

ORDINANCE NO. 2022 – 27

ORDINANCE APPROVING AN ANNEXATION AGREEMENT BETWEEN VILLAGE OF PECATONICA, CRISTIAN GONZALEZ, APOLONIO BERUMEN, AND KLB/RGB ENTERPRISES, LLC, FOR REAL PROPERTY COMMONLY KNOWN AS “2719 PECATONICA ROAD, PECATONICA, ILLINOIS” P.I.N. 09-33-351-001

WHEREAS, the Village of Pecatonica is a municipality legally formed pursuant to statute, and has a population of more than 500 inhabitants; and

WHEREAS, the Village of Pecatonica has been vested with the authority to enter into an annexation agreement with property contiguous with the Village pursuant to 65 ILCS 5/11-15.1-1 et seq.; and

WHEREAS, the territory to be pre-annexed which is the subject of the annexation agreement is currently located in unincorporated Winnebago County and is within one and one-half miles of the Village of Pecatonica’s southern boundary and is commonly known as “2719 Pecatonica Road, Pecatonica, Illinois” P.I.N. 09-33-351-001; (“Property”) and

WHEREAS, said Property has been sold by the owner of record, KLB/RGB Enterprises, LLC, to Cristian Gonzalez and Apolonio Berumen pursuant to an Agreement for Deed; and

WHEREAS, the principals of KLB/RGB Enterprises, LLC have executed an Annexation Agreement to pre-annex the property under certain terms, a true and accurate copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

WHEREAS, the contract buyers, Cristian Gonzalez and Apolonio Berumen, have executed an Annexation Agreement containing the same terms and conditions as Exhibit “A”, a true and accurate copy of which is attached hereto as Exhibit “B” and incorporated herein as Exhibit “B”; and

WHEREAS, the Village Board of Trustees has determined that it is in the best interest of the Village to enter into an annexation agreement with the property owner of the subject property; and

WHEREAS, on July 14, 2022, a public hearing was convened at Village Hall at 1:00 p.m., and that proper notice of same was published and posted as required by statute;

WHEREAS, the Village Board of Trustees hereby approve the annexation agreement by a vote of no less than two thirds (2/3) of the corporate authorities then holding office.

**BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF
PECATONICA, ILLINOIS, THAT:**

Section 1: The recitals herein are incorporated by reference.

Section 2: The Village President is hereby authorized and directed to execute the subject annexation agreements attached hereto as **Exhibits A & B** and incorporated herein by reference.

Section 3: That this ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

MOTION MADE BY: _____

MOTION SECONDED BY: _____

AYES: (____)

NAYS: (____)

ABSTAIN: (____)

ABSENT: (____)

ADOPTED by the Village Board of Trustees this ____ day of _____
2022.

APPROVED by the Village President this ____ day of _____,
2022.

By: _____
**WILLIAM SMULL, Village President
Village of Pecatonica, Illinois**

ATTEST:

**GWENN SHIRLEY, Village Clerk
Village of Pecatonica, Illinois**

ORDINANCE NO. 2022-27

EXHIBIT "A"

**ORDINANCE APPROVING ANNEXATION AGREEMENT FOR
2719 PECATONICA ROAD**

VILLAGE OF PECATONICA
PRE-ANNEXATION AGREEMENT

This Pre-Annexation Agreement, made and effective on the latest date of signature below written, by and between CRISTIAN ALEXIS GONZALEZ and APOLONIO C. BERUMEN ("Owners"), and the VILLAGE OF PECATONICA, an Illinois municipal corporation ("Village").

RECITALS

- A. The Owners hold the entire fee simple title to the property legally described in Exhibit "A" attached hereto, hereinafter called "Property", commonly known as "2719 PECATONICA ROAD, PECATONICA, ILLINOIS 61063",
(list full address and check applicable box or boxes)

- Consisting of vacant land (_____ acres)
 Improved with a single family residence
 Improved with a commercial business known as _____
 Other: _____
(list type of property)

located in Winnebago County, Illinois, and bearing Property Identification Number (P.I.N.) 09-33-351-001. The photograph/map for the subject property which depicts the territory that is the subject of this Pre-Annexation Agreement that will eventually be annexed to the Village, as legally described herein, is attached hereto as Exhibit "B", and incorporated herein by reference.

- B. The Property is not presently within the limits of any municipality and is presently not contiguous to the present boundaries of the Village.
- C. Section 5/11-15.1-1 of the Illinois Municipal Code authorizes municipalities to enter into annexation agreements providing for the annexation of certain property upon the property becoming contiguous to the municipality and further states that lack of contiguity to the municipality of the property that is the subject of the annexation agreement does not affect the validity of the agreement.
- D. Although not specifically designated as such by statute, such annexation agreement entered into whereby the property to be annexed is not currently contiguous to the corporate limits of the annexing municipality, or any other municipality, but which provides for the annexation of certain property upon the property because contiguous to the annexing municipality, is often referred to as Pre-Annexation agreement, and such terminology shall be used herein.
- E. Section 5/11-15.1-2.1 of the Illinois Municipal Code states that property that is the subject of an annexation agreement adopted under Division 15.1 is subject to the ordinances, control, and jurisdiction of the annexing municipality in all respects, the same as property that lies within the annexing municipality's corporate limits.
- F. Owners seek to enter into a Pre-Annexation Agreement with the Village, to have the property annexed to the Village once the property becomes contiguous to the corporate limits of the Village, and to continue Owners' use of the property as:

Private and public recreational facilities and commercial entertainment and tourist establishments as defined by Section 153.051(B) of the Code of Pecatonica.

- G. On _____, 202_, after duly published notice, as required by statute and ordinance, the Planning and Zoning Commission of the Village conducted public hearings on the Zoning Code amendment and the zoning classification to be assigned to the Property as provided in Section 3 of this Agreement. Upon adjournment of the public hearings, the Planning and Zoning Commission of the Village made recommendations regarding such items to the Village Board in the manner provided by law.
- H. Pursuant to the applicable provisions of the Illinois Municipal Code, a proposed Pre-Annexation Agreement, similar in substance and form to this Agreement was submitted to the President and Village Board of Trustees (hereafter collectively referred to as the "Corporate Authorities"), and on July 14, 2022 after duly published notice, pursuant to statute, the Village Board conducted a public hearing on this Pre-Annexation Agreement.
- I. Due and proper notice of the proposed Pre-Annexation has been given to the Trustees of the ~~Pecatonica Fire Protection District, the Pecatonica Public Library District,~~ Pecatonica Township and the Pecatonica Township Road Commissioner of Highways, more than ten (10) days prior to any action being taken on the Pre-Annexation of the Property.
- J. The Corporate Authorities have duly considered all necessary petitions to enter into this Agreement, have considered the recommendations of the Village Planning and Zoning Commission in connection with the proposed zoning of the Property and have further duly considered the terms and provisions of this Agreement and have, by a ordinance duly adopted by a vote of two-thirds (2/3) of the Corporate Authorities then holding office, authorized the President to execute, and the Village Clerk to attest, this Pre-Annexation Agreement on behalf of the Village.
- K. The Village authorities have determined that the Pre-Annexation and the eventual annexation of the Property described in Exhibit "A" pursuant to the terms and conditions of this Pre-Annexation Agreement would further the growth of the Village, enable the Village to cultivate the development of the area, increase the taxable value of the property within the Village, expand the corporate limits and production of the Village, and otherwise enhance and promote the health, safety, and general welfare of the residents of the Village.
- L. Performance by both the Owners and the Village of their respective obligations under this Pre-Annexation Agreement is important not only to the health, safety, and welfare of the general public, but also to the enjoyment and use of publicly and privately held property located in the vicinity of the Property.
- M. The Owners shall execute and file a Petition for Annexation to the Village in the form attached as Exhibit "D" within thirty (30) days of when the Property becomes contiguous to the Village. The Owners also agree that the filing of a petition to

annex upon the Property becoming contiguous is an obligation that runs with the land, and Owners shall include as a condition on any future land sold that any owner of the property who acquires an interest in the Property, subsequent to the execution of this Pre-Annexation Agreement, agrees to execute a Petition for Annexation immediately upon the property becoming contiguous, and should any current owner, at the time the Property becomes contiguous, fail to execute said petition, such owner or owners agree(s) to automatically appoint the Village President, as Attorney in Fact, with authority to sign the petition on behalf of any such owner or owners with an interest at the time the Property becomes contiguous. Said petition shall then be submitted to the Village Board and accepted as provided by law, subject to all of the terms and conditions contained in this Pre-Annexation Agreement.

NOW, THEREFORE, IN CONSIDERATION OF the promises of each of the parties to the other and the covenants contained herein, it is hereby agreed as follows:

Section 1. – Recitals

- 1.1 The Parties acknowledge that the statements and representations contained in the foregoing recitals are true and accurate and incorporate such recitals into this Pre-Annexation Agreement as if fully set forth in this Section 1.

Section 2. – Annexation

- 2.1 ~~Accompanying this Pre-Annexation Agreement, and attached hereto as Exhibit "C" is a copy of the Petition to Enter Pre-Annexation Agreement with the Village (with attached exhibits) in the form required by law, the original of which has been duly executed by all Owners of the property and 51% of the electors residing thereon, if there are any so residing.~~
- 2.2 Accompanying this Pre-Annexation Agreement and attached hereto as Exhibit "C" is a copy of the Petition for Annexation to the Village (without attached exhibits) in the form required by law, the original of which shall be duly executed by the Owners of the Property, and 51% of electors residing thereon, if any be, and properly filed with the Village within thirty (30) days of when the Property becomes contiguous to the Village.
- 2.3 The Property shall be duly annexed to the Village by ordinance in conformity with and pursuant to 65 ILCS 5/7-1-1 and 7-1-8, subject to the terms and conditions of this Pre-Annexation Agreement, and the Village shall follow the terms of this Pre-Annexation Agreement in conformity with 65 ILCS 5/11-15.1-1 et seq. when the Property becomes contiguous to the Village.
- 2.4 Upon the execution of this Pre-Annexation Agreement by all Parties, the Corporate Authorities shall proceed, subject to the terms and conditions set forth in this Pre-Annexation Agreement, to annex the Property to the Village and do all things necessary or appropriate to cause the Property to be validly annexed to the Village once it becomes contiguous. All ordinances, plats, affidavits, and other documents necessary to accomplish annexation shall be recorded by the Village at Owners expense. Without Owners written consent, no action can be taken by the

Corporate Authorities to annex the Property to the Village unless: (a) this Pre-Annexation Agreement has been fully executed by all Parties; and (b) the Property is annexed to the Village once it becomes contiguous, in its entirety, at one time.

Section 3. – Zoning

- 3.1 Following the acceptance of this Pre-Annexation Agreement by ordinance, and before the Property is annexed into the Village, the Village shall pass the required ordinance providing for a zoning map amendment and special use permit of the Property from its current zoning designation of "Commercial General" , in unincorporated Winnebago County, to the Village of Pecatonica zoning designation of Agricultural District with "Special Use for "private and public recreational facilities and commercial entertainment and tourist establishments", subject to the provisions of Section 3.2 hereinbelow.
- 3.2 Any public hearing required by law to be held before the adoption of any such zoning ordinance amendment as provided for in Paragraph 3.1 above shall be held following the execution of this Pre-Annexation Agreement by the Village, but before the Property becomes contiguous to the Village, and such ordinance amendment shall be enacted according to law only after the Owners fully comply with all pre-application notice requirements to surrounding property owners, and determining after the public hearing on the zoning ordinance amendment that such zoning is the appropriate zoning for the Property. Failure of the Owners to fully comply with all pre-application notice requirements for map amendments and special use permits shall not be a reason for breach of this Agreement by Owners. Owners acknowledge that they have been understand that if they wait to apply for zoning relief until after the Agreement is approved by the parties the zoning relief requested may no longer be available under the Village Code.
- 3.3 Except as expressly provided for in this Pre-Annexation Agreement, the Village agrees not to enact, adopt, or promulgate during the terms of this Pre-Annexation Agreement any rule, ordinance, or regulation which would prohibit or materially inhibit the zoning of the Property as contemplated by this Pre-Annexation Agreement.
- 3.4 the Village shall amend its Comprehensive Plan to designate the zoning of the property with the following zoning designation once all necessary public hearings on the zoning have been held and the Village Board has rezoned the property:
- Residential Single-Family (R1)
 - Residential Two-Family (R2)
 - Residential Multi-Family (R3)
 - Commercial District (CD)
 - Industrial District (ID)
 - Agricultural District (AD)
 - Mobile Home District (MH)
 - Other: Special Use as Private and public recreational facilities and commercial establishment and tourist establishments.
 -

Section 4. – Subdivision

- 4.1 Except as specifically stated elsewhere in this Agreement, Owners shall comply with all zoning and subdivision requirements of the Village, as amended, and as in effect at the time of any application for and issuance of a building permit. All buildings and accessory buildings to be constructed will be inspected by the Village Building Official and Village Building Inspectors.

Section 5. – Well

- 5.1 The Owners shall be allowed to continue to have such Property served by existing individual well, which well shall have been constructed and permitted in accordance with County of Winnebago standards and ordinances, as long as there is not a system failure. If there is a failure of the well, then where there is a public water supply main within 1,000 feet, as measured along a public right of way, or existing easement, of the property line of the property proposed to be served by a private well, no permit for such a well shall be issued, and the property shall connect to the public water supply. Furthermore, no permit shall be issued for a private well on any property which is already connected to and served by a public water system, except that non-residential properties may be permitted to install a well for non-potable purposes, provided it is approved by the appropriate water utility, and the system complies with all cross-connection controls and ordinances. If sufficient water supply and/or water main extension is not available through the Village at the time of system failure then the Owners shall be allowed to have a new well constructed and permitted in accordance with County of Winnebago standards and ordinances until such time that there be a failure of that new system, and then hook up requirements shall be as set forth above.

Section 6. – Septic

- 6.1 The Owners shall be allowed to continue having such property serviced by an individual septic system, provided the same was constructed and permitted per Winnebago County ordinances and Codes, and until such time as the failure of the septic system and a public sewer service main is within 200 feet of the premises property line and provided right-of-way is available. Upon failure of the septic system and location of the public sewer service main within 200 feet of the premises property line, the Owners shall give the Village a perpetual easement for installation and maintenance of a public sewer service main and temporary construction easement and connect to said public sewer service main within 30 days written notice from the Village.

Section 7. – Mutual Assistance

- 7.1 The Parties shall do all things necessary or appropriate to carry out the terms and provisions of this Pre-Annexation Agreement and to aid and assist each other in carrying out the terms and objectives of this Pre-Annexation Agreement and the intentions of the Parties as reflected by said terms, including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Village of such resolutions and ordinances, and the taking of such other actions as

may be necessary to enable the Parties' compliance with the terms and provisions of this Pre-Annexation Agreement, and as may be necessary to give effect to the terms and objectives of this Pre-Annexation Agreement and the intentions of the Parties as reflected by said terms.

Section 8. – Annexation, Recapture, Impact, and User Fees

- 8.1 The Village represents that, except as stated hereinbelow, no Pre-Annexation fees, annexation fees, impact fees, donation or contributions (in cash or in kind), shall be due and payable by the Owners to the Village as a result of the Pre-Annexation or future annexation of the Property to the Village. Additionally, no recapture fees are due and payable by Owners to any person or entity as a result of the Pre-Annexation of the Property to the Village or will be due by Owners as a result of annexation or as a result of connection to any utility improvements serving the Property. The above notwithstanding, nothing in this Pre-Annexation Agreement shall prohibit the Village from imposing impact fees or requiring donations or contributions (in case or in kind) in association with the same upon the then owner(s) of the Property in the future in the event that the current use is discontinued or the Property is ever re-zoned, re-zoned for a use other than Agricultural District, and/or developed as a subdivision or planned unit development. Also, nothing in this Pre-Annexation Agreement shall prohibit recapture fees being due and payable by a future owner(s) of the Property. Except as otherwise stated in this Agreement, the Property shall be subject to all present and future ordinances, laws, and regulations of the Village.
- 8.2 User fees charged by the Village, such as water, sewer, and garbage fees, and other user fees not otherwise addressed by this Pre-Annexation Agreement may be increased, provided such increases are generally applicable to the Village residents and are reasonably related to increased costs incurred by the Village in providing such services for which such fees are assessed.

Section 9. – Continuation of Current Uses

- 9.1 The Property is presently being used for: Private and public recreational facilities and commercial entertainment and tourist establishment as defined by Section 153.051(B) of the Code of Pecatonica.

In reviewing the Pre-Annexation Agreement, the Village has given due consideration to the continuation of such current uses, even if nonconforming. Accordingly, and notwithstanding any provisions of the Village's Zoning Ordinance, or any other code, ordinance, or regulation, now in effect or adopted during the term of this Pre-Annexation Agreement, the current above selected use of the Property shall be permitted to continue.

Section 10. – Special Assessments and Taxation

- 10.1 Without the prior written consent of Owners, the Village shall not establish any special assessment, special tax, or special service area resulting in

special service fee obligations in reference to the Property or any portion of the Property.

- 10.2 Notwithstanding the above, nothing in this section shall prevent the Village from levying or imposing additional taxes upon the Property in the manner provided by law which are applicable to and apply equally to all other properties within the Village.

Section 11. – Term

- 11.1 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 hereinafter be authorized by statute and by Village ordinance. If any of the terms of this Pre-Annexation Agreement, or the pre-annexation, annexation, or zoning of the 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) year period. The expiration of the term of this Pre-Annexation Agreement shall not affect the continuing validity of the zoning of the Property or any ordinance enacted or other obligations of the Village by the Village pursuant to this Pre-Annexation Agreement.

Section 12. – Remedies

- 12.1 Upon a breach of this Pre-Annexation Agreement, any of the Parties, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained, and/or may be awarded damages for failure of performance. No action taken by any party hereto pursuant to the provisions of this Section 12, or pursuant to the provisions of any other section of this Pre-Annexation Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Pre-Annexation Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any party at law or in equity.
- 12.2 In the event of a material breach of this Pre-Annexation Agreement, the Parties agree that the party alleged to be in breach shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching party's seeking of any remedy provided for herein (provided, however, that said thirty (30) day period shall be extended for not less than thirty (30) days, with the exact time frame determined by the non-defaulting party, if the defaulting party has initiated the cure of said default and is diligently proceeding to cure the same.
- 12.3 If any of the Parties shall fail to perform any of its obligations hereunder, and the party affected by such default shall have given written notice of such default to the defaulting party, and such defaulting party shall have failed to cure such default within thirty (30) days of such default notice (or within any extended time period allowed as provided in Paragraph 12.2

above), then, in addition to any and all other remedies that may be available, either in law or equity, the party affected by such default shall have the right (but not the obligation) to take such action as in its reasonable discretion and judgment shall be necessary to cure such default. In such event, the defaulting party hereby agrees to pay and reimburse the party affected by such default for all reasonable costs and expenses (including, but not limited to, attorney's fees and litigation expenses) incurred by it in connection with action taken to cure such default.

- 12.4 The failure of the Parties to insist upon the strict and prompt performance of the terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement, or condition, but rather the same shall continue in full force and effect.
- 12.5 If the performance of any covenant to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include acts of God, war, acts of civil disobedience, strikes, or similar acts) the time for such performance shall be extended by the amount of time of such delay.

Section 13. – Miscellaneous

- 13.1 Amendment. This Pre-Annexation Agreement, and the exhibits attached hereto, may be amended only by the mutual consent of the Parties, by adoption of an ordinance by the Village approving said amendment as provided by law, after any required public hearings(s) have been held, and by the execution of said amendment by the Parties or their successors in interest.
- 13.2 Severability. If any provision, covenant, agreement, or portion of this Pre-Annexation Agreement or its application to any person, entity, or property is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, or portions of this Pre-Annexation Agreement, and to that end, all provisions, covenants, agreements, and portions of this Pre-Annexation Agreement are declared to be severable. If for any reason the annexation of the Property is ruled invalid, in whole or in part, the Village, 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 spirit and intent of this Pre-Annexation Agreement and the objectives of the Parties, as disclosed by this Pre-Annexation Agreement.
- 13.3 Entire Agreement. This Pre-Annexation Agreement sets forth all agreements, understandings, and covenants between and among the Parties. This Pre-Annexation Agreement supersedes all prior agreements, negotiations, and understandings, written and oral, and is a full integration of the entire agreement of the Parties.

- 13.4 Survival. The provisions contained herein shall survive the annexation of the Property and shall not be merged or expunged by the annexation of the Property to the Village.
- 13.5 Successors and Assigns. This Pre-Annexation Agreement shall inure to the benefit of, and be binding upon, the successors, grantees, lessees, legal representatives, and assigns of the Owners, and upon successor Corporate Authorities of the Village and successor municipalities, and shall constitute a covenant running with the land. This Pre-Annexation Agreement may not be assigned without Village approval, and only upon assignment, acceptance by an assignee, and approval by the Village, the assignor shall have no further obligations hereunder. If a portion of the Property is sold, provided there is notice given to the Village and the Village consents, the seller shall be deemed to have assigned to the purchaser any and all rights and obligations it may have under this Agreement (excluding rights of recapture) which affect the portion of the Property sold or conveyed, and thereafter the seller shall have no further obligations under this Agreement as it relates to the portion of the Property conveyed.
- 13.6 Time of Essence. Time is of the essence of this Agreement and of each and every provision hereof.
- 13.7 No Partnership. The Village does not, in any way or for any purpose, become a partner, employer, principal, agent, or joint venture participant of or with Owners.
- 13.8 Village Approval. Whenever any approval or consent of the Village, or of any of its departments, officials, or employees is called for under this Pre-Annexation Agreement, the same shall not be unreasonably withheld or delayed.
- 13.9 Captions and Paragraph Headings. This Pre-Annexation Agreement shall be construed without reference to titles of articles, and/or paragraph headings, which are inserted only for convenience.
- 13.10 Contiguity. Owners shall, upon the request of the Village, take reasonable action to support efforts by the Village to achieve contiguity between the Property and the corporate limits of the Village so as to facilitate annexation of the Property, at no cost to the Owners.
- 13.11 Notices. Any notice required or permitted by the provisions of this Pre-Annexation Agreement shall be in writing and sent by Certified Mail, Return Receipt Requested, or personally delivered, to the Parties at the following addresses, or at such other addresses as the Parties may, by notice, designate, with notice, if given by Certified Mail, Return Receipt Requested, as aforesaid, or if personally delivered, deemed given upon receipt, except if the notice is sent by Certified Mail, Return Receipt Requested and returned to sender as refused, or undeliverable, such notice shall be deemed to have been given on the date of refusal.

If to the Village: Village of Pecatonica
405 Main Street
P.O. Box 730
Pecatonica, IL 61063

With a copy to: Attorney Douglas R. Henry
Barrick, Switzer, Long, Balsley & Van Evera
6833 Stalter Drive
Rockford, IL 61108

If to Owners: _____
(List name of Owners)

(List street address of Owners)

(List city, state, and zip code of Owners)

With a copy to: _____
(List name of Owners or Owners' Attorney)

(List street address of Owners/Owners' Attorney)

(List city, state, and zip code of Owners/Owners' Attorney)

IN WITNESS WHEREOF, the parties hereto have executed this Pre-Annexation Agreement on the date first above written and, by so executing, each of the Parties warrants that it possesses full right and authority to enter into this Pre-Annexation Agreement.

VILLAGE OF PECATONICA:

ATTEST:

By: _____
Its: Village President

Its: Village Clerk

OWNER:
By: Cristian Gonzalez
Cristian Gonzalez
(Print name of Owner/Co-Owner)

OWNER:
By: Apollonio Berumen
APOLLONIO BERUMEN
(Print name of Owner/Co-Owner)

EXHIBIT "A"
LEGAL DESCRIPTION OF SUBJECT PROPERTY

35
PM

09-33-351-001

(02/11/13) . 88287



* 2 0 1 3 1 0 0 6 5 6 1 2 *
20131006561 08

Filed for Record in
WINNEBAGO COUNTY, IL
NANCY MCPHERSON, RECORDER
02/11/2013 10:06:29AM

DEED 35.75

CORPORATION
WARRANTY DEED

140,000

THIS INDENTURE WITNESSETH, that the Grantor, B.D.R.E. ACQUISITION, INC. a/k/a B.D.R.E. ACQUISITIONS, INC., a corporation duly organized and existing under and by virtue of the laws of the State of Illinois and duly authorized to transact business in the State where the following described real estate is located, for and in consideration of One Dollar and other good and valuable considerations, the receipt of which is hereby acknowledged, and pursuant to authority given by the Board of Directors of said corporation, CONVEYS AND WARRANTS to KLB/RGB ENTERPRISES, LLC., a limited liability company duly organized and existing under and by virtue of the laws of the State of Illinois and whose address is 6679 West Illinois Route 72, Leaf River, Illinois, the following described real estate, to-wit:

Pl Sub 33-27-10

Beginning at the Southwest corner of the Northwest Quarter of the Southwest Quarter of Section 33, Township 27 North, Range 10 East of the Fourth Principal Meridian, Winnebago County, Illinois; running thence North 0°18'01" East (assumed bearing) on the West line of said Quarter Quarter Section, 3.01 feet; thence South 89°29'40" East, 683.50 feet to a point 6.96 feet North of the South line of said Quarter Quarter Section; thence South 0°05'20" East, 292.85 feet; thence North 89°27'03" West, 685.49 feet to the West line of the Southwest Quarter of said Section; thence North 0°18'01" East on said Quarter Section line 289.30 feet to the point of beginning., EXCEPT THAT PART THEREOF taken for highway purposed, situated in the County of Winnebago and State of Illinois.
PIN NO: 09-33-351-001

subject to taxes for the year 2012 and all subsequent years which Grantee assumes and agrees to pay, and to any and all existing rights of way for public highways, utilities and drainage and other easements, covenants, restrictions and reservations of record.

IN WITNESS WHEREOF, said Grantor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Secretary/ Treasurer, this 31st day of January, 2013.

B.D.R.E. ACQUISITION, INC.
a/k/a
B.D.R.E. ACQUISITIONS, INC.
An Illinois Corporation

TUA WW 111 730M

By 
Nathan Kloster, Secretary/Treasurer

STATE OF ILLINOIS)
) SS
COUNTY OF Lee)

The foregoing instrument was acknowledged before me this 31st day of January, 2013 by NATHAN KLOSTER, Secretary/Treasurer of B.D.R.E. ACQUISITION, INC., a/k/a B.D.R.E. ACQUISITIONS, INC. on behalf of the corporation.

Given under my hand and Notarial Seal this 31st day of January, 2013.



Lesley Hilgedick

Notary Public

Drafted by and Return to: Trent L. Bush
WARD, MURRAY, PACE & JOHNSON, P.C.
202 E. 5th Street, P.O. Box 400
Sterling, IL 61081-0400

Tax Billing Address: KLB/RGB Enterprises, Inc. *uc*
6679 W. Illinois Route 72
Leaf River, IL 61047

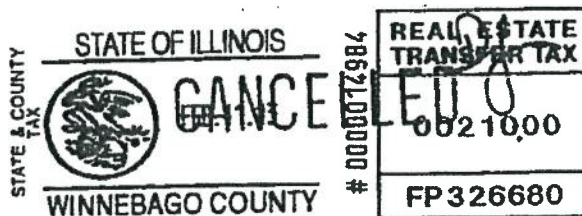


EXHIBIT "B"
PHOTOGRAPH/MAP OF SUBJECT PROPERTY

Exhibit "B"
(Consisting of 10 pages)



S PECATONICA RD

| Pin | Alt.Pin | Property Size |
|------------|---------|--------------------------------|
| 0933351001 | 465C525 | Sq. Feet: 189768 Acres: 4.36 |

Legal Description

BEGN AT SW COR NW1/4 SW1/4 TH N 3.01 FT TH ELY 683.50 FT TO A POINT 6.96 FT N OF S LINE NW1/4 SW1/4 TH S 292.85 FT W 685.49 FT TO W LINE SW1/4 TH N 289.30 FT TO P O B PT SW1/4 SEC SEC: 33 TWP: 027 RANGE: 010 ACRES: 4.60

Property Use

Ind Land + Improve (0081)

Zoning District: CG - Commercial General (CG)

SCHOOLDIST : Pecatonica Unit School Dist #321

GRADESCHOOL :

ORDINANCE NO. 2022-27

EXHIBIT "B"

**ORDINANCE APPROVING ANNEXATION AGREEMENT FOR
2719 PECATONICA ROAD**

VILLAGE OF PECATONICA
PRE-ANNEXATION AGREEMENT

This Pre-Annexation Agreement, made and effective on the latest date of signature below written, by and between CRISTIAN ALEXIS GONZALEZ and APOLONIO C. BERUMEN ("Owners"), and the VILLAGE OF PECATONICA, an Illinois municipal corporation ("Village").

RECITALS

- A. The Owners hold the entire fee simple title to the property legally described in Exhibit "A" attached hereto, hereinafter called "Property", commonly known as "2719 PECATONICA ROAD, PECATONICA, ILLINOIS 61063",
(list full address and check applicable box or boxes)

- Consisting of vacant land (_____ acres)
 Improved with a single family residence
 Improved with a commercial business known as _____
 Other: _____
(list type of property)

located in Winnebago County, Illinois, and bearing Property Identification Number (P.I.N.) 09-33-351-001. The photograph/map for the subject property which depicts the territory that is the subject of this Pre-Annexation Agreement that will eventually be annexed to the Village, as legally described herein, is attached hereto as Exhibit "B", and incorporated herein by reference.

- B. The Property is not presently within the limits of any municipality and is presently not contiguous to the present boundaries of the Village.
- C. Section 5/11-15.1-1 of the Illinois Municipal Code authorizes municipalities to enter into annexation agreements providing for the annexation of certain property upon the property becoming contiguous to the municipality and further states that lack of contiguity to the municipality of the property that is the subject of the annexation agreement does not affect the validity of the agreement.
- D. Although not specifically designated as such by statute, such annexation agreement entered into whereby the property to be annexed is not currently contiguous to the corporate limits of the annexing municipality, or any other municipality, but which provides for the annexation of certain property upon the property because contiguous to the annexing municipality, is often referred to as Pre-Annexation agreement, and such terminology shall be used herein.
- E. Section 5/11-15.1-2.1 of the Illinois Municipal Code states that property that is the subject of an annexation agreement adopted under Division 15.1 is subject to the ordinances, control, and jurisdiction of the annexing municipality in all respects, the same as property that lies within the annexing municipality's corporate limits.
- F. Owners seek to enter into a Pre-Annexation Agreement with the Village, to have the property annexed to the Village once the property becomes contiguous to the corporate limits of the Village, and to continue Owners' use of the property as:

Private and public recreational facilities and commercial entertainment and tourist establishments as defined by Section 153.051(B) of the Code of Pecatonica.

- G. On _____, 202_, after duly published notice, as required by statute and ordinance, the Planning and Zoning Commission of the Village conducted public hearings on the Zoning Code amendment and the zoning classification to be assigned to the Property as provided in Section 3 of this Agreement. Upon adjournment of the public hearings, the Planning and Zoning Commission of the Village made recommendations regarding such items to the Village Board in the manner provided by law.
- H. Pursuant to the applicable provisions of the Illinois Municipal Code, a proposed Pre-Annexation Agreement, similar in substance and form to this Agreement was submitted to the President and Village Board of Trustees (hereafter collectively referred to as the "Corporate Authorities"), and on July 14, 2022, after duly published notice, pursuant to statute, the Village Board conducted a public hearing on this Pre-Annexation Agreement.
- I. Due and proper notice of the proposed Pre-Annexation has been given to the Trustees of the ~~Pecatonica Fire Protection District, the Pecatonica Public Library District~~, Pecatonica Township and the Pecatonica Township Road Commissioner of Highways, more than ten (10) days prior to any action being taken on the Pre-Annexation of the Property.
- J. The Corporate Authorities have duly considered all necessary petitions to enter into this Agreement, have considered the recommendations of the Village Planning and Zoning Commission in connection with the proposed zoning of the Property and have further duly considered the terms and provisions of this Agreement and have, by an ordinance duly adopted by a vote of two-thirds (2/3) of the Corporate Authorities then holding office, authorized the President to execute, and the Village Clerk to attest, this Pre-Annexation Agreement on behalf of the Village.
- K. The Village authorities have determined that the Pre-Annexation and the eventual annexation of the Property described in Exhibit "A" pursuant to the terms and conditions of this Pre-Annexation Agreement would further the growth of the Village, enable the Village to cultivate the development of the area, increase the taxable value of the property within the Village, expand the corporate limits and production of the Village, and otherwise enhance and promote the health, safety, and general welfare of the residents of the Village.
- L. Performance by both the Owners and the Village of their respective obligations under this Pre-Annexation Agreement is important not only to the health, safety, and welfare of the general public, but also to the enjoyment and use of publicly and privately held property located in the vicinity of the Property.
- M. The Owners shall execute and file a Petition for Annexation to the Village in the form attached as Exhibit "D" within thirty (30) days of when the Property becomes contiguous to the Village. The Owners also agree that the filing of a petition to

annex upon the Property becoming contiguous is an obligation that runs with the land, and Owners shall include as a condition on any future land sold that any owner of the property who acquires an interest in the Property, subsequent to the execution of this Pre-Annexation Agreement, agrees to execute a Petition for Annexation immediately upon the property becoming contiguous, and should any current owner, at the time the Property becomes contiguous, fail to execute said petition, such owner or owners agree(s) to automatically appoint the Village President, as Attorney in Fact, with authority to sign the petition on behalf of any such owner or owners with an interest at the time the Property becomes contiguous. Said petition shall then be submitted to the Village Board and accepted as provided by law, subject to all of the terms and conditions contained in this Pre-Annexation Agreement.

NOW, THEREFORE, IN CONSIDERATION OF the promises of each of the parties to the other and the covenants contained herein, it is hereby agreed as follows:

Section 1. – Recitals

- 1.1 The Parties acknowledge that the statements and representations contained in the foregoing recitals are true and accurate and incorporate such recitals into this Pre-Annexation Agreement as if fully set forth in this Section 1.

Section 2. – Annexation

- 2.1 ~~Accompanying this Pre-Annexation Agreement, and attached hereto as Exhibit "C" is a copy of the Petition to Enter Pre-Annexation Agreement with the Village (with attached exhibits) in the form required by law, the original of which has been duly executed by all Owners of the property and 51% of the electors residing thereon, if there are any so residing.~~
- 2.2 Accompanying this Pre-Annexation Agreement and attached hereto as Exhibit "C" is a copy of the Petition for Annexation to the Village (without attached exhibits) in the form required by law, the original of which shall be duly executed by the Owners of the Property, and 51% of electors residing thereon, if any be, and properly filed with the Village within thirty (30) days of when the Property becomes contiguous to the Village.
- 2.3 The Property shall be duly annexed to the Village by ordinance in conformity with and pursuant to 65 ILCS 5/7-1-1 and 7-1-8, subject to the terms and conditions of this Pre-Annexation Agreement, and the Village shall follow the terms of this Pre-Annexation Agreement in conformity with 65 ILCS 5/11-15.1-1 et seq. when the Property becomes contiguous to the Village.
- 2.4 Upon the execution of this Pre-Annexation Agreement by all Parties, the Corporate Authorities shall proceed, subject to the terms and conditions set forth in this Pre-Annexation Agreement, to annex the Property to the Village and do all things necessary or appropriate to cause the Property to be validly annexed to the Village once it becomes contiguous. All ordinances, plats, affidavits, and other documents necessary to accomplish annexation shall be recorded by the Village at Owners expense. Without Owners written consent, no action can be taken by the

Corporate Authorities to annex the Property to the Village unless: (a) this Pre-Annexation Agreement has been fully executed by all Parties; and (b) the Property is annexed to the Village once it becomes contiguous, in its entirety, at one time.

Section 3. – Zoning

- 3.1 Following the acceptance of this Pre-Annexation Agreement by ordinance, and before the Property is annexed into the Village, the Village shall pass the required ordinance providing for a zoning map amendment and special use permit of the Property from its current zoning designation of "Commercial General" , in unincorporated Winnebago County, to the Village of Pecatonica zoning designation of Agricultural District with "Special Use for "private and public recreational facilities and commercial entertainment and tourist establishments", subject to the provisions of Section 3.2 hereinbelow.
- 3.2 Any public hearing required by law to be held before the adoption of any such zoning ordinance amendment as provided for in Paragraph 3.1 above shall be held following the execution of this Pre-Annexation Agreement by the Village, but before the Property becomes contiguous to the Village, and such ordinance amendment shall be enacted according to law only after the Owners fully comply with all pre-application notice requirements to surrounding property owners, and determining after the public hearing on the zoning ordinance amendment that such zoning is the appropriate zoning for the Property. Failure of the Owners to fully comply with all pre-application notice requirements for map amendments and special use permits shall not be a reason for breach of this Agreement by Owners. Owners acknowledge that they have been understand that if they wait to apply for zoning relief until after the Agreement is approved by the parties the zoning relief requested may no longer be available under the Village Code.
- 3.3 Except as expressly provided for in this Pre-Annexation Agreement, the Village agrees not to enact, adopt, or promulgate during the terms of this Pre-Annexation Agreement any rule, ordinance, or regulation which would prohibit or materially inhibit the zoning of the Property as contemplated by this Pre-Annexation Agreement.
- 3.4 the Village shall amend its Comprehensive Plan to designate the zoning of the property with the following zoning designation once all necessary public hearings on the zoning have been held and the Village Board has rezoned the property:
- Residential Single-Family (R1)
 - Residential Two-Family (R2)
 - Residential Multi-Family (R3)
 - Commercial District (CD)
 - Industrial District (ID)
 - Agricultural District (AD)
 - Mobile Home District (MH)
 - Other: Special Use as Private and public recreational facilities and commercial establishment and tourist establishments.

Section 4. – Subdivision

- 4.1 Except as specifically stated elsewhere in this Agreement, Owners shall comply with all zoning and subdivision requirements of the Village, as amended, and as in effect at the time of any application for and issuance of a building permit. All buildings and accessory buildings to be constructed will be inspected by the Village Building Official and Village Building Inspectors.

Section 5. – Well

- 5.1 The Owners shall be allowed to continue to have such Property served by existing individual well, which well shall have been constructed and permitted in accordance with County of Winnebago standards and ordinances, as long as there is not a system failure. If there is a failure of the well, then where there is a public water supply main within 1,000 feet, as measured along a public right of way, or existing easement, of the property line of the property proposed to be served by a private well, no permit for such a well shall be issued, and the property shall connect to the public water supply. Furthermore, no permit shall be issued for a private well on any property which is already connected to and served by a public water system, except that non-residential properties may be permitted to install a well for non-potable purposes, provided it is approved by the appropriate water utility, and the system complies with all cross-connection controls and ordinances. If sufficient water supply and/or water main extension is not available through the Village at the time of system failure then the Owners shall be allowed to have a new well constructed and permitted in accordance with County of Winnebago standards and ordinances until such time that there be a failure of that new system, and then hook up requirements shall be as set forth above.

Section 6. – Septic

- 6.1 The Owners shall be allowed to continue having such property serviced by an individual septic system, provided the same was constructed and permitted per Winnebago County ordinances and Codes, and until such time as the failure of the septic system and a public sewer service main is within 200 feet of the premises property line and provided right-of-way is available. Upon failure of the septic system and location of the public sewer service main within 200 feet of the premises property line, the Owners shall give the Village a perpetual easement for installation and maintenance of a public sewer service main and temporary construction easement and connect to said public sewer service main within 30 days written notice from the Village.

Section 7. – Mutual Assistance

- 7.1 The Parties shall do all things necessary or appropriate to carry out the terms and provisions of this Pre-Annexation Agreement and to aid and assist each other in carrying out the terms and objectives of this Pre-Annexation Agreement and the intentions of the Parties as reflected by said terms, including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Village of such resolutions and ordinances, and the taking of such other actions as

may be necessary to enable the Parties' compliance with the terms and provisions of this Pre-Annexation Agreement, and as may be necessary to give effect to the terms and objectives of this Pre-Annexation Agreement and the intentions of the Parties as reflected by said terms.

Section 8. – Annexation, Recapture, Impact, and User Fees

- 8.1 The Village represents that, except as stated hereinbelow, no Pre-Annexation fees, annexation fees, impact fees, donation or contributions (in cash or in kind), shall be due and payable by the Owners to the Village as a result of the Pre-Annexation or future annexation of the Property to the Village. Additionally, no recapture fees are due and payable by Owners to any person or entity as a result of the Pre-Annexation of the Property to the Village or will be due by Owners as a result of annexation or as a result of connection to any utility improvements serving the Property. The above notwithstanding, nothing in this Pre-Annexation Agreement shall prohibit the Village from imposing impact fees or requiring donations or contributions (in case or in kind) in association with the same upon the then owner(s) of the Property in the future in the event that the current use is discontinued or the Property is ever re-zoned, re-zoned for a use other than Agricultural District, and/or developed as a subdivision or planned unit development. Also, nothing in this Pre-Annexation Agreement shall prohibit recapture fees being due and payable by a future owner(s) of the Property. Except as otherwise stated in this Agreement, the Property shall be subject to all present and future ordinances, laws, and regulations of the Village.
- 8.2 User fees charged by the Village, such as water, sewer, and garbage fees, and other user fees not otherwise addressed by this Pre-Annexation Agreement may be increased, provided such increases are generally applicable to the Village residents and are reasonably related to increased costs incurred by the Village in providing such services for which such fees are assessed.

Section 9. – Continuation of Current Uses

- 9.1 The Property is presently being used for: Private and public recreational facilities and commercial entertainment and tourist establishment as defined by Section 153.051(B) of the Code of Pecatonica.

In reviewing the Pre-Annexation Agreement, the Village has given due consideration to the continuation of such current uses, even if nonconforming. Accordingly, and notwithstanding any provisions of the Village's Zoning Ordinance, or any other code, ordinance, or regulation, now in effect or adopted during the term of this Pre-Annexation Agreement, the current above selected use of the Property shall be permitted to continue.

Section 10. – Special Assessments and Taxation

- 10.1 Without the prior written consent of Owners, the Village shall not establish any special assessment, special tax, or special service area resulting in

special service fee obligations in reference to the Property or any portion of the Property.

- 10.2 Notwithstanding the above, nothing in this section shall prevent the Village from levying or imposing additional taxes upon the Property in the manner provided by law which are applicable to and apply equally to all other properties within the Village.

Section 11. – Term

- 11.1 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 hereinafter be authorized by statute and by Village ordinance. If any of the terms of this Pre-Annexation Agreement, or the pre-annexation, annexation, or zoning of the 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) year period. The expiration of the term of this Pre-Annexation Agreement shall not affect the continuing validity of the zoning of the Property or any ordinance enacted or other obligations of the Village by the Village pursuant to this Pre-Annexation Agreement.

Section 12. – Remedies

- 12.1 Upon a breach of this Pre-Annexation Agreement, any of the Parties, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained, and/or may be awarded damages for failure of performance. No action taken by any party hereto pursuant to the provisions of this Section 12, or pursuant to the provisions of any other section of this Pre-Annexation Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Pre-Annexation Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any party at law or in equity.
- 12.2 In the event of a material breach of this Pre-Annexation Agreement, the Parties agree that the party alleged to be in breach shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching party's seeking of any remedy provided for herein (provided, however, that said thirty (30) day period shall be extended for not less than thirty (30) days, with the exact time frame determined by the non-defaulting party, if the defaulting party has initiated the cure of said default and is diligently proceeding to cure the same.
- 12.3 If any of the Parties shall fail to perform any of its obligations hereunder, and the party affected by such default shall have given written notice of such default to the defaulting party, and such defaulting party shall have failed to cure such default within thirty (30) days of such default notice (or within any extended time period allowed as provided in Paragraph 12.2

above), then, in addition to any and all other remedies that may be available, either in law or equity, the party affected by such default shall have the right (but not the obligation) to take such action as in its reasonable discretion and judgment shall be necessary to cure such default. In such event, the defaulting party hereby agrees to pay and reimburse the party affected by such default for all reasonable costs and expenses (including, but not limited to, attorney's fees and litigation expenses) incurred by it in connection with action taken to cure such default.

- 12.4 The failure of the Parties to insist upon the strict and prompt performance of the terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement, or condition, but rather the same shall continue in full force and effect.
- 12.5 If the performance of any covenant to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include acts of God, war, acts of civil disobedience, strikes, or similar acts) the time for such performance shall be extended by the amount of time of such delay.

Section 13. – Miscellaneous

- 13.1 **Amendment.** This Pre-Annexation Agreement, and the exhibits attached hereto, may be amended only by the mutual consent of the Parties, by adoption of an ordinance by the Village approving said amendment as provided by law, after any required public hearings(s) have been held, and by the execution of said amendment by the Parties or their successors in interest.
- 13.2 **Severability.** If any provision, covenant, agreement, or portion of this Pre-Annexation Agreement or its application to any person, entity, or property is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, or portions of this Pre-Annexation Agreement, and to that end, all provisions, covenants, agreements, and portions of this Pre-Annexation Agreement are declared to be severable. If for any reason the annexation of the Property is ruled invalid, in whole or in part, the Village, 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 spirit and intent of this Pre-Annexation Agreement and the objectives of the Parties, as disclosed by this Pre-Annexation Agreement.
- 13.3 **Entire Agreement.** This Pre-Annexation Agreement sets forth all agreements, understandings, and covenants between and among the Parties. This Pre-Annexation Agreement supersedes all prior agreements, negotiations, and understandings, written and oral, and is a full integration of the entire agreement of the Parties.

- 13.4 Survival. The provisions contained herein shall survive the annexation of the Property and shall not be merged or expunged by the annexation of the Property to the Village.
- 13.5 Successors and Assigns. This Pre-Annexation Agreement shall inure to the benefit of, and be binding upon, the successors, grantees, lessees, legal representatives, and assigns of the Owners, and upon successor Corporate Authorities of the Village and successor municipalities, and shall constitute a covenant running with the land. This Pre-Annexation Agreement may not be assigned without Village approval, and only upon assignment, acceptance by an assignee, and approval by the Village, the assignor shall have no further obligations hereunder. If a portion of the Property is sold, provided there is notice given to the Village and the Village consents, the seller shall be deemed to have assigned to the purchaser any and all rights and obligations it may have under this Agreement (excluding rights of recapture) which affect the portion of the Property sold or conveyed, and thereafter the seller shall have no further obligations under this Agreement as it relates to the portion of the Property conveyed.
- 13.6 Time of Essence. Time is of the essence of this Agreement and of each and every provision hereof.
- 13.7 No Partnership. The Village does not, in any way or for any purpose, become a partner, employer, principal, agent, or joint venture participant of or with Owners.
- 13.8 Village Approval. Whenever any approval or consent of the Village, or of any of its departments, officials, or employees is called for under this Pre-Annexation Agreement, the same shall not be unreasonably withheld or delayed.
- 13.9 Captions and Paragraph Headings. This Pre-Annexation Agreement shall be construed without reference to titles of articles, and/or paragraph headings, which are inserted only for convenience.
- 13.10 Contiguity. Owners shall, upon the request of the Village, take reasonable action to support efforts by the Village to achieve contiguity between the Property and the corporate limits of the Village so as to facilitate annexation of the Property, at no cost to the Owners.
- 13.11 Notices. Any notice required or permitted by the provisions of this Pre-Annexation Agreement shall be in writing and sent by Certified Mail, Return Receipt Requested, or personally delivered, to the Parties at the following addresses, or at such other addresses as the Parties may, by notice, designate, with notice, if given by Certified Mail, Return Receipt Requested, as aforesaid, or if personally delivered, deemed given upon receipt, except if the notice is sent by Certified Mail, Return Receipt Requested and returned to sender as refused, or undeliverable, such notice shall be deemed to have been given on the date of refusal:

If to the Village: Village of Pecatonica
405 Main Street
P.O. Box 730
Pecatonica, IL 61063

With a copy to: Attorney Douglas R. Henry
Barrick, Switzer, Long, Balsley & Van Evera
6833 Stalter Drive
Rockford, IL 61108

If to Owners: _____
(List name of Owners)

(List street address of Owners)

(List city, state, and zip code of Owners)

With a copy to: _____
(List name of Owners or Owners' Attorney)

(List street address of Owners/Owners' Attorney)

(List city, state, and zip code of Owners/Owners' Attorney)

IN WITNESS WHEREOF, the parties hereto have executed this Pre-Annexation Agreement on the date first above written and, by so executing, each of the Parties warrants that it possesses full right and authority to enter into this Pre-Annexation Agreement.

VILLAGE OF PECATONICA:

ATTEST:

By: _____
Its: Village President

Its: Village Clerk

OWNER:

OWNER:

By: _____

By: _____

(Print name of Owner/Co-Owner)

(Print name of Owner/Co-Owner)

OWNER: KLB/RGB Enterprises, LLC

By: Karen L Borneman

KAREN L. BORNEMAN
(Print name of Member/Manager)

OWNER: KLB/RGB Enterprises, LLC

By: Robert G Borneman

ROBERT G. BORNEMAN
(Print name of Member/Manager)

EXHIBIT "A"
LEGAL DESCRIPTION OF SUBJECT PROPERTY

51
35 AM

09-33-351-001

(02/11/13) . 55267



* 2 0 1 3 1 0 0 6 5 6 1 2 *
20131006561 08

Filed for Record in
WINNEBAGO COUNTY, IL
NANCY MCPHERSON, RECORDER
02/11/2013 10:06:29AM

DEED 35.75

CORPORATION
WARRANTY DEED

140,000

THIS INDENTURE WITNESSETH, that the Grantor, B.D.R.E. ACQUISITION, INC. a/k/a B.D.R.E. ACQUISITIONS, INC., a corporation duly organized and existing under and by virtue of the laws of the State of Illinois and duly authorized to transact business in the State where the following described real estate is located, for and in consideration of One Dollar and other good and valuable considerations, the receipt of which is hereby acknowledged, and pursuant to authority given by the Board of Directors of said corporation, CONVEYS AND WARRANTS to KLB/RGB ENTERPRISES, LLC., a limited liability company duly organized and existing under and by virtue of the laws of the State of Illinois and whose address is 6679 West Illinois Route 72, Leaf River, Illinois, the following described real estate, to-wit:

Pl 50/4 33-27-10

Beginning at the Southwest corner of the Northwest Quarter of the Southwest Quarter of Section 33, Township 27 North, Range 10 East of the Fourth Principal Meridian, Winnebago County, Illinois; running thence North 0°18'01" East (assumed bearing) on the West line of said Quarter Quarter Section, 3.01 feet; thence South 89°29'40" East, 683.50 feet to a point 6.96 feet North of the South line of said Quarter Quarter Section; thence South 0°05'20" East, 292.85 feet; thence North 89°27'03" West, 685.49 feet to the West line of the Southwest Quarter of said Section; thence North 0°18'01" East on said Quarter Section line 289.30 feet to the point of beginning, EXCEPT THAT PART THEREOF taken for highway purposed, situated in the County of Winnebago and State of Illinois.
PIN NO: 09-33-351-001

subject to taxes for the year 2012 and all subsequent years which Grantee assumes and agrees to pay, and to any and all existing rights of way for public highways, utilities and drainage and other easements, covenants, restrictions and reservations of record.

IN WITNESS WHEREOF, said Grantor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Secretary/ Treasurer, this 31st day of January, 2013.

B.D.R.E. ACQUISITION, INC.
a/k/a
B.D.R.E. ACQUISITIONS, INC.
An Illinois Corporation

TUA WW 111730M

By

Nathan Kloster, Secretary/Treasurer

STATE OF ILLINOIS)
) SS
COUNTY OF Lee)

The foregoing instrument was acknowledged before me this 31st day of January, 2013 by NATHAN KLOSTER, Secretary/Treasurer of B.D.R.E. ACQUISITION, INC., a/k/a B.D.R.E. ACQUISITIONS, INC. on behalf of the corporation.

Given under my hand and Notarial Seal this 31st day of January, 2013.



Lesley Hilgedick

Notary Public

Drafted by and Return to: Trent L. Bush
WARD, MURRAY, PACE & JOHNSON, P.C.
202 E. 5th Street, P.O. Box 400
Sterling, IL 61081-0400

Tax Billing Address: KLB/RGB Enterprises, Inc. *LLC*
6679 W. Illinois Route 72
Leaf River, IL 61047

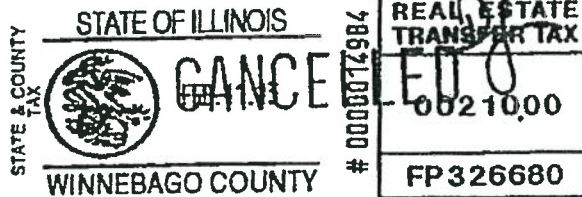


EXHIBIT "B"
PHOTOGRAPH/MAP OF SUBJECT PROPERTY



S PECATONICA RD

| Pin | Alt.Pin | Property Size |
|------------|---------|--------------------------------|
| 0933351001 | 465C525 | Sq. Feet: 189768 Acres: 4.36 |

Legal Description

BEGN AT SW COR NW1/4 SW1/4 TH N 3.01 FT TH ELY 683.50 FT TO A POINT 6.96 FT N OF S LINE NW1/4 SW1/4 TH S 292.85 FT W 685.49 FT TO W LINE SW1/4 TH N 289.30 FT TO P O B PT SW1/4 SEC SEC: 33 TWP: 027 RANGE: 010 ACRES: 4.60

Property Use

Ind Land + Improve (0081)

Zoning District: CG - Commercial General (CG)

Flood Zone Type

In/Out