RABIN, MYERS & HANKEN, P.C.

ATTORNEYS AND COUNSELORS AT LAW

1300 SOUTH EIGHTH STREET SPRINGFIELD, IL 62703

MARK RABIN JOHN M. MYERS W. SCOTT HANKEN

ALEX RABIN

PHONE: 217.544.5000 FAX: 217.544.5017

August 3, 2007

Mr. Pat Schad Village Clerk Village of Chatham 116 E. Mulberry Street Chatham, IL 62629

Re: **Mau Eminent Domain**

Dear Pat:

Enclosed for the Village files are the original of Ordinance Nos. 05-06 and 05-07 pertaining to the annexation of South Park Commons Subdivision.

Sincerely,

aure h. Capranica

Dawn N. Capranica, Assistant to John M. Myers

dnc Enclosures

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2005R09266

03/11/2005 09:51AM

SANGAMON COUNTY ILLINOIS

\$83.00 58 CHRISTINE

MARY ANN LAMM SANGAMON COUNTY RECORDER

This Space for Recorder of Deeds

Ordinance No. 05-<u>*0*6</u>

AN ORDINANCE APPROVING AN ANNEXATION AGREEMENT (South Park Commons Subdivision)

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: The Annexation Agreement attached hereto, by and between the Village of Chatham and Southpark Development, Inc. and Bank One Trust Company N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards, deceased, is hereby approved. The President and other officers of the Village are authorized and directed to carry out the Annexation Agreement according to its terms.

SECTION 2: This Ordinance is effective on its passage and approval as required by law.

SECTION 3: The Village Clerk shall forthwith cause this Ordinance to be recorded with the Recorder of Deeds of Sangamon County at the expense of the owners of record.

PASSED this 22 day of FEB, 2005.

VILLAGE PRESIDENT

ATTEST:

Village Clerk

SHERR MCADAMS DOYLE MCGRATH KANANACH

NAYS:

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AYES:

1 MCCARTHY

PASSED:	2-22-05
I AGOLLI.	E FE U

2-22-05

APPROVED:

ABSENT: 0

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)) SS. COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 05-06, adopted by the President and Board of Trustees of said Village on January <u>22</u>, 2005, said Ordinance being entitled: *IEB*

AN ORDINANCE APPROVING AN ANNEXATION AGREEMENT (South Park Commons Subdivision)

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 22 day of -FEB, 2005.

Parts day

Village Clerk

PREPARED BY AND RETURN TO:

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John M. Myers **RABIN, MYERS, HANKEN & DURR, P.C.** 1300 South Eighth Street Springfield, IL 62703 217.544.5000 fax: 217.544.5017 This Space for Recorder of Deeds

ANNEXATION AGREEMENT

(South Park Commons Subdivision, Chatham, Illinois)

THIS AGREEMENT is made by Southpark Development, Inc., an Iowa corporation ("Developer"), Bank One Trust Company, N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards, ("Owner") and the Village of Chatham, Illinois (the "Village"), an Illinois municipal corporation, all of Sangamon County, Illinois, and is effective this <u>JJ</u> day of <u>FEB</u>, 2005.

WHEREAS, Owner is the record owner of property, the legal description of which is set forth in Exhibit A; the property is depicted on a Plat of Annexation attached hereto as Exhibit B and referred to herein as "the Property";

WHEREAS, the Property is located in unincorporated Sangamon County, Illinois, and is contiguous to the corporate limits of the Village;

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WHEREAS, Owner wishes to annex the Property to the Village, together with all public roadways adjacent thereto or contained therein and not within the corporate limits of any other municipality, subject to the provisions of this Agreement;

WHEREAS, Developer has options to purchase the Property, and as agent for Owner, intends to subdivide the property as South Park Commons Subdivision (the "Subdivision"), and a preliminary plan for the Subdivision is attached hereto as Exhibit C (the "Preliminary Plan");

WHEREAS, Owner and Developer wish to obtain an initial zoning upon annexation for the Property as follows:

Lots 1 through 79:	R1A
Lots 80 through 99	R-2
Lots 100 through 137	R1A
Lots 138 through 251	R1A with a variance for 7.5 ft side yard setback
Lots 252 through 291:	R-2
Lots 292, 296	R-3 with following limitations: Maximum density of 5,000 square ft. per dwelling unit ("D.U.") Maximum 4 D.U. per building subject to future large scale review (Section 155.130 et seq. of Village Code of Ordinances)
Lots 293, 295	R-3 with following limitations: Maximum density of 3,500 square ft. per D.U. Maximum 8 D.U. per building subject to future large scale review

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Lot 294:	B-2, subject to future large scale review
Lot 297:	R-3 with following limitations: Maximum density of 5,000 square ft. per D.U. Maximum 4 D.U. per building subject to future large scale review retirement community covenants

Lots 298 through 305 R-2

WHEREAS, the parties desire to provide for the dedication of a right-of way for a future east-west road along the southern boundary of the Property; they desire to provide for the staged construction of Park Avenue from Chatham Community Park to the southern boundary of the Property; and they desire to enter into certain other arrangements as to the cost of infrastructure and other agreements respecting the future development of the Property, all as set forth in this Agreement;

WHEREAS, certain improvements to be constructed by the Owner will benefit future development of adjacent lands; and the parties desire to enter into a cost sharing agreement with future developers pursuant to Section 9-5-1 of the Illinois Municipal Code;

WHEREAS, the parties estimate that the cost of off-site improvements which Developer has agreed to make (Phase I and the eastern 1/2 of Phases II and III as defined in paragraph 6 hereof) considerably exceed the sum of \$500,000.00, and consequently, the Village is prepared to accept security for construction of the off-site improvements other than the security mandated by the Village's Subdivision Ordinance for

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improvements within a subdivision;

WHEREAS, pursuant to notice published in accordance with Section 11-15.1-1 of the Municipal Code, the corporate authorities of the Village have conducted a public hearing with respect to this Agreement, and the Planning Commission of the Village, pursuant to notice published in accordance with the Zoning Chapter of the Village Code of Ordinances, has conducted a public hearing regarding the proposed zoning as set forth in this Agreement;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Owner has petitioned to annex the Property conditional upon this Agreement; a copy of the petition is attached hereto as Exhibit D.

2. Within 30 days of execution of this agreement, an annexation ordinance in such form as shall be approved by counsel for the Village, shall be enacted by the corporate authorities of the Village. Such annexation shall be expressly conditioned and contingent upon the simultaneous classification of the Property, as follows:

Lots 1 through 79:	R1A
Lots 80 through 99:	R-2
Lots 100 through 137:	R1A
Lots 138 through 251:	R1A with a variance for 7.5 ft side yard setback
Lots 252 through 291:	R-2
Lots 292, 296:	R-3 with following limitations: Maximum density of 5,000 square ft. per dwelling

Page 4 of 21

	unit ("D.U.") Maximum 4 D.U. per building subject to future large scale review (Section 155.130 et seq. of Village Code of Ordinances)
Lots 293, 295:	R-3 with following limitations: Maximum density of 3,500 square ft. per D.U. Maximum 8 D.U. per building subject to future large scale review
Lot 294:	B-2, subject to future large scale review
Lot 297:	R-3 with following limitations: Maximum density of 5,000 square ft. per D.U. Maximum 4 D.U. per building subject to future large scale review retirement community covenants

Lots 298 through 305: R-2

Any ordinance annexing the Property or any part thereof without simultaneously approving the zoning classifications and limitations as set forth herein shall be void.

3. The parties contemplate that the Property will developed pursuant to a series of final plats. The present use of the Property is agricultural. During the term of this agreement, Owner may continue with agricultural uses on any portion of the Property which has not been the subject of an approved final plat, any provisions in the Zoning Chapter of the Village Code of Ordinances to the contrary notwithstanding.

4. The Village has examined and approved the Preliminary Plan, and will approve final plats which contain lot, street and common area layouts which are generally in conformance with the Preliminary Plan and comply in all other respects with the

Page 5 of 21

Subdivision Chapter of the Village Code of Ordinances, including, where applicable, the large scale development provisions thereof, with such minor changes thereto as may be requested by Owner and approved by the Village.

5. The parties shall enter into an agreement, in the form of Exhibit E hereto, for partial reimbursement of the Owner's costs in accordance with Section 9-5-1 of the Municipal Code.

6. A. Definitions. As used in this paragraph, the following terms have the following definitions:

"Lot" refers to a lot as depicted on the Preliminary Plan.

"Phase I" means that part of Park Avenue adjacent to Chatham Community Park and north of the northern boundary of the Property.

"Phase II" means that part of Park Avenue from the northern boundary of the Property to the northern boundary of Lot 294..

"Phase III" means that part of Park Avenue from the northern boundary of Lot 294 to the northern boundary of the "Future Arterial Road" along the southern boundary of the Property.

"Temporary Road Specifications" refers to a road constructed in accordance with the specifications set forth on Exhibit F.

"Permanent Road Specifications" refers to a road constructed to the specifications set forth on Exhibit F, including storm sewers and sidewalks.

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"Permanent Road Differential" means the difference in anticipated cost, as certified by the Village's Consulting Engineer, between that of building of a section of roadway to Temporary Road Specifications and that of building that section of roadway to Permanent Road Specifications.

"Bond" means to provide security for construction of improvements as set forth in section 155.054 of the Village of Chatham Code of Ordinances, as modified by paragraph 7 of this Agreement.

"Lot Sale Threshold" means that at least 79 single family lots, in the aggregate, have been included in recorded final plats in either the Subdivision or in South Park Subdivision, or any multifamily lot (except lot 297) has been included in a recorded final plat in the Subdivision.

B. As part of any final plat of the Subdivision after the Lot Sale Threshold has been reached, Developer shall construct Phase I and II of Park Avenue to Temporary Road Specifications within one year of approval of the such final plat; shall bond such construction; and shall bond the Permanent Road Differential for Phase I.

C. As part of any final plat of the Subdivision which includes Lots 292 or 293, Developer shall construct Phase II (if not already constructed pursuant to subsection (B)) to Temporary Road Specifications within one year of approval of the final plat; shall bond such construction; and shall bond the Permanent Road Differential for Phase II.

D. As part of any final plat of the Subdivision which includes Lot 294, 295,

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296, 298, or 95 through 99, Developer shall construct that portion of Phase III which is adjacent to and north of such lot to Temporary Road Specifications within one year of approval of the final plat; shall bond such construction; and shall bond the Permanent Road Differential for such portion of Phase III.

E. After such time as final plats have been approved by the Village which comprise at least 65% of the aggregate land area of the Subdivision, then as part of the next final plat approved by the Village and within one year of approval of such plat, Developer shall construct Phase I and Phase II to Final Road Specifications.

F. After such time as final plats have been approved by the Village which comprise 90% of the aggregate land area of the Subdivision, then, as part of the next final plat approved by the Village and within one year of approval of such plat, Developer shall construct Phase III to Final Road Specifications.

G. The time limits for construction of Phases I, II and III shall be extended by the Village upon request of Developer if eminent domain proceedings are initiated in accordance with paragraph 9, to a date not later than 1 year after the Village takes title to the eastern half of Park Avenue as a result of such eminent domain proceedings.

H. Except for a lot directly abutting South Park Drive as shown on the preliminary plan, no final plats shall be approved which include a lot abutting Park Avenue before the Village has acquired title to the east half of Park Avenue.

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7. A. Whenever Developer provides construction surety with respect to

Page 8 of 21

any final plat, the surety shall be that amount as set forth in Section 155.054 of the Village of Chatham Code of Ordinances. Construction surety for Phases I, II and III shall be separately calculated and shall be subject to a due credit in the amount of a lien, as adjusted pursuant to subparagraphs B and C.

B. The Village agrees to accept, as partial security for the construction of the off-site improvements (Phase I and the east half of Phase II and Phase III) a first lien acceptable to the Village and substantially in the form exemplified by Exhibit G, on property in the Subdivision having an appraised value of \$500,000.00.

C. From time to time, the Village shall give partial releases of the lien described in subparagraph (B) when requested by Developer:

(1) if Developer elects in its discretion to provide a letter of credit in lieu of the lien; or

(2) to the extent of amounts in the escrow established pursuant to paragraph 9 hereof; or

(3) if the aggregate amount of Phase I, II and III improvements yet to be completed, after application of any substitute letter of credit or amounts in escrow, is less than \$400,000 as estimated by the Village's consulting engineer, in which case the Village will release the lien, to an amount equal to 125% of the estimated amount of completion. Partial lien releases shall be given as to specific lots or parcels having an appraised value in the amount of the release and specified by Developer.

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8. The electric system rebate provisions of the Village Code of Ordinances are waived. In lieu of such provisions, Developer shall pay the Village sum of (a) \$500.00 per single family or duplex lot; or (b) 1/2 the estimated cost of construction of the electric system and services serving any lot zoned for business, such payment to be made as agreed by the Village and Developer, but in any event before the Village orders the material; and 100% of the cost of the construction of electric systems serving any area zoned R-3.

9. Owner and Developer anticipate that Owner will retain ownership of each platted lot until such time as the lot is initially conveyed to a third party. Each time a lot is initially conveyed to a third party, Developer and Owner shall place a proportional contribution in an escrow account in a financial institution to be agreed on by the parties. The escrow shall be for the benefit of Developer and the Village, and all interest accruing on the escrow shall be considered income to the Developer and shall be added to principal. Bonding requirements securing the construction of Phases I, II and III shall, at Developer's request, be reduced by an amount equal to funds in the escrow, either when the escrow is initially established, or later by a letter of credit resolution adopted in accordance with Section 155.055 of the Village Code of Ordinances. At the request of Developer, escrowed funds shall be applied to pay for the construction, verified by the Consulting Engineer for the Village. Upon final acceptance of all Park Avenue roadway

Page 10 of 21

improvements by the Village, any funds remaining in the escrow shall be returned to Developer.

10. Developer shall enter into good faith negotiations with the owners of the fee underlying the east half of Park Avenue from South Park to the south boundary of the Subdivision (the "Underlying Fee"). If at any time Developer successfully negotiates a price with the owners of the Underlying Fee. Developer may purchase the Underlying Fee from such owners. However, if within 30 days of execution of this agreement, Developer has not purchased the Underlying Fee, then Developer shall engage a qualified appraiser satisfactory to the Village to appraise such Underlying Fee, plus damage to the remainder in the event of a taking by eminent domain of the Underlying Fee. The Village shall enter into good faith negotiations with owners of the Underlying Fee to purchase it. If such owners agree on a price at or less than 110% of the appraised value of the Underlying Fee plus the appraised damage to the remainder, the Village shall purchase the land and Developer shall reimburse the Village the purchase price at the time of closing. If the Village cannot negotiate such purchase within 30 days of receipt of the appraisal, then the Village shall then initiate and prosecute eminent domain proceedings for acquisition of the Underlying Fee. Developer shall reimburse the Village for its attorneys fees and litigation expenses in connection with such eminent domain proceedings, and shall pay to the Village the purchase price at closing of the purchase according to the condemnation award, including the price of the Underlying Fee and

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damage to the remainder.

11. In the event the Village prosecutes eminent domain proceedings in accordance with paragraph 10, but there is a final order finding that condemnation of the Underlying Fee is inappropriate and all appeals have been exhausted, thereby frustrating the purpose of this Agreement, the parties shall enter into good faith negotiations as to appropriate amendments to this Agreement. If the parties cannot agree in their full and unfettered discretion upon appropriate amendments within 60 days, then either party may terminate this Agreement on 30 days notice. Such termination shall not affect the parties' obligations with respect to those portions of the Subdivision for which final plats have been approved and recorded. With respect to such recorded Plats, Developer shall make a monetary payment to the Village within 30 days of termination, in the amount which Developer would have paid to develop that part of Park Avenue as required by Paragraph 6 of this Agreement, but for the court's disapproval of the condemnation. Lands already annexed and not the subject of a recorded final plat shall be disconnected upon request of Owner so long as their disconnection will not affect the contiguity of lands as to which there is a recorded final plat.

12. With each final plat, Owner shall submit subdivision covenants which will provide for perpetual maintenance of the common areas. Common areas shall include but are not necessarily limited to: (a) the Lots or other areas designated on the Preliminary Plan as common areas, and all signs and other structures thereon; and (b) all drainage

> Page 12 of 21 000126

swales, detention ponds, and all other drainage works other than underground storm sewers dedicated to the Village. Maintenance of the common areas shall be performed by a homeowner's association to be established by Owner. Subdivision covenants shall be approved by the Village with each final plat, and shall in every case include the following provisions:

1. Right-of-ways and easements for installation and maintenance of utilities, water retention facilities, drainage facilities and boulevards are reserved as shown on the recorded plat. Within these easements, no structure, fence, planting or other material shall be placed or permitted to remain which may damage or impair the function or interfere with the installation and maintenance of utilities or easements. Any improvements so located shall be removed upon the request of the Developer, his successors or assigns, or any public utility using said area, at the expense of the owner of said lot or tract. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except those improvements for which a public utility or authority is obligated to maintain.

2. The Village of Chatham shall be a third party beneficiary to the drainage provisions of these covenants and shall have the right to require the Association to enforce these covenants or the right to enforce the covenants itself against either the Association or an individual property owner within the subdivision with respect to maintenance of drainage swales, detention areas and other drainage improvements located within the subdivision. The Village shall have the right to require the Association or any individual property owner to restore any alterations in any drainage swale, detention area or other drainage improvement and to require the removal of any obstruction to any drainage swale, detention area or other drainage improvement.

13. At any time after the recordation of the first final plat, and within 30 days of request by the Village, Owner shall execute and deliver to the Village a quitclaim deed, in

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the form attached hereto as Exhibit H, of the area denoted as "future arterial road" along the south boundary of the Preliminary Plan. Neither Developer or Owner has any obligation to construct or pay for the construction of a road thereon.

14. This Agreement shall not be construed as a limitation on the Village's right to adopt or amend ordinances of general applicability, including the zoning and subdivision ordinances, or the applicability of such ordinances to the Property. In the event of a conflict between the Village ordinances and this Agreement, this Agreement shall prevail. Any proposed rezoning of the Property or any portion thereof after the initial zoning is established pursuant to this Agreement, shall proceed in accordance with the normal rezoning procedures set forth in the Village Zoning Ordinance and shall not require amendment of this Agreement.

15. This Agreement is binding upon the parties hereto, their respective heirs, executors, personal representatives, corporate authorities, administrators, successors and assigns. This Agreement and all provisions herein shall be a covenant running with the land legally described herein.

16. This Agreement shall only be amended by a writing, signed by the parties and approved by the Village by ordinance.

17. The Village shall enact such ordinances, execute such documents, and issue such permits and certificates as shall be required by this Agreement and any ordinance adopting it.

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Developer shall, at its expense, record this Agreement with the Sangamon
County Recorder of Deeds within 30 days of its execution.

19. If the performance of any covenant to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party, (including without limitation the approval of other governmental agencies having jurisdiction over the public improvements herein contemplated), the time for such performance shall be extended by the amount of time of such delay.

20. During the term of this Agreement the Village will not establish any special service area or impose any special assessment which would affect the Property without the express written consent of Owner. Nor shall any impact fee be imposed as to the Property. Owner shall not institute disconnection proceedings with respect to the Property, or any portion thereof, without the prior written consent of the Village.

21. In the event of an alleged breach of this agreement by any party, the breaching party shall have 30 days after written notice by the other party to cure the breach. The sole remedy for breach of this agreement will be an action for specific performance to be brought in the Circuit Court of the Seventh Judicial Circuit, Sangamon County, Illinois. In no event shall either party be liable to the other for damages, except that the prevailing party in any litigation under this agreement shall be entitled to its attorneys fees and costs.

22. Notices hereunder will be sufficient if hand delivered or sent by first class mail to the following:

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If to the Village:	Village of Chatham Attn: Village President 116 East Mulberry Chatham, IL 62629
If to Owner:	Bank One Trust Company, N.A., as Trustee of Trust No. 2641260910 Springfield, IL 62701
If to Developer:	Southpark Development, Inc. 1601 W. Lakes Parkway, Suite 300 West Des Moines, IA 50266

23. This is the entire agreement among the parties with respect to its subject matter, and all prior agreements and representations regarding its subject matter are hereby expressly disclaimed. This agreement may be modified only in a writing signed by both parties and approved by ordinance of the Village.

24. This Agreement shall take effect after it has been approved by ordinance of the Village and executed by the parties. The term of this Agreement shall be until a date two years after 100% of the lots in South Park Commons Subdivision have been conveyed to third parties.

25. The failure of the parties to insist upon the strict and prompt performance of the terms, covenants, agreement, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

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26. If any provision, covenant, agreement or portion of this agreement or its application to any persons, entity or property is held invalid, such invalidity shall not affect any other portion of this agreement and, to that end, all provisions, covenants, agreement and portions of this agreement are declared to be severable. If for any reason, the annexation or zoning of the real estate is ruled invalid in whole or in part, the corporate authorities, as soon as possible, shall take such actions (including the holding of such public hearings and the adoption of such ordinances and resolutions) as may be necessary to give effect to the spirit and intent of this agreement and the objectives of the parties, as disclosed by this agreement, provided that the foregoing shall be undertaken at the expense of the Owner and Developer.

27. This agreement shall be to the benefit of, and be binding upon, successors of the owner and their respective successors, grantees, lessees and assigns, and upon successor corporate authorities of Village and successor municipalities and shall constitute a covenant running with the land legally described in Exhibit A.

28. Wherever any approval or consent of Village or of any of its departments, officials or employees is called for under this agreement, the same shall not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the parties have executed this Agreement on this day of $\underline{\text{Feb. 22}}$, 2005.

VILLAGE OF CHATHAM, ILLINOIS

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By: Momas	S. Yray
Its President	Δ
Attest: <u>Attest</u> Village Cle	holan

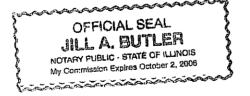
STATE OF ILLINOIS)) SS. COUNTY OF SANGAMON)

I, a Notary Public in and for said County and State aforesaid, do hereby certify that Thomas Gray and Patrick Schad, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, and the free and voluntary act of the Village of Chatham, Illinois, for the uses and purposes therein set forth.

Given under my hand and official seal, this 22 day of FEB, 2005

dtary Public

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SOUTHPARK DEVELOPMENT, INC., an Iowa corporation By Dennis Schlegel, President

STATE OF ILLINOIS)) SS. COUNTY OF SANGAMON)

I, a Notary Public in and for said County and State aforesaid, do hereby certify that Dennis Schlegel, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act and the free and voluntary act of Southpark Development, Inc., an Iowa corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this Ruday of <u>Hebruary</u>, 2005

tary Public

"OFFICIAL SEAL" Marilyn K. Entaman Notary Public, State of Illinois Sangamon County My Commission Expires July 27, 2003

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BANK ONE TRUST COMPANY, N.A., trustee of Trust No. 2641260910 and not personally

By: Trust officer 🗍

STATE OF ILLINOIS)) SS. COUNTY OF SANGAMON)

I, a Notary Public in and for said County and State aforesaid, do hereby certify that <u>Mames W Peters</u>, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act and the free and voluntary act of Bank One Trust Company, N.A., as trustee of Trust No. 2641260910 and not personally, for the uses and purposes therein set forth.

Given under my hand and official seal, this 2nd day of <u>Hebruary</u>, 2005

"OFFICIAL SEAL"

Exhibits:

- Marilyn K. Enteman Notary Public, State of Illinois Sangamon County My Commission Expires July 27, 2003
- A. Legal Description
- B. Plat of Annexation
- C. Preliminary Plan
- D. Petition for Annexation
- E. Section 9-5-1 Agreement
- F. Temporary and Permanent Road Specifications
- G. Lien
- H. Quitclaim deed

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Prepared by/Return to:

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John M. Myers RABIN, MYERS, HANKEN & DURR, P.C. 1300 South Eighth Street Springfield, IL 62703 217.544.5000 fax: 217.544.5017 email: jmyers@springfieldlaw.com

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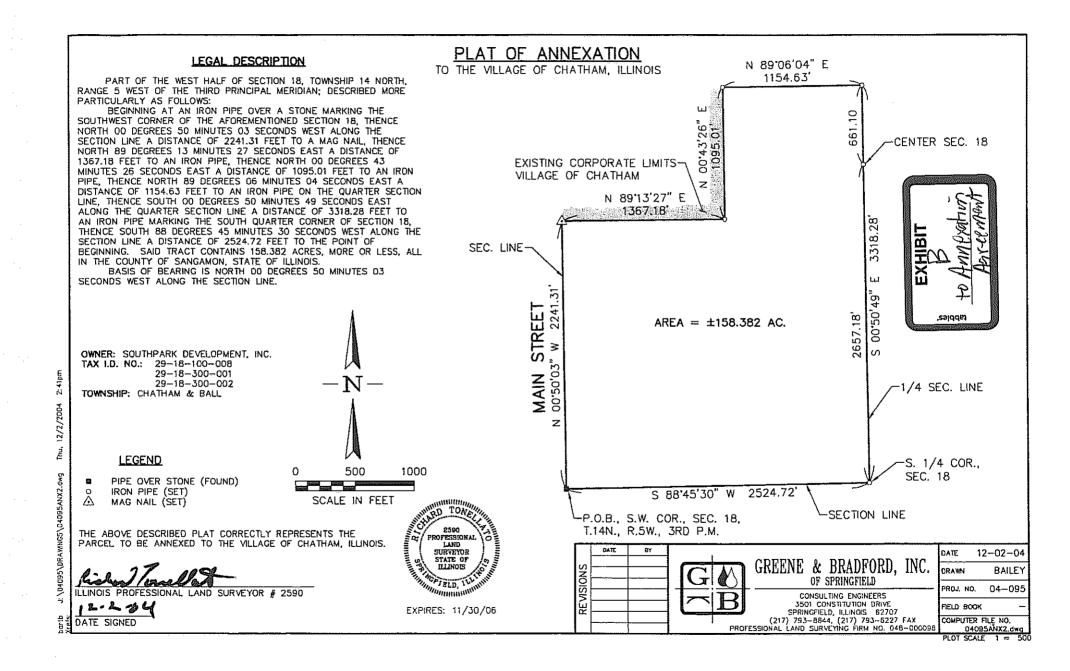
Legal Description

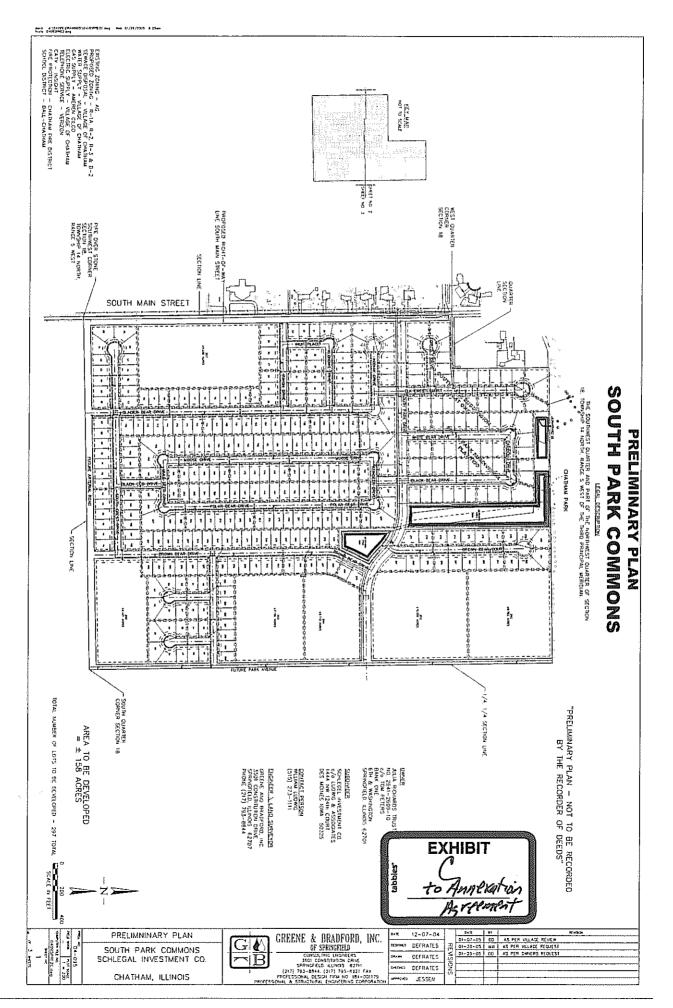
Part of the west half of Section 18, Township 14 north, range 5 west of the Third Principal Meridian; described more particularly as follows:

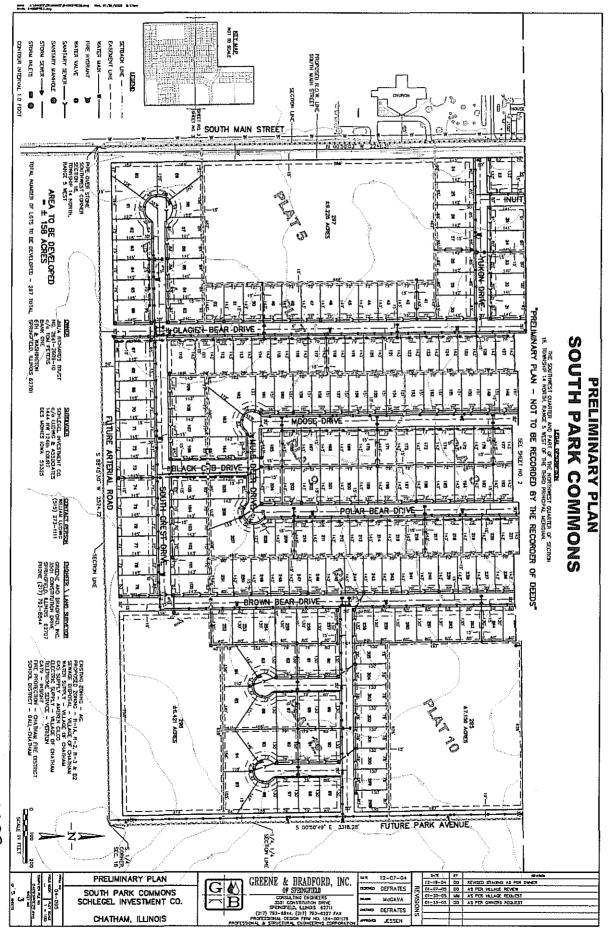
Beginning at an iron pipe over a stone marking the southwest corner of the aforementioned section 18, thence north 00 degrees 50 minutes 03 seconds west along the section line a distance of 2241.31 feet to a mag nail, thence north 89 degrees 13 minutes 27 seconds east a distance of 1367.18 feet to an iron pipe, thence north 00 degrees 43 minutes 26 seconds east a distance of 1095.0'f feet to an iron pipe, thence north 89 degrees 06 minutes 04 seconds east a distance of 1154.63 feet to an iron pipe on the quarter section line, thence south 00 degrees 50 minutes 49 seconds east along the quarter section line a distance of 3318.28 feet to an iron pipe marking the south quarter corner of section 18, thence south 88 degrees 45 minutes 30 seconds west along the section line a distance of 2524.72 feet to the point of beginning. Said tract contains 158.382 acres, more or less, all in the County of Sangamon, State of Illinois.

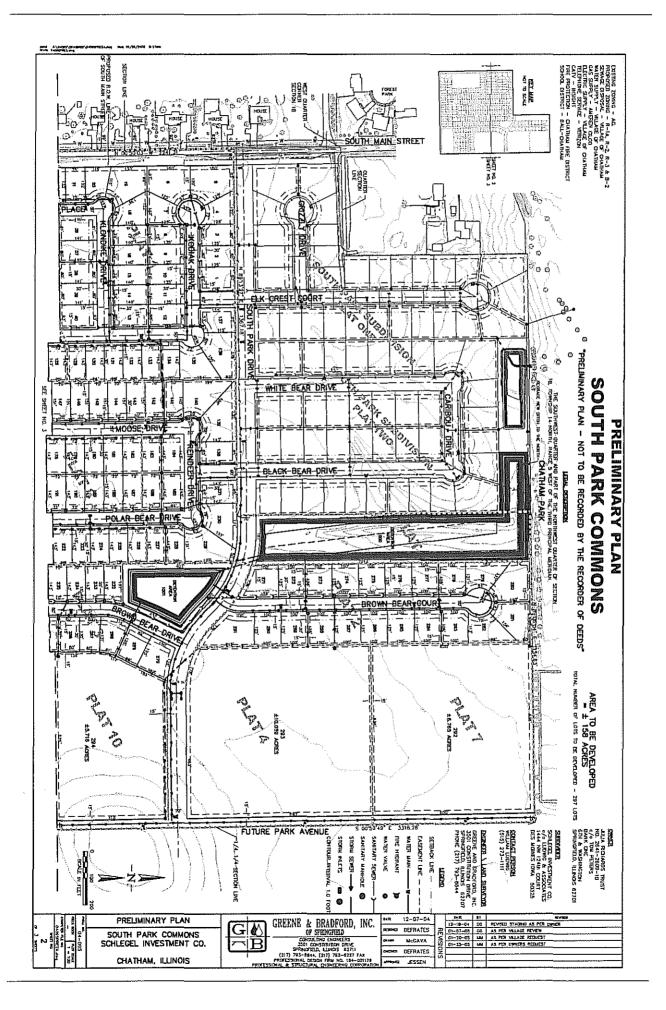
Basis of bearing is north 00 degrees 50 minutes 03 seconds west along the section line.

Exhibit A to Annexation Agreement 000136









PETITION FOR ANNEXATION

Bank One Trust Company, N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards, (Petitioner"), hereby petitions the Village of Chatham, Sangamon County, Illinois, pursuant to Section 7-1-8 of the Illinois Municipal Code, to annex within its corporate limits certain real estate, together with all public roadways contiguous thereto or contained therein, the legal description of which is set forth in Exhibit 1 hereto, and which is depicted on a Plat of Annexation attached hereto as Exhibit 2.

Petitioner hereby states as follows:

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1. The above-described territory is contiguous to the Village of Chatham.

2. The above-described territory is not within the corporate limits of any other municipality.

3. Petitioner is the sole owner of record of the property, and no electors reside therein.

4. The Village of Chatham does not provide fire or library services, such that no notice to any fire protection or library district is required.

5. This Petition is subject to and conditional on the terms and conditions of an annexation agreement by and between the Village of Chatham and Petitioner of even date herewith.

WHEREFORE, the undersigned Petitioner hereby requests that the above-

Exhibit D to Annexation Agreement

described real estate be annexed to the Village of Village, Sangamon County, Illinois, conditional upon and subject to the terms to the above-described annexation agreement.

BANK ONE TRUST COMPANY, N.A., as trustee of Trust No. 2641260910 and not personally

By: Trust officer $\ddagger AVP$

STATE OF ILLINOIS)) SS.COUNTY OF SANGAMON)

I, a Notary Public in and for said County and State aforesaid, do hereby certify that <u>homes w Peters</u>, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act and the free and voluntary act of Bank One Trust Company, N.A., as trustee of Trust No. 2641260910 and not personally, for the uses and purposes therein set forth.

Given under my hand and official seal this <u>18</u>th day of <u>February</u>, 2005

OFFICIAL SEAL^o Marityn K. Enternan Notary Public, State of Illinois Sangamon County My Commission Expires July 27, 201

VERIFICATION

Thomas W Peters, being duly sworn on oath, deposes and states that he is a trust officer of Bank One Trust Company, N.A., as trustee of Trust No.

2641260910, which is the Petitioner herein; that he has reviewed the foregoing Petition for Annexation, and the statements therein made are true and correct.

Thomas W. Peters Trust officer & AVP

SUBSCRIBED AND SWORN TO before me

this 18th day of tel bruary, 2005. Latima. Notary Public

OFFICIAL SEAL® Marilyn K. Enternen Notary Public, State of Illinois Sangarnon County My Commission Expires July 27, 2003

Exhibits:

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- 1. Legal Description
- 2. Annexation Plat

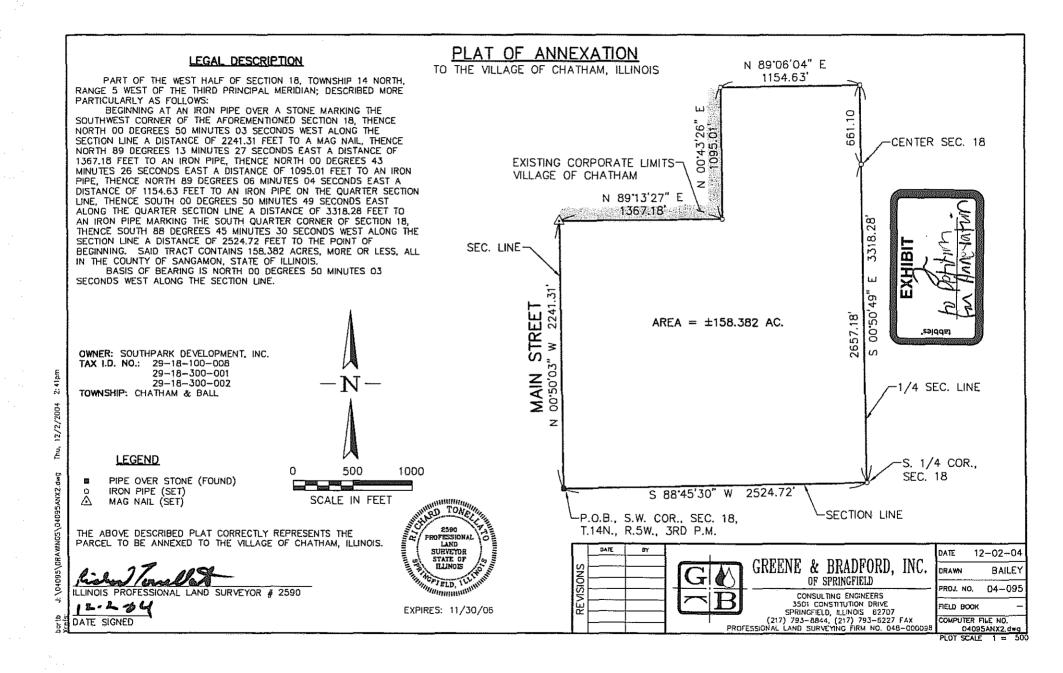
Legal Description

Part of the west half of Section 18, Township 14 north, range 5 west of the Third Principal Meridian; described more particularly as follows:

Beginning at an iron pipe over a stone marking the southwest corner of the aforementioned section 18, thence north 00 degrees 50 minutes 03 seconds west along the section line a distance of 2241.31 feet to a mag nail, thence north 89 degrees 13 minutes 27 seconds east a distance of 1367.18 feet to an iron pipe, thence north 00 degrees 43 minutes 26 seconds east a distance of 1095.01 feet to an iron pipe, thence north 89 degrees 06 minutes 04 seconds east a distance of 1154.63 feet to an iron pipe on the quarter section line, thence south 00 degrees 50 minutes 49 seconds east along the quarter section line a distance of 3318.28 feet to an iron pipe marking the south quarter corner of section 18, thence south 88 degrees 45 minutes 30 seconds west along the section line a distance of 2524.72 feet to the point of beginning. Said tract contains 158.382 acres, more or less, all in the County of Sangamon, State of Illinois.

Basis of bearing is north 00 degrees 50 minutes 03 seconds west along the section line.

Exhibit 1 to Petition for Annexation



AGREEMENT

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, pursuant to the provisions of 65 ILCS 5/9-5-1 et seq., the VILLAGE OF CHATHAM (hereinafter referred to as the "Village") and BANK ONE TRUST COMPANY, N.A. (hereinafter referred to as the "Owner"), as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards dated October 21, 1983 and admitted to Probate under Docket No. 90-P-605 on April 24, 1992, and SOUTHPARK DEVELOPMENT, INC. (hereinafter referred to as the "Developer"), DO HEREBY AGREE as follows:

1. Developer has an option to purchase the property described in Exhibit "A" attached hereto, and the Developer wishes to develop said property in accord with the subdivision ordinance of the Village of Chatham and the statutes of the State of Illinois into a subdivision of mixed residential and commercial use to be called South Park Commons Subdivision. South Park Commons Subdivision is approximately _____ acres in size.

2. As a requirement for approval of a final plat or plats for the property described in Exhibit "A", the Village of Chatham is requiring that the Developer construct certain improvements to Park Avenue on the eastern boundary of said subdivision, the specifications for which are contained in an annexation agreement between the Village of Chatham and the Developer dated the 22 day of 166, 2005 to which a counterpart of this agreement is attached as an exhibit. The total length of the roadway improvement is 5,050 feet.

Developer shall complete construction of the improvements for Park Avenue in accord with the provisions contained in the aforementioned annexation agreement.

As a further condition of approval of the annexation agreement and the subdivision plats comprising South Park Commons Subdivision, the Village of Chatham

has required that the Developer assume the Village's costs for improvement to Park Avenue adjacent to the Village park north of South Park Commons Subdivision.

3. The Village and Developer have determined that certain property outside of the proposed South Park Commons Subdivision shall and may reasonably be expected to benefit from the construction of improvements to Park Avenue, which property is depicted in Exhibit "B" attached hereto and which property is legally described in Exhibit "C" attached hereto, approximately 155 acres in size. That portion of South Park Commons Subdivision and the Chatham Community Park so benefited by the improvements to Park Avenue is approximately 132 acres and is also depicted in Exhibit "B". The road improvements which are the improvements to Park Avenue shall be in accord with the provisions of Exhibit "F" of the Annexation Agreement referred to in paragraph two above, as modified from time to time by the parties. The improvements are approximately 5,050 feet in length.

As shown on Exhibit "D" hereto, the estimated costs of the proposed road 4. improvements at the time of this agreement is \$1,150,000.00, together with additional costs for design engineering, construction engineering and related matters, and such amount may increase or decease from time to time as the design for the roadway is finalized and further, due to economic factors outside the control of the parties. 100% of the proposed road improvement costs will be paid by the Developer. The Village does hereby find that the Developer is entitled to reimbursement from any future developers of properties described in Exhibit "C" as set forth below. The Developer shall only be reimbursed on the basis of the Developer's actual costs of constructing the road improvements as certified by Developer's engineer upon final acceptance by the Village of the improvements to Park Avenue. Upon acceptance thereof, Developer's engineer shall certify such amount in writing. The Village shall have thirty days after receipt of the certification either to accept the amount certified by Developer's engineer or to request an audit of the certified amount. If an audit is requested, the parties shall agree on an independent certified public accountant to perform the audit and certify the amount. If the amount certified by the certified public accountant is less than the amount certified by the Developer's engineer. Developer shall pay the cost of the audit. If the amount certified by the certified public accountant is greater than the amount certified by Developer's engineer, then the Village shall pay the cost of the audit.

The cost estimate set forth in the above paragraph includes the costs of temporary and interim improvements and construction of Park Avenue prior to construction of the final improvements, as more specifically set forth in the annexation agreement referred to in section two above.

In the event that the Developer incurs additional costs pursuant to the annexation agreement referred to above in section two of this agreement for the acquisition of additional right-of-way for Park Avenue, such cost of acquisition of such additional rightof-way, together with reasonable costs and attorneys' fees incurred in connection with such acquisition, including any eminent domain proceedings in connection with such

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acquisition shall be claimed under this agreement as additional reimbursable expense to be recovered by the Developer to the extent permitted by law.

In the event that the final cost of the construction of the improvements to Park Avenue by the Developer has not been determined by the time any portion of the property described in Exhibit "C" shall be submitted for plat approval to the Village, the owners of said property shall be responsible for payment of its portion of the costs of the temporary and permanent improvements to that portion of Park Avenue adjacent to or serving said development and shall be required to reimburse the Developer through the Village for costs incurred by the Developer and certified by the Village which are attributable to that portion of Park Avenue adjacent to or serving the new development. The Developer, the Village and the owners may, upon unanimous agreement of the Developer, the Village and the owners of the property described in Exhibit "C", agree to other standards for determining the amount due to the Developer under this agreement.

5. The Village and the Developer do hereby find that, based upon acreage, the proportion of the costs of the improvements to Park Avenue benefiting South Park Commons Subdivision is as follows: 50%

6. The Village and the Developer do hereby find that the portion of the proposed improvements which shall benefit the property described in Exhibit "C", based upon acreage, is as follows: 50%

7. As a condition of the approval of any subdivision, planned unit development or other development of any part of the property described in Exhibit "C", the Village shall, prior to any action approving a preliminary plan or similar formal action preliminarily approving the development, collect from the owners of said property an amount equal to the Developer's share of the actual costs of the improvements to Park Avenue made by Developer, and the Village shall, within thirty days of receipt of said sums, remit the same to Developer, its heirs, successors and assigns. The amounts to be paid in connection with the later development of the property described in Exhibit "C" shall be the cost of the road improvements certified pursuant to paragraph four hereof multiplied by 50%, multiplied by the greater of:

(A) the development's percentage of the entire acreage contained in group Exhibit "C"; or

(B) the development's percentage of the total road frontage set forth in paragraph three

until, in the aggregate, 50% of the cost of the road improvements have been paid in full.

In approving any future development within Exhibit "C", the Village may refuse approval of development plans where it appears that the developer has shaped or

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configured the proposed development in order to avoid payment of the costs as set forth in this paragraph.

The amount to be paid by the later developers of the property described in Exhibit "C" at the specified time shall be the cost of the Park Avenue improvements as defined and certified pursuant to section four above; if said amounts cannot be finally certified at such time, then the amount shall be determined in accordance with the alternate provisions contained in section four above.

8. Any person or entity developing any subdivision or planned unit development on the property described in Exhibit "C" shall also pay interest on the sums to be paid to the Developer at a rate of five percent (5%) per annum from the date that the Village approves or accepts the improvements to Park Avenue. As funds are spent by the Developer for the temporary and permanent improvement of Park Avenue, the Developer shall certify said expenditures to the Village upon such terms as the Village shall require. Interest shall begin to accrue from the date that the Developer certifies said expenditures to the Village but shall accrue only on that amount actually approved and accepted by the Village.

9. This agreement shall be binding on the heirs, successors and assigns of all parties. Developer may assign its rights to monetary payments hereunder to any third party provided it gives notice to the Village. Purchasers of individual lots in South Park Commons Subdivision shall have no rights under this contract. Pursuant to 65 ILCS 5/9-5-2, this contract shall be recorded by Developer with the Recorder of Deeds of Sangamon County, Illinois, and such recordation shall constitute notice to persons interested in the land described in Exhibit "C".

If the Village is prohibited by statute, court order, legal proceedings, or is 10. otherwise unable to collect said fees in connection with development of the property described in Exhibit "C", the Village shall have no independent obligation to reimburse Developer or its heirs, successors and assigns for any fees to be collected pursuant to this agreement provided that the Village shall make a reasonable and good faith effort to collect said fees from any developer or developers of the property described in Exhibit "C". The Village shall not approve any preliminary or final subdivision, large scale development or planned unit development plat with respect to any land described in Exhibit "C" without taking reasonable steps to require the developer thereof to pay the fees set forth in this agreement. In the event that it becomes necessary to pursue legal proceedings to enforce the provisions of this agreement against any owner or developer of the property described in Exhibit "C" or defend the validity of this agreement in any action brought by such owner or developer. Developer agrees to be responsible for all attorneys' fees and costs for both the Village and the Developer. The parties recognize that, in all likelihood, their interests will coincide in the event of such litigation, and consequently, they agree to be represented by the same counsel unless a conflict of interest should develop which would require separate counsel for each party. As between the Developer and the Village, the sole remedy for a breach of this agreement shall be an action for specific performance.

11. Time shall be considered to be of the essence of this agreement. The warranties and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto.

12. All notices and demands herein required or given hereunder shall be in writing. The mailing of such notice or demand to the Village or to the Developer shall be at their respective current business addresses, as follows:

Village of Chatham Attn: Village President 116 East Mulberry Chatham, Illinois 62629

Bank One Trust Company, N.A. Attn: Thomas W. Peters Bank One Private Client Services Farm Management/IL2-8281 1 East Old State Capitol Plaza P.O. Box 3268 Springfield, Illinois 62708

Southpark Development, Inc. Attn: Dennis Schlegel 1601 West Lakes Parkway, Suite 300 West Des Moines, Iowa 50266

13. This agreement contains all the terms and conditions agreed upon by the parties hereto and supersedes and/or merges with all oral agreements or understandings regarding the subject matter of this agreement and may only be amended or altered in writing signed by all the parties.

14. If all or any part of any section of this agreement shall be ruled invalid by a court of law, the agreement shall nevertheless be carried out in all other respects as fully as possible, and all other provisions shall remain in full force and effect insofar as possible. If the Village is prohibited by court decision from collecting any fee required by this agreement to be collected from any developer or developers of property described in Exhibit "C", whether by injunction, decision at law, in equity or otherwise, the Village shall have no further obligation to reimburse Developer or its heirs, successors and assigns for any monies otherwise due under the terms of this agreement.

15. The covenants, terms, conditions, representations, warranties, agreements and undertakings set forth in this agreement (and specifically also including those covenants, terms, conditions, representations, warranties, agreements and undertakings which survive the termination of this agreement) shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives. AGREED this <u>22</u> day of <u>FEB</u>, 2005.

VILLAGE OF CHATHAM, ILLINOIS,

By: Thomas S. Jra Its: PRESIDENT

ATTEST:

hhad By: Its: CO

BANK ONE TRUST COMPANY, N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards dated October 21, 1983 and admitted to Probate under Docket No. 90-P-605 on April 24, 1992,

By: Thomas W. Geters Its: Trust Officer & AVP

ATTEST: By: Its:

SOUTHPARK DEVELOPMENT, INC. By: Ae GI Its:

ATTEST: K Conte By: nnn Its: Clio

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Document prepared by:

James D. Kelly Presney, Kelly & Presney 726 South Second Street Springfield, Illinois 62704 (217) 525-0016

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Exhibit "A" \rightarrow	Legal description of proposed South Park Commons Subdivision
Exhibit "B" \rightarrow	Map of South Park Commons Subdivision which also shows the adjacent property to be benefited by improvements to Park Avenue
Exhibit "C" \rightarrow	Legal description of property outside of South Park Commons Subdivision to be benefited by improvements to Park Avenue
Exhibit "D" \rightarrow	Estimated costs of proposed road improvements/Park Avenue

EXHIBIT "A"

ANNEXATION PLAT

PART OF THE WEST HALF OF SECTION 18, TOWNSHIP 14 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN; DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT AN IRON PIPE OVER A STONE MARKING THE SOUTHWEST CORNER OF THE AFOREMENTIONED SECTION 18, THENCE NORTH 00 DEGREES 50 MINUTES 03 SECONDS WEST ALONG THE SECTION LINE A DISTANCE OF 2241.31 FEET TO A MAG NAIL, THENCE NORTH 89 DEGREES 13 MINUTES 27 SECONDS EAST A DISTANCE OF 1367.18 FEET TO AN IRON PIPE, THENCE NORTH 00 DEGREES 43 MINUTES 26 SECONDS EAST A DISTANCE OF 1095.01 FEET TO AN IRON PIPE, THENCE NORTH 89 DEGREES 06 MINUTES 04 SECONDS EAST A DISTANCE OF 1154.63 FEET TO AN IRON PIPE ON THE QUARTER SECTION LINE. THENCE SOUTH 00 DEGREES 50 MINUTES 49 SECONDS EAST ALONG THE QUARTER SECTION LINE A DISTANCE OF 3318.28 FEET TO AN IRON PIPE MARKING THE SOUTH QUARTER CORNER OF SECTION 18. THENCE SOUTH 88 DEGREES 45 MINUTES 30 SECONDS WEST ALONG THE SECTION LINE A DISTANCE OF 2524.72 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINS 158.382 ACRES, MORE OR LESS, ALL IN THE COUNTY OF SANGAMON, STATE OF ILLINOIS.

BASIS OF BEARING IS NORTH 00 DEGREES 50 MINUTES 03 SECONDS WEST ALONG THE SECTION LINE.



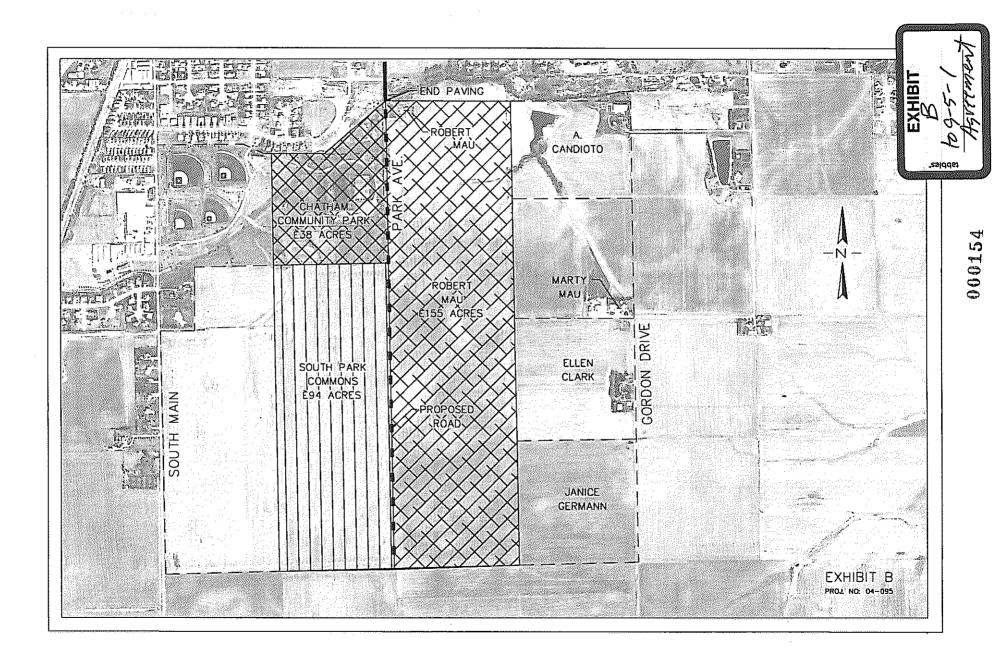


EXHIBIT "C"

LEGAL DESCRIPTION OF PROPERTY OUTSIDE OF SOUTH PARK COMMONS SUBDIVISION AND CHATHAM COMMUNITY PARK TO BE BENEFITED BY IMPROVEMENTS TO PARK AVENUE

THE WEST HALF OF THE EAST HALF OF SECTION 18, TOWNSHIP 14 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN, SANGAMON COUNTY, ILLINOIS, EXCEPT THE FOLLOWING TRACT DESCRIBED AS FOLLOWS:

PART OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 14 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN, SANGAMON COUNTY, ILLINOIS, FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT A STONE MARKING THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 18; THENCE NORTH 89 DEGREES 53 MINUTES 02 SECONDS EAST A DISTANCE OF 490.00 FEET ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE SOUTH 31 DEGREES 06 MINUTES 33 SECONDS WESTA DISTANCE OF 89.69 FEET; THENCE SOUTH 78 DEGREES 41 MINUTES 54 SECONDS WEST A DISTANCE OF 197.45 FEET; THENCE SOUTH 81 DEGREES 54 MINUTES 58 SECONDS WEST A DISTANCE OF 252.50 FEET TO A POINT ON THE WEST LINE OF SAID NORTHEAST QUARTER, SECTION 18; THENCE NORTH 00 DEGREES 01 MINUTES 04 SECONDS WEST A DISTANCE OF 150.00 FEET ALONG SAID WEST LINE TO THE POINT OF BEGINNING. EXCEPTION CONTAINS 1.227 ACRES, MORE OR LESS.

> EXHIBIT Fo G-5-1 Agreent

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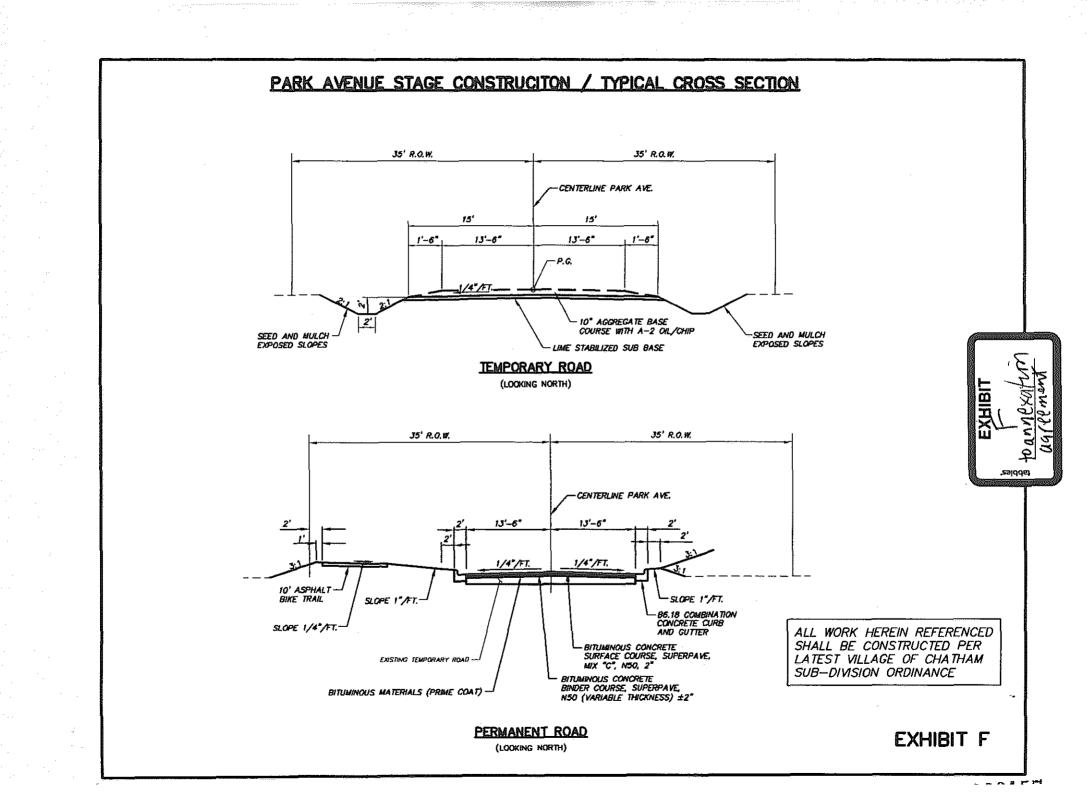
C:\Documents and Settings\Jim\Local Settings\Temporary Internet Files\OLK18\01-07-05 EXHIBIT C - 04-095.uoc

Park Avenue Construction Cost Estimates

	Construct Temporary Road Lime stabilized sub-base; 10" aggregate base; A-2 oil and chip surface; engineering	Construct Permanent Road 4" asphalt surface; conctete curb and gutter; storm sewer; engineering	TOTAL
Phase I Adjacent to Chatham Community Park, north of South Park Commons subdivision	\$90,000	\$245,000	\$335,000
Phase II From north edge of south Park Commons subdivision to south edge of South Park Drive ROW	\$140,000	\$195,000	\$335,000
Phase III From south edge of South Park Drive ROW to south edge of South Park Commons subdivision	\$200,000	\$280,000	\$480,000
TOTAL	\$430,000	\$720,000	\$1,150,000

EXHIBIT D

-to G-5-1 Agreement



LIEN AGREEMENT

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, pursuant to the provisions of 65 ILCS 5/9-5-1 et seq., the VILLAGE OF CHATHAM (hereinafter referred to as the "Village") and BANK ONE TRUST COMPANY, N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards dated October 21, 1983 and admitted to Probate under Docket No. 90-P-605 on April 24, 1992, ("Owner") and SOUTHPARK DEVELOPMENT, INC. ("Developer"), DO HEREBY AGREE as follows:

1. This agreement is security for performance of Developer's obligations pertaining to the construction of Park Avenue in Chatham, Illinois, as set forth in paragraphs 6 and 7 of that certain Annexation Agreement between the parties dated the 22 day of FEB, 2005 and recorded in the office of Recorder of Deeds, Sangamon County, Illinois, on the Π^{TH} day of MARCH, 2005 as Document No. 2005RO9285 ("the Annexation Agreement").

2. Owner herby grants to the Village a lien against the real property described in Exhibit "A" attached hereto. (the "Premises") The parties agree that the appraised value of the Premises is at least \$500,000.00, as determined by appraisal.

3. Owner and Developer may request from time to time that the collateral described in Exhibit A be partially released, and that other land within the Preliminary Plan of South Park Commons Subdivision (Exhibit C to the Annexation Agreement) may be substituted as collateral pursuant to an amendment to this Agreement. The Village shall not withhold its consent to such release, substitution and amendment if: (a) the land to be substituted as collateral has an equivalent value to the land released; (b) the Village is provided with a supporting appraisal from an appraiser acceptable to it in its reasonable discretion; and (c) Owner and Developer are not otherwise in default of their obligations under this Agreement or the Annexation Agreement.

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EXHIBIT 50 to Annexation Agreement

4. Owner and Developer may at any time substitute an irrevocable bank letter of credit in favor of the Village, from an institution acceptable to the Village, as substitute collateral under this Agreement, in which case the Village shall release an equivalent amount of collateral as described in Exhibit A, or land previously substituted as collateral pursuant to Paragraph 3.

5. Owner and Developer may request from time to time that the collateral described in Exhibit A, or any substitute collateral, be partially released whenever 125% of the estimated cost of completion of all remaining temporary and permanent improvements to Park Avenue as set forth in the Annexation Agreement is less than the value of the collateral. The Village shall not withhold its consent to such release and substitution if the Village is provided with a an appraisal from an appraiser acceptable to it in its reasonable discretion; and (b) the Village's Consulting Engineer concurs with the Developer's estimate of remaining cost of construction of Parke Avenue; and (c) Owner and Developer are not otherwise in default of their obligations under this Agreement or the Annexation Agreement.

6. Owner and Developer covenant as follows:

A. They will maintain the Premises in good condition, not to commit or suffer any waste of the premises, to comply with or cause to be complied with all statutes, ordinances and requirements of the Village and any other governmental authority.

B. They will pay all taxes, assessments, special assessments, water and sewer service charges or other charges now or hereinafter assessed and to pay any other liens levied against the premises or any part thereof.

C. Owner has fee simple title to the Premises and that the lien created by this instrument, when recorded, will constitute a first lien upon the Premises subject only to real estate taxes for the year 2004 payable in 2005 and later years, and easements of record. Owner and Developer will defend title to the Premises against any person, corporation or other entity claiming any right, title or interest in the property superior to that of the Village.

D. They will permit the Village and any persons authorized by the Village to enter onto the premises described in Exhibit "A" at any and all reasonable times.

7. Default by Owner or Developer under the terms of this lien shall consist of a breach of the covenants, terms and conditions of the Annexation Agreement referred to above in paragraph one. Specifically, said default shall consist of failure to construct both the temporary and permanent improvements to Park Avenue as defined and as required by the terms of said Annexation Agreement. The Village shall give the

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Developer notice of said default in writing at the addresses set forth in paragraph 11 below, as amended from time to time. The developer shall have thirty days to cure said default according to the terms and conditions of said agreement.

8. The Village covenants and warrants that it will comply with the terms, covenants and conditions contained in said Annexation Agreement referred to above in paragraph one and, further, that it will furnish releases of all or part of the property described in Exhibit "A" in accordance with the terms, covenants and conditions of said Annexation Agreement and this Agreement, from time to time, as required by the Developer.

9. In the event that either party shall breach the provisions of this agreement or default in performance of the obligations hereunder, and in the event that the other party shall incur costs and expenses including reasonable attorneys' fees in the enforcement of the terms of this agreement, then such party shall be entitled to be reimbursed by the breaching or defaulting party for such expenses, costs and reasonable attorneys' fees incurred in connection with the enforcement of said party's rights under this agreement, including foreclosure of this lien.

10. This lien agreement is a consensual lien created by written instrument which grants or retains an interest in real estate to secure a debt or other obligation, and is therefore a "mortgage" as defined by 735 ILCS 5/15-1207. In the event that this lien is foreclosed by the Village, said foreclosure shall be in accord with the provisions of mortgage foreclosure procedures contained in 735 ILCS 5/15-1501, et seq., and any other applicable and law.

11. All notices and demands herein required or given hereunder shall be in writing. The mailing of such notice or demand to the Village or to the Developer shall be at their respective current business addresses, as follows:

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Village of Chatham Attn: Village President 116 East Mulberry Chatham, Illinois 62629

Bank One Trust Company, N.A. Attn: Thomas W. Peters Bank One Private Client Services Farm Management/IL2-8281 1 East Old State Capitol Plaza P.O. Box 3268 Springfield, Illinois 62708

Southpark Development, Inc. Attn: Dennis Schlegel 1601 West Lakes Parkway, Suite 300 West Des Moines, Iowa 50266

12. The terms, covenants, conditions, representations, warranties, agreements and undertakings set forth in this agreement (and specifically also including those terms, covenants, conditions, representations, warranties, agreements and undertakings which survive the termination of this agreement) shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

13. This agreement shall be governed and interpreted in accordance with the laws of the State of Illinois.

14. This agreement contains all of the terms, covenants and conditions agreed upon by the parties hereto and supersedes and/or merges with all oral agreements or understandings regarding the subject matter of this agreement and may only be amended or altered in writing signed by all the parties.

AGREED this 22 day of FE13 , 2005.

VILLAGE OF CHATHAM, ILLINOIS,

Thomas & Dray Bv: PRESIDENT Its:

ATTEST: By: Its:

BANK ONE TRUST COMPANY, N.A., as Trustee of Trust No. 2641260910 under the Last Will and Testament of Julia F. Richards dated October 21, 1093 and admitted to Probate under Docket No. 90-P-605 on April 24, 1992,

By: Its: ŧ

ATTEST: By: Its: insociato

SOUTHPARK DEVELOPMENT, INC., By: Its:

ATTEST: By:c Its:

Document prepared by:

James D. Kelly Presney, Kelly & Presney 726 South Second Street Springfield, Illinois 62704 (217) 525-0016

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Exhibit A to Lien Agreement

Legal Description

To be determined by the parties

QUITCLAIM DEED

- Prepared By: Rabin, Myers, Hanken & Durr, P.C. 1300 South Eighth St. Springfield, IL 62703
- Grantee: Village of Chatham 116 E. Mulberry Street Chatham, IL 62629
- Return To: Village of Chatham 116 E. Mulberry Street Chatham, IL 62629
- Tax Bill To: Village of Chatham 116 E. Mulberry Street Chatham, IL 62629

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The Grantor, Bank One Trust Company, N.A., as Trustee of Trust No.

2641260910 under the Last Will and Testament of Julia F. Richards, for and in

consideration of that certain Annexation Agreement dated 22 FEB

2005 and recorded with the Recorder of Deeds of Sangamon County, Illinois on

<u>3/11/05</u>, 2005, as document no. <u>2005R09285</u>, hereby CONVEYS

and QUITCLAIMS to the Village of Chatham, Illinois, an Illinois Municipal Corporation Exhibit H to Annexation Agreement that tract of land described in a plat of survey attached hereto as Exhibit 1 (the "Property"). The Property is dedicated to the public for use as a roadway, and for all uses customarily incident thereto, including but not limited to sidewalks, storm sewers, ditches, water, sewer, gas, electric, cable television, and all other public utilities and public uses.

Dated this 22 day of FEB, 2005.

BANK ONE TRUST COMPANY, N.A., as trustee of Trust No. 2641260910 and not personally

Thomas W, Ger By: Trust officer 4 AVP

STATE OF ILLINOIS)) SS. COUNTY OF SANGAMON)

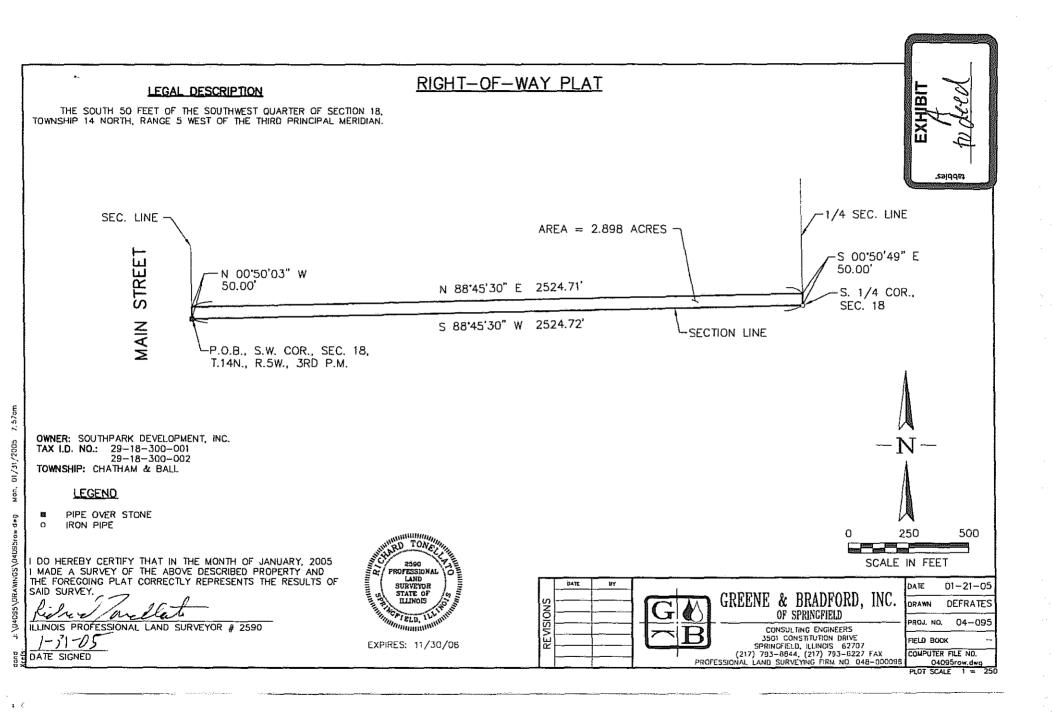
I, a Notary Public in and for said County and State aforesaid, do hereby certify that <u>MomAS</u> <u>Wheters</u>, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act and the free and voluntary act of Bank One Trust Company, N.A. as trustee of Trust No. 2641260910 and not personally, for the uses and purposes therein set forth.

Given under my hand and official seal this 22 aday of <u>*February*</u>, 2005

"OFFICIAL SEAL" Marilyn K. Enteman Notary Public, State of Illinois Sangamon County My Commission Explines July 27, 2003

Prepared by/Return to: John M. Myers Rabin, Myers, Hanken & Durr, PC 1300 South Eighth Street Springfield, IL 62703 (217) 544-5000

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Prepared by/Return to: John M. Myers Rabin, Myers, Hanken & Durr, PC 1300 South Eighth Street Springfield, IL 62703 (217) 544-5000

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