

COLLATERAL ASSIGNMENT OF REDEVELOPMENT AGREEMENTS

This Collateral Assignment of Redevelopment Agreements ("Assignment") is entered into this _____ day of _____, 2015, by and between **J.P. Riverfront, LLC, an Illinois limited liability company** ("J.P. Riverfront, LLC"), **JP Riverfront Development Companies, Inc., an Illinois corporation** ("JP Riverfront Development Companies, Inc."), **CIBM Bank** ("Lender"), and the **City of Peoria, Illinois, an Illinois municipal corporation** ("City"). For the purposes of this Assignment, the term "Borrowers" shall be used when collectively referring to J.P. Riverfront, LLC and JP Riverfront Development Companies, Inc.

Borrowers and Lender have entered into a certain Business Loan Agreement dated September 30, 2014, and a certain Construction Loan Agreement dated September 30, 2014 (the "Loan Agreements") providing for three separate loans from Lender to Borrowers collectively totaling the maximum principal amount of \$5,900,000 (the "Loans").¹ Borrowers' obligations to Lender under the Loan Agreements and the three associated Promissory Notes, all dated September 30, 2014 (the "Notes") are secured by a certain Mortgage dated September 30, 2014, and recorded October 1, 2014, as Document No. LR20140205067 in the Office of the Peoria County Recorder of Deeds (the "Mortgage").

J.P. Riverfront, LLC (as successor in interest to J.P. Companies, an Illinois General Partnership) and the City have entered into that certain "Sullivan/Hunt Redevelopment Agreement" dated July 17, 2000, as amended by that "First Amendment to Sullivan/Hunt Redevelopment Agreement" dated July 19, 2014 (collectively, the "Sullivan/Hunt Redevelopment Agreement"), which such Sullivan/Hunt Redevelopment Agreement concerns the redevelopment of certain real property located in Peoria, Illinois, including real property within the scope of the Mortgage.

JP Riverfront Development Companies, Inc. and the City have entered into that certain "City of Peoria/JP Riverfront Development Companies, Inc. Redevelopment Agreement" dated October 27, 2009, as amended by that "Amendment to Agreement Between the City of Peoria and JP Riverfront Development Companies, Inc." dated December 30, 2009 (collectively, the "JP Riverfront Development Companies, Inc. Redevelopment Agreement"), which such JP Riverfront Development Companies, Inc. Redevelopment Agreement concerns the redevelopment of certain real property located in Peoria, Illinois, including real property within the scope of the Mortgage.

For the purposes of this Assignment, the term "Redevelopment Agreements" shall be used to refer collectively to the Sullivan/Hunt Redevelopment Agreement and the JP Riverfront Development Companies, Inc. Redevelopment Agreement.

The assignment of the Borrowers' rights in and to their respective Redevelopment Agreements, as more fully provided in this Assignment, is one of the conditions to the obligations of Lender under the Loan Agreements.

¹ There is one loan from Lender to Borrowers under the Business Loan Agreement in the total principal amount of \$3,700,000, and there are two loans from Lender to Borrowers under the Construction Loan Agreement in the respective total principal amounts of \$1,050,000 and \$1,150,000, for a collective total principal amount of \$5,900,000.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Assignment. Borrowers hereby assign, transfer, convey, and set over unto Lender all of Borrowers' rights, title, and interest in and to their respective Redevelopment Agreements (subject to Paragraph 3 below). This Assignment among other security, secures the timely performance of Borrowers' obligations to Lender, whether now existing or hereafter arising, under the Loan Agreements, the Notes, and the Mortgage. Borrowers, City and Lender understand and agree that this Assignment is for collateral purposes and Lender assumes no obligation or liability of any kind under or in connection with the Redevelopment Agreements by reason of the acceptance by Lender of this Assignment, and that this Assignment is accepted solely as security for the performance by Borrowers of their obligations under the Loan Agreements, the Notes, and the Mortgage.

2. Representations and Warranties. Borrowers represent, warrant and covenant that (a) except as noted above, the Redevelopment Agreements have neither been amended or supplemented nor have any provisions thereof been waived and the same are in full force and effect, valid and enforceable against and by Borrowers in accordance with their terms; (b) as of the date hereof, no default on the part of the City exists under the Redevelopment Agreements and no event or condition has occurred and is continuing which, with the giving of notice or lapse of time or both, would constitute such a default; (c) Borrowers have not sold, assigned, pledged, mortgaged, transferred or otherwise encumbered any of their rights, title or interest in or to the Redevelopment Agreements and will not further sell, assign, pledge, mortgage, transfer or otherwise encumber any of their rights, title or interest in or to the Redevelopment Agreements as long as this Assignment is in effect; and (d) Borrowers' rights, title and interest in and to the Redevelopment Agreements are not now subject to any lien, encumbrance or security interest or other limitation, other than this Assignment.

3. Enforcement of Rights. Until the occurrence of an Event of Default under and as defined in the Loan Agreements, the Notes, or the Mortgage, which Event of Default is not cured after thirty (30) days written notice to Borrowers from Lender, Lender shall not exercise any rights hereunder and Borrowers shall be entitled to receive and exercise all rights under the Redevelopment Agreements. After the occurrence of an Event of Default, with notice and opportunity to cure as aforesaid, Lender shall have the right, but shall not be obligated, in Lender's name or in Borrowers' name, to demand, receive, and enforce Borrowers' rights under the Redevelopment Agreements, and to take all other actions in respect of the Redevelopment Agreements, and with the same force and effect, as fully as if Borrowers had taken such actions and this Assignment had never been made. Lender may reassign its rights, title and interest in the Redevelopment Agreements to any present or future holder of the Loans or other assignee upon default upon notice to the Borrowers and the City.

