning districts as may be necessary or desirable to achieve the objectives of the proposed planned development. However, such exceptions shall consistent with the City's Comprehensive Plan and the standards contained in this Section and have been specifically requested in the application for a planned development; and further, that no planned development shall be allowed which would result in:

1. **Inadequate or unsafe access to the planned development;**

Several access points already exist along North Fourth Street and Oak Street. The proposed plan eliminates the existing access points along North Fourth Street and provides two access points along Oak Street and one along Locust Street, therefore providing adequate and safe access to the site.

2. **Traffic volumes exceeding the anticipated capacity of the proposed major street network in the vicinity;**

North Fourth Street (IL Route 23) is a major arterial road under the jurisdiction of the Illinois Department of Transportation and more than adequate to handle the traffic that will be generated by the proposed uses. Oak Street and Locust Street also provide adequate capacity for the proposed traffic. In addition, there is a traffic control signal at North Fourth Street and Locust Street.

3. **An undue burden on public parks, recreation areas, schools, fire and police protection and other public facilities which serve or are proposed to serve the planned development;**

The Planned Development designation will not have any undue impact on public parks, recreation areas, schools, fire and police protection or other public facilities. The proposed new building and uses will redevelop a property that has remained vacant since 2012. Additional property and sales tax will be generated from the development of the site.

4. **A development which will be incompatible with the intent and purposes of this Ordinance;**
The applicant is requesting PD-C zoning, which allows the City to approve regulations that will control the zoning, development and maintenance, operations and other property improvement related issues.

5. Detrimental impact on surrounding area including, but not limited to, visual pollution;

The surrounding area is already developed. The proposed zoning and proposed uses are compatible with the surrounding area and Comprehensive Plan. The proposed rezoning should not have a detrimental effect on the adjacent properties or land uses. In addition, the proposed project is in conformance with many of the recommendations outlined in the 2007 Downtown Revitalization Plan, the 2011 Design Guidelines, and the 2013 DeKalb City Center Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL of the City of DeKalb, Illinois as follows:

SECTION 1: The recitals set forth in the preamble are hereby incorporated herein by reference and made a part of this Ordinance.

SECTION 2: This Ordinance is limited and restricted to the Subject Property legally described as follows:

PARCEL 1:

LOTS 1, 2, 3 AND 4 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, AS RECORDED IN BOOK "A" OF PLATS, PAGE 81/4, TOGETHER WITH THAT PART OF PARCEL "A" IN WEST SUBDIVISION OF AMERICAN STEEL AND WIRE COMPANY, DEKALB, ILLINOIS, AS RECORDED IN BOOK "D" OF PLATS, PAGE 54, DESCRIBED AS FOLLOWS: BEGINNING AT THE MOST WESTERLY CORNER OF SAID PARCEL "A" BEING THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF LOCUST STREET WITH THE EASTERLY LINE OF FOURTH STREET; THENCE NORTHERLY, ALONG SAID EASTERLY LINE, 66.135 FEET TO A NORTHERLY LINE OF SAID PARCEL "A"; THENCE EASTERLY, ALONG SAID NORTHERLY LINE, 174.43 FEET TO A WESTERLY LINE OF SAID PARCEL "A" (SAID WESTERLY LINE BEING THE EASTERLY LINE OF THE FORMER ALLEY RUNNING NORTHERLY AND SOUTHERLY THROUGH BLOCK 25 OF THE ORIGINAL VILLAGE OF DEKALB); THENCE NORTHERLY, ALONG SAID WESTERLY LINE OF SAID PARCEL "A", 132.25 FEET TO A NORTHERLY LINE OF SAID PARCEL "A"; THENCE SOUTHEASTERLY, ALONG SAID NORTHERLY LINE, 184.07 FEET TO A POINT ON SAID NORTHERLY LINE THAT IS 369.0 FEET NORTHWESTERLY OF, AS MEASURED ALONG SAID NORTHERLY LINE, THE EASTERLY LINE OF SAID PARCEL "A" (SAID EASTERLY LINE BEING THE WESTERLY LINE OF SIXTH STREET); THENCE SOUTHERLY, PARALLEL WITH THE EASTERLY LINE OF SAID PARCEL "A", 198.32 FEET TO THE NORTHERLY LINE OF LOCUST STREET (SAID NORTHERLY LINE BEING THE SOUTHERLY LINE OF SAID PARCEL "A"); THENCE WESTERLY, ALONG SAID NORTHERLY LINE, 358.73 FEET TO THE POINT OF BEGINNING. ALSO THAT PART OF THE VACATED ALLEY IN BLOCK 25, IN THE ORIGINAL VILLAGE OF DEKALB,

PARCEL 2:

THE NORTHWESTERLY 125 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

ALSO;

THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF THE WESTERLY 140 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

PARCEL 3:


SECTION 3: The City Council of the City of DeKalb hereby approves of the Development Agreement attached hereto as Exhibit A ("the Agreement"), and authorizes and directs the Mayor of the City of DeKalb to execute the Agreement, subject to such changes as shall be acceptable to him with the recommendation of City Staff, and for the City Clerk to attest the Mayor's signature.
SECTION 4: A zoning map amendment from the "LI" Light Industrial District to the "PD-C" Planned Development – Commercial District to allow for the new 4-story mixed use building is hereby granted for the Subject Property pursuant to the conditions, approvals, restrictions, and limitations as defined in the Agreement approved herein, the plans attached hereto and incorporated into the Agreement as Exhibit B (the “Plans”), the standards attached hereto and incorporated into the Agreement as Exhibit C (the “Standards”), the Owner’s representations to the City, and compliance with the City’s Municipal Code and all applicable building codes, ordinances, regulations, and laws.

SECTION 5: Recording Directed: The City Manager or his designee are authorized to record this Ordinance in the DeKalb County Recorder’s Office.

SECTION 6: Multiple Actions Approved: The City Council approves of the Agreement, the rezoning of said property, and the recording of related documents, within this Ordinance, as if each action was separately set out and approved.

SECTION 7: Should any provision of this Ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as if the invalid provision had not been a part of this Ordinance.

Section 8: That all provisions of the Unified Development Ordinance shall remain in full force and effect and this Ordinance shall take effect upon its passage and approval according to Law.


ATTEST:

LYNN A. FAZEKAS, City Clerk

JERRY SMITH, Mayor
DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is made and entered into this 9th day of September, 2019 by and between the City of DeKalb, an Illinois home rule municipal corporation (the "City") and PNG Development, LLC (the "Developer" or "Owner"), who are collectively referred to as the Parties.

RECITALS:

WHEREAS, the City has the authority to promote the health, safety, and welfare of the City and its residents, prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of certain properties through Tax Increment Financing ("TIF"), and enter into agreements with property owners, developers, and others necessary or incidental to the implementation and furtherance of the development plan pursuant to 65 ILCS 5/11-74.4, et seq.; and

WHEREAS, Developer is the current owner of property legally described on "Exhibit A", a copy of which is attached hereto and incorporated herein (the "Property"); and

WHEREAS, the Property is within the City's TIF 1 and TIF 3 districts; and

WHEREAS, the Property has been vacant, underutilized, obsolete, and declined in equalized assessed valuation since 2012; and

WHEREAS, Developer intends to redevelop the Property by demolishing the existing buildings, mitigating known environmental problems, and constructing a new 113,000 sq. ft. mixed-use four-story building that will include up to 94 apartment units and approximately 12,000 sq. ft. of commercial space on the ground floor in accordance with the plans attached hereto and incorporated herein as "Exhibit B" (the "Plans") at an estimated cost of $13,875,000, all of which is referred to herein as the "Project"; and

WHEREAS, Developer has requested $3,000,000 in TIF incentives from the City for certain TIF-eligible costs associated with the Project; and

WHEREAS, Developer represents and warrants that the Project would not be completed but for the requested TIF incentives from the City, but that Developer otherwise has sufficient financing, expertise, and skill to construct, complete, and develop the Project in accordance with this Agreement; and
WHEREAS, on June 10, 2019, the City adopted a resolution earmarking a preliminary development TIF incentive for the Project that was subject to the final approval of a development agreement between the Parties; and

WHEREAS, Developer has submitted a zoning petition and plan applications for the City to approve a zoning map amendment from the "LI" Light Industrial District to the "PD-C" Planned Development – Commercial District and a Planned Development Preliminary and Final Plan to allow for the construction of the Project; and

WHEREAS, the Parties have conducted all required public hearings before the City’s Planning and Zoning Commission for the rezoning for the Property; and

WHEREAS, the Parties desire the adoption of an ordinance approving certain zoning classification for the Property that is substantially in the form of the ordinance attached hereto and incorporated herein as “Exhibit C” (the “Zoning Ordinance”); and

WHEREAS, Developer acknowledges that it is not entitled to the City’s approval of the Zoning Ordinance and TIF incentives, which constitute valuable consideration for the Parties’ promises, undertakings, and covenants provided herein; and

WHEREAS, the Parties have negotiated and voluntarily entered into this Agreement for purposes of enabling the redevelopment of the Property consistent with the Plans, the Zoning Ordinance, and this Agreement; and

WHEREAS, the Parties are legally authorized to enter into this Agreement and to perform all of their respective undertakings and covenants set forth herein; and

WHEREAS, the City’s Corporate Authorities have considered this Agreement and determined that the best interests of the City’s health, safety, and welfare including, but not limited to, the sustainable economic growth and development of the City and enhanced equalized assessed valuation of the Property, will be served by this Agreement.

NOW, THEREFORE, in consideration of the promises, undertakings and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties hereto, the Parties agree as follows:

1.0 Recitals: The foregoing recitals are true, correct, and hereby incorporated into this Agreement as if fully set forth in this paragraph.
2.0 **Zoning:** Contemporaneous to the adoption and execution of this Agreement, the City shall approve an ordinance substantially in the form of the Zoning Ordinance. The zoning classification for the Property approved in the Zoning Ordinance shall remain in effect from and after the adoption of the Zoning Ordinance during the term of this Agreement, unless an amendment or change is sought by Owner, or the then fee owner of the Property, or of any portion of the Property, or as otherwise provided by law for the amendment of zoning classifications. Notwithstanding the foregoing, the Parties agree that if the City re-defines or amends the zoning classification applicable to the City, the regulations established by such re-defined or amended zoning classification shall not be more restrictive than, and shall not impose greater limitations on the development, use, or enjoyment of the Property than that allowed under the Zoning Ordinance. Except as may otherwise be provided by this Agreement, any development of the Property shall conform to the requirements of the City's Unified Development Ordinance (the "UDO") and other development regulations with appropriate site, engineering, planned development and landscape plan reviews and approvals by City Staff, the City's Planning and Zoning Commission, and the City's Corporate Authorities.

