

[FOR RECORDER'S USE]

**ANNEXATION AND DEVELOPMENT AGREEMENT
PILOT TRAVEL CENTER – ROCHELLE, ILLINOIS**

Date: _____, 20__

Parties: **THE CITY OF ROCHELLE**, an Illinois municipal corporation

and

RICHARD R. QUEST, as Successor Trustee of the **BETTE J. WHALEY
DECLARATION OF TRUST DATED 10/02/2003;**

and

PILOT TRAVEL CENTERS LLC, a Delaware limited liability company

Property: Approximately fifty-four and 40/100 (54.40±) acres located at or around
17196-17498 Lincoln Hwy. Rt. 38, Dement Township, Ogle County, Illinois

Legal Description: See attached Exhibit A

Property Tax Identification Number(s): 25-16-300-003

Common Address: None assigned yet

Prepared By and Return To:

DOMINICK LANZITO

Peterson Johnson & Murray, Chicago, LLC

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Chicago, Illinois 60606

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Attorney for City of Rochelle

**CITY OF ROCHELLE
ANNEXATION AGREEMENT
PILOT TRAVEL CENTER – ROCHELLE, ILLINOIS**

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**ANNEXATION AGREEMENT
(INDUSTRIAL/COMMERCIAL)**

This Annexation Agreement (“Agreement”) entered into as of the ___ day of _____, 2019, between the City of Rochelle, an Illinois municipal corporation (“the City”); and Richard R. Quest, as Successor Trustee of the Bette J. Whaley Declaration of Trust Dated 10/02/2003 (“Owner”); and Pilot Travel Centers LLC, a Delaware limited liability company (“Developer”).

WITNESSETH

THAT WHEREAS, the City is a non-home rule municipal corporation organized under the laws of the State of Illinois, and has the power to annex territory and to enter into annexation agreements in connection with the annexation of territory, pursuant to the applicable provisions of the Illinois Municipal Code, including without limitation 65 ILCS 5/7-1-8 and 65 ILCS 5/11-15.1-1 *et. seq.*; and

WHEREAS, Owner is the current owner of record of the fee interest in certain property consisting generally of approximately fifty-four and 40/100 (54.40±) acres located at or around 17196-17498 Lincoln Hwy. (Rt. 38), in Dement Township, Ogle County, Illinois, the legal description of which is attached hereto as **Exhibit A** and incorporated herein (“the Property”); and

WHEREAS, Developer leases an approximately twelve (12±) acre portion of the Property, as shown on the Subdivision Plat attached hereto as **Exhibit B** and incorporated herein (the “Leased Premises”), from Owner; and

WHEREAS, the Property is not within the corporate boundaries of any incorporated municipality, the Property is contiguous to the City, and there are no electors residing within the Property; and

WHEREAS, a petition for annexation has been filed with the City Clerk of the City, pursuant to 65 ILCS 5/7-1-8, pursuant to which the Owner seeks to have the Property annexed to the City pursuant to the terms of this Agreement; and

WHEREAS, Owner has also petitioned the City for rezoning and classifying the Leased Premises and granting of variations to enable development of the Leased Premises as herein provided; and

WHEREAS, all notices, publication, public hearings, and all other matters required by law have been given and performed by the corporate authorities of the City regarding the approval, execution and delivery of the Agreement; and

WHEREAS, Developer has represented to the City that Developer intends to develop the Leased Premises in accordance with the provisions of the Rochelle Municipal

Code, including without limitation Chapter 22 (Buildings and Building Regulations), Chapter 86 (Subdivisions), and Chapter 110 (Zoning), as may be amended, and as may be modified by this Agreement; and

WHEREAS, Developer's present Concept Plan for the Leased Premises is attached hereto as **Exhibit C** and incorporated herein by reference, but is subject to change during the process of City review and approval, but in all events will be subject to the terms of this Agreement; and

WHEREAS, the City Council of the City of Rochelle, after due and careful consideration, has concluded that the annexation and development of the Property on the terms set forth herein would further the orderly growth of the City and serve the best interests of the citizens of the City; and

WHEREAS, by a favorable vote of at least two-thirds (2/3) of the City Council then holding office, an ordinance has heretofore been adopted authorizing the execution and delivery of this Agreement;

NOW THEREFORE, in consideration of the foregoing premises and the mutual agreements contained herein, the parties agree as follows:

1. RECITALS. The recitals set forth above are a material part of this Agreement and are hereby incorporated in this Agreement by reference.

2. GENERAL AND SPECIAL TERMS. This Agreement shall consist of the foregoing recitals, the provisions of paragraphs 1 through 6 and the following:

- (a) The General Terms set forth in Schedule 1 attached hereto;
- (b) The Special Terms set forth in Schedule 2 attached hereto;
- (c) Exhibits A, B, C, D, E, and F attached hereto; and
- (d) All other Exhibits referred to in the General Terms or in the Special Terms.

3. ROCHELLE MUNICIPAL CODE. Except as modified by this Agreement, the provisions of the Rochelle Municipal Code in effect from time to time shall govern the development of the Property and the relationship of the Parties.

4. CONDITION PRECEDENT. The City acknowledges and agrees that (a) Owner and Developer have entered into a Lease for the Leased Premises (the "Lease") that provides Developer with an inspection period and certain termination rights in the event Developer's due diligence reveals matters that are not to Developer's satisfaction; (b) the Lease governs Developer's obligations to lease the Leased Premises; and (c) nothing in this Agreement will be construed to create an obligation on Developer to lease the Property other than as set forth in the Lease. Developer shall be responsible to reimburse City for

all costs incurred by the City in assessing this development, including reasonable legal fees, engineering fees, and traffic study costs, if the variances, rezoning and annexation is approved by the City, even if Developer terminates the Lease as permitted therein. Otherwise, and in addition to any other conditions precedent herein, the obligations of Developer under this Agreement are subject to Developer's leasing the Leased Premises from Owner; and, except as otherwise expressly provided herein, upon the expiration or termination of the Lease prior to completion of Developer's planned development of the Leased Premises, this Agreement shall be of no further force or effect, and neither Party shall have any further obligation or responsibility hereunder except for obligations that accrued prior to such expiration or termination. In the event of expiration or termination of the Lease after completion of Developer's planned development of the Leased Premises, Developer shall have no further obligation or responsibility hereunder, and Owner shall assume all obligations or responsibility of Developer hereunder; provided that Owner may further pass such obligations and responsibilities on to any future tenant of Owner or successor owner of the Leased Premises via an assumption agreement reasonably acceptable to Owner and City.

5. ADDRESSES FOR NOTICES. Notices referred to in this Agreement shall be sent to the following addresses, unless otherwise designated in writing:

If to City: Rochelle City Clerk
 420 North 6th St.
 Rochelle, IL 61068

With a copy to: Rochelle City Manager
 420 North 6th St.
 Rochelle, IL 61068

With a copy to: Dominick Lanzito, City Attorney
 Peterson Johnson & Murray, Chicago, LLC
 200 W Adams, Suite 2125
 Chicago, Illinois 60606

If to Owner: Richard R. Quest, Trustee
 450 Milky Lane
 Pocahontas, AR 72455

With a copy to: Timothy J. Conklin
 Foster Buick Law Firm
 2040 Aberdeen Ct.
 Sycamore, IL 60178

If to Developer: Pilot Travel Centers LLC
 5508 Lonas Drive
 Knoxville, TN 37909
 Attn: Jerrod Herron

With a copy to: Pilot Travel Centers LLC
5508 Lonas Drive
Knoxville, TN 37909
Attn: General Counsel

Any notice required or permitted by the provisions of this Agreement shall be in writing and sent by certified mail, return receipt requested, or by reputable overnight courier, or personally delivered, to the Parties at the addresses shown or at such other addresses as the Parties may, by notice, designate. Notices shall be deemed given on the fifth (5th) business day following deposit in the U.S. certified mail; on the first (1st) business day following deposit with overnight courier; or upon receipt, if personally delivered.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

CITY OF ROCHELLE, an Illinois
municipal corporation (“City”)

By: _____
City Manager

Attest: _____
City Clerk

RICHARD R. QUEST, as Successor
Trustee of the Betty J. Whaley Declaration
of Trust Dated 10/02/2003 (“Owner”)

PILOT TRAVEL CENTERS LLC, a
Delaware limited liability company
 (“Developer”)

By: _____
Name: _____
Title: _____

DOMINICK LANZITO
Peterson Johnson & Murray, Chicago, LLC
200 W Adams, Suite 2125
Chicago, Illinois 60606
(312) 782-7150
Attorney for City of Rochelle

**SCHEDULE 1 (GENERAL TERMS)
(INDUSTRIAL/COMMERCIAL)**

**ARTICLE I
ANNEXATION AND ZONING**

Section 1. Intentionally Deleted. The term of this Agreement shall be as set forth in Schedule 2 (Special Terms).

Section 2. Enactment of Annexation Ordinance. Concurrently with the execution of this Agreement (or within such other time as may be set forth in Schedule 2 (Special Terms), the City will enact a valid and binding ordinance (“the Annexation Ordinance”) annexing the Property to the City. The City shall file the Annexation Ordinance and a plat of annexation (to be provided by Developer at Developer’s cost) with the office of the County Recorder within thirty (30) days after enactment of the Annexation Ordinance. Developer shall pay all costs of recordation at the time of recordation.

This Agreement, in its entirety, together with any petitions for annexation or zoning filed in connection herewith, shall be null and void, and of no force or effect unless the Property is annexed to the City contemporaneously with the approval and execution of this Agreement (or within such other time as may be set forth in Schedule 2 (Special Terms)).

Section 3. Adoption of Zoning Map Amendment. Concurrently with the enactment of the Annexation Ordinance, the City will adopt one or more ordinances zoning the Property in the manner set forth in Schedule 2 (Special Terms). The zoning adopted pursuant to this Agreement shall remain in effect unless thereafter amended in accordance with applicable law.

**ARTICLE II
CODES, FEES AND REIMBURSEMENTS**

Section 4. Applicability of Codes. Except as otherwise expressly provided in this Agreement, for the period set forth in Schedule 2 (Special Terms), the provisions of the Rochelle Municipal Code Chapters 22 (Buildings and Building Regulation), 86 (Subdivisions), and 110 (Zoning) in effect as of the date of this Agreement shall remain in effect as they pertain to the Property. A true and correct copy of said Chapters shall be initialed by the Parties. The original shall remain with the City Clerk and copies shall be provided to Owner, Developer, and the City Manager.

Beginning immediately following the end of the period set forth in Section 4 of Schedule 2 (Special Terms), except as otherwise expressly provided in this Agreement, Developer and Owner shall comply with all provisions of the Rochelle Municipal Code then in effect with respect to all aspects of the development of the Leased Premises and the remainder of the Property, respectively. If the Rochelle Municipal Code is amended in a

manner that imposes less restrictive requirements on the development of property within the City with respect to similarly situated owners, then Owner or Developer may elect to proceed under such less restrictive requirement.

Section 5. Limitations on Fees. Attached hereto as **Exhibit D** is a list of the fees and charges (not including user fees) regularly imposed by the City pursuant to the Rochelle Municipal Code on new developments. Minor fees and charges are not included on **Exhibit D**. Except as expressly set forth in **Exhibit D**, no fee or charge of any description (except user fees) shall be imposed upon Owner or Developer or upon the development and use of the Property for the period set forth in Section 5 of Schedule 2 (Special Terms). The City shall not increase the amount of any fee or charge shown on **Exhibit D** for the period set forth in Section 5 of Schedule 2 (Special Terms). Thereafter, Owner and Developer shall be liable for payment of all fees made generally applicable to all similarly-situated owners, developers, and users of property within the City.

Section 6. [omitted]

Section 7. Reimbursement to City. Developer shall reimburse the City for all actual and reasonable professional fees, costs or other expenses related to the Property incurred by the City in connection with the negotiation and approval of this Agreement and related matters, including without limitation reasonable legal fees, reasonable charges for staff time, reasonable planning and engineering consultant fees, and a reasonable portion of the cost of pertinent regional traffic studies, intersection design studies, and review fees and expenses, as detailed on **Exhibit D**. In accordance with Section 86-57 of the Rochelle Municipal Code, Developer shall deposit the sum set forth in Schedule 2 (Special Terms) with the City (and replenish said deposit as required) to cover these fees, costs and expenses, upon the approval of this Agreement by the City. In the event any portion of such deposit remains unused upon completion of Developer's construction on the Leased Premises, such unused amount shall be promptly returned to Developer.

Developer agrees to reimburse the City for all amounts payable by the City to the Ogle-Lee Fire Protection District by reason of the application of Section 20(e) of the Fire Protection District Act, 70 ILCS 705/20(e). Developer shall pay such amounts within thirty (30) days after receipt of an invoice from the City showing the basis for the amount due. The City may invoice in advance, and Developer shall pay, an amount estimated to represent five (5) years of such payments, based on the latest amount payable by the City pursuant to said statute.

Additionally, Developer agrees to reimburse City for all amounts paid by City for construction observation expenses incurred in connection with the construction of improvements on the Leased Premises, excluding any right of way, roadway improvements, sanitary sewer/forcemain improvements, watermain improvements, and the construction of the Sanitary lift station notwithstanding any limitation on such reimbursement contained in the Rochelle Municipal Code; provided that Developer shall not be responsible for any construction observation expenses above \$5,000.

ARTICLE III DEVELOPMENT

Section 8. City Code to Apply. The Property shall be developed in accordance with the provisions of the Rochelle Municipal Code, except as modified in these General Terms or in Schedule 2 (Special Terms).

Section 9. Signage. Signs identifying the Property shall be in accordance with the City's sign regulations in effect at the time of the execution of this Agreement, unless variations from such sign regulations have been granted by the City. After all required fees are paid, the City will permit Developer to install and erect signs during the development of the Leased Premises as follows. All signs shall be maintained by the Developer and be kept in good repair and condition.

(a) Hi-Rise Signs

- a. One 9'2" x 24' internally illuminated Pilot cabinet
- b. One 7'3" x 20' internally illuminated PJ Fresh Marketplace cabinet
- c. One 6'5" x 21' Sunshine LED pricer
- d. Each Hi-Rise Sign may be built with an overall height up to 80' with a total square feet of 560.7.

(b) Street Sign

- a. One 9'5" x 27' internally illuminated Pilot/PJ Fresh/Sunshine digital pricer goalpost sign

(c) DEF Canopy Pricer

- a. One 6'5" x 6'5" DEF LED Sunshine pricer to be mounted on diesel canopy of truck approach

(d) Directional Signs

- a. Five 5' x 3'2" internally illuminated directional signs

(e) Building signs

Front Elevation

- a. One 10'6" x 4' internally illuminated Pilot wall sign
- b. One 9'2" x 3' internally illuminated PJ Fresh Marketplace sign
- c. One 15' x 10' food graphic sign
- d. One 8'6" x 1' Welcome channel letters

Rear Elevation

- a. One 10' x 10' food graphic sign
- b. One 16' x 1' Welcome Drivers channel letters

(f) Cat Scale Signs

- a. One 5' 4½" x 20' internally illuminated Cat Scale sign
- b. One 2' X 3' internally illuminated Cat Scale sign

Section 10. Excavation, Grading, and Preparation of the Leased Premises for Development. Prior to the construction of any improvements on the Leased Premises (public or private), Developer shall secure any required permits and approvals from any applicable federal or state agencies relating to archeological significance, endangered species, floodplain/floodway or wetlands.

Developer shall have the right, prior to obtaining approval of final engineering drawings, to undertake excavation, preliminary grading work, filling, and soil stockpiling on the Leased Premises in preparation for the development of the Leased Premises based solely on submittal of a grading plan and soil erosion and sedimentation control plan and drainage plan to the City and any other required approvals from IDNR and FEMA within the Special Flood Hazard Area (SFHA) as identified in Chapter 46 of the Rochelle Municipal Code (RMC) , which plans shall be approved by the City provided said plans are in accordance with all applicable City codes and ordinances. Such work shall be undertaken without injury to the property of surrounding property owners. A letter of credit, bond or other security in an amount not to exceed 110% of the approved estimated cost of completing preliminary grading work to assure proper site restoration shall be required and submitted by Developer as a condition precedent to the commencement of such work.

Section. 11. Construction Traffic Routes and Parking. City may designate routes of access to the Leased Premises for construction traffic to protect pedestrians and to minimize disruption of traffic and damage to paved street surfaces; provided, however, that the designated routes shall not unduly hinder or obstruct direct and efficient access to the Leased Premises for construction traffic. Developer shall keep all routes and adjacent roadways or highways, used for construction traffic to the Leased Premises free and clear of mud, dirt, debris, obstructions and hazards and shall repair all damage caused by construction traffic. All construction vehicles, including passenger vehicles, and construction equipment shall be parked within the Leased Premises or in areas designated by the City. The construction entrance shall be approved by the City and shall incorporate an all-weather surface and cleaning area to reduce tracking of debris onto adjacent roadways and highways.

Section 12. Dedication and Acceptance of Improvements. Developer and Owner shall dedicate to the City any roads, sanitary sewers, storm sewers, water mains and sidewalks, as detailed in Articles III – VI, inclusive (“Improvements”), upon dedicated utility easements and/or public right-of-way within the Leased Premises, at the locations and as generally depicted on the Plat of Annexation attached as **Exhibit E**, upon final acceptance by City. Nothing whatsoever shall constitute an acceptance by the City of any Improvement except express acceptance by the City in compliance with the requirements

of the Rochelle Municipal Code, including without limitation Sections 86-54 through 86-57. Developer shall post the required surety for all public improvement to be dedicated to the City with respect to Developer's development of the Leased Premises.

Prior to acceptance of the Improvements by the City, Developer and/or Owner shall execute, or cause to be executed, all documents that the City shall request to transfer ownership of the Improvements to, and to evidence ownership of the Improvements by, the City, free and clear of all liens, claims, encumbrances, and restrictions other than those described in Section 13 below, unless otherwise approved by the City. Owner, at its reasonable discretion, shall simultaneously grant, or cause to be granted, to the City all reasonably necessary easements or other property rights which the City may require to install, operate, maintain, service, repair, and replace the Improvements that have not previously been granted to the City, free and clear of all liens, claims, encumbrances, and restrictions other than those described in Section 13 below, unless otherwise approved by the City. All documents referenced in this paragraph shall be in form and substance reasonably acceptable to the City, Developer, and Owner.

City shall not be obligated to accept any street until all construction traffic on the street has ceased and the street has been completed and, if necessary, restored and repaired. City shall not be obligated to keep any street cleared, plowed or otherwise maintained until the street has been accepted by the City in accordance with this Agreement; provided, however, that the City shall plow any street after the binder has been applied and found acceptable by the City Engineer.

Section 13. Conveyances. Any conveyance of real estate to the City pursuant to this Agreement shall be by special warranty deed, plat of dedication or appropriate dedication on a recorded plat of subdivision conveying fee simple title to the City. Any deed of conveyance shall be subject only to covenants, restrictions and easements of record (provided the same do not render the real estate unsuitable for the purposes for which it is being conveyed), the terms of this Agreement, general taxes for the year in which the conveyance is made, and such other exceptions as may be agreed by the City in writing.

ARTICLE IV UTILITIES

Section 14. Utility Easements. Owner shall provide to City, with no charge, all easements on property necessary to carry out the provisions of this Agreement related to utilities. Upon request by Developer, and subject to limitations as provided by applicable law, City shall, at Developer's expense, use its best efforts to acquire any off-site easements from third parties which are necessary to enable the City to provide water, sanitary sewer and electrical service to the boundaries of the Leased Premises in accordance with the provisions of this Agreement. If necessary, and upon request by Developer following Developer's use of reasonable efforts to acquire any necessary off-site easements for utilities, City will promptly use its power of eminent domain to obtain such off-site easements from third parties at Developer's expense, and Developer shall promptly

reimburse City, on an ongoing basis, for all costs and expenses of any such eminent domain proceeding.

Section 15. Costs of Upsizing. Any upsizing of sanitary sewer or water systems required by the City for long range planning, over the amounts required herein, shall be paid by Developer in accordance with the Rochelle Municipal Code and set forth in **Exhibit D**. The costs to be paid by the City for such upsizing shall include only the costs of materials. Developer shall be entitled to reimbursement from the City of its upsizing costs incurred hereunder, based on the actual cost of installation. Such reimbursement shall be funded by the City's imposing connection fees on future developers of property within the area shown on **Exhibit F** attached hereto and incorporated herein, which fee shall be equal to the pro rata portion of Developer's documented upsizing costs determined by the size of the newly-developed property as compared to the total size of the area shown on **Exhibit F**. The City shall pay such amounts to Developer as they are collected from future developers of property within the area shown on **Exhibit F**. Notwithstanding the Developer and Owner acknowledge that a minimum 4" diameter force main shall be constructed from the Leased Premises, or as approved by the City Engineer, to the west side of Interstate 39 at which location an 8" diameter gravity sanitary sewer @ 0.4% minimum shall be constructed to Dement Road along with all necessary appurtenances as approved by the City Engineer. The location of the sanitary sewer connection into the existing sewer system along Dement Road shall be determined by the City Engineer. Furthermore, the Developer shall construct a sanitary lift station to accommodate the future RMU service area along or adjacent to IL Route 38 at a location approved by the City. Any costs for the above shall not be considered upsizing but shall be included in the proposed incentives as described in section/schedule 2.

Section 16. Water Service. Developer shall, at its sole cost and expense, construct and install all potable water facilities required from the terminus of existing water mains to the Leased Premises boundary line and within the Leased Premises, and to the far east side of the Leased Premises, in accordance with any approved final plat and the provisions of the Rochelle Municipal Code, except as may be expressly set forth in Schedule 2 (Special Terms).

City agrees that it will provide a fully functional potable water supply system sufficient to serve the Leased Premises as developed, at the time such system is needed. Nothing in this section shall be deemed to require the City to reserve water capacity in advance of the time it is needed.

Section 17. Sanitary Sewer Service. Developer shall, at its sole cost and expense, construct and install all sanitary sewer facilities required from the terminus of existing sanitary sewer facilities to the Leased Premises boundary line and within the Leased Premises, and to the far east side of the Leased Premises in accordance with any approved final plat and the provisions of the Rochelle Municipal Code, except as may be expressly set forth in Schedule 2 (Special Terms). Developer will also construct a lift station large enough to handle the waste water for the Leased Premises and the City will pay to increase the capacity of the lift station so that it is large enough to accommodate anticipated

developments of adjacent properties. City shall be entitled to recover recapture fees for all of the Sanitary Sewer Service infrastructure from the anticipated development of adjacent properties. City agrees that it will provide sanitary sewer facilities sufficient to service the Leased Premises as developed, at the time such system is needed. Nothing in this section shall be deemed to require the City to reserve sanitary sewer capacity in advance of the time it is needed.

Section 18. Electric and Fiberoptic Service; Street Lights. City shall, at its sole cost and expense, construct all electric and fiberoptic facilities required from the terminus of existing electric facilities to the Leased Premises boundary line and within the Leased Premises, and to the far side of the Leased Premises, in accordance with any approved final plat and the provisions of the Rochelle Municipal Code, except as may be expressly set forth in Schedule 2 (Special Terms).

Developer, at its sole cost and expense, shall install parking area lights within the Leased Premises in accordance with this Section and the Rochelle Municipal Code, except as may be expressly set forth in Schedule 2 (Special Terms).

ARTICLE V SIDEWALKS AND TRAFFIC LIGHTS

Section 19. Sidewalks. Developer, at its sole cost and expense, shall construct all sidewalks or pedestrian paths necessary to service the Leased Premises at locations to be determined by the parties, in accordance with the requirements of the Rochelle Municipal Code, except as may be otherwise set forth in Schedule 2 (Special Terms). Sidewalks or pedestrian paths shall be constructed along both sides of all streets and along any adjacent right-of-way. The City may require easements for sidewalks or shared use paths being dedicated and/or accepted by the City.

Section 20. Perimeter and Offsite Road Improvements. Developer, at its sole cost and expense, shall be responsible for the cost of IL Route 38 improvements necessitated in whole or in part by the improvements to be constructed on the Leased Premises, including, without limitation, street lights consistent with the Illuminating Engineering Society (IES) Code, or the City of Rochelle specifications on the terms set forth in Schedule 2 (Special Terms). Developer shall not be responsible for any future roadway construction east of the Leased Premises based on the future development of adjacent parcels. Further, Developer shall not be responsible for any future signalization along IL Route 38. However, Developer shall be responsible for all costs associated with connecting to the future public street east of the Leased Premises at such time it is constructed by either the City or another developer of the property east of the Leased Premises. Developer's engineer has submitted traffic impact studies along with the intersection design study of the east public street to IDOT and such interim access from IL Route 38 shall be removed upon connection .

ARTICLE VI STORMWATER PROVISIONS

Section 21. Stormwater Management; Drainage District Review. Developer shall provide all necessary storm sewers, retention systems and compensatory storage in compliance with all provisions of the Rochelle Stormwater Management Ordinance included within the Rochelle Municipal Code, including without limitation provisions relating to stormwater drainage and detention, stream and wetland protection, soil erosion and sediment control, flood way and flood plain protection, and shall comply with all other applicable law, rules and regulations related to stormwater management for the Leased Premises. The retention system shall be maintained by the Developer in accordance with a maintenance agreement to be executed between Developer and the City of Rochelle and to be attached hereto as Exhibit. In determining whether any lot satisfies zoning standards, any part thereof within a retention system may be included as part of the area of said lot.

Developer shall at all times comply with all requirements of applicable ordinances, statutes, rules and regulations then in effect relating to stormwater management on the Leased Premises, including without limitation provisions of the Rochelle Municipal Code and requirements of the Illinois EPA NPDES, Illinois Department of Natural Resources (IDNR) and the Federal Emergency Management Agency (FEMA), if appropriate.

Developer shall have all stormwater and drainage plans for the Leased Premises, including a detailed onsite subsurface drainage tile study, reviewed and approved by the appropriate Stormwater Advisory Commission (“Commission”) and shall reimburse the District for the District’s reasonable costs of review; provided that the Commission shall not unreasonably deny approval of such stormwater and drainage plans. In the event the District fails to complete its review and approval within thirty (30) days following submission of Developer’s plans to the District, the District shall be deemed to have given its approval to the plans. In all events, final approval of stormwater and drainage plans remains with the City.

Section 22. Stormwater Management Fee. Developer shall pay, as a contractual obligation under this Agreement, all sums provided in the Rochelle Municipal Code and in resolutions of the Rochelle City Council adopted pursuant to the Rochelle Municipal Code, as a Stormwater Management Fee for the Leased Premises. The total payment and the timing of the payment shall be as shown in Schedule 2 (Special Terms). Owner shall pay the Stormwater Management fee for the remainder of the Property outside of the Leased Premises upon the later to occur of (i) rezoning of the remaining Property or portion thereof; (ii) recording of a Final Plat of Subdivision for the remaining Property; or (iii) issuance of a building permit by the City of Rochelle in accordance with Section 22-425 of the RMC with respect to the remaining Property. Developer shall not be responsible for any fees, costs, or expenses hereunder with respect to the remainder of the Property outside of the Leased Premises.

ARTICLE VII

INTENTIONALLY DELETED

ARTICLE VIII REMEDIES

Section 23. Remedies Available; No Election. Subject to the indemnity provisions of Article IX, upon a breach of this Agreement, any of the parties, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the contractual obligations and agreements herein contained, may be awarded damages for failure of performance or both. No action taken by any party hereto pursuant to the provisions of this Article or pursuant to the provision of any other Article of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any party at law or in equity.

Section 24. Notice and Opportunity to Cure. In the event of a material breach of this Agreement (other than non-payment of sums owed), the Parties agree that the party alleged to be in breach shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching party's seeking of any remedy provided for herein, (provided, however, that said thirty (30) day period shall be extended if and during the period that the defaulting party has initiated the cure of said default and is diligently proceeding to cure the same).

Section 25. Failure to Cure. If any of the Parties shall fail to perform any of its obligations hereunder (other than non-payment of sums owed), and the party affected by such default shall have given written notice of such default to the defaulting party, and such defaulting party shall have failed to cure such default within thirty (30) days of such default notice (provided, however, that said thirty (30) day period shall be extended if and during the period that the defaulting party has initiated the cure of said default and is diligently proceeding to cure the same), then, in addition to any and all other remedies that may be available, either in law or equity, the party affected by such default shall have the right (but not the obligation) to take such action as in its reasonable discretion and judgment shall be necessary to cure such default. In such event, the defaulting party hereby agrees to pay and reimburse the party affected by such default for all reasonable costs and expenses (including reasonable attorney's fees and litigation expenses) incurred by it in connection with action taken to cure such default.

Section 26. No Waiver. The failure of the Parties to insist upon the strict and prompt performance of the terms, covenants, agreements, 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.

Section 27. Force Majeure. If the performance of any obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include acts of God, war, acts

of civil disobedience, strike or similar acts), the time for such performance shall be extended by the amount of time of such delay.

ARTICLE IX LIABILITY AND INDEMNITY

Section 28. City Review. The parties acknowledge and agree that the City is not, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the City's review and approval of any plans for the Property or the Improvements, or the issuance of any approvals, permits, certificates, or acceptances for the development or use of the Property or the Improvements, and that the City's review and approval of those plans and the Improvements and issuance of those approvals, permits, certificates, or acceptances does not, and shall not, in any way, be deemed to insure Owner, Developer, or any of their respective heirs, successors, assigns, tenants, and licensees, or any other person, against damage or injury of any kind at any time.

Section 29. City Procedure. The parties acknowledge and agree that notices, meetings, and hearings have been properly given and held by the City with respect to the approval of this Agreement and agree not to challenge the City's approval on the grounds of any procedural infirmity or of any denial of any procedural right.

Section 30. Indemnity by Developer and Owner. Developer and Owner shall hold harmless, defend and indemnify the City, the Planning and Zoning Commission, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, and attorneys, from any and all claims (except to the extent caused by the gross negligence or willful misconduct of an indemnified party) that may be asserted at any time against any of them in connection with the development, construction, maintenance, or use of the Leased Premises or the Improvements, for activity occurring prior to, or contemporaneously with, acceptance of the Improvements.

Section 31. Indemnity by City. To the fullest extent allowed by applicable law, City hereby agrees to indemnify, defend and hold the Owner, Developer, and their respective affiliates, managers, members, officers, directors, employees and agents (collectively, the "Indemnified Parties"), harmless from and against any and all claims, losses, costs, damages, liabilities, or expenses (including, without limitation, reasonable attorneys' fees) ("Claims") arising from or in relation to (i) any breach of this Agreement or the performance of the rights or obligations by the City (or any person acting at its direction or on its behalf); and/or (ii) the gross negligence or willful misconduct of the City (or any person acting at its direction or on its behalf), except to the extent such Claims are a result of the negligence or willful misconduct of any of the Indemnified Parties. The obligations of this Section 38 shall survive the expiration, termination or completion of this Agreement.

Section 32. Defense Expense. In the event a party hereto commences litigation or other legal proceeding against another party to enforce any terms of this Agreement, the prevailing party therein shall be entitled to recover from the other, in addition to any other

relief granted, its reasonable attorney's fees, costs and expenses incidental thereto (including the fees and costs incurred to collect the sums due under this Section 39).

Section 33. Assignability and Transfer of Obligations.

This Agreement shall inure to the benefit of, and be binding upon, successors of Owner and Developer and their respective grantees, lessees, and assigns, and upon successor corporate authorities of City and successor municipalities, and shall constitute a covenant running with the land for the term hereof.

All obligations assumed by Owner under this Agreement shall be binding on Owner, on any and all of Owner's, successors, and assigns, and on any and all of the respective successor legal or beneficial owners of all or any portion of the Property. To assure that Owner's successors, and assigns, and successor owners of all or any portion of the Property have notice of this Agreement and the obligations created by it, Owner shall:

- (a) Deposit with the City Clerk, contemporaneously with the City's approval of this Agreement, any consents or other documents necessary to authorize the City to record this Agreement in the office of the Recorder of Ogle County; and
- (b) Notify the City in writing at least 30 days prior to any date after which Owner transfers a legal or beneficial interest in any portion of the Property to any Person not a party to this Agreement; and
- (c) Incorporate, by reference, this Agreement into any and all real estate sales contracts entered into for the sale of all or any portion of the Property to any person, firm or entity not a party to this Agreement.; and
- (d) Require, prior to the transfer of all or any portion of the Property, or any legal or equitable interest in the Property to any person, firm or entity not a party to this Agreement, the transferee to execute an enforceable written agreement, in substantially the form attached to this Agreement as **Exhibit E** agreeing to be bound by this Agreement ("Transferee Assumption Agreement"), and to provide the City, after request, with reasonable assurance of the financial ability of the transferee to meet those obligations as the City may require provided, however, that the requirements stated in clauses (b), (c) and (d) shall not apply to any contract for, or transfer of, an individual lot or group of lots for which all Improvements have been completed and approved and, if required, accepted pursuant to Section 12 of this Agreement.

The City agrees that after a successor becoming bound to the personal obligation created in the manner provided in this Agreement and providing the financial assurances

required in this Section, the personal liability of Owner shall be released to the extent of the transferee's assumption of liability. The failure of Owner to provide the City with a fully executed copy of a Transferee Assumption Agreement required above by the transferee to be bound by this Agreement and, if requested by the City, with the transferee's proposed assurances of financial capability before completing the transfer shall result in Owner remaining fully liable for all of Owner's obligations under this Agreement but shall not relieve the transferee of its liability for those obligations as a successor to Owner.

ARTICLE X

REPRESENTATIONS AND WARRANTIES

Section 34. Representations and Warranties of Owner. Owner represents and warrants to the City and Developer:

- (a) that Owner includes all of the legal title holders of record of the Property;
- (b) that Owner has full power and authority to execute this Agreement and to bind the Property as herein provided;
- (c) that the legal descriptions of the Property set forth herein and in the attached Exhibits are accurate and complete;
- (d) that the trustee executing this Agreement on behalf of Owner has been lawfully authorized to execute this Agreement on behalf of Owner and that Owner is validly existing and in good standing under all applicable laws;
- (e) that there is no litigation pending by or against Owner that would substantially impair its ability to perform its obligations contemplated by this Agreement; and
- (f) that Owner has no current plans for development of the remainder of the Property outside the Leased Premises.

Section 35. Representations and Warranties of Developer. Developer represents and warrants to City and Owner:

- (a) that Developer has full power and authority to execute this Agreement;
- (b) that the representative of Developer executing this Agreement has been lawfully authorized to execute this Agreement on behalf of Developer and that Developer is lawfully organized and in good standing under all applicable laws;
- (c) that there is no litigation pending by or against Developer that would substantially impair its ability to perform its obligations contemplated by this Agreement.

(d) that Developer intends to develop the Leased Premises in the manner contemplated in this Agreement;

Section 36. Representations and Warranties of City. City represents and warrants to Owner and Developer:

(a) that the City Manager and Clerk of the City have been lawfully authorized by the City Council of the City to execute this Agreement on behalf of the City;

(b) that the City has given or caused to be given and published or caused to be published all notices required by law to be given or published in connection with this Agreement or any other action of the corporate authorities required to be taken as a precondition to execution of this Agreement or annexation of the Property, and that all public hearings required in connection with this Agreement and the annexation of the Property have been held; and

(c) that there is no litigation pending by or against the City that would substantially impair its ability to perform its obligations contemplated by this Agreement.

ARTICLE XI MISCELLANEOUS PROVISIONS

Section. 37. Continuation of Current Uses. If applicable, the Property is currently being used for the purposes set forth in Schedule 2 (Special Terms). In reviewing this Agreement, the City has given due consideration to the continuation of such current uses. Accordingly, and notwithstanding any provisions of the City Code, the Zoning Ordinance, or any other code, ordinance or regulation, now in effect or adopted during the Term of this Agreement, and notwithstanding the City's subsequent zoning of the Property pursuant to the terms hereof, the current uses of the Property shall be permitted to continue.

Section 38. Amendment. This Agreement, and the exhibits attached hereto, may be amended only by the mutual consent of the Parties, by adoption of an ordinance by City approving said amendment as provided by law, and by the execution of a written amendment by the Parties or their successors in interest.

Section 39. Severability. If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property is held invalid, such invalidity shall not affect the application or validity of any other provision, covenant or portion of this Agreement, and to that end, all provisions, covenants, agreements and portions of this Agreement are declared to be severable. If for any reason the annexation or zoning of the Property is ruled invalid, in whole or in part, the City Council, 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 Developer.

Section 40. Entire Agreement. This Agreement sets forth and fully integrates all agreements, understandings and covenants between the Parties with respect to the subject matter hereof, and is intended to supersede and discharge all prior oral or written or contemporaneous oral agreements, negotiations and understandings between the Parties.

Section 41. Time of Essence. Time is of the essence of this Agreement and of each and every provision hereof.

**SCHEDULE 2 (SPECIAL TERMS)
(INDUSTRIAL/COMMERCIAL)**

Section 1. Term of Agreement: 20__ years.

Section 2. Deadline for Annexation of Property: 90__ days following approval of Agreement by City Council.

Section 3. Zoning of Property: The Leased Premises will be zoned B-2 per Section 110- 291 District Use Classification, once annexed into the City of Rochelle’s corporate limits. The remainder of the Property will be zoned RD.

Section 4. Period of Freezing City Code Provisions: 5 years.

Section 5. Period of Freezing City Fees and Charges: 5 years.

Section 6. Deposit for Fees, Costs and Expenses: \$5,000.00
Review Fee _____

Section 7. City Code Variations for Development: The following variances are approved by the City Council with the advice and recommendation of the Planning Committee:

- 1.) The variances for signage and other matters specifically set forth in the Agreement.
- 2.) A variance granting relief from Section 110-632, which provides that no driveway or curb cuts in any district shall exceed 20 feet in width. The variance shall allow driveway widths on the Leased Premises up to the 35-foot maximum allowed by IDOT.
- 3.) A variance granting relief from the requirement in Section 110-531 Gasoline (Motor Fuel) Stations (2) that the total height of any overhead canopy or weather protection shall not exceed 20 feet. The variance shall allow Developer to construct its canopies on the Leased Premises at a height not to exceed 25 feet.
- 4.) A variance granting relief from Section 110-531.13 (requirement that parking spaces be located to the side and/or rear of the principal structure.

Section 8. Water Service.

As of the date of this Agreement, the City water main has been extended along the Dement Road right-of-way (south of Technology Parkway and north of Petro Road), but no further.

In the event Developer chooses to proceed with development of the Leased Premises under those circumstances, Developer shall be responsible, at its sole cost, for constructing and installing a 12” water main from the present terminus west of the Property.

In the event the City should choose to require upsizing of any water mains beyond the stated sizes, the City shall only be responsible to pay the increased material costs only for such upsizing from the City’s \$500,000.00 contribution to this Project and in accordance with Section 86-50 of the Rochelle Municipal Code. Except as provided below, Developer shall be responsible for obtaining the necessary easements for the water mains, at its sole cost. City shall use its best efforts to acquire offsite easements for the water mains along the east side of Interstate 39, without cost to Developer. The City shall be responsible for obtaining the necessary easements for the water main along the west side of Interstate 39, at its sole cost.

Section 9. Sanitary Sewer Service:

As of the date of this Agreement, the City sanitary sewer has been extended along the Dement Road right-of-way (south of Technology Parkway and north of Petro Drive), but no further. In the event Developer chooses to proceed with development of the Leased Premises under those circumstances, the Developer shall install, at its expense, a 4” sanitary sewer force main from the terminus along Dement Road to the lift station to be constructed by Developer. Developer shall install at Developer’s expense a fully-functioning sanitary sewer lift station at a site to be designated by the City on property immediately to the west of the Property.

Developer is to pay 100% of the sewer and water improvement, with the exception of the sizing of the lift station; however, neither Developer nor Owner shall be obligated to pay any other recapture fee to the City or any other developer for any recapture agreement that predates this Annexation Agreement. The City will pay for the upsizing of the lift station beyond the capacity needed for this development. Notwithstanding the foregoing, City has agreed to provide a contribution of Five Hundred Thousand Dollars (\$500,000.00) towards the improvements required herein, which contribution shall be applied toward the costs of the offsite sewer and water improvements described in this Section 9 and in Section 8 above. This contribution from the City shall be its only obligation to fund the sewer and water improvements described in either Section 8 or 9.

Section 10. Perimeter and Offsite Road Improvement Provisions: IL 38

Developer’s Contribution: 100% of the cost

Section 11. Stormwater Management Fee and Payment Provisions:

Fee Amount: \$ 15,600 (based upon 12 acres)
(\$1,300/Acre)

Payment Terms: Due before final plat approval for the Leased Premises. The Owner shall be responsible for paying the Stormwater Management fee for the remaining undeveloped portion of the Property, upon development of all or a portion of the remainder of the Property.

Section 12. Regional Stormwater Detention on the Property X not required
 may be required

Section 13. Current Uses of the Property To Be Permitted to Continue:
Agriculture use of Property outside the Leased Premises.

Other Special Terms:

Exhibit A

PILOT ANNEXATION EAST LEGAL DESCRIPTION

PART OF THE SOUTHWEST QUARTER OF SECTION 16 AND PART OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 16; THENCE SOUTH 89 DEGREES 35 MINUTES 22 SECONDS WEST ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 567.62 FEET; THENCE NORTH 00 DEGREES 32 MINUTES 14 SECONDS WEST, A DISTANCE OF 64.56 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF A PUBLIC ROAD DESIGNATED ILLINOIS ROUTE 38; THENCE NORTH 80 DEGREES 42 MINUTES 13 SECONDS WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 76.12 FEET; THENCE NORTH 86 DEGREES 49 MINUTES 33 SECONDS WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 926.94 FEET; THENCE SOUTH 89 DEGREES 27 MINUTES 21 SECONDS WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 184.17 FEET TO THE POINT OF BEGINNING OF THE HEREINAFTER DESCRIBED PARCEL OF LAND: THENCE NORTH 00 DEGREES 08 MINUTES 53 SECONDS WEST, A DISTANCE OF 2362.93 FEET; THENCE NORTH 45 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 209.50 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 16; THENCE SOUTH 89 DEGREES 31 MINUTES 13 SECONDS WEST ALONG SAID NORTH LINE, A DISTANCE OF 988.18 FEET; THENCE SOUTH 44 DEGREES 41 MINUTES 10 SECONDS WEST, A DISTANCE OF 44.23 FEET; THENCE SOUTH 00 DEGREES 08 MINUTES 53 SECONDS EAST, PARALLEL WITH THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 2469.39 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SAID ILLINOIS ROUTE 38; THENCE SOUTH 87 DEGREES 41 MINUTES 08 SECONDS EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 205.18 FEET; THENCE NORTH 89 DEGREES 27 MINUTES 21 SECONDS EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 665.85 FEET TO THE POINT OF BEGINNING, ALL SITUATED IN THE TOWNSHIP OF DEMENT, THE COUNTY OF OGLE AND THE STATE OF ILLINOIS.

TOGETHER WITH THAT PART OF ILLINOIS ROUTE 38 LYING SOUTHERLY AND ADJOINING THE ABOVE DESCRIBED PROPERTY.

CONTAINING 2,366,540 SQUARE FEET OR 54.328 ACRES MORE OR LESS

P.I.N.: 25-16-300-003

Exhibit C Concept Plan

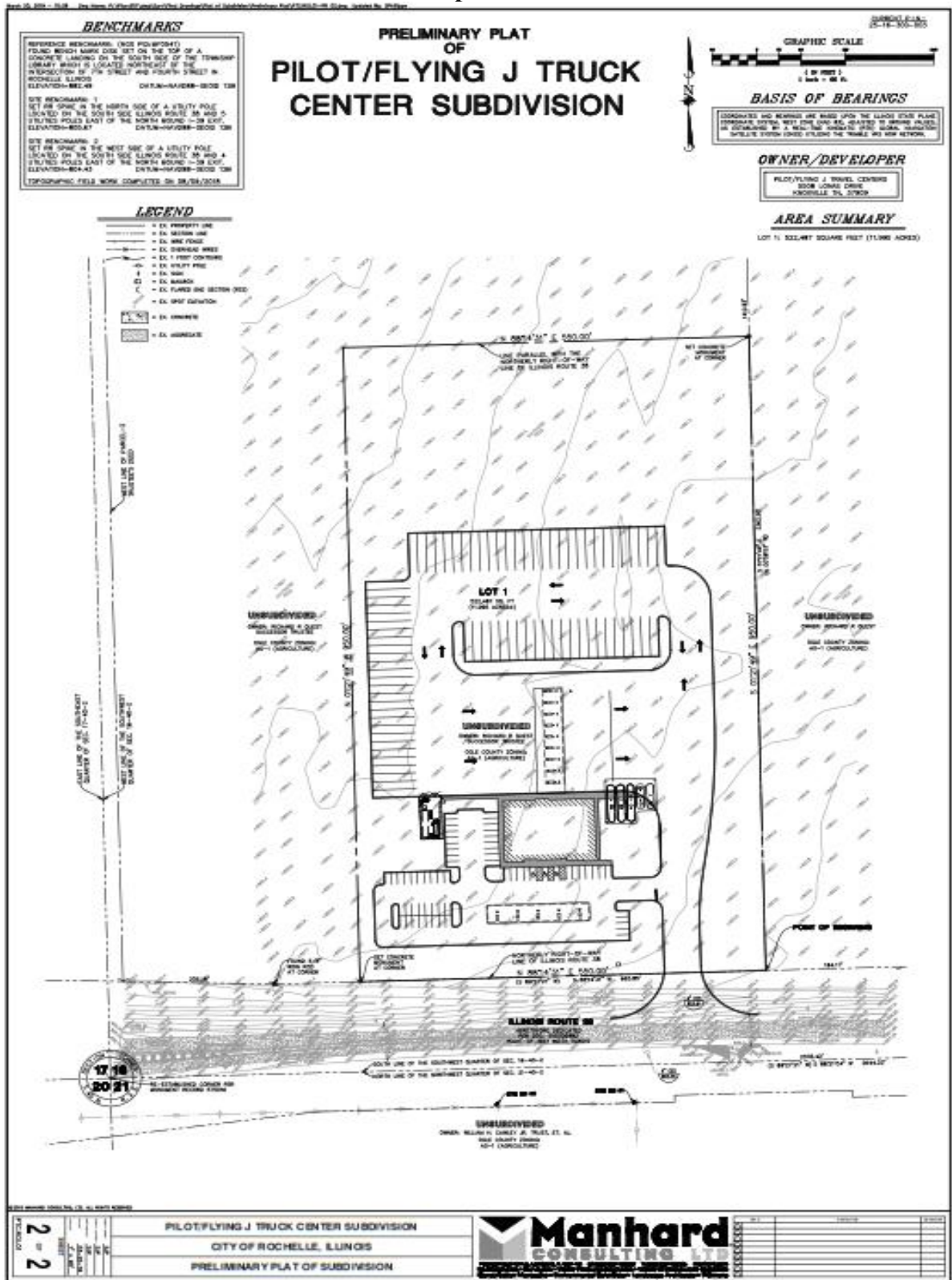


Exhibit D
Fee Schedule for the City

Estimated Reimbursable Expenses

The costs identified herein are estimates and Developer shall be solely responsible for all actual costs incurred with the development and construction of the Leased Premises. Developer shall deposit all funds in an escrow account, to be drawn upon for the reimbursable expenses set forth in this Fee Schedule. City shall have the authority to withdraw the funds to pay for the reimbursable expenses.

1. Professional fees:
 - a. Legal fees. \$25,000

 2. Costs or other expenses related to the Leased Premises incurred with the development of the Leased Premises, the negotiation and approval of this Agreement, and related matters:
 - a. Planning and engineering, consultant fees, staff time, review fees and expenses related to the development of the leased premises and offsite infrastructure \$150,000
 - b. Regional traffic studies and intersection design studies. \$30,000
 - c. Sewer and Water improvements (including preliminary and construction engineering and lift station to accommodate the development and RMU service area) \$1,000,000
 - d. Electrical Infrastructure Improvement (includes transformer, boring costs for distribution line, distribution wire, and materials as well as payment for street light installation by Rochelle Municipal Utilities along or adjacent to IL Rte 38 ROW \$80,000
 - e. Fiber Optics \$50,000
 - f. Offsite Roadway and intersection improvement costs (including preliminary and construction engineering, signalization, shared use path, street lighting), which does not include a contribution of \$500,000 by the City, to be specifically used for traffic signalization and other intersection improvements at IL Route 38 by the Subject Property, as approved by the Illinois Department of Transportation. \$1,400,000
Updating the GIS mapping system to account for and map all new infrastructure installed as a result of this development.

3. Transactional and recording costs: \$2,500

Exhibit F
Transferee Assumption Agreement

This document was prepared by,

Dominick L. Lanzito
Peterson, Johnson & Murray – Chicago LLC
200 West Adams – Ste. 2125
Chicago, Illinois 60606

and following recording should
be returned to:

City of Rochelle
420 North 6th Street
Rochelle, Illinois 61068
Attn: City Manager

TRANSFEREE ASSUMPTION AGREEMENT

THIS AGREEMENT, made as of this _____ day of _____, 201____, by, between and among **RICHARD R. QUEST**, as Successor Trustee of the **BETTE J. WHALEY DECLARATION OF TRUST DATED 10/02/2003** (“Owner”), _____, an _____ (“Transferee”) and the CITY OF ROCHELLE, Illinois, an Illinois municipal corporation (“City”),

W I T N E S S E T H:

WHEREAS, pursuant to that certain _____ Agreement dated _____, 20____, the Transferee agreed to purchase from the Owner certain real property situated in Ogle County, Illinois and legally described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof (“Property”); and

WHEREAS, following the conveyance of the Property by the Owner, the Transferee will be the legal owner of the Property; and

WHEREAS, as a condition to the conveyance of the Property by the Owner, the Owner and the City require that the Transferee agree to comply with all the terms, requirements, and obligations relating to the Property as set forth in Annexation and Development Agreement dated _____, 2019, and recorded in the Office of the Ogle County Recorder on _____, as Document No. _____, as well as all permits and approvals granted as a result thereof (collectively, the “Annexation Agreement”);

NOW, THEREFORE, in consideration of the agreement of the Owner to convey the Property to the Transferee and of the City to accept the transfer of obligations as provided herein and to grant the releases granted herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by, between, and among the City, the Owner, and the Transferee as follows:

1. Recitals. The foregoing recitals are by this reference incorporated herein and made a part hereof as substantive provisions of this Agreement.

2. Assumption of Obligations. The Transferee, on its behalf and on behalf of its successors, assigns, heirs, executors and managers, hereby agrees, at its sole cost and expense, to comply with all of the terms, requirements, and obligations of the Annexation Agreement, including all exhibits and attachments thereto, with respect to the Property.

3. Assurances of Financial Ability. In light of the representation and warranty of the Owner and Transferee regarding their controlling interests, the City shall not require evidence of financial ability as a precondition of the execution of this Agreement.

4. Payment of City Fees and Costs. In addition to any other costs, payments, fees, charges, contributions, or dedications required by this Agreement, the Annexation Agreement or by applicable City codes, ordinances, resolutions, rules, or regulations, the Transferee shall pay to the City on or before the date due therefor, all legal, engineering, and other consulting or administrative fees, costs and expenses incurred in connection with the negotiation, preparation, consideration, and review of this Agreement.

5. Acknowledgment and Release of Transferor. The City hereby acknowledges its agreement to the Transferee's assumption of the obligation to comply with the terms, requirements and obligations of the Annexation Agreement, including all exhibits and attachments thereto, with respect to the Property. In addition, the City hereby releases the Owner from any personal liability for failure to comply with the terms, requirements, obligations, and provisions of the Annexation Agreement pertaining to the Property. Nothing in this Agreement shall alter or otherwise amend the terms, requirements, obligations, and provisions of the Annexation Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

CITY OF ROCHELLE, an Illinois
municipal corporation (“City”)

By: _____
City Manager

Attest: _____
City Clerk

RICHARD R. QUEST, as Successor
Trustee of the Betty J. Whaley Declaration
of Trust Dated 10/02/2003 (“Owner”)

PILOT TRAVEL CENTERS LLC, a
Delaware limited liability company
 (“Developer”)

By: _____
Name: _____
Title: _____

Exhibit A

PILOT ANNEXATION EAST LEGAL DESCRIPTION

PART OF THE SOUTHWEST QUARTER OF SECTION 16 AND PART OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

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P.I.N.: 25-16-300-003