

**LOAN AGREEMENT**

THIS LOAN AGREEMENT (the "**Agreement**") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "**Effective Date**"), by and between the Miami County Land Reutilization Corporation, custodian and administrator of the Miami County Revolving Loan Fund (the "**LRC**"), and \_\_\_\_\_, (the "**Borrower**"). The LRC and the Borrower are collectively referred to herein as the "**Parties**".

RECITALS

WHEREAS, pursuant to a Resolution adopted \_\_\_\_\_, 20\_\_ by the Miami County Land Reutilization Corporation (the "**Approval Resolution**"), the LRC committed loan funds to financially support the following activities: \_\_\_\_\_, and as more fully described in the Borrower's Application for Assistance, fully incorporated herein and attached hereto as EXHIBIT A (collectively describing the "**Project**") at \_\_\_\_\_, Miami County, Ohio (the "**Premises**"); and

WHEREAS, the Borrower acknowledges the LRC's commitment to provide financial assistance and has agreed to enter into this Agreement, which sets forth the Borrower's respective rights and obligations concerning the payment of such financial assistance.

NOW THEREFORE, the Parties covenant, agree and obligate themselves as follows:

Section 1. Terms of the Loan. The LRC shall remit to the Borrower a loan in the amount of \_\_\_\_\_ dollars (\$XXX,XXX), to be repaid by the Borrower to the LRC at a rate of 2.5% per annum for \_\_\_\_\_ ( ) years from the Effective Date of this Agreement (the "**Loan**"). The obligations of the Borrower to repay the Loan shall be evidenced by a promissory note to the order of the LRC substantially in the form of EXHIBIT B, Cognovit Promissory Note, attached hereto and fully incorporated herein (the "**Note**"). The Loan shall be repaid by the Borrower in monthly installments according to the payment schedule set forth in the Note. Repayment of the Note shall be secured by the execution and delivery of a personal guaranty by \_\_\_\_\_, substantially in the form of EXHIBIT C, Guaranty, attached hereto and fully incorporated herein (the "**Guaranty**"). Proceeds of the Loan shall be remitted by the LRC to the Borrower upon the execution of this Agreement, the Note and the Guaranty.

Section 2. Use of Funds. The Borrower will use the Loan to complete the Project . The Borrower shall use the Loan solely in connection with eligible expenses incurred under the Project. By accepting the Loan herein provided, the Borrower agrees to meet the Loan Objectives, defined below in Section 3. All improvements to the Premises shall be made in accordance with any approvals for the Project and permits and inspections as may be required by the Miami County Building Department.

Section 3. Loan Objectives. In consideration of the LRC's agreement to provide the Loan to the Borrower, the Borrower agrees to meet and maintain the following objectives (the "**Loan Objectives**"):

- (a) The Project includes the following types of eligible loan activity:  
\_\_\_\_\_.
- (b) At least 25% of project funding is from a source other than the RLF program (company or personal equity, or bank financing). Bank financing provided by  
\_\_\_\_\_.
- (c) The Loan is secured by the Guaranty [*and include any other collateral*]. It is the policy of the LRC to stand in subordinate priority (i.e., 2<sup>nd</sup> position), in certain instances, to Borrower's other commercial bank financing in the Project. Under this Agreement, the LRC acknowledges and agrees that it takes a 2<sup>nd</sup> security position as follows: [name the commercial lender, the loan amount and the date of the loan agreement, and the collateral under which LRC is 2<sup>nd</sup>].
- (d) Borrower must maintain or increase employment for at least 3 years from time of loan disbursement.

Section 4. Loan Administration and Monitoring Fee. The Borrower must remit to the LRC a one-time fee payment, equal to one and one-half percent (1.5%) of the Loan, to offset the LRC's administration and monitoring expenses, due and payable as of the Effective Date.

Section 5. Term of the Agreement. The term of this Agreement shall commence on the Effective Date and end on the earlier of either of the following: (i) \_\_\_\_\_ months after such Effective Date or (ii) the date on which the LRC issues to the Borrower a notice of final close-out under the Loan upon request by the Company, after the full repayment of the Loan by the Borrower.

Section 6. Events of Default. At any time during the Term of this Agreement, and solely at the discretion of the LRC, should the LRC determine the Company is not in compliance with the terms of the Loan set forth herein, including the timely repayment of the Loan, then the LRC shall provide Notice of Default to the Borrower pursuant to Section 7 demanding strict compliance therewith. If the Borrower fails to take necessary action during the notice period herein to remain in compliance, then the LRC shall immediately call the Loan and seek any remedy to which it is entitled under the Note and the Guaranty executed as part of this Agreement, including the repayment of any Loan amount due and outstanding.

Section 7. Notice of Default. Pursuant to Section 6, should the LRC determine that the Borrower is not in compliance with the terms of the Loan, then the LRC shall provide written notice to the Borrower, addressed to and sent via the notice provisions of Section 10 below (the "**Notice of Default**"). The Notice of Default shall state clearly the reason(s) for which the LRC determines the Borrower to be out of compliance. The Borrower shall have ten (10) days from the date it received the Notice of Default to cure or otherwise take the necessary corrective action to remain in compliance with the terms of the Loan under this Agreement.

Section 8. Indemnification of the LRC. The Borrower shall indemnify, defend and hold harmless the LRC from and against all claims, losses, liabilities, damages, costs, and expenses,

including reasonable attorneys' fees, costs and expenses, arising from the LRC's remittance of funds under the Loan.

Section 9. Project Monitoring. The Borrower shall provide the LRC payroll details and such amount of employee identifying information reasonably required by the LRC to evaluate the Company's compliance with this Agreement and demonstrate that the Loan Objectives herein have been satisfied.

Section 10. Miscellaneous.

(a) Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or if hand-delivered or sent by a recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this Agreement or any addendum to this Agreement, or to such other address as the recipient shall have previously notified the sender of in writing, and shall be deemed received upon actual receipt, unless sent by certified mail, in which event such notice shall be deemed to have been received when the return receipt is signed or refused ("**Notice**"). For purposes of this agreement, Notice shall be addressed to:

(i) If to the LRC:

Miami County Land Reutilization Corporation  
1506 One Stop Court, Suite 6  
Troy, OH 45373

(ii) If to the Borrower:

\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_  
, Ohio

The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

(b) Extent of Provisions: Personal Liability. All rights, remedies, representations, warranties, covenants, agreements and obligations of the LRC under this Agreement shall be effective to the extent authorized and permitted by applicable law. No representation, warranty, covenant, agreement, obligation, or stipulation contained in this Agreement shall be deemed to constitute a representation, warranty, covenant, agreement, obligation or stipulation of any present or future director, member, officer, agent or employee of the LRC. No official executing or approving the LRC's participation in this Agreement shall be liable personally under this

Agreement or be subject to any personal liability or accountability by reason of the issuance thereof. The agent and/or representative executing or approving the Borrower's participation under this Agreement, to the extent set forth under Section 1 and EXHIBIT B and EXHIBIT C of this Agreement, hereby acknowledges he or she may be liable personally or otherwise subject to any personal liability by reason of the issuance thereof.

(c) Successors. This Agreement shall not be binding upon nor inure to the benefit of the Borrower's successors or assigns unless with the prior written consent of the LRC.

(d) Amendments. This Agreement may only be amended by a written instrument executed by both Parties.

(e) Severability. In case any section or provision of this Agreement, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason:

(i) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into, or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein;

(ii) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof; and

(iii) each section, provision, covenant, agreement, obligation or action, or part thereof shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the fullest extent permitted by law.

(f) Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of the Agreement.

(g) Governing Law and Choice of Forum. This Agreement shall be governed by and constructed in accordance with the laws of the State of Ohio or applicable federal law. All claims, counterclaims, disputes and other matters in question between the LRC, its agents and employees, and the Borrower, its employees and agents, arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Miami County, Ohio.

(h) Further Assurances. The Borrower shall, upon request of the LRC, duly execute and deliver to the LRC such further instruments, and do and cause to be done such further acts, as may be necessary or proper in the opinion of the LRC to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the LRC and the Borrower have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

\_\_\_\_\_

By \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

MIAMI COUNTY LAND REUTILIZATION  
CORPORATION, CUSTODIAN AND  
ADMINISTRATOR OF THE MIAMI COUNTY  
REVOLVING LOAN FUND

By: \_\_\_\_\_  
, Loan Administrator