

**ANNEXATION AGREEMENT**  
**Peoria County**

**THIS DOCUMENT PREPARED BY**  
**and**  
**AFTER RECORDING MAIL TO:**

**ROBERT C. HALL**  
**MILLER, HALL & TRIGGS. LLC**  
**416 Main Street, Suite 1125**  
**Peoria, Illinois 61602-1161**

**ANNEXATION AGREEMENT**

This ANNEXATION AGREEMENT (this "Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014 by and between the **CITY OF PEORIA, an Illinois municipal corporation**, located in Peoria County, State of Illinois ("City"), by and through its Mayor and the Members of its City Council (hereinafter referred to collectively as the "Corporate Authorities"); **SRINIVAS JUJJAVARAPU, Trustee under the provisions of the SJ Trust Agreement** ("SJ Trust"); and **KENNETH E. HOERR, Trustee under the provisions of KDH Land Trust Agreement** ("KDH Trust").

**WITNESSETH:**

**WHEREAS**, KDH Trust is the owner in fee simple of the following described real estate (the "Annexing Property"), to-wit:

A PART OF THE SOUTHWEST QUARTER OF SECTION THIRTY-FIVE (35), TOWNSHIP TEN (10) NORTH, RANGE SEVEN (7) EAST OF THE FOURTH PRINCIPAL MERIDIAN, PEORIA COUNTY, ILLINOIS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 35, THENCE SOUTH 00°-00'-00" WEST, (BEARING ASSUMED FOR PURPOSE OF DESCRIPTION ONLY), ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 35, 493.65 FEET TO THE POINT OF BEGINNING OF THE TRACT TO BE DESCRIBED: FROM THE POINT OF BEGINNING, THENCE SOUTH 00°-00'-00" WEST, ALONG SAID EAST LINE, 187.34 FEET; THENCE NORTH 89°-52'-48" WEST, 500.00 FEET; THENCE SOUTH 00°-00'-00" WEST, 642.37 FEET; THENCE NORTH 89°-52'-48" WEST, 2114.22 FEET TO THE EAST RIGHT OF WAY LINE OF ORANGE PRAIRIE ROAD, (THE FOLLOWING FIVE COURSES BEING ALONG THE EAST RIGHT OF WAY LINE OF SAID ORANGE PRAIRIE ROAD); THENCE NORTH 00°-12'-52" EAST, 90.51 FEET; THENCE NORTH 08°-44'-43" EAST, 101.12'; THENCE NORTH 00°-12'-52" EAST, 150.00 FEET; THENCE NORTH 08°-18'-59" WEST, 101.12 FEET; THENCE

NORTH 00°-12'-52" EAST, 135.04 FEET; THENCE SOUTH 89°-52'-48" EAST, 1290.06 FEET; THENCE NORTH 68°-49'-11" EAST, 97.06 FEET; THENCE NORTH 39°-42'-42" EAST, 284.06 FEET; THENCE SOUTH 89°-52'-48" EAST, 1050.00 FEET TO THE POINT OF BEGINNING, SAID TRACT CONTAINING 33.833 ACRES, MORE OR LESS, SAID TRACT BEING SUBJECT TO THAT PORTION TAKEN OR USED AS PUBLIC ROAD RIGHT OF WAY ALONG THE EAST SIDE OF SAID TRACT.

PINs: 08-35-300-029  
08-35-300-020  
08-35-300-006  
08-35-300-022

**WHEREAS**, SJ Trust has entered into a Purchase Agreement for Unimproved Real Estate (“Purchase Agreement”) with KDH Trust to purchase the Annexing Property and is planning to develop the Annexing Property as is more specifically described herein;

**WHEREAS**, the Annexing Property is presently contiguous to the City;

**WHEREAS**, subject to the conditions herein set forth, SJ Trust, upon its acquisition of the Annexing Property from KDH Trust, desires to have the Annexing Property annexed to the City;

**WHEREAS**, the City and its Corporate Authorities, after due and careful consideration, have concluded that the annexation of the Annexing Property to the City upon the terms and conditions herein set forth would further the growth of the City, enable the City to control the development of the area, increase the taxable value of the property within the City, extend the corporate limits and jurisdiction of the City, permit the sound planning and development of the City, enhance the quality of life of the residents of the City, and promote other business and opportunities for the citizens of the City;

**WHEREAS**, pursuant to the provisions of 65 ILCS 5/11-15.1-1, et seq., this proposed Agreement was submitted to the Corporate Authorities and a public hearing was held thereon pursuant to notice as provided by law;

**WHEREAS**, all notices required by law have been sent by the City to, and received by, all entities to whom notices may be required by law to be given, including without limitation the following: any Fire Protection Districts, any School Districts, and any Public Library Districts having jurisdiction over the Annexing Property;

**WHEREAS**, the Annexing Property is vacant and unoccupied such that there are no electors residing thereupon;

**WHEREAS**, The City has determined that this Agreement is consistent with, and not in violation of, any other agreement to which the City is a Party, including, without limitation, any intergovernmental agreement with any other public body;

**WHEREAS**, the City, after due deliberation, has by resolution duly adopted and approved entering into this Agreement;

**WHEREAS**, KDH Trust and SJ Trust have filed a Petition for Annexation (the “Petition”) for the Annexing Property, such Petition being subject to approval and execution of this Agreement by the City and to SJ Trust’s closing upon the acquisition of the Annexing Property from KDH Trust as provided herein;

**WHEREAS**, the City is willing, and desires, to facilitate the development of the Annexing Property consistent with the terms hereof;

**WHEREAS**, consistent with the above, the City is willing, and desires, to cooperate with KDH Trust and SJ Trust in obtaining any approvals and permits and zoning classifications as may be required for the development of the Annexing Property as herein set forth;

**NOW, THEREFORE**, in consideration of the above and the mutual covenants and agreements herein contained, **IT IS HEREBY AGREED** as follows:

1. **Authoritative Law; Enactment of Resolutions/Ordinances.** This Agreement is made pursuant to the provisions of 65 ILCS 5/11-15.1-1, et seq.; and the Annexing Property as described above shall be annexed to the City pursuant to the Petition and pursuant to the procedure for annexation as set forth in 65 ILCS 5/11-15.1-1, et seq. and pursuant to the terms of this Agreement. The Corporate Authorities upon execution of this Agreement by SJ Trust and KDH Trust shall, unless previously so provided, enact (without further hearing) ordinances annexing the Annexing Property to the City, subject to and consistent with this Agreement.

2. **Acquisition Contingency:** The annexation of the Annexing Property shall take place only upon the purchase of the Annexing Property by SJ Trust from KDH Trust pursuant to the Purchase Agreement, as earlier described. SJ Trust agrees that SJ Trust shall proceed with due diligence and in good faith (to the extent SJ Trust may have not already done so) to acquire the Annexing Property and close the purchase transaction pursuant to the terms of such Purchase Agreement. Such acquisition shall be evidenced by SJ Trust's recording (with the office of the Peoria County Recorder) of appropriate documentation of the conveyance of the Annexing Property, and this Agreement is expressly conditioned (for its operative effect) upon such acquisition of the Annexing Property by SJ Trust. Upon such closing of SJ Trust's purchase of the Annexing Property, SJ Trust shall exercise best efforts to notify the City of same, but such notification shall not be required for, or a condition of, the effectiveness of this Agreement. If, on the other hand, SJ Trust fails to acquire and close on the purchase of the property from KDH Trust on or before September 30, 2014, the City shall not annex the Annexing Property and this Agreement shall be null and void; and the relationships, rights and obligations of the parties shall be the same as if this Agreement had never been executed (unless such foregoing date is extended in writing by the parties hereto).

3. **Zoning/Development of Annexing Property.**

A. **Applicable Ordinances/Regulations; Commencement/Completion of Development Project.** SJ Trust, upon acquisition of the Annexing Property from KDH Trust, may to the extent any development may be contemplated for the Annexing Property, and subject to the terms of the Purchase Agreement, proceed with such development in a manner and in accordance with the terms and conditions of the zoning and subdivision ordinances of the City and other ordinances and regulations of the City (as are in effect on the date of the execution of this Agreement, as the same may be modified pursuant to the terms of this Agreement). With respect to the latter, the City agrees that no amendment to the City's ordinances or regulations as may hereafter be enacted by the City shall be applied to be more restrictive to the Annexing Property or to SJ Trust's ability to develop the Annexing Property in accordance with the terms hereof. Nothing contained herein, however, shall be construed to require or obligate SJ Trust to commence and complete such development (it being intended that any development shall be when and as determined in the discretion of SJ Trust, subject to any limitations contained with the Purchase Agreement).

B. **Zoning of Annexing Property.** The City acknowledges and recognizes that the terms of the Purchase Agreement prohibit SJ Trust from initiating development of or upon the Annexing Property for a period of eighteen (18) months after the date of closing of the

sale and purchase of the Annexing Property as set forth therein, and that it is impracticable at this time to know precisely what zoning classification would be best suited to market conditions at such time as development may be initiated. Consistent with the foregoing, upon the annexation of the Annexing Property to the City, the Annexing Property shall be classified in the zoning classification of R-6 (multi-family residential), provided, however, that, in addition to those uses permitted within an R-6 classification, any use permitted in a C-1 classification shall also be a permitted use within the Annexing Property. Provided further, that hotels and motels shall be a permitted use, and not a special use, in any areas of the Annexing Property. SJ Trust and any successors in interest shall, both before and after the formal annexation of the Annexing Property, be able to use the Annexing Property for any use permitted in the zoning classification(s) applicable to the Annexing Property (or portions thereof) as provided, either pursuant to City Zoning Ordinances, or as otherwise permitted by this Agreement. In addition, as to any part or all of the Annexing Property, SJ Trust shall be permitted to continue any use as exists upon (or is being made of) the Annexing Property at the date of the annexation of the Annexing Property to the City as provided herein. The City (as part of the granting of any special use or special use amendment, or as a part of any Site Plan Review Board approval) may not impose additional limitations or requirements for those areas, improvements, or operations for which specific provisions therefor are herein addressed and provided. For example, where part of this Agreement contemplates or provides for a specific plan or arrangement for development of the Annexing Property that is inconsistent with provisions of the City's ordinances and regulations, the provisions, plans, and intentions set forth herein shall prevail and apply as opposed to any other inconsistent requirements of the City's ordinances and regulations. Provided, however, that any site plan submitted for approval by SJ Trust which constitutes a Planned Unit Development (PUD), as that term is defined in the City Zoning Ordinance, shall be subject to standard PUD approval procedures.. Any site plan submitted for approval that does not involve a PUD will be subject to the standard procedures for administrative review for such use as submitted.

**4. Future Development Procedures.** The parties acknowledge and recognize that the terms of the Purchase Agreement as executed by and between SJ Trust and KDH Trust prohibit development of or upon the Annexing Property for a period of eighteen (18) months after the date of closing, and as such there are currently no specific plans or projects sufficiently finalized (with respect to the Annexing Property) to submit or provide specific plans therefor to the City. The Development Exhibit attached hereto as Exhibit A generally sets forth the vision, intentions, and conceptual guidelines for the final project that is intended for the Annexing Property. The Exterior Elevation attached hereto as Exhibit B generally sets forth the vision, intentions, and conceptual guidelines for multi-family residential buildings intended for the Annexing Property. With respect to the foregoing, however, the parties further acknowledge and recognize that the Development Exhibit and Exterior Elevation plans are conceptual and currently-intended plans only, and may be modified or adapted before becoming final (consistent with the terms hereto and as otherwise required by applicable provisions of the City Code of the City of Peoria ). Modifications to the Development Exhibit and/or Exterior Elevation in accordance with this paragraph prior to the development of the Annexing Property shall not require an amendment to this Agreement. In that regard:

**A. Plan Procedures/Approvals; Pre-Approval Site Work.** It is recognized and acknowledged that, as development with respect to each portion of Annexing Property becomes more specific and secured, SJ Trust (or other owners of any such portion to whom SJ Trust may convey a part of the Annexing Property) shall need and seek approval from the Site Plan Review Board of the City (pursuant to the City's procedures currently applicable thereto). Prior to the issuance of any permit by the City for the construction of a structure on the Annexing Property, SJ Trust will provide a complete site plan and associated documents as required by existing City regulations and procedures. To the extent that any use (not otherwise specifically permitted hereunder) requires a special use, then the same shall be sought and secured with respect to such so affected portion (pursuant to the City's procedures applicable thereto). Any application

therefor shall include those supporting materials as are in such cases currently required by City ordinance. SJ Trust, or any other owner of any portion of the Annexing Property, shall have the right, prior to obtaining any special use approval, and prior to obtaining City approval of any other engineering drawings or development plans, and prior to the approval of any final plat as may be required for such portion of the Annexing Property, to undertake excavation, preliminary grading work, filling and stock piling on any such portion of the Annexing Property in preparation for the development of such portion or portions upon receipt of a grading permit and soil erosion control permit from the City. The City shall approve any such grading and soil erosion and sedimentation control plans (or issue a letter of denial specifying why approval is withheld) within twenty (20) business days of submission of such plans. If the City neither approves such plans nor issues a letter of denial within twenty (20) business days of submission, such plans shall be deemed to be approved. Such work shall be undertaken at the sole risk and responsibility of SJ Trust, or any other owner of such affected portion of the Annexing Property, and shall be conducted in such manner to prevent damage or injury to the real estate of surrounding property owners

***B. Restrictions on Multi-family Residential Development.*** SJ Trust covenants that no more than 15 acres, nor less than 5 acres, may be developed as multi-family residential, with the balance of the Annexing Property to be developed according to uses permitted in a C-1 commercial zone, provided that hotels and motels shall also be a permitted use, as provided in Paragraph 3.B. herein. It is further agreed that a minimum of five (5) acres of office and/or commercial development must occur prior to or contemporaneous with any residential development. Residential uses above ground floor in any C-1 development shall be considered a commercial use for purposes of this paragraph, and shall not be subject to the restrictions of this paragraph.

***C. Private Covenants, Easements, and Restrictions.*** In connection with the development of the Annexing Property, the City recognizes that the use and development of the Annexing Property (as well as any portion thereof) may also be further limited, restricted or benefited in other ways or by other agreements (e.g. private restrictive covenants, easements with utility companies and other third parties, etc.). This Agreement shall not in any way supersede, alter, or prohibit such agreements; and the restrictions, obligations and privileges as may exist by reason thereof shall apply unless otherwise specifically inconsistent with the terms hereof. Similarly, any such other agreements or arrangements shall not entitle the City to enforce the provisions thereof (or provide to the City any third party beneficiary benefits/arrangements thereunder) unless such agreements or other arrangements specifically provide or bestow such rights and benefits to the City under the terms thereof.

Provided that there exist reciprocal easement arrangements with other surrounding property owners for access to public streets and utility services and/or other supportive requirements for development (e.g. parking, drainage detention, etc.), the City shall not prohibit subdivision of a parcel from the Annexing Property due to the fact that such parcel does not otherwise bound upon a public street or upon an easement of a public utility provider, nor shall the City require that the zoning classification of the area providing access or other services appurtenant to the served parcel be (or have) the same zoning classification as the served parcel.

The parties acknowledge and recognize that all of the utility services (in addition to sanitary sewer service as described hereinabove) are expected to be provided by other persons or entities who are not parties to this Agreement. The City agrees to cooperate with and assist the owner(s) from time to time of the Annexing Property in obtaining the availability for and access to such services; provided, however, that such obligation to cooperate and assist shall not obligate or require the City to pay for any expenses or costs in connection with the construction/installation of such facility, unless otherwise required under this Agreement.

**D. Permits/Subdivision Plat Approvals.** Within fourteen (14) business days after receipt of a complete application (including all required construction documents) by an owner desiring development of such owner's portion of the Annexing Property, the City shall (subject to the obtaining of any applicable special use amendment requirement as hereinabove described and any other approval or requirement of the other persons or governmental bodies other than the City):

- i.* Issue a building permit authorizing such construction;
- ii.* Issue a permit authorizing such construction subject to satisfaction of specified conditions consistent with the terms of this Agreement; or
- iii.* Issue a letter of denial of such permit specifying the basis of such denial by reference to the provisions of the code provisions applicable thereto, which the subject construction allegedly would violate. If the City conditionally approves such a permit, the City shall issue the permit unconditionally within five (5) business days after satisfaction by the party or person seeking the issuance of said permit of any conditions thereto.

The City shall issue certificates of occupancy to an owner (or any person properly acting on behalf of such owner) who has sought or been issued a building permit as above described, within seven (7) business days of application therefor, or issue a letter of denial within such period informing the applying person specifically as to what corrections are necessary as a condition to the issuance of a certificate and quoting the section of any applicable code, ordinance or regulation relied upon by the City in its request for correction. The inability, due to adverse weather conditions or other conditions outside of the reasonable control of any such applicant seeking the issuance of such a certificate of occupancy, to install service walks, stoops (provided at least one ingress/egress meets the accessibility code), landscaping, final grading or other items not posing an unreasonable risk to life, safety or property, shall not delay the issuance of a temporary certificate of occupancy. A trailer may be used for the coordination of construction activities during the period of development of any portion or phase of the Annexing Property being developed. Temporary fences and parking to service any of the foregoing may be constructed upon a portion of the Annexing Property being developed, even though same may not otherwise meet applicable code requirements therefor (e.g. permitting of temporary gravel-based parking lot). Notwithstanding the foregoing, it is acknowledged and recognized that each of the foregoing that may be related to temporary construction activity (e.g. construction trailer upon site, temporary fences, temporary gravel-based parking, etc.) shall only be permitted for those phases in the process of development. To the extent that any site upon which development has been completed and business operations or occupancy is anticipated in connection therewith and is the subject for which a certificate of occupancy is being sought, such temporary conditions with respect to such site must have been completed and/or removed prior to the issuance of either a temporary or permanent certificate of occupancy.

The development of any portion of the Annexing Property is subject to the requirements for platting or land subdivision. The requirements applicable thereto shall be as are currently in force and effect under the laws and regulations of the City. Any owner shall have the right to submit any preliminary and final plats in phases, and any preliminary and final plat may be submitted contemporaneously. To the extent that the Corporate Authorities of the City have approved any preliminary plat, the administration of the City may approve a final plat for any applicable phase or portion of the development of the Annexing Property, provided said final plat is substantially in conformance with the previously approved preliminary plat. With respect to the foregoing, no final plat shall be denied approval as long as such plat is submitted for approval no later than three (3) years after the date of the previous approval of the preliminary plat relating thereto. In addition, upon approval of any final plat, there shall not be any deadline for the implementation of the approved plat or the development of any portion of the property consistent therewith as might otherwise be applicable thereto.

**E. Other Infrastructure Additions.** The City acknowledges and confirms that the Annexing Property shall have direct access to Orange Prairie Road and Illinois Route 91 with the construction of intersections with Orange Prairie Road and Illinois Route 91 by and with a private street running through the Annexing Property that will connect Orange Prairie Road to Route 91, as is generally depicted on the attached Exhibit A. The City further acknowledges and confirms that such intersections are intended to provide for full access to the Annexing Property to and from both north-bound and south-bound traffic on Orange Prairie Road and Illinois Route 91. Where required, the City agrees to furnish any and all approvals as may be needed therefor and mutually cooperate, support, and assist SJ Trust in obtaining the approval of other third parties (e.g. the State of Illinois), where required. In connection with the foregoing, the City acknowledges and confirms that any commercial development upon the Annexing Property will not constitute a “shopping center,” as that term is defined within the City Code, and that, for purposes hereof and for any other uses, the use of the private street, as generally depicted on Exhibit A, for access to the Annexing Property shall not constitute shared site access for purposes of meeting or coming within the definition of a “shopping center.” The City further agrees that the permitted setback from the boundaries of any outlot created for use as a private road, as generally depicted on Exhibit A, or on any future site plan that may be submitted to the City for approval, shall be a minimum of ten (10) feet.

5. **Miscellaneous/General.**

**A. Existing Uses.** Notwithstanding the zoning classifications or other permits and approvals to be established or issued for the Annexing Property pursuant to this Agreement and notwithstanding any other provisions herein to the contrary, the present use of the Annexing Property shall be permitted to continue.

**B. Enabling Actions/Agreement Paramount.** The City does hereby expressly represent, warrant and agree that it has taken and/or will take such actions as may be required to enable the City to carry out the covenants, agreements, duties and other obligations created and imposed by the terms and conditions hereof and to enable the Annexing Property and each portion thereof to be used and developed for the uses and purposes described and permitted herein and to enable the Annexing Property to avail itself of the benefits therefor provided hereunder. The provisions of this Agreement shall control over the provisions of any ordinances, codes or regulations of the City which are in conflict with the provisions of this Agreement. Where an area of development or a specific development requirement is addressed/included herein with respect to the Annexing Property, the City shall not impose additional or more restrictive requirements in connection therewith as a condition of special use, Site Plan Review Board approval or otherwise.

**C. Time of the Essence.** Time shall be of the essence of each and every covenant and condition contained herein.

**D. Less Restrictive Laws.** Notwithstanding the other provisions contained herein, if any ordinance, code or regulation of the City is hereafter adopted, amended or interpreted so as to be less restrictive upon the Annexing Property or upon SJ Trust or any of its successors with respect to the development/use of the Annexing Property than is the case under existing law, then at the option of the then owner of the property affected thereby, such less restrictive adoption, amendment or interpretation shall control.

**E. Reasonability/Good Faith.** Whenever any approval or consent of the City or any of its departments, officials or employees, is called for under this Agreement, such approval shall not be unreasonably withheld or delayed. In the course of the conduct of the parties hereto with respect to each other in the performance of this Agreement, each party agrees

that the actions of such party shall be conducted reasonably, in good faith and with due diligence and best efforts.

**F. Succession.** This Agreement shall inure to the benefit of, and be binding upon the successors of KDH Trust, SJ Trust, and their respective successors, grantees, lessees, and assigns, and upon any successor corporate authorities of the City; and shall constitute a covenant running with the land. If the Annexing Property (or any portion thereof) is sold, the grantor shall be deemed to have assigned to the grantee any and all rights and obligations it may have under this Agreement which affect the portion of the Annexing Property sold or conveyed; the grantee thereof shall be deemed to have, by its acceptance of the conveyance thereof or such portion thereof, all of the rights and obligations under this Agreement, and thereafter the grantor of such grantee shall have no further obligations under this Agreement as it relates to the Annexing Property (or applicable portion thereof) as may have been conveyed.

**G. Term of Agreement.** This Agreement shall be binding upon the parties and their respective successors and assigns for twenty (20) years, commencing as of the date hereof, and for such further term as may hereafter be authorized by statute and by City ordinance. If any of the terms of this Agreement, or the annexation or zoning of the Annexing Property, is challenged in any court proceeding, then, to the extent permitted by law, the period of time during which such litigation is pending shall not be included in calculating said twenty (20) years period. The expiration of the term of this Agreement shall not affect the validity of the zoning of the Annexing Property (or any portion thereof) or any ordinance enacted by the City pursuant to this Agreement.

**H. Severability.** If any provisions of this Agreement or any section, sentence, clause, phrase or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder of this Agreement and the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby. If for any reason the annexation or zoning of the Annexing Property is ruled invalid, in whole or in part, the Corporate Authorities, as soon as possible, shall take such actions (including the holding of such public hearings and the adoption of such ordinances and resolutions) as may be necessary to give effect to the intent of this Agreement.

**I. Mutual Assistance.** Each of the parties agrees to mutually assist and cooperate with the other in effectuating the spirit and intent hereof, and in that regard, each party agrees to execute any and all documentation and take any and all actions as may be reasonably appropriate or required in connection therewith.

**J. Applicable Law; Venue; Enforcement.** This Agreement and the rights of the parties hereto shall be interpreted, construed and enforced in accordance with the laws of the State of Illinois. Any litigation concerning this Agreement shall be commenced in the County of Peoria, State of Illinois. This Agreement may be enforced as provided by law and the parties may by civil action, mandamus, injunction or other proceeding, enforce and compel the performance of this Agreement.

**K. Counterparts.** This Agreement may be executed in counterparts and, in such case, each counterpart shall serve as an original of this Agreement.

**L. Notices.** Except as otherwise provided herein, all demands, notices or objections permitted or required to be given or served under this Agreement shall be in writing and



shall be deemed to have been duly given or served when delivered in person, sent by confirmed telecopy, or deposited in the United States Mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, to the address specified below:

If to the City:	City of Peoria Attn: City Clerk 419 Fulton Street Peoria, IL 61602 Fax #: 309 / 685-8174
With copy to:	City of Peoria Attn: Legal Department 419 Fulton Street Peoria, IL 61602 Fax #: 309 / 494-8559
If to SJ Trust:	Srinivas Jujjavarapu, Trustee SJ Trust Agreement 13007 N. Woodland Ridge Dunlap, IL 61525
With copy to:	Robert C. Hall Miller, Hall & Triggs, LLC 416 Main Street, Suite 1125 Peoria, IL 61602-1161 Fax #: 309 / 671-9616
If to KDH Trust:	Kenneth E. Hoerr, Trustee KDH Land Trust Agreement 9619 N. State Route 91 Peoria, IL 61615
With copy to:	Michael J. Honegger, P.C. 12900 W. Farmington Road PO Box 49 Hanna City, IL 61536

***M. Use Limitations and Changes; No Third-Party Beneficiary Relationship.*** The provisions and conditions of this Agreement are intended to inure to and shall be construed solely for the benefit of the City. By the execution of this Agreement, all of the parties expressly declare that they are NOT intending to bestow upon any other person or any third party beneficiary relationship or the ability of any other person to enforce the provisions hereof as the same pertain to the use of any particular portion of the Annexing Property, nor are the parties intending to bestow upon any third party that is not a party to this Agreement any rights, benefits or privileges hereunder except as specifically provided herein.

***N. Special Farm Use Valuation.*** The City acknowledges that the Annexing Property for many years has been (and currently continues to be) used for farming or other agricultural purposes. By reason thereof, the Annexing Property has been and is entitled to a special benefit/formula for determining the assessed value of the Annexing Property. The City agrees that, as long as the Annexing Property continues to (in whole or in part) be similarly used for agricultural purposes, this Agreement (and any of the transactions or declarations deriving therefrom or as a part hereof) shall not affect the qualification of the

Annexing Property (or such part that continues to be farmed) for such special assessed valuation; and the City shall take no action inconsistent with the foregoing.

**O. No Joint and Several Liability.** To the extent that the Annexing Property may be owned by different parties, it is expressly acknowledged that any covenants in this Agreement as may be hereafter applicable to any of the foregoing shall NOT be the joint and several obligations of each of the respective owners thereof, and each owner shall only be burdened with, and obligated to perform, the covenants and obligations with respect to that particular property which such owner owns and/or develops. In this respect, the failure of one owner to perform a covenant or condition with respect to such owner's property shall not constitute a default by any of the owners of any of the other remaining properties affected and covered hereby.

**P. Fee in Lieu of Bike/Walk Trail Installation.** In those instances where applicable law may otherwise require that SJ Trust install a bike/walk path (e.g. along Orange Prairie Road) as otherwise may be required by applicable ordinance of the City, SJ Trust shall be permitted to pay the usual and customary "fee in lieu" for such improvements instead of being required to make the specific construction/installation thereof.

**Q. Enterprise Zone.** The City acknowledges that, under applicable Illinois law, the City has the ability to have, maintain and expand (within certain guidelines and limitations) a so-called Enterprise Zone. Under recent legislation of Illinois, the City is in the process of pursuing all procedural requirements to newly establish and/or re-establish the Enterprise Zone for the City. In this context, the City agrees to proceed with good faith and due diligence to provide to the Annexing Property inclusion in such Enterprise Zone as soon as reasonably practicable so as to provide the Annexing Property all of the benefits and privileges available to and for properties within the Enterprise Zone of the City. However, nothing in this paragraph shall require the Council to extend or expand the enterprise zone to this location.

**R. Trustee Exculpation.** This instrument is executed by Srinivas Jujjavarapu, not personally, but as Trustee under the SJ Trust Agreement, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by every person now or hereafter claiming any right or security hereunder that nothing contained herein shall be construed as creating any personal liability on the part of the Trustee to pay any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived, and that any recovery against Trustee under this instrument shall be solely against and out of the property which is the estate of said Trust.

**S. Trustee Exculpation.** This instrument is executed by Kenneth E. Hoerr, not personally, but as Trustee under the KDH Land Trust Agreement, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by every person now or hereafter claiming any right or security hereunder that nothing contained herein shall be construed as creating any personal liability on the part of the Trustee to pay any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived, and that any recovery against Trustee under this instrument shall be solely against and out of the property which is the estate of said Trust.

**IN WITNESS WHEREOF**, the parties have executed this Agreement the day and year first set forth above.

*Signature pages follow.*

*City:*

**CITY OF PEORIA, an Illinois municipal corporation**

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

STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF PEORIA        )

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_ personally known to me to be the \_\_\_\_\_ of **CITY OF PEORIA**, a municipal corporation, appeared before me this day in person and severally acknowledged that \_\_\_\_\_ signed, sealed and delivered the said instrument as \_\_\_\_\_ free and voluntary act as such \_\_\_\_\_, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth; and on \_\_\_\_\_ oath stated that \_\_\_\_\_ was duly authorized to execute said instrument and that the seal affixed thereto is the seal of said corporation.

GIVEN under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2014.

\_\_\_\_\_  
Notary Public

***KDH Trust:***

\_\_\_\_\_  
**Kenneth E. Hoerr, Trustee**

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY \_\_\_\_\_)

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that Kenneth E. Hoerr, personally known to me to be the Trustee under the provisions of the KDH Land Trust Agreement, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, and for the uses and purposes therein set forth; and on his oath stated that he was duly authorized to execute said instrument.

GIVEN under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Notary Public

