OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL AGREEMENT

This Agreement for the option to purchase real property, (the "Agreement") is made and entered into by and between **Providence Bank & Trust**, , formerly Standard Bank & Trust as Trustee under Trust #17486 (the "Seller"), and the **City of Ottawa**, an Illinois Municipal Corporation (the "Purchaser"), for good and valuable consideration, the receipt and sufficiency of which is acknowledged, on the last date appearing beside the signature of the party which is the last to execute this Agreement (the "Effective Date").

1. Option to Purchase and Term. Seller holds legal title to the real estate legally described on Exhibit "A" attached hereto and made a part hereof (the foregoing described real estate is hereinafter referred to as the "Option Property"). The Option Property consists of approximately 70.19 acres. Seller hereby grants to Purchaser a non-exclusive option to purchase the entire Option Property. The term of this Agreement shall begin on the Effective Date and shall terminate five (5) years later. Unless otherwise terminated as provided herein, this Agreement and all rights and interests of Purchaser in the Option Property shall terminate at 5:00 p.m. Central Standard Time on the last day of the five-year period beginning on the Effective Date if Purchaser has not elected to purchase to the Option Property pursuant to the terms and provisions of this Agreement before such time and date.

2. Election of Option and Purchase Price. Purchaser and the Seller agree that the Fair Market Value of the Property is $60,000 per acre as of the date of this Agreement. Purchaser and Seller agree that the sale price of the Option Property will be adjusted from the original Fair Market Value above at an annual rate equal to the change in the Chicago Consumer Price Index – Urban (Chicago CPI-U). Purchaser shall be entitled to purchase the Option Property provided it exercises its rights under this Agreement before 5:00 p.m. Central Standard Time on the last day of the five-year period beginning on the Effective Date. Purchaser shall exercise its rights under this Agreement by notifying Seller in writing before termination of this Agreement of its election to purchase the Option Property pursuant to the terms and provisions hereof. It is understood and agreed that the closing of the purchase of the Option Property by Purchaser will occur no sooner than twenty (20) days after receipt by Seller of Purchaser's election to purchase and no later

than forty-five (45) days after receipt of written notice of Purchaser's election to purchase the Option Property, except in the event such closing must be extended due to the failure or fault of Seller to abide by the terms and provisions of this Agreement.

3. Right of First Refusal. If, at any time during the term of this Agreement, the Sellers shall receive a bona fide offer for the purchase of all or any portion of the Option Property, and if said offer of purchase is acceptable to Sellers, Sellers shall give Purchaser the right to purchase all or any portion of the Option Property at the same price and on the same terms as the bona fide offer so made. This right shall be extended by Sellers giving written notice of the offer by registered mail to Purchaser, requiring Purchaser to accept the offer in writing and to sign a purchase agreement within 15 days after the mailing of the notice. If Purchaser fails to exercise the right to purchase or refuses to purchase under the terms as specified in the bona fide offer, Sellers shall have the right to sell the Option Property to the person or entity making said bona fide offer.

4. Title.

(a) Title to be Conveyed. At the closing of the Option Property, Seller shall cause to be conveyed to Purchaser by Warranty Deed, good and marketable title in fee simple to the Option Property, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions and other conditions except the following, which are referred to herein as the "Permitted Exceptions":

(i) general real estate taxes not then due and payable;

(ii) title exceptions listed on Exhibit "B" attached hereto and made a part hereof;

(iii) other matters indicated by the Title Commitment (described in subparagraph (b) below) or the Survey (described in Section 6 herein) to which Purchaser does not object as provided below.

