

Ordinance No. 12-80

**ORDINANCE APPROVING REDEVELOPMENT AGREEMENT  
BY AND BETWEEN THE VILLAGE OF EAST DUNDEE,  
KANE AND COOK COUNTIES, ILLINOIS AND GAT PROPERTIES, LLC**

**WHEREAS**, the Village of East Dundee, Kane and Cook Counties, Illinois (the "Village") is a home rule municipality pursuant to Section 6, Article VII of the Illinois Constitution of 1970; and,

**WHEREAS**, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the "*TIF Act*"), the President and Board of Trustees of the Village (collectively, the "*Corporate Authorities*") are empowered to undertake the redevelopment of a designated area within its municipal limits in which existing conditions permit such area to be classified as a "blighted area," as such term is defined in the TIF Act; and,

**WHEREAS**, in accordance with the requirements of the TIF Act, on August 20, 2012, the Corporate Authorities adopted Ordinance No. 12-64, which approved a redevelopment plan and project, entitled the Redevelopment Project Plan and Eligibility Report for the: Route 25 South Project Area (the "*Redevelopment Project Area*"); and,

**WHEREAS**, also in accordance with the requirements of the TIF Act, on August 20, 2012, the Corporate Authorities adopted Ordinances No. 12-65 and No. 12-66, which designated the Redevelopment Project Area as a "redevelopment project area," as that term is defined under the TIF Act, and approved tax increment financing for the purpose of implementing the Redevelopment Plan for the Redevelopment Project Area; and,

**WHEREAS**, the Corporate Authorities have determined that the blighting factors described in the Redevelopment Plan are detrimental to the public and impair development and growth in the Redevelopment Project Area, with the result that it is necessary to incur extraordinary costs in order to develop the Redevelopment Project Area; and,

**WHEREAS**, the Developer is the owner of record of certain real estate comprising approximately five (5) acres currently used by the Developer as a retail business engaged in the sale of, among other things, sporting goods, firearms and ammunition, and as an indoor pistol range and a firearms, weapons and martial arts training facility; and

**WHEREAS**, the Developer proposes to redevelop the Subject Property in order to also provide an indoor rifle range in addition to its other business operations; and,

**WHEREAS**, the Project is anticipated to result in approximately 25 jobs during construction; and

**WHEREAS**, the Project, upon completion, is anticipated to result in over \$5,500,000 in total private and public investment and the creation of approximately 12 jobs,

**WHEREAS**, in order to induce the Developer to undertake the Project, the Corporate Authorities have determined that it is in the best interests of the Village and the health, safety, morals and welfare of the residents of the Village to make certain economic development incentives available to the Developer as set forth in the Redevelopment Agreement attached hereto; and,

**WHEREAS**, the Corporate Authorities have determined that such economic development incentives for the benefit of the Developer and the completion of the Project by the Developer are in the best interests of the Village and the health, safety, morals and welfare of its residents and taxpayers and will be in furtherance of the Redevelopment Plan, thereby providing for economic development, enhancing the tax base of the Village and other taxing districts and adding to the welfare and prosperity of the Village and its inhabitants.

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of East Dundee, Kane and Cook Counties, Illinois, that the Redevelopment Agreement by and between the Village and GAT Properties LLC, is hereby approved and the Village President and Village Clerk are hereby authorized to execute same.

This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

**PASSED** this 1<sup>st</sup> day of October 2012, pursuant to a roll call vote as follows:

AYES: 7- Trustees Buffulo, Gorman, Lynnam, Miller, VanOstenbidge, Skillicorn & Pres. Bartels

NAYS: 0

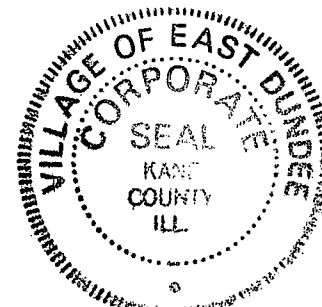
ABSENT: 0

**APPROVED:**

Jerald Bartels  
Jerald Bartels, President

Attest:

Jennifer Behr  
Jennifer Behr, Village Clerk



## REDEVELOPMENT AGREEMENT

THIS AGREEMENT (this "*Agreement*") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the VILLAGE OF EAST DUNDEE, ILLINOIS, an Illinois municipal corporation (the "*Village*"), and GAT PROPERTIES, LLC, an Illinois limited liability company formerly known as Our Secret LLC (the "*Developer*").

### PREAMBLES

**WHEREAS**, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the "*TIF Act*"), the President and Board of Trustees of the Village (collectively, the "*Corporate Authorities*") are empowered to undertake the redevelopment of a designated area within its municipal limits in which existing conditions permit such area to be classified as a "blighted area," as such term is defined in the TIF Act; and,

**WHEREAS**, in accordance with the requirements of the TIF Act, on \_\_\_\_\_ 2012, the Corporate Authorities adopted Ordinance No. \_\_\_\_\_, which approved a redevelopment plan and project, entitled the Redevelopment Project Plan and Eligibility Report (the "*Redevelopment Plan*"), for the Route 25 South Redevelopment Project Area (the "*Redevelopment Project Area*"); and,

**WHEREAS**, also in accordance with the requirements of the TIF Act, on \_\_\_\_\_ 2012, the Corporate Authorities adopted Ordinances No. \_\_\_\_\_ and No. \_\_\_\_\_, which designated the Redevelopment Project Area as a "redevelopment project area," as that term is defined under the TIF Act, and approved tax increment financing for the purpose of implementing the Redevelopment Plan for the Redevelopment Project Area; and,

**WHEREAS**, the Corporate Authorities have determined that the blighting factors described in the Redevelopment Plan are detrimental to the public and impair development and growth in the Redevelopment Project Area, with the result that it is necessary to incur extraordinary costs in order to develop the Redevelopment Project Area; and,

**WHEREAS**, the blighting factors in the Redevelopment Project Area will continue to impair growth and development but for the use of tax increment financing to pay Redevelopment Project Costs, as that term is defined in Section 5 of this Agreement, which necessarily must be incurred to implement the aforesaid program of redevelopment; and,

**WHEREAS**, the Developer is the owner of record of certain real estate comprising approximately five (5) acres currently used by the Developer as a retail business engaged in the sale of, among other things, sporting goods, firearms and ammunition, and as an indoor pistol range and a firearms, weapons and martial arts training facility. Said real estate is legally described on *Exhibit A*, attached hereto and incorporated herein (the "*Subject Property*"); and,

**WHEREAS**, the Developer proposes to redevelop the Subject Property in order to also provide an indoor rifle range in addition to its other business operations; and,

**WHEREAS**, the Project is anticipated to result in approximately 25 jobs during construction; and

**WHEREAS**, the Project, upon completion, is anticipated to result in over \$5,500,000 in total private and public investment and the creation of approximately 12 jobs,

**WHEREAS**, the Project is consistent with the Redevelopment Plan and is located within the Redevelopment Project Area; and,

**WHEREAS**, the Village is authorized under the TIF Act to enter into redevelopment agreements and to reimburse developers who incur redevelopment project costs as set forth in a redevelopment agreement; and,

**WHEREAS**, the Village is also authorized under the TIF Act to issue obligations to provide for redevelopment project costs; and,

**WHEREAS**, the Village is also authorized under the TIF Act to exercise any and all other powers necessary to effectuate the purposes of the TIF Act; and,

**WHEREAS**, in order to induce the Developer to complete the Project, the Corporate Authorities have determined that it is in the best interests of the Village and the health, safety, morals and welfare of the residents of the Village to make certain economic development incentives available to the Developer on the terms and subject to the conditions set forth in this Agreement; and,

**WHEREAS**, the Corporate Authorities have determined that such economic development incentives for the benefit of the Developer and the completion of the Project by the Developer pursuant to this Agreement are in the best interests of the Village and the health, safety, morals and welfare of its residents and taxpayers and will be in furtherance of the Redevelopment Plan, thereby providing for economic development, enhancing the tax base of the Village and other taxing districts and adding to the welfare and prosperity of the Village and its inhabitants; and

**WHEREAS**, on June 30, the Village and the Developer entered into an Annexation Agreement with respect to the Subject Property (the "Annexation Agreement").

**NOW, THEREFORE**, the parties, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

*Section 1. Incorporation of Recitals / Annexation Agreement.* The recitals contained in the Preambles to this Agreement are true and correct and are hereby incorporated into this Agreement as though they were fully set forth in this Section 1. Further, the parties acknowledge and agree that the Annexation Agreement shall remain in full force and effect, except as specifically modified or amended by this Agreement.

*Section 2. Term.* Unless earlier terminated pursuant to Section 14 hereof, the term of this Agreement shall commence on the date of execution and terminate on or before December 31, 2035.

*Section 3. Development of the Project.*

(a) The Project consists of the partial renovation and rehabilitation of the Subject Property in order to permit the installation and operation of an indoor rifle range (the "Project").

(b) It is the intention of the parties that the Project will be financed through bonds to be issued by the Village in a principal amount to permit the distribution to the Developer of proceeds from the sale thereof in an amount not to exceed \$5,500,000 (the "TIF Revenue Bonds"). Incremental real estate taxes generated from the Redevelopment Project Area shall be pledged to pay all principal and interest on such TIF Revenue Bonds (the "Bond Debt Service"). The Village shall, in all respects, be responsible for repayment of and security for the TIF Revenue Bonds, it being the agreement of the parties that the Developer shall in no way be responsible for such matters. Further, the Village shall be responsible for determining the terms of the TIF Revenue Bonds, including, but not limited to, the interest rate, amortization term and whether to pledge the general obligation of the Village.

It is understood and agreed that the proceeds upon the sale of the TIF Revenue Bonds shall be held by the Village, in escrow, and disbursed to the Developer in accordance with the terms, conditions and provisions as hereinafter set forth.

(c) The Project shall be completed in conformance with the plans and specifications as approved by the Village. The Developer shall comply with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.* (the "Prevailing Wage Act"), as may be required.

*Section 4. Developer's Obligations.*

(a) On or before December 31, 2012, the Developer shall have delivered all plans and specifications necessary to receive building permits to the Village and all other applicable government authorities or agencies having jurisdiction over the Project and the Subject Property.

(b) On or before December 31, 2012, the Developer shall have delivered to the Village a project budget (the "Project Budget") containing an itemized list of each component of the Project and a cost for each component which is anticipated to include the following improvements:

- (i) New Electronic Sign;
- (ii) Municipal Water and Sewer Laterals and Connections (including permit, connection and tap-on fees);
- (iii) Parking Lot Improvements (including lighting);
- (iv) Replacement Ventilation System (for existing firearm ranges);
- (v) Remodel of existing building with the addition of an indoor rifle range of approximately 75 yards; and
- (vi) Professional Fees and other costs associated with (i) – (v) above.

The parties acknowledge and agree that the costs described in the Project Budget are estimates only and that the actual cost of the improvements to be constructed may deviate from the estimates. Additionally, the parties acknowledge and agree that the scope of Project set forth in the Project Budget may change as experience is gained during the construction process; provided that all changes in scope shall be generally consistent with the Project as described in this Agreement and that the Project include, at a minimum, improvement (v) described above. The Developer may amend the Project Budget from time to time consistent with this subsection (b).

(c) The Developer has commenced construction of the Project and shall substantially complete construction on or before December 31, 2014, in accordance with all approved building permits.

#### *Section 5. Village Obligation.*

(a) On or before December 31, 2012, the Village shall have issued the TIF Revenue Bonds in a principal amount necessary to provide proceeds of no less than \$5,500,000 to be deposited in an escrow to be held by Chicago Title Company and disbursed for payment of costs incurred by the Developer to construct the Project pursuant to the terms of a construction escrow agreement (the "Construction Escrow Agreement") which shall be substantially in the form attached hereto as Exhibit C and incorporated herein. The Village further agrees to pledge such incremental revenues generated from the Subject Property and any other revenues as it shall determine in its sole discretion and in the best interests of the Village to the Bond Debt Service; provided, however, the Village shall not be required to issue and close on the TIF Revenue Bonds until the Developer has demonstrated, to the reasonable satisfaction of the Village, that the Developer has complied with the requirements of Section 4(a) and 4(b) of this Agreement and that there are no defaults under this Agreement on the part of the Developer. In no event shall the Developer be liable for the Bond Debt Service.

(b) The Village shall promptly proceed with and complete the rezoning of the Subject Property to B-3 General Service Business District with a special use for firearm and ammunition sales and an indoor firearm and archery range in accordance with the terms and conditions of the Annexation Agreement.

#### *Section 6. Developer Payments.*

(a) As long as no event described in Section 14 of this Agreement shall have occurred and be continuing, and the Developer is not in default of its obligations under Section 4 hereof, the Village shall pay or reimburse the Developer in an amount not to exceed \$5,500,000 for Project costs incurred by the Developer as set forth in the Project Budget, as amended from time to time, to the extent such costs are "Redevelopment Project Costs." Payment or reimbursement shall be made pursuant to the Construction Escrow Agreement; provided that the parties acknowledge and agree that the Developer has incurred and in some cases paid substantial Project costs prior to the date of this Agreement and that such costs shall be eligible for payment or reimbursement hereunder. For purposes of this Agreement, "Redevelopment Project Costs" shall mean and include all costs defined as "redevelopment project costs" in Section 11-74.4-3(q) of the TIF Act which are eligible for payment or reimbursement under the TIF Act.

(b) The parties acknowledge that the determination of Redevelopment Project Costs

and qualification for reimbursement under this Agreement are subject to the TIF Act, all amendments to the TIF Act after the date of this Agreement, and administrative rules and judicial interpretations rendered during the term of this Agreement. The Village has no obligation to the Developer to attempt to modify said rules or decisions.

(c) To establish a right of payment or reimbursement for specific Redevelopment Project Costs under this Agreement, the Developer shall submit to the Village Administrator a written statement in the form attached to this Agreement as *Exhibit B* (a "Request for Payment") setting forth the amount of payment or reimbursement and the specific Redevelopment Project Costs for which payment or reimbursement is sought. Each Request for Payment shall be accompanied by such bills, paid receipts, contracts, invoices, lien waivers or other evidence as the Village shall reasonably require to evidence the right of the Developer to payment or reimbursement under this Agreement. All receipts shall contain the date of service, type of service, location of service, amount due, name/address/telephone number of the service provider and other information as necessary to establish the identity of the provider, type of service and amount invoiced/paid. The Village Administrator or his designated agent shall have ten (10) days after receipt of any Request for Payment from the Developer to approve or disapprove of any of the expenditures for which payment or reimbursement is sought. If said Request for Payment is not approved, the Village Administrator shall provide to the Developer a written explanation setting forth the reason or reasons for the denial. Provided, however, the only reasons for disapproval of any expenditure for which payment or reimbursement is sought shall be that (i) such expenditure is not an expenditure consistent with the Project Budget, as amended from time to time; or (ii) such expenditure was not incurred by the Developer in accordance with the provisions of this Agreement. If approved, payment shall be made pursuant to the Construction Escrow Agreement.

(d) *Repayment Obligation.* In the event the Developer ceases to operate as a firearm and ammunition sales and an indoor firearm range, or its equivalent (the "Business") for a period of twelve (12) years following the date of the occupancy permit of the up to 75 yard indoor rifle range, the Developer shall repay any Project costs actually disbursed by the Village pursuant to paragraph (a) above for the Project, reduced each year (twelve (12) calendar months) of uninterrupted operation of the Business (i.e., days and hours of operation generally consistent with those in effect for the Business as of the date of this Agreement subject to acts of God, interruption of utility services and other events of force majeure) by 8.33%. Such repayment obligation on the part of the Developer is hereafter referred to as the "Repayment Obligation." Notwithstanding the foregoing, the provisions of this subparagraph (d) shall not apply, and the Repayment Obligation shall not be triggered, to the extent the Developer ceases to operate the Business as a result of any legislation or regulation that, in the reasonable discretion of the Developer, makes the continuation of the Business impractical.

#### *Section 7. No Liability of Village to Others for Developer's Expenses.*

Except as otherwise provided in this Agreement with respect to economic development incentives, the Village shall have no obligations to pay costs of the Project or to make any payments to any person other than the Developer, nor shall the Village be obligated to pay any contractor, subcontractor, mechanic, or materialman providing services or materials to the Developer for the Project.

*Section 8. Compliance with Applicable Laws.*

The Developer shall at all times construct and maintain the Project in a good and workmanlike manner and, exclusive of those exceptions set forth in the Annexation Agreement, in conformance with all applicable federal, state and local laws, regulations and ordinances, including, but not limited to, zoning, building codes, environmental codes, life safety codes, property maintenance codes and any other applicable codes and ordinances of the Village (collectively referred to as the "Legal Requirements").

*Section 9. The Developer's Representations and Warranties.*

In addition to the other representations, warranties, covenants and agreements of the Developer set forth in this Agreement, the Developer represents and warrants as follows:

(a) The Developer is a limited liability company duly organized and existing under the laws of the State of Illinois and is authorized to enter into, and by proper corporate action has been duly authorized to execute, deliver and perform this Agreement. To the Developer's knowledge, there are no actions, suits or similar proceedings pending or threatened before any court or governmental or administrative body or agency affecting the Developer which would result in any material adverse change to the Developer's financial condition or which would materially and adversely affect the ability of the Developer to undertake its obligations hereunder.

(b) The Developer covenants that no officer, employee or agent of the Developer, or any other person connected with the Developer, has made, offered or given, either directly or indirectly, to the Corporate Authorities or any other person connected with the Village, except for payments for which adequate and fair consideration was received in return, any money or anything of value as a gift or bribe or other means of influencing his or her action in his or her official capacity with the Village.

*Section 10. Insurance.* At all times during the term of this Agreement, the Developer shall procure and maintain policies of insurance as follows at its sole cost and expense:

(a) During the construction of the Project, the Developer shall procure and maintain the following: (i) builder's risk insurance from all risks of physical loss, including collapse, and covering the total value of work performed and all equipment, supplies and materials furnished in connection with the construction of the Project; and (ii) comprehensive general liability insurance from any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about the Project or the Subject Property. All contractors working on the Project shall be required to procure and maintain contractor's insurance policies covering matter (ii) above and also workers' compensation insurance in amounts no less than the minimum coverage required by the laws of the State of Illinois.

(b) After completion of construction of the Project, and for so long as the Developer owns the Subject Property, the Developer shall procure and maintain the following: (i) fire insurance and extended coverage on a replacement basis for the full insurable value covering the Subject Property; and (ii) comprehensive general liability insurance from any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about



the Project or the Subject Property.

*Section 11. No Discrimination.*

The Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. To the fullest extent permitted by law, the Developer shall take affirmative action to require that applicants are employed and that employees are treated during employment, without regard to their race, creed, color, religion, sex or national origin. Notwithstanding the foregoing, the Developer may employ union labor hereunder pursuant to the rules, regulations and practices of applicable unions.

*Section 12. Developer Indemnification.* The Developer shall indemnify and hold harmless the Village, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorneys' fees) which may arise directly or indirectly from (i) the failure of the Developer to timely pay any contractor, subcontractor, laborer or materialman or any claim or cause of action whatsoever brought by a third party arising out of the construction or operation of the Project, unless such failure or claim results from the Village's breach of its obligations under this Agreement; (ii) the failure of the Developer to comply with the Prevailing Wage Act or any Legal Requirements; (iii) any material default or breach of the terms of this Agreement by the Developer; or (iv) any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor or agent or employee thereof. The Developer shall, at its own cost and expense, appear, defend and pay all charges of attorneys, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the Village, its agents, officers, officials or employees in any such action, the Developer shall, at its own expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the Village or any of its, officers, officials, agents, employees or contractors.

*Section 13. No Liens.* In connection with the construction of the Project, the Developer shall neither cause nor permit any mechanic's or other liens to attach to or encumber the Project or the Subject Property, except for the liens of the Village. The Developer hereby agrees and covenants to indemnify and hold the Village harmless in the event that any liens are filed against the Project or the Subject Property as a result of the acts of the Developer, its agents, independent contractors or assigns. In the event a mechanic's or other lien is filed which attaches to or encumbers the Project or Subject Property, the Developer shall immediately institute such proceedings necessary to have the lien claim adjudicated and removed. The Developer shall pay within ten (10) days any final judgment awarded to a lien claimant so as to prevent a foreclosure sale. Notwithstanding the foregoing, the Developer shall have the right to bond over any lien or obtain a title insurance endorsement in order to satisfy its obligations pursuant to this Section. Further, the Developer shall not be in breach of this Section 13 to the extent a lien attaches as a result of the Village's breach of its obligations under this Agreement.

*Section 14. Default - Remedies.*

(a) If the Developer defaults in the performance of any material covenant, warranty, representation or obligation set forth in this Agreement, the Village shall provide the Developer with a written statement setting forth the default of the Developer. Except as required to protect against further damages, the Village may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, said thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, as long as the Developer is diligently proceeding to cure such default. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Village in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

(b) If the Developer fails to cure any default after the expiration of the cure period described in subparagraph (a), the Village's sole remedy shall be the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the debts of the Developer, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the Village may elect, to the extent such election is permitted by law, but is not required, with or without notice of such election, to terminate this Agreement. In the case of an involuntary petition, action or proceeding for the adjudication as a bankrupt or for the appointment of a trustee or receiver as set forth above, the Developer shall have sixty (60) days after the service of such petition or pleading or the commencement of such action or proceeding within which to obtain a dismissal of such petition, pleading, action or proceeding.

(c) If the Village defaults in the performance of any material covenant, warranty, representation or obligation set forth in this Agreement, the Developer shall provide the Village with a written statement setting forth the default. The Developer may not exercise any remedies against the Village in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, as long as the Village is diligently proceeding to cure such default. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any of its rights or remedies as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

(d) Upon any dispute between the parties under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees, costs and expenses incurred in contesting such dispute.

(e) It is hereby agreed by the Developer that no recourse for any claim under or upon any obligation contained in the Agreement shall be had against the Village, its officers, agents, attorneys, representatives, or employees, in any amount in excess of any specific sum agreed to be paid by the Village pursuant to this Agreement; and no liability, right, or claim at law or in equity shall be attached to or incurred by the Village, its officers, agents, attorneys,

representatives or employees in any amount in excess of any specific sums agreed by the Village to be paid hereunder, and any such claim is hereby expressly waived and released as a condition of and in consideration for the execution of this Agreement by the Village.

(f) Notwithstanding anything to the contrary contained in this Agreement, the termination of this Agreement for any reason shall not result in the termination of the Annexation Agreement or provide the Village with a right to terminate the Annexation Agreement.

*Section 15. Verification of Increment.*

The Developer shall use its best efforts to cooperate with the Village in obtaining certified copies of all real estate tax bills for the year 2012 (payable in 2013) and each year thereafter during which TIF Revenue Bonds remain outstanding.

*Section 16. Notices.* All notices, demands, requests, consents, approvals or other communications required or permitted by this Agreement shall be given in writing at the addresses set forth below and shall be deemed to have been given (i) on the day of actual delivery if delivered personally, (ii) on the day immediately following deposit with overnight courier, or (iii) as of the third (3<sup>rd</sup>) day from and including the date of posting if mailed by registered or certified first class mail, postage prepaid, return receipt requested. The parties, by notice hereunder, may designate any further or different addresses to which subsequent notices, demands, requests, consents, approvals or other communications shall be sent.

If to Village: Village of East Dundee  
c/o Village Administrator  
120 Barrington Ave.  
East Dundee, IL 60118

With a copy to: Kathleen Field Orr & Associates  
53 West Jackson Blvd., Suite 935  
Chicago, Illinois 60604

If to Developer: GAT Properties, LLC  
14N915 Route 25 / 970 Dundee Avenue  
East Dundee, Illinois 60118

With a copy to: Robert LeSage  
Ward, Murray, Pace & Johnson, P.C.  
226 West River Street, P.O. Box 404  
Dixon, Illinois 61021

*Section 17. Time is of the Essence; Force Majeure.* Time is of the essence of this Agreement; provided, however, a party shall not be deemed in material breach of this Agreement with respect to any obligations of this Agreement on such party's part to be performed if such party fails to timely perform the same and such failure is due in whole or in part to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnations, riots, insurrections, war, fuel shortages,

accidents, casualties, floods, earthquakes, fires, acts of God, epidemics, quarantine restrictions, freight embargoes, acts caused directly or indirectly by the other party (or the other party's agents, employees or invitees) or similar causes beyond the reasonable control of such party ("Force Majeure"). If one of the foregoing events shall occur or either party shall claim that such an event shall have occurred, the party to whom such claim is made shall investigate the same and consult with the party making such claim regarding the same and the party to whom such claim is made shall grant any extension for the performance of the unsatisfied obligation equal to the period of the delay, which period shall commence to run from the time of the commencement of the Force Majeure; provided that the failure of performance was reasonably caused by such Force Majeure.

*Section 18. Counterparts.* This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

*Section 19. Severability.* If any provision of this Agreement, or any Section, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held to be invalid, the remainder of this Agreement shall be construed as if such invalid part were never included herein, and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

*Section 20. Choice of Law/Venue.* This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court for Kane County, Illinois.

*Section 21. Amendments.* This Agreement (together with the Annexation Agreement, the Construction Escrow Agreement and Exhibits attached hereto) constitutes the entire agreement between the Village and the Developer and supersedes all other prior agreements, negotiations and discussions between them relating to the subject matter hereof. This Agreement may not be modified or amended except by a written instrument executed by all the parties or their permitted successors or assigns.

*Section 22. Third Parties.* Except as specifically set forth in this Agreement, nothing in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the parties, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party, nor shall any provision give any third parties any rights of subrogation or action over or against any party. Notwithstanding the foregoing, the parties acknowledge that the representations and obligations of the Owner, as well as benefits accruing to the Owner, under the terms of this Agreement, may also be performed by and accrue GAT Guns, Inc.

*Section 23. Waiver.* Any party may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

*Section 24. Assignment.* The Developer may not assign its rights or obligations

under this Agreement without the express written consent of the Village, which it is under no obligation to give. Notwithstanding the foregoing, the Developer may freely assign its rights and obligations under this Agreement to any entity in the ownership structure of the Project, which shall be deemed to include GAT Guns, Inc.

*Section 25. No Joint Venture, Agency or Partnership Created.* Nothing in this Agreement, nor any actions of the parties, shall be construed by the parties or any third person to create the relationship of a partnership, agency or joint venture between or among such parties.

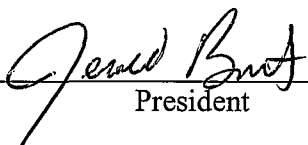
*Section 26. No Personal Liability of Officials of the Village.* No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member of the Corporate Authorities or any official, officer, agent, employee or attorney of the Village, in his or her individual capacity, and no official, officer, agent, employee or attorney of the Village shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement.

*Section 27. Actions Contesting the Validity and/or Enforceability of the Redevelopment Plan.* In the event a third party brings an action contesting the validity or legality of this Agreement, or the Ordinances approving any of the above, then the Village agrees to defend the same at its cost and expense.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at East Dundee, Illinois.

VILLAGE OF EAST DUNDEE, ILLINOIS,  
an Illinois municipal corporation

GAT PROPERTIES, LLC

  
\_\_\_\_\_  
President

By \_\_\_\_\_  
Its \_\_\_\_\_

*Attest:*

\_\_\_\_\_  
Village Administrator

*Exhibit A*

*Legal Description*

(See Attached)

Parcel One: Lots A, 5, 6, 9, 10, 13 and 14 of Fox River Bluffs Unit No. 3 in the Township of Dundee, Kane County, Illinois; and

Parcel Two: The south half of that part of Sections 25, 26, 35 and 36, Township 42 north, Range 8, east of the Third Principal Meridian, described as follows: commencing at the common corners of the above sections; thence north along the west lot of Section 25, 9.7 feet; thence northwesterly 124.15 feet on a line making an angle of 80 degrees, 51 minutes, 0 seconds, to the northwest with the west line of said Section 25, to the center line of the Elgin-Dundee Road for a point of beginning; thence southeasterly along said last course 380 feet on a line making an angle of 89 degrees, 58 minutes, 0 seconds to the southeast with the center line of Elgin-Dundee Road; thence southwesterly parallel with the center line of said road 343.9 feet; thence northwesterly 380 feet on a line making an angle of 89 degrees, 58 minutes, 0 seconds to the northwest with said last described line to the center line of the Elgin-Dundee Road; thence northeasterly on the center line of said road 343.9 feet to the point of beginning, in Kane County; and

Parcel Three: A part of the northwest quarter of Section 36, Township 42 north, Range 8 east of the Third Principal Meridian, described as follows: commencing at the northeast corner of Lot 14 of Fox River Bluffs Unit Number 3, as laid out and plotted of record, for a point of beginning; thence westerly along the northerly line of said Fox River Bluffs Unit Number 3, 369.75 feet; thence northerly at right angles with said last mentioned course and along the easterly line of land now owned by Walter Eseling, a distance of 171.95 feet; thence easterly and parallel with the northerly line of said Fox River Bluffs Unit Number 3, a distance of 369.75 feet; thence southerly in a straight line to the point of beginning, in Kane County, Illinois.

*Exhibit B*

Form of Request for Payment

REQUEST FOR PAYMENT

[DATE]

Village of East Dundee  
120 Barrington Ave.  
East Dundee, IL 60118  
Attention: Village Administrator

Re: *Redevelopment Agreement, dated \_\_\_\_\_, 2012, by and  
between the Village of East Dundee, Illinois, and  
GAT Properties, LLC (the "Developer")*

Dear Village Administrator:

You are requested to disburse funds from the construction escrow account pursuant to Sections 5 and 6 of the Redevelopment Agreement described above in the amount(s), to the person(s) and for the purpose(s) set forth in this Request for Payment. The terms used in this Request for Payment shall have the meanings given to those terms in the Redevelopment Agreement.

1. REQUEST FOR PAYMENT NO.: \_\_\_\_\_
2. AMOUNT TO BE DISBURSED: \_\_\_\_\_
3. The amount requested to be disbursed pursuant to this Request for Payment will be used to pay or reimburse the Developer those Redevelopment Project Costs for the development of the Project detailed in Schedule 1 attached to this Request for Payment.
4. The undersigned certifies that:
  - (i) the amounts included in 2 above were made or incurred and were necessary for the development of the Project and were made or incurred in accordance therewith;
  - (ii) the amounts paid (for reimbursement) or to be paid, as set forth in this Request for Payment, represents a part of the funds due and payable for Redevelopment Project Costs;



*Section 24. Assignment.* The Developer may not assign its rights or obligations under this Agreement without the express written consent of the Village, which it is under no obligation to give. Notwithstanding the foregoing, the Developer may freely assign its rights and obligations under this Agreement to any entity in the ownership structure of the Project, which shall be deemed to include GAT Guns, Inc.


*Section 25. No Joint Venture, Agency or Partnership Created.* Nothing in this Agreement, nor any actions of the parties, shall be construed by the parties or any third person to create the relationship of a partnership, agency or joint venture between or among such parties.

*Section 26. No Personal Liability of Officials of the Village.* No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member of the Corporate Authorities or any official, officer, agent, employee or attorney of the Village, in his or her individual capacity, and no official, officer, agent, employee or attorney of the Village shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement.

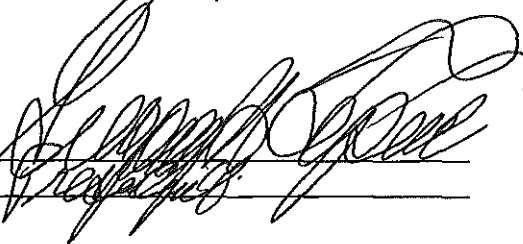
*Section 27. Actions Contesting the Validity and/or Enforceability of the Redevelopment Plan.* In the event a third party brings an action contesting the validity or legality of this Agreement, or the Ordinances approving any of the above, then the Village agrees to defend the same at its cost and expense.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at East Dundee, Illinois.

VILLAGE OF EAST DUNDEE, ILLINOIS,  
an Illinois municipal corporation

  
\_\_\_\_\_  
President

GAT PROPERTIES, LLC

By   
Its \_\_\_\_\_

*Attest:*

  
\_\_\_\_\_  
Village Administrator

*Exhibit C*

*Form of Construction Escrow Agreement*

(See Attached)

## CONSTRUCTION ESCROW AGREEMENT

THIS CONSTRUCTION ESCROW AGREEMENT (this "Escrow Agreement"), is made and entered into this 29<sup>th</sup> day of October, 2012, by and among GAT PROPERTIES, LLC, an Illinois limited liability company (the "GAT"), THE VILLAGE OF EAST DUNDEE, ILLINOIS, an Illinois municipal corporation (the "Village"), and GREATER ILLINOIS TITLE COMPANY (the "Escrow Agent").

### RECITALS

A. On the same date as this Escrow Agreement, the Village has entered into a Redevelopment Agreement with GAT pursuant to which the Village has agreed to issue \$5,500,000 in TIF Revenue Bonds (as such term is defined in the Redevelopment Agreement) under the authority of the Tax Increment Allocation Redevelopment Act, 65 ILCS ILCS 5/11-75.5-1 *et seq.* The proceeds of the TIF Revenue Bonds are to be made available to GAT to pay or reimburse GAT's eligible costs in connection with GAT's rehabilitation of the real estate legally described on Exhibit A attached hereto and incorporated herein (such rehabilitation is hereinafter referred to as the "Project").

B. The Village and GAT desire to use the staff and the expertise of the Escrow Agent to collect, review and approve lien waivers and disburse the proceeds of the TIF Revenue Bonds, subject to the terms of this Escrow Agreement.

NOW, THEREFORE, in consideration of the Recitals set forth above and the mutual agreements set forth below, the parties hereto agree as follows:

### SECTION I: ESCROW ACCOUNT; INITIAL CLOSING DISBURSEMENTS

1. There shall be created with the Escrow Agent an escrow account (the "Escrow Account"), into which the Village shall deposit \$5,500,000 from the proceeds of the TIF Revenue Bonds, which shall then be disbursed by the Escrow Agent as follows:

(a) At the initial closing, proceeds of the TIF Revenue Bonds in the amount of \$3,560,000 shall be used to pay or reimburse GAT for costs of the Project incurred by GAT prior to the date of this Escrow Agreement; and

(b) At the initial closing, proceeds of the TIF Revenue Bonds in the amount of \$1,940,000 shall be retained in the Escrow Account and, thereafter, shall be disbursed from time to time, at the request of GAT, to pay or reimburse costs of the Project.

### SECTION II: DISBURSEMENTS

1. General Conditions. Payments in connection with the costs of the Project, as approved by the Village Administrator pursuant to the terms and requirements of the Redevelopment Agreement, shall be made by the Escrow Agent from the Escrow Account as follows:

- (a) By checks payable to GAT for costs of the Project paid directly by GAT; and
- (b) By checks payable to Dundee Builders, LLC (the "General Contractor") for general requirements, builder's overhead (and for builder's profit, when applicable) and labor materials furnished directly by the General Contractor for the Project; and
- (c) By checks payable to each subcontractor evidencing payment due for labor and materials furnished for the Project; and
- (d) By checks payable to the General Contractor for labor and materials furnished by subcontractors when such items have been paid directly by the General Contractor, and when substantiated by payment affidavits and lien waivers from the subcontractors; and
- (e) As otherwise determined by the Village pursuant to the terms and requirements of the Redevelopment Agreement.

For the purpose of this Escrow Agreement, the term "subcontractor" shall include all contractors, subcontractors, mechanics and materialmen furnishing services, labor, materials and supplies to the Project.

2. Conditions of Disbursement. Disbursements from the Escrow Account, as approved by the Village in its discretion, shall be made as follows:

(a) Prior to the first disbursement under this Escrow Agreement, the Escrow Agent shall have received a request for disbursement signed by (i) GAT and (ii) the Village, that the disbursement be made. The approved and executed Settlement Statement may serve as such request.

(b) Prior to each subsequent disbursement under this Escrow Agreement, the following requirements must be satisfied:

- (1) The Escrow Agent shall have received a request for disbursement signed by GAT and approval of such disbursement request signed by the Village.
- (2) Statements, waivers, affidavits, supporting waivers and releases of lien from such persons and in such form as may be required by the Escrow Agent for the purpose of releasing and waiving any and all rights to file mechanic's lien claims against the Project for those amounts and the work or materials for which payment is to be made.
- (6) The Escrow Agent shall receive a disbursement fee of \$750.00 for the first five (5) monthly construction disbursements. Each additional monthly construction disbursement shall cost \$150.00. The disbursement fee shall cover all other costs associated with processing the disbursements and collecting lien waivers, except that

there shall be no outgoing wire transfers. This provision shall also apply to the final disbursement from the Escrow Account.

(c) Prior to the final disbursement under this Escrow Agreement, the following requirements must be satisfied:

- (1) The Escrow Agent has received from the Village a written confirmation that the Project has been completed and all of the materials are in place to the extent shown in any request for payment by the General Contractor.
- (2) The Escrow Agent has received from the Village written approval of GAT's and the General Contractor's request for final disbursement.
- (3) All required documentation for the final draw request must be submitted to the Escrow Agent prior to any disbursements of the final draw.

(d) It is understood by the parties and by the General Contractor, who has executed this Escrow Agreement to evidence its understanding of the provisions of this Paragraph 3(d) and not as a party, that the following will be required by the Escrow Agent in connection with each construction disbursement in order to enable the Escrow Agent to fulfill its obligations under this Escrow Agreement:

- (1) There shall be deposited with the Escrow Agent a properly executed General Contractor's sworn statement (the "Contractor's Sworn Statement") together with supporting waivers and releases in a form satisfactory to the Escrow Agent. The Contractor's Sworn Statement shall set forth in detail all subcontractors with whom the General Contractor has entered into a contract, together with their addresses, the work and materials to be furnished, the amounts of the contracts, amounts paid to date, and balance owing.
- (2) There shall be deposited with the Escrow Agent a payout order from the General Contractor, which shall be approved by GAT and the Village in writing. Such order may be embodied in the Contractor's Sworn Statement or may take the form of a separate document.
- (3) There shall be deposited with the Escrow Agent a certification, on which the Escrow Agent is authorized to rely without further inquiry or investigation, that materials are in place and work has been completed on the improvements being constructed which have a value equal to the total of the funds (other than funds disbursed for non-construction items) that have been and are to be disbursed. This certificate is to be addressed to the Escrow Agent and is to be made by GAT.

- (4) There shall be deposited with the Escrow Agent a properly executed owner's sworn statement (the "Owner's Sworn Statement").
- (5) The Escrow Agent may, at its discretion, take whatever steps the Escrow Agent may deem necessary to verify the accuracy of the Contractor's Sworn Statement or the Owner's Sworn Statement that may be required under this Escrow Agreement.
- (6) The Escrow Agent shall not accept any blanket lien waivers by the General Contractor as to labor performed materials furnished by others. The Escrow Agent shall not accept any blanket pre-signed waivers by any subcontractors.
- (7) After Escrow Agent pays the final disbursement under this Escrow Agreement, any amounts remaining in the Escrow Account shall be transferred to the Village.
- (8) If at any time the Escrow Agent discovers a misstatement of a material fact in any request or other notice from GAT or the General Contractor, it shall promptly give notice of such discovery to GAT and the Village, and the Escrow Agent shall thereafter not disburse funds from the Escrow Account until such misstatements shall have been corrected to the satisfaction of the Village.
- (9) Upon termination of this Escrow Agreement, the Escrow Agent shall disburse any funds then remaining in the Escrow Account to the Village.
- (10) The Escrow Agent's charges for services performed under this Escrow Agreement are to be paid from funds deposited in the Escrow Account, and the Escrow Agent reserves the right to suspend further processing under this Escrow Agreement until such funds have been deposited or other arrangements satisfactory to the Escrow Agent have been made.

### SECTION III: MISCELLANEOUS

NOTWITHSTANDING ANYTHING IN THIS ESCROW AGREEMENT TO THE CONTRARY, THE ESCROW AGENT SHALL NOT MAKE ANY DISBURSEMENTS UNDER THIS ESCROW AGREEMENT IF THE VILLAGE HAS NOTIFIED THE ESCROW AGENT IN WRITING OR BY TELEX, TELECOPY OR TELEGRAM NOT TO DO SO. IF THE ESCROW AGENT HAS RECEIVED SUCH A NOTICE FROM THE VILLAGE, THE ESCROW AGENT SHALL NOT MAKE ANY DISBURSEMENTS UNDER THIS ESCROW AGREEMENT UNLESS AND UNTIL THE VILLAGE HAS NOTIFIED THE ESCROW AGENT IN WRITING TO DO SO.

Upon notice to the Escrow Agent from the Village of the occurrence of an event of default under the Redevelopment Agreement, the Escrow Agent shall, upon receipt of such written notice, transfer all amounts then remaining in the Escrow Account to the Village.

Unless otherwise specified, any notice, demand or request required under this Escrow Agreement shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier, receipt requested; or (c) registered or certified mail, return receipt requested.

If to the Village:     Village of East Dundee  
                                 c/o Village Administrator  
                                 120 Barrington Ave.  
                                 East Dundee, IL 60118

With a copy to:     Kathleen Field Orr & Associates  
                                 53 West Jackson Blvd., Suite 935  
                                 Chicago, Illinois 60604

If to Developer:     GAT Properties, LLC  
                                 14N915 Route 25 / 970 Dundee Avenue  
                                 East Dundee, Illinois 60118

With a copy to:     Ward, Murray, Pace & Johnson, P.C.  
                                 202 E. 5<sup>th</sup> St., P.O. Box 400  
                                 Sterling, Illinois 61081  
                                 Attn: Rob LeSage

If to the Escrow Agent: Greater Illinois Title Company  
                                 1795 West State Street  
                                 Geneva, IL 60134  
                                 Attn: Tom Bearman, Sr. Vice President

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand or request sent pursuant to clause (a) shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the business day immediately following deposit with the overnight courier, and any notice, demand or request sent pursuant to clause (c) shall be deemed received on the third (3rd) business day following deposit in the mail.

Notwithstanding any requirement or undertaking in this Escrow Agreement, the Escrow Agent assumes no obligation for insuring that sufficient funds will be available to pay all costs incurred in completing the Project, or that the Project will be completed. Except with respect to funds for which the Escrow Agent has received investment instructions in writing, the Escrow Agent shall be under no duty to invest or reinvest any cash at any time held by it under this Escrow

Agreement.

While the subcontractors and any suppliers of labor and materials listed on Sworn Statements deposited with the Escrow Agent are not parties to this Escrow Agreement and have no standing to alter its terms, it is understood by the parties hereto that the Escrow Agent is authorized to furnish to such subcontractors and suppliers information that the Escrow Agent may deem appropriate with regard to the times at which disbursements might be made to them, and what conditions remain unsatisfied when the Escrow Agent is not in a position to make disbursements.

No changes, amendments, modifications, cancellations or discharge of this Escrow Agreement, or any part of it, shall be valid unless in writing executed by the parties hereto or their respective successors and assigns.

This Escrow Agreement may be executed in several counterparts each of which shall constitute an original and all of which shall constitute one and the same instrument.

This Escrow Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois, exclusive of its conflict of laws provisions. The Escrow Agent, the Village and GAT agree that this Escrow Agreement is not intended by any of them to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation, other than the Escrow Agent, the Village and GAT, as a third party beneficiary or otherwise under any theory of law.

The captions used in this Escrow Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of any provision of this Escrow Agreement.

If any provision of this Escrow Agreement, or any paragraph, sentence, clause, phrase or word, or the application of them, in any circumstance, is held invalid, the remainder of this Escrow Agreement shall be construed as if such invalid part were never included in it and this Escrow Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

[THE SIGNATURES OF THE PARTIES APPEAR ON THE NEXT PAGE]



IN WITNESS WHEREOF, the parties have caused this Escrow Agreement to be executed by their duly authorized representatives.

GAT:

GAT PROPERTIES, LLC, an Illinois limited liability company

By  
Its

VILLAGE:

THE VILLAGE OF EAST DUNDEE, ILLINOIS, an Illinois municipal corporation

By  
Its

ESCROW AGENT

GREATER ILLINOIS TITLE COMPANY

By  
Its

ACCEPTED BY GENERAL CONTRACTOR:

Dundee Builders, LLC

By  
Its

EXHIBIT A

Legal Description

(See Attached)

Parcel One: Lots A, 5, 6, 9, 10, 13 and 14 of Fox River Bluffs Unit No. 3 in the Township of Dundee, Kane County, Illinois; and

Parcel Two: The south half of that part of Sections 25, 26, 35 and 36, Township 42 north, Range 8, east of the Third Principal Meridian, described as follows: commencing at the common corners of the above sections; thence north along the west lot of Section 25, 9.7 feet; thence northwesterly 124.15 feet on a line making an angle of 80 degrees, 51 minutes, 0 seconds, to the northwest with the west line of said Section 25, to the center line of the Elgin-Dundee Road for a point of beginning; thence southeasterly along said last course 380 feet on a line making an angle of 89 degrees, 58 minutes, 0 seconds to the southeast with the center line of Elgin-Dundee Road; thence southwesterly parallel with the center line of said road 343.9 feet; thence northwesterly 380 feet on a line making an angle of 89 degrees, 58 minutes, 0 seconds to the northwest with said last described line to the center line of the Elgin-Dundee Road; thence northeasterly on the center line of said road 343.9 feet to the point of beginning, in Kane County; and

Parcel Three: A part of the northwest quarter of Section 36, Township 42 north, Range 8 east of the Third Principal Meridian, described as follows: commencing at the northeast corner of Lot 14 of Fox River Bluffs Unit Number 3, as laid out and plotted of record, for a point of beginning; thence westerly along the northerly line of said Fox River Bluffs Unit Number 3, 369.75 feet; thence northerly at right angles with said last mentioned course and along the easterly line of land now owned by Walter Escling, a distance of 171.95 feet; thence easterly and parallel with the northerly line of said Fox River Bluffs Unit Number 3, a distance of 369.75 feet; thence southerly in a straight line to the point of beginning, in Kane County, Illinois.