



# MOLINE CITY COUNCIL AGENDA

Tuesday, September 20, 2016

6:30 p.m.

(Immediately following the Committee-of-the-Whole meeting)

City Hall

Council Chambers – 2<sup>nd</sup> Floor

619 16th Street

Moline, IL

Call to Order

Pledge of Allegiance

Invocation – Alderman Schoonmaker

Roll Call

Consent Agenda

All items under the consent agenda will be enacted by one motion. There will be no separate discussions of these items unless a Council Member so requests, in which case, the item will be moved from the Consent Agenda and considered as the first item after the Omnibus Vote.

COUNCIL MEMBER	PRESENT	ABSENT
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Schoonmaker		
Waldron		
Acri		
Mayor Raes		

Approval of Minutes & Appointments Made

Committee of the Whole and Council meeting minutes of September 13, 2016, August Financial Report and appointments made during Committee of the Whole on September 20, 2016.

Second Reading Ordinances

**1. Council Bill/Special Ordinance 4049-2016**

**A Special Ordinance closing certain streets more particularly described herein to vehicular traffic; and authorizing the use of public right-of-way in conjunction with Moline High School Homecoming Parade scheduled for Friday, September 23, 2016.**

**Explanation:** This is an annual event and has been reviewed and approved by the Special Event Committee.

**Public Notice/Recording:** N/A

**Fiscal Impact:** N/A

Resolutions

**2. Council Bill/Resolution 1129-2016**

**A Resolution authorizing the Mayor and City Clerk to execute a Contract with Walter D. Laud, Inc. for Project #1255, 2016 Sanitary Sewer Replacement Project.**

**Explanation:** Bids were opened and publicly read on August 30, 2016, for Project #1255 with the following results:

\$289,397.00	Walter D Laud
\$355,808.00	Needhan Excavating
\$364,935.00	Langman Construction
\$396,027.00	Valley Construction
\$410,084.00	Miller Trucking and Excavating

Walter D. Laud Inc. submitted the lowest responsible and responsive bid. Additional documentation attached.

**Fiscal Impact:** \$400,000 is budgeted in #320-1840-433.08-30, WPC, Sanitary Sewer Contracts

**Public Notice/Recording:** N/A

**3. Council Bill/Resolution 1130-2016**

**A Resolution authorizing the Department of Planning and Development to apply to the Illinois Housing Development Authority for a two-year grant for a Home Accessibility Program in the amount of \$321,000 for the City of Moline; and authorizing the Mayor and City staff to do any and all things necessary to prepare and submit said grant application; and authorizing the Planning and Development Department, upon award of said grant, to begin to manage and operate said program.**

**Explanation:** As demonstrated by a waiting list of 100 individuals who are seeking assistance with rehabilitation assistance in the City of Moline, there is a continued need for additional resources to assist low income individuals or families in Moline and the surrounding communities. The Home Accessibility Program grant will assist senior citizens and persons with disabilities by funding repairs that will allow homeowners or tenants to remain in their homes in an effort to prevent premature or unnecessary institutionalization by providing up to \$15,000 for repairs. Additional documentation attached.

**Fiscal Impact:** + \$321,000, if awarded

**Public Notice/Recording:** N/A

**4. Council Bill/Resolution 1131-2016**

**A Resolution declaring the following Article 36 seized and forfeited vehicles as surplus property: 2002 GMC Yukon, VIN# 1GKEC13V42R200456, 2003 Buick LeSabre, VIN# 1G4HP54KX34101434 and 2011 Chevrolet Impala LS, VIN# 2G1WF5EK1B1195641.**

**Explanation:** Illinois State statute provides that law enforcement agencies may seize vehicles used during the attempt or commission of specific crimes and subsequently initiate forfeiture proceedings on those vehicles. The above vehicles have been forfeited to the police department, and City staff is requesting that they be declared as surplus property and disposed of by the Chief of Police/Public Safety Director through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation, or otherwise.

**Fiscal Impact:** Proceeds after costs are for use by the seizing law enforcement agency.

**Public Notice/Recording:** N/A

**Omnibus Vote**

**Non - Consent Agenda**

**Second Reading Ordinances**

**5. Council Bill/General Ordinance 3024-2016**

**An Ordinance authorizing the issuance of General Obligation Refunding Bonds, Series 2016, of the City of Moline, Illinois.**

**Explanation:** Due to favorable interest rates in the current market and upcoming call dates on the 2007A General Obligation Corporate Purpose Bonds it has been determined to be in the best interest of the City of Moline to borrow funds to refinance this bond issue. The 2007A bonds were issued to advance refund the 2004A bonds which were used to construct the new Police facility, Library facility and Aquatic center.

**Fiscal Impact:** At current market interest rates, estimated gross savings are \$1,614,819

**Public Notice/Recording:** Finance Department to file with County Clerk.

**6. Council Bill/Special Ordinance 4050-2016**

**A Special Ordinance granting a variance to Section 28-3200(a) of the Moline Code of Ordinances to delay installation of sidewalks for property located at 4724 28<sup>th</sup> Avenue.**

**Explanation:** Jasmine Lee, the owner of the property addressed as 4724 28<sup>th</sup> Avenue (parcel # 07-242-1) is constructing a new single-family home and

OMNIBUS VOTE		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

3024-2016		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

4050-2016		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

has requested a variance from installing sidewalks. The lot fronts on a sealcoat road without curbs. Currently, the neighboring residences along this block do not have existing sidewalks creating a lack of connectivity. At least three other sidewalk variances have been granted along this street. Prior Councils have determined that any sidewalk segments would be removed if 28<sup>th</sup> Avenue is rebuilt in the future. Drainage issues due to a lack of ditches have also been identified as hardships. Additional documentation attached.

**Fiscal Impact:** N/A

**Public Notice/Recording:** N/A

1132-2016		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**Resolutions**

**7. Council Bill/Resolution 1132-2016**

**A Resolution authorizing the Mayor and City Clerk to approve of a request for a street light on 9<sup>th</sup> Street A, between 33rd<sup>rd</sup> Avenue and 34<sup>th</sup> Avenue.**

**Explanation:** Staff received a request for an additional street light on 9th Street A, between 33rd Avenue and 34<sup>th</sup> Avenue. An investigation revealed that installing a light in said location is justified under the Residential Street Light Policy.

**Fiscal Impact:** Annual cost of a street light is approximately \$93.00. \$475,000.00 is budgeted for street lights in account #010-0843-435.04-16, Traffic Signal Maintenance, Utility Service.

**Public Notice/Recording:** N/A

1133-2016		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**8. Council Bill/Resolution 1133-2016**

**A Resolution authorizing the Mayor and City Clerk to approve a Local Agency Agreement for Federal Participation for Motor Fuel Tax Section 15-00264-00-BR, Sylvan Slough Pedestrian Bridge.**

**Explanation:** The City of Moline will receive Federal transportation funds through the Illinois Department of Transportation in an amount not to exceed \$1,137,600 to replace the existing pedestrian bridge over the Sylvan Slough. The Federal funds require a 20% local match. The 2017 Capital Improvement Program will include \$284,400 in Motor Fuel Tax (MFT) funds to provide the local match. Approving this Agreement provides acknowledgement to IDOT that the City has sufficient funds available to fund the local match, all participating construction costs above the maximum federal contribution, and all non-participating construction costs.

**Fiscal Impact:** MFT funds are available for this project.

**Public Notice/Recording:** N/A

1134-2016		
Council Member	Aye	Nay
Schoonmaker		
Waldron		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**9. Council Bill/Resolution 1134-2016**

**A Resolution authorizing the approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for Motor Fuel Tax (MFT) Section 15-00264-00-BR, Sylvan Island Pedestrian Bridge.**

**Explanation:** A Resolution for Improvement is necessary to use Motor Fuel Tax funds to pay for the City's 20% share of the bridge replacement project. The maximum Federal participation is \$1,137,600 with a corresponding \$284,400 City share.

**Fiscal Impact:** Funds are available and will be budgeted in the 2017 CIP

**Public Notice/Recording:** N/A

## **First Reading Ordinances**

### **10. Council Bill/General Ordinance 3025-2016**

**An Ordinance amending Chapter 20 “MOTOR VEHICLES AND TRAFFIC,” of the Moline Code of Ordinances, Appendix 18 thereof, “TWO-HOUR PARKING RESTRICTIONS IN NONMETERED ZONES,” by including the streets identified in Section 1.**

**Explanation:** In 2010, Parking Committee was formed in order to examine downtown parking issues and recommends that all on-street parking have a uniform 2-hour parking limit to avoid confusion. It has been determined that this particular block was not updated during that review period.

**Public Notice/Recording:** N/A

**Fiscal Impact:** N/A

### **11. Council Bill/Special Ordinance 4052-2016**

**A Special Ordinance closing certain streets more particularly described herein to vehicular traffic; and authorizing the use of public right-of-way in conjunction with Moline Dad’s Club Halloween Parade scheduled for Sunday, October 23, 2016.**

**Explanation:** This is an annual event and has been reviewed and approved by the Special Event Committee.

**Public Notice/Recording:** N/A

**Fiscal Impact:** N/A

### **12. Council Bill/Special Ordinance 4053-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute a Third Amendment to the KONE Development Agreement, a Loan Extension Agreement between Financial District Properties HQO, L.L.C. and the City of Moline, a Purchase Agreement with Fifth Avenue Block LLC, an Assignment to HOA Hotels LLC of the Purchase Agreement between the City and Fifth Avenue Block LLC, and a Development Agreement between the City and HOA Hotels LLC for HOA Hotels LLC’s redevelopment of the property located at 1630 5<sup>th</sup> Avenue, Moline, Illinois (n/k/a the Fifth Avenue Building), and the adjacent building located at 1620 5<sup>th</sup> Avenue; and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreements.**

**Explanation:** The City Council has designated the redevelopment of the Fifth Avenue Building, 1630 5<sup>th</sup> Avenue, Moline, as a priority as it is an integral part of the City’s downtown and such redevelopment would contribute to the City’s economic development. As part of negotiations for the sale of the building with the current owner of the Fifth Avenue Building, the City agreed to extend the owner’s loan term on the KONE building; to amend a term of the Development Agreement so that the owner could own the residential units in the KONE building for that project; and to purchase the Fifth Avenue Building for \$1.8 million. HOA Hotels LLC would like to purchase the Fifth Avenue Building and redevelop it into an approximate 105 room (+/-) nationally branded hotel or an independent boutique brand hotel with amenities such as food & beverage/bar operations, meeting/conference/banquet space, fitness facility, room service, dry cleaning and similar services for a total project cost of \$18 million. HOA Hotels LLC has agreed to take an assignment of the Purchase Agreement between the City and Fifth Avenue Block LLC and to purchase the Fifth Avenue Building directly from Fifth Avenue Block LLC according to the terms of the Purchase Agreement. In addition, the City and HOA Hotels LLC have negotiated terms of a Development Agreement for the demolition, repair and remodel of the Fifth Avenue Building. The City wishes to support the redevelopment by granting certain incentives to include a TIF rebate, a sales tax rebate, and a hotel-motel use tax rebate for the Fifth Avenue Building as well as the adjacent property located at 1620 5<sup>th</sup> Avenue. Additional documentation attached.