(b) Commitment for Title Insurance. Five (5) days prior to the closing date, Seller shall deliver to Purchaser, at Seller's expense, a title commitment (the "Title Commitment") from a reputable title company with an effective date no earlier than sixty (60) days prior to closing of the Option Property issued by the Title Company and setting forth the state of title to the Option Property and all exceptions to coverage which would appear in an owner's policy of title insurance, if issued. If the Title Commitment lists exceptions to title other than Permitted Exceptions and other than any matter which arises out of the act or omission of the Purchaser (i.e., without limitation, mechanic's liens or encumbrances arising out of any work performed by or at the direction of Purchaser), Seller shall have a period of thirty (30) days following delivery of the Title Commitment to Purchaser to cure such defect(s) and the closing date will be extended for the period of time needed to cure such defect(s) or to have the Title Company insure over such defect(s). It is understood and agreed that Seller is under no obligation to cure any defect relating to the Permitted Exceptions or any matter that arises out of the act or omission of Purchaser. If Seller is unable or unwilling to cure such defects within the thirty (30) day period, within fifteen (15) days following the expiration of such thirty (30) day period, Purchaser may either terminate its election to purchase the Option Property or, at its election, maintain its election in effect with the right to take title at closing subject to such defects (which defects will then be deemed Permitted Exceptions) not cured by Seller, utilizing a portion of the purchase price to clear any monetary liens of a definite and ascertainable amount which are a defect in title. If Purchaser fails to notify Seller of its election within the prescribed fifteen (15) day period, Purchaser shall be deemed to have terminated its election, in which case Purchaser's right to purchase such Option Property and this Agreement shall terminate and cease and Seller shall be free to sell such Option Property to any other party at any time.

(c) Title Policy. At closing, Seller shall furnish Purchaser at Seller's expense a marked-up ALTA Form B owner's policy of title insurance (with formal policy to follow within a reasonable time after consummation of the closing) based on the Title Commitment (the "Title Policy"). Such policy will be issued by the Title Company, will be in the amount of the purchase price and will insure Purchaser's fee simple title to the Option Property then being purchased subject to no exceptions other than the Permitted Exceptions and any matter arising out of the acts or omissions of Purchaser, with extended coverage over Schedule B general exceptions, except that the exception for taxes shall be limited to those taxes not then due and payable, and the exception with regard to survey matters shall be modified to apply only to those specific matters reflected by the Survey.

5. <u>Survey</u>. As part of a DCEO Site Readiness Grant for the Option Property the Purchaser will be performing a full boundary and ALTA survey as well as a full topographic survey (the "Survey"). The Survey shall be prepared by a registered professional surveyor and shall be reasonably acceptable to the Title Company for the purchase of causing the standard printed exceptions found in an ALTA Form B owner's title insurance policy relevant to survey matters to be deleted. The Survey shall: (a) delineate and provide a metes and bounds legal description for the Option Property, (b) be made on the ground with iron pins at the corners of the Option Property, (c) locate all existing easements which are visible or known to the surveyor or recorded (and if recorded setting forth book and page number), alleys, streets and roads, (d) show all encroachments upon the Option Property, (e) show all existing improvements (such buildings, power lines, fences and related matters), (f) comply with the reasonable requirements of the Title Company and (g) contain the surveyor's certification as to the foregoing. If the Survey discloses an encroachment or other title defect which is not a Permitted Exception, then Purchaser may object to such encroachment or title defect and such objection shall be handled as provided in Section 5(b) for Purchaser's objection to title matters reflected by the title commitment. The Survey shall be certified to the following parties: (i) Purchaser; (ii) Seller; and (iii) Title Company.

Additionally, pursuant to the DCEO Site Readiness Grant, the Purchaser shall conduct soil borings, and archaeological, wetlands and endangered species studies. The ALTA survey, topographic survey, soil borings and said studies shall be shared with Seller.

6. <u>Closing Procedures</u>.

(a) At closing, Seller shall deliver to Purchaser a duly executed and acknowledged warranty deed conveying the Option Property to Purchaser, such title instruments and affidavits as may be reasonably required by the Title Company to vest in the Purchaser title to the Option Property as provided herein, and the marked up owner's title policy required by this Agreement. The deed will convey indefeasible title to the Option Property, free of all liens and encumbrances except for the Permitted Exceptions and title exceptions arising out of the acts or omissions of Purchaser.

(b) Purchaser shall pay the purchase price for the Option Property to Seller by sufficient funds to the Title Company at closing, less any closing prorations to the benefit of Purchaser.

