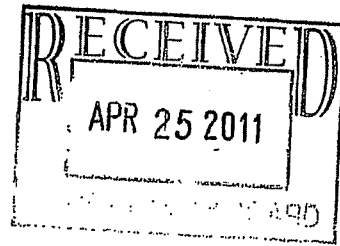


County of Kane
Office of County Board
Kane County Government Center



Karen McConnaughay
Chairman
630-232-5930



719 Batavia Avenue
Geneva, Illinois 60134
Fax 630-232-9188

DOCUMENT VET SHEET

for

**Karen McConnaughay
Chairman, Kane County Board**

Name of Document: CRANE ROAD ESTATES FINANCING PROPOSAL
FROM mb Financial

Submitted by: SCOTT HAJEK / TIM HARBAUGH

Date Submitted: APRIL 21, 2011

Examined by: KC Shopto
(Print name)

[Signature]
(Signature)

4-27-2011
(Date)

Post on Web: Yes No Atty. Initials _____

Comments:

Chairman signed: (Yes) No 5.5.11
(Date)

Document returned to: SCOTT HAJEK



April 11, 2011

Karen McConnaughay, Chairman
Kane County Board
719 S. Batavia Ave.
Geneva, IL 60134

RE: County of Kane/Crane Road Estates

Dear Chairman McConnaughay,

Thank you for giving us the opportunity to provide financing for this unique project involving the County of Kane, the St. Charles Township, and the Crane Road Estates Homeowners Association. We appreciate your consideration, and are pleased to provide this financing proposal to the County of Kane (the "Borrower") with respect to the credit facilities described below. Please understand that this is a proposal and not a loan commitment, and is subject to further due diligence.

Term Loan:

Amount: Up to \$950,000.

Borrower: County of Kane, as a Bank-Qualified Tax-Exempt General Obligation Issue.

Purpose: To complete various road improvements in unincorporated St. Charles Township, specifically in the Crane Road Estates subdivision, in cooperation with St. Charles Township, coordinated through an intergovernmental agreement.

Amortization/

Maturity: Annual payments of principal plus accrued interest based upon a straight-line principal amortization with an installment of remaining principal outstanding plus accrued interest due at the end of twenty (20) years. One payment shall be made per year, in November with the specific date to be determined.

Interest Rates:

The facilities shall bear interest at the following rates:

Term Loan – Fixed at closing based on the 20 year Swap (floating to fixed) rate converting to a floating rate based on the 30 day LIBOR Rate plus 270 bps. Fixed rate as of 2/25/11 is 4.88%. (This rate is based on the debt being certified as "Bank Qualified Tax Exempt"). This rate changes daily and will be fixed upon the execution of the ISDA Swap Agreement.

"LIBOR" shall mean a rate of interest equal to the per annum rate of interest at which United States dollar deposits in an amount comparable to the amount of the relevant loan and for a period equal to



the relevant interest period are offered to the Bank in the London Interbank Eurodollar market prior to the commencement of such interest period. Interest periods will be ninety (30) day periods commencing on the first day of each calendar month.

Interest will be computed on the basis of a 360-day year and actual days elapsed.

Default Interest: [From and after the occurrence of an event of default, the interest rates applicable to all loans and other obligations will be increased by 5% per annum over the [highest] interest rate then effect and such interest will be payable on demand.]

Fees: A closing fee of .50% of the total commitment will be due and payable at closing. This closing fee will be the responsibility of, and be paid by the Crane Road Estates Homeowners Association.

Documentation Fee: \$450

Collateral: This loan is payable by the Borrower through a "Special Service Area" tax district established by the County of Kane for the specific purpose of funding the above referenced road improvements in cooperation with the St. Charles Township Road District, and the Crane Road Estates Homeowners Association.

Prepayment Premium: Yield as maintenance premium defined by the ISDA Swap Agreement.

Financial Covenants: The proposed credit facilities will be subject to financial covenants including but not limited to:

- None.

Reporting Requirements: The Borrower shall deliver the following to the Bank:

- Audited financial statements for Kane County, within 120 days of Borrower's fiscal year-end, certified by their accounting firm.

Banking Relationships: None Required.

Additional Conditions: Bank shall have received the following, the form and content of which must be satisfactory to the Bank:

- Loan documents will be prepared by the Bank's counsel at Crane Road Estates Homeowners Association's expense, and will be subject to review and acceptance by the Borrower's counsel.
- Receipt of an attorney's opinion letter from Crane Road Estates Homeowners Association's counsel certifying the Bank Qualified Tax Exempt designation of this proposed debt.
- Evidence of formal adoption of the Kane County Ordinance establishing the Special Service Area in Crane Road Estates, the approval to issue bonds, and the approval to levy taxes for the purposes of bond repayment.



- Evidence of an executed and formally adopted Intergovernmental Agreement between the St. Charles Township Road District, the County of Kane and the Crane Road Estates Homeowners Association.

The proposed credit facilities will be further conditioned upon the following general terms and conditions:

- Evidence satisfactory to the Bank of compliance with all laws, ordinances, rules, regulations and restrictions affecting or relating to any collateral or the use thereof;
- Such other documents, instrument, certificates, opinions, assurances, consents and approvals as the Bank may request; and

Credit Approval: The Bank shall have received final credit approval for the proposed credit facilities. This financing proposal does not represent a commitment by the Bank to lend or make any other financial accommodations. Rather, the terms described in this financing proposal represent the indicative terms under which the Bank may consider providing credit as of the date hereof.

