

PROMISSORY NOTE

MAXIMUM PRINCIPAL AMOUNT: \$320,000

Interest Rate: 1%

Dated: April 27, 2023

Maturity Date: March 31, 2039

Timber Ridge Senior Limited Partnership (the “Borrower”) for value received, promises to pay, to the City of Marshalltown, Iowa (the “Lender”), its successors or assigns, the principal sum of Three Hundred Twenty Thousand Dollars (\$320,000), in lawful money of the United States of America. This Note shall bear interest of 1% per annum.

The Lender has made a loan to the Borrower in the principal amount of \$320,000 (the “Loan”) under this Note and under a certain Economic Development Loan Agreement (the “Loan Agreement”) between the Lender and the Borrower dated April 27, 2023, and reference is hereby made to the Loan Agreement for a more complete description of the rights and obligations of the parties hereof.

The Borrower shall repay principal of the Loan in-full by the Maturity Date set forth above. Payment of interest on and principal of the Loan shall be made to the City of Marshalltown at the Office of the City Clerk, City Hall, 24 N Center Street, Marshalltown, Iowa 50158-4912 by 12:00 p.m. on the Maturity Date.

Commencing on March 31, 2024, and continuing on March 31 of each year thereafter, interest payments of \$3,200 shall be paid to the Lender. By March 31, 2039, the Borrower will pay the Lender the \$320,000 principal amount outstanding.

The Borrower reserves the right to prepay principal of this Note, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default hereunder which has not been cured in accordance with the terms of the Loan Agreement, including the failure to make payment of principal as it comes due under the terms of the Loan Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney’s fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor.

This Note is secured pursuant to a mortgage and payment is guaranteed pursuant to a guarantee agreement, and its maturity is subject to acceleration in each case upon the terms provided in the Loan Agreement.

The validity, construction and enforceability of this Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

TIMBER RIDGE SENIOR LIMITED
PARTNERSHIP

By Timber Ridge Senior Equities, L.L.C., its
general partner

By _____
James B. Conlin, Manager