

# REAL ESTATE CONTRACT

**Purchaser:** The Village of Arlington Heights, an Illinois municipal corporation (“**VILLAGE**”)

**Seller:** 4 N. Hickory, LLC, an Illinois limited liability company (“**SELLER**”)

The **VILLAGE** agrees to purchase and **SELLER** agrees to sell at a price of **\$620,000.00** (“**Purchase Price**”) on the terms set forth herein, the following described real estate in Cook County, Illinois commonly known as 6 N. Hickory Ave, Arlington Heights, Illinois, and all easements, tenements, hereditaments, privileges and appurtenances that run with or are appurtenant to the Parcel, whether or not of record, (collectively the “**Property**”): PIN: 03-29-405-006-0000 (formerly 03-29-405-003-0000).

1. **SELLER** shall deliver a recordable special warranty deed by all parties entitled thereto sufficient to convey the Property to the **VILLAGE** in fee simple absolute, subject only to exceptions permitted herein (“**Warranty Deed**”), at the Closing (as defined in Paragraph 8 of this Contract) of this transaction upon the **VILLAGE’S** compliance with the terms of this Contract. **SELLER** shall deliver **SELLER’S** Affidavit of Title in standard form and ALTA form as required by title insurer and a Grantor- Grantee Statement to be attached to the Warranty Deed. **SELLER** shall also provide, at its expense, the State and county transfer declarations and any other transfer tax declaration or exemption that may be necessary for recording.
2. **VILLAGE** shall order and pay for a Commitment of Title Insurance (“**Title Commitment**”) issued by Chicago Title Insurance Company (“**Title Company**”), committing the Title Company to issue an ALTA Owner’s Title Insurance Policy (2006 version) in the amount of the Purchase Price, with the following endorsements: an extended coverage endorsement over all standard exceptions; Access and Location Endorsements insuring access to the Campbell Street and North Hickory Avenue rights-of-way; insuring good, marketable, and insurable title to the Property; and with coverage over any “gap” period, all subject only to the Permitted Exceptions (as defined in Paragraph 3) (the “**Title Policy**”). Seller will take all actions necessary for the Village to obtain this Title Policy.
3. Permitted Exceptions to the Title Policy shall include only: (a) the lien of general taxes not yet due; (b) zoning laws and building ordinances; (c) easements of record provided they do not interfere with the Village’s intended use, as determined by the Village in its discretion; and (d) covenants and restrictions of record that are acceptable to the Village, in its discretion.
4. Not less than ten business days before closing, **SELLER** shall provide the **VILLAGE** ALTA/NSPS standard survey (“**Survey**”) of the Property, that (a) will be certified in favor of Seller, Village, and the Title Company, (b) complies with all requirements of the Title Company that are conditions to the removal of the survey exception from the standard printed exceptions in the Title Policy, (c) contains a certification as to the total acreage of the Property, (d) includes the Table A Items 1, 2, 3, 4, 7a, 7b, 8 (which Item 8 must include,

without limitation, the Engineered Barrier (as defined in Paragraph 7 of this Contract)), 9, 10a, 11, and 19 (one million dollars), and (e) is provided to Village in digital format in NAD 83 State Plane Coordinates. Seller shall provide four copies of the Survey to Village. Seller shall pay the cost for the Survey. The Survey must not be dated more than six months prior to the date of Closing, and must be prepared by a licensed land surveyor, showing any encroachments, measurements of all lot lines, easements, setback lines, and location of all improvements, including fences, all recorded and visible easements, and drainage ditches, streams, or creeks as of the date of this Contract and certified subsequent to the date hereof. The Survey shall show all corners staked, flagged, or otherwise monumented.