**Fiscal Impact:** \$4,600,000 in total rebates and incentives on a Net Present Value basis

**Public Notice/Recording:** N/A

### **13. Council Bill/Special Ordinance 4054-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute a Performance Based Development Agreement between the City of Moline and Moline 501, L.L.C. and Moline Chase, L.L.C. for the “Chase Bank Building” project and to execute any necessary agreements referenced therein, and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement.**

**Explanation:** Moline 501, L.L.C. and Moline Chase, L.L.C. seeks to enter into a Performance Based Development Agreement with the City to facilitate redevelopment of the property: (08)5719, 501 15<sup>th</sup> Street, known as the Chase Bank Building Project (“Project”). The estimated total project cost for the Project is \$8,333,334.00 which will consist of Developer completing a Historic Rehabilitation of 501 15th Street into 31 market rate apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces. The City wishes to support the redevelopment by granting certain incentives to include TIF. Additional documentation attached.

**Fiscal Impact:** -\$1,250,000 from TIF #13 account no. 262-0775-496.03-22

**Public Notice/Recording:** N/A

### **14. Council Bill/Special Ordinance 4055-2016**

**A Special Ordinance closing certain streets more particularly described herein to vehicular traffic; and authorizing the use of public right-of-way in conjunction with Mercado on Fifth scheduled for October 7, 14, 21 and 28, 2016.**

**Explanation:** This is a weekly event and has been previously approved by City Council.

**Public Notice/Recording:** N/A

**Fiscal Impact:** N/A

### **Miscellaneous Business (if necessary)**

#### **Public Comment**

Members of the Public are permitted to speak after coming to the podium and stating their name.

#### **Executive Session (if necessary)**

Council Bill/Ordinance No.: 4049-2016

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and

AUTHORIZING the use of public right-of-way in conjunction with the Moline High School Homecoming Parade scheduled for Friday, September 23, 2016.

\_\_\_\_\_

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby authorizes and directs the Mayor, Director of Public Works and Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the following designated roadways to vehicular traffic during the specified times mentioned herein:

Friday, September 23, 2016, from 1:45 p.m. to 3:15 p.m.

All lanes of Avenue of the Cities from 3600 Avenue of the Cities to Wharton Field House.

It shall be an offense to use said roadways for vehicular purposes during the times herein specified.

**Section 2** – That this Council declares the intent of this ordinance to be a temporary variance from other ordinances that may be in conflict herewith and shall authorize the activities described hereinabove only during such times specified for the street closings and shall not constitute a repeal of other ordinances of the City of Moline which are in conflict herewith.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

Council Bill/Resolution No. 1129-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute a contract with Walter D. Laud, Inc. for Project #1255, 2016 Sanitary Sewer Replacement Project, in the amount of \$289,397.

WHEREAS, bids were publicly read on August 30, 2016; and

WHEREAS, bids were solicited with Walter D. Laud, Inc. submitting the lowest responsible and responsive bid; and

WHEREAS, \$400,000 is budgeted in Account #320-1840-433.08-30, WPC, Sanitary Sewer Contracts.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to execute a contract with Walter D. Laud, Inc. for Project #1255, 2016 Sanitary Sewer Replacement Project, in the amount of \$289,397; provided, however, that said contract is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

September 20, 2016

Date

Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

# CITY OF MOLINE CONTRACT

THIS AGREEMENT, made and concluded this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2016, between **WALTER D. LAUD, INC. of P.O. BOX 88, EAST MOLINE, ILLINOIS 61244**, hereinafter referred to as the “CONTRACTOR,” and the CITY OF MOLINE, ILLINOIS, hereinafter referred to as the “CITY;”

WITNESSETH, that the CONTRACTOR for and in consideration of the payments to be made to it by the CITY in the amount of **TWO HUNDRED EIGHTY NINE THOUSAND AND THREE HUNDRED NINETY SEVEN 00/100 (\$289,397.00) DOLLARS**, hereby covenants and agrees, to and with the CITY, that it shall and will in good and workmanlike manner, furnish all the labor and material for **PROJECT #1255, 2016 Sanitary Sewer Replacement Project** as set out in the plans and specifications.

Such work to be under the direction and to the satisfaction of the City Engineer, and in accordance with the plans and specifications, which are a part of this contract. The work to be commenced not later than 10 days after the execution of this contract; to progress regularly and uninterruptedly after it shall have been begun excepting as shall otherwise be ordered by the City Council of the City of Moline (hereinafter referred to as the “City Council”), or its authorized representative, and shall be finished and fully completed within the timeframe set forth in the specifications; the time of commencement, rate of progress and time of completion being essential conditions of this contract; PROVIDED, however that if the time of the performance of the contract herein be for any reason either expressly or by implication extended, such extension shall not affect the validity of this contract.

The Contractor further agrees that the unit prices submitted are for the purpose of obtaining a gross sum, and for use in computing the value of extras and deductions; that if there is a discrepancy between the gross sum bid and that resulting from the summation of the quantities multiplied by their

respective unit prices, the latter shall apply. When this contract shall be wholly carried out and completed on the part of the Contractor, and when said work has been accepted by the City, a sum of money shall be computed by multiplying the following unit prices by the quantity of items completed, it being understood that the following total sum of money listed is for the purpose of determining the amount of the performance, labor, material and maintenance bond only. Such payment shall be made as provided for in the said specifications.

This Contract calls for the construction of a “public work” within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. (“the Act”). The Act requires contractors, subcontractors, and truckers to pay laborers, workers, and mechanics performing services on public works projects not less than the “prevailing rate of wages” (hourly cash wages plus fringe benefits) in the county where the work is performed. The prevailing wage rates for projects for the City of Moline required by Moline Special Ordinance 4031-2016 are updated monthly by the Illinois Department of Labor and may be found at:

[://www.illinois.gov/idol/Laws-Rules/CONMED/rates/2015/june/ROCK\\_ISL](http://www.illinois.gov/idol/Laws-Rules/CONMED/rates/2015/june/ROCK_ISL).

All contractors, subcontractors, and truckers rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties. All contractors, subcontractors, and truckers shall keep an accurate record showing the names and occupations of all laborers, workers, and mechanics employed by them on this contract, and also showing the actual hourly wages paid to each of such persons and shall preserve their weekly payroll records for a period of three (3) years from the date of completion of the contract. Weekly certified payrolls shall be sent to the City Engineer.