(c) General real estate taxes for the Option Property shall be prorated as of the closing date based on application of the preceding years rates to the latest assessed valuation or statements issued to Seller for the current year's assessment, if available, with a re-proration between Seller and Purchaser upon receipt of the actual tax bills for the Option Property.

(d) Seller shall pay all special assessments and taxes, interest and penalties levied against the Option Property on or prior to the closing date and which special assessments, taxes, interest or penalties did not arise out of any improvements to the Option Property added by Purchaser or its agents or contractors or otherwise arise out of Purchaser's (or its successors or assigns) actions.

(e) Seller shall deliver to the Title Company an affidavit in accordance with Section 1445 of the Internal Revenue Code and regulations promulgated thereunder, an affidavit by Seller (if Seller is a partnership, the affidavit shall be signed by a general partner of the Seller is a corporation, the affidavit shall be signed by an officer of the corporation authorized to give such assurance) stating, under penalty of perjury, Seller's United States taxpayer identification number and that Seller is not a foreign person as defined by I.R.C. 1445(f)(3).

(f) Complete and sole possession of the Option Property will be delivered to Purchaser.

(g) The closing shall be coordinated by the Title Company. Seller shall pay the premium for the title policy issued to Purchaser and one-half (1/2) of the deed and money escrow or closing fee charged by the Title Company other than money lender's charges. Seller shall pay the state and county transfer taxes or fees, if any, imposed in conjunction with this conveyance and the recording of the deed. Purchaser shall pay the premium for any mortgagee's title policy and required endorsements, the cost of recording the deed, the cost of recording the mortgage, one-half (1/2) of the deed and money escrow or closing fee, and all money lenders' fees, charged by the Title Company, and any other reasonable closing costs which are customarily paid by buyers in similar transactions in the County.

7. Seller's Representations and Warranties. Seller represents and warrants to Purchaser that: (a) to Seller's knowledge, none of the Option Property, nor the Seller are affected by or subject to any pending or threatened condemnation suits or similar proceedings, or other pending or threatened claims, charges, complaints, petitions, or unsatisfied orders by or before any administrative agency or court respecting alleged obligations of Seller, or any lessee of the Option Property; (b) to Seller's knowledge, there exist no uncured notices which have been served by any governmental authority of violations of law, rules or regulations which would affect the Option Property or any portion thereof or its proposed development; (c) there are no special assessments of any kind levied against the Option Property or any portion thereof that have not been disclosed herein; and (d) there are no other binding options to purchase the Option Property, or rights of first refusal, executory sales contracts or similar agreements outstanding with third parties with respect to the Option Property. Seller shall notify Purchaser within five (5) days of Purchaser's election to purchase the Option Property of any change in representations (a) through (d) above without any obligation on Seller's part to cure any such change in such representations and warranties. Any change in the representations and warranties of (a) through (c) above will not permit any cause of action or claim against Seller by Purchaser but instead will simply permit Purchaser to terminate its election to purchase the Option Property upon the first to occur of the closing date or within five (5) business days after receipt of notice of such change by Seller. A termination of Purchaser's election to purchase to Option Property will result in a termination of this Option.

8. Covenants of Seller. Seller represents and warrants to, and covenants and agrees with Purchaser that the Seller has delivered to Purchaser copies of all surveys, engineering plans, soil studies and other documents which have been prepared by or at the direction of Seller with respect to the Option Property, or were in Seller's possession (or are reasonably available to Seller) and relate to the Option Property.

9. Condemnation. In the event that prior to closing, all or any portion of the Option Property or any rights or easements therein shall be taken by condemnation or

rights of eminent domain or like process, or shall be threatened therewith, and the same, in Purchaser's reasonable opinion, would have a materially adverse impact upon Purchaser's proposed development of the Option Property. Purchaser shall, within fifteen (15) days after having received notice thereof from Seller, elect in writing to either (a) continue this Agreement in full force and effect, notwithstanding such taking or threatened taking, in which case the portion of the Option Property condemned shall be deleted from the Option Property with a proportionate reduction in the purchase price or if the condemnation has not been completed at closing, then at closing Seller shall assign to Purchaser all of Seller's right, title and interest in and to any condemnation awards attributable to that portion of the Option Property subject to condemnation, or (b) terminate this Agreement. Failure of Purchaser to make a written election as aforesaid shall constitute an election to terminate this Agreement.

10. Inspection of Option Property. It is agreed that Purchaser and its agents and representatives will be permitted to enter upon the Option Property for inspection, soil tests, examination, surveying and land use planning provided Purchaser provides Seller at least forty-eight (48) hours prior written notice of such entry. Purchaser agrees to repair and/or restore any damage or disturbance to the Option Property caused by such entries, inspections, tests, examinations and/or planning, and Purchaser agrees to hold Seller harmless from and defend and indemnify Seller against any and all claims, damages, liability, costs and expenses (including, without limitation, all attorneys and paralegal fees and expenses throughout all proceedings) arising out of any claim of death or injury to person and/or damage to property which arises out of any act or omission of Purchaser or any act or omission of any agent or representative of Purchaser as a result of any entry, test, inspection and/or examination at or upon the Option Property. Purchaser shall take all reasonable steps to insure that no dangerous conditions exist on the Option Property during or after any inspection, examination or testing thereof and/or entry thereon and shall immediately pay all costs and expenses of such testing, examination, planning and inspection in order to insure that there are no mechanic's or materialmen's liens placed against the Option Property arising out of such examinations, planning, inspections and/or testing. Purchaser shall supply to Seller prior to its entry upon the Option Property evidence of satisfactory general liability insurance naming Seller as additional insureds

under such policy. Purchaser agrees to maintain such general liability insurance in full force and effect through the closing date. The foregoing indemnity, hold harmless and defense agreement of Purchaser shall survive any termination of this Agreement and the closing of the purchase of the Option Property. Purchaser shall supply Seller with copies of any and all reports resulting from said inspections.

11. Recording of the Agreement. The parties acknowledge that this Agreement must be placed on file for public inspection and must be available for copying at the Purchaser's place of business pursuant to the terms of the Freedom of Information Act. However, the parties agree that the entire document shall not be recorded with the La Salle County Recorder of Deeds and that only a memorandum of the Agreement shall be recorded to place the public on notice of the existence of this Agreement.

12. Real Estate Commission. Any real estate commission resulting from the transaction contemplated hereby shall be the sole responsibility and obligation of Seller.

13. Assignment. The terms and conditions of this Agreement are hereby made binding on the executors, heirs, administrators, successors and assigns of the parties hereto.

14. Survival. The representations, warranties, covenants, agreements and indemnities set forth in this Agreement shall remain operative and shall survive the execution and delivery of deeds, and shall not be merged therein. Moreover, this agreement shall be binding upon the parties and their heirs, successors, executors and assigns.

15. Seller's Default. In the event that Seller shall fail to fully and timely perform any of its obligations hereunder, and such failure shall continue for thirty (30) days (ten (10) days in the event of Seller's failure to timely close) following notice thereof in writing from Purchaser, then Purchaser may, at its option: (i) declare this Agreement terminated, or (ii) enforce specific performance of this Agreement.

16. Purchaser's Default. In the event that Purchaser shall fail to fully perform any of its obligations hereunder, and such failure shall continue for thirty (30) days (ten (10) days in the event of Purchaser's failure to timely close) following notice thereof in writing from Seller, then Seller may treat such failure to fully perform as an election on Purchaser's part to terminate this Agreement whereupon Purchaser shall forfeit its right

to purchase the Option Property and this Agreement shall terminate. Seller shall not be entitled to sue Purchaser for damages, whether direct, actual, consequential or otherwise, except for damages, liabilities, costs, expenses and/or fees that Purchaser is responsible for pursuant to Purchaser's obligations under Section 18(c) of this Option.

17. Miscellaneous.

(a) Notice. Any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be deemed delivered: (a) when received if delivered in person or by messenger service; (b) one (1) business day after delivery to any national overnight delivery service (i.e., Federal Express, UPS, Airborne); (c) two (2) business days after being deposited in the United States Mail, postage prepaid, certified or registered mail, returned receipt requested, whether or not actually received, and (d) when transmitted by telecopy transmission provided such transmission occurs by 5:00 p.m. on a business day, otherwise such transmission shall be deemed received at 9:00 a.m. on the next succeeding business day, at the following addresses:

If to Seller:	Providence Bank & Trust 6431W. 127th Street Palos Heights, IL 60463 Attn: Mr. Thomas G. Clifford tclifford@providence.bank
With Copy To:	Attorney Doald Crowe Mahoney Crowe Goldrick and Cannon, P.C. 77 W. Washington Street, Suite 1515 Chicago, IL 60602
If to Purchaser:	City of Ottawa Attn: Mayor Robb Hasty 301 W. Madison Street Ottawa, Illinois 61350 Phone: (815) 433-0161 dnoble@cityofottawa.org
With Copy To:	Christina M. Cantlin The Cantlin Law Firm 760 E. Etna Road

Ottawa, IL 61350
Phone: (815) 433-4712
christina@cantlinlaw.com

(b) Entire Agreement. This Agreement embodies the entire agreement between the parties and cannot be varied except by the written agreement of the parties. This Agreement is a binding contract between the parties hereto.

(c) Attorney's Fees. If any legal action is commenced by any party to enforce any provision of this Option, the losing party in such action will pay to the prevailing party all actual expenses incurred by the prevailing party including costs and attorney's fees.

(d) No Joint Venture or Partnership. None of the terms, provisions or conditions of this Option can be construed as creating or constituting Seller as a co-partner or joint venturer with Purchaser, nor constituting Purchaser the agent of Seller, nor shall any of the provisions of this Option be construed in any manner so as to make Seller liable for the debts or obligations of Purchaser.

(e) Dates. If the final day of period or date of performance under this Option falls on a Saturday, Sunday or legal holiday then the final day of the period or the date of performance shall be deemed to fall on the next day which is not a Saturday, Sunday or legal holiday.

(f) Counterparts. This Option may be executed in multiple counterparts with all counterparts being deemed one original.

18. Disclosure. It is expressly understood and agreed that no commission will be paid to Seller, its employees, agents or officers or any assignee of Purchaser or any employee, agent or officer of such assignee.

19. Voluntariness. The Seller and Purchaser acknowledge and represent that this Agreement has been freely and voluntarily entered into and has been duly authorized their respective corporate authorities.

Executed as of the last of the dated indicated by the signatures below, which shall be deemed to be the Effective Date hereof for all purposes.

SELLER:

PROVIDENCE BANK & TRUST,
as Trustee,

By:____________________________
Thomas G. Clifford, Senior VP &
Senior Trust Officer

PURCHASER:

CITY OF OTTAWA, an Illinois
Municipal Corporation,

By:____________________________
Robb Hasty, Mayor

EXHIBIT A

That portion of the East Half of the Northeast Quarter of Section 8, Township 33 North, Range 4 East of the Third Principal Meridian, lying South of the Public Highway between Ottawa and Marseilles which crosses the East Half of the Northeast Quarter aforesaid on the Northeast portion thereof; also that portion of the Southeast Quarter of Section 8, Township 33 North, Range 4 East of the Third Principal Meridian lying North of the Right of Way of the Chicago, Rock Island and Pacific Railroad Company; except the tract of land conveyed to the State of Illinois for road purposes recorded April 15, 1921, as Doc. #166682 in Book 587, Page 95; and also except that part as conveyed to the State of Illinois for road purposes recorded January 5, 1970 as Doc. #558356, and also excepting therefrom a track of land conveyed to the City of Ottawa recorded on May 21, 2012 as Document Number 2012-10822, and also exempting therefrom a track of land conveyed to the City of Ottawa recorded on June 27, 2014 as Document Number 2014-12098, all being situated in Rutland Township, La Salle County, Illinois.

PINs: 15-44-211-000; 15-44-453-000

Depiction of above legal description for visual reference only: