

ORDINANCE NO. 23-17

**AN ORDINANCE AUTHORIZING EXECUTION OF A REAL ESTATE SALE
AGREEMENT AND PURCHASE OF REAL PROPERTY
(NORTHWEST CORNER OF SOUTH VAN BUREN STREET AND MAIDEN LANE,
EAST DUNDEE, ILLINOIS)**

NOW, THEREFORE, BE IT ORDAINED, by the President and Board of Trustees of the Village of East Dundee, Kane and Cook Counties, Illinois, as follows:

SECTION 1: The President and Board of Trustees of the Village find as follows:

- A. The Village of East Dundee (the "Village") is a home rule municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois.
- B. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended from time to time (the "TIF Act").
- C. Pursuant to its powers and in accordance with the TIF Act, and pursuant to Ordinance Nos. 08-34, 08-35 and 08-36, adopted June 16, 2008, and as amended by Ordinance Number 18-28 on September 10, 2018, the Downtown Tax Increment Financing District (the "TIF District") was formed as a TIF district, for a twenty-three (23) year period. Ordinance Nos. 08-34, 08-35, 08-36 and 18-28 are incorporated herein by reference.
- D. Pursuant to and in accordance with the TIF Act and the Ordinances establishing the TIF District, the Corporate Authorities of the Village are empowered under Sections 4(c) and 3(q)(2) of the TIF Act, 65 ILCS 5/11-74.4-4(c) and 3(q)(2), to purchase real property within the TIF district, using TIF District funds, in furtherance of the Redevelopment Plan and Project for the TIF District, including for the acquisition of the "Subject Property," as defined in Section I.E. below.
- E. Haeger Industries, Inc. (the "Seller"), is the owner of the real estate and appurtenances attached thereto for the property commonly known as the Northwest Corner of South Van Buren Street and Maiden Lane, East Dundee, Illinois, with Parcel Identification Numbers 03-23-360-009-0000 and 03-23-360-010-0000 (the "Subject Property").
- F. The Village desires to acquire the Subject Property in furtherance of the Redevelopment Plan and Project for the TIF District.
- G. It is the desire of the Seller to convey the Subject Property to the Village on the terms set forth in the "Real Estate Purchase and Sale Agreement," and

its accompanying Exhibits, attached hereto as **EXHIBIT A** and made a part hereof (the "Agreement").

- H. It is in the best interest of the Village to acquire the Subject Property, to ensure that redevelopment within the TIF District continues.

SECTION 2: Based upon the foregoing, the Village President, Village Clerk and Village Administrator be and are hereby authorized and directed to purchase the Subject Property pursuant to the terms and conditions set forth in the Agreement, and they are further authorized and directed to execute and deliver such other instruments, including the Agreement, as may be necessary or convenient to consummate such purchase.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

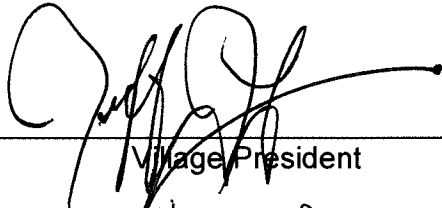
ADOPTED this 17 day of April, 2023, pursuant to a roll call vote as follows:

AYES: Mahony, Runze, Brittin, Saviano and Sauder

NAYS: Ø

ABSENT: Treiber

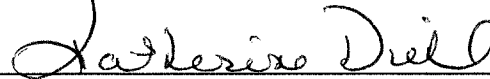
APPROVED this 17th day of April, 2023, by the Village President of the Village of East Dundee, and attested by the Village Clerk, on the same day.



Village President

APPROVED and FILED in my office this 17th day of April, 2023 and published in pamphlet form in the Village of East Dundee, Kane and Cook Counties, Illinois.

ATTEST:



Village Clerk

EXHIBIT A

REAL ESTATE PURCHASE AND SALE AGREEMENT

(attached)

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("*Agreement*") is made and entered into as of April 17, 2023 (Purchaser will fill in the date after the Village Board gives its approval) (the "*Effective Date*") by and between the **VILLAGE OF EAST DUNDEE**, an Illinois home-rule municipal corporation ("*Purchaser*"), and **HAEGER INDUSTRIES, INC.**, an Illinois corporation ("*Seller*"). In consideration of the recitals and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser (collectively, the "*Parties*") agree as follows:

Section 1. Recitals.

A. Parcel. The Seller owns fee simple title to that certain real property consisting of a rectangular parcel commonly known as the Northwest Corner of South Van Buren Street and Maiden Lane, East Dundee, Illinois, and which parcel is legally described on *Exhibit A* attached hereto ("*Parcel*").

B. Property Description. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, (i) the Parcel, (ii) the improvements thereon, (iii) all easements, tenements, riparian rights, hereditaments, privileges and appurtenances that run with or are appurtenant to the Parcel, whether or not of record, (iv) the use of all appurtenant and assignable rights-of-way, if any, abutting, adjacent to, contiguous to, or adjoining the Parcel, and (v) all licenses, permits and franchises issued by any government authority relating to the development, use, or operation of the Parcel, running to or in favor of Seller (collectively, the "*Property*"), subject to this Agreement.

Section 2. Incorporation of Recitals. The Recitals are incorporated into this Agreement.

Section 3. Purchase and Sale; Purchase Price.

A. Purchase Price. Seller shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Seller, subject to the terms of this Agreement. The purchase price for the Property is \$98,000.00 ("*Purchase Price*").

B. Earnest Money. There shall be no earnest money deposit.

C. Balance of Purchase Price. Purchaser shall pay the Purchase Price, plus or minus prorations, credits, and adjustments as provided in this Agreement, at the Closing through a Closing Escrow (defined in Section 10 below) by wire transfer in accordance with wire instructions provided by the Chicago Title Insurance Company ("*Title Company*").

Section 4. Parties' Preliminary Obligations and Rights.

A. Seller's Deliveries. Within five (5) business days after the Effective Date, Seller shall deliver to Purchaser and Purchaser's attorney copies of all of the following pertaining to the Property in its possession or control: (i) any and all unrecorded leases, tenancies, licenses, easements, and occupancy rights, all amendments thereto, and all correspondence and notices related thereto; (ii)

existing survey(s) of the Property; (iii) any environmental reports, including Phase I and Phase II reports, soil testing or other reports or documents related to proposed development of the Parcel; (iv) any and all notices and correspondence regarding compliance with laws, including environmental and zoning laws; (v) all contracts and services agreements binding on the Property and (vi) any unrecorded easements, licenses, or other rights to occupy or use the Property (collectively “***Seller’s Deliveries***”). Seller shall deliver a cover letter with Seller’s Deliveries certifying that true, complete, and correct copies of all of Seller’s Deliveries have been delivered to Purchaser and its attorneys.

B. Title Commitment. Purchaser has obtained the following preliminary title commitment No. CCHI2301435LD for the Property (“***Title Commitment***”). Title Commitment is attached to and incorporated as Exhibit B to this Agreement. Seller agrees to use this Title Commitment and to obtain a commitment from the Title Company to issue to Purchaser at Closing an ALTA Owner’s Title Insurance Policy (2006 version) (i) in the amount of the Purchase Price, (ii) with the following endorsements: an extended coverage endorsement over all standard exceptions (1-6) of Schedule B Part II of the Title Commitment defined below (“***Schedule B***”), Access Endorsement to both Maiden Lane and South Van Buren Street, Location Endorsement and an Encroachment Endorsement, if any encroachments are shown on the Survey, (iii) insuring good, marketable, and insurable title to the Property, and (iv) with coverage over any “gap” period, all subject only to the Permitted Exceptions (as defined in Section 5.B.4) (the “***Title Policy***”). Purchaser shall pay the cost for the Title Policy with the aforementioned endorsements and any other endorsements it requests.

C. Surveys and Plats. Within 30 days of the Effective Date the Seller will obtain an ALTA/NSPS standard survey (“***Survey***”) of the Property, that (a) is prepared by a surveyor approved by Purchaser, (b) will be certified in favor of Seller, Purchaser and the Title Company, (c) complies with all requirements of the Title Company that are conditions to the removal of the survey exception from the standard printed exceptions in the Title Commitment, (d) contains a certification as to the total acreage of the Property, (e) includes the Table A Items 1, 2, 3, 4, 8, 9, 10, 11b, 13, 16, 19 (in the amount of \$2,000,000), and (f) is provided to Purchaser in digital format in NAD 83 State Plane Coordinates, and Seller shall provide eight hard copies of the ALTA Survey to Purchaser. Seller shall pay the cost for the ALTA Survey.

D. Environmental Assessment. Beginning on the Effective Date, Purchaser may cause to be performed one or more (i) environmental assessments, reviews, or audits, including without limitation a Phase I site assessment, of or related to the Property, (ii) tests or borings of the soil on the Property, (iii) asbestos testing of any improvements located on the Parcel, and (iv) other investigations or analyses concerning the environmental and physical condition of the Parcel (collectively, “***Environmental Assessments***”). At Seller’s request, Purchaser shall provide a copy of any completed Environmental Assessment to Seller.

Section 5. Due Diligence Period.

A. Period and License. During the period that begins on the Effective Date and ends on the one hundred twentieth (120th) day after the Effective Date (“***Due Diligence Period***”), Purchaser may conduct such investigations, inspections, reviews, and analyses of or with respect to the Property as Purchaser desires (“***Due Diligence Activities***”). The Due Diligence Activities may include, without limitation, reviews of Seller’s Deliveries, the Title Commitment, the ALTA Survey, and the Environmental Assessments. Seller hereby grants to Purchaser a license during the Due Diligence

Period, for the use of Purchaser and its agents and contractors, to conduct Due Diligence Activities on the Property at any time upon 1 day's prior notice to Seller.

B. Review of Title Commitments and Surveys.

1. Identification of Unpermitted Exceptions and Commitment to Cure. Upon the later of (i) one hundred twentieth (120th) day after the Effective Date and (ii) the 10th business day following Purchaser's receipt of the Title Commitment **and** the Survey, Purchaser shall send written notice ("**Title Objection Notice**") identifying any matter identified in such Title Commitment or Survey that Purchaser determines, will adversely affect Purchaser's intended redevelopment of the Property, (the "**Unpermitted Exceptions**"), and the Seller commits, at Seller's cost, to (a) cure or remove the Unpermitted Exception or (b) cause the Title Company to insure over the Unpermitted Exceptions ("**Commitment to Clear Exceptions**"). Notwithstanding the process identified in this Section 5.B.1, the following are Unpermitted Exceptions, whether or not identified by Purchaser, that Seller must cure, and not merely insure over, prior to or at the Closing, and that Seller will be deemed to commit to cure in the Commitment to Clear Exceptions, whether or not Seller identifies them therein (collectively, the "**Must Cure Exceptions**"): (i) each mechanics', materialmen's, repairmen's, contractors' or other lien that encumbers the Property, unless the lien arises from the acts of Purchaser, (ii) each mortgage, security deed, and other security instrument that encumbers the Property, (iii) all past due Real Estate Taxes (defined in Section 10.F) applicable to the Property (collectively the "**Past Due Taxes**"), these Past Due Taxes are an Unpermitted Exception and Seller agrees to clear the Past Due Taxes at or before Closing, (iv) each judgment against Seller that may constitute a lien against the Property, and (v) title exceptions 1-6, 7, 8, 9, 11, 12, 14, 15, and 16 on Schedule B which is part of the Title Commitment attached as Exhibit B.

2. Seller's Compliance with Commitment to Clear Exception. At least 10 days prior to Closing, Seller shall deliver to Purchaser an updated Title Commitment, showing that all Unpermitted Exceptions that Seller committed to clear in the Commitment to Clear Exceptions have been cleared. If it fails to do so, then Purchaser, at any time, may either (i) proceed with the Closing and deduct from the Purchase Price the amount reasonably necessary to clear the Unpermitted Exception that Seller committed to, but failed to, clear, in which case Purchaser will be deemed to have accepted the uncleared or uninsured Unpermitted Exception and shall accept Seller's Deed at Closing subject to the uncleared or uninsured Unpermitted Exception or (ii) terminate this Agreement.