For further information, please refer to the Illinois Department of Labor’s website at:

[://www.state.il.us/agency/](http://www.state.il.us/agency/).

It is further provided that the CONTRACTOR shall upon the sealing of this contract, file with the CITY a good and sufficient bond in the penal sum of **TWO HUNDRED EIGHTY NINE**

**THOUSAND THREE HUNDRED NINETY SEVEN 00/100 (\$289,397.00) DOLLARS** conditioned upon the faithful performance and execution of the work covered by this contract according to the complete and detailed specifications and full and complete drawings, profiles and models therefore, and according to the terms and conditions of this contract, and conditioned also that the CONTRACTOR shall pay all debts incurred by said CONTRACTOR in the prosecution of such work, including those for labor and materials furnished. The CONTRACTOR further agrees to pay liquidated damages as set forth in the specifications for failure to complete the Project by the date specified.

IN WITNESS WHEREOF, the said Parties have executed these presents on the date above mentioned.

CONTRACTOR:

CITY:

\_\_\_\_\_

CITY OF MOLINE, ILLINOIS

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

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

Mayor

\_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

Approved as to form:

\_\_\_\_\_

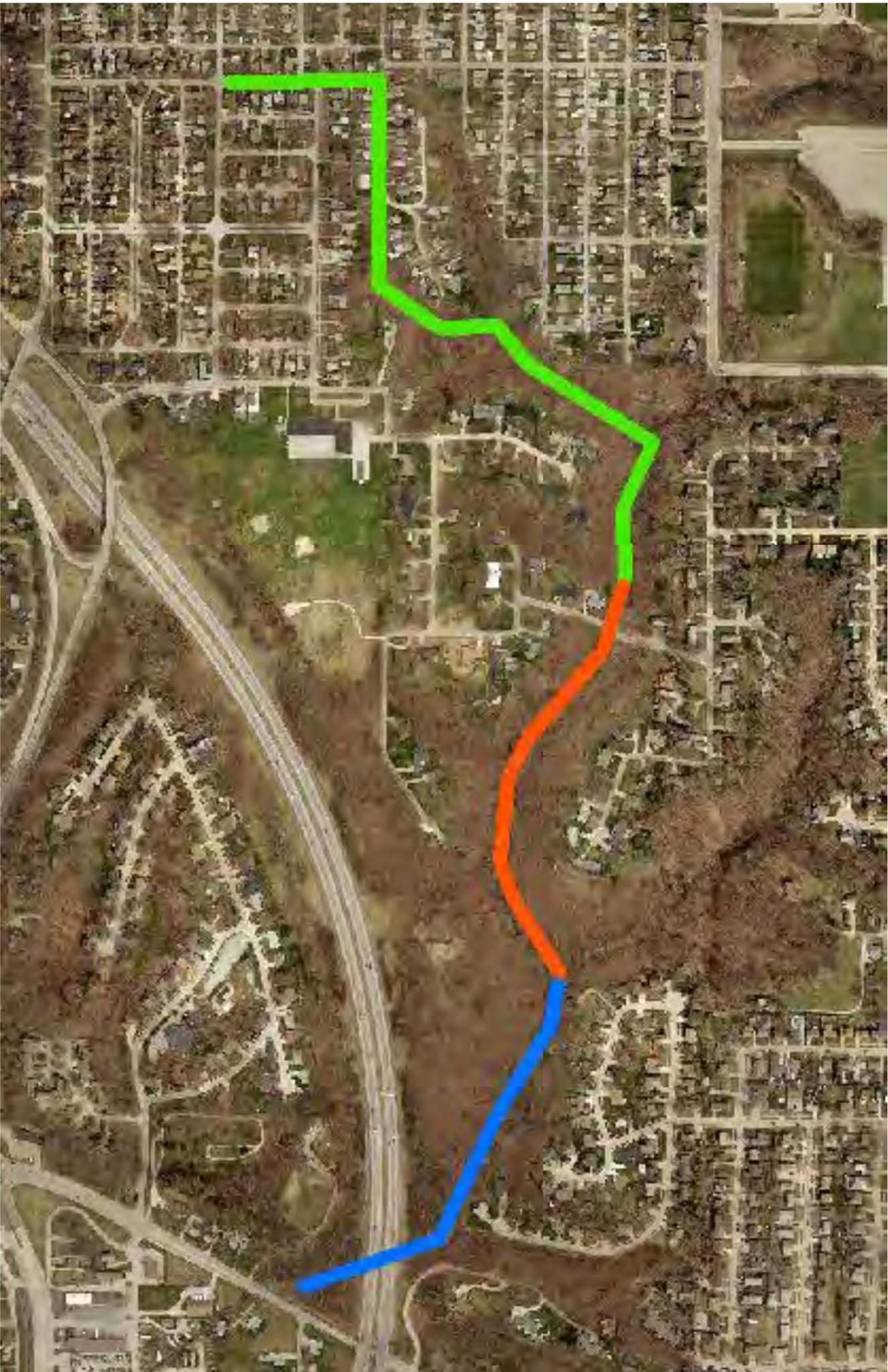
City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Performance Bond Attached

Certificate of Insurance Attached



Council Bill/Resolution No. 1130-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Department of Planning and Development to apply to the Illinois Housing Development Authority for a two-year grant for a Home Accessibility Program in the amount of \$321,000 for the City of Moline; and

AUTHORIZING the Mayor and City staff to do any and all things necessary to prepare and submit said grant application; and

AUTHORIZING the Planning and Development Department, upon award of said grant, to manage and operate said program.

