

ORDINANCE NUMBER 08- 58

Ordinance Approving a Redevelopment Agreement by and between The Village of East Dundee, Cook and Kane Counties, Illinois and S & R Associates of Dundee, LLC

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the “*TIF Act*”), the President and Board of Trustees of the Village (collectively, the “*Corporate Authorities*”) are empowered to undertake the redevelopment of a designated area within its municipal limits in which existing conditions permit such area to be classified as “blighted”, as defined in the TIF Act; and,

WHEREAS, pursuant to its powers and in accordance with the requirements of the TIF Act, the Corporate Authorities approved a redevelopment plan and project, by Ordinance No. 08-34, which sets forth a plan for the development, redevelopment and revitalization of the redevelopment project area, designated a redevelopment project area known as the Downtown TIF Redevelopment Project Area (the “*Redevelopment Project Area*”), by Ordinance No. 08-32, and adopted tax increment financing for the Redevelopment Project Area, by Ordinance No. 08-36, all adopted on June 16, 2008; and,

WHEREAS, the S & R Associates of Dundee, LLC (the “*Developer*”) owns the property located at Barrington Avenue and Fourth Street in the Village, commonly known as 315 Barrington Avenue, East Dundee which is improved with a single building which was substantially destroyed as a result of a fire on adjacent property in 2007 and is in need of substantial rehabilitation; and,

WHEREAS, the Developer intends to rehabilitate the building located within the Redevelopment Project Area by constructing approximately 2,700 square feet of useable space

on two floors; and construct a new building after subdividing said property, all as provided in the Redevelopment Agreement by and between the Village and the Developer attached hereto; and,


WHEREAS, in order to induce the Developer to proceed, the Corporate Authorities have determined that it is in the best interests of the Village, and the health, safety, morals, and welfare of the residents of the Village, for the Village to proceed to reimburse the Developer for the certain costs conditioned upon all of the terms and conditions as specifically set forth in said Redevelopment Agreement.

NOW, THEREFORE, be it ordained by the President and Board of Trustees of the Village of East Dundee, Cook and Kane Counties, Illinois, as follows:

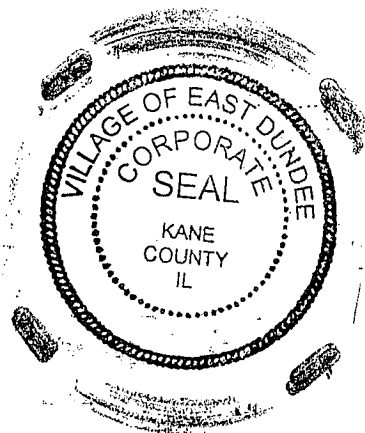
Section I. The Redevelopment Agreement by and between the Village of East Dundee, Cook and Kane Counties, Illinois and S & R Associates of Dundee, LLC as attached hereto and presented to the meeting is hereby approved and the Village President and the Village Clerk are hereby authorized to execute and deliver said Redevelopment Agreement and undertake any and all actions as required to implement all of the provisions thereof.

Section II. This Ordinance shall be in full force and effect from its passage, approval and publication as provided by law.

Passed this 29th day of September, 2008


Village Clerk

Approved this 29th day of September, 2008



David O'Leary
Village President

Ayes: 6

Nays: 0

Absent: 1

REDEVELOPMENT AGREEMENT

by and between

THE VILLAGE OF EAST DUNDEE, COOK AND KANE COUNTIES, ILLINOIS

and

S & R ASSOCIATES OF DUNDEE, LLC

THIS REDEVELOPMENT AGREEMENT is entered into this 29th day of September 2008, by and between the Village of East Dundee, Illinois, an Illinois municipal corporation (the "*Village*"), and S & R Associates of Dundee, LLC, an Illinois limited liability company (the "*Developer*");

PREAMBLES

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the "*TIF Act*"), the President and Board of Trustees of the Village (collectively, the "*Corporate Authorities*") are empowered to undertake the redevelopment of a designated area within its municipal limits in which existing conditions permit such area to be classified as "blighted," as defined in the TIF Act; and,

WHEREAS, pursuant to its powers and in accordance with the requirements of the TIF Act, the Corporate Authorities approved a redevelopment plan and project, by Ordinance No. 08-34, (the "*Redevelopment Plan*"), which sets forth a plan for the development, redevelopment and revitalization of the redevelopment project area, designated a redevelopment project area known as the Downtown TIF Redevelopment Project Area (the "*Redevelopment Project Area*"), by Ordinance No. 08-35, and adopted

tax increment financing for the Redevelopment Project Area, by Ordinance No. 08-36, all adopted on June 16, 2008; and,

WHEREAS, the Corporate Authorities have determined that the blighting factors in the Redevelopment Project Area, as described in the Redevelopment Plan, are detrimental to the public and impair development and growth in the Redevelopment Project Area; and,

WHEREAS, these blighting factors will continue to impair growth and development, but for the use of tax increment allocation financing to pay Redevelopment Project Costs (as defined in Section 3(b) of this Agreement), which necessarily must be incurred for the redevelopment of the Redevelopment Project Area; and,

WHEREAS, the existence of the blighting factors in the Redevelopment Project Area and the extraordinary costs necessary for redevelopment have prevented private developers from developing, redeveloping, and revitalizing the Redevelopment Project Area; and,

WHEREAS, the Developer owns the property located at Barrington Avenue and Fourth Street in the Village, commonly known as 315 Barrington Avenue legally described on Exhibit A attached hereto and made a part hereof and identified as parcel number: 03-23-304-014 (the "*Property*") improved with a single building which was substantially destroyed as a result of a fire on adjacent property in 2007 and is in need of substantial rehabilitation; and,

WHEREAS, the Developer intends to rehabilitate the building located on the Property by constructing approximately 2,700 square feet of useable space on two floors;

the first floor to be used for commercial purposes, and the second floor to provide two dwelling units (the "*Rehabilitation Project*"); and,

WHEREAS, in addition to the Rehabilitation Project, the Developer will subdivide the Property into two parcels and proposes to construct on one of the lots a new single story industrial building of approximately 6,300 square feet for use as a machine tool production facility and eight off-street parking spaces, in addition to the building described above (the "*Industrial Project*"); and,

WHEREAS, in order to properly service both the site of the Rehabilitation Project and the site of the Industrial Project it is necessary that certain improvements be made to the adjoining public right of way, including curbs, gutter, sidewalk and landscaping along Barrington Avenue and Fourth Street at an approximate cost of \$51,600.00 (the "*Public Improvements*").

WHEREAS, Developer proposes to construct the Public Improvements which constitute Redevelopment Project Costs under the TIF Act and are eligible for reimbursement by the Village; and,

WHEREAS, in order to induce the Developer to construct the Public Improvements, the Corporate Authorities have determined that it is in the best interests of the Village, and the health, safety, morals, and welfare of the residents of the Village, for the Village to proceed to reimburse the Developer for the costs of such Public Improvements conditioned upon the construction and completion of the Rehabilitation Project and the Industrial Project by the Developer as hereinafter set forth.

NOW, THEREFORE, the parties, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

Section 1. Incorporation of Recitals.

All of the recitals contained in the Preambles to the Agreement are true and correct and are hereby incorporated into this Agreement as though restated in this Section.

Section 2. Project.

The "Project" shall consist of the following three components:

- (i) The Rehabilitation Project;
- (ii) The Industrial Project; and,
- (iii) The Public Improvements.

Section 3. Construction of the Project.

(a) On or before December 31, 2008, but subject to delay caused by Force Majeure (as described in Section 9 below), and/or the failure of the Village to promptly review plans and/or issue permits necessary for the construction of the Rehabilitation Project, after proper submittal by Developer, the Developer shall commence construction of the Rehabilitation Project and proceed thereafter with the construction of the Industrial Project and the Public Improvements all in good workmanlike manner in accordance with the standards set forth in the Village Code; all applicable laws of the State of Illinois; and all ordinances, resolutions and regulations of the Village. The Developer shall continue with the construction of all three components of the Project until completion. The Developer warrants that, subject to delay caused by Force Majeure (as described in Section 9 below), and/or the failure of the Village to promptly review plans and/or issue permits necessary for the construction of the Rehabilitation Project, after proper submittal

by Developer, completion of the Project shall have occurred on or before December 31, 2009,

(b) In consideration for the completion of construction of the Project by the Developer in accordance with the terms hereof, and so long as no event described in Section 19 of this Agreement shall have occurred and be continuing, the Village shall reimburse the Developer for the Public Improvements as eligible Redevelopment Project Costs incurred by the Developer in respect to the Project and as set forth in *Exhibit B* (the "*Eligible Redevelopment Project Costs Schedule*") in accordance with the provisions of Section 4 and subject to the limitations of the TIF Act and this Agreement. The aggregate payments to the Developer pursuant to this Section shall in no event exceed \$51,600.00. The Developer shall have the right to reallocate items among the line items set out in *Exhibit B* when seeking reimbursement therefor pursuant to Section 4 of this Agreement. For purposes of this Agreement, "Redevelopment Project Costs" shall mean and include all costs defined as "redevelopment project costs" in Section 11-74.4-3(q) of the TIF Act which are eligible for reimbursement under the TIF Act and itemized on *Exhibit B*.

(c) In connection with the establishment and ongoing administration of the Redevelopment Project Area, the Village has established a special tax allocation fund pursuant to the requirements of the TIF Act (the "*Special Tax Allocation Fund*" or the "*STAF*"), into which the Village shall deposit all Incremental Taxes, as defined below, generated by the Project on the Property. The Village shall further establish, upon execution of this Agreement, a segregated special sub-account of the STAF designated the "S & R Associates Sub-Account." The Village shall reimburse the Developer for

Redevelopment Project Costs, pursuant to this Agreement, only from Incremental Taxes on deposit from time to time in the S & R Associates Sub-Account, as described below. Incremental Taxes deposited from time to time in the Special Tax Allocation Fund in respect of the Property shall be used for the following purposes and in the following order of priority:

(i) on October 1 of each year (or, if later, the date which is ten (10) days following the date upon which the Village receives Incremental Taxes from the last annual installment from Kane County (the "*STAF Allocation Date*")), fifty percent (50%) of all Incremental Taxes credited to the STAF in respect of the Property during the period from the immediately preceding STAF Allocation Date (or the date of establishment of the Redevelopment Project Area in the case of the period from the date of this Agreement to the first STAF Allocation Date), to, but not including, the current STAF Allocation Date shall be transferred and deposited by the Village to the S & R Associates Sub-Account and shall be used solely to reimburse the Developer for Redevelopment Project Costs in accordance with Sections 4(b), and 4(c).

(ii) after the Developer has submitted any Requests for Reimbursement by the STAF Allocation Date, pursuant to Sections 4(b) and 4(c), any amount remaining in the S & R Associates Sub-Account, in excess of the amount required to reimburse the Developer for Redevelopment Project Costs, shall be transferred by the Village to the STAF. To the extent amounts in the S & R Associates Sub-Account is

insufficient to reimburse the Developer for Redevelopment Project Costs as submitted on a Request for Reimbursement which has been approved, as hereinafter provided, the Village shall hold such Request for Reimbursement for payment in subsequent years as deposits in the S & R Sub-Account permits.

THE VILLAGE'S OBLIGATION TO REIMBURSE THE DEVELOPER UNDER THIS AGREEMENT IS A LIMITED OBLIGATION PAYABLE SOLELY FROM INCREMENTAL TAXES DEPOSITED IN THE S & R ASSOCIATES SUB-ACCOUNT FROM TIME TO TIME AND SHALL NOT BE SECURED BY THE FULL FAITH AND CREDIT OF THE VILLAGE. As used in this Agreement, "Incremental Taxes" shall mean the amount in the STAF equal to the amount of ad valorem taxes, if any, paid in respect of the Project and its improvements, which is attributable to the increase in the equalized assessed value of the Project and its improvements over the initial equalized assessed value of the Project.

Section 4. Procedures for and Application of Reimbursement to the Developer.

(a) The Developer shall advance all funds and all costs necessary to undertake the Project and those costs eligible for reimbursement pursuant to this Agreement in connection with the foregoing.

(b) To establish a right of reimbursement for a specific Redevelopment Project Cost under this Agreement, the Developer shall submit to the Village Administrator a written statement in the form attached to this Agreement as *Exhibit C* (a "Request for Reimbursement") setting forth the amount of reimbursement requested and the specific Redevelopment Project Costs for which reimbursement is sought. Each

Request for Reimbursement shall be accompanied by such bills, contracts, invoices, lien waivers, or other evidence as the Village Administrator shall reasonably require to evidence the right of the Developer to reimbursement under this Agreement. The Village or its designee shall have twenty (20) days after receipt of any Request for Reimbursement from the Developer to recommend to the Corporate Authorities approval or disapproval of such Request and, if disapproved, to provide the Developer in writing and in detail with an explanation as to why it is not prepared to recommend such reimbursement. The Village Board of Trustees shall at the first regularly scheduled meeting next following such recommendation consider approval of the Request for Reimbursement, which approval shall not unreasonably be withheld. The only reasons for disapproval of any expenditure for which reimbursement is sought shall be that such expenditure is not an eligible Redevelopment Project Cost, that it is not contained in the Eligible Redevelopment Project Costs Schedule, or that it was not incurred and completed by the Developer in accordance with all applicable Village Code requirements and the provisions of this Agreement, including, without limitation, all plans and specifications submitted to and pre-approved by the Village. The Developer has the right to reallocate the Redevelopment Project Costs as listed on Exhibit B, so long as the maximum amount to be reimbursed does not exceed \$51,600.00. The parties acknowledge that the determination of Redevelopment Project Costs and qualification for reimbursement under this Agreement are subject to the TIF Act, all amendments to the TIF Act both before and after the date of this Agreement, and administrative rules and judicial interpretations rendered during the term of this Agreement. The Village has no

obligation to the Developer to attempt to modify said rules or decisions but will cooperate with the Developer in obtaining approval of Redevelopment Project Costs.

(c) Reimbursement of Redevelopment Project Costs shall be made annually on each STAF Allocation Date (or, if later, the date which is ten (10) days following approval by the Village of payment of such Redevelopment Project Costs); provided that reimbursement of Redevelopment Project Costs shall only be made to the extent money is available therefor in the S & R Associates Sub-Account. To the extent money in the S & R Associates Sub-Account is insufficient to reimburse the Developer for Redevelopment Project Costs for that year, the Village shall reimburse the Developer once funds are deposited into the S & R Associates Sub-Account in subsequent years.

Notwithstanding the foregoing, if money is not available in the S & R Associates Sub-Account to reimburse the Developer for Redevelopment Project Costs and the reason for the lack of funds is that the Developer or its successors in interest have not paid real estate taxes for the Subject Property when due and owing, the Village shall not be required to make payment until taxes are paid.

Section 5. Term.

Unless earlier terminated pursuant to Section 19, the term of this Agreement shall commence on the date of execution and end the earlier of payment to the Developer of Redevelopment Project Costs in the principal amount not to exceed \$51,600.00 or December 31, 2031 (the "*Termination Date*").

Section 6. TIF Revenue Bonds.

The Village shall not be required to issue Tax Increment Allocation Revenue Bonds ("*TIF Revenue Bonds*") or other obligations to reimburse the Developer for

Redevelopment Project Costs; however, nothing in this Agreement shall be deemed to prevent the Village, with consent of the Developer, from issuing TIF Revenue Bonds or other obligations in the future for such purpose.

Section 7. Verification of Tax Increment.

The Developer shall use its best efforts to cooperate with the Village in obtaining certified copies of all real estate tax bills for the Property issued during the term of this Agreement.

Section 8. No Liability of Village to Others for Developer's Expenses.

The Village shall have no obligations to pay costs of the Project or to make any payments to any person other than the Developer, or its successors or assigns (subject to Section 10 below), nor shall the Village be obligated to pay any contractor, subcontractor, mechanic, or materialman providing services or materials to the Developer for the development of the Project.

Section 9. Time; Force Majeure.

Time is of the essence of this Agreement; provided, however, a party shall not be deemed in material breach of this Agreement with respect to any of such party's obligations to be performed under this Agreement, if such party fails to timely perform the same and such failure is due in whole or in part to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnations, riots, insurrections, war, fuel shortages, accidents casualties, floods, earthquakes, fires, acts of God, epidemics, quarantine restrictions, freight embargoes, acts caused directly or indirectly by the other party (or the other party's

agents, employees or invitees) or similar causes beyond the reasonable control of such party ("*Force Majeure*"). If one of the foregoing events occurs or either party claims that such an event occurred, the party to whom such claim is made shall investigate and consult with the party making such claim, and the party to whom such claim is made shall grant any extension for the performance of the unsatisfied obligation equal to the period of the delay, which period shall commence to run from the time of the commencement of the Force Majeure; provided that the failure of performance was reasonably caused by such Force Majeure.

Section 10. Assignment.

This Agreement may not be assigned by the Developer without the prior written consent of the Village, which consent shall not be unreasonably withheld.

Section 11. Developer Indemnification.

The Developer shall indemnify and hold harmless the Village, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs, and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer, or any contractor, subcontractor, agent, or employee thereof (so long as such contractor, subcontractor, agent, or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer, or materialman; from any default or breach of the terms of this Agreement by the Developer; or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor, agent, or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer). The Developer shall, at its own cost and expense, appear,

defend, and pay all charges of attorneys, costs, and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the Village, its agents, officers, officials, or employees in any such action, the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the Village or any of its officers, agents, employees, or contractors.

Section 12. Waiver.

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

Section 13. Severability.

If any section, subsection, term, or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term, or provision of this Agreement, or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

Section 14. Notices.

All notices, demands, requests, consents, approvals, or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party, or an officer, agent, or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and

including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To the Developer: Daniel Scully
315 Barrington Avenue
East Dundee, Illinois 60118

With a copy to: Mark Schuster
Bazos, Freeman, Kramer, Schuster, Vanek & Kolb
1250 Larkin Avenue
Elgin, IL 60123

To the Village: Village of East Dundee
120 Barrington Avenue
East Dundee, Illinois 60118

With a copy to: Kathleen Field Orr
Kathleen Field Orr & Associates
180 North Michigan Avenue
Suite 1040
Chicago, Illinois 60601

Section 15. Successors in Interest.

This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

Section 16. No Joint Venture, Agency, or Partnership Created.

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

Section 17. No Discrimination – Construction.

The Developer, or its successors or assigns, agrees that with respect to the development of the Project it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Developer shall

take affirmative action to require that applicants are employed and that employees are treated during employment, without regard to their race, creed, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment or recruitment advertising and solicitations or advertisements for employees; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices, which may be provided by the Village, setting forth the provisions of this nondiscrimination clause.

Section 18. Memorandum.

Neither party shall record this Agreement, but each party agrees upon request, to execute and to deliver to the other party after this Agreement is executed and delivered, multiple copies of a Memorandum in a form acceptable to their respective counsel. Either party, at its sole expense, may record the Memorandum in the Office of the Recorder of Deeds, Kane County, Illinois.

Section 19. Remedies – Liability.

(a) If, in the Village's judgment, the Developer is in material default of this Agreement, the Village shall provide the Developer with a written statement indicating any failure on the Developer's part to fulfill its obligations under this Agreement. Except as required to protect against further damages, the Village may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such period shall be extended for such time as is reasonably necessary for the curing of the

same, so long as the Developer diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Village in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

(b) If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the Village and any cure periods described in paragraph (a) above have expired, the Village may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including the right to specifically enforce the terms and conditions of this Agreement.

(c) If prior to completion of the Project, any voluntary or involuntary petition or similar pleading under any section of any bankruptcy or insolvency act shall be filed by or against the Developer; or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts; or the Developer makes an assignment for the benefit of its creditors; or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property; the Village may elect, but is not required to, terminate this Agreement with or without notice, to the extent permitted by law and enforceable under applicable federal bankruptcy laws. In order to terminate this Agreement for any reason described in this sub-section (c), the Village's sole obligation shall be to record a Certificate of Default with the Kane Recorder's Office, executed by the Village President

or a Village designee, stating that this Agreement is terminated pursuant to the provisions of this Section 19(b), in which event this Agreement shall *ipso facto* automatically become null and void and of no further force and effect.

(d) If, in the Developer's judgment, the Village is in material default of this Agreement, the Developer shall provide the Village with a written statement indicating in adequate detail any failure on the Village's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the Village in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the Village diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any of its rights or remedies as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

(e) In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct, or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to, the equitable remedy of an action for specific performance; provided, however, no recourse for any claim under or upon any obligation contained in this Agreement shall be had against the Village, its officers, agents, attorneys, representatives, or employees, in any amount or in excess of any specific sum agreed to be paid by the Village pursuant to this Agreement; and no liability, right, or claim at law

or in equity shall be attached to or incurred by the Village, its officers, agents, attorneys, representatives, or employees in any amount in excess of any specific sums agreed by the Village to be paid hereunder, and any such claim is hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement by the Village.

(f) The rights and remedies of the parties are cumulative and the exercise by a party of one or more such rights or remedies shall not preclude the exercise, at the same time or different times, of any other rights or remedies for the same default or for any other default by the other party.

Section 20. Amendment.

This Agreement, and any exhibits attached to this Agreement, may be amended only in a writing signed by all parties with the adoption of any ordinance or resolution of the Village approving the amendment, as provided by law, and by execution of the amendment by the parties or their successors in interest. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations, and discussions relative to the Project.

Section 21. Counterparts.

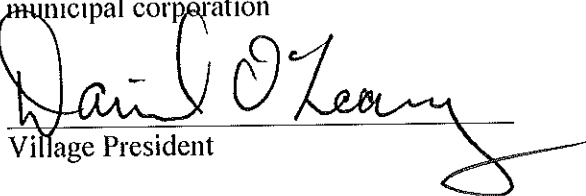
This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

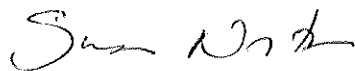
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at East Dundee, Illinois.

Village of East Dundee, Kane County, an Illinois
municipal corporation

By:


Village President

Attest:



Village Clerk

S & R Associates of Dundee, LLC, an Illinois
limited liability company

Daniel Scully
Member

Exhibit A

Legal Description of Subject Property

PIN: 03-23-304-014 *

Common Address: 315 Barrington Avenue, East Dundee, Illinois

* PIN for entire parcel, prior to any subdivision

Exhibit B

Eligible Redevelopment Project Costs Schedule

See attached itemization of project costs prepared by Heinz & Associates, Job No. #D-1708, dated 8/18/2008,

Sub-Total / Improvement Costs	\$51,605.10
Interest	\$ TBD
Total	\$ TBD

Exhibit C

REQUEST FOR REIMBURSEMENT

Village of East Dundee
P.O. Box 236
East Dundee, Illinois 61028

Re: Redevelopment Agreement, dated _____, 2008, by and between the Village of East Dundee, Kane County, Illinois, and S & R Associates of Dundee, LLC ("Developer")

Dear Sir:

You are requested to disburse funds from the Special Tax Allocation Fund pursuant to Section 4(b) of the Redevelopment Agreement described above in the amount(s), to the person(s) and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. Request for Reimbursement No.: _____
2. Payment due to: _____
3. Amount to be Disbursed: _____
4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for those Redevelopment Project Costs, plus interest, for the Project detailed in Schedule I attached to this Request for Reimbursement.
5. The undersigned certifies that:
 - (i) the amounts included in 3 above were made or incurred or financed and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect;
 - (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for Redevelopment Project Costs, plus interest;
 - (iii) the expenditures for which amounts are requisitioned represent proper Redevelopment Project Costs identified in the Eligible Redevelopment Project Costs Exhibit B described in Section of the Agreement, have not been included in any previous Request for Reimbursement, have been properly recorded on the Developer's books and are set forth on the attached Schedule 1, with paid invoices attached for all sums for which reimbursement is requested;
 - (iv) the moneys requisitioned are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for Redevelopment Project Costs, plus interest;

- (v) the amount of Redevelopment Project Costs to be reimbursed in accordance with this Request for Reimbursement, together with all amounts reimbursed to the Developer pursuant to the Section of the Agreement is not in excess of the principal amount of \$51,600.00, plus interest..
 - (vi) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
6. Attached to this Request for Reimbursement is Schedule 1, together with copies of invoices or bills of sale and Mechanic's Lien Waivers covering all items for which reimbursement is being requested, and a copy of the Eligible Redevelopment Project Cost Schedule on which it has been noted all Redevelopment Project Costs heretofore reimbursed to the Developer.

-- Signature page next follows this page --

S & R Associates of Dundee, LLC

Date: _____

By: _____

APPROVED:

Date: 9/29/08

Village of East Dundee, an Illinois municipal
corporation

Neil O'Leary