3. Deliberately omitted.

4. Permitted Exceptions. Any matter of record shown in the Title Commitment that is (i) not objected to by Purchaser in a Title Objection Notice or (ii) is not defined in Section 5.B.1 as an Unpermitted Exception or a Must Cure Exceptions or (iii) is an uncleared or uninsured Unpermitted Exception that is deemed accepted by Purchaser pursuant to Section 5.B.2, is a "**Permitted Exception**."

5. Effect of Termination. In the event of a termination pursuant to Section 5.B.2, neither party shall have any claim or obligation under this Agreement, except (i) if Seller caused an Unpermitted Exception by a willful or wrongful act or omission, then Purchaser may pursue any and

all remedies available at law or in equity and (ii) for those rights, liabilities, and obligations that expressly survive the termination of this Agreement.

C. Review of Environmental Assessments; Environmental Work.

- (i) **Remediation Notice.** If Purchaser determines through its review of an Environmental Assessment, that there exists within the Property a condition that (a) may require environmental clean-up, remediation, or (in the case of underground and above ground storage tanks (collectively, “***Storage Tanks***”)) removal, and (b) may adversely affect Purchaser’s intended redevelopment of the Property (an “***Environmental Condition***”), then, before the end of the Due Diligence Period, Purchaser may send Seller either (a) a written notice terminating this Agreement, in which event neither party shall have any further liability to the other or (b) a written notice describing all clean-up work, remediation work, and removal of Storage Tanks that is required with respect to the Property (collectively, the “***Environmental Work***”) in reasonable detail and requesting that Seller either (1) perform or cause to be performed the described Environmental Work before the Closing or (2) provide Purchaser with a credit at Closing (the “***Remediation Credit***”) for the costs and expenses of the Environmental Work (a “***Remediation Notice***”).
- (ii) **Seller’s Obligation to Complete Environmental Work; Remediation Notice Response.** With respect to a Remediation Notice timely submitted during the Due Diligence Period, then within 5 business days after receiving the Remediation Notice, Seller shall provide Purchaser with a written notice (a “***Remediation Notice Response***”) stating whether Seller (a) will comply with Purchaser’s request to perform the Environmental Work before the Closing or provide a Remediation Credit at the Closing or (b) declines to perform the Environmental Work before, or provide the Remediation Credit at, the Closing. If Seller does not timely provide a Remediation Notice Response, it will be deemed to have declined to either perform the Environmental Work or provide a Remediation Credit. If Seller declines to perform the Environmental Work before the Closing or provide the requested Remediation Credit, then Purchaser may terminate this Agreement. Should Purchaser decide to proceed to Closing then Purchaser agrees to accept the condition of the Property “***As-is; Where-is***”.
- (iii) **Performance of Environmental Work.** If Seller elects to complete Environmental Work in response to a Remediation Notice, then Seller, at its own expense, shall hire a reputable and competent contractor selected by the Parties to complete the Environmental Work before the Closing.

D. Purchaser’s Right to Terminate. In addition to its termination rights pursuant to Section 5.B, not later than the last day of the Due Diligence Period (the “***Approval Deadline***”), Purchaser may deliver to Seller a written notice stating that, based on the results of the Due Diligence Activities, the Property are not suitable for Purchaser’s intended uses, as determined by Purchaser in

its sole and absolute discretion, and that Purchaser has elected to terminate this Agreement (“**Termination Notice**”).

E. Restoration. If a Due Diligence Activity damages the Parcel, and Purchaser does not acquire the Property, then Purchaser shall restore the Parcel to a condition that is substantially the same as its condition prior to the performance of such Due Diligence Activity.

Section 6. Representations and Warranties.

A. General Representations and Warranties. Seller, represents and warrants to Purchaser that, as of the date hereof and as of the date of Closing:

- (i) Seller has not entered into any agreements or granted any options pursuant to which any third party has the right to acquire all or any portion of the Property or any interest therein;
- (ii) there are not now and will not be at Closing, any leases, tenancies, licenses, concessions, franchises, options or rights of occupancy or purchase, service, maintenance, or other contracts that which will be binding upon Purchaser or the Property after the Closing;
- (iii) the Property are not affected by or subject to: (a) any pending or, to the best of Seller’s knowledge, threatened condemnation suits, or similar proceedings, (b) other pending or, to the best of Seller’s knowledge, threatened claims, charges, complaints, petitions, or unsatisfied orders by or before any administrative agency or court, or (c) any pending or, to the best of Seller’s knowledge, threatened claims, suits, actions, complaints, petitions, or unsatisfied orders by or in favor of any party whatsoever;
- (iv) to the best of Seller’s knowledge, there are no threatened requests, applications, or proceedings to alter or restrict the zoning or other use restrictions applicable to the Property;
- (v) to the best of Seller’s knowledge, there are no unrecorded easements, liens, or encumbrances affecting the Property;
- (vi) Seller has received no written notice of, and to the best of Seller’s knowledge, there is not any violation of any law, ordinance, order, regulation, or requirement, including, but not limited to, building, zoning, environmental, safety, and health ordinances, statutes, regulations, and requirements issued by any governmental body or agency having jurisdiction over the Property;
- (vii) to the best of Seller’s knowledge and except as disclosed in the Environmental Assessments (a) any use of the Property for the generation, storage or disposal of any (1) asbestos, (2) petroleum, (3) explosives, (4) radioactive materials, wastes or substances, or (5) any substance defined as “hazardous substances” or “toxic substances” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42. U.S.C. 9601, *et seq.*, the Hazardous Materials Transportation Act (49 U.S.C. 1802), the Resource Conservation and Recovery Act

(42 U.S.C. 6901), or in any other Applicable Law (as defined in 14.D.2) governing environmental matters (“Environmental Laws”) (collectively, “Hazardous Materials”) has been in compliance with all Environmental Laws, (b) there are not any Hazardous Materials present on the Property, (c) the Property is currently in compliance with all Environmental Laws; and (d) there are currently no Storage Tanks on the Property and any Storage Tanks formerly located on the Property were removed in compliance with all Environmental Laws;

- (viii) except as disclosed in Seller’s Deliveries, Seller has received no written notice of (a) any pending or threatened action or proceeding arising out of the presence of Hazardous Materials on the Property or (b) any alleged violation of any Environmental Laws;
- (ix) Seller is not a “foreign person” as defined in Section 1445 of the Internal Revenue Code of 1986;
- (x) Seller has the requisite power and authority to enter into and perform the terms of this Agreement and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary trustee, executory, and individual action and authority, do not violate any agreement to which Seller is a party, and no other proceedings on Seller’s part are necessary in order to permit Seller to consummate the transaction contemplated hereby; and
- (xi) Neither Seller nor any of its affiliates have (a) commenced a voluntary case, or had entered against them a petition, for relief under any applicable law relative to bankruptcy, insolvency, or other relief for debtors, (b) caused, suffered, or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator, or similar official in any federal, state, or foreign judicial or non-judicial proceeding to hold, administer, and/or liquidate all or substantially all of their respective assets, (c) had filed against them any involuntary petition seeking relief under any applicable law relative to bankruptcy, insolvency, or other relief to debtors, or (d) made a general assignment for the benefit of creditors.
- (xii) each person executing this Agreement on behalf of Seller is fully authorized to do so and, by doing so, to bind Seller to its obligations under this agreement.

At Purchaser’s request, the Seller, shall reconfirm all representations and warranties set forth in this Section 6 as true, accurate, and complete on and as of Closing.

B. Survival; Indemnification. Seller’s representations and warranties shall survive Closing. Seller agrees to indemnify, hold harmless, and defend Purchaser, from and against any and all claims, demands, losses, liens, costs, expenses (including reasonable attorneys’ fees and court costs), damages, liabilities, judgments, or decrees of any kind or nature which, directly or indirectly, are caused by, result from, arise out of, or occur in any manner in connection with any material inaccuracy in Seller’s representations or warranties contained herein.

Section 7. Seller’s Covenants and Agreement. Seller covenants and agrees with Purchaser from the Effective Date until the Closing:

- (i) Seller shall not make, enter into, grant, amend, extend, renew or grant any waiver or consent under any lease, tenancy, easement, license or other agreement allowing the use or occupancy of all or any portion of the Property, without Purchaser's prior written consent,
- (ii) Seller shall not enter into or amend any contracts, agreements or undertakings that will be binding upon Purchaser or the Property, without Purchaser's prior written consent,
- (iii) Seller shall not create, or allow the creation of, any encumbrance on the title of the Property, without Purchaser's prior written consent (except for any Permitted Exceptions),
- (iv) Seller shall not take any action, directly or indirectly, to encourage, initiate, or engage or participate in discussions or negotiations with any third party concerning a potential sale of all or any portion of, or any interest in, the Property,
- (v) Seller shall promptly inform Purchaser of any developments which would cause any of its representations or warranties contained in this Agreement to be no longer materially accurate,
- (vi) Seller, at its own expense, and before Closing, shall completely remove all materials, equipment, signs, personal property, garbage and debris located at or on the Property in accordance with all Applicable Laws (as defined in Section 14.D.(ii)), except for the Transferred Personal Property (defined in Section 10.C.(xii) below),
- (vii) Seller, at its own expense, and before Closing, shall complete all Environmental Work which it has agreed to perform in accordance with Section 5.C above, and
- (viii) Seller shall continue to maintain and keep the Property in its current condition, use commercially reasonable efforts to comply with all Applicable Laws materially affecting it, and pay taxes and mortgage payments on it as they become due.

Section 8. Bulk Sales/Illinois Income Tax Withholding.

At least 20 days prior to the Closing, Purchaser shall, with Seller's full cooperation, notify the Illinois Department of Revenue (the "**Department**") and the Illinois Department of Employment Security ("**IDES**") of the intended sale of the Property and request the Department and IDES to make a determination as to whether Seller has an assessed, but unpaid, amount of tax, penalties, or interest under 35 ILCS 5/902(d) or 35 ILCS 120/5j or under the Section 2600 of the Illinois Unemployment Insurance Act (collectively the "**Bulk Sale Act**"). At or prior to the Closing, Seller shall deliver to Purchaser evidence that the sale of the Property to Purchaser hereunder is not subject to, and does not subject Purchaser to liability under the Bulk Sale Act ("**Release**"). Five business days prior to the Closing, Seller shall deliver to Purchaser evidence that the sale of the Property to Purchaser hereunder is not subject to, and does not subject Purchaser to liability under the Bulk Sale Act (collectively, "**Release**"). Purchaser may, at the Closing, deduct and withhold from the proceeds that are due Seller the amount necessary to comply with the withholding requirements imposed by the Bulk Sale Act, provided that such amounts are deposited

in escrow at Closing and released to Seller upon obtaining a release from the Department or otherwise satisfying any amounts due under the Bulk Sale Act. Seller shall indemnify, defend and hold harmless Purchaser, and its commissioners, officers, employees, agents, successors and assigns, harmless from any and all obligations, liabilities, claims, demands, losses, expenses, or damages arising from Seller's failure to (i) provide any required notice of its sale of the Property to the appropriate state, county, or municipal governmental authorities, (ii) pay any and all taxes and other amounts due in connection with its ownership, operation or sale of the Property, or (iii) otherwise comply with any bulk sales laws of the State of Illinois or Kane County. The foregoing indemnity shall survive the Closing Date.

Section 9. Conditions Precedent to Closing.

Purchaser's obligation to close is subject to each and all of the following conditions being satisfied by Seller, or waived in writing by Purchaser (the "Closing Contingencies"):

- (i) all of Seller's representations and warranties contained in this Agreement, must be materially true and correct on the date hereof and as of the Closing Date,
- (ii) Seller must have timely performed all of its obligations under this Agreement,
- (iii) all conditions precedent to Purchaser's obligation to close on the transaction contemplated in this Agreement must have been satisfied or waived as of the Closing Date,
- (iv) Seller must have delivered all items required to be delivered by Seller pursuant to Section 10.C, and
- (v) the Title Company has issued or is irrevocably committed to issue the Title Policy.

Purchaser may inspect the Property within forty-eight (48) hours prior to the Closing Date to determine whether the Closing Contingencies have been satisfied. If a Closing Contingency is not satisfied because of a default by Seller, Purchaser will have all of its rights under Section 14.E.1.

Section 10. Closing.

A. Conveyance and Possession. At Closing, Seller shall convey fee simple title to the Property to Purchaser by delivery of Seller's warranty deed ("***Seller's Deed***") in recordable form conveying fee simple title to the Property, subject only to Permitted Exceptions. Seller shall deliver full and complete possession of the Property to Purchaser upon Closing. Seller shall deliver the Property to Purchaser in its condition as of the Effective Date, except to the extent that Seller has agreed to perform, and has completed, Environmental Work, and except for ordinary wear and tear.

B. Time, Place; Closing Escrow.

- (i) Time. The Closing will occur (i) no later than the 30th day following the later of (a) the expiration of the Due Diligence Period and (b) the completion of any Environmental Work that Seller is required, or has agreed, to complete or provide a Remediation Credit for; or (ii) on another date mutually agreed to in

writing by the Parties (the “**Closing Date**”).

- (ii) Place. The Closing will be at the office of the Title Company at 10 S. LaSalle St., Chicago, Illinois or 500 Skokie Blvd, Suite 290, Northbrook, Illinois. The Parties need not physically attend a Closing.
- (iii) Closing Escrow. On or before the Closing, Purchaser and Seller shall establish an escrow in the usual form of deed and money escrow agreement then in use by Title Company with such changes made as may be necessary to conform with the provisions of this Agreement (a “**Closing Escrow**”). The Closing will be a “New York” style closing.

C. Seller Closing Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Purchaser the following, in each case, fully executed (as applicable), in form and substance satisfactory to Purchaser:

- (i) evidence reasonably satisfactory to the Title Company of the authority of Seller to consummate the Closing, to the extent such authority is not apparent in the documents recorded when Seller acquired title to the Property,
- (ii) Seller’s Deed and other instruments of transfer and conveyance transferring the Property, free of all liens other than the Permitted Exceptions,
- (iii) to the extent required by the Title Company, a “gap” undertaking in customary form and substance for the “gap” period” through the applicable Closing Date or the date of recording, as the case may be,
- (iv) a current form of ALTA Statement in customary form and substance as required by the Title Company,
- (v) a counterpart to the closing statement,
- (vi) real estate transfer declarations or exemptions required by Applicable Laws,
- (vii) all other documents, certificates, forms and agreements required by this Agreement or Applicable Law or customarily required by the Title Company, in order to close the transaction, including any instrument, assurance or deposit required for the Title Company to insure over Unpermitted Exceptions in such form, terms, conditions and amount as may be required by the Title Company,
- (viii) a non-foreign affidavit sufficient in form and substance to relieve Purchaser of any and all withholding obligations under Section 1445 of the Internal Revenue Code,
- (ix) a signed Pro Forma title policy.
- (x) An agreement to reproporate the real estate taxes on the Property in the form

attached as Exhibit C pursuant to Section 10.F,

- (xi) An Affidavit of Title in a form acceptable to Purchaser,
- (xii) A bill of sale (with general warranty of title) conveying to Purchaser any the personal property noted on Exhibit D,
- (xiii) Releases from the Department, IDES and Kane County, pursuant to Section 8, and
- (xiv) A release of liens from all real estate brokers, finders and salespersons with respect to this Agreement.

D. Purchaser's Closing Deliveries. At Closing, Purchaser shall deliver or cause to be delivered to Seller the following, in each case, fully executed (as applicable) and in form and substance reasonably satisfactory to Seller:

- (i) the Purchase Price, subject to the credits and other adjustments contemplated herein,
- (ii) a counterpart to the closing statement,
- (iii) to the extent required by the Title Company, a "gap" undertaking in customary form and substance for the "gap" period" through the applicable Closing Date or the date of recording, as the case may be,
- (iv) a current form of ALTA Statement in customary form and substance as required by the Title Company,
- (v) real estate transfer declarations or exemptions required by Applicable Laws,
- (vi) all other documents, certificates, forms and agreements required by this Agreement or Applicable Law or customarily required by the Title Company, in order to close the transaction, and
- (vii) Certified copies of the ordinances, and resolutions, associated with this Agreement, as required.

E. Closing Costs. At Closing, Seller shall pay (i) 50% of the Title Company's closing fees related to such Closing, (ii) Seller's attorneys' fees related to such Closing, (iii) the Remediation Credit, if any, applicable to Environmental Work completed prior to such Closing, (iv) the cost of the Survey. Purchaser shall pay (i) 50% of the Title Company's closing fees related to such Closing, (ii) 100% of the costs incurred in recording the Seller's Deed, and any other document required to be recorded by any entity providing funding to Purchaser, (iii) any costs incurred in connection with Purchaser's Due Diligence Activities related to the Due Diligence

Period, (iv) Purchaser's attorneys' fees related to such Closing, and (v) the cost of the Title Policy and endorsements to the Title Policy requested by Purchaser.

F. Prorations. All ad valorem, special tax roll, or other real estate taxes, charges, and assessments, including special assessments and special service area taxes, affecting the Property (collectively, "***Real Estate Taxes***") shall be prorated on an accrual basis and on a per diem basis to and including the Closing Date, disregarding any discount or penalty and on the basis of the fiscal year of the authority levying the same. If any Real Estate Taxes are assessed against the Property as of Closing Date, then Seller shall give to Purchaser a credit at the Closing based on 115% of the last tax bill and the Parties agree that when the actual Real Estate Tax bill is issued that they will re-prorate the amount due. The Parties agree to sign the Tax Reproportion Agreement attached as Exhibit C. All water, sewer, and other utility charges, if any, shall be prorated as of Closing.

Section 11. Casualty; Condemnation. Promptly upon learning thereof, Seller shall give Purchaser written notice of any condemnation, damage or destruction of the Property occurring prior to the Closing. If prior to the Closing all or a material portion of the Property is condemned, damaged or destroyed by an insured casualty, Purchaser shall have the option of either (i) applying the proceeds of any condemnation award or payment under any insurance policies (other than business interruption or rental loss insurance) toward the payment of the Purchase Price to the extent such condemnation awards or insurance payments have been received by Seller, receiving from Seller an amount equal to any applicable deductible under any such insurance policy and receiving an assignment from Seller of Seller's right, title and interest in any such awards or payments not theretofore received by Seller, or (ii) terminating this Agreement by delivering written notice of such termination to Seller and Escrowee within ten (10) business days after Purchaser has received written notice from Seller of such material condemnation, damage or destruction. If, prior to the Closing, a portion of the Property is condemned, damaged or destroyed and such portion is not a material portion of the Property, the proceeds of any condemnation award or payment and any applicable deductible under any insurance policies shall be applied toward the payment of the Purchase Price to the extent such condemnation awards or insurance payments have been received by Seller and Seller shall assign to Purchaser all of Seller's right, title and interest in any unpaid awards or payments. For purposes of this Section 11, the term "material portion" shall mean greater than ten percent (10%) of the value of the Property or an absence of reasonable access to the Property. If the damage or destruction arises out of an uninsured risk, Seller shall elect, by written notice within ten (10) days of the occurrence of such damage or destruction either to terminate this Agreement or to close the transaction contemplated hereby with a reduction of the Purchase Price equal to the costs of repairing the Property, as reasonably estimated by an engineer engaged by Seller and reasonably acceptable to Purchaser.

Section 12. Brokers. Seller and Purchaser each represents and warrants to the other that it knows of no broker or other person or entity who has been instrumental in submitting or showing the Property to Purchaser. If any broker or other person asserts a claim against Purchaser for a broker's commission, finder's fee, or similar payment in connection with the transactions contemplated in this Agreement, then Seller shall indemnify and hold harmless the Purchaser from and against any damage, liability or expense, including costs and reasonable attorneys' fees that Purchaser incurs because of such claim.

Section 13. Patriot Act.

A. **Definitions.** All capitalized words and phrases and all defined terms used in the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) ("***Patriot Act***") and in other statutes and all orders, rules and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including, but not limited to, Executive Order 13224 effective September 24, 2001, and the USA FREEDOM Act dated June 2, 2015 are collectively referred to as the "Patriot Rules" and are incorporated into this Section.

B. **Representations and Warranties.** Purchaser and Seller hereby represent and warrant, each to the other, that each and every "person" or "entity" affiliated with each respective party or that has an economic interest in each respective party or that has or will have an interest in the transaction contemplated by this Agreement or in any property that is the subject matter of this Agreement or will participate, in any manner whatsoever, in the purchase and sale of the Property is, to the best of Purchaser's or Seller's knowledge:

- (i) not a "blocked" person listed in the Annex to Executive Order Nos. 12947, 13099 and 13224,
- (ii) in full compliance with the requirements of the Patriot Rules and all other requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("***OFAC***"),
- (iii) operated under policies, procedures and practices, if any, that are in compliance with the Patriot Rules and available to each other for review and inspection during normal business hours and upon reasonable prior notice,
- (iv) not in receipt of any notice from the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or possible violation of the Patriot Rules,
- (v) not listed as a Specially Designated Terrorist or as a blocked person on any lists maintained by the OFAC pursuant to the Patriot Rules or any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of the OFAC issued pursuant to the Patriot Rules or on any other list of terrorists or terrorist organizations maintained pursuant to the Patriot Rules,
- (vi) not a person who has been determined by competent authority to be subject to any of the prohibitions contained in the Patriot Rules, and

- (vii) not owned or controlled by or now acting and or will in the future act for or on behalf of any person or entity named in the Annex or any other list promulgated under the Patriot Rules or any other person who has been determined to be subject to the prohibitions contained in the Patriot Rules.

C. **Mutual Notice; Termination.** Each party covenants and agrees that in the event it receives any notice that it or any of its beneficial owners or affiliates or participants become listed on the Annex or any other list promulgated under the Patriot Rules or indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, the party that receives such notice shall immediately notify the other (the “**Non-Blocked Party**”) and the effect of the issuance of a notice pursuant to the Patriot Rules is that the Non-Blocked Party may elect to either: (i) obtain permission from OFAC to proceed with the Closing, in which case, the Closing Date shall be delayed until such permission is obtained, or (ii) send written notice to the other party terminating this Agreement, in which event the Parties shall have no further rights or obligations under this Agreement, except for those rights, liabilities or obligations that survive a termination of this Agreement.

Section 14. General Provisions.

A. **Integration; Modification.** This Agreement constitutes the entire agreement between the Parties pertaining to the Property and supersedes all prior agreements, understandings, and negotiations pertaining thereto. This Agreement may be modified only by a written amendment or other agreement that is lawfully approved and executed by the Parties.

B. **Further Actions.** The Parties shall execute all documents and take all other actions consistent with this Agreement that are reasonably necessary to consummate the transactions contemplated in this Agreement.

C. **Confidentiality.** Parties shall keep all negotiations, information, and documents related to this Agreement (including without limitation any appraisals or financial information) (collectively, “**Negotiation Information**”), strictly confidential and shall not disclose (and shall cause its attorneys consultants, and agents not to disclose) Negotiation Information to any third party, without the other party’s prior written consent, which consent may be granted or withheld. The obligations of this Section will survive Closing or the termination of this Agreement. Nothing in this Section will be deemed to prohibit disclosure of any information that is generally available to the public or is required to be disclosed pursuant to the Illinois Freedom of Information Act (140 ILCS 5/1 *et seq.*).

D. **Interpretation.**

- (i) Presumption. There is no presumption that this Agreement is to be construed for or against Seller or Purchaser, or either party as the principal author of the Agreement. Instead, this Agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.
- (ii) Compliance with Applicable Laws; Governing Law. In performing their obligations under this Agreement, the Parties shall comply with all applicable federal, state, and local statutes, regulations, requirements,

ordinances, and other laws (“***Applicable Laws***”). The internal laws of the State of Illinois, without regard to its conflict of laws rules, shall govern the interpretation of this Agreement.

- (iii) **Headings and Exhibits.** The Section headings in this Agreement are used as a matter of convenience and do not define, limit, construe or describe the scope or intent of the text within such headings. The following Exhibits attached hereto are incorporated herein as an integral part of this Agreement:

Exhibit A: Legal Description of Property
Exhibit B: Title Commitment
Exhibit C: Tax Reproration Agreement
Exhibit D: List of Personal Property

- (iv) **Non-Waiver.** Except as expressly provided in this Agreement, the mere failure by a party to insist upon the strict performance of any obligation of this Agreement or to exercise any right or remedy related to a default thereof shall not constitute a waiver of its rights. If a party waives a right under this Agreement, that waiver shall not be deemed a waiver of any other right.
- (v) **Severability.** If any provision of this Agreement is invalid or unenforceable against any party under certain circumstances, then this Agreement will be deemed to be amended by deleting such provision. This Agreement will be enforceable, as amended, to the fullest extent allowed by Applicable Laws and so long as the amendment does not result in a failure of consideration.
- (vi) **Time.** Time is of the essence in the performance of this Agreement. If any date upon which action is required under this Agreement is a Saturday, Sunday, or legal holiday, the date will be extended to the first business day after such date that is not a Saturday, Sunday or legal holiday.

E. Enforcement.

1. Default.

a. Purchaser Default. If Purchaser fails to perform an obligation under this Agreement, and does not, within 5 days after receiving written notice from Seller of such failure, either (i) cure such failure or (i) if such failure cannot reasonably be cured within 5 days, commence and diligently pursue a cure for such failure, then Purchaser will be in default of this Agreement and Seller may terminate this Agreement as its sole and exclusive remedy.

b. Seller Default. If (i) Seller fails to perform an obligation under this agreement or (ii) any representation or warranty made by Seller hereunder is untrue when made or becomes materially untrue as the result of an act or omission of Seller, and Seller does not, within 5 days after receiving written notice from Purchaser of such failure, either (i) cure such failure or take action to cause such representation or warranty to become materially true or (ii) if such failure cannot reasonably be cured within 5 days or if such action cannot reasonably be completed within 5 days,

commence and diligently pursue a cure for such failure or such action, then Seller will be in default of this Agreement and Purchaser may (i) terminate this Agreement or (ii) pursue any other remedy available at law or equity, including without limitation an action for specific performance. Without limiting Purchaser's rights under the preceding sentence, if (i) a representation or warranty made by Seller becomes materially untrue, but not as the result of an act or omission of Seller, or (ii) a Closing Contingency is not satisfied, then Purchaser may terminate this Agreement.

2. Successors and Assigns. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns.

3. Prevailing Party Attorney Fees. In any litigation filed to enforce this Agreement, the prevailing Party will be entitled to recover from the other Party its reasonable attorney's fees, litigation expenses, and court costs at trial and on appeal that are incurred in such litigation.

4. Venue. Venue for any litigation concerning the enforcement of this Agreement will be in the Circuit Court of Kane County, Illinois, or the Federal District Court for the Northern District of Illinois, Eastern Division.

F. Execution of Agreement.

1. Board Approval Required.

- (a) Effectiveness; Irrevocable Offer. Purchaser acknowledges that (1) this Agreement is not effective until it is approved by Purchaser's Village Board in accordance with Applicable Laws and executed by the Purchaser's Village President, (2) by executing this Agreement and delivering it to Purchaser, Seller has made an offer to Purchaser to enter into this Agreement, (3) such offer may be accepted by the lawful approval of the Agreement by Purchaser's Village Board, and (4) that such offer is irrevocable until May 31, 2023.
- (b) Consideration. Seller acknowledges that Purchaser's good faith consideration of this Agreement and Seller's irrevocable offer, is adequate consideration for Seller's agreements in this Section.

2. Counterparts and Effectiveness. The Parties may execute this Agreement in multiple counterparts, all of which taken together will constitute a single Agreement binding on the Parties, notwithstanding that the Parties are not signatories to the same counterpart. This Agreement will be deemed fully executed, and effective as of the Effective Date, when each party has executed at least one counterpart. Any signature of a party to this Agreement that is sent by that party to the other party via a telefax transmission or via an email transmission in a PDF format shall be deemed a binding signature hereto. Each party shall deliver an original signature to the other party upon the other party's request.

3. Representations and Warranties. Purchaser and Seller its successors and assigns represents and warrants to each other that (i) or it has the requisite

power and authority to enter into and perform the terms of this Agreement, (ii) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (a) have been duly authorized by all necessary action and authority and (b) do not violate any agreement to which it is a party, and (iii) no other proceedings on its part are necessary in order to permit him, her, or it to consummate the transactions contemplated hereby, and (iv) the person executing this Agreement on its behalf, is fully authorized to execute this Agreement, and, by doing so, to bind or it to the obligations under this Agreement.

G. Notices. Notices under this Agreement must be delivered (i) personally, (ii) by overnight delivery by a nationally recognized courier service, or (iii) by email, with the notice also being sent personally, by overnight delivery as set forth above, or by regular U.S. mail. Notices under this agreement must be sent to the following addresses or to such other or further addresses as a party may hereafter designate by notice:

To Seller: The Haeger Industries, Inc.
 c/o Alexandra H. Estes, Reg'd Agent
 510 Market Loop #104
 W. Dundee, IL 60118

With a copy to: Rachel K. Robert
 Day & Robert, PC
 300 E. Fifth Ave., Suite 365
 Naperville, IL 60563
 rkr@drm.law

To Buyer: Village of East Dundee
 120 Barrington Avenue
 East Dundee, Illinois 60118
 Attn: Erika Storlie, Village Administrator
 Email: estorlie@eastdundee.net

With a copy to: Elrod Friedman LLP
 325 N. LaSalle St. Suite 450
 Chicago, Illinois 60654
 Attn: Kelley A. Gandurski / Megan R. Cawley
 Email: Kelley.Gandurski@ElrodFriedman.com /
 megan.cawley@ElrodFriedman.com

Any notice shall be deemed given upon actual receipt. Nothing in this Section will be deemed to invalidate a notice that is actually received, even if it is not given in strict accordance with this Section.

H. Time of Essence. Time is of the essence to this Agreement and to all dates and time periods set forth herein.

[SIGNATURE PAGE FOLLOWS]

The undersigned execute this Agreement on the dates next to their signatures and acknowledge that this Agreement will become effective as of the Effective Date.

SELLER:

HAEGER INDUSTRIES, INC.

By: _____

Name: _____

PURCHASER:

VILLAGE OF EAST DUNDEE,
an Illinois municipal corporation

By: _____

Name: Jeffrey Lyman

Title: Village President

ATTEST:

Date Seller executed: _____, 2023

By: _____

Name: Katherine Diehl

Title: Village Clerk

Date Purchaser executed: _____, 2023

EXHIBIT A

LEGAL DESCRIPTION OF PARCEL

(To be confirmed with the Title Company and Surveyor)

LOTS 9 AND 10 IN BLOCK 11 IN EAST DUNDEE ORIGINAL TOWN, IN SECTION 26,
TOWNSHIP 42 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN IN
KANE COUNTY, ILLINOIS

PIN 03-23-360-009-0000.

PIN: 03-23-360-010-0000.

EXHIBIT B
TITLE COMMITMENT

ALTA COMMITMENT FOR TITLE INSURANCE

Issued By:



CHICAGO TITLE
INSURANCE COMPANY

Commitment Number:

CCHI2301435LD

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, Chicago Title Insurance Company, a Florida corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within one hundred eighty (180) days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

Chicago Title Insurance Company

By:

Michael J. Nolan, President

Countersigned By:

Michael J. Nolan
Authorized Officer or Agent

Attest:

Marjorie Nemzura, Secretary

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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ALTA Commitment for Title Insurance (08/01/2016)

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IL-CT-FA83-02100.231406-SPS-1-23-CCHI2301435LD



{00131336.3}

CHICAGO TITLE INSURANCE COMPANY**COMMITMENT NO. CCHI2301435LD****Transaction Identification Data for reference only:**

ORIGINATING OFFICE:	FOR SETTLEMENT INQUIRIES, CONTACT:
Chicago Title Insurance Company 10 South LaSalle Street, Suite 3100 Chicago, IL 60603 Main Phone: (312)223-4627 Email: chicagocommercial@ctt.com	Chicago Title and Trust Company 10 South LaSalle Street, Suite 3100 Chicago, IL 60603 Main Phone: (312)223-4627 Main Fax: (312)223-3018

Order Number: CCHI2301435LD**Property Ref.: Elrod Friedman - East Dundee, IL****SCHEDULE A**

1. Commitment Date: March 3, 2023
2. Policy to be issued:
 - (a) ALTA Owner's Policy 2006
Proposed Insured: Purchaser with contractual rights under a purchase agreement with the vested owner identified at Item 4 below
Proposed Policy Amount: \$10,000.00
 - (b) ALTA Loan Policy 2006
Proposed Insured: Lender with a contractual obligation under a loan agreement with the Proposed Insured for an Owner's Policy
Proposed Policy Amount: \$0.00
3. The estate or interest in the Land described or referred to in this Commitment is:
Fee Simple
4. The Title is, at the Commitment Date, vested in:
Haeger Industries Inc., a Corporation of Illinois
5. The Land is described as follows:
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

END OF SCHEDULE A

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ALTA Commitment for Title Insurance (08/01/2016)



EXHIBIT "A"
Legal Description

Lots 9 and 10 in block 11 in East Dundee Original Town, in section 26, township 42 North , range 8, East of the Third Principal Meridian in Kane County , Illinois

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Name and Address of Title Insurance Company: Chicago Title Insurance Company
10 South LaSalle Street, Suite 3100
Chicago, IL 60603

**SCHEDULE B, PART I
REQUIREMENTS**

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
6. Be advised that the "good funds" of the title insurance act (215 ILCS 155/26) became effective 1-1-2010. This act places limitations upon the settlement agent's ability to accept certain types of deposits into escrow. Please contact your local Chicago Title office regarding the application of this new law to your transaction.
7. Effective June 1, 2009, pursuant to Public Act 95-988, satisfactory evidence of identification must be presented for the notarization of any and all documents notarized by an Illinois notary public. Satisfactory identification documents are documents that are valid at the time of the notarial act; are issued by a state or federal government agency; bear the photographic image of the individual's face; and bear the individual's signature.
8. **The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premium must be paid at that time. An Owner's Policy should reflect the purchase price or full value of the Land. A Loan Policy should reflect the loan amount or value of the property as collateral. Proposed Policy Amount(s) will be revised and premiums charged consistent therewith when the final amounts are approved.**

END OF SCHEDULE B, PART I

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Name and Address of Title Insurance Company: Chicago Title Insurance Company
10 South LaSalle Street, Suite 3100
Chicago, IL 60603

**SCHEDULE B, PART II
EXCEPTIONS**

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

General Exceptions

1. **Rights or claims of parties in possession not shown by Public Records.**
2. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land.**
3. **Easements, or claims of easements, not shown by the Public Records.**
4. **Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.**
5. **Taxes or special assessments which are not shown as existing liens by the Public Records.**
6. **We should be furnished a properly executed ALTA statement and, unless the land insured is a condominium unit, a survey if available. Matters disclosed by the above documentation will be shown specifically**
7. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.
8. Note: The land lies within a county which is subject to the Predatory Lending Database Act (765 ILCS 77/70 et seq. as amended). A Certificate of Compliance with the act or a Certificate of Exemption therefrom must be obtained at time of closing in order for the Company to record any insured mortgage. If the closing is not conducted by the company, a certificate of compliance or a certificate of exemption must be attached to any mortgage to be recorded.

Note: for Cook, Kane, Will and Peoria counties, the act applies to mortgages recorded on or after July 1, 2010.

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**SCHEDULE B, PART II
EXCEPTIONS**

(continued)

9. Note for additional information: the County Recorder requires that any documents presented for recording contain the following information:
- A. The name and address of the party who prepared the document;
 - B. The name and address of the party to whom the document should be mailed after recording;
 - C. All permanent real estate tax index numbers of any property legally described in the document;
 - D. The address of any property legally described in the document;
 - E. All deeds should contain the address of the grantee and should also note the name and address of the party to whom the tax bills should be sent.
 - F. Any deeds conveying unsubdivided land, or, portions of subdivided and, may need to be accompanied by a properly executed "plat act affidavit."

In addition, please note that the certain municipalities located in the County have enacted transfer tax ordinances. To record a conveyance of land located in these municipalities, the requirements of the transfer tax ordinances must be met. A conveyance of property in these cities may need to have the appropriate transfer tax stamps affixed before it can be recorded.

This exception will not appear on the policy when issued.

- A 10. Taxes for the years 2022 and 2023.

Taxes for the year 2022 are payable in two installments.

Taxes for the year 2023 are not yet due and payable.

Permanent Tax No.: 03-23-360-009 1 of 2

The first installment amounting to \$429.36 is not delinquent before .

Affects the North half of lots 9 and 10

Permanent Tax No.: 03-23-360-010 2 of 2

The first installment amounting to \$429.36 is not delinquent before .

Affects the South half of lots 9 and 10

- K 11. Note: Our searches appear to indicate that the subject land is not presently encumbered by a recorded Mortgage. This must be substantiated by a sworn statement from the party in title, and this commitment is

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ALTA Commitment for Title Insurance (08/01/2016)



**SCHEDULE B, PART II
EXCEPTIONS**

(continued)

subject to such further exceptions, if any, as may be deemed necessary

- C 12. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below:
- Name of Corporation: Haeger Industries Inc.,
- (a) A Copy of the corporation By-laws and Articles of Incorporation
- (b) An original or certified copy of a resolution authorizing the transaction contemplated herein
- (c) If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws of the parent
- (d) A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created
- The Company reserves the right to add additional items or make further requirements after review of the requested documentation.
- D 13. For each policy to be issued as identified in Schedule A, Item 2; the Company shall not be liable under this commitment until it receives a designation for a Proposed Insured, acceptable to the Company. As provided in Commitment Condition 4, the Company may amend this commitment to add, among other things, additional exceptions or requirements after the designation of the Proposed Insured.
- E 14. Rights of the public, the State of Illinois and the municipality in and to that part of the Land, if any, taken or used for road purposes.
- G 15. The Company should be furnished a statement that there is no property manager employed to manage the Land, or, in the alternative, a final lien waiver from any such property manager.
- H 16. Existing unrecorded leases and all rights thereunder of the lessees and of any person or party claiming by, through or under the lessees.
- I 17. All endorsement requests should be made prior to closing to allow ample time for the company to examine required documentation.
(This note will be waived for policy).

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**SCHEDULE B, PART II
EXCEPTIONS**
(continued)

END OF SCHEDULE B, PART II

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COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

- 2. If all of the Schedule B, Part I-Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

- 3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I-Requirements;
- (f) Schedule B, Part II-Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I-Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II-Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I-Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.

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(continued)

- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
 - (d) The deletion or modification of any Schedule B, Part II-Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
 - (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
 - (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.
- 7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**
The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.
- 8. PRO-FORMA POLICY**
The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.
- 9. ARBITRATION**
The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is Two Million And No/100 Dollars (\$2,000,000.00) or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

END OF CONDITIONS**1031 EXCHANGE SERVICES**

If your transaction involves a tax deferred exchange, we offer this service through our 1031 division, IPX1031. As the nation's largest 1031 company, IPX1031 offers guidance and expertise. Security for Exchange funds includes segregated bank accounts and a 100 million dollar Fidelity Bond. Fidelity National Title Group also provides a 50 million dollar Performance Guaranty for each Exchange. For additional information, or to set-up an Exchange, please call Scott Nathanson at (312)223-2178 or Anna Barsky at (312)223-2169.

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EXHIBIT C

TAX REPRORATION AGREEMENT

The undersigned, **Haeger Industries, Inc, an Illinois corporation** (jointly "Seller"), and the **Village of East Dundee, an Illinois home-rule municipal corporation**, (the "Village"), under a certain real estate sale contract dated _____, 2023 for the purchase and sale of property commonly known as the Northwest Corner of South Van Buren Street and Maiden Lane, East Dundee, Illinois (the "Property"), hereby agree the parties will reproporate the 2022 and 2023 real estate taxes assessed or imposed upon the Property on the basis of the actual 2022 and 2023 year tax bill. Seller agrees to remain in good standing with the State of Illinois and to have adequate funds on hand to comply with this agreement.

Seller agrees that Seller will promptly pay to Purchaser within thirty (30) days after receipt of a copy of the actual second installment real estate tax bill any increase, if any, between the actual tax bill and the amount credited to Purchaser at Closing. Purchaser agrees that Purchaser will promptly pay to Seller within thirty (30) days after receipt of a copy of the actual real estate tax bill any decrease, if any, between the actual tax bill and the amount credited to Purchaser at the Closing. Note that the 2023 real estate taxes will be prorated to the date of Closing. Any collection expenses, including court costs and reasonable attorney's fees, shall be paid by the party owing the money after the foregoing 30-day time period has elapsed.

Dated this ____ day of _____, 20__.

SELLER:

Haeger Industries, Inc., an Illinois corporation

PURCHASER:

**Village of East Dundee,
An Illinois municipal corporation**

BY:

ITS:


VILLAGE PRESIDENT

EXHIBIT D

PERSONAL PROPERTY

Any lighting systems located on the Parcel.

Borrower	N/A				File No.	PRV22-76	
Property Address	NW Corner of Van Buren St. and Maiden Lane						
City	East Dundee	County	Kane	State	IL	Zip Code	60118
Lender/Client	Mr. Craig Zachrich						

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APPRAISAL OF REAL PROPERTY

LOCATED AT:

NW Corner of Van Buren St. and Maiden Lane
Lots 9 and 10 in Block 11, Range Code: , W 1/2, SW 1/4, Sec. 23, Twnshp 42N, Range 8 E. c
East Dundee, IL 60118

FOR:

Mr. Craig Zachrich
HLC Partners

AS OF:

December 30, 2022

BY:

William A. Falkanger ASA, IFAS

LAND APPRAISAL REPORT

File No.: PRV22-76

SUBJECT	Property Address: NW Corner of Van Buren St. and Maiden Lane City: East Dundee State: IL Zip Code: 60118																																																																																																								
	County: Kane Legal Description: Lots 9 and 10 in Block 11, Range Code: , W 1/2, SW 1/4, Sec. 23, Twnshp 42N, Range 8 E. of the 3rd PM.																																																																																																								
	Assessor's Parcel #: 03-23-360-009 and -010 Tax Year: 2021 R.E. Taxes: \$ 858.72 Special Assessments: \$ 0.00																																																																																																								
	Market Area Name: East Dundee Map Reference: 20994 Census Tract: 8504.00																																																																																																								
ASSIGNMENT	Current Owner of Record: Haeger Industries Borrower (if applicable): N/A																																																																																																								
	Project Type (if applicable): <input type="checkbox"/> PUD <input type="checkbox"/> De Minimis PUD <input type="checkbox"/> Other (describe) HOA: \$ 0 <input type="checkbox"/> per year <input type="checkbox"/> per month																																																																																																								
	Are there any existing improvements to the property? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If Yes, indicate current occupancy: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Not habitable																																																																																																								
	If Yes, give a brief description: There is an older asphalt parking lot with concrete tire stops only.																																																																																																								
MARKET AREA DESCRIPTION	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)																																																																																																								
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective																																																																																																								
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)																																																																																																								
	Intended Use: Estimate market value for making internal business decisions.																																																																																																								
MARKET AREA DESCRIPTION	Intended User(s) (by name or type): Craig Zachrich (HLC Partners)																																																																																																								
	Client: Mr. Craig Zachrich Address: 510 Market Loop, #104, West Dundee, IL 60118																																																																																																								
	Appraiser: William A. Falkanger ASA, IFAS Address: 444 W. Northwest Highway, Barrington, IL 60010																																																																																																								
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Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																														
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																														
MARKET AREA DESCRIPTION	Market Area Comments: The subject is located south of Main Street (Rte. 72 and 1.5 blocks east of the Fox River in a neighborhood which consists of a mix of residential and older light industrial uses. The site sets directly to the north of the vacated Haegers Pottery facility which operated in this location since 1852. It is reported that the Village of East Dundee has acquired this property and has plans for this area. The subject site appears to have been used for parking for this facility. The neighborhood consists of older single family homes in an established setting. This location is served by the District 300 school system. This location is within walking distance of shops and eateries. The subject lots lie in the Downtown and Dundee Crossing Business development District. This location is also within the Downtown TIF District #3. The location of the subject consists of the old Haegers Pottery facility which is vacated and a mix of residential. This is an area of future development which has not yet begun.																																																																																																								
SITE DESCRIPTION	Dimensions: 120.8 (Van Buren St) x 134.6 (Maiden Lane x 120.6 (West) x 133.3 (North) Site Area: 16,262 sq. ft.																																																																																																								
	Zoning Classification: B-1 Description: Downtown Business District																																																																																																								
	Do present improvements comply with existing zoning requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No Improvements																																																																																																								
	Uses allowed under current zoning: See attached addenda.																																																																																																								
SITE DESCRIPTION	Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown Have the documents been reviewed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Ground Rent (if applicable) \$ _____ / _____																																																																																																								
	Comments:																																																																																																								
	Highest & Best Use as improved: <input type="checkbox"/> Present use, or <input checked="" type="checkbox"/> Other use (explain) Developed within the B-1 zoning ordinance. The site appears best developed although, parking lot is allows as a special use under existing the zoning.																																																																																																								
	Actual Use as of Effective Date: Former parking lot Use as appraised in this report: Available for development.																																																																																																								
SITE DESCRIPTION	Summary of Highest & Best Use: The subject lies within the TIF district which indicates an interest for larger development of this area. Depending on the plan, there are multiple commercial and mixed use development possibilities for the two sites.																																																																																																								
SITE DESCRIPTION	<table><tr><th>Utilities</th><th>Public</th><th>Other</th><th>Provider/Description</th><th>Off-site Improvements</th><th>Type</th><th>Public</th><th>Private</th><th>Frontage</th><th>120.8'</th></tr><tr><td>Electricity</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Street</td><td>Asphalt - 2 lane</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>Topography</td><td>Slopes down to the west</td></tr><tr><td>Gas</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Width</td><td>Est. 50'</td><td></td><td></td><td>Size</td><td>Typical for area</td></tr><tr><td>Water</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Surface</td><td>Asphalt</td><td></td><td></td><td>Shape</td><td>Basically rectangular</td></tr><tr><td>Sanitary Sewer</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Curb/Gutter</td><td>Concrete</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>Drainage</td><td>Appears adequate</td></tr><tr><td>Storm Sewer</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Sidewalk</td><td>Concrete</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>View</td><td>Residential</td></tr><tr><td>Telephone</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Street Lights</td><td>Electric</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td></td></tr><tr><td>Multimedia</td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td>Alley</td><td>None</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td></td><td></td></tr></table>										Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Frontage	120.8'	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	Asphalt - 2 lane	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Topography	Slopes down to the west	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Width	Est. 50'			Size	Typical for area	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Surface	Asphalt			Shape	Basically rectangular	Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Curb/Gutter	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears adequate	Storm Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Sidewalk	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	View	Residential	Telephone	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street Lights	Electric	<input checked="" type="checkbox"/>	<input type="checkbox"/>			Multimedia	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Alley	None	<input type="checkbox"/>	<input type="checkbox"/>																	
	Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Frontage	120.8'																																																																																															
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SITE DESCRIPTION	Other site elements: <input type="checkbox"/> Inside Lot <input checked="" type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)																																																																																																								
	FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 17089C0157H FEMA Map Date 8/3/2009																																																																																																								
	Site Comments: The site sets on the NW corner of Van Buren Street and Maiden Lane and has curb cuts from each street for access. The curb cuts which are in place are considered an asset for the site. The site appears best suited for assemblage of the two as it allows for more development potential and the corner feature. The sites lie within the East Dundee Tax Increment Financing District and the Business Development District Map which indicated municipal support for development.																																																																																																								

LAND APPRAISAL REPORT

File No.: PRV22-76

TRANSFER HISTORY

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): MRED, Assessor Records

1st Prior Subject Sale/Transfer

Analysis of sale/transfer history and/or any current agreement of sale/listing: No sales or listings of the subject parcel for the past 3 year period.

Date:

Price:

Source(s):

2nd Prior Subject Sale/Transfer

Date:

Price:

Source(s):

SALES COMPARISON APPROACH

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	NW Corner of Van Buren St. and East Dundee, IL 60118	216 Prairie St Elgin, IL 60120		Alft Ln West Of Randall Rd Elgin, IL 60123		W Bartlett Rd@southwind Blvd South Elgin, IL 60177	
Proximity to Subject		4.46 miles S		3.67 miles SW		7.30 miles S	
Sale Price	\$		\$ 70,000		\$ 1,025,000		\$ 1,077,000
Price/	\$	10.20		6.50		8.53	
Data Source(s)	Inspection	MRED#11181916		MRED#10075798		Costar#6187383	
Verification Source(s)	Tax Records	Tax Records		Tax Records		Tax Records	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Sales or Financing Concessions		Cash 0		Cash 0		None reported	
Date of Sale/Time		10/12/2022		8/27/2021		8/5/2022	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Average	Average/Gd	-4	Average+	-2	Average+	-4
Site Area	16,262.	6,865		157,687	+2	126,324	+2
PIN#	Above	06-13-309-008		03-31-277-062		06-36-426-002	
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-27,460	<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-252,648
Net Adjustment (Total, in \$ /)		Net 39.2 %	(\$ -4 /)	Net %		Net 23.5 %	(\$ -2 /)
Adjusted Sale Price (in \$ /)		Gross 39.2 %	\$ 6.2	Gross 61.5 %	\$ 6.5	Gross 70.4 %	\$ 6.53

Summary of Sales Comparison Approach Vacant commercial site sales were reviewed in Kane County. Minimum recent sales date of vacant sites is available in East Dundee.

Comparable 1 sets east of the Fox River in an older downtown business district location in Elgin. The site lies within a TIF District. This site was made vacant by removing an existing building. CC1 (Center City) zoning in Elgin.

Comparable 2 is a large lot which sets on the north side of Alft Ln. west of Randall Road. This is a larger site which lies in the Sherman Hospital area. The listing broker reported all connection fees were paid for. Original list price was \$1,769,100 which was reduced to \$1,200,000 prior to the sale.

Comp. 3 is a larger lot located south of the subject which sets in a higher density developed commercial area. This site is larger than the subject.

PUD

PROJECT INFORMATION FOR PUDs (if applicable) ☐ The Subject is part of a Planned Unit Development.

Legal Name of Project:

Describe common elements and recreational facilities:

RECONCILIATION

Indicated Value by: Sales Comparison Approach \$ 98,000

Final Reconciliation The comparables appear to best bracket a value which falls in the \$5.75 to \$6.25 psf range. \$6.00 psf is applied to the subject. Therefore, \$6.00 psf x 16,262 sq. ft. = \$97,572 rounded to \$98,000.

This appraisal is made ☒ "as is", or ☐ subject to the following conditions: The Sales Comparison Approach has been relied on for the final value estimate. Sales were broken down on a price per sq. ft. basis. Larger lots were adjusted up to the subject due to the economies of scale.

☐ This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based upon an inspection of the subject property, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 98,000 , as of: December 30, 2022 , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

ATTACH.

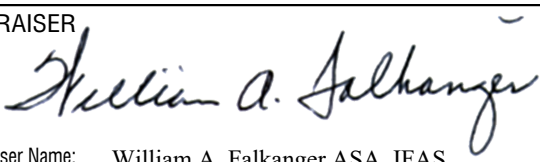
A true and complete copy of this report contains 23 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report, which contains the following attached exhibits: ☐ Scope of Work ☒ Limiting cond./Certifications ☐ Narrative Addendum ☒ Location Map(s) ☐ Flood Addendum ☒ Additional Sales ☒ Photo Addenda ☒ Parcel Map ☐ Hypothetical Conditions ☐ Extraordinary Assumptions ☐ Hypothetical Conditions

SIGNATURES

Client Contact: Client Name: Mr. Craig Zachrich

E-Mail: Address: 510 Market Loop, #104, West Dundee, IL 60118

APPRaiser



Appraiser Name: William A. Falkanger ASA, IFAS

Company: A-Appraisals

Phone: (847) 550-1700 Fax:

E-Mail: info@a-appraisals.net

Date of Report (Signature): 01/05/2023

License or Certification #: 553.000285 State: IL

Designation: ASA, IFAS

Expiration Date of License or Certification: 09/30/2023

Inspection of Subject: ☒ Did Inspect ☐ Did Not Inspect (Desktop)

Date of Inspection: December 30, 2022

SUPERVISORY APPRAISER (if required) or CO-APPRaiser (if applicable)

Supervisory or Co-Appraiser Name:

Company:

Phone: Fax:

E-Mail:

Date of Report (Signature):

License or Certification #: State:

Designation:

Expiration Date of License or Certification:

Inspection of Subject: ☐ Did Inspect ☐ Did Not Inspect

Date of Inspection:

GP LAND

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3/2007

Photograph Addendum					
Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
City	East Dundee	County	Kane	State	IL Zip Code 60118
Lender/Client	Mr. Craig Zachrich				



Sites as Viewed From Van Buren St.



Sites as Viewed From Corner



North on Van Buren St. (2 curb cuts)



Site as Viewed From West to East showing curb cut on Maiden Lane



Maiden Lane to East



Maiden Lane to West - subject at right of photo

Photograph Addendum

Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
City	East Dundee	County	Kane	State	IL Zip Code 60118
Lender/Client	Mr. Craig Zachrich				



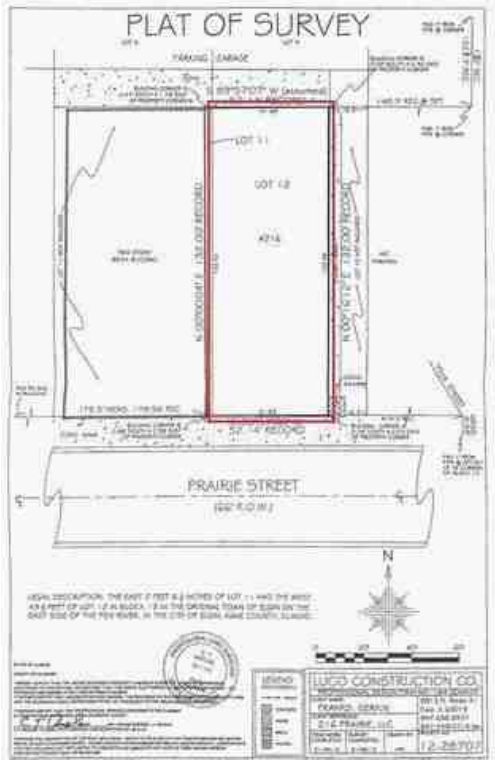
Van Buren St. to South
Subject at right of photo



Subject Sites to West

Comparable Photo Page

Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
City	East Dundee	County	Kane	State	IL Zip Code 60118
Lender/Client	Mr. Craig Zachrich				



Comparable 1

216 Prairie St	
Proximity	4.46 miles S
Sale Price	70,000
GLA	
Total Rooms	
Total Bedrms	
Total Bathrms	
Location	Average/Gd
View	
Site	6,865
Quality	
Age	



Comparable 2

Alft Ln West Of Randall Rd	
Proximity	3.67 miles SW
Sale Price	1,025,000
GLA	
Total Rooms	
Total Bedrms	
Total Bathrms	
Location	Average+
View	
Site	157,687
Quality	
Age	



Comparable 3

W Bartlett Rd@southwind Blvd	
Proximity	7.30 miles S
Sale Price	1,077,000
GLA	
Total Rooms	
Total Bedrms	
Total Bathrms	
Location	Average+
View	
Site	126,324
Quality	
Age	

Comparable Photo Page

Borrower	N/A						
Property Address	NW Corner of Van Buren St. and Maiden Lane						
City	East Dundee	County	Kane	State	IL	Zip Code	60118
Lender/Client	Mr. Craig Zachrich						



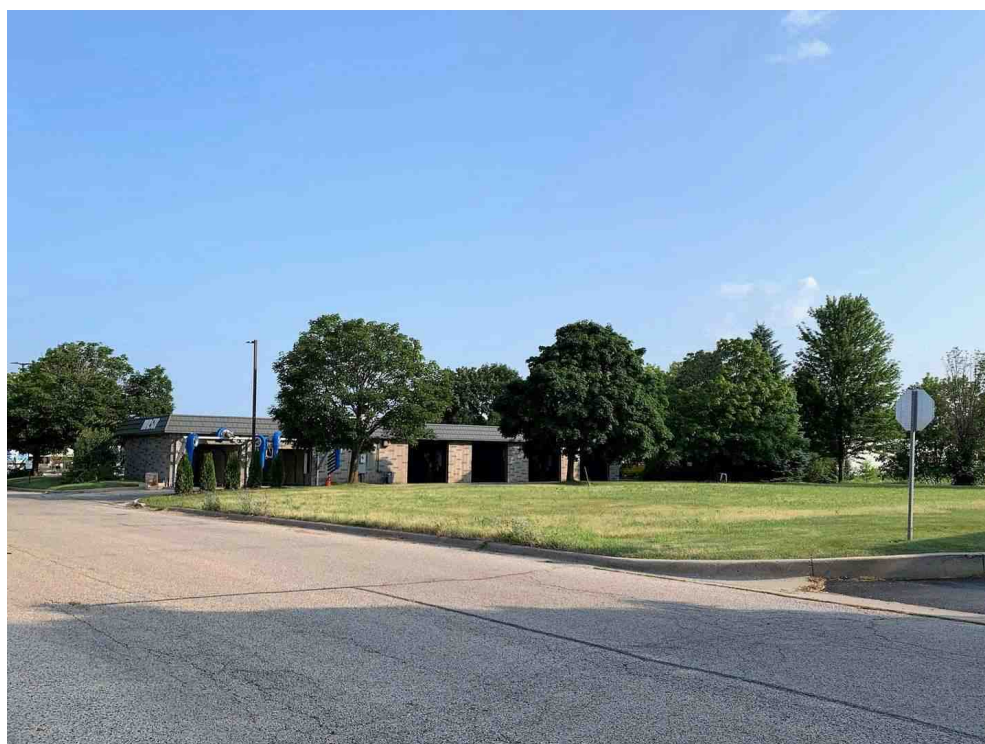
Comparable 4

901 Raymond St	
Prox. to Subj.	5.63 miles S
Sales Price	540,000
G.L.A.	
Tot. Rooms	
Tot. Bedrms.	
Tot. Bathrms.	
Location	Average
View	
Site	107,495
Quality	
Age	



Comparable 5

W Side Of Sherman Rd	
Prox. to Subj.	5.67 miles NW
Sales Price	730,000
G.L.A.	
Tot. Rooms	
Tot. Bedrms.	
Tot. Bathrms.	
Location	Average
View	
Site	199,940
Quality	
Age	



Comparable 6

Lot 4B Ryan Parkway	
Prox. to Subj.	4 miles north
Sales Price	125,000
G.L.A.	
Tot. Rooms	
Tot. Bedrms.	
Tot. Bathrms.	
Location	Average
View	
Site	15,244
Quality	
Age	

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER’S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

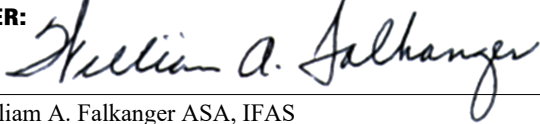
1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER’S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.
10. No business services including appraisals have been completed by the signing appraiser on the subject property for the three year period which preceded the date of the appraisal request.

SUPERVISORY APPRAISER’S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser’s certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: NW Corner of Van Buren St. and Maiden Lane, East Dundee, IL 60118

APPRAISER:
Signature: 
Name: William A. Falkanger ASA, IFAS
Date Signed: 01/05/2023
State Certification #: 553.000285
or State License #:
State: IL
Expiration Date of Certification or License: 09/30/2023

SUPERVISORY APPRAISER (only if required):
Signature: _____
Name: _____
Date Signed: _____
State Certification #: _____
or State License #: _____
State: _____
Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Supplemental Addendum

File No. PRV22-76

Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
City	East Dundee	County	Kane	State	IL Zip Code 60118
Lender/Client	Mr. Craig Zachrich				

A-APPRAISALS
444 West Northwest Highway, Barrington, IL 60010
(847) 550-1700
E-mail: info@a-appraisals.net

QUALIFICATIONS FOR APPRAISER WILLIAM A. FALKANGER

APPRAISAL EDUCATION

Society of Real Estate Appraisers (now the Appraisal Institute)

Course 101 – Introduction to Real Estate Appraising – 1978
Course 201 – Principles of Income Property Appraising – 1980
R2 (Cse 102) – Seminar and Exam, Narrative Report Writing – 1979
Course 202 – Applied Income Property Valuation – 1983
Ethics and Professional Practice SREA – 1989

National Association of Independent Fee Appraisers
Marshall and Swift Cost Seminar – 1980
Introduction to Income Property – 1991
Uniform Standards of Professional Practice – 1991

ERC – Relocation Appraisal Training Program – 12/2010
USPAP – Uniform Standards of Professional Appraisal Practice – 05/2022
United States Department of Housing and Urban Development Federal Housing Administration.
Examination passed 1/4/2000. (FHA Approved)
Supervisor/Trainee Seminar 12/2014
VA Approved Appraiser

MEMBERSHIPS AND DESIGNATIONS

2006 through 2018 Board of Directors Chicago Chapter – NAIFA
2019 through 2022 Board of Directors ASA Real Property Chicago
1993-94, 1994-95 NAIFA President – DuPage Chapter

I.F.A.S. # 14423 Senior Designation – National Association of Independent Fee Appraisers

ASA Accredited Senior Appraiser - American Society of Appraisers

Certified General Real Estate Appraiser – State of Illinois
License # 553.000285 (Expiration 9/30/2023)

Illinois Coalition of Appraisal Professionals – Member

ERC – Employee Relocation Council – Member

MISCELLANEOUS

Owner and President of A-Appraisals.

Member of the Palatine Rotary Club 1998 - 2010. Paul Harris Fellowship Award.

B.S. School of Education 1977 – Southern Illinois University, Carbondale, Illinois

Expert Appraisal Witness – Testified in:
Cook County Circuit Court
Lake County Court
Lake County – Board of Review
McHenry County – Board of Review
Kane County – Board of Review
Property Tax Appeal Board – State of Illinois (PTAB)

Supplemental Addendum						File No. PRV22-76			
Borrower	N/A								
Property Address	NW Corner of Van Buren St. and Maiden Lane								
City	East Dundee		County	Kane		State	IL	Zip Code	60118
Lender/Client	Mr. Craig Zachrich								

EXPERIENCE

Appraised and analyzed a variety of real estate throughout the Chicago Metropolitan area including Cook, DuPage, Lake, Will, McHenry, and Kane Counties for purposes of estimating market value, replacement cost value, and partial interest valuation. Work experience dates from 1977 to present.

Typical property valuations include:

Apartment buildings and complexes

Automatic car washes

Condominium and townhouse complexes

Fast food restaurants

Industrial buildings

Multi-tenant industrial buildings

Office buildings

Single family residential

Store and apartment (mixed use) buildings

Strip centers

Vacant land

Supplemental Addendum

File No. PRV22-76

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PARTIAL LIST OF CLIENTS

- Cornerstone National Bank and Trust
- Harris Bank
- American Community Bank and Trust
- Millennium Bank, Des Plaines
- Barrington Bank and Trust, Barrington, IL
- Home State Bank
- American Heartland Bank and Trust
- North Shore Bank
- Prairie Community Bank
- CenTrust Bank, N.A.- Northbrook
- Associated Bank
- Ridgestone Bank
- US Bank
- Harvard State Bank
- Village of Palatine
- Village of Hoffman Estates
- Village of Lake Zurich
- Village of Bensenville
- Various Relocation Companies (ERC Member)

Supplemental Addendum

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• GP Land: Site Description - Uses Allowed Under Current Zoning

*(Minimal improvements) This district recognizes historical significance, spatial layout, yard and parking limitations of the original downtown district. Numerous permitted uses are allowed partially including mixed use with residential above commercial, numerous retail permitted and special uses are allowed for which a lengthy list (approximately 10 pages) is available in the East Dundee B-1 zoning ordinance #157.050 East Dundee Code. The minimum lot size for this B-1 district is 2,000 sq. ft. and minimum lot width is 20'. The subject substantailly exceeds these requirements.

License

Borrower	N/A				
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Cut on Dotted Line ✂

For future reference, IDFPR is now providing each person/business a unique identification number, 'Access ID', which may be used in lieu of a social security number, date of birth or FEIN number when contacting the IDFPR. Your Access ID is: 3208455



Cut on Dotted Line ✂

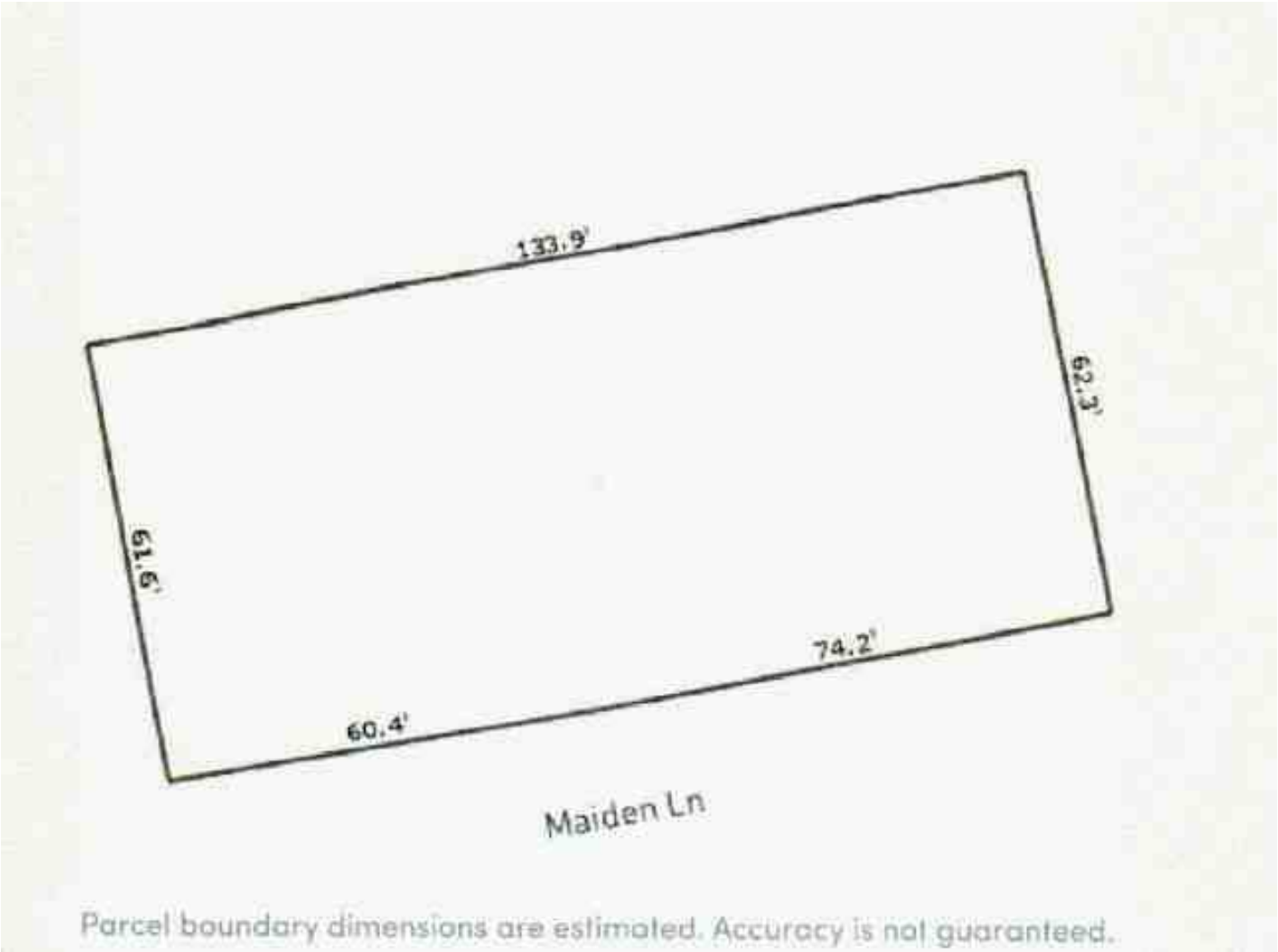
Site Map - Both Sites Assembled

Borrower	N/A				
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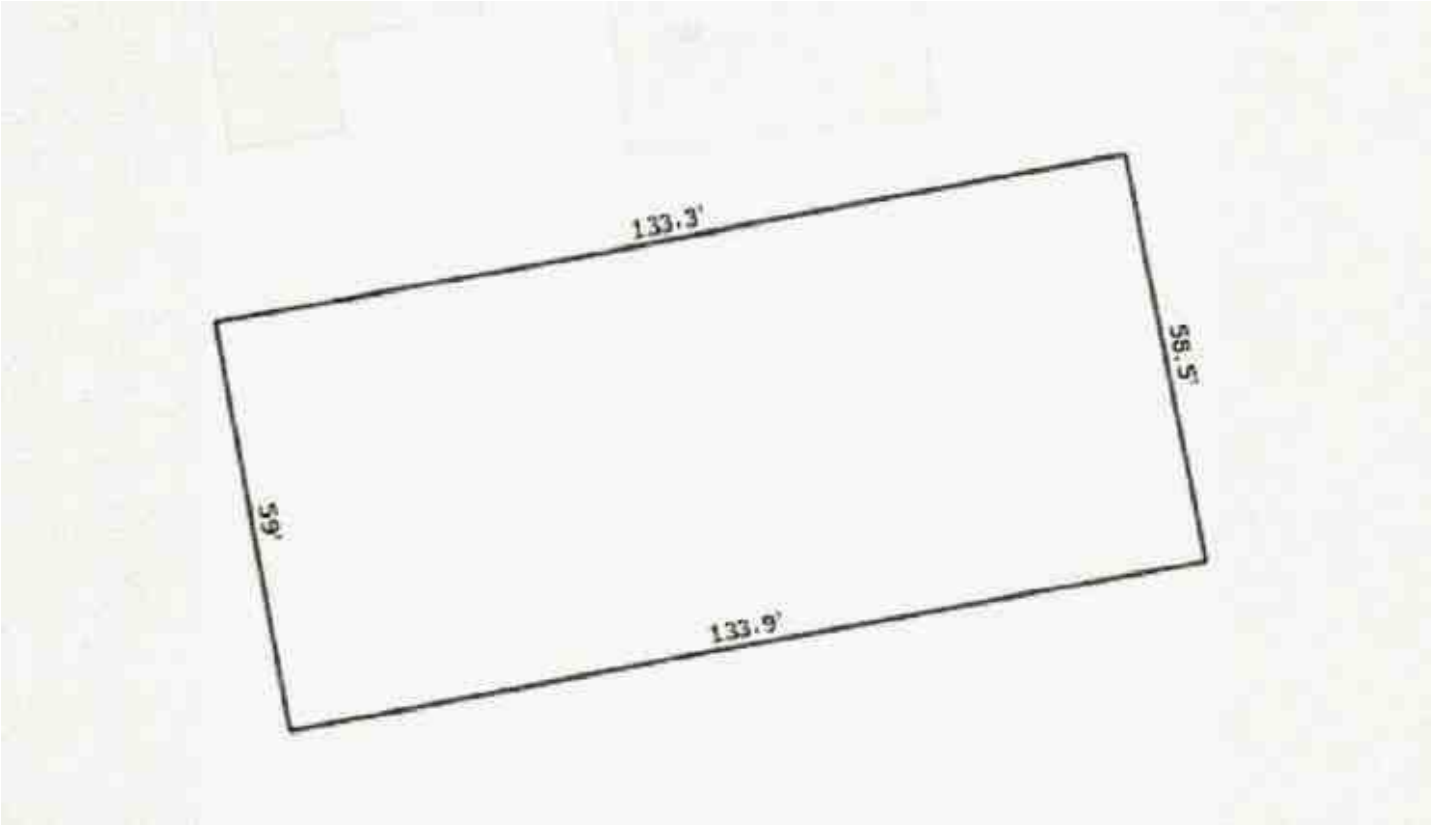
Site Map - Maiden Lane lot - 03-23-360-010

Borrower	N/A					
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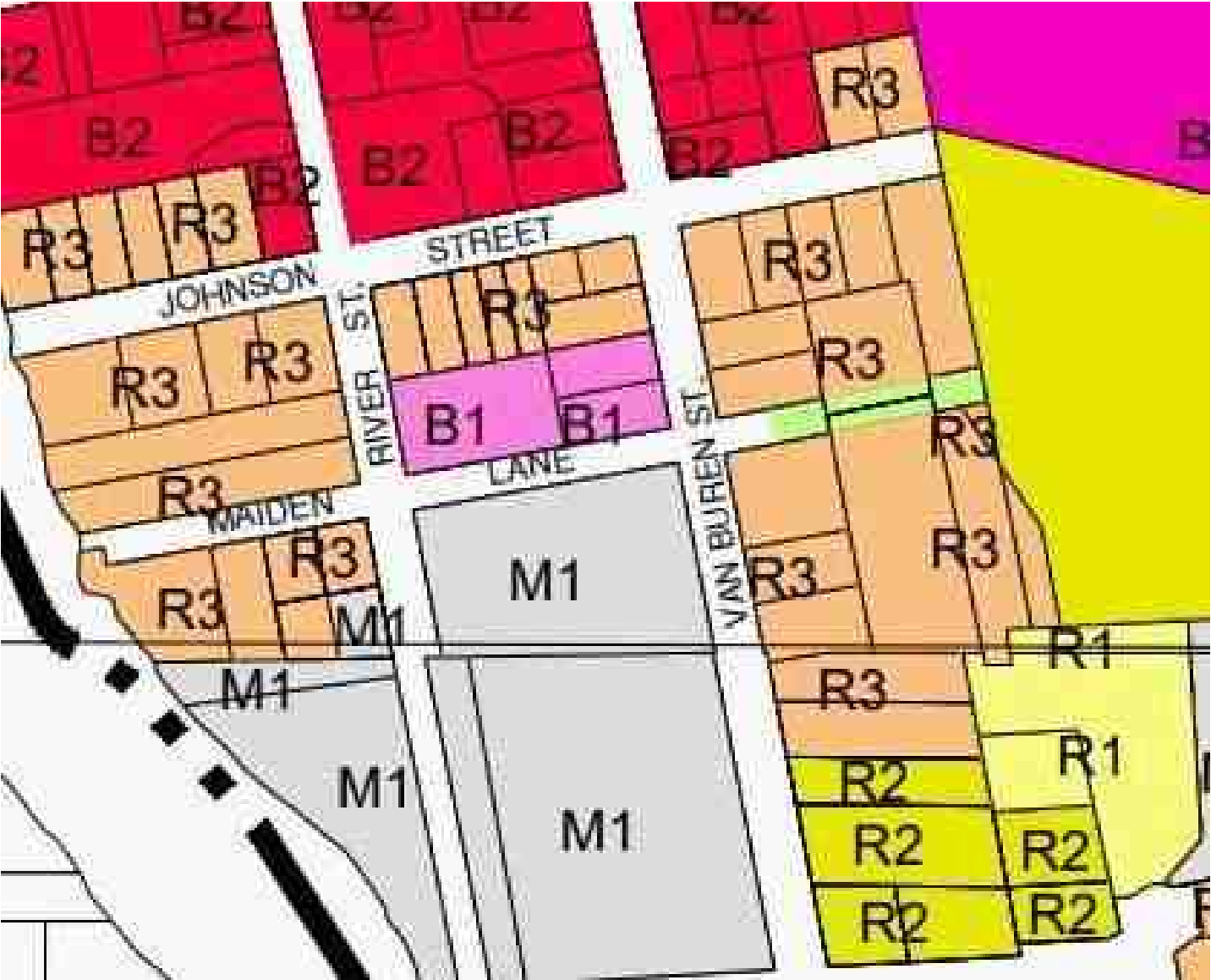
Site Map - Van Buren Street Lot - 03-23-360-009

Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
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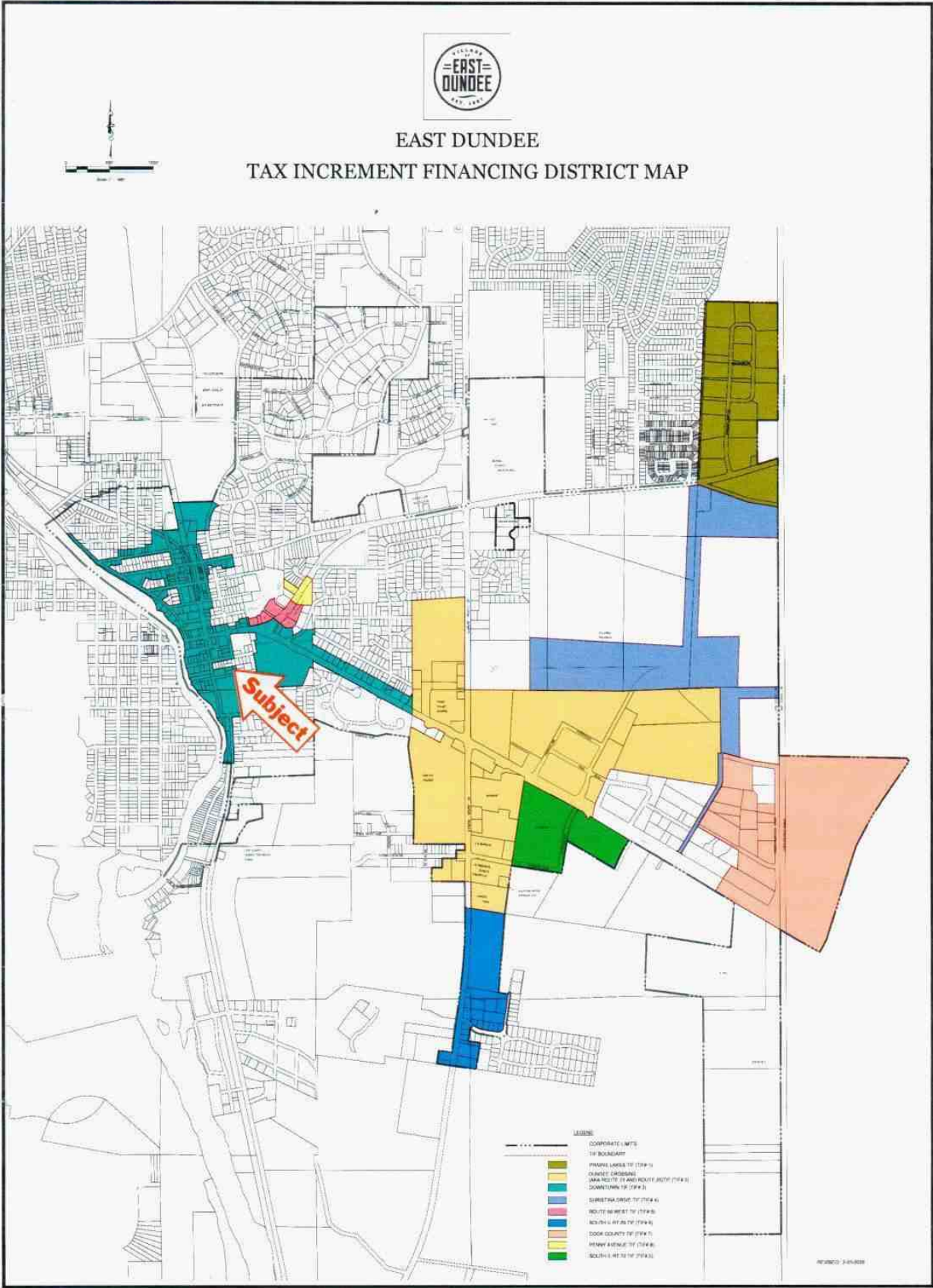
Zoning Map

Borrower	N/A					
Property Address	NW Corner of Van Buren St. and Maiden Lane					
City	East Dundee	County	Kane	State	IL	Zip Code 60118
Lender/Client	Mr. Craig Zachrich					



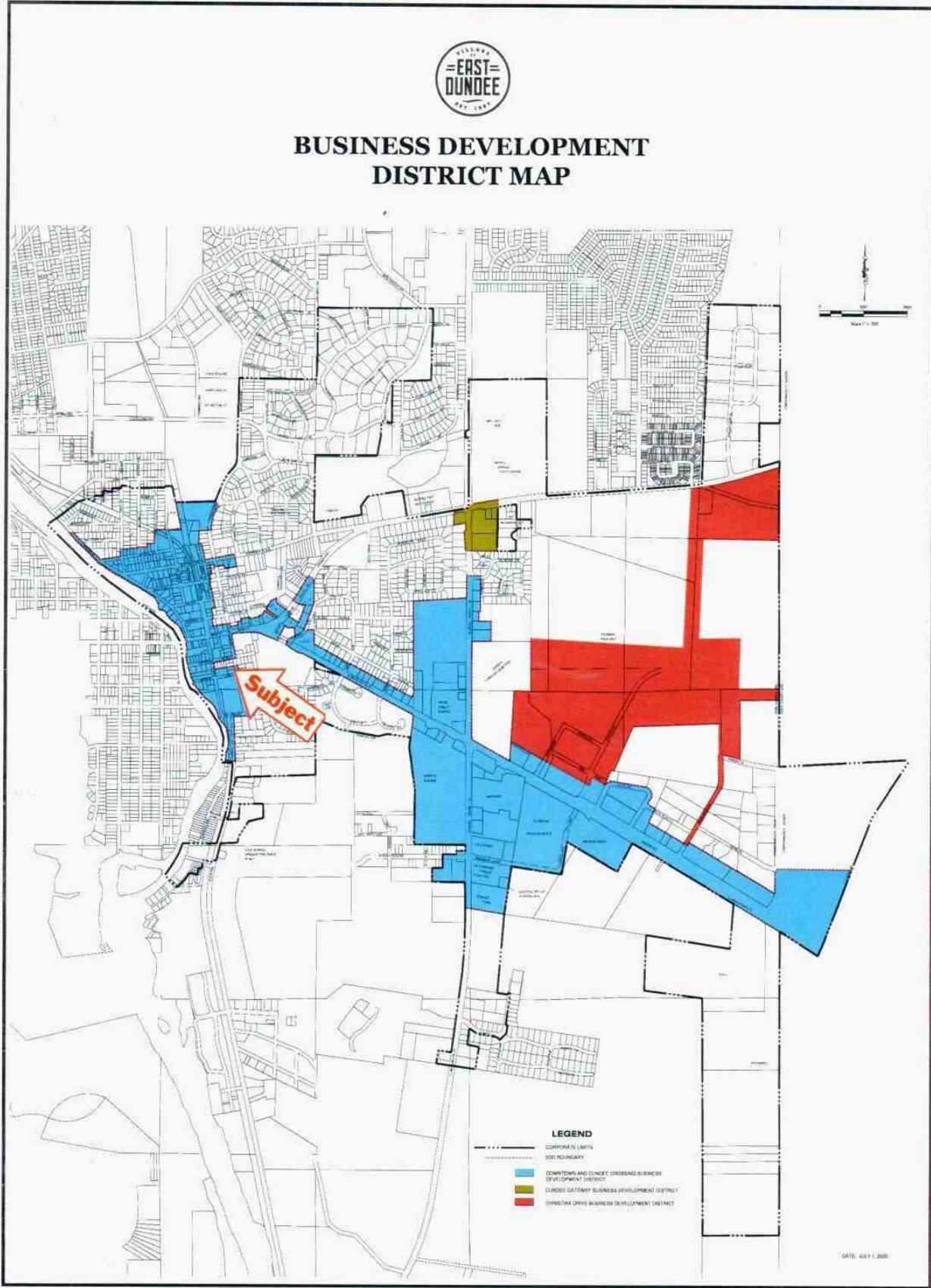
TIF District Map

Borrower	N/A				
Property Address	NW Corner of Van Buren St. and Maiden Lane				
City	East Dundee	County	Kane	State	IL Zip Code 60118
Lender/Client	Mr. Craig Zachrich				



Business Development District Map

Borrower	N/A				
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Lender/Client	Mr. Craig Zachrich				



Location Map

Borrower	N/A				
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