\_\_\_\_\_

WHEREAS, as demonstrated by a waiting list of 100 individuals who are seeking assistance with rehabilitation assistance in the City of Moline, there is a continued need for additional resources to assist low income individuals or families in Moline and the surrounding communities; and

WHEREAS, the Home Accessibility Program (“HAP”) grant will assist senior citizens and persons with disabilities by funding repairs that will allow homeowners or tenants to remain in their homes in an effort to prevent premature or unnecessary institutionalization; and

WHEREAS, eligible senior citizens and persons with disabilities may receive up to \$15,000 for repairs that will allow them to remain in their home in an effort to prevent premature or unnecessary institutionalization; and

WHEREAS, the Planning Department will manage and operate the HAP under the appropriate Illinois Housing Development Authority program guidelines.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Department of Planning & Development is hereby authorized to apply to the Illinois Housing Development Authority for a two-year grant for a Home Accessibility Program in the amount of \$321,000 for the City of Moline.

BE IT FURTHER RESOLVED that the Mayor and City staff are hereby authorized to do any and all things necessary to prepare and submit said grant application.

BE IT FURTHER RESOLVED that the Planning and Development Department is hereby authorized, upon award of said grant, to manage and operate said program.

## Standard Requirements and Certifications

Every grantee under the program will be required to comply with these certifications and requirements:

1. Applicant certifies that all statements herein are true, accurate, and complete;
2. Applicant is an eligible recipient of grant funds based on Section 360.103 of the Program Rules;
3. Applicant will not permit any discrimination on the basis of gender, race, religion, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability in connection with its participation in the Program;
4. Applicant will ensure expenditures of grant funds are for eligible uses under the Program;
5. Applicant will maintain records in connection with administration of the Program for five years after the date of termination of the Commitment;
6. Applicant will comply with the terms and conditions of the Program;
7. Applicant will comply with monitoring and evaluation of the Program through the full Commitment period;
8. Applicant will comply with all prevailing wage requirements;
9. Applicant will comply with all federal/state/local laws and regulations, including, but not limited to historical preservation, environmental, demolition, and lead based paint laws; Applicant agrees and acknowledges that it is its responsibility to determine which laws and regulations apply;
10. Applicant certifies that all procurements/vendor contracts comply and will continue to comply with all applicable laws and regulations, including applicable municipal procurement policies and procedures; and
11. Applicant certifies all households assisted with this grant will be Low-Income as defined by Section 360.01 of the Illinois Administrative Code/Trust Fund Program Rules.

On behalf of \_\_\_\_\_, I certify that the information contained herein accurately reflects my organization's commitment and ability to participate fully in the Home Accessibility Program.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date (MM/DD/YYYY)

\_\_\_\_\_  
Signature of Authorized Official

Council Bill/Resolution No. 1131-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

DECLARING the following Article 36 seized and forfeited vehicles as surplus property:

2002 GMC Yukon, VIN# 1GKEC13V42R200456  
2003 Buick LeSabre, VIN# 1G4HP54KX34101434  
2011 Chevrolet Impala LS, VIN# 2G1WF5EK1B1195641

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WHEREAS, the above-listed vehicles were seized during the attempt or commission of crimes and subsequently forfeited to the Moline Police Department pursuant to Illinois State statute; and

WHEREAS, this Council finds and declares that the aforesaid vehicles are surplus property and not necessary or useful to or in the best interest of the City; and

WHEREAS, approval of this resolution will authorize the disposal of the vehicles through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation or otherwise.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That this Council finds and declares that the aforesaid vehicles are surplus property and authorizes the Chief of Police/Public Safety Director to dispose of said property.

BE IT FURTHER RESOLVED that the City Council hereby authorizes the disposal of said vehicles through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation, or otherwise.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

September 20, 2016

\_\_\_\_\_  
Date

Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

Council Bill/Resolution No. 1132-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

APPROVING a request for a street light on 9<sup>th</sup> Street A, between 33<sup>rd</sup> Avenue and 34<sup>th</sup> Avenue.

\_\_\_\_\_

WHEREAS, staff has received a request for a street light on 9<sup>th</sup> Street A, between 33<sup>rd</sup> Avenue and 34<sup>th</sup> Avenue; and

WHEREAS, an investigation revealed that a light is justified under the residential street light policy; and

WHEREAS, the annual cost of a street light is approximately \$93 and \$475,000 is budgeted for street lights in account #010-0843-435.04-16, Traffic Signal Maintenance, Utility Service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council finds that it is in the best interest of the City of Moline, Illinois, to approve a request for a street light on 9<sup>th</sup> Street A, between 33<sup>rd</sup> Avenue and 34<sup>th</sup> Avenue.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

September 20, 2016  
Date

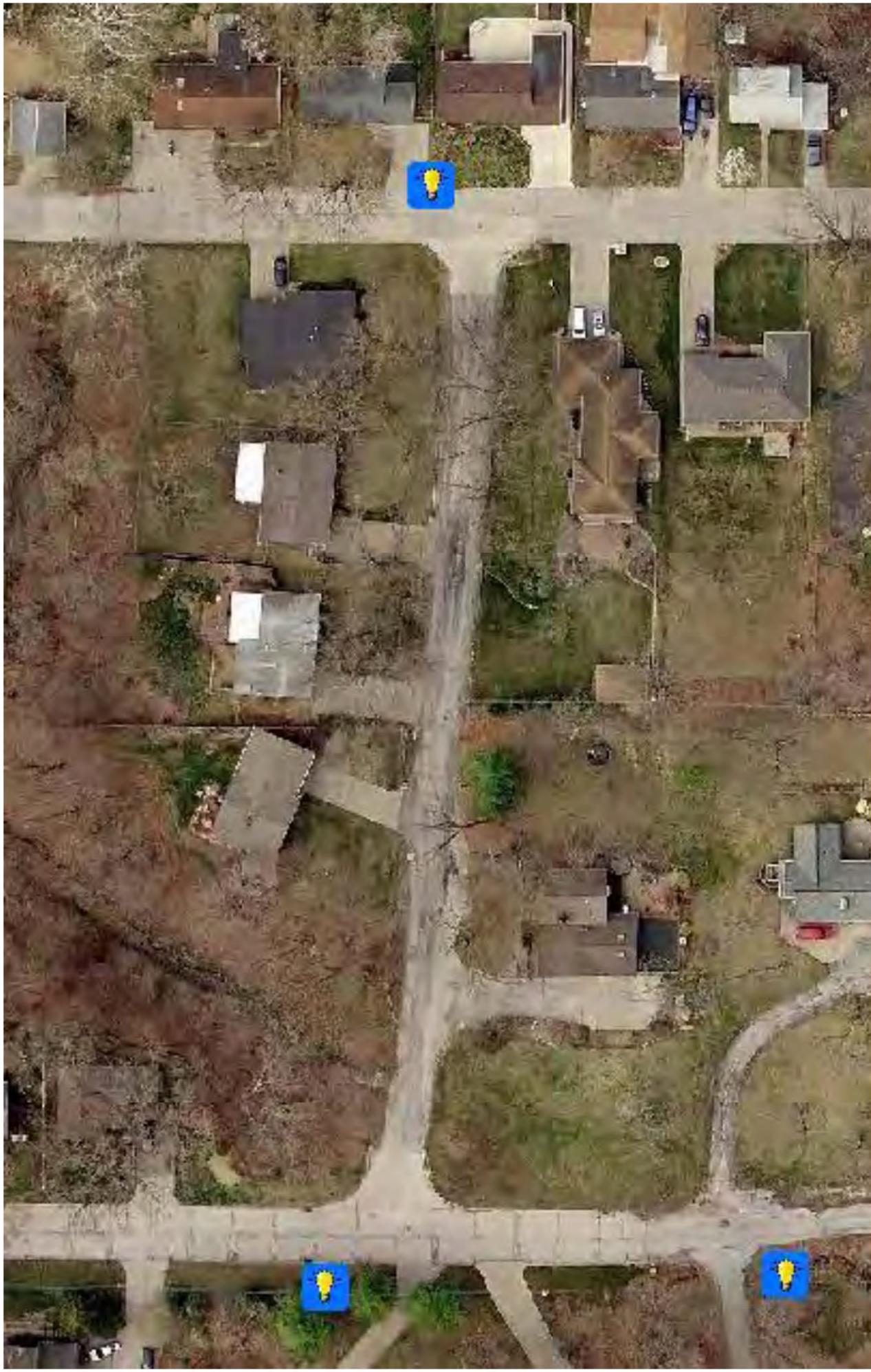
Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney



Council Bill/Resolution No. 1133-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the approval of a Local Agency Agreement regarding Federal Participation for Motor Fuel Tax Section 15-00264-00-BR, Sylvan Slough Pedestrian Bridge.

\_\_\_\_\_

WHEREAS, the City of Moline will receive Federal transportation funds through the Illinois Department of Transportation in an amount not to exceed \$1,137,600 to replace the existing pedestrian bridge over the Sylvan Slough; and

WHEREAS, the Federal funds require a 20% local match. The 2017 Capital Improvement Program will include \$284,400 in Motor Fuel Tax (MFT) funds to provide the local match.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council finds it in the best interest of the City of Moline, Illinois, to authorize the approval of a Local Agency Agreement regarding Federal Participation for Motor Fuel Tax Section 15-00264-00-BR, Sylvan Slough Pedestrian Bridge.; provided, however, that said agreement is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
September 20, 2016

Date

Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney



**Illinois Department of Transportation**

**Local Public Agency Agreement for Federal Participation**

Local Public Agency City of Moline	State Contract X	Day Labor	Local Contract	RR Force Account
Section 15-00264-00-BR	Fund Type ITEP	ITEP, SRTS, or HSIP Number(s) 231013		

Construction		Engineering		Right-of-Way	
Job Number	Project Number	Job Number	Project Number	Job Number	Project Number
C-92-095-16	TE-00D2(014)				

This Agreement is made and entered into between the above local public agency, hereinafter referred to as the "LPA", and the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LPA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans prepared by, or on behalf of the LPA, approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration, hereinafter referred to as "FHWA".

**Location**

Local Name Sylvan Island Trail Route UNK 0000 Length 0.04 mi  
 Termini Over Sylvan Slough

Current Jurisdiction City of Moline TIP Number MO-17-02 Existing Structure No N/A

**Project Description**

Construct pedestrian bridge over Sylvan Slough

**Division of Cost**

Type of Work	ITEP	%	%	LPA	%	Total
Participating Construction	1,137,600	( * )	( )	284,400	( BAL )	1,422,000
Non-Participating Construction	( )	( )	( )	( )	( )	
Preliminary Engineering	( )	( )	( )	( )	( )	
Construction Engineering	( )	( )	( )	( )	( )	
Right of Way	( )	( )	( )	( )	( )	
Railroads	( )	( )	( )	( )	( )	
Utilities	( )	( )	( )	( )	( )	
Materials	( )	( )	( )	( )	( )	
<b>TOTAL</b>	<b>\$ 1,137,600</b>			<b>\$ 284,400</b>		<b>\$ 1,422,000</b>

\* 80% ITEP funds NTE \$1,137,600

**NOTE:** The costs shown in the Division of Cost table are approximate and subject to change. The final LPA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

**Local Public Agency Appropriation**

By execution of this Agreement, the LPA attests that sufficient moneys have been appropriated or reserved by resolution or ordinance to fund the LPA share of project costs. A copy of the authorizing resolution or ordinance is attached as an addendum (required for State-let contracts only)

**Method of Financing (State Contract Work Only)**

METHOD A---Lump Sum (80% of LPA Obligation) \_\_\_\_\_  
 METHOD B--- \_\_\_\_\_ Monthly Payments of \_\_\_\_\_ due by the \_\_\_\_\_ of each successive month.  
 METHOD C---LPA's Share BALANCE divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)

