

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Agreement”) entered into this ___ day of _____, 2013, by and between the CITY OF ROCHELLE, an Illinois municipal corporation, and FLAGG ROCHELLE COMMUNITY PARK DISTRICT, an Illinois municipal corporation (jointly “Landlords”) and the GREATER ROCHELLE ECONOMIC DEVELOPMENT CORPORATION, an Illinois not-for-profit corporation (“Tenant”):

WITNESSETH

THAT WHEREAS, the City of Rochelle and Flagg Rochelle Community Park District are owners, as tenants in common, of approximately 74.286 acres m.o.l., improved with a golf course, restaurant, and ancillary facilities, the legal description of which is attached hereto as **Exhibit A**; and

WHEREAS, Tenant desires to lease the premises from Landlords, for the purpose of operating a golf course and restaurant on the Premises; and

WHEREAS, Landlords are willing to enter into such a lease with Tenant on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Premises. Landlords hereby lease to Tenant, and Tenant hereby leases from Landlords, the real property legally described on **Exhibit A**, attached hereto, along with all fixtures, improvements on said property and appurtenances to said property (collectively “Premises”). Concurrently with the making of this Agreement Tenant shall make and enter into an agreement with the current owner of the Premises (the Mershons) to purchase all trade fixtures, equipment, inventory and all other property, located at or about the Premises and used or usable in connection with the Premises as recreational property including without limitation, such recreational uses as a golf course, restaurant, bar, tennis court and swimming pool whether located at or about the Premises or contained within said Premises, or stored at some other location, including, without limitation, the types and items of property more specifically identified on Exhibit B attached hereto and made a part hereof (collectively the “Related Personal Property”), for one (\$1.00) dollar. It is a condition precedent to Tenant’s obligation to consummate the transaction contemplated hereunder that Tenant shall obtain and receive ownership of the Related Personal Property which is desirable in the sole opinion of Tenant to the operation of the Premises upon such terms as are acceptable to Tenant. Concurrently with the making of this Agreement Tenant shall make and enter into an agreement with Landlords to sell to Landlords, or its nominee, the items described on Exhibit B, or so much thereof as remains, including any replacements, for Tenants cost, that is one (\$1.00) dollar at the Termination Date, or the end of any extension hereof, in its then AS IS condition.

2. Term. The term of this Agreement shall be thirty-six (36) months commencing on _____ (“Commencement Date”) and ending on _____ (“Termination Date”).

Tenant shall have an option to extend this Agreement for a term of twelve (12) months (“First Extension Period”) , on written notice to Landlord at least ninety (90) days prior to the Termination Date. The First Extension Period shall commence on _____ and end on _____.

If Tenant shall first extend this Agreement pursuant to the preceding paragraph of this Section, the Tenant shall have an option to extend this Agreement for a second additional twelve (12) months (“Second Extension Period”) on written notice to Landlord at least ninety (90) days prior to the end of the First Extension Period. The Second Extension Period shall commence on _____ and end on _____.

Rent. Tenant shall pay Landlords rent for the Premises of \$1.00 per twelve (12) month period, payable on the Commencement Date, and thereafter on the anniversary of the Commencement Date, during the Term of this Agreement, and any extension thereof.

3. Taxes. Tenant shall pay, when due, all taxes, including without limitation all real estate taxes and assessments, whether general or special, levied or assessed upon or with respect to any part of the Premises or improvements thereon (collectively “Real Estate Taxes”) accruing from the Commencement Date to and through the Termination Date, including the end of any extension hereof. Landlords, and each of them, shall abate the Real Estate Taxes owed to them during the Term of this Agreement, meaning the first 36 months hereof, and the First and Second Extension periods hereunder.. The City of Rochelle, in conjunction with the Tenant, shall use its best efforts to obtain a similar Real Estate Tax abatement from other taxing bodies. Concurrently with the making of this Agreement Tenant is requesting other taxing bodies to abate the Real Estate Taxes owed to them during the Term of this Agreement, meaning the first 36 months hereof, and the First and Second Extension periods hereunder.

4. Use. Tenant may use and occupy the Premises and the improvements thereon to operate a golf course and/or restaurant, or both. Any use of the Premises permitted herein is permitted only to the extent that said use is open to the public; provided, however, that the Premises may be used for intermittent private functions, including without limitation, such uses as wedding receptions, banquets, golf tournaments, or golf play days. No other uses shall be permitted. Tenant shall at all times comply with all applicable laws and regulations governing commercial establishments open to the public, including without limitation, laws relating to accessibility and non-discrimination.

5. Care of Premises. Tenant shall keep and maintain the Premises and all improvements thereon, in good condition, including the exterior condition thereof, and shall make all reasonably necessary repairs, whether general or structural, at Tenant's expense. Tenant may not make any alteration to the Premises which requires a building permit without the prior consent of the Executive Director of the Park District and the City Manager of the City, which consent shall

not be unreasonably withheld. Notwithstanding anything to the contrary in this Section, Tenant is authorized to maintain the Premises in emergency situations without the prior written consent of Landlords, including making alterations to the Premises that are required to protect the Premises.

Tenant agrees to hold harmless from any responsibility or expense Landlords for any maintenance of the Premises, and improvements thereon. Tenant shall provide proper containers for trash and garbage and shall keep the Premises free and clear of rubbish, debris, and litter at all reasonable times. Tenant shall keep mowed and in a sightly condition all landscaping and grass areas within the Premises.

6. Return of Premises. At the termination of this Agreement, Tenant shall surrender the Premises in good condition, reasonable wear and tear and loss by fire or other insurable perils excepted.

7. Sublease and Assignment. The parties acknowledge that Tenant intends to sublease a portion, or all, of the Premises to other qualified entities or individuals for the operation of a restaurant, a golf course, or both, the purpose of this Agreement being to allow Tenant to obtain and find suitable sublessees for the operation of a restaurant, a golf course, or both on the Premises. Prior to Tenant subleasing any portion of the Premises, Tenant shall conduct a reasonable background check on the potential subtenant to ensure the potential subtenant is qualified, financially and otherwise, to appropriately operate the facilities that are sublet. Tenant shall not sublease any part of the Premises without the prior written consent of the then acting City Manager of the City of Rochelle, which consent will not be unreasonably withheld.

8. Insurance.

- a. **General Liability.** Tenant covenants and agrees to maintain in force and effect at all times during the Term of this Agreement, and any extension thereof, public liability insurance in such amounts as are reasonably required by Landlords, with coverage limits of not less than \$_____ for premises liability, \$_____ for any occurrence of damage to property, \$_____ aggregate for each occurrence for death and bodily injury, and \$_____ for death or injury to any one person. Said insurance shall protect Tenant and Landlords and their agents or employees from loss on account of each and every claim or demand arising out of alleged wrongful or negligent acts or omissions on the part of Tenant, its agents, servants or employees. Said insurance shall include coverage commonly known as "Worker's Compensation", "Product Liability" and "Dram Shop Liability".
- b. **Fire and Casualty.** Landlords, or at least one of them, shall maintain in effect throughout the Term of this Agreement, and any extensions thereof, policies of insurance covering the buildings, the improvements on the Premises, and the Premises, in an amount equal to their full replacement value, providing protection against any peril included under a standard form of insurance policy used in Illinois for fire and extended coverage, together with insurance against vandalism, malicious mischief, and war damage and earthquake insurance (if available at

commercially reasonable rates). Landlords agree to negotiate the obligations of each other with respect to this Section 9(b) of this Agreement. In the event any of the Improvements, any Buildings or the Premises are destroyed or damaged by fire, explosion, the elements, or any other casualty, Landlords shall promptly restore or rebuild the Improvements, the Buildings and or the Premises to their condition prior to such destruction or damage, if restoration or rebuilding is commercially reasonable. All proceeds from those insurance policies shall be held in trust by Landlords or Landlords' mortgagee for the restoration of the Improvements, the Buildings and the Premises pursuant to the terms of this Agreement.

- c. **General Insurance Provisions.** With respect to all insurance policies on the Premises, said insurance shall: (i) be with a company or companies reasonably satisfactory to Landlords and Tenant, and (ii) be primary coverage. Any insurance that Landlords may have, except for the insurance provided in Section 10(b) of this Agreement, shall be considered secondary and non-contributory and all said insurance policies shall contain an endorsement to this effect. Landlords and Tenant shall be named as additional insureds in all insurance and shall be provided with certificates of the insurance evidencing such coverage throughout the life of this Agreement. Landlords and Tenant reserve the right to request and receive copies of Tenant's and Landlords' insurance policies as referenced in this Agreement.
 - d. Landlords and Tenant shall provide each other with a waiver of any right of subrogation as against the other party under any and all of its insurance policies that are in anyway related to this Agreement.
9. Waiver and Indemnity.
- a. **General Waiver.** In addition to and without limiting or being limited by any other releases or waivers of claims in this Agreement, to the extent not prohibited by law, Landlords, or any of their officers, Mayor, councilmembers, commissioners, agents, consultants, contractors or employees, shall not be liable, and Tenant hereby waives and releases them from any liability, for any injury to or death of any person or injury or damage to, or theft, robbery, pilferage, loss or loss of the use of any property, sustained by Tenant or by other persons arising out of or relating to the Premises coming out of repair, or due to the happening of any accident or event in or about any part of the Premises, or due to any act or neglect of any other person; provided, however, that Tenant does not waive or release Landlords, or any of their officers, Mayor, councilmembers, commissioners, agents, consultants, contractors or employees, from liability for their respective negligence or willful misconduct which causes any injury to or death of any person or from criminal acts.
 - b. **Indemnity.** In addition to and without limiting or being limited by any other indemnity in this Agreement, but rather in confirmation and furtherance thereof,

Tenant agrees to indemnify, defend by counsel reasonably acceptable to Landlords, and hold Landlords, and their officers, Mayor, council members, commissioners, agents, consultants, contractors and employees, harmless of, from and against any and all losses, damages, liabilities, claims, liens, costs and expenses including court costs and reasonable attorney's fees and expenses, in conjunction with injury to or death of any person or injury or damage to or theft, robbery, pilferage, loss or loss of use of any property not owned by Landlords occurring in or about the Premises arising from Tenant's occupancy of the Premises, or the conduct of its business or from any activity, work, or thing done, permitted or suffered by Tenant in or about the Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Agreement, or due to any other act or omission of Tenant, or any of its employees, agents, licensees, invitees or contractors; provided, however, that Tenant's indemnity obligation shall not extend to damages caused by the negligence or willful act or omission of Landlords. In addition, Landlords hereby agree to hold harmless and indemnify the Tenant and its agents, contractors, and employees from and against all claims, liability, and costs (including, but not limited to, attorneys' fees and costs) for injuries to persons and damage to or the theft, misappropriation, or loss of property arising from occurrences in or about the Premises caused by the act, omission, or negligence of Landlords; provided, however, that Landlords' indemnity obligation shall not extend to damages caused by the negligence or willful act or omission of Tenant. In the event damages or injuries are caused by the acts or omissions of both parties, the indemnity obligation of each party shall be apportioned between the parties in accordance with the portion of such damages or injury caused by the act or omission of each party. Additionally, Tenant acknowledges that Landlords are non-home rule municipalities, and in the event it should be found by a court of competent jurisdiction that Landlords are without power to enter into this indemnity agreement, then Tenant agrees that Landlords' indemnity obligation hereunder shall be void. Landlords make no representation or warranty concerning their power to enter into this indemnity agreement.

10. Tenant's Default. Tenant shall be in default under this Agreement ("Tenant's Default") under the following circumstances:

- a. Failure by Tenant to fulfill any obligation hereunder and the continuation of such failure for thirty (30) days after written notice by Landlords to Tenant, or for such reasonably extended period of time so long as Tenant is diligently attempting to cure any such default.
- b. In the event that Tenant's failure to fulfill any obligation hereunder reasonably requires Landlords to take action to fulfill such obligation prior to the expiration of the thirty (30) days notice period, Tenant shall promptly reimburse Landlords for Landlords' reasonable costs incurred in connection with such action upon

receipt of Landlords' invoice for same, and failure to reimburse Landlords shall constitute a default.

11. Landlords' Default. Landlords shall be in default under this Agreement ("Landlords' Default") under the following circumstances:

- a. Failure by Landlords to fulfill any obligation hereunder and the continuation of such failure for thirty (30) days after written notice by Tenant to Landlords, or for such reasonably extended period of time so long as Landlords are diligently attempting to cure any such default.
- b. In the event that Landlords' failure to fulfill any obligation hereunder reasonably requires Tenant to take action to fulfill such obligation prior to the expiration of the thirty (30) days notice period, Landlords shall promptly reimburse Tenant for Tenant's reasonable costs incurred in connection with such action upon receipt of Tenant's invoice for same, and failure to reimburse Tenant shall constitute a default.

12. Remedies. In the event of a Tenant's Default or a Landlords' Default, Landlords or Tenant, whichever the case may be, shall have the right to pursue any and all legal and equitable remedies against Tenant or Landlords, as the case may be, available under applicable law without any additional notice to Tenant or Landlords. The prevailing party in any civil action brought to enforce the provisions of this Agreement may recover reasonable court costs, including attorney's fees, from the non-prevailing party.

13. Option. Landlords hereby grant Tenant an option to purchase the Premises upon the following terms:

- a. **Intergovernmental Agreement.** The parties hereto acknowledge that Landlords have entered into an Intergovernmental Agreement between themselves dated March 20, 2013 ("Intergovernmental Agreement"), which relates to Landlords' joint ownership of the Premises, and which contains options in favor of each of the parties to purchase the other party's interest in the Premises, commencing on the fifth anniversary date of the Intergovernmental Agreement.
- b. **Contingency.** Landlords' grant of this option to Tenant is contingent upon neither the City nor the Park District exercising either of their options under the Intergovernmental Agreement. If either the City or the Park District exercises its option under the Intergovernmental Agreement, the option granted herein is null and void.
- c. **Term.** Subject to the foregoing contingency, the term of the Option shall commence on the date sixty-one (61) days after the fifth anniversary date of the execution of the Intergovernmental Agreement and shall continue for thirty (30) days.

- d. **Exercise of Option.** Tenant shall exercise its option by delivering to Landlords written notice of its intent to exercise the option. Said notice shall be delivered to Landlords during the option period.
- e. **Purchase Price.** Should Tenant timely exercise its option in the manner set forth herein, the purchase price for the Premises shall be \$800,000.00.
- f. **Closing Date.** The closing date for Tenant's purchase of the Premises shall be on or before sixty (60) days from the date Tenant exercises its option hereunder.
- g. **Closing.** At closing, Landlords shall convey their interest in the Premises to Tenant by special warranty deed, free and clear of all liens, claims, and encumbrances arising by, through or under Landlords, but not otherwise.
- h. **Title.** No later than fifteen (15) days after Tenant's timely exercise of its option hereunder, Landlords shall, at their cost, furnish to Tenant a written title policy commitment from a title insurance company acceptable to Tenant for the Premises.
- i. **Real Estate Taxes.** Tenant shall pay all Real Estate Taxes for the year of closing and previous years.
- j. **Expenses.** At closing, all closing costs, fees and other expenses shall be allocated according to applicable law or local custom. Each party shall pay its own professional and attorney's fees.
- k. **Option Non-Assignable.** Notwithstanding anything in this Agreement to the contrary, the option hereby granted to Tenant shall not be assignable.

14. Miscellaneous.

- a. **Force Majeure.** The performance of all provisions of this Agreement (except for payment of rent) shall be postponed and suspended during any period that the performance thereof is prevented by acts of God, accidents, weather and conditions arising therefrom, riot, fire, flood, storm, lightning, epidemic, insurrection, rebellion, revolution, civil war, hostilities, war, the declaration or existence of a national emergency and conditions arising therefrom, the exercise of paramount power by the federal government, either through the taking of the Premises or the imposition of regulations restricting the conduct of business on the Premises, interference, restriction, limitation or prevention by legislation, regulation, decree, order or request of any federal, state or local government or any instrumentality or agency thereof, including any court of competent jurisdiction, or any other delay or contingency beyond the reasonable control of Landlords or Tenant.

- b. **Eminent Domain.** Notwithstanding any other provisions of this Agreement, Tenant acknowledges that Landlords shall have the power to take the interest of Tenant under this Agreement by eminent domain or condemnation proceedings.
- c. **Not a Joint Venture.** Nothing contained in this Agreement is intended, or shall be construed, as in any way creating or establishing the relationship of partners or joint venturers between Landlords and Tenant or as constituting either party as the agent or representative or the other party for any purpose or in any manner.
- d. **Delays in Enforcement.** No delay on the part of any party in enforcing any of the provisions of this Agreement shall be construed as a waiver thereof. No waiver on the part of any party of a breach of any provision of this Agreement shall be construed as a waiver of any subsequent breach.
- e. **Notices.** All notices required to be given hereunder shall be in writing and shall be given: (1) personally by hand delivery; or (2) by registered or certified mail, return receipt requested; or (3) by a nationally recognized overnight courier with a copy sent by first class mail; or (4) by facsimile with a copy sent by first class mail. Notices given personally by hand delivery shall be deemed to have been given and received on the date of delivery. Notices given by registered or certified mail shall be deemed to have been given and received three days after such notices are mailed addressed to the parties at the addresses set forth below. Notices given by overnight courier or transmitted by facsimile shall be deemed to have been given and received on the date of delivery, or, as the case may be, the date of transmission, provided a copy is sent by first class mail. Either party may change its address for purposes of receiving notice by notice to the other parties given in compliance with this Section. Notice to the parties shall be addressed to the parties at their respective addresses set forth below:

If to LANDLORDS at:

City Manager
 City of Rochelle
 420 N. 6th Street
 Rochelle, Illinois 61068

AND

Executive Director
 Flagg Rochelle Community
 Park District
 735 N. 2nd Street
 Rochelle, Illinois 61068

With a copy to:

And if to TENANT at:

Greater Rochelle Economic
 Development Corporation
 420 N. 6th Street
 Rochelle, Illinois 61068

With a copy to:

Charles P. Cole, Jr.
 Attorney at Law
 104 Oak Avenue, Ste B
 Rochelle, Illinois 61068

City Attorney
City of Rochelle
420 S. 6th Street
Rochelle, Illinois 61068

AND

Park District Attorney
Flagg Rochelle Community Park District
735 N. 2nd Street
Rochelle, Illinois 61068

Landlords and Tenant shall notify the other parties in writing of any changes to the addresses shown above.

- f. **Successors and Assigns.** The terms, covenants and conditions of this Agreement shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.
- g. **Severability.** It is the intention of the parties hereto that the provisions of this Agreement shall be severable with respect to declaration of invalidity of any provision contained herein.
- h. **Governing Law and Venue.** The laws of the State of Illinois shall govern the validity, performance and enforcement of this Agreement. The exclusive venue for any litigation between the parties arising out of this Agreement shall be in the Circuit Court of the Fifteenth Judicial Circuit, Ogle County, Illinois.
- i. **Amendments.** No amendments, modifications or supplements to this Agreement shall be effective unless in writing and executed and delivered by both parties to this Agreement.
- j. **Time of Essence.** Time is of the essence in the performance of each and every covenant and condition of this Agreement.
- k. **Survival.** Without limitation on any other obligations of Tenant or Landlords, which shall survive the expiration or termination of this Agreement, the parties' respective obligations to indemnify, defend and hold harmless the other party and others pursuant to any provisions of this Agreement shall survive the expiration or termination of this Agreement.
- l. **Alcohol.** Tenant shall comply with all applicable laws and ordinances relating to the sale of alcohol on the Premises, including obtaining an appropriate liquor license by a qualified person. The parties agree that the Premises do not constitute public or municipal buildings within the meaning of Section 6-7 of the Rochelle Municipal Code.

- m. **Operating Permits.** Landlords shall promptly grant any governmental license or permit regularly coming within Landlords’ purviews and cooperate with Tenant with respect to obtaining any other permits related to the operation of the Premises; provided, however, that Landlords’ obligations under this Section are limited to granting permits and licenses to individuals, entities, and/or properties that meet the standards required for such permits or licenses.
- n. **Existing Well.** Landlords agree that Tenant shall have the right, at all times during the Term hereof, including any Extension Periods, to operate and use the existing private water well which is located on the Premises for Tenant’s operation of the Premises.
- o. **Calendar Days and Time.** Except as otherwise expressly provided in this Agreement, any reference to “day” or “days” shall mean calendar and not business days. If the date for giving any notice required to be given hereunder or the performance of any obligation hereunder falls on a Saturday, Sunday, or federal holiday, then said notice or obligation may be given or performed on the next business day after such Saturday, Sunday, or federal holiday.
- p. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

CITY OF ROCHELLE, an Illinois municipal corporation

By: _____
David S. Plyman, City Manager

Attest: _____
Bruce McKinney, City Clerk

GREATER ROCHELLE ECONOMIC DEVELOPMENT CORPORATION, an Illinois not-for-profit corporation

By: _____
Its: _____

Attest: _____
Its: _____

FLAGG ROCHELLE COMMUNITY PARK DISTRICT, an Illinois municipal corporation

By: _____
Roger Bunger, President

Attest: _____
Christa Seebach, Secretary

CITY OF ROCHELLE

STATE OF ILLINOIS)
) ss.
COUNTY OF OGLE)

I, the undersigned notary public, do hereby certify that David S. Plyman and Bruce McKinney, the City Manager and City Clerk, respectively of the City of Rochelle, an Illinois municipal corporation, 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 and delivered the said instrument in said capacity, pursuant to authority of the governing body of the City.

Given under my hand and official seal, this _____ day of _____, 2013.

(SEAL)

NOTARY PUBLIC

FLAGG ROCHELLE COMMUNITY PARK DISTRICT

STATE OF ILLINOIS)
) ss.
COUNTY OF OGLE)

I, the undersigned notary public, do hereby certify that Roger Bunger and Christa Seebach, the President and Secretary, respectively of the Flagg Rochelle Community Park District, an Illinois municipal corporation, 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 and delivered the said instrument in said capacity, pursuant to authority of the governing body of the Park District.

Given under my hand and official seal, this _____ day of _____, 2013.

(SEAL)

NOTARY PUBLIC

GREATER ROCHELLE ECONOMIC DEVELOPMENT CORPORATION

STATE OF ILLINOIS)
) ss.
COUNTY OF OGLE)

I, the undersigned notary public, do hereby certify that _____ and _____, the _____ and _____, respectively, of the Greater Rochelle Economic Development Corporation, an Illinois not-for-profit corporation, 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 and delivered the said instrument in said capacity, pursuant to authority of the governing body of the Corporation.

Given under my hand and official seal, this _____ day of _____, 2013.

(SEAL)

NOTARY PUBLIC

EXHIBIT A
(Legal Description of Premises)

PARCEL 1

Part of Section 25, Township 40 North, Range 1 East of the Third Principal Meridian, Ogle County, Illinois, bounded and described as follows, to-wit: Beginning at the Northwest corner of Lot 1 in Block 1 of Earl Cleveland Subdivision, according to the Plat thereof recorded as Document No. 310159 in Book H of Plats at page 25 in the Office of the Ogle County Recorder; thence North 88 degrees 50 minutes 22 seconds East (assumed datum) along the North line of said Subdivision, a distance of 789.83 feet; thence North 54 degrees 40 minutes 57 seconds East along the Northerly line of said Subdivision and the Northerly line of Earl Cleveland Subdivision No. 2, a distance of 1698.80 feet to the Northeasterly corner of Lot 6 in Block 1 of said Subdivision; thence North 39 degrees 48 minutes 32 seconds West along the Southwesterly line of South Main Street, a distance of 417.37 feet; thence continuing North 38 degrees 12 minutes 09 seconds West along said Southwesterly line, a distance of 110.00 feet to a point 56 feet Northwesterly of the Southeast corner of Lot 6 in Block 2 of Southworth's Addition to the City of Rochelle; thence South 50 degrees 52 minutes 39 seconds West, parallel to the Northwesterly line of said Lot 6, a distance of 140.02 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 74.69 feet; thence South 50 degrees 52 minutes 39 seconds West, parallel to the Northwesterly line of said Lot 6, a distance of 81.74 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 61.19 feet to a point on the Northwesterly line of said Lot 6; thence North 50 degrees 52 minutes 39 seconds East along said Northwesterly line, a distance of 52.37 feet to a point 169 feet Southwesterly of the Southwesterly line of South Main Street; thence North 38 degrees 12 minutes 09 seconds West, parallel to said Southwesterly line, a distance of 197.86 feet to a point on the Northwesterly line of Lot 3 in Block 2 of said Southworth's Addition; thence South 50 degrees 52 minutes 37 seconds West along said Northwesterly line, a distance of 75.00 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 131.84 feet to a point on the Southeasterly line of Avenue D; thence South 50 degrees 51 minutes 33 seconds West along said Southeasterly line, a distance of 49.64 feet to the Northwesterly corner of Lot 1 in Block 2 of said Southworth's Addition; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 66.00 feet to a point on the Northwesterly line of said Avenue D; thence North 50 degrees 51 minutes 33 seconds East, along said Northwesterly line, a distance of 94.02 feet to a point 68 feet Southwesterly of the Southeasterly corner of Lot 3 in Block 1 of said Southworth's Addition; thence North 38 degrees 06 minutes 58 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 335.29 feet; thence South 50 degrees 18 minutes 41 seconds West, parallel to the Northwesterly line of said Block 1, a distance of 51.10 feet; thence North 38 degrees 41 minutes 37 seconds West, a distance of 73.00 feet to a point 252 feet Southwesterly of the Southwesterly line of said South Main Street; thence North 50 degrees 18 minutes 41 seconds East, a distance of 16.91 feet; thence North 38 degrees 06 minutes 58 seconds West, parallel to said Southwesterly line of South Main Street, a distance of 45.96 feet; thence North 35 degrees 37 minutes 42 seconds West, parallel to said South Main Street, a distance of 193.54 feet to a point on the centerline of Kyte Creek; thence South 51 degrees 14

minutes 54 seconds West, along said centerline, a distance of 76.85 feet; thence North 37 degrees 42 minutes 12 seconds West, a distance of 168.00 feet; thence South 53 degrees 51 minutes 48 seconds West, a distance of 55.00 feet to a point on the East line of the vacated alley along the East side of Block 1 in Atwater's Addition to the City of Rochelle; thence North 01 degrees 32 minutes 06 seconds West, along said East line, a distance of 94.40 feet to a point on the Easterly extension of the North line of Lot 7 in said Block 1; thence South 88 degrees 27 minutes 54 seconds West along said North line and its extension, a distance of 140.39 feet to the Northwest corner of said Lot 7; thence South 01 degrees 32 minutes 06 seconds East, along the West line of said Block 1, a distance of 282.24 feet to a point on the centerline of said Kyte Creek; thence South 78 degrees 41 minutes 46 seconds West along said centerline, a distance of 111.35 feet; thence South 84 degrees 57 minutes 15 seconds West along said centerline, a distance of 260.12 feet; thence North 71 degrees 56 minutes 04 seconds West along said centerline, a distance of 141.07 feet; thence North 86 degrees 12 minutes 01 seconds West along said centerline, a distance of 132.04 feet to a point on the Easterly right of way line for F.A. Route 740 (Illinois Route 251); thence South 01 degrees 40 minutes 31 seconds East along said right of way line, a distance of 75.00 feet; thence South 02 degrees 37 minutes 00 seconds West along said right of way line, a distance of 270.76 feet; thence South 01 degrees 40 minutes 31 seconds East along said right of way line, a distance of 1713.02 feet to the point of beginning; situated in the County of Ogle and State of Illinois; (74.320 acres m.o.l.)

Excepting Therefrom:

Part of the Northwest Quarter (1/4) of Section 25, Township 40 North, Range 1 East of the Third Principal Meridian, City of Rochelle, Ogle County, Illinois, bounded and described as follows, to-wit:

Beginning at the intersection of the North line of Lot Seven (7) in Block One (1) of Atwater's Addition to the City of Rochelle, extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block One (1); thence South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 14.13 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 16.74 feet to a point on the North line of said Lot Seven (7), extended Easterly; thence North 88 degrees 27 minutes 48 seconds East, along said extended line, a distance of 8.99 feet to the point of beginning; situated in the Township of Flagg, the County of Ogle and State of Illinois; (0.001 acres m.o.l.)

Also Excepting Therefrom:

Part of the Northwest Quarter (1/4) of Section Twenty-Five (25), Township Forty (40) North, Range One (1) East of the Third Principal Meridian, Ogle County, Illinois, bounded and described as follows, to wit:

Beginning at the intersection of the North line of Lot Seven (7) in Block 1 of Atwater's Addition to the City of Rochelle extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block 1; thence South 01 Degrees 32 Minutes 07 Seconds East along said East line, a distance of 14.13 feet; thence South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 80.27 feet; thence North 53 degrees 51 minutes 48 seconds East, a

distance of 43.11 feet to the Point of Beginning; thence continuing 53 degrees 51 minutes 48 seconds East, a distance of 11.89 feet; thence South 37 degrees 42 minutes 12 seconds east, a distance of 168.00 feet to a point on the centerline of Kyte Creek; thence South 59 degrees 28 minutes 48 seconds West, along said centerline, a distance of 22.79 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 165.82 feet, to the Point of Beginning; situated in the Township of Flagg, County of Ogle, and State of Illinois. (0.066 acres m.o.l.)

PARCEL 2

Part of the Northwest Quarter (1/4) of Section Twenty-Five (25), Township Forty (40) North, Range One (1) East of the Third Principal Meridian, City of Rochelle, Ogle County, Illinois, bounded and described as follows, to wit:

Commencing at the intersection of the North line of Lot Seven (7) in Block 1 of Atwater's Addition to the City of Rochelle extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block 1; thence South 01 degrees 32 minutes 07 seconds East along said East line, a distance of 14.13 feet to the Point of Beginning; thence continuing South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 80.27 feet; thence North 53 degrees 51 minutes 48 seconds East, a distance of 43.11 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 66.12 feet to the Point of Beginning; situated in the Township of Flagg, County of Ogle, and State of Illinois. (0.033 acres m.o.l.)