Loan Documentation: Borrower shall have executed and caused to be delivered a definitive loan agreement together with such loan documents, including instruments, documents, agreements, assignments, security agreements, financing statements, and certificates (the "Loan Documents") as the Bank and its legal counsel reasonably request in connection with the credit facilities on the basis outlined herein. The Loan Documents shall contain such representations, warranties, affirmative, negative and financial covenants, events of default and conditions precedent to advances as are normally contained in documents relating to transactions which are similar to those contemplated hereby, and others determined by the Bank to be appropriate to the circumstances. All financing statements and other evidence of liens and security interests relating to the collateral described above shall have been filed or recorded to the Bank's satisfaction. Additionally, the Bank shall have received any applicable (i) satisfactory payoff letters and collateral releases from prior lenders; (ii) such inter-creditor and subordination agreements as the Bank may request; and (iii) satisfactory opinions of counsel from the Borrower reasonably acceptable to the Bank. Borrower shall have received all necessary or appropriate waivers and consents.

Due-Diligence/Work Deposit: The Borrower shall pay the Bank, on the date of acceptance of this proposal, a Due Diligence/Work Deposit in the amount of \$4,750. If the Bank elects not to close this financing, the deposit shall be returned to the Borrower, less any expenses incurred by the Bank. If the Borrower elects not to close on this financing with the Bank, the Bank shall retain the full amount of the deposit as liquidated damages to compensate the Bank for time spent, expenses incurred, and labor and credit services performed by the Bank. The Borrower will pay all out of pocket expenses, including legal fees and expenses, incurred by the Bank in connection with the proposed credit facilities and will deliver such additional amounts as the Bank may request from time to time as reimbursement for such expenses.

Miscellaneous: The Bank may terminate this proposal at any time. The terms of this proposal may not be waived or modified unless such waiver or modification is expressly stated as such and specifically agreed to by the parties in writing, and shall be enforceable by the Bank and its successors or assignees. This proposal shall not be assignable by you.

Confidentiality: This proposal is for your confidential use only and may not be disclosed by you to any person other than your employees, attorneys and financial advisors (but not any commercial bank



or finance company), and then only in connection with the proposed credit facilities and on a confidential basis, except where disclosure is required by law or where the Bank consents to the proposed disclosure in writing.

Except for the "Due-Diligence/Work Deposit" provision of this financing proposal which is expressly intended to be a binding and fully enforceable obligation of the Borrower evidenced by the signature(s) below, this financing proposal is for discussion purposes only and does not constitute a binding commitment or any other obligation of the Bank or any affiliate thereof to make a loan or to provide credit.

Any commitment will be contingent upon: (i) the satisfactory completion of business and legal due diligence by the Bank; (ii) no default shall have occurred and be continuing with respect to any other credit facility of the Bank or any other lender to Borrower, any guarantor, or any pledgor of collateral, or any person or affiliate thereof; (iii) the absence of any development occurring with respect to the markets, collateral, pledgors of collateral, Borrower and/or guarantors which could, in the Bank's opinion, adversely affect the value of the collateral, the credit, financial condition or business operations of the Borrower, any guarantor, or any pledgor of collateral; and (iv) credit authorization of the proposed facilities with full and final credit approval by the appropriate officers and committee of the Bank. In addition, any such commitment will be subject to completion of comprehensive loan documentation that is satisfactory to the Bank in its sole discretion and to the execution and delivery thereof by Borrower, the Bank and any other parties required by the Bank. Delivery by the Bank of any draft loan documents and delivery by the Bank of final unsigned copies of loan documents, including, without limitation, the tendering of any mortgage or draft thereof, shall not constitute a commitment to make a loan or to provide credit. No party or entity should or can rely on any statements, oral agreements, draft documents, proposals, letters or other documents or items made or prepared as a result of or in the course of any negotiations or discussions relating to the subject matter of this financing proposal. This financing proposal is intended to be a brief summary of the indicative terms of the proposed facilities described herein and is not comprehensive. The loan documents will contain provisions not included in this financing proposal.

We are pleased to provide you with this financing proposal and encouraged by the prospect of establishing this relationship with you. If the terms of this proposal are acceptable to you, please sign the enclosed copy of this letter where indicated and return it with a check payable to MB Financial Bank, N.A. in the amount of \$4,750 by April 30, 2011 at which time this proposal shall otherwise expire.

If you have any questions, please contact me.

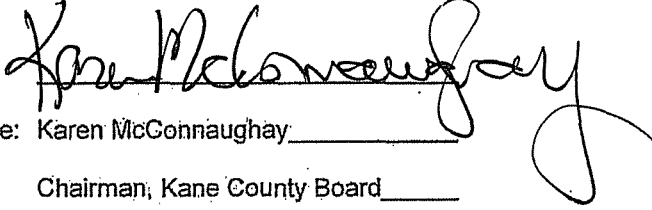
Sincerely,

A handwritten signature in black ink, appearing to read 'Mitchell Belon', written over a white background.

Mitchell Belon
Senior Vice President
Commercial Banking
MB Financial Bank, N.A.



ACCEPTED: County of Kane*

By: 
Name: Karen McConnaughay _____
Title: Chairman, Kane County Board _____

*Subject to final approval of the required Special Service Area

CC: Dr. Todd Hewell, President
Crane Road Estates Homeowners Association