



Lake County Forest Preserves

General Offices
1899 West Winchester Road
Libertyville, Illinois 60048
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www.LCFPD.org

DATE: April 1, 2024

Agenda Item # 10.9

MEMO TO: Paras Parekh, Chair
Planning Committee

FROM: Ken Jones
Director of Land Preservation

RECOMMENDATION: Recommend approval of a Resolution to purchase an approximately 74.3-acre property in unincorporated Fremont Township, known as the Air Estates property, for \$1,950,000.00 as an addition to Lakewood Forest Preserve.

STRATEGIC DIRECTIONS SUPPORTED: Public Access and Connections, Conservation, and Organizational Sustainability

FINANCIAL DATA: The purchase price of the Air Estates property (the "Property") is \$1,950,000.00 and will be funded from the proceeds of the \$17.5 million in G.O. Limited bonds that the District plans to issue in April 2024.

BACKGROUND: At the direction of the Planning Committee, District staff has reviewed the Property to determine its suitability for acquisition for District purposes. In staff's opinion, the acquisition, protection, and management of the Property will meet the District's adopted land acquisition goals of protecting wildlife habitat, preserving wetlands, prairies, and forests, providing scenic vistas, adding to existing preserves, and protecting existing Forest Preserve holdings. The Property will serve as a visual, topographic, and ecologic extension of adjoining District properties.

The Property is located on Gilmer Road, approximately one mile southeast of Fairfield Road, and one mile northwest of Fremont Center Road.

A contract to purchase the Property has been negotiated by District staff and signed by the owner. Pursuant to the contract, the District will pay \$1,950,000.00 for the Property. At the time the contract was executed, a land survey was not available to determine the exact acreage of the parcel.

The Property includes two single-family residences and two hangers. The buildings on the property will be inspected to determine if they can be used for District purposes. If the buildings are determined to have no programmatic purposes or historic value, they will be demolished.

REVIEW BY OTHERS: Executive Director, Chief Operations Officer, Director of Finance, Manager of Board Operations and Corporate Counsel.

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
LAKE COUNTY FOREST PRESERVE DISTRICT
SPECIAL ~~REGULAR~~ APRIL MEETING
APRIL ~~18~~, 2024
9**

MISTER PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **PLANNING COMMITTEE** presents herewith “A Resolution to Purchase an Approximately 74.3-acre Parcel as an Addition to Lakewood Forest Preserve (Air Estates Property),” and requests its approval.

PLANNING COMMITTEE:

Date: 4-1-2024 Roll Call Vote: Ayes: _____ Nays: _____
 Voice Vote Majority Ayes; Nays: 0

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

**A RESOLUTION TO PURCHASE AN APPROXIMATELY 74.3-ACRE PARCEL AS AN
ADDITION TO LAKEWOOD FOREST PRESERVE (AIR ESTATES PROPERTY)**

WHEREAS, the Lake County Forest Preserve District (the "District") owns a certain parcel of land known as Lakewood Forest Preserve ("Lakewood"); and

WHEREAS, the Planning Committee (the "Committee") of the District has reviewed certain land in unincorporated Fremont Township and within the corporate limits of the District that is suitable for District purposes, which land consists of approximately 74.3 acres, is known as the Air Estates Property, is privately-owned, and is depicted in Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property will expand upon, and enhance, the holding of Lakewood, will provide expanded forest preserve opportunities in an ecologically important portion of Lake County, and is a visual, topographic and ecologic extension of District properties; and

WHEREAS, the Property includes a portion of Mud Lake and contains approximately 23.1 acres of LCWI Wetlands, both extending onto existing District property, and the Property is within the Manitou Creek Drainage District; and

WHEREAS, the District's Department of Land Preservation has negotiated a purchase and sale agreement with the owners of the Property pursuant to which the District would purchase the Property from owners (the "Purchase Agreement"), and the owners of the Property have executed the Purchase Agreement; and

WHEREAS, the Committee has recommended that the District approve the Purchase Agreement and purchase the Property; and

WHEREAS, the Board of Commissioners finds that (i) the Property is suitable for District purposes, (ii) acquisition of the Property would expand upon and enhance the holdings of Lakewood, protect wildlife habitat, protect against flooding, preserving wetlands, provide scenic vistas, and serve as a visual, topographic and ecologic extension of adjoining District properties, and (iii) it is in the best interests of the District to approve the Purchase Agreement and acquire the Property;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois **THAT**:

Section 1: Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2: Approval of Purchase Agreement. The Purchase Agreement is hereby approved. The District shall purchase the Property from the owner of the Property, upon the terms and conditions of the Purchase Agreement and such other terms and conditions as shall be approved

by the District, for \$1,950,000.00. The President, Secretary and Executive Director of the District (and the Executive Director's designees) are hereby authorized and directed (i) to execute and attest to, on behalf of the District, the Purchase Agreement and all other documents that are necessary to complete the acquisition of the Property provided that any documents have first been approved by the District's Corporate Counsel, and (ii) to take such other actions as may be necessary to complete the acquisition of the Property.

Section 3: Authority to Pay Owner. The Treasurer of the District is hereby authorized to pay for the Property, pursuant to the terms and conditions of the Purchase Agreement.

Section 4: Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this ____ day of _____, 2024

AYES:

NAYS:

APPROVED this ____ day of _____, 2024

Angelo D. Kyle, President
Lake County Forest Preserve District

ATTEST:

Julie Gragnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____

Exhibit A

Lake County Forest Preserve District
Land Preservation and Special Projects
1899 W Winchester Rd
Libertyville, Illinois 60048
847-968-3351

Legend

-  Forest Preserve Boundary
-  The "Property"