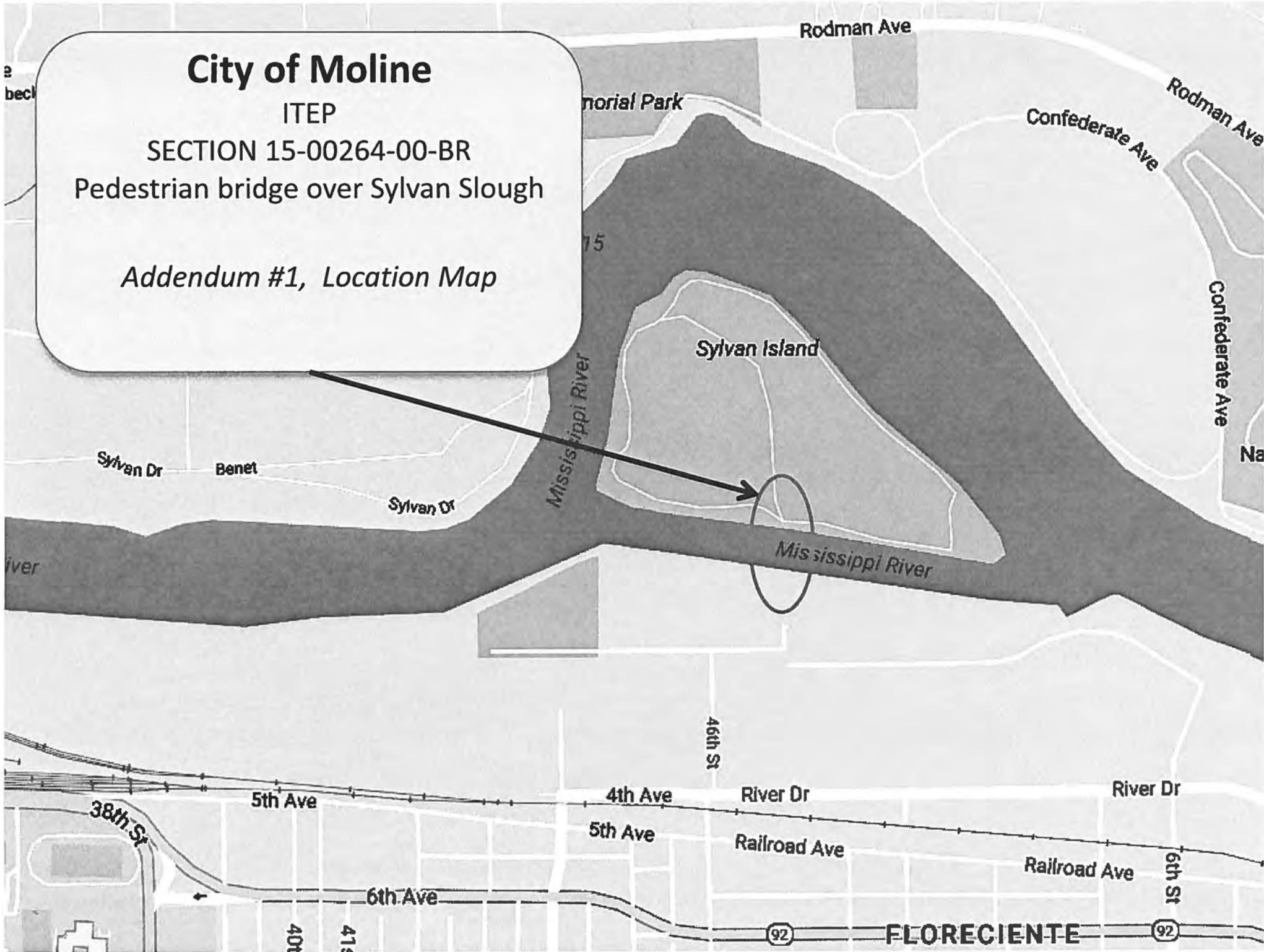
# City of Moline

ITEP

SECTION 15-00264-00-BR

Pedestrian bridge over Sylvan Slough

*Addendum #1, Location Map*



Council Bill/Resolution No. 1134-2016

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for Motor Fuel Tax (MFT) Section 15-00264-00-BR, Sylvan Island Pedestrian Bridge.

WHEREAS, a Resolution for Improvement is necessary to use Motor Fuel Tax funds to pay for the City's 20% share of the bridge replacement project. The maximum Federal participation is \$1,137,600 with a corresponding \$284,400 City share; and

WHEREAS, funds are available and will be budgeted in the 2017 Capital Improvement Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council finds it in the best interest of the City of Moline, Illinois, to authorize the approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for Motor Fuel Tax (MFT) Section 15-00264-00-BR, Sylvan Island Pedestrian Bridge; provided, however, that said resolution is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
September 20, 2016

Date

Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney



BE IT RESOLVED, by the City Council of the  
City \_\_\_\_\_ of Moline Illinois  
City, Town or Village  
Council or President and Board of Trustees

that the following described street(s) be improved under the Illinois Highway Code:

Name of Thoroughfare	Route	From	To
Sylvan Island Bridge			

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of replacement of the existing Sylvan Island Pedestrian Bridge  
with a new structure

\_\_\_\_\_ and shall be constructed \_\_\_\_\_ wide  
and be designated as Section 15-00264-00-BR

2. That there is hereby appropriated the (additional  Yes  No) sum of two hundred eighty four thousand  
four hundred Dollars ( \$284,400.00 ) for the  
improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by Contract \_\_\_\_\_ ; and,  
Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the  
district office of the Department of Transportation.

Approved
_____
Date
_____
Department of Transportation
_____
Regional Engineer

I, Tracy Koranda Clerk in and for the  
City of Moline  
City, Town or Village  
 County of Rock Island , hereby certify the  
 foregoing to be a true, perfect and complete copy of a resolution adopted  
 by the City Council  
Council or President and Board of Trustees  
 at a meeting on September 20, 2016  
Date  
 IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this  
 \_\_\_\_\_ day of \_\_\_\_\_  
 (SEAL)  
 \_\_\_\_\_  
 City, Town, or Village Clerk

Council Bill/General Ordinance No. 3024-2016

Sponsor: \_\_\_\_\_

AN ORDINANCE

AUTHORIZING the issuance of General Obligation Refunding Bonds, Series 2016, of the City of Moline, Illinois

---

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1. Authority, Purpose and Findings.** This ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and Section 2-1110 of the Moline Code of Ordinances for the purpose of refunding the \$9,510,000 outstanding principal amount of General Obligation Corporate Purpose Refunding Bonds, Series 2007A, of the City maturing in annual principal installments in the years 2017 to 2030, both inclusive (the “2007A Bonds”).

