

ORDINANCE NO. 23-27

**AN AMENDMENT TO ORDINANCE NO. 23-17 AUTHORIZING EXECUTION OF A
REAL ESTATE SALE AGREEMENT AND PURCHASE OF REAL PROPERTY
(NORTHWEST CORNER OF 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 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. On April 17, 2023, the Village Board approved Ordinance No.23-17, approving the purchase by the Village of the Subject Property pursuant to

a Purchase and Sales Agreement, attached as Exhibit A, to Ordinance No. 23-17.

- H. Subsequent to the approval of Ordinance No. 23-17, and during the attorney review period, Seller requested substantive changes to the Purchase and Sales Agreement, and the Parties negotiated said changes.
- I. 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," as amended, and its accompanying Exhibits, attached hereto as **EXHIBIT A** and made a part hereof (the "Agreement").
- J. 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, as amended and reflected in **Exhibit A** hereto, **and in such other form as may be approved by the Village Administrator and Village Counsel** and the Village President, Village Clerk and Village Administrator 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 26th day of June, 2023, pursuant to a roll call vote as follows:

AYES: Mahony, Kunze, Brittin, Saviano, Treiber and Sauder

NAYS: NONE

ABSENT: NONE

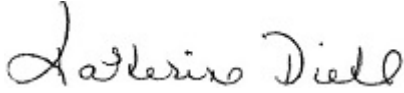
APPROVED this 26th day of June, 2023, by the Village President of the Village of East Dundee, and attested by the Village Clerk, on the same day.



Village President

APPROVED and FILED in my office this 28 day of June, 2023 and published in pamphlet form in the Village of East Dundee, Kane and Cook Counties, Illinois.

ATTEST:

A handwritten signature in cursive script, appearing to read "Katherine Dill", written over a horizontal line.

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 June 30, 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. Seller owns fee simple title to that certain real property consisting of a rectangular parcel commonly known as the Northwest Corner of Van Buren Street and Maiden Lane, East Dundee, Illinois, and which parcel is legally described and depicted on **Exhibit A** attached hereto (the "**Parcel**").

B. Property Description. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser (i) the Parcel, (ii) the improvements thereon, if any, (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.

Seller and Purchaser hereby adopt and incorporate the Recitals and agree that the construction of this Agreement shall be guided thereby.

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 (the "**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 (as defined below) through a Closing Escrow (defined in Section 11 below) by wire transfer in accordance with wire instructions provided by Chicago Title Insurance Company (the "**Title Company**").

Section 4. The Parties' Preliminary Obligations and Rights.

A. Seller's Deliveries. Within ten (10) 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. CCH2301435LD for the Property ("***Title Commitment***"). The 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 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 thirty (30) days after the Effective Date, Purchaser will obtain an ALTA/NSPS standard survey ("***Survey***") of the Property, that (i) is prepared by a surveyor approved by Purchaser, (ii) will be certified in favor of Seller, Purchaser and the Title Company, (iii) 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, (iv) contains a certification as to the total acreage of the Property, (v) includes the Table A Items 1, 2, 3, 4, 8, 9, 10, 11b, 13, 16, 19 (in the amount of \$2,000,000), and (vi) is provided to Purchaser in digital format in NAD 83 State Plane Coordinates along with eight (8) hard copies. Purchaser shall pay the cost for the Survey.

Section 5. Due Diligence Period.

A. Period; Access; Indemnity; Restoration. During the period that begins on the Effective Date and ends on the sixtieth (60th) day after the Effective Date ("***Due Diligence Period***"), Purchaser may enter upon the Property at all reasonable times to conduct such investigations, inspections, reviews, and analyses of or with respect to the Property as Purchaser desires ("***Due Diligence Activities***"). The Due Diligence Period may be extended, if needed, upon the mutual written agreement of the Parties. The Due Diligence Activities may include, without limitation, reviews of Seller's Deliveries, the Title Commitment, the Survey and obtaining any environmental investigation, reports or assessments on the Property. Prior to accessing the Property for any Due Diligence Activities, Purchaser shall provide at least one (1) business day's prior written notice (by email is

acceptable) to Seller's designated representative, Craig Zachrich. All Due Diligence Activities shall be conducted at the sole expense of Purchaser without contribution of any kind or amount by Seller. Purchaser shall not cause or permit any mechanic's or other liens to be filed against the Property as a result of the Due Diligence Activities. Upon request by Seller, Purchaser shall promptly provide Seller with copies of any reports received by Purchaser in connection with any Due Diligence Activities performed. Purchaser shall promptly and substantially restore and regrade any disturbed areas on the Property resulting from any Due Diligence Activities so as to return the Property to its pre-existing condition and also to minimize any safety or security risk. Purchaser also agrees to indemnify, hold harmless and defend Seller, its officers, employees, agents and assigns from any and all liabilities, injuries, damages and losses caused directly or indirectly from the entry onto the Property or any Due Diligence Activities conducted on the Property by Purchaser, its agents, employees or any other person retained by Purchaser to perform any Due Diligence Activities. In the event Purchaser notifies Seller in writing on or before expiration of the Due Diligence Period that the Property is not suitable for Purchaser's intended use as determined by Purchaser in its sole discretion, then the transaction contemplated herein shall be rendered null and void and this Agreement shall be deemed terminated without any liability on the part of either Purchaser or Seller. If Purchaser fails to so notify Seller on or before expiration of the Due Diligence Period, then Purchaser shall be deemed to have elected to purchase the Property in its "AS-IS, WHERE-IS" condition in accordance with the terms and conditions set forth herein and this Agreement shall remain in full force and effect.

B. Review of Title Commitments and Surveys.

1. Identification of Unpermitted Exceptions and Commitment to Cure.

Upon the later of (i) the sixtieth (60th) day after the Effective Date, and (ii) the tenth (10th) business day following Purchaser's receipt of the Title Commitment and 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 Seller commits, at Seller's cost, to (i) cure or remove the Unpermitted Exceptions, or (ii) 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 11.F) applicable to the Property (collectively the "***Past Due Taxes***"), (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 ten (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 Seller 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 Exceptions that Seller committed to, but failed to, clear, in which case Purchaser will be deemed to have accepted the uncleared or uninsured Unpermitted Exceptions and shall accept Seller's Deed at Closing subject to the uncleared or uninsured Unpermitted Exceptions, 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 Exception, 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*."

Section 6. 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 is 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, without any duty on Seller to conduct any investigation or inquiry of any kind, and except as may be disclosed in any environmental report, assessment or investigation, Seller is not aware of (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***"), (b) there are not any Hazardous Materials present on the Property, and (c) there are currently no storage tanks on the Property;
- (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, Seller, shall reconfirm all representations and warranties set forth in this Section 6 as true, accurate, and complete on and as of Closing.

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, and
- (vi) Seller shall continue to maintain and keep the Property in its current condition and pay taxes and mortgage payments, if any, on it as they become due.

Section 8. Bulk Sales/Illinois Income tax Withholding.

At least twenty (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 Sales 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 Sales Act ("**Release**"). Five (5) 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 Sales 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 Sales 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 Sales 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. AS-IS, WHERE IS Transaction.

Except for the representations and warranties of Seller expressly set forth in this Agreement, Purchaser warrants and acknowledges to and agrees with Seller that Purchaser is purchasing the Property in its "AS-IS, WHERE IS" condition "with all faults" as of the date of Closing and specifically and expressly without any warranties, representations or guarantees, either express or implied, as to its condition, fitness for any particular purpose, merchantability, or any other warranty of any kind, nature, or type whatsoever from or on behalf of Seller. Except for the representations and warranties of Seller expressly set forth in this Agreement, Seller specifically disclaims any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning (i) the value, nature, quality or condition of the Property, including without limitation, the water, soil and geology, (ii) the income to be derived from the Property, (iii) the suitability of the Property for any and all activities and uses which Purchaser may conduct thereon, including the possibilities for future development or redevelopment of the Property, (iv) the compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body, (v) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property, (vi) the manner or quality of the construction or materials, if any, incorporated into the Property, (vii) the manner, quality, state of repair or lack of repair of the Property, (viii) the presence or absence of Hazardous Materials at, on, under, or adjacent to the Property or any other environmental matter or condition of the Property, or (ix) any other matter with respect to the Property. Purchase acknowledges and agrees that, except for the representations and warranties of Seller contained in this Agreement, any information provided by or on behalf of Seller with respect to the Property, including without limitation, the Seller's Deliveries, was obtained from a variety of sources and that Seller has not made and has made no representations that it has made any independent investigation or verification of such information and makes no representations or warranties as to the accuracy or completeness of such information. Seller shall not be liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person except for the express representations or warranties set forth in this Agreement. Purchaser further acknowledges and agrees that Purchaser is a sophisticated and experienced Purchaser of properties such as the Property and has been duly represented by counsel in connection with the negotiation of this Agreement. Seller has made no agreement to alter, repair or improve any of the Property.

The Closing shall constitute acknowledgement by Purchaser that Purchaser had the opportunity to retain independent, qualified professionals to inspect the Property and except as otherwise expressly set forth in this Agreement, the condition of the Property is acceptable to Purchaser. Purchaser agrees that, except as otherwise expressly set forth in this Agreement, Seller shall have no liability for any claims or losses which Purchaser or Purchaser's successors or assigns may incur as a result of construction or other defects, which may now or hereafter exist with respect to the Property.

The terms and conditions of this Section 9 shall expressly survive the Closing, not merge with the provisions of any closing documents and shall be incorporated into the deed. Purchaser acknowledges and agrees that the disclaimers and other agreements set forth herein are an integral part of this Agreement and that Seller would not have agreed to sell the Property to Purchaser for the Purchase Price without the disclaimers and other agreements set forth above.

Section 10. 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 11.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 15.E.1.

Section 11. 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 for ordinary wear and tear.

B. Time, Place; Closing Escrow.

1. Time. The Closing will occur no later than the thirtieth (30th) day following the later of: (a) the expiration of the Due Diligence Period, or (b) on another date mutually agreed to in writing by the Parties (the "***Closing Date***").

2. 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 the Closing.

3. 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 the 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. The cost of the Closing Escrow shall be paid by Purchaser.

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 (as defined below),
- (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 Affidavit of Title in a form acceptable to Purchaser,
- (xi) Release from the Department, IDES and Kane County, pursuant to Section 8.

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) fifty (50%) percent of the Title Company's closing fees related to such Closing, except for the Closing Escrow which shall be paid by Purchaser, and (ii) Seller's attorney fees related to such Closing. Purchaser shall pay (i) fifty (50%) percent of the Title Company's closing fees related to such Closing, (ii) one hundred (100%) percent of the costs incurred in recording 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, (v) the cost of the Title Policy and endorsements to the Title Policy requested by Purchaser; (vi) the cost of the Survey; and (vii) the full cost of the Closing Escrow.

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 up 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. Seller shall give to Purchaser a credit at Closing for the years 2022 (payable in 2023) and 2023 (payable in 2024) based on one hundred and five (105%) percent of the last tax bill. All water, sewer, and other utility charges, if any, shall be prorated as of Closing.

Section 12. 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 12, the term "material portion" shall mean greater than ten (10%) percent 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 13. Brokers.

Seller and Purchaser each represent and warrant 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 or Seller for a broker's commission, finder's fee, or similar payment in connection with the transactions contemplated in this Agreement, then Purchaser or Seller, as the case may be, shall indemnify and hold harmless the other from and against any damage, liability or expense, including costs and reasonable attorneys' fees incurred because of such claim.

Section 14. 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 15. 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. The 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 for a period of three (3) months. 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.

1. **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.

2. **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.

3. **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 and Depiction of Property
Exhibit B: Title Commitment

4. **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.

5. **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.

6. **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.

7. **Merger.** The terms, provisions, warranties and covenants made herein, shall not survive the Closing and delivery of the Seller's Deed and other instruments of conveyance, and as such, this Agreement shall be merged therein, except as otherwise specifically provided herein to the contrary.

E. Enforcement.

1. **Default.**

(a) **Purchaser Default.** If Purchaser fails to perform an obligation under this Agreement, and does not, within five (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 five (5) days, commence and diligently pursue a cure for such failure, then Purchaser will be in default of this Agreement and Seller may (i) terminate this Agreement, or (ii) pursue any other available remedy available at law or in equity, including without limitation an action for specific performance.

(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 five (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 five (5) days or if such action cannot reasonably be completed within five (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 attorneys' 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 (i) this Agreement is not effective until it is approved by Purchaser's Village Board in accordance with Applicable Laws and executed by Purchaser's Village President, (ii) by executing this Agreement and delivering it to Purchaser, Seller has made an offer to Purchaser to enter into this Agreement, (iii) such offer may be accepted by the lawful approval of the Agreement by Purchaser's Village Board, and (iv) 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 warrant to each other that (i) they have 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) they 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: Haeger Industries, Inc.
c/o Alexandra H. Estes, Registered Agent
510 Market Loop #104
West Dundee, Illinois 60118
Email: craig_zachrich@msn.com

With a copy to: Rachel K. Robert
Day & Robert, PC
300 E. Fifth Avenue, Suite 365
Naperville, Illinois 60563
Email: 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.,
an Illinois corporation

By: 

Name: Alexandra H. Estes
Title: President

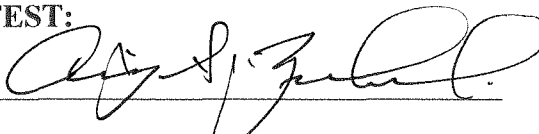
PURCHASER:

VILLAGE OF EAST DUNDEE,
an Illinois home-rule municipal corporation

By: 


Name: Jeffrey J. Lynam
Title: Village President

ATTEST:

By: 

Name: Craig S. Zachrich
Title: Secretary

ATTEST:

By: 

Name: Katherine Diehl
Title: Village Clerk

Date Seller executed: _____, 2023

Date Purchaser executed: June 30, 2023

EXHIBIT A

LEGAL DESCRIPTION AND DEPICTION 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



NW Corner of Maiden & South Van Buren (two parcels within the blue box)

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 EXTRACTIONAL 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)



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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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.

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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**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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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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