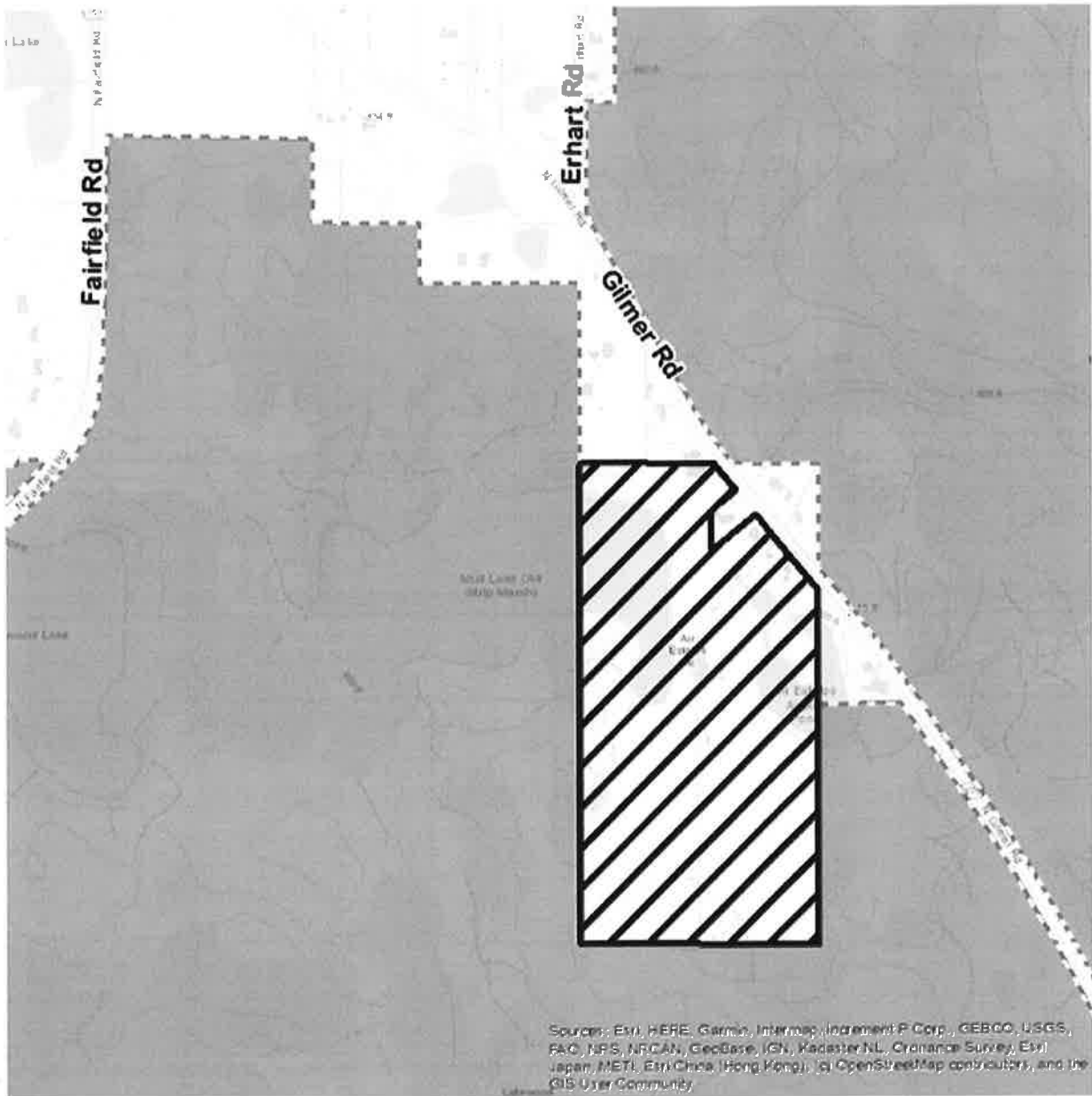


Courtesy Copy Only.
Property boundaries indicated are provided for general location purposes. Wetland and flood limits shown are approximate and should not be used to determine setbacks for structure or as a basis for purchasing property.

Prepared using information from:
Lake County Department of Information & Technology: GIS/Mapping Division
18 North County Street
Waukegan, Illinois 60085-4357
847-377-2373

Map Prepared 7 March 2024

0 375 750 1,500 Feet



Sources: Esri, HERE, Garmin, Intermap, iLogins/P Corp., GEBCO, USGS, PAC, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, Mapbox Contributors, and the OpenStreetMap community.

Real Estate Purchase and Sale Agreement

This Real Estate Purchase and Sale Agreement ("Agreement") is made and entered into as of April __, 2024 (the "Effective Date") by and among **Lake County Forest Preserve District**, a body politic and corporate organized and existing under the Illinois Downstate Forest Preserve District Act, 70 ILCS 805/0.001 et seq. (the "Act") ("Purchaser") and **Air Estates, Inc.**, an Illinois corporation ("Seller"). In consideration of the recitals and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

Section 1. Recitals.

A. Seller currently owns fee simple title to that certain real property consisting of approximately 74.3 acres located at 28888, 28922 & 28944 N. Gilmer Road, Mundelein, Illinois, which is generally depicted and legally described on Exhibit A attached hereto (the "Parcel").

B. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, (i) the Parcel, (ii) the improvements thereon (if any), (iii) all easements, tenements, riparian rights, hereditaments, privileges and appurtenances that run with or are appurtenant to the Parcel, whether or not of record, (iv) the use of all appurtenant and assignable rights-of-way, if any, abutting, adjacent, contiguous or adjoining the Parcel, and (v) all licenses, permits and franchises issued by any government authority relating to the development, use, or operation of the Parcel, running to or in favor of Seller (collectively, the "Premises"), subject to this Agreement.

Section 2. Purchase and Sale; Purchase Price.

Seller agrees to sell the Premises to Purchaser, and Purchaser agrees to purchase the Premises from Seller, subject to the terms of this Agreement. The purchase price for the Premises (the "Purchase Price") is \$1,950,000.00. Seller shall pay the Purchase Price, plus or minus prorations and adjustments as provided in this Agreement, at Closing through the Closing Escrow (defined in Section 9.B below) by wire transfer or a cashier's or certified check to First American Title Insurance Company, 265 Exchange Dr., Suite 110, Crystal Lake, IL 60014, Tel: (815) 356-8900 (the "Title Company"), as escrowee ("Escrowee"), in accordance with wire instructions provided by the Title Company.

Section 3. Parties' Preliminary Obligations and Rights.

A. Seller's Deliveries. Within five (5) days after the Effective Date, Seller shall deliver to Purchaser and Purchaser's attorney copies of all of the following pertaining to the Premises in its possession or control: (i) any and all unrecorded leases, tenancies, licenses, easements, and occupancy rights, all amendments thereto, and all correspondence and notices related thereto; (ii) existing survey(s), topographic surveys, tree inventories, and wetland delineations and assessments of the Premises (the "Assignable Seller Deliveries"); (iii) any environmental reports, including Phase I and Phase II reports; (iv) any and all notices and correspondence regarding compliance with laws, including environmental and zoning laws; and (v) all contracts and services agreements binding on the Premises and any unrecorded easements, licenses, or other rights to occupy or use

the Premises (collectively "Seller's Deliveries"). Seller shall deliver a cover letter with Seller's Deliveries certifying that true, complete and correct copies of all of Seller's Deliveries have been delivered to Purchaser and its attorney.

B. Title Commitment. Seller, at Seller's cost, shall obtain a commitment ("Title Commitment") to issue to Purchaser at Closing an ALTA Owner's Title Insurance Policy (2016 version) (i) in the amount of the Purchase Price, (ii) with an extended coverage endorsement over all standard exceptions, (iii) with such other endorsements as Purchaser deems appropriate, (iv) insuring good, marketable, and insurable title to the Premises, and (v) with coverage over any "gap" period, all subject only to the Permitted Exceptions (defined in Section 4.B.4) (the "Title Policy").

C. Survey. Purchaser, at Purchaser's cost, shall obtain an ALTA/NSPS 2016 standard survey of the Premises (the "Survey"), that (i) is prepared by Peklay Surveying Co., Ltd, or another surveyor selected by Purchaser, (ii) is certified in favor of Seller, Purchaser and the Title Company, (iii) 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 Commitment, (iv) is sufficient for the issuance of the Title Policy, (v) contains a certification as to the total acreage and square footage of the Premises, (vi) includes the Table A Items 1, 2, 3, 4, 7(a), 7(b)(1), 7(c), 8, 11, 16, 20 and 21(a), (vii) graphically depicts in relation to the Premises any offsite easements or servitudes benefitting the Premises and disclosed in the Title Commitment provided to the surveyor, and (viii) is provided to Purchaser in PDF format and MicroStation design file format (or compatible AutoCad digital format that can be converted to MicroStation design file format) in NAD 83 State Plane Coordinates. If the legal description on the Survey differs from the legal description set forth on Exhibit A attached hereto, Seller and Purchaser shall work in good faith to finalize the legal description that will be included on Seller's Deed (as defined herein) so that it accurately depicts the Premises.

D. Environmental Assessments. During the Due Diligence Period (as defined in Section 4.A), Purchaser and its environmental contractor may enter onto the Premises to perform a Phase I Environmental Site Assessment, and any other (i) environmental assessments, reviews, or audits, (ii) tests or borings of the soil on the Parcel, (iii) asbestos testing of any vacant improvements located on the Parcel, and (iv) investigations or analyses concerning the environmental and physical condition of the Parcel (collectively, "Environmental Assessments"). Purchaser shall provide a copy of any completed Environmental Assessment to Seller.

Section 4. Due Diligence Period.

A. Period and License. During the period which begins on the date on which Seller executes this Agreement and ends on the sixtieth (60th) day after the Effective Date (the "Due Diligence Period"), Purchaser may conduct such investigations, inspections, reviews, and analyses of or with respect to the Premises as Purchaser desires, in its sole discretion (the "Due Diligence Activities") including, without limitation, reviews of Seller's Deliveries, the Title Commitment, the Survey, and the Environmental Assessments. By its execution of this Agreement Seller grants to Purchaser a license (irrevocable during the Due Diligence Period), for the use of Purchaser and its

agents and contractors, to conduct Due Diligence Activities on the Parcel at any time upon three (3) business days' prior notice to Seller.

B. Review of Title Commitment and Survey.

1. Identification of Unpermitted Exceptions and Commitment to Cure.

Upon the later of (i) the fifth (5th) day after the Effective Date and (ii) the fifth (5th) business day following Purchaser's receipt of the Title Commitment and the Survey, Purchaser shall send written notice ("Title Objection Notice") identifying any matter identified in the Title Commitment or Survey that Purchaser determines, in its sole discretion, will adversely affect Purchaser's intended use of the Premises (the "Unpermitted Exceptions"). Within thirty (30) days after receipt of a Title Objection Notice, Seller shall send Purchaser, with respect to each Unpermitted Exception, a written notice (the "Title Objection Notice Response") stating that Seller either: (i) commits, at Seller's cost, to (a) cure or remove the Unpermitted Exception or (b) cause the Title Company to insure over the Unpermitted Exception in a manner satisfactory to Purchaser (a "Commitment to Clear Exceptions") or (ii) will not cure, remove, or cause the Title Company to commit to insure over the Unpermitted Exception. Notwithstanding the process identified in this Section 4.B.1, the following are Unpermitted Exceptions, whether or not identified by Purchaser, that Seller must cure, and not merely insure over, prior to or at Closing and that Seller will be deemed to commit to cure in the Commitment to Clear Exceptions, whether or not Seller identifies them therein: (i) each mechanics', materialmen's, repairmen's, contractors' or other similar lien that encumbers the Premises, unless the lien arises from the acts of Purchaser, (ii) all mortgages, security deeds, and other security instruments that encumber against the Premises, (iii) all past due Real Estate Taxes (defined in Section 9.F) applicable to the Premises, (iv) all judgments against Seller which may constitute a lien against the Premises, and (v) all encroachments onto the Premises as shown on the Survey.

2. Purchaser's Option to Close or Terminate. If, in its Title Objection Notice Response, Seller does not make a Commitment to Clear Exceptions with respect to all Unpermitted Exceptions, then Purchaser, within five (5) days after receiving such Title Objection Notice Response, shall send Seller a written notice (a "Title Closing/Termination Notice") electing to either: (i) proceed with the Closing, in which case Purchaser shall be deemed to have accepted the uncleared or uninsured Unpermitted Exceptions and shall accept Seller's Deed at Closing subject to the uncleared or uninsured Unpermitted Exceptions or (ii) terminate this Agreement. If Purchaser fails to give a Title Closing/Termination Notice as provided above, at least five (5) days prior to Closing, Purchaser shall be deemed to have elected to proceed with the Closing and accept the uncleared or uninsured Unpermitted Exceptions, as set forth in this Section 4.B.2.

3. Seller's Compliance with Commitment to Clear Exception. If Seller makes a Commitment to Clear Exceptions with respect to some or all Unpermitted Exceptions, then, at least five (5) days prior to Closing, Seller shall deliver to Purchaser an updated Title Commitment, showing that all Unpermitted Exceptions that Seller committed to clear in the Commitment to Clear Exceptions have been cleared. If it fails to do so, then Purchaser, at any time, may either (i) proceed with the Closing and deduct from the Purchase Price the amount reasonably necessary to clear the Unpermitted Exception that Seller committed to, but failed to, clear, in which case Purchaser shall be deemed to have accepted the uncleared or uninsured

Unpermitted Exception and shall accept Seller's Deed at Closing subject to the uncleared or uninsured Unpermitted Exception or (ii) terminate this Agreement.

4. Permitted Exceptions. Any matter of record shown in the Title Commitment that is (i) not objected to by Purchaser in a Title Objection Notice or (ii) is an uncleared or uninsured Unpermitted Exception that is deemed accepted by Purchaser pursuant to Section 4.B.2 or Section 4.B.3, is a "Permitted Exception."

5. Effect of Termination. In the event of a termination pursuant to Section 4.B.2 or Section 4.B.3, neither party shall have any claim or obligation under this Agreement, unless an Unpermitted Exception was caused by a willful or wrongful act or omission of Seller, in which case Purchaser may pursue any and all remedies available at law or in equity.

C. Review of Environmental Assessments; Purchaser's Option to Close or Terminate. If Purchaser determines, in its sole discretion, through its review of an Environmental Assessment, that there exists within the Premises a condition that (i) may require environmental clean-up, remediation, or (in the case of underground and above ground storage tanks (collectively, "Storage Tanks")) removal, and (ii) may adversely affect Purchaser's intended use of the Premises, then, no later than the expiration of the Due Diligence Period, Purchaser may send Seller either (i) a written notice terminating this Agreement, in which event neither party shall have any further liability to the other or (ii) a written notice describing the clean-up work, remediation work, or removal of any Storage Tanks (collectively, the "Environmental Work") in reasonable detail and requesting that Seller either (a) perform or cause to be performed the described Environmental Work before Closing or (b) provide Purchaser with a credit at Closing for the costs and expenses of the Environmental Work (a "Remediation Notice"). Within forty-five (45) days after receiving a Remediation Notice (the "Remediation Notice Period"), Seller shall provide Purchaser with a written notice stating whether Seller (1) will comply with Purchaser's request to perform the Environmental Work before Closing or provide a credit at Closing or (2) declines to perform the Environmental Work before Closing or provide the requested credit (a "Remediation Notice Response"). If Seller does not timely provide a Remediation Notice Response, it will be deemed to have declined to either perform the Environmental Work or provide a credit. In the event that Seller declines or is deemed to have declined to either perform the Environmental Work or provide a credit as provided herein, then Purchaser, within five (5) days after the later to occur of (x) Purchaser's receipt of the Remediation Notice Response, or (y) the expiration of the Remediation Notice Period, shall send Seller a written notice (an "Environmental Closing/Termination Notice") electing to either: (A) proceed with the Closing, in which case Purchaser shall be deemed to have accepted the Parcel subject to any Environmental Work that Seller declined or is deemed to have declined to perform and without a credit for such Environmental Work, or (B) terminate this Agreement. If Purchaser fails to give an Environmental Closing/Termination Notice as provided above, Purchaser shall be deemed to have elected to proceed with the Closing and accept the unperformed and uncredited Environmental Work, as set forth in this Section 4.C.

D. Purchaser's Right to Terminate. Not later than the last day of the Due Diligence Period (the "Approval Deadline"), Purchaser may deliver to Seller a written notice stating that, based on the results of the Due Diligence Activities, the Premises are not suitable for Purchaser's

intended uses, as determined by Purchaser in its sole and absolute discretion and that Purchaser has elected to terminate this Agreement ("Termination Notice"). In the event of a termination pursuant to this Section 4.D, neither party shall have any claim or obligation under this Agreement.

E. Restoration. If a Due Diligence Activity damages the Parcel, and the transaction contemplated in this Agreement does not close, then Purchaser shall restore the Parcel to a condition that is substantially the same as its condition prior to the performance of such Due Diligence Activity.

Section 5. Seller's Representations and Warranties.

A. General Representations and Warranties. Seller, and the person executing this Agreement on Seller's behalf, represent and warrant to Purchaser that as of the date hereof and as of the date of Closing:

- (i) Seller has not entered into any agreements or granted any options pursuant to which any third party has the right to acquire all or any portion of the Premises or any interest therein;
- (ii) there are not now and will not be at Closing, any leases, tenancies, licenses, concessions, franchises, options or rights of occupancy or purchase, service or maintenance contracts or other contracts which will be binding upon Purchaser or the Premises after the Closing;
- (iii) the Premises are not affected by or subject to: (a) any pending or, to the best of Seller's knowledge, threatened condemnation suits or similar proceedings, (b) other pending or, to the best of Seller's knowledge, threatened claims, charges, complaints, petitions or unsatisfied orders by or before any administrative agency or court, or (c) any pending or, to the best of Seller's knowledge, threatened claims, suits, actions, complaints, petitions or unsatisfied orders by or in favor of any party whatsoever;
- (iv) to the best of Seller's knowledge, there are no threatened requests, applications or proceedings to alter or restrict the zoning or other use restrictions applicable to the Premises;
- (v) to the best of Seller's knowledge, there are no unrecorded easements, liens or encumbrances affecting the Premises;
- (vi) Seller has received no written notice of, and to the best of Seller's knowledge, there is not any violation of any law, ordinance, order, regulation or requirement, including, but not limited to, building, zoning, environmental, safety and health ordinances, statutes, regulations and requirements issued by any governmental or municipal body or agency having jurisdiction over the Premises;
- (vii) to the best of Seller's knowledge and except as disclosed in the Environmental

Assessments: (a) any use of the Parcel for the generation, storage or disposal of any (1) asbestos, (2) petroleum, (3) explosives, (4) radioactive materials, wastes or substances, or (5) any substance defined as "hazardous substances" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42. U.S.C. 9601, *et seq.*, the Hazardous Materials Transportation Act (49 U.S.C. 1802), the Resource Conservation and Recovery Act (42 U.S.C. 6901), or in any other Applicable Law (as defined in Section 13.D.2) governing environmental matters ("Environmental Laws") (collectively, "Hazardous Materials") has been in compliance with all Environmental Laws, (b) there are not any Hazardous Materials present on the Parcel, (c) the Parcel is currently in compliance with all Environmental Laws; and (d) there are currently no Storage Tanks on the Parcel and any Storage Tanks formerly located on the Parcel were removed in compliance with all Environmental Laws;

- (viii) except as disclosed in Seller's Deliveries, Seller has received no written notice of: (a) any pending or threatened action or proceeding arising out of the presence of Hazardous Materials on the Real Estate or (b) any alleged violation of any Environmental Laws;
- (x) Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986;
- (xi) Seller has the requisite power and authority to enter into and perform the terms of this Agreement and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary trustee, executory, and individual action and authority, do not violate any agreement to which Seller is a party, and no other proceedings on Seller's part are necessary in order to permit Seller to consummate the transaction contemplated hereby;
- (xii) Neither Seller nor any of its affiliates have (i) commenced a voluntary case or had entered against them a petition for relief under any applicable law relative to bankruptcy, insolvency, or other relief for debtors, (ii) caused, suffered or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator, or similar official in any federal, state or foreign judicial or non-judicial proceeding to hold, administer, and/or liquidate all or substantially all of their respective assets, (iii) had filed against them any involuntary petition seeking relief under any applicable law relative to bankruptcy, insolvency, or other relief to debtors which involuntary petition is not dismissed within 60 days, or (iv) made a general assignment for the benefit of creditors; and
- (xiii) the person executing this Agreement on behalf of Seller is fully authorized to do so and, by doing so, to bind Seller to its obligations under this Agreement.

At Purchaser's request, Seller shall reconfirm all representations and warranties set forth in this Section 5 as true, accurate, and complete on and as of Closing.

B. Survival; Indemnification. Seller's representations and warranties shall survive Closing. Seller agrees to indemnify, hold harmless, and defend Purchaser and its successors and assigns, from and against any and all claims, demands, losses, liens, costs, expenses (including reasonable attorneys' fees and court costs), damages, liabilities, judgments or decrees of whatsoever kind or nature which, directly or indirectly, are caused by, result from, arise out of, or occur in any manner in connection with any material inaccuracy in the representations or warranties contained herein. The preceding indemnity and hold harmless shall not apply to matters attributable to acts or omissions of the Purchaser or third parties, or which arise after Closing.

Section 6. Seller's Covenants and Agreements.

Seller covenants and agrees with Purchaser from the Effective Date until the Closing:

- (i) Seller shall not make, enter into, grant, amend, extend, renew or grant any waiver or consent under any lease, tenancy, easement, license or other agreement allowing the use or occupancy of all or any portion of the Parcel, without Purchaser's prior written consent,
- (ii) Seller shall not enter into or amend any contracts, agreements or undertakings that will be binding upon Purchaser or the Parcel, without Purchaser's prior written consent,
- (iii) Seller shall not create, or allow the creation of, any encumbrance on the title of the Premises, without Purchaser's prior written consent (except for any Permitted Exceptions),
- (iv) Seller shall not take any action, directly or indirectly, to encourage, initiate, or engage or participate in discussions or negotiations with any third party concerning a potential sale of all or any portion of, or any interest in, the Premises,
- (v) Seller shall promptly inform Purchaser of any developments which would cause any of its representations or warranties contained in this Agreement to be no longer materially accurate,
- (vi) Seller, at its own expense, and before Closing, shall completely remove all materials, equipment, signs, personal property, garbage and debris located at or on the Premises in accordance with all Applicable Laws, and
- (viii) Seller shall continue to maintain and keep the Parcel in its current condition, will use commercially reasonable efforts to comply with all Applicable Laws materially affecting it, and will pay taxes and mortgage payments on it as they become due.

Section 7. Intentionally Omitted.

Section 8. Conditions Precedent to Closing.

A. Purchaser Closing Contingencies. Purchaser's obligation to close is subject to each and all of the following conditions being satisfied or waived by Purchaser, in writing (the "Purchaser Closing Contingencies"):

- (i) all of Seller's representations and warranties contained in this Agreement, must be materially true and correct on the date hereof and as of the Closing Date,
- (ii) Seller must have timely performed all of its obligations under this Agreement,
- (iii) all conditions precedent to Purchaser's obligation to close on the transaction contemplated in this Agreement must have been satisfied or waived as of the Closing Date,
- (iv) Seller must have delivered all items required to be delivered by Seller pursuant to Section 9.C, and
- (v) the Title Company has issued or is irrevocably committed to issue the Title Policy.

If a Purchaser Closing Contingency is not satisfied because of a default by Seller, Purchaser will have all of its rights under Section 13.E.1.

B. Bond Financing Contingency. The Purchaser intends to finance its acquisition of the Premises through proceeds from Purchaser's issuance of its General Obligation Land Acquisition Limited Bonds, Series 2024 (the "Bonds"). Purchaser's Board intends to consider, not later than its May, 2024, meeting, an ordinance authorizing the issuance of the Bonds (the "Bond Ordinance"). The enactment of the Bond Ordinance by the Purchaser's Board and the issuance of the Bonds (collectively, the "Bond Financing Contingency") shall be a Purchaser Closing Contingency. In the event that the Bond Financing Contingency is not satisfied by the date that is thirty (30) days after the expiration of the Due Diligence Period (such thirty (30) day period, the "Bond Financing Contingency Period"), Purchaser shall have the right to terminate this Agreement by giving written notice to Seller within five (5) days after the expiration of the Bond Financing Contingency Period, in which event this Agreement shall terminate.

C. Existing Tenancies. As of the Effective Date, portions of the Premises are occupied by existing tenants. It shall be a Purchaser Closing Contingency that all such tenancies shall have been terminated and that the Premises are free and clear of all tenants on the Closing Date. Purchaser shall have the right to conduct a walk-through of the Premises prior to the Closing Date to confirm that the foregoing Purchaser Closing Contingency has been satisfied.

Section 9. Closing.

A. Conveyance and Possession. At Closing, Seller shall convey fee simple title to the Premises to Purchaser by delivery of Seller's warranty deed ("Seller's Deed") in recordable form

conveying fee simple title to the Premises, subject to the Permitted Exceptions. Seller shall deliver full and complete possession of the Premises to Purchaser upon Closing.

B. Time, Place; Closing Escrow. The consummation of the transaction contemplated hereunder ("Closing") shall occur on: (i) the tenth (10th) business day following the latest to occur of (a) the expiration of the Due Diligence Period, (b) the expiration of the Bond Financing Contingency Period, (c) Purchaser's delivery of a Title Closing/Termination Notice electing to proceed with the Closing (or failure to timely deliver a Title Closing/Termination Notice) as provided in Section 4.B.2 above, or (d) Purchaser's delivery of an Environmental Closing/Termination Notice electing to proceed with the Closing (or failure to timely deliver an Environmental Closing/Termination Notice) as provided in Section 4.C above; or (ii) another date mutually agreed to in writing by the parties (the "Closing Date"). The Closing shall be at the office of the Title Company. The parties need not physically attend the Closing. On or before Closing, an escrow shall be established by the respective counsel for Purchaser and Seller in the usual form of deed and money escrow agreement then in use by the Title Company with such changes made as may be necessary to conform with the provisions of this Agreement ("Closing Escrow"). The Closing shall be a "New York" style closing. **In no event shall closing occur prior to July 8, 2024.** J.S.

C. Seller Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Purchaser the following, in each case, fully executed (as applicable) and in the form provided by Purchaser or the Title Company, except for item (i) below which shall be prepared by Seller:

- (i) evidence reasonably satisfactory to the Title Company of the authority of Seller to consummate the transaction set forth in this Agreement, to the extent such authority is not apparent in the documents recorded when Seller acquired title to the Premises,
- (ii) Seller's Deed and a bill of sale (with general warranty of title) and other instruments of transfer and conveyance transferring the Premises to Purchaser free of all liens other than the Permitted Exceptions,
- (iii) to the extent required by the Title Company, a "gap" undertaking in customary form and substance for the "gap" period" through the Closing Date or the date of recording, as the case may be,
- (iv) a current form of ALTA Statement in customary form and substance as required by the Title Company,
- (v) a counterpart to the closing statement,
- (vi) real estate transfer declarations or exemptions required by Applicable Laws,
- (vii) at Purchaser's request, a certification that all representations or warranties contained in Section 5 are true, accurate, and complete as of the Closing Date,
- (viii) at Purchaser's request, a title affidavit in the form required by the Illinois Department of Natural Resources (the "IDNR") covering the Closing Date;

notwithstanding the foregoing, if IDNR requires such title affidavit prior to the Closing Date, Seller shall execute and deliver such title affidavit to Purchaser within five (5) business days following written notice from Purchaser,

- (ix) at Purchaser's request, a Certification of Voluntary Transaction Involving Land Sale in the form required by the IDNR; notwithstanding the foregoing, if IDNR requires such Certification prior to the Closing Date, Seller shall execute and deliver such Certification to Purchaser within five (5) business days following written notice from Purchaser,
- (x) at Purchaser's request, an assignment of the Assignable Seller Deliveries in form and substance reasonably acceptable to Purchaser,
- (xi) all other documents, certificates, forms and agreements required by this Agreement or Applicable Law or customarily required by the Title Company, in order to close the transaction, including any instrument, assurance or deposit required for the Title Company to insure over Unpermitted Exceptions in such form, terms, conditions and amount as may be required by the Title Company,
- (xii) such additional information, materials, affidavits, including a Plat Act affidavit, and certificates as Purchaser or the Title Company reasonably requests to evidence Seller's compliance with its obligations under this Agreement, including without limitation, evidence that all consents and approvals required as a condition to Purchaser's obligation to close hereunder have been obtained, title affidavits, such affidavits and indemnities as the Title Company may reasonably require to issue the Title Policy, the "gap" coverage and all endorsements and any other documents expressly required by this Agreement to be delivered by Seller at Closing, or as may be reasonably required by the Title Company or by law,
- (xiii) a non-foreign affidavit sufficient in form and substance to relieve Purchaser of any and all withholding obligations under Section 1445 of the Internal Revenue Code,
- (xiv) a marked-up signed Title Commitment or Title Policy, and
- (xv) a release of liens from all real estate brokers, finders and salespersons with respect to this Agreement.

D. Purchaser's Deliveries. At the Closing, Purchaser shall deliver or cause to be delivered to Seller the following, in each case, fully executed (as applicable) and in form and substance reasonably satisfactory to Seller:

- (i) the Purchase Price, subject to the adjustments contemplated herein,
- (ii) a counterpart to the closing statement,
- (iii) all other documents, certificates, forms and agreements required by this Agreement or Applicable Law or customarily required by the Title Company to close the

transaction, and

- (iv) such additional information and materials as the Title Company and Seller reasonably request to evidence Purchaser's compliance with its obligations under this Agreement or as otherwise required to be delivered by Applicable Laws.

E. Closing Costs. Seller shall pay (i) 50% of the Title Company's closing fees, (ii) the premium for the Title Policy, including an extended coverage endorsement, and (iii) Seller's own attorneys' fees. Purchaser shall pay (i) 50% of the Title Company's closing fees, (ii) 100% of the costs incurred in recording Seller's Deed, (iii) the cost of all title insurance endorsements, except the extended coverage endorsement, (iv) any costs incurred in connection with Purchaser's Due Diligence Activities (specifically excluding, however, the cost of any Environmental Work, which shall be a Seller expense), (v) Purchaser's own attorneys' fees, and (vii) the cost of the Survey, and (viii) any transfer taxes (or exempt stamp fee) imposed by the State of Illinois or Lake County.

F. Prorations. All ad valorem, special tax roll, or other real estate taxes, charges, and assessments, including special assessments and special service area taxes, affecting the Premises (collectively, "Real Estate Taxes") shall be prorated on an accrual basis and on a per diem basis, disregarding any discount or penalty and on the basis of the fiscal year of the authority levying the same. All outstanding Real Estate Taxes for the Premises shall be paid by Seller at Closing. If any outstanding Real Estate Taxes have not been finally assessed as of the Closing Date, including the 2023 and 2024 Real Estate Taxes, they shall be prorated based upon 105% of the latest available Real Estate Tax bill for the Premises, and all such prorations shall be final. In the event that the 2023 real estate tax bill has been issued as of the Closing Date, Seller shall pay said bill at or prior to Closing. All water, sewer, and other utility charges, if any, shall also be prorated as of Closing. All Real Estate Taxes and utility charges for the day of Closing shall accrue to Seller.

Section 10. Casualty; Condemnation.

The risk of loss due to fire, other casualty, or condemnation remains with Seller until after Closing. If, prior to Closing, any such loss occurs or any condemnation action is filed, then Purchaser may terminate this Agreement, in which case neither Purchaser nor Seller shall have any further liability hereunder, unless Purchaser's acts or omissions related to such loss or action violate its obligations under this Agreement, including the representations and warranties in Section 5.A or the covenants and agreements in Section 6.

Section 11. Brokers.

Seller and Purchaser each represents and warrants to the other that it knows of no broker or other person or entity who has been instrumental in submitting or showing the Premises to Purchaser. If any claim for a broker's commission, finder's fee, or similar payment in connection with the transaction contemplated in this Agreement is asserted against Seller by any person, Purchaser shall indemnify and hold harmless Seller from and against any damage, liability, or expense, including costs and reasonable attorneys' fees that Seller incurs because of such claim, if the claim is based upon any statement, representation, or agreement alleged to have been made

or entered into by Purchaser. If any such claim is asserted against Purchaser, Seller shall indemnify and hold harmless Purchaser from and against any damage, liability or expense, including costs and reasonable attorneys' fees that Purchaser incurs because of such claim, if the same is based upon any statement, representation, or agreement alleged to have been made or entered into by Seller.

Section 12. Patriot Act.

A. Definitions. All capitalized words and phrases and all defined terms used in the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) (the "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, are collectively referred to as the "Patriot Rules" and are incorporated into this Section.

B. Representations and Warranties. Purchaser and Seller hereby represent and warrant, each to the other, that each and every "person" or "entity" affiliated with each respective party or that has an economic interest in each respective party or that has or will have an interest in the transaction contemplated by this Agreement or in any property that is the subject matter of this Agreement or will participate, in any manner whatsoever, in the purchase and sale of the Premises is, to the best of Purchaser's or Seller's knowledge:

- (i) not a "blocked" person listed in the Annex to Executive Order Nos. 12947, 13099 and 13224,
- (ii) in full compliance with the requirements of the Patriot Rules and all other requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC"),
- (iii) operated under policies, procedures and practices, if any, that are in compliance with the Patriot Rules and available to each other for review and inspection during normal business hours and upon reasonable prior notice,
- (iv) not in receipt of any notice from the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or possible violation of the Patriot Rules,
- (v) not listed as a Specially Designated Terrorist or as a blocked person on any lists maintained by the OFAC pursuant to the Patriot Rules or any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of the OFAC issued pursuant to the Patriot Rules or on any other list of terrorists or terrorist organizations maintained pursuant to the Patriot Rules,
- (vi) not a person who has been determined by competent authority to be subject to any of the prohibitions contained in the Patriot Rules, and

- (vii) not owned or controlled by or now acting and or will in the future act for or on behalf of any person or entity named in the Annex or any other list promulgated under the Patriot Rules or any other person who has been determined to be subject to the prohibitions contained in the Patriot Rules.

C. Mutual Notice; Termination. Each party covenants and agrees that in the event it receives any notice that it or any of its beneficial owners or affiliates or participants become listed on the Annex or any other list promulgated under the Patriot Rules or indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, the party that receives such notice shall immediately notify the other (the "Non-Blocked Party") and the effect of the issuance of a notice pursuant to the Patriot Rules is that the Non-Blocked Party may elect to either: (i) obtain permission from OFAC to proceed with the Closing, in which case, the Closing Date shall be delayed until such permission is obtained, or (ii) send written notice to the other party terminating this Agreement, in which event the parties shall have no further rights or obligations under this Agreement, except for those rights, liabilities or obligations that survive a termination of this Agreement.

Section 13. General Provisions.

A. Integration; Modification. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, and negotiations pertaining thereto. It may be modified only by a written amendment or other agreement that is lawfully approved and executed by both parties.

B. Further Actions. The parties shall execute all documents and take all other actions consistent with this Agreement that are reasonably necessary to consummate the transaction contemplated in this Agreement.

C. Confidentiality. In addition to Seller's confidentiality obligations pursuant to Section 13.F.1.b, Seller shall keep all negotiations, information, and documents related to this Agreement (including without limitation any appraisals or financial information) (collectively, "Negotiation Information"), strictly confidential and shall not disclose (and shall cause their attorneys, consultants, and agents not to disclose) Negotiation Information to any third party, without Purchaser's prior written consent, which consent may be granted or withheld in Purchaser's sole discretion. Seller acknowledges that such disclosure may negatively impact Purchaser's ability to fulfill its statutory mission to acquire, and negotiate for the acquisition of, other lands. The obligations of this Section will survive Closing or the termination of this Agreement. Nothing in this Section will be deemed to prohibit disclosure of any information that is generally available to the public.

D. Interpretation.

1. Presumption. There is no presumption that this Agreement is to be construed for or against Seller or Purchaser, or either party as the principal author of the Agreement. Instead, this Agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

2. **Compliance with Applicable Laws; Governing Law.** In performing their obligations under this Agreement, the parties shall comply will all applicable federal, state, and local statutes, regulations, requirements, ordinances, and other laws ("Applicable Laws"). The internal laws of the State of Illinois, without regard to its conflict of laws rules, shall govern the interpretation of this Agreement.

3. **Headings and Exhibits.** The Section headings in this Agreement are used as a matter of convenience and do not define, limit, construe or describe the scope or intent of the text within such headings. The following Exhibits attached hereto are incorporated herein as an integral part of this Agreement:

Exhibit A: Legal Description and General Depiction of Parcel

4. **Non-Waiver.** Except as expressly provided in this Agreement, the mere failure by a party to insist upon the strict performance of any obligation of this Agreement or to exercise any right or remedy related to a default thereof shall not constitute a waiver of its rights. If a party does waive a right under this Agreement, that waiver shall not be deemed a waiver of any other right.

5. **Severability.** If any provision of this Agreement is invalid or unenforceable against any party under certain circumstances, then this Agreement will be deemed to be amended by deleting such provision. This Agreement will be enforceable, as amended, to the fullest extent allowed by Applicable Laws and so long as the amendment does not result in a failure of consideration.

6. **Time.** Time is of the essence in the performance of this Agreement. If any date upon which action is required under this Agreement is a Saturday, Sunday, or legal holiday, the date will be extended to the first business day after such date that is not a Saturday, Sunday or legal holiday.

E. Enforcement.

1. Default.

a. **Purchaser Default.** If Purchaser fails to perform an obligation under this Agreement, and does not, within five (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 five (5) days, commence and diligently pursue a cure for such failure, then Seller may terminate this Agreement, or pursue any other remedy available at law or equity.

b. **Seller Default.** If (i) Seller fails to perform an obligation under this agreement or (ii) any representation or warranty made by Seller hereunder is or becomes materially untrue as the result of an act or omission of Seller, and Seller does not, within five (5) days after receiving written notice from Purchaser of such failure or of such representation or warranty being untrue, either (i) cure such failure or take action to cause such representation or warranty to become materially true or (ii) if such failure cannot reasonably be cured within five (5) days or if such action

cannot reasonably be completed within five (5) days, commence and diligently pursue a cure for such failure or such action, then, Purchaser may terminate this Agreement or pursue any other remedy available at law or equity, including without limitation an action for specific performance.

2. **Successors and Assigns.** This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns.

3. **Prevailing Party Attorney Fees.** In any litigation filed to enforce this Agreement, the prevailing party will be entitled to recover from the other party its reasonable attorney's fees, litigation expenses, and court costs at trial and on appeal that are incurred in such litigation.

4. **Venue.** Venue for any litigation concerning the enforcement of this Agreement shall be in the Circuit Court of Lake County, Illinois, or the federal district court for the Northern District of Illinois.

F. Execution of Agreement.

1. **Board Approval Required.**

a. **Effectiveness; Irrevocable Offer.** Seller acknowledges that (i) even after it has executed this Agreement and Purchaser's Planning Committee has recommended approval of this Agreement, this Agreement is not effective until it is approved by Purchaser's Board of Commissioners in accordance with Applicable Laws, (ii) by executing this Agreement and delivering it to Purchaser, Seller has made an offer to Purchaser to enter into this Agreement, (iii) such offer may be accepted by the lawful approval of the Agreement by Purchaser's Board of Commissioners, and (iv) such offer is irrevocable until April 11, 2023.

b. **Confidentiality.** Seller acknowledges that, even after it executes this Agreement, this Agreement will be a public document only on the earlier of (i) the date that Purchaser makes this Agreement available for public review on its website as an attachment to a posted meeting agenda and (ii) the date that Purchaser's Board of Commissioners approves this Agreement or its Planning Committee recommends approval of this Agreement at an open meeting (the "Agreement Disclosure Date"). Until the Agreement Disclosure Date, and as a condition precedent to such Committee and such Board considering this Agreement, Seller shall (and shall cause its attorneys, consultants, and agent to) keep this Agreement and all Negotiation Information strictly confidential and shall not (and shall cause its attorneys, consultants, and agents not to) disclose this Agreement and Negotiation Information to any third party.

c. **Consideration.** Seller acknowledges that Purchaser's good faith consideration of this Agreement, including the consideration thereof by Purchaser's Planning Committee and Board of Commissioners, is adequate consideration for Seller's agreements in this Section.

2. **Counterparts and Effectiveness.** The parties may execute this Agreement in multiple counterparts, all of which taken together will constitute a single Agreement binding

on the parties, notwithstanding that the parties are not signatories to the same counterpart. This Agreement will be deemed fully executed, and effective as of the Effective Date, when each party has executed at least one counterpart. Any signature of a party to this Agreement that is sent by that party to the other party via a telefax transmission or via an email transmission in a PDF format shall be deemed a binding signature hereto. Each party shall deliver an original signature to the other party upon the other party's request.

G. Notices. Notices under this Agreement must be delivered (i) personally, (ii) by overnight delivery by a nationally recognized courier service, or (iii) by email, with the notice also being sent personally, by overnight delivery as set forth above, or by regular U.S. mail. Notices under this Agreement must be sent to the following addresses or to such other or further addresses as a party may hereafter designate by notice:

if to Seller:	Air Estates, Inc. 2207 Greenview Road Northbrook, IL 60062 Email: sidhuj1234@gmail.com
with a copy to:	Law Offices of Steven G. English 20 N Walkup Ave Crystal Lake, IL 60014 Attn: Steven G. English Email: info@steveenglishlaw.com
if to Purchaser:	Lake County Forest Preserve District 1899 West Winchester Road Libertyville, IL 60048 Attn.: Ken Jones Email: kjones@lcfpd.org
with a copy to:	Burke, Warren, MacKay & Serritella, P.C. 330 North Wabash, 21 st Floor Chicago, IL 60611 Attn: Matthew Norton, Esq. Email: mnorton@burkelaw.com

Any notice shall be deemed given upon actual receipt. Nothing in this Section will be deemed to invalidate a notice that is actually received, even if it is not given in strict accordance with this Section.

[Signature Page Follows]

The undersigned execute this Agreement on the dates next to their signatures and acknowledge that this Agreement will become effective as of the Effective Date.

Purchaser:

Lake County Forest Preserve District

By: _____
Name: Angelo D. Kyle
Title: President
Date: _____

Attest:
By: _____
Name: Julie Gragnani
Title: Board Secretary
Date: _____

Seller:

Air Estates, Inc.

By: Jaswinder Sidhu
Name: JASWINDER SIDHU
Title: PRESIDENT
Date: 3-27-24

Exhibit A

Legal Description and General Depiction of Parcel

[To be confirmed and updated according to Title Commitment and Survey]

PINs: 10-20-100-004
10-20-100-008
10-20-100-009

Property Address: 28888, 28922 & 28944 N Gilmer Road, Mundelein, Illinois