5. If the Title Commitment or Survey discloses either impermissible exceptions or survey matters that render the title unmarketable (“Title Defects”), the **SELLER** shall have 30 days from the date of receipt by **SELLER** of a notice thereof to cause their removal from the title commitment or to correct such survey defects or to provide evidence that the title insurer will commit to insure against loss or damage that may be occasioned by such Defects. If the **SELLER** fails within the 30-day period to have these Defects removed or corrected, or, in the alternative, to obtain the commitment for title insurance that insures against loss or damage that may be occasioned by such Defects, the **VILLAGE** may terminate this Contract or may elect upon notice to **SELLER** to take title as it is then with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount that is agreeable to Seller. If the **VILLAGE** does not so elect, this Contract becomes null and void without further action of the parties.
6. Real estate taxes and any special service district taxes (collectively, “Real Estate Taxes”) shall be prorated through and including the date of possession and a credit for the same allowed the **VILLAGE**. If the amount of such taxes is not then ascertainable, then Seller shall give to Village a credit at the Closing based on 110% of the last tax bill. There will be no proration of Real Estate Taxes. All water, sewer, and other utility charges, if any, shall be prorated as of Closing.
7. The **VILLAGE** conducted Phase 1 and Phase 2 Environmental Studies (“Environmental Studies”) of the Property at the **VILLAGE’S** expense. The results of the Environmental Studies indicate that a portion of the Property requires an engineered barrier, consisting of the removal of and proper disposal of three feet of soil, and the installation of three feet of clean topsoil in the location shown on Exhibit A and as more fully described in the approved Illinois Environmental Protection Agency (“IEPA”) Remediation Action Plan attached as Exhibit B (“Engineered Barrier”). The **VILLAGE** and **SELLER** agree that the Engineered Barrier has been completed to the Village’s satisfaction, and a No Further Remediation letter that includes the Village as a protected party has been issued by the IEPA. If **SELLER** does not comply with all conditions of the No Further Remediation Letter, the **VILLAGE** may terminate this Contract.
8. The time of Closing shall be no later than October 31, 2023, on a specific date and time to be mutually agreed upon by both parties, at the Chicago Title office located at 500 Skokie Boulevard, Suite 290, Northbrook, IL. The parties do not need to attend and it can be handled as a remote closing. Possession shall be delivered at Closing.

9. This sale shall be closed through a New York Style escrow with Chicago Title. The cost of the escrow shall be divided equally between the parties. The **VILLAGE** will pay for recording fees for the Deed, and Seller will pay for the costs of recording the No Further Remediation Letter and any release of mortgage or other liens. **SELLER** must deliver the Property clear of all debris, and must grade and seed the Property prior to Closing; provided, however, that **SELLER** is not required to clear, grade, or seed any portion of the Property improved with finished concrete in good condition.
10. **SELLER** warrants and represents:
- (i) that neither **SELLER** nor its agents have received notices from any governmental authority of zoning, building, environmental, safety, fire or health code violations in respect to the Property that have not been corrected.
  - (ii) The Seller is in compliance with the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) ("**Patriot Act**") and in other statutes and all orders, rules and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including, but not limited to, Executive Order 13224 effective September 24, 2001, and the USA FREEDOM Act dated June 2, 2015 and all similar laws or regulations.
  - (iii) Seller has not entered into and will not enter into any agreements with any third party affecting the Property which will be binding upon Village or the Property after the Closing, excepting, however, the Remediation Plan with the IEPA attached hereto as Exhibit B.
  - (iv) The Property is not affected by or subject to any pending or, to the best of Seller's knowledge, threatened condemnation suits, or other threatened claims, charges, complaints, petitions, or unsatisfied orders by or before any administrative agency or court or any third party.
  - (v) Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986 and the Seller will provide at the Closing a FIRPTA Affidavit to this effect to relieve Village of any and all withholding obligations under Section 1445 of the Internal Revenue Code.
  - (vi) Seller has the requisite power and authority to enter into and perform the terms of this Contract and the Closing, and each person executing this Contract, the Deed and the other Closing documents on behalf of Seller is or will be fully authorized to do so and, by doing so, to bind Seller to its obligations under this Contract.
11. At or prior to the Closing, Seller shall deliver to Village evidence that the sale of the Property to Village hereunder is not subject to, and does not subject Village to liability under, 35 ILCS 5/902(d) or 35 ILCS 120/5j, Cook County Code Section 34-92, or Section 2600 of the Illinois Unemployment Insurance Act.
- (i) At least 25 days prior to the Closing, Village shall, with Seller's full cooperation, notify the Illinois Department of Revenue (the "**IDOR**") of the intended sale of

the Property and request IDOR to make a determination as to whether Seller has an assessed, but unpaid, amount of tax, penalties, or interest under 35 ILCS 5/902(d) or 35 ILCS 120/5j.

- (ii) At least 35 days prior to the Closing, Village shall, with Seller's full cooperation, notify the Cook County Department of Revenue ("**Cook County Dept.**") of the intended sale of the Property and request the Cook County Dept. to make a determination as to whether Seller has an assessed, but unpaid, amount of tax, penalties, or interest under the Cook County Code Section 34-92.
- (iii) At least 20 days prior to the Closing, Village shall, with Seller's full cooperation, notify the Illinois Department of Employment Security (the "**IDES**") of the intended sale of the Property and request the IDES to make a determination as to whether Seller has an assessed, but unpaid, amount of tax, penalties, or interest under Section 2600 of the Illinois Unemployment Insurance Act.

The Village agrees to simultaneously deliver to Seller copies of all notices issued by the Village as required by this Paragraph 11.

In the event that, as of the Closing any of IDOR, the Cook County Dept., or IDES have not yet issued their respective determinations concerning unpaid taxes, penalties, or interest, then Seller agrees to indemnify the Village for any amounts of unpaid taxes, penalties, or interest unpaid as of the Closing and subsequently assessed against the Village by one or more of IDOR, the Cook County Dept., or IDES. If Seller does not reimburse the Village for any amounts of unpaid taxes, penalties, or interest paid by the Village pursuant to this Paragraph 11, within 30 days after receipt of a demand therefor, then the Village may (i) file a lien against Seller's property located at 4 North Hickory, Arlington Heights, Illinois, and foreclose such lien in the manner provided for mortgage foreclosures pursuant to Article XV of the Illinois Code of Civil Procedure, and (ii) pursue any other remedy available at law or equity, including without limitation an action for specific performance.

- 12. Any notice required under this Contract shall be in writing and shall be deemed served upon the parties when personally delivered or mailed by registered or certified mail, return receipt requested at the address noted in the signature lines with a copy emailed to the parties' attorneys.
- 13. This Contract constitutes the entire agreement between the parties pertaining to the Property and supersedes all prior agreements, understandings, and negotiations pertaining thereto. This Contract may be modified only by a written amendment or other agreement that is lawfully approved and executed by the Parties. The invalidity of any provision of this Contract shall not impair the validity of any other provisions. Any provision of this Contract determined by a court of competent jurisdiction to be unenforceable will be deemed severable, and the Contract may be enforced with that provision severed or as modified by the court.
- 14. If the Village fails to perform an obligation under this Contract, and does not, within 5 days after receiving written notice from Seller of such failure, either (i) cure such failure or (ii) if

such failure cannot reasonably be cured within 5 days, commence and diligently pursue a cure for such failure, then Village will be in default of this Contract and Seller may (i) terminate this Contract or (ii) pursue any other remedy available at law or equity, including without limitation an action for specific performance. If Seller fails to perform an obligation under this Contract or any representation or warranty made by Seller hereunder is untrue and Seller does not, within 5 days after receiving written notice from Village of such failure, either cure such failure or take action to cause such representation or warranty to become materially true or if such failure cannot reasonably be cured within 5 days or if such action cannot reasonably be completed within 5 days, commence and diligently pursue a cure for such failure or such action, then Seller will be in default of this Contract and the Village may (i) terminate this Contract or (ii) pursue any other remedy available at law or equity, including without limitation an action for specific performance.

15. This Contract is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns.
16. Time is of the essence of this Contract.

IN WITNESS WHEREOF, the parties have signed this Contract on the date set forth.

**VILLAGE OF ARLINGTON HEIGHTS**

By: \_\_\_\_\_  
Randy Recklaus

Title: Village Manager  
Date: \_\_\_\_\_

33 South Arlington Heights Rd  
Arlington Heights, IL 60005

Hart Passman, Village Attorney  
[hart.passman@elrodfridman.com](mailto:hart.passman@elrodfridman.com)

**SELLER**

**4 N. Hickory LLC, an Illinois limited liability company**

By: \_\_\_\_\_

Name: Biagio Pecoraro, Sole Manager  
Date: \_\_\_\_\_

725 E. Dundee Rd Suite 206  
Arlington Heights, Il 60004

Mark Lenz, Seller's Attorney  
[mlenz@swkattorneys.com](mailto:mlenz@swkattorneys.com)

**EXHIBIT A**  
**DEPICTION OF ENGINEERED BARRIER LOCATION**

**EXHIBIT B**  
**APPROVED EPA REMEDIATION ACTION PLAN**