4. Authorization to City. Borrowers hereby authorize City to commence performance of all obligations under the Redevelopment Agreements for the benefit of Lender upon receipt by City of a written notice from Lender stating that an uncured Event of Default under the Loan Agreements, the Notes, or the Mortgage has occurred, and that due notice and opportunity to cure as referenced in Paragraph 3 hereof was provided by Lender to Borrowers.

City shall be entitled to rely on such notice from Lender as conclusive proof of Lender's right to take such action, regardless of whether or not (a) an Event of Default under the Loan Agreements, the Notes, or the Mortgage has actually occurred, or (b) a dispute exists between Borrowers and Lender regarding the actual occurrence of such an Event of Default. City is hereby held harmless by Borrowers from liability arising from City's performance of its obligations under its Redevelopment Agreements for the benefit of Lender in the event it is later held that Lender was not entitled to take any such action.

5. Application of Payments. The Lender agrees to apply the payments received from the City pursuant to the terms of this Assignment against the balance remaining due and owing under the Notes.

6. Consent of City. The City hereby acknowledges and consents to the assignment by Borrowers of all of Borrowers' rights, title, and interest in and to the Redevelopment Agreements to the Lender pursuant to the terms of this Assignment.

7. Duties of Borrowers. Borrowers shall remain liable under their respective Redevelopment Agreements to perform all of Borrowers' obligations thereunder in accordance with and pursuant to the terms and provisions thereof. In no event shall Borrowers do or permit to be done, or omit to do or permit the omission of any act or thing, the doing or omission of which with the giving of notice or lapse of time or both would constitute default under their respective Redevelopment Agreements. Borrowers shall furnish Lender with any notice of default or termination by City under their respective Redevelopment Agreements promptly after the giving or receiving of any such notice, and shall not exercise any right of termination on its part without the prior written consent of Lender. Borrowers and City shall not, without the prior written consent of Lender in each instance, amend, supplement, modify, terminate, cancel, extend, release or surrender the Redevelopment Agreements, waive or consent to a waiver of any of Borrowers' material rights or obligations thereunder or consent to agree to any such amendment, supplement, modification, cancellation, termination, extension, release or surrender.

8. Miscellaneous.

a. Applicable Law. This Assignment and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the internal laws of the State of Illinois, without giving effect to the conflict of law principles thereof.

b. Parties in Interest. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns.

c. Amendments. This Assignment may not be changed orally but only by an agreement in writing signed by the parties hereto.

d. Severability. Whenever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Assignment is held to be prohibited by or invalid under applicable law, such provision shall be effective only to the extent of such prohibition or invalidity. In

such circumstances, the remaining provisions of this Assignment shall remain in full force and effect.

e. Counterparts; Facsimile Signatures. This Assignment may be executed simultaneously in two or more counterparts, any of which need not contain the signatures of more than one party, but all of such counterparts taken together constitute one and the same agreement and shall bind all parties to such Assignment. The signature of any party which is delivered by facsimile or through email transmittal of a signed document reproduced in Adobe Systems Portable Document Format (PDF) (or similar document reproduction software) shall be deemed to be an original signature.

f. Recitals. The recitals above are hereby integrated into this Assignment.

g. Enforcement of Redevelopment Agreements. Except as specifically amended herein, the Redevelopment Agreements shall continue in full force and effect in accordance with their original terms. Reference to this specific Assignment need not be made in any note, document, letter, certificate, the Redevelopment Agreements themselves, or any communication issued or made pursuant to or with respect to the Redevelopment Agreements, any reference to the Redevelopment Agreements being sufficient to refer to the Redevelopment Agreements as amended hereby. In the event of any conflict between the terms of the Redevelopment Agreements and the terms of this Assignment, this Assignment shall control.

9. Notices. All notices, demands, or other communications under this Assignment shall be delivered to the appropriate party at the addresses set forth below (subject to change from time to time by written notice to all other parties of this Assignment). All notices, demands or other communications shall be considered as properly given if delivered personally or sent by first class United States Postal Service mail, postage prepaid, or by Overnight Express Mail or by overnight commercial courier service, charges prepaid. Notices so sent shall be effective three (3) days after mailing, if mailed by first class mail, and otherwise upon delivery or refusal; provided, however, that non-receipt of any communication as the result of any change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication. Any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days notice to the other party in the manner set forth hereinabove.

Notice address for Lender:

CIBM Bank
Peoria Branch
4125 North Sheridan Road
Peoria, IL 61614
Attention: Gil Johnson, Vice President

Notice address for Borrowers:

J.P. Riverfront, LLC
100 State Street
Peoria, IL 61602
Attention: Patrick Sullivan

JP Riverfront Development Companies, Inc.
100 State Street
Peoria, IL 61602
Attention: Patrick Sullivan

With copy to:

Michael A. Keeton
Miller, Hall & Triggs, LLC
416 Main Street, Suite 1125
Peoria, IL 61602-1161

Notice address for City:

City Clerk
City Hall
419 Fulton Street
Peoria, IL 61602

With copy to:

Donald B. Leist, Corporation Counsel
419 Fulton Street Room 200
Peoria, IL 61602

10. Term of Assignment. This Assignment shall terminate if and when all of Borrowers' obligations under the Loan Agreements, the Notes, and the Mortgage have been fully performed, whereupon Lender shall, at Borrowers' request, execute and deliver to Borrowers and the City an appropriate release of Assignment.

IN WITNESS WHEREOF, the City has caused this Assignment to be duly executed in its name by its City Manager, attested by its City Clerk, and approved as to form by its corporate counsel, and the Lender and the Borrowers have duly executed the same on or as of the day and year first written above.