3.0 **Development of the Property:** Developer shall commence and complete the Project with reasonable professional skill and in accordance with this Agreement within eighteen (18) months of the date of the issuance of the construction permit requested by Developer in connection with the Project. The construction and development of the Property shall conform to the Plans and comply with the Zoning Ordinance, the City's Code, and all other applicable ordinances, regulations, and laws. The City agrees to issue demolition and construction permits requested by Developer in connection with the Project. Developer shall pay all applicable fees required under the City's Code for the Project, including plan review, permit, and building inspection fees; however, the City agrees that the City's impact fee provisions do not apply to this commercial redevelopment.

Prior to the City's issuance of any building permits for the Project, Developer shall submit the following to the City: (1) a Final Plat shall be submitted in a form that is in compliance with the UDO and the Preliminary/Final Plans, which may be approved by the City Manager with no further review by the Planning and Zoning Commission or City
Council; (2) a photometric plan meeting the requirements of Article 10.05 of the UDO, which may be approved by the City Manager with no further review by the Planning and Zoning Commission or City Council; (3) a plat of vacation for the 18 foot wide alley that extends from Oak St., which may be approved by the City Manager with no further review by the Planning and Zoning Commission or City Council; and (4) if the parcel directly east of the Property along Oak St. (PIN # 08-23-184-026) is not secured by Developer within 30 days of the effective date of this Agreement, a revised Landscape Plan showing landscaping along the east side of the Property within the minimum five foot setback in accordance with the UDO, which may be approved by the City Manager with no further review by the Planning and Zoning Commission or City Council.

4.0 Maintenance of the Property: The maintenance of the Property shall comply with the City’s Code and all other applicable ordinances, regulations, and laws. The Property shall be managed, operated, and maintained with reasonable professional skill by appropriately trained personnel. Developer shall cooperate in good faith with the City to address property maintenance and law enforcement issues concerning the Property. To the fullest extent permissible under applicable ordinances, regulations, and laws, Developer shall conduct thorough background checks of all prospective tenants, including credit history and criminal convictions, and Developer shall exercise reasonable professional judgments before leasing any of the Property. Developer agrees to allow an annual inspection of the Property’s common areas by the City’s Police Department, Fire Department, and Building Department for the purpose of confirming compliance with applicable City ordinances regarding property maintenance and crime free housing. Developer also agrees to maintain cameras or other equipment to provide video surveillance and security coverage for the Property’s common areas in good and fully-operable condition, and to allow the City to remotely monitor said surveillance videos from the City’s Police Department. Developer also agrees to install, maintain, and provide access to a “Knox Box” entry system on the Property’s primary building entrances for use by the City’s emergency responders. Developer further agrees to execute a “No Trespass Agreement” substantially in the form attached hereto and incorporated herein as “Exhibit C” (the “No Trespass Agreement”).

5.0 TIF Incentive:
5.1 The City shall reimburse Developer's TIF-eligible expenses from funds available to the City in the City's Special Tax Allocation Fund from the real estate tax increment collected by the City's TIF 1 and TIF 3 Districts in a total amount not to exceed $3,000,000.00. Of these funds, a total of $2,075,000 shall be dedicated to TIF-eligible expenses including, but not limited to, the following: environmental remediation; demolition; footing removal; gas and electrical infrastructure; storm and sanitary sewer infrastructure; engineering and surveying; structural and architectural design; improvements to City sidewalks; and land acquisition. Additionally, $462,500.00 will reimburse TIF-eligible expenses upon 50% completion of the construction of the Project as solely determined by the City Manager in his exercise of discretion and judgment; and $462,500.00 will reimburse remaining TIF-eligible expenses upon the issuance of a final occupancy certificate from the City.

5.2 The Parties acknowledge that the City's liability to pay the TIF Incentive shall be expressly limited to funds available to the City in the City's Special Tax Allocation Fund from the real estate tax increment collected by the City's TIF 1 and TIF 3 Districts. The City's limited obligation under this Agreement to reimburse Developer shall neither constitute an indebtedness of the City under Illinois law, nor shall it constitute or give rise to any pecuniary liability, charge, or lien against the City, any City fund, or otherwise require the City to utilize its taxing authority to fulfill the terms of this Agreement.

5.3 The Parties agree that the City shall not reimburse Developer's TIF-eligible expenses until Developer has provided the City with: (1) all records, certifications, documents, and information requested by the City to determine and approve Developer's TIF-eligible expenses substantially in the form attached hereto and incorporated herein as "Exhibit E" (the "Project Cost Documentation Requirements"); and (2) an executed corporate undertaking, promissory note, and mortgage substantially in the forms attached hereto and incorporated herein as "Group Exhibit F" (the "Security Documents").

5.4 Except as otherwise provided by this Agreement, the City shall approve or disapprove Developer's written requests for reimbursement of TIF-eligible expenses within thirty (30) days of after receipt, and if approved, shall provide payment to the Developer within forty-five (45) days of said approval. Developer may submit written
requests for reimbursement consisting of estimates of costs before actually incurring said expenses, subject to later confirmation by actual bills.

5.5 The TIF incentive provided herein is intended to be repaid as a forgivable incentive, payable through the generation of revenues (e.g., real property taxes; sales taxes) from the development of the Property after the effective date of this Agreement through the effective 20-year term of this Agreement. The Parties stipulate that, as of the effective date of this Agreement, the Property's equalized assessed valuation is $299,857.00, the Property's real property tax irrespective of the TIF District is $35,563.00, and the Property's sales tax, restaurant and bar tax, and hotel-motel tax generation is $0.00. During the term of the TIF District, 100% of the TIF increment generated from the Property after the effective date of this Agreement shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein. After the expiration of the TIF District, 100% of the real property tax generated from the Property after the effective date of this Agreement in excess of the Property's real property tax as of the effective date of this Agreement shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein. After the effective date of this Agreement, 100% of all sales tax, restaurant and bar tax, and hotel-motel tax generated from the Property that is actually received by the City shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein.

5.6 If, upon the expiration of the term of this Agreement, the TIF incentive provided herein has not been completely repaid or forgiven as contemplated by the above paragraph, then the remaining balance shall be a debt due and owing to the City requiring repayment within 120 days of Owner's receipt of written notice of same from the City. The City may enforce its right of repayment by virtue of a contract action seeking damages for violation of this Agreement, initiate an action for foreclosure of the City's mortgage(s), and pursue such other legal or equitable remedies as provided by law. Notwithstanding the foregoing to the contrary, the City understands and agrees that the Owner may have legitimate need to borrow additional funds in the future from third-party sources for necessary capital improvements or other things, and the City hereby agrees that it shall subordinate its mortgage to other commercially reasonable mortgages and/or interests that are reasonably necessary for the Project completion, operation, and maintenance.
6.0 **Indemnification:** Developer agrees to defend, indemnify, and hold harmless the City and the City's officers, employees, and agents from any and all claims, liabilities, losses, damages, injuries, expenses, costs, penalties, fines, and reasonable attorney's fees arising out of this Agreement, the Zoning Ordinance, the TIF incentive provided under this Agreement, the construction and development of the Project, and the maintenance of the Property. Developer's obligation under this Paragraph shall survive the expiration of this Agreement.

7.0 **Miscellaneous:**

7.1 The parties acknowledge and agree that the individuals who are members of the group constituting the Corporate Authorities of the City are entering into this Agreement in their corporate capacities as members of such group and shall have no personal liability in their individual capacities.

7.2 (a) This Agreement shall be valid and binding for a term of twenty (20) years after the effective date of this Agreement, upon the City and upon Developer, together with their respective successors and assigns, and is further intended to be binding upon each successive lot owner of any lots of record created by the approval and recording of any Final Plats, and shall constitute a covenant running with the land. This Agreement shall be recorded with the DeKalb County Recorder's Office.

(b) Owner may assign this Agreement without City approval, but only in connection with its conveyance of all or any part of the Property, and upon said assignment and acceptance by an assignee, Owner shall have no further obligations hereunder as to the Property or that portion of the Property conveyed, but shall continue to be bound by this Agreement and shall retain the obligations created thereby with respect to any portion of the Property retained and not conveyed. If Owner or its successors sell a portion of the Property, the seller shall be deemed to have assigned to the purchaser any and all rights and obligations it may have under this Agreement (excluding rights of recapture) which affect the portion of the Property sold or conveyed and thereafter the seller shall have no further obligations under this Agreement as it relates to the portion of the Property so conveyed, but any such seller shall retain any rights and obligations it may have under this Agreement with respect to any part of the Property retained and not conveyed by such seller. The Seller shall have the right to
require the Purchaser to deposit with the City a replacement Letter of Credit, in a form reasonably acceptable to the City’s Attorney, whereupon the City shall accept the replacement Letter of Credit in substitution of the Seller’s Letter of Credit.

7.3 The failure of any party to this Agreement to insist upon the strict and prompt performance of the terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party’s right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect. No action taken by any party to this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any party at law or equity.

7.4 In the event that any pertinent existing or future regulations, resolutions or ordinances of the City are inconsistent with or conflict with the terms or provisions of this Agreement, the terms or provisions of this Agreement shall supersede the regulations, resolutions or ordinances in question to the extent of such inconsistency or conflict.

7.5 (a) Upon a breach of this Agreement, any of the parties may secure the specific performance of the covenants and agreements herein contained or may exercise any remedies available at law via an appropriate action, the sole venue for which shall be in the Circuit Court of DeKalb County, Illinois.

(b) In the event of a material breach of this Agreement, the parties agree that the party alleged to be in breach shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching party seeking a judicial remedy as provided for herein; provided, however, that said thirty (30) day period shall be extended if the defaulting party has commenced to cure said default and is diligently proceeding to cure the same.

(c) If the performance of any covenant to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (including, without limitation, acts of God, war, strikes, inclement weather conditions, inability to secure governmental permits, or similar acts), the time for such performance shall be extended by the length of such delay provided, however that the
party that seeks the benefit of this provision shall give the other(s) written notice of both its intent to rely upon this provision and the specific reason which permits the party to avail itself of the benefit of this provision.

7.6 This Agreement sets forth all agreements, understandings, and covenants between and among the parties. This Agreement supersedes all prior agreements, negotiations and understandings, written and oral, and is a full integration of the entire Agreement of the parties. Any amendment to this Agreement shall be in writing duly approved by the Parties.

7.7 This Agreement is not intended to and shall not be construed as creating an agency, joint venture, or partnership relationship between the Parties or giving any third-party any interests or rights with respect to this Agreement.

7.8 If any provision, clause, word, or designation of this Agreement is held to be invalid by any court of competent jurisdiction, such provision, clause, word or designation shall be deemed to be excised from this Agreement and the invalidity thereof shall not affect any other provision, clause, word, or designation contained herein. Furthermore, if any provision of this Agreement is held invalid, the invalidity thereof shall not cause the City to change any zoning classification which has been approved by the City pursuant to the provisions of the City's ordinances and the valid provisions of this Agreement, and such zoning classifications shall not otherwise be changed during the term of this Agreement without Owner's approval.

7.9 The City agrees to aid Owner and to cooperate reasonably with Owner in dealing with any and all applicable governmental bodies and agencies in obtaining utility and other governmental services for the Property. Furthermore, it is understood and agreed by the parties hereto that the successful consummation of this Agreement requires their continued cooperation. The Owners shall not seek to disconnect any portion of the Property from the City during the term of this Agreement.

7.10 This Agreement may be executed in multiple counterparts, all of which when taken together shall constitute one Agreement.

7.11 The headings of the Sections of this Agreement are for convenience and reference only and do not form a part hereof and do not modify, interpret or construe the understandings of the parties hereto.
7.12 This Agreement may be reproduced by means of carbons, xerox process, or otherwise. Each such reproduction, if manually executed by the parties, shall for all purposes be deemed, and the same is hereby declared, to be a duplicate original of this Agreement.

7.13 Terms used in this Agreement shall be read in the singular or the plural as may be appropriate to the context in which they are used.

7.14 Notices, including Notices to effect a change as to the persons hereinafter designated to receive Notice(s), or other writings which any party is required to or may wish to serve upon any other party in connection with this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City, or the Corporate Authorities:

City of DeKalb
Attention: City Manager
200 S. 4th Street
DeKalb, Illinois 60115

with a copy to the City Attorney:

John F. Donahue
Rosenthal, Murphey, Coblentz & Donahue
30 North LaSalle Street, Suite 1624
Chicago, Illinois 60602

If to the Developer:

PNG Development, LLC
3 Fairway Circle
DeKalb, Illinois 60115

with a copy to:

Mark P. Doherty
The Doherty Law Firm, LLC
125 North First Street
DeKalb, Illinois 60115
Email: mark@dohertylawfirm.com

7.15 The parties each intend that this Agreement shall require the parties to act in accordance with any and all applicable laws and regulations enacted by any other
governmental authority which are applicable to any action or activity undertaken by either party pursuant to, under, or in furtherance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers duly authorized to execute the same, the day and year first above written.

ATTEST:
By: Lynn A. Fazekas, City Clerk

CITY OF DEKALB
By: Jerry Smith, City Mayor

ATTEST:
By: Ruth A. Scott

PNG DEVELOPMENT, LLC
By: John Pappas

Print Name: Ruth A. Scott
Print Name: John Pappas

Title: Executive Ass't.

Its: Member
EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 1:


PARCEL 2:

THE NORTHWESTERLY 125 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.
ALSO:

THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND
SOUTHERLY LINES THEREOF, OF THE WESTERLY 140 FEET, AS
MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF,
OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF
DEKALB, ACCORDING TO THE PLAT THEREOFRecorded IN BOOK "A" OF
PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

PARCEL 3:

THE WESTERLY 58 FEET, AS MEASURED ALONG THE NORTHERLY AND
SOUTHERLY LINES OF LOTS 1 AND 2 IN BLOCK 28, IN THE ORIGINAL VILLAGE
(NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOFRecorded
IN BOOK "A" OF PLATS, PAGE 8-1/4 ON DECEMBER 19, 1853, IN DEKALB
COUNTY, ILLINOIS; AND THAT PART OF THE VACATED ALLEY IN BLOCK 28
THAT LIES NORTH OF THE NORTH LINE OF PARCEL "A" OF THE WEST
SUBDIVISION OF THE AMERICAN STEEL AND WIRE COMPANY AS SHOWN IN
BOOK "D" OF PLATS, PAGE 54, AND SOUTH OF THE SOUTH LINE OF OAK
STREET; AND ALSO LOTS 9 AND 10 EXCEPT THE WEST 125 FEET THEREOF
IN BLOCK 25; AND ALSO THAT PART OF THE VACATED FIFTH STREET THAT
LIES NORTH OF THE NORTH LINE OF PARCEL "A" OF THE FORESAID WEST
SUBDIVISION OF THE AMERICAN STEEL AND WIRE COMPANY AND SOUTH
OF THE SOUTH LINE OF OAK STREET, ALL IN THE ORIGINAL TOWN (NOW
CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOFRecorded IN BOOK
"A" OF PLATS, PAGE 8-1/4, SITUATED IN DEKALB COUNTY, ILLINOIS.

The property or its address is commonly known as 204 N. Fourth Street, DEKALB, IL
60115. The property tax identification numbers are: 0823184027, 082318024,
0823184002, 0823184001, 0823184003, and 0823184020.
Exhibit B
Planned Development Preliminary and Final Plans

- Site Plan (Sheets 1-9) prepared by Wendler Engineering dated 8-5-19.
- Architectural Elevations (sheets A1 and A2) received on 6-10-19.
- Floor Plans (Sheets SKO, SK1 and SK2) received on 7-29-19.
- Landscape Plans (Sheets L-101, L-102, and L-103) prepared by Site to Place, Inc. dated 8-6-19.
Exhibit C
Standards

1) Residential apartments not exceeding a total of 94 residential units consisting of 47 one-bedroom and 47 two-bedroom units, with the sizes of such units being in substantial compliance with the Floor Plans.

2) There shall be no permitted commercial uses on the second or higher floors of the building. Within the non-residential portions of the first floor of the buildings and any portion of the basement of the building allocated to supporting such non-residential areas, the permitted commercial uses shall be exclusively limited to the following:

   a) Retail Uses. Purely retail uses shall be permitted unless otherwise prohibited or limited. Minor, indoor incidental services shall be permitted as a component of retail uses.

   b) Restaurants and retail food establishments, including fast-food, sit-down or other similar establishments. In association with such use, the Owner shall be permitted to establish and maintain outdoor seating areas in accordance with any approved Final Plans.

   c) Professional Service Offices, such as medical offices for licensed doctors or chiropractors, urgent care, dental office, legal office, optometrist, accountant, or other similar professional service-based offices with the determination of what constitutes a similar professional office being made by the City Manager.

   d) Service facilities including barber shops, beauty shops, nail salons, copying services, artists’ studios, photographers, tailors, music and dance instruction, suntan parlors, travel agencies and other similar service facilities with determination of what constitutes a similar service facility being made by the City Manager.

3) Prohibited Uses:

   None of the following uses shall be allowed in or on the subject site:

   a) Any use which is not expressly authorized as a Permitted or Special Use.

   b) Any residential use other than standalone residential apartments as contemplated above (and more specifically, any use which would constitute a “rooming house” or dormitory under applicable City Ordinances, or which contemplates the use of shared bathroom or kitchen facilities, shall be prohibited).

   c) Community residences.

   d) Group homes.
e) Parking lots, as a principal use (and more specifically, any lease, rental or otherwise offering use of on-site parking by any party other than a resident or employee of the Property).

f) Outdoor storage of any form not expressly authorized herein.

g) Sales or construction trailers, intermodal shipping containers, van trailers or similar items used for storage or office purposes, temporary structures or similar appurtenances used for office, work or storage purposes. Any such item shall be deemed to be used for office, work or storage purposes if it remains on the Property in one exterior location for more than twenty-four (24) hours at any given time. Notwithstanding the foregoing, this Section shall not apply during any time when there is a building or demolition permit outstanding.

h) Adult oriented uses; adult bookstores or other establishment displaying, leasing, trading, selling pornographic materials or any similar use as defined in the UDO, whether as a principal use or accessory to an allowed principal use (the foregoing not prohibiting a general audiences bookstore with not more than 1% of its merchandise being adult-oriented);

i) Animal boarding;

j) Fire, bankruptcy sale, wholesale, overstock auction house or their equivalent (except that a Court-Ordered bankruptcy sale of less than thirty days duration shall be permitted);

k) Massage parlor or other similar massage establishment;

l) "Head shop", marijuana dispensary, hookah bars, or establishments that specialize primarily in the sale of tobacco, tobacco paraphernalia, glass pipes, implements utilized to burn or concentrate a substance for the purpose of permitting the smoke, fumes or vapor therefrom to be inhaled, or drug paraphernalia;

m) Cemeteries and mausoleums;

n) Funeral homes and mortuaries;

o) Automobile, truck, motorcycle, ATV, motor-scooter or motor vehicle/recreational vehicle/implement repair, service, sales, rentals, parts or components sales or installation, or maintenance, except for the existing collision center on the subject site.

p) Contractor offices associated with onsite storage of vehicles, supplies or equipment, building material or equipment sales, building or equipment service or maintenance offices, or the equivalent (except that temporary contractor offices present during construction activities on the Property shall be permitted);

q) Warehouses, whether accessory to a retail use, or self-service storage;

r) Tattoo parlor, massage parlor, psychic reading / tarot card shop;
s) Gas or fuel station or any form of car wash or auto detailing center;
t) A dollar store or a discount department store or wholesale establishment;
u) A second-hand store;
v) A cash for gold store;
w) Currency exchange, money wiring, check cashing facility or equivalent (as a primary use);
x) Auto title loan or post dated check or payday loan facility or equivalent, unless associated with a full-service federally-insured bank, credit union or savings and loan;
y) Pawn shops;
z) Drive-thru facilities.

5). Bulk Regulations/Landscaping/Parking

Setbacks, building lines, site coverage, building dimension limitations, height restrictions, parking, landscaping and other similar restrictions and regulations shall meet those standards as set forth in the UDO except as provided below:

a) Article 5.13.07(4) – Maximum Site Coverage

The maximum site coverage for the Planned Development shall be increased from 70% to 82% based upon the site meeting the bonus criteria as stated in Article 5.13.07(4) of the UDO.

b) Article 12.04(4) – Landscaping Requirements for Side and Read Yards

Landscaping is not required in the two interior yards along the southeast portion as shown on the approved Landscape Plan of the site due to the adjacent non-residential land uses and since the landscape setback is 10-15 feet compared to the minimum requirement of five feet.

c) Article 12.08 Off-Street Parking and Loading Requirements

The required off-street parking formula for the one-bedroom units shall be .78 parking spaces per apartment unit instead of 1.5 spaces per unit based upon the actual parking ratio for the one-bedroom apartment units from a similar development (Cornerstone).
Exhibit D: No Trespass / Patrol Agreement

Common Area Patrol / No-Trespass Enforcement Agreement

Property Address: 204 N. Fourth Street and 420 Oak Street

Commonly Known As: [Handwritten: Money Property Money Property]

Property Owner: PNG Development, LLC

Contact #: [Handwritten: John Pappas John Pappas]

Property Manager: [Handwritten: John Pappas John Pappas]

Contact #: 815-970-0905 815-970-0905

24 Hour Contact #: Same Same

This Common Area Patrol / No-Trespass Enforcement Agreement ("Agreement") is entered into by and between the Owner of the Property identified above ("Owner" and "the Property") and the City of DeKalb ("City"). Under the terms of this Agreement, the Owner expressly authorizes and requests that the City utilize its Police Department and City Employees to undertake the following actions:

- **No-Trespass Warnings and Arrests:** For the purpose of enforcing trespass ordinances and laws, Owner grants permission to the City, its employees and agents to undertake any actions that the Owner could lawfully take with regard to persons unlawfully present relative to no-trespassing laws and ordinances on any public or private area of the Property including, but not limited to, providing verbal or written no-trespass warnings to any person on the Property other than a tenant of the Property, signing trespass complaints, serving as complaining witnesses, and arresting or citing any person who has violated such a no-trespass warning, or who remains on the Property after being asked to leave. The City shall maintain accurate records of all persons who have been advised not to trespass on the Property, and shall provide a copy of the same to Owner upon request.

- **Patrol Common Areas:** The City, its employees and agents are authorized to enter into any common area of the Property that is accessible either to the public or to tenants of the Premises, including parking lots, open spaces, common hallways, gathering areas, or other similar common areas of the Property, for purposes of patrolling, observing, and enforcing the Codes and Ordinances of the City of DeKalb or any applicable State Statutes. For purposes of this Agreement and any charges arising out of the City's activities on the Property, the City and its personnel shall be deemed to have been invited upon the common areas of the Property. Notwithstanding the foregoing, this shall not constitute authority for the
City to enter into tenant private areas (e.g. individual tenant apartments or individual tenant businesses) without required legal authority (such as a search warrant, probable cause, exigent circumstances, etc.). The City is authorized to sign complaints, serve as complaining witness, and arrest or cite any person who has violated a State Statute or City Ordinance.

- **Report Cars for Relocation:** Owner employs the entity described at signs posted at the Property for purposes of relocating unlawfully parked cars from the Property (and Owner shall maintain such postings in accordance with City Code). The City is authorized and requested to contact the tow relocator to report any vehicles on the Property that appear to be unlawfully parked, so that said vehicles may be towed in accordance with applicable regulations.

- **Provisions of Development Agreement:** Owner shall permit and consent to the conduct of any access or inspection authorized under the terms of any Development Agreement entered into by Owner and the City which is recorded against the Property of public record.

The Owner agrees that, if necessary, Owner or its authorized representative shall appear at any trial or proceeding arising out of the performance of this Agreement. Owner acknowledges that it is solely responsible for the condition and monitoring of its Property, and this Agreement does not impose any duty upon the City whatsoever or to provide any police protection or service under this Agreement for the benefit of the Owner or others. Nothing in this Agreement shall preclude the City from asserting any applicable immunities under State and Federal law, including 745 ILCS 10/1, et seq. Owner further agrees to defend, indemnify, and hold harmless the City, its officers, agents, and employees from any and all claims, liabilities, losses, damages, costs, expenses, and reasonable attorney’s fees arising out of this Agreement.

The City agrees that it shall provide notice to the Owner of any legal violations occurring on the Property upon request, and also in accordance with the requirements of City Code.

Owner shall post appropriate signage on the Property advising that its common areas, including but not limited to parking lots and open areas, are posted for No Trespassing, and appropriate signage advising of any parking restrictions for vehicles in its parking lots. Owner is encouraged to post additional signage advising that the Police Department may engage in regular patrols of common areas.

This Agreement shall remain in full force and effect until terminated in writing by either party. Notices shall be delivered to Owner at the address listed above, or to the City at 200 S. Fourth Street, DeKalb, Illinois, 60115, Attention City Attorney.

Agreed this 23rd day of September, 2019.
Exhibit E: Project Cost Documentation Requirements

- Applicants/Recipients are responsible for identifying and complying with all applicable laws, ordinances and regulations.
- The Parties acknowledge that the funding contemplated under this Agreement is provided exclusively through either a Tax Increment Financing District or through sales tax rebates for funds generated on-site, and is provided exclusively for the purpose of funding private improvements. Accordingly, while the Owner is solely responsible for complying with the applicable provisions of the Illinois Prevailing Wage Act, pursuant to the guidance issued by the Illinois Department of Labor, the City shall not require the Owner to provide certified payroll records unless the Owner determines that such records are required under the Prevailing Wage Act. The Owner shall indemnify, defend and hold harmless the City from any claims arising out of the alleged Owner violation of the Prevailing Wage Act with respect to this Agreement or the Property.
- Final waivers of lien must be provided for all contractors, suppliers and materialmen. All payments associated with the purchase of real property or payment of contractors, subcontractors or materialmen providing services to the Property in connection with this Agreement, which are intended to be included in Project Completion Costs or which are intended to be eligible for payment through the Development Incentive must be paid through a title company acceptable to the City of DeKalb where the cost associated with such payment exceeds $5,000.
- Final Project Costs must be documented in a tabbed binder in accordance with these regulations.
  - The first section must include a notarized affidavit from the Applicant affirming that all information provided is complete and accurate, and affirming that all work was done in accordance with these Guidelines and all applicable laws.
  - The second section must include a spreadsheet generated by the Applicant, including all project costs that are a component of the project, broken down by vendor. All amounts listed in this spreadsheet must match the corresponding contractor invoices described below.
  - If property acquisition is included in the project costs, the third section must include a copy of the closing statement and deed for the property.
  - Subsequent sections should be separately tabbed by contractor. Each contractor tab should start with a spreadsheet generated by the Applicant that includes the totals from each invoice, and should be followed by a complete set of prevailing wage records, final waivers of lien, and invoices.
  - Applicants may include a Miscellaneous Expenses tab in the binder for small project expenses.
  - Credit Card Statements are not adequate to evidence expenditures. All small expenditures require actual receipts showing the expenditures. The City reserves the right to require Applicants to provide written documentation explaining any expenditure.
Building permits are eligible expenditures. Ineligible expenditures include: food, fuel, beverages, utility bills, web design, merchandise for stock or supply, membership dues, life insurance, or other personal expenses. The City reserves the right to disqualify any expense.

- Once an invoice is submitted, the invoice cannot be withdrawn or retracted, and the scope of work described on the invoices cannot be altered. For this reason, it is critical to ensure that these guidelines are complied with.
- The City shall also be provided with an electronic copy of all submittals, in PDF format, separated into sections as outlined above.
GROUP EXHIBIT F: Form of Promissory Note, Corporate Undertaking, Mortgage

COMPANY UNDERTAKING
for
PNG Development, LLC

WHEREAS, the company known as PNG Development, LLC (the "Company"), is a duly recognized and active limited liability company organized and doing business in the State of Illinois; and

WHEREAS, the Company is governed by a written Operating Agreement, which provides that the Member identified below of said Company may act on behalf of the Company in the capacity herein contemplated;

NOW, THEREFORE:

BE IT RESOLVED this 23rd day of September, 2019, that the undersigned, being a duly appointed and acting Member of the Company, authorizes the Company to execute any and all documents pursuant to that certain Development Agreement with the City of DeKalb regarding the Property described in the attached Legal Description (the "Property"), all in DeKalb, Illinois, including, but not limited to, promissory note(s), security agreement(s), line(s) of credit, mortgage(s) and all other loan or financing documents to enable the Company to fulfill its obligations pursuant to said Development Agreement and to permit and enable the City of DeKalb to perfect any and all liens on the assets of the Company and/or Property.

1. Company agrees as follows:

   (a) "Company's Liabilities" shall mean all obligations and liabilities of Company to the City (including, without limitation all debts, claims, and indebtedness), whether primary, secondary, direct, contingent, fixed, or otherwise, heretofore, now, and/or from time to time hereafter owing, due, or payable, however evidenced, created, incurred, acquired, or owing and however arising, whether under the "Loan Agreements" or "Development Agreement" (hereinafter defined), or by oral agreement or operation of law, or otherwise, and all terms, conditions, agreements, representations, warranties, undertakings, covenants, guaranties, and provisions to be performed, observed, or discharged by Company under the Loan Agreements.

   (b) "Development Agreement" shall mean that certain Development Agreement entered into by the Company and City relating to the redevelopment of the Property described in Exhibit 1.

   (c) "Loan Agreements" shall mean all agreements, instruments, and documents, including, without limitation, promissory notes, loan and security
agreements, guaranties, letters of credit, mortgages, deeds of trust, environmental indemnity agreements, pledges, powers of attorney, consents, assignments, contracts, notices, leases, financing statements, and all other written matter heretofore, now, and/or from time to time hereafter executed by and/or on behalf of Company and delivered to City, including, without limitation, that certain Loan and Security Agreement dated as of the date hereof, made by Company in favor of City (Loan Agreement), and any and all substitutions, replacements, renewals, and/or amendments to and of the aforementioned agreements, instruments, and documents.

2. Company unconditionally, absolutely, and continuing guarantees and undertakes to City the prompt performance and payment (in full) of all of Company's Liabilities, when such performance or payment is due or declared due by City, subject to the terms and provisions of the Development Agreement. In addition to the payment and performance of Company's Liabilities specified in the preceding sentence, Company shall additionally be liable for all of the costs and expenses incurred by City as identified in Section 9 of this Undertaking.

Prior to enforcing its rights under this Undertaking, the City is not required to seek to enforce or resort to any remedies with respect to any security interests, liens, or encumbrances granted to City by Company or any other party to secure the repayment of Company's Liabilities.

Company's Liabilities shall in no way be impaired, affected, reduced, or released by reason of (a) the City's failure or delay to do or take any of the actions or things described in this Undertaking; (b) the invalidity or unenforceability of Company's Liabilities or the Loan Agreements; or, (c) any loss of or change in priority or reduction in or loss of value of any security interest, lien, or encumbrances securing the repayment of Company's Liabilities.

3. Company represents and warrants to City that:

(a) The statements in the preamble to this Undertaking are true and correct.

(b) Company has reviewed and voluntarily entered into this Undertaking and the associated Note and Mortgage.

(c) Company has the right, power, and capacity to enter into, execute, deliver, and perform this Undertaking.

(d) This Undertaking, when duly executed and delivered, will constitute a legal, valid, and binding obligation of Company, enforceable against Company in accordance with its terms, subject to applicable bankruptcy laws or other laws affecting creditors' rights generally or the equity powers of the courts.

(e) The execution, delivery, and/or performance by Company of this
Undertaking shall not, by the lapse of time, the giving of notice, or otherwise, constitute a violation or breach of (1) any applicable law; or (2) any provision contained in any agreement or document to which Company is now or hereafter a party or by which it is or may become bound.

(f) Company is now, and at all times hereafter shall be, solvent and generally able to pay its debts as such debts become due, and Company now owns or will upon its acquisition of the Property which is the subject of the Development Agreement, and shall at all times hereafter own, property that, at a fair valuation, exceeds the sum of Company’s debts.

(g) Company now has, and shall have at all times hereafter, capital sufficient to carry on all business transactions and all businesses and transactions in which Company is about to engage. Company does not intend to incur or believe that Company will incur debts beyond Company’s ability to pay as such debts mature.

(h) There are no actions or proceedings that are pending or threatened against Company that might result in any material and adverse change in Company’s financial condition or materially affect Company’s ability to perform Company’s Liabilities.

(i) Company has reviewed independently the Loan Agreements, and Company has made an independent determination as to the validity and enforceability thereof on the advice of Company’s own counsel, and in executing and delivering the Undertaking to City, Company is not in any manner relying on City as to the validity and/or enforceability of any security interests of any kind or nature to City.

(j) Upon written request from City, Company agrees to furnish to City all pertinent facts relating to the ability of Company to pay and perform Company’s Liabilities, and all pertinent facts relating to Company’s ability to pay and perform Company’s Liabilities. Company agrees to keep informed with respect to all such facts. Company acknowledges and agrees that (1) City has relied and will continue to rely on the facts and information to be furnished to it by Company; (2) in executing this Undertaking and at all times hereafter, Company has relied and will continue to rely on Company’s own investigation, and Company has not and will not hereafter rely on City for any such information or facts.

4. Waivers

(a) To the extent permitted by law, Company waives all other defenses, counterclaims, and offsets of any kind or nature in connection with the validity and/or enforceability of this Undertaking, including, without limitation, (1) those arising directly or indirectly from the perfection,
sufficiency, validity, and/or enforceability of any security interest granted by Company to City or acquired by City from Company; and, (2) those based on the failure or adequacy of consideration.

(b) Company hereby waives notice of the following events or occurrences and agrees that City may do any or all of the following in such manner, on such terms, and at such times as City, in its sole and absolute discretion, deems advisable without in any way impairing, affecting, reducing, or releasing Company from Company’s Liabilities:

(1) City’s acceptance of this Undertaking;

(2) Presentment, demand, notices of default, nonpayment, partial payment, and protest, and all other notices or formalities to which Company may be entitled;

5. Covenant and Agreements

Company covenants and agrees with City that:

(a) All security interests, liens, and encumbrances heretofore, now, and at any time or times hereafter granted by Company to City shall secure Company’s Liabilities.

(b) All indebtedness, liability, or liabilities now and at any time or times hereafter owing to Company by any party liable to City by reason of any security interests, liens, or encumbrances granted by Company to City are hereby subordinated to all indebtedness, liability, or liabilities owed by such party to City.

6. Security

To secure the prompt payment to City of, and the prompt, full, and faithful performance of, Company’s Liabilities, Company grants to City a security interest in and lien on the Property (“Collateral”).

Company shall execute and/or deliver to City, at any time and from time to time hereafter at the request of City, all agreements, instruments, documents, and other written matter that City reasonably may request, in a form and substance acceptable to City, to perfect and maintain perfected City’s security interest in the Collateral. City shall have no obligation to protect, secure, or insure any of the foregoing security interests, liens, or encumbrances or the properties or interests in properties subject thereto.

Company warrants and represents to and covenants with City that (a) Company has good, indefeasible, and merchantable title to the Collateral, or will upon its acquisition of same as contemplated by the Redevelopment Agreement; (b) City’s security interest in
and lien on the Collateral is now, and at all times hereafter shall be, valid and perfected, and shall have a first priority; (c) Company shall not grant a security interest in or permit a lien, claim, or encumbrance on any of the Collateral in favor of any third party, except as contemplated by the Redevelopment Agreement; (d) the addresses specified at the end of this Undertaking include and designate Company's principal residence and is Company's sole residence. Company, by written notice delivered to City at least thirty (30) days prior thereto, shall advise City of Company's acquiring any new residence or selling any existing residence, and any new residence shall be within the continental United States of America.

7. **Default**

The occurrence of any of the following events shall, at the election of City, be deemed a default by Company (Event of Default) under this Undertaking:

(a) if Company fails to pay any of Company's Liabilities when due and payable or properly declared due and payable;

(b) if Company fails or neglects to perform, keep, or observe any term, provision, condition, covenant, warranty, or representation contained in this Undertaking, which is required to be performed, kept, or observed by Company, and Company shall fail to remedy such within ten (10) days of being served with written notice from City;

(c) if the Collateral is attached, seized, subjected to a writ of distress warrant, or levied upon, or becomes subject to any lien, or comes within the possession of any receiver, conservator, trustee, custodian, or assignee for the benefit of creditors;

(d) if Company becomes insolvent or generally fails to pay, or admits its inability to pay, debts as they become due;

(e) if a petition under Title 11, United States Code, or any similar law or regulation shall be filed by Company, or if Company shall make an assignment for the benefit of its creditors, or if any case or proceeding is filed by Company for its dissolution or liquidation;

(f) if a petition under Title 11, United States Code, or any similar law or regulation shall be filed against Company, or if a case or proceeding is filed against Company for its dissolution or liquidation and such proceeding shall not be dismissed within forty-five (45) days of its filing, during which time Company shall be diligently contesting such action or proceeding;

(g) if Company is enjoined, restrained, or in any way prevented by court order from conducting all or any material part of its business affairs, and such injunction or restraint shall not be voided, removed, or dismissed within
thirty (30) days of the court's order, during which time Company shall be diligently contesting such action or proceeding;

(h) if a notice of lien, levy, or assessment is filed of record or given to Company with respect to the Collateral;

(i) if Company is in default in the payment or performance of any material obligation, indebtedness, or other liability to any third party, and such default is not cured within any cure period specified in any agreement or instrument governing the same;

(j) if any material statement, report, or certificate made or delivered to City by Company is not true and correct;

(k) any material adverse change in the financial condition, operations, business, or assets of Company, and Company shall fail to remedy such within ten (10) days of being served with written notice from City;

(l) the occurrence of a default or Event of Default under any other agreement, instrument, and/or document executed and delivered by Company to City, which is not cured by Company within any applicable cure period set forth in any such agreement, instrument, and/or document;

(m) the occurrence of a default or event of default under the Loan Agreements;

(n) the dissolution of Company or if Company attempts to cancel, revoke, or disclaim this Undertaking; or

8. Remedies

Upon the occurrence of an Event of Default, and with prior notice thereof to Company, Company's Liabilities shall be due and payable and enforceable against Company, forthwith, at City's principal place of business, and City may, in its sole and absolute discretion, exercise any one or more of the following remedies that are cumulative and nonexclusive:

(a) proceed to suit against Company if Company's Liabilities are not immediately paid by Company to City at City's principal place of business; at City's election, one or more successive or concurrent suits may be brought hereunder by City against Company; and/or

(b) reduce to cash or the like any of Company's assets of any kind or nature in the possession, control, or custody of City, and, without notice to Company, apply the same in reduction or payment of Company's Liabilities; and/or

(c) exercise any one or more of the rights and remedies accruing to City under
the Loan Agreements, the Uniform Commercial Code of the relevant jurisdiction, and any other applicable law upon default by a debtor.

Company recognizes that in the event it fails to perform, observe, or discharge any of its obligations or liabilities under this Undertaking, no remedy at law will provide adequate relief to City, and agrees that City shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damage.

9. Costs, Fees, and Expenses

If at any time or times hereafter, either the Owner or the City employs counsel for advice or other representation with respect to this Undertaking or to represent the Owner or City in any litigation, contest, dispute, suit, or proceeding relating to this Undertaking or Owner’s or City’s rights thereunder, the reasonable costs, fees, and expenses incurred by either the Owner or City in any manner or way with respect to the foregoing shall be payable by Company to City, or by the City to the Owner, as the case may be, on demand. Without limiting the generality of the foregoing, such costs, fees, and expenses include reasonable (a) attorneys’ fees, costs, and expenses; (b) court costs and expenses; (c) court reporter fees, costs, and expenses; (d) long-distance telephone and facsimile charges; (e) expenses for travel, lodging, and food. The City’s and Company’s liability for all reasonable expenses and fees under this Section 9 shall also extend to the collection of any judgment that shall result from City’s or Company’s enforcement of its rights and remedies hereunder. The obligation of Company and City set forth in this agreement shall be continuing and shall not be merged into any judgment entered based on this Undertaking.

10. Miscellaneous

All payments received by City from any source on account of Company’s Liabilities shall be applied by City in its reasonable discretion, and this Undertaking shall apply to and secure any ultimate balance that may be owed to City on account of Company’s Liabilities after City’s application.

If any provision of this Undertaking or the application thereof to any party or circumstance is held invalid or unenforceable, the remainder of this Undertaking and the application of such provision to other parties or circumstances will not be affected thereby, the provisions of this Undertaking being severable in any such instance. This Undertaking shall be binding on Company and the City and inure to the benefit of Company and City and their respective heirs, personal representatives, successors, and assigns.

Whenever a notice is required or permitted to be given under this Undertaking, it shall be in writing and either delivered personally, or sent via certified mail, return receipt requested. Notice sent via certified mail shall be deemed given three (3) business days after such notice is sent. Notice served by hand delivery shall be deemed served on the day delivered. Any written notice to Company shall be to the address or addresses
specified below.

This Undertaking shall continue in full force and effect until Company’s Liabilities are fully paid, performed, and discharged as provided in the Redevelopment Agreement and City gives Company written notice thereof, such notice to be promptly sent by City after full performance of Company’s Liabilities. This Undertaking shall continue to be effective or be reinstated, as the case may be, if at any time payment of any of Company’s Liabilities is rescinded or must otherwise be returned by City upon the insolvency, bankruptcy, or reorganization of Company or otherwise, all as though such payment had not been made.

This Undertaking is submitted to City at City’s principal place of business and shall be deemed to have been made thereat. This Undertaking shall be governed and controlled as to interpretation, enforcement, validity, construction, effect, and in all other respects by the laws, statutes, and decisions of the State of Illinois. No modification, waiver, estoppel, amendment, discharge, or change of this Undertaking or any related instrument shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, estoppel, amendment, discharge, or change is sought.

To the extent that City receives any payment on account of Company’s Liabilities, or any proceeds of Collateral are applied on account of Company’s Liabilities, and any such payment(s) and/or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, subordinated, and/or required to be repaid to a trustee, receiver, or any other party under any bankruptcy act, state or federal law, common law, or equitable cause, then, to the extent of such payment(s) or proceeds received, Company’s Liabilities or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment(s) and/or proceeds had not been received by City and applied on account of Company’s Liabilities. Company agrees that Company’s Liabilities hereunder shall be revived to the extent of such revival of Company’s Liabilities.

Until expressly released in writing by City, this Undertaking shall be in addition to any other guaranties that Company has previously given to City or that Company may, from time to time, hereafter give to City relating to Company’s Liabilities.

Company warrants and represents to City that Company has read this Undertaking and understands the contents hereof and that this Undertaking is enforceable against Company in accordance with its terms.

COMPANY AND CITY AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY, OR OTHERWISE IN CONNECTION WITH, OUT OF, RELATED TO, OR FROM THIS UNDERTAKING SHALL BE LITIGATED ONLY IN THE TWENTY-THIRD JUDICIAL CIRCUIT COURT OF DEKALB COUNTY, STATE OF ILLINOIS. COMPANY AND CITY CONSENT AND SUBMIT TO THE EXCLUSIVE JURISDICTION OF SAID COURT. COMPANY AND THE CITY HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY
LITIGATION BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.

ATTEST:
By: Lynn Fazekas, City Clerk

ATTEST:
By: Ruth A. Scott
Title: Executive Asst.

CITY OF DEKALB
By: Jerry Smith, City Mayor

PNG DEVELOPMENT, LLC
By: John Pappas
Its: Member/Manager
member/manager
Exhibit 1

PARCEL 1:


PARCEL 2:

THE NORTHWESTERLY 125 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

ALSO;
THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND
SOUTHERLY LINES THEREOF, OF THE WESTERLY 140 FEET, AS
MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF,
OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF
DEKalb, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF
PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKalB COUNTY, ILLINOIS.

PARCEL 3:

THE WESTERLY 58 FEET, AS MEASURED ALONG THE NORTHERLY AND
SOUTHERLY LINES OF LOTS 1 AND 2 IN BLOCK 28, IN THE ORIGINAL VILLAGE
(NOW CITY) OF DEKalB, ACCORDING TO THE PLAT THEREOF RECORDED
IN BOOK "A" OF PLATS, PAGE 8-1/4 ON DECEMBER 19, 1853, IN DEKalB
COUNTY, ILLINOIS; AND THAT PART OF THE VACATED ALLEY IN BLOCK 28
THAT LIES NORTH OF THE NORTH LINE OF PARCEL "A" OF THE WEST
SUBDIVISION OF THE AMERICAN STEEL AND WIRE COMPANY AS SHOWN IN
BOOK "D" OF PLATS, PAGE 54, AND SOUTH OF THE SOUTH LINE OF OAK
STREET; AND ALSO LOTS 9 AND 10 EXCEPT THE WEST 125 FEET THEREOF
IN BLOCK 25; AND ALSO THAT PART OF THE VACATED FIFTH STREET THAT
LIES NORTH OF THE NORTH LINE OF PARCEL "A" OF THE AFORESAID WEST
SUBDIVISION OF THE AMERICAN STEEL AND WIRE COMPANY AND SOUTH
OF THE SOUTH LINE OF OAK STREET, ALL IN THE ORIGINAL TOWN (NOW
CITY) OF DEKalB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK
"A" OF PLATS, PAGE 8-1/4, SITUATED IN DEKalB COUNTY, ILLINOIS.

THIS IS NOT A HOMESTEAD PROPERTY

The property or its address is commonly known as 204 N. Fourth Street, DEKalB, IL
60115. The property tax identification numbers are: 0823184027, 082318024,
0823184002, 0823184001, 0823184003, and 0823184020.
MORTGAGE

Dated: September 23, 2019

PNG Development, LLC (Mortgagor) and the City of DeKalb (Mortgagee)

Commonly known as: 204 N. Fourth Street, DeKalb, DeKalb County, Illinois 60115

PIN: 08-23-184-027
     08-23-184-024
     08-23-184-002
     08-23-184-001
     08-23-184-003
     08-23-184-020

Prepared by and Return to:
John Donahue, City Attorney
City of DeKalb
200 S. Fourth Street
DeKalb, Illinois 60115
(Ordinance 2019-057)
MORTGAGE

RETURN TO:
City Clerk
City of DeKalb
200 S. Fourth Street
DeKalb IL 60115

Future Advances Mortgage
Maximum Value: $3,000,000.00

THIS MORTGAGE, dated this 23rd day of September, 2019, by PNG Development, LLC (‘Mortgagor’), WITNESSETH:

WHEREAS, Mortgagor has executed a Promissory Note in the principal sum of Three Million Dollars and Zero Cents ($3,000,000.00) payable to the City of DeKalb (‘Mortgagee’), dated the same date as this Mortgage, whereby Mortgagee is entitled to recover from Mortgagor certain expenses, costs, and advances in connection with Mortgagor’s development work on the Premises as defined below and Property as defined within that certain Development Agreement executed on 9-23-19 and recorded against the Premises (as defined below) and certain other parcels of real property;

THAT to secure the payment of the indebtedness evidenced by said Promissory Note, Mortgagor does by these presents GRANT and MORTGAGE unto Mortgagee, the real estate situated in the County of DeKalb, and State of Illinois, legally described as follows on Exhibit 1, which is attached hereto and incorporated herein by reference, and which is referred to herein as the “Premises”;

Together with all improvements, tenements, hereditaments, easements and all types and kinds of furniture, fixtures and equipment whether now on the premises or hereafter erected, installed or placed thereon or therein, or whether physically attached thereto or not, are and shall be deemed a part of said real estate as between the parties hereto and all persons claiming by, through or under them, and a portion of the security for said indebtedness; and also all the estate, right, title and interest of Mortgagor in and to the premises; and

Further, Mortgagor does hereby pledge and assign to Mortgagee, from and after the date hereof, primarily and on a parity with said real estate and not secondarily, all the rents, issues and profits of the premises and all rents, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits or money as advance rent or for security, under any and all present and future leases of the premises, and does hereby transfer and assign all such leases to Mortgagee together with the right, but not the obligation, to collect, receive and receipt for all avails thereof, to apply then to said indebtedness and to demand, sue for and recover the same when due or payable. Mortgagee by acceptance of the Mortgage agrees, as a personal covenant applicable to
Mortgagor only, and not as a limitation or condition hereof and not available to any lessee or tenant, that until a default shall be made or an event shall occur, when under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such avails.

TO HAVE AND TO HOLD the premises unto Mortgagee, their successors, and assigns, forever, for the purposes and uses herein set forth.

NOTICE: THIS MORTGAGE SECURES TOTAL CREDIT IN THE AMOUNT OF $3,000,000.00, AND IS CONSTRUED IN CONNECTION WITH THE OBLIGATIONS OF MORTGAGOR AS OWNER UNDER THAT CERTAIN DEVELOPMENT AGREEMENT ("DEVELOPMENT AGREEMENT") RECORDED AGAINST THE PREMISES PRIOR TO THE DATE OF THIS MORTGAGE. LOANS, PAYMENTS, CREDITS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH ANY OTHER AMOUNTS OR OTHER OBLIGATIONS OF MORTGAGOR/OWNER UNDER THIS MORTGAGE OR THE REDEVELOPMENT AGREEMENT ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS, UNLESS AND UPON THE CITY’S SUBORDINATION OF THIS MORTGAGE LIEN AS PROVIDED IN THE REDEVELOPMENT AGREEMENT. THIS MORTGAGE HAS BEEN PROVIDED TO SECURE THE REPAYMENT OF OBLIGATIONS OF THE REDEVELOPMENT AGREEMENT, INCLUDING BUT NOT LIMITED TO, REPAYMENT OF A DEVELOPMENT INCENTIVE.

Maximum Obligation Limit: The total amount of secured debt secured by this Mortgage at any one time shall not exceed the amount stated above. This limitation does not include loan charges, commitment fees, attorney’s fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Mortgagee’s security and to perform any of the covenants contained in this Mortgage or the Development Agreement. Future advances are contemplated and, along with other future obligations, are secured by this mortgage even though all or part may not yet be advanced. Nothing contained in this Mortgage shall constitute an irrevocable commitment to make additional or future loans or advances in any amount, and no commitment to future advances, whether contained herein or in the Development Agreement, shall create any right of or liability to any third party not identified expressly herein.

The debt secured by this Mortgage includes, but is not limited to:

A) The promissory note, guaranty, obligations of Mortgagor under the Development Agreement and all extensions, renewals, modifications or substitutions thereof to PNG Development, LLC, with a note amount of $3,000,000.00 (collectively, the “Evidence of Debt”).

B) All future advances from Mortgagee to Mortgagor or other future obligations of Mortgagor to Mortgagee under any promissory note, development agreement, contract, guaranty or other evidence of debt existing now or
executed after this Mortgage whether or not this Mortgage is specifically referred to in the Evidence of Debt and whether or not such future advances or obligations are incurred for any purpose that was related or unrelated to the purpose of this Mortgage or the Evidence of Debt.

C) All obligations Mortgagor owes to Mortgagee, which now exist or may later arise, to the extent not prohibited by law, including but not limited to any obligation under the Development Agreement such as obligations to defend and indemnify and obligations relating to the Owner Escrow as defined therein.

D) Any additional sums advanced and expenses incurred by Mortgagee for insuring, preserving or otherwise protecting the Premises and Property and its value and any other sums advanced or expenses incurred by the Mortgagee under the terms of this Mortgage, plus interest (where applicable), as provided in the Evidence of Debt and Redevelopment Agreement.

E) Mortgagor’s performance under the terms of any instrument evidencing a debt by Mortgagor to Mortgagee and any Mortgage securing, guarantying or otherwise relating to a debt.

Mortgagor covenants and agrees:

1. To pay or cause to be paid, when due, all sums secured hereby as further defined and governed by the Development Agreement.

2. Not to abandon the premises; to keep the premises in good condition and repair and not to commit or suffer waste; to pay for and complete within a reasonable time any building at any time in the process of erection upon the premises; to promptly repair, restore or rebuild any building or improvement now or hereafter on the premises which may become damaged or destroyed; to refrain from impairing or diminishing the value of the security; to make no material alterations of the premises.

3. To comply with all requirements of law or local government ordinances governing the premises and the use thereof; and to permit Mortgagee, or their agents, to inspect the premises at all reasonable times.

4. To keep the premises free from mechanics, or other liens or claims for liens of any kind; to pay or cause to be paid, when due, any indebtedness which may be secured by a lien or charge on the premises; and, upon receipt, to exhibit to Mortgagee satisfactory evidence of the payment and discharge of such liens or claims.

5. To pay, or cause to be paid, before any penalty attaches, all general taxes
and to pay, or cause to be paid, when due, all special taxes, special assessments, water charges, drainage charges, sewer service charges and other charges against the premises, of any kind whatsoever, which may be levied, assessed, charged or imposed on the premises, or any part thereof.

6. To promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal or local law or regulation hereafter passed, against Mortgagee upon this Mortgage or the debt hereby secured, or upon their interest under this Mortgage.

7. To exhibit to Mortgagee, annually upon request, official receipts showing full payment of all taxes, assessments and charges which Mortgagor is required, or shall elect, to pay or cause to be paid hereunder.

8. To keep the premises continuously insured, until the indebtedness secured hereby is fully paid against loss or damage under such types of hazard and liability insurance and in such forms, amounts and companies as may be reasonably approved or required from time to time by Mortgagee (in the absence of any specified requirements, such insurance shall be under policies providing for payment by the insurance companies of moneys sufficient either to pay the full cost of replacing or repairing the premises or to pay in full the indebtedness secured hereby); all policies whether or not required by the terms of this Mortgage, shall contain loss payable clauses in favor of Mortgagee (or, in case of foreclosure sale, in favor of the owner of the certificate of sale); in the event of loss, Mortgagor shall immediately notify Mortgagee in writing and Mortgagor hereby authorizes and directs each and every insurance company concerned to make payments for such loss directly and solely to Mortgagee (who may, but need not, make proof of loss) and Mortgagee is hereby authorized to adjust, collect and compromise, in their discretion, all claims under all policies, and Mortgagor shall sign, upon demand by Mortgagee, all receipts, vouchers and releases required by the insurance companies and the insurance proceeds, or any part thereof, may be applied by Mortgagee, at their option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged, and any application thereof to the indebtedness shall not relieve Mortgagors from making the payments herein required until the indebtedness is paid in full. Mortgagee may, from time to time, at their option, waive and, after any such waiver, reinstate any or all provisions hereof requiring deposit of insurance policies, by notice to Mortgagor in writing.

9. (a) To deliver to Mortgagee, all policies of insurance with evidence of premiums prepaid (renewal policies to be delivered not less than ten (10) days prior to the respective dates of expiration), and all abstracts of title, title guarantee policies, and other evidence of title to the premises, all of which shall be held by Mortgagee without liability,
and in the event of foreclosure of this Mortgage or transfer of title to the premises in extinguishment of said indebtedness, shall become the absolute property of Mortgagee.

(b) IF ALL OR ANY PART OF THE PREMISES OR AN INTEREST THEREIN IS SOLD OR TRANSFERRED BY MORTGAGOR WITHOUT MORTGAGEE'S PRIOR WRITTEN CONSENT, MORTGAGEE MAY, AT MORTGAGEE'S OPTION, DECLARE ALL THE SUMS SECURED BY THIS MORTGAGE TO BE IMMEDIATELY DUE AND PAYABLE. MORTGAGEE SHALL HAVE WAIVED SUCH OPTION TO ACCELERATE IF, PRIOR TO THE SALE OF TRANSFER, MORTGAGEE AND THE PERSON TO WHOM THE PREMISES IS TO BE SOLD OR TRANSFERRED REACH AGREEMENT IN WRITING THAT THE CREDIT OF SUCH PERSON IS SATISFACTORY TO MORTGAGEE AND THAT THE INTEREST PAYABLE ON THE SUMS SECURED BY THIS MORTGAGE SHALL BE AT SUCH RATE AS MORTGAGEE SHALL REQUEST. IF MORTGAGEE HAS WAIVED THE OPTION TO ACCELERATE.

IF MORTGAGEE EXERCISES SUCH OPTION TO ACCELERATE, MORTGAGEE SHALL MAIL MORTGAGOR NOTICE OF ACCELERATION. SUCH NOTICE SHALL PROVIDE A PERIOD OF NOT LESS THAN THIRTY (30) DAYS FROM THE DATE THE NOTICE IS MAILED WITHIN WHICH MORTGAGOR MAY PAY THE SUMS DECLARED DUE. IF MORTGAGOR FAILS TO PAY SUCH SUMS PRIOR TO THE EXPIRATION OF SUCH PERIOD, MORTGAGEE MAY, WITHOUT FURTHER NOTICE OR DEMAND ON MORTGAGOR, INVOCING ANY REMEDIES PERMITTED BY THIS MORTGAGE.

THE REQUIREMENT OF MORTGAGEE'S CONSENT PRIOR TO ANY TRANSFER SHALL INCLUDE ALL LEGAL INTEREST OF MORTGAGOR IN THE PREMISES. SAID REQUIREMENT EXTENDS TO CONTRACTS FOR DEED, TRANSFERS TO LAND TRUSTS OR OTHER TRUSTS (EVEN THOUGH MORTGAGOR OR ANY OF THEM ARE BENEFICIARIES THEREIN), AND ASSIGNMENTS OF BENEFICIAL INTERESTS IN LAND TRUSTS AND OTHER TRUSTS.

10. In the event of default in performance of any Mortgagor's covenants or agreements herein contained, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor, in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or any other lien,
encumbrance, suit title or claim thereof, or redeem from any tax sale or forfeiture affecting the premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee to protect the premises and the lien hereof shall be so much additional indebtedness secured hereby and shall be come immediately due and payable without notice. Mortgagee, making any payment hereby authorized relating to taxes or assessments, shall be the sole judge of the legality and validity thereof and of the amount necessary to be paid in satisfaction thereof.

11. If (a) default be made in payment, when due, of any sum secured hereby, or in any of the other covenants or agreements herein contained to be performed by Mortgagor herein or in the Agreement, or (b) if any proceedings be instituted or process issued (i) to enforce any other lien, charge or encumbrance against the premises, or (ii) to condemn the premises or any part thereof for public use, or (iii) against Mortgagor or any beneficiary thereof under any bankruptcy or insolvency laws, or (iv) to place the premises or any part thereof in the custody of any court through their receiver or other officer, and such proceedings are not dismissed or stayed on appeal or such process withdrawn within Ten (10) days after written notice to Mortgagor; or (c) if Mortgagor makes any assignment for the benefit of creditors, or are declared bankrupt, or if by or with the consent or at the instance of proceedings to extend the time of payment of the Note or to change the terms of this Mortgage be instituted under any bankruptcy or insolvency law; then:

(a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without notice, with interest thereon, from the date of the first of any such defaults, at the penalty rate; and

(b) Mortgagee may immediately foreclose this Mortgage. The Court in which any proceedings is pending for that purpose may, at once or any time thereafter, either before or after sale, without notice to Mortgagor, and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the indebtedness secured hereby, and without regard to the then value of the premises, or whether the same shall be occupied as a Homestead, appoint a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby secured is made), for the benefit of Mortgagee or place Mortgagee in possession under the terms of the applicable statute of the State of Illinois, with power to collect the rents, issues and profits of the premises, due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver or
Mortgagee in possession, out of such rents, issues and profits when collected, may pay costs incurred in the management and operation of the premises, prior and coordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the premises, and may pay all or any part of the indebtedness secured hereby or any deficiency decree; and

(c) Mortgagee shall, at its option, have the right, acting through itself, its agents or attorneys, with process of law, to enter upon and take possession of the premises and property, expel and remove any persons, goods or chattels, occupying or upon the same, and to collect or receive all the rents, issues and profits thereof, and to manage and control the same, and to lease the same or any part thereof from time to time, and after deducting all reasonable attorney's fees and all operation of the premises, apply the remaining net income upon the indebtedness secured hereby, or upon any deficiency decree entered by virtue of any sale held pursuant to a decree of foreclosure.

12. In any foreclosure of this Mortgage, there shall be allowed and included in the decree for sale, in the event Mortgagor successfully obtains a judgment of foreclosure, to be paid out of the rents or proceeds of such sale, or by the Mortgagee, as the case may be, and only payable to the prevailing party in any such foreclosure action:

(a) All principal and interest remaining unpaid and secured hereby;

(b) All other items advanced or paid by Mortgagee pursuant to this Mortgage with interest at the penalty rate from the date of advancement;

(c) All court costs and fees, attorneys' fees, appraiser's fees, expenditures for documentary and expert evidence, stenographer's charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantee policies, and similar data with respect to title, as Mortgagee may deem necessary. All expenditures and expenses of the type mentioned in this subparagraph (c) shall become so much additional indebtedness secured hereby and immediately due and payable, with interest at the same rate as shall accrue on the principal balance when paid or incurred by Mortgagee, in connection with (i) any proceedings, including probate and bankruptcy proceedings to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or
(ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (iii) preparations for the defense of security hereof, whether or not actually commenced. The proceeds of any foreclosure sale shall be distributed and applied to the items described in subparagraph (a), (b) and (c) in order of priority inversely to the manner in which said subparagraphs are above listed and any surplus of the proceeds of such sale be paid to Mortgagor.

13. No remedy or right of mortgagee shall be exclusive of, but shall be in addition to, every other remedy or right now or hereafter existing at law or in equity. No delay in exercising, or omission to exercise, any remedy or right accruing on default shall impair any such remedy or right, or shall be construed to be a waiver of any such default, or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

14. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of said note, and without notice or consent:

(a) Release any person liable for payment of all or any part of the indebtedness or for performance of any obligation.

(b) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof.

(c) Exercise or refrain from exercising or waive any right Mortgagee may have.

(d) Accept additional security of any kind.

(e) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the property mortgaged hereby.

15. Upon full payment of all sums secured hereby at the time and in the manner provided, then this conveyance shall be null and void and within thirty (30) days after written demand therefor a re-conveyance or release of the
premises shall be made by Mortgagee to Mortgagor.

16. All provisions hereof shall inure to and bind the respective heirs, executors, administrators, successors, vendees and assigns of the parties hereto, and the word "Mortgagor" shall include all persons claiming under or through Mortgagor and all persons liable for the payment of the indebtedness or any part hereof, whether or not such persons shall have executed the Note or this Mortgage. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall be applicable to all genders.

17. That this Mortgage cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

18. This lien may be subordinated with the written consent of the City Manager.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage the day and year first above written.

ATTEST:
By: ____________________________
Title: ___________________________

PNG DEVELOPMENT, LLC
By: ____________________________
Its: _____________________________
Manager/Member
STATE OF ILLINOIS )
COUNTY OF DEKALB )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John Pappas, authorized Member of PNG Development, LLC, an Illinois limited liability company, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Member, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth; and the same Member then and there acknowledge that he did affix the seal of said company to said instrument as his own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 23rd day of September, 201__.  

[Signature]

Notary Public

[Seal Image]
PARCEL 1:


PARCEL 2:

THE NORTHEASTERLY 125 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

ALSO;
THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND
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0823184002, 0823184001, 0823184003, and 0823184020.
RECORDATION REQUESTED BY:
First National Bank of Omaha
Branch #020
141 W. Lincoln Hwy
DeKalb, IL  60115

WHEN RECORDED MAIL TO:
First National Bank of Omaha
Branch #020
141 W. Lincoln Hwy
DeKalb, IL  60115

FOR RECORDER'S USE ONLY

This Subordination of Mortgage prepared by:
Ashley Sawyer, Commercial Loan Documentation
First National Bank of Omaha
141 W. Lincoln Hwy
DeKalb, IL  60115

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The Real Property or its address is commonly known as 204 N. 4th Street, 423 Oak St. & 420 Oak St., DeKalb, IL 60115. The Real Property tax identification number is 08-23-184-001, 08-23-184-002, 08-23-184-003, 08-23-184-020, 08-23-184-024, and 08-23-184-027.

SUPERIOR INDEBTEDNESS. Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"): Note dated February 12, 2020 in the amount of $400,000.00.

LENDER'S LIEN. The Superior Indebtedness is or will be secured by the Real Property and evidenced by a mortgage, dated February 12, 2020, from Borrower to Lender (the "Lender's Lien") and recorded in DeKalb County, State of Illinois as follows:

Recorded on ___________ as Document Number ________________.

As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Mortgage.

REQUESTED FINANCIAL ACCOMMODATIONS. Mortgagor, who may or may not be the same person or entity as Borrower, and Mortgagee each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Mortgagor and Mortgagee each represent and acknowledge to Lender that Mortgagee will benefit as a result of these financial accommodations from Borrower to Borrower, and Mortgagee acknowledges receipt of valuable consideration for entering into this Subordination.

NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS follows:

SUBORDINATION. The Subordinated Mortgage and the Subordinated Indebtedness secured by the Subordinated Mortgage is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Mortgage. Mortgagee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Mortgagee, whether now existing or hereafter acquired. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

MORTGAGEE'S REPRESENTATIONS AND WARRANTIES. Mortgagee represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Mortgagee which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's request and not at the request of Lender; (C) Lender has made no representation to Mortgagee as to the creditworthiness of Borrower; and (D) Mortgagee has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Mortgagee agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Mortgagee's risks under this Subordination, and Mortgagee further agrees that Lender shall have no obligation to disclose to Mortgagee information or material acquired by Lender in the course of its relationship with Mortgagee.

MORTGAGEE WAIVERS. Mortgagee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply
with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

LENDER'S RIGHTS. Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Mortgagee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

DEFAULT BY BORROWER. If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

ELECTRONIC COPIES. Lender may copy, electronically or otherwise, and thereafter destroy, the originals of this Agreement and/or Related Documents in the regular course of Lender's business. All such copies produced from an electronic form or by any other reliable means (i.e., photographic image or facsimile) shall in all respects be considered equivalent to an original, and Borrower hereby waives any rights or objections to the use of such copies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Subordination:

Amendments. This Subordination constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration of or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Mortgagee also will pay any court costs, in addition to all other sums provided by law.

Authority. The person who signs this Subordination as or on behalf of Mortgagee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Mortgagee's security interests in Mortgagee's property, if any.

Caption Headings. Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

Governing Law. This Subordination will be governed by federal law applicable to Lender and, to the extent
not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Subordination has been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Mortgagee agrees upon Lender’s request to submit to the jurisdiction of the courts of DeKalb County, State of Illinois.

Successors. This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Mortgagee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender’s rights otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Mortgagee, shall constitute a waiver of any of Lender’s rights or of any of Mortgagee’s obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Waive Jury. All parties to this Subordination hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED FEBRUARY 12, 2020.

BORROWER:

PNG DEVELOPMENT, LLC

By: John F. Pappas, Manager of PNG DEVELOPMENT, LLC

MORTGAGEE:

CITY OF DEKALB

By: Authorized Signer for City of DeKalb

By: Authorized Signer for City of DeKalb
LENDER:

FIRST NATIONAL BANK OF OMAHA

[Signature]
Geri-Dee Hayden, Vice President, Commercial Banking

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Illinois )
COUNTY OF DeKalb )

On this 12th day of February, 2020 before me, the undersigned Notary Public, personally appeared John F. Pappas, Manager of PNG DEVELOPMENT, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Subordination of Mortgage and acknowledged the Subordination to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the limited liability company.

By Helen E. Sharp Residing at DeKalb, IL
Notary Public in and for the State of Illinois

My commission expires June 6, 2021

OFFICIAL SEAL
HELEN E. SHARP
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires June 06, 2021
GOVERNMENT ACKNOWLEDGMENT

STATE OF Illinois )
COUNTY OF DeKalb ) SS

On this 102rd day of February, 2020, before me, the undersigned Notary Public, personally appeared Bill Nicklas,

and known to me to be (an) authorized agent(s) of the governmental entity that executed the Subordination of Mortgage and acknowledged the Subordination to be the free and voluntary act and deed of the governmental entity, by authority of its enabling laws or by resolution of its governing body, for the uses and purposes therein mentioned, and on oath stated that he or she/they is/are authorized to execute this Subordination and in fact executed the Subordination on behalf of the governmental entity.

By Helen Sharp
Residing at DeKalb, Il

Notary Public in and for the State of Illinois
My commission expires June 6, 2021

OFFICIAL SEAL
HELEN E SHARP
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires June 06, 2021
LENDER ACKNOWLEDGMENT

STATE OF Illinois

COUNTY OF DeKalb

On this 12th day of February, 2020, before me, the undersigned Notary Public, personally appeared Geri-Dee Hayden and known to me to be the Vice President, Commercial Banking, authorized agent for First National Bank of Omaha that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of First National Bank of Omaha, duly authorized by First National Bank of Omaha through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of First National Bank of Omaha.

By Helen E Sharp

Residing at DeKalb, IL

Notary Public in and for the State of Illinois

My commission expires June 6, 2024

OFFICIAL SEAL
HELEN E SHARP
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires June 06, 2021
Schedule 'A'

For APN/Parcel ID(s): 08-23-184-001, 08-23-184-002, 08-23-184-003, 08-23-184-020, 08-23-184-024 and 08-23-184-027

PARCEL 1:


PARCEL 2:

THE NORTHWesterLY 125 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS. ALSO, THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF THE WESTERLY 140 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25 IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF.
RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS.

PARCEL 3:

THE WESTERLY 58 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES OF LOTS 1 AND 2 IN BLOCK 28, IN THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4 ON DECEMBER 19, 1853, IN DEKALB COUNTY, ILLINOIS. AND ALSO LOTS 9 AND 10 IN BLOCK 25 (EXCEPTING THEREFROM THE NORTHWesterLY 125 FEET AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES, OF SAID LOTS 9 AND 10) AND ALSO (EXCEPTING THEREFROM THE EASTERLY 15 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF THE WESTERLY 140 FEET, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY LINES THEREOF, OF LOTS 9 AND 10 IN BLOCK 25); AND ALSO THAT PART OF THE VACATED FIFTH STREET THAT LIES NORTH OF THE NORTH LINE OF PARCEL "A" OF THE AFORESAID WEST SUBDIVISION OF THE AMERICAN STEEL AND WIRE COMPANY AND SOUTH OF THE SOUTH LINE OF OAK STREET, ALL IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4, SITUATED IN DEKALB COUNTY, ILLINOIS.
PARCEL 2:

The westwardly 20 feet, as measured along the northwestern and southerly
lines of Lots 1 and 2 in Block 30 in the original subdivision (now City) of
DeKalb according to the plat thereof recorded in Book A of Plats,
DeKalb County, Indiana, and all east thereof from the east line of
said City as described in the plat thereof.

The northerly and southerly lines thereof of the westwardly 20 feet
measured along the northerly and southerly lines of said lots.

Also, that part of the vacated north street that

was the north line of the north half of said west

subsection of the American Steel and Wire Company and north of the
south line of Oak Street, all in the original town (now City) of Oakl...

situated in DeKalb County, Indiana.