It is found and determined that borrowing money through the issuance of the Bonds herein authorized is necessary for the welfare of the government and affairs of the City, is for a proper public purpose and is in the public interest.

**Section 2. Refunding Plan.** The City may determine to refund and redeem all or a portion of the 2007A Bonds. The particular 2007A Bonds to be refunded and redeemed (the “Prior Bonds”) shall be specified in the Bond Order to be executed by the City Administrator. The date of redemption of the Prior Bonds shall be December 1, 2016. The Mayor, City Administrator, Finance Director and the other officers and officials of the City are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding and redemption of the Prior Bonds.

**Section 3. Authorization and Terms of Bonds.** To meet part of the estimated costs of refunding the Prior Bonds, including the costs of issuance of the Bonds herein authorized, there is hereby appropriated the sum of \$10,000,000. Pursuant to the home rule powers of the City to issue debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, general obligation bonds of the City are authorized to be issued and sold in an aggregate principal amount of not to exceed \$10,000,000 and shall be designated “General Obligation Refunding Bonds, Series 2016” (the “Bonds”). The principal amount of the Bonds to be issued shall be specified in the Bond Order.

Bonds shall be issuable in the denominations of \$5,000 or any integral multiple thereof and may bear such identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of Bonds. Each Bond delivered upon the original issuance of the Bonds shall be dated as of the date specified in the Bond Order. Each Bond thereafter issued upon any transfer, exchange or replacement of Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The Bonds shall mature on December 1 in such years and in such principal amounts as shall be specified in the Bond Order, provided that no Bond shall mature later than December 1, 2030.

Each Bond shall bear interest from its date, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on an initial interest payment date of December 1, 2016 or June 1, 2017, and semiannually thereafter on each June 1 and December 1 at the rates per annum as shall be specified in the Bond Order, provided that no Bond shall bear interest at a rate exceeding five and one-half percent (5.50%) per annum.

No Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to Section 11 of this ordinance, and (ii) the moneys to be deposited into the 2016 Debt Service Fund (established by this ordinance) is sufficient to provide for the punctual payment of the principal of and interest on the Bonds.

The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, which is hereby appointed as bond registrar and paying agent for the Bonds. Interest on the Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the bond registrar, as of the close of business on the 15<sup>th</sup> day of the calendar month next preceding the applicable interest payment date. Interest on the Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the City and the registered owner.

**Section 4. Redemption Provisions.** The Bonds may be subject to redemption prior to maturity as determined in the Bond Order, at the option of the City and upon notice as herein provided, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity, at such redemption prices as determined in the Bond Order and not in excess of 102% of the principal amount to be redeemed, for such periods of redemption as determined in the Bond Order.

Bonds of like maturity may be subject to mandatory redemption, by the application of sinking fund installments, all as determined in the Bond Order.

All Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of Bonds in the manner provided in this Section.

Whenever Bonds subject to mandatory sinking fund redemption are redeemed at the option of the City, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final maturity amount established with respect to such Bonds, in such amounts and against such installments or final maturity amount as shall be determined by the City in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable sinking fund installments next ensuing, and with respect to which notice of redemption has not yet been given.

On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the City may purchase Bonds subject to mandatory redemption on such sinking fund installment date, at such prices as the City shall determine. Any Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment.

In the event of the redemption of less than all the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof and the bond registrar shall assign to each Bond of such maturity a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of Bonds shall be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on said registration books. The Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a Bond, the City shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the Bond so surrendered, Bonds of like maturity and of the denomination of \$5,000 or any integral multiple thereof.

The bond registrar shall not be required to transfer or exchange any Bond after notice of the redemption of all or a portion thereof has been mailed. The bond registrar shall not be required to transfer or exchange any Bond during a period of 15 days next preceding the mailing of a notice of redemption which could designate for redemption all or a portion of such Bond.

**Section 5. Sale and Delivery.** The Bonds are to be sold to Robert W. Baird & Co. Incorporated and Bernandi Securities, Inc. (the "Underwriters"). The Official Statement prepared with respect to the Bonds is approved and "deemed final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

No Bonds authorized by this ordinance shall be sold unless as a result of refunding the Prior Bonds, the City will obtain a net present value savings after taking into account all costs of issuance of the Bonds of not less than three percent (3%) of the principal amount of the Prior Bonds that are refunded. Subject to the limitations contained in this ordinance, authority is delegated to the City Administrator to award the Bonds to the Underwriters.

In order to enhance the marketability of the Bonds, the City Administrator may determine to purchase from a bond insurance company (the "Bond Insurer") a municipal bond insurance policy with respect to the payment of the Bonds.

The sale and award of the Bonds and the determination of the details of the Bonds shall be evidenced by the Bond Order, which shall be signed by the City Administrator. An executed counterpart of the Bond Order shall be filed with the City Clerk and entered in the records of the City.

The Mayor, City Clerk and other officials of the City are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the City each and every thing necessary for the issuance of the Bonds, including the proper execution and delivery of the Bonds, the Bond Purchase Agreement and the Official Statement.

**Section 6. Execution and Authentication.** Each Bond shall be executed in the name of the City by the manual or authorized facsimile signature of its Mayor and the corporate seal of the City, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its City Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to hold such office before the issuance of the Bond, such Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bond had not ceased to hold such office. Any Bond may be signed, sealed or attested on behalf of the City by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not have held such office. No recourse shall be had for the payment of any Bonds against any officer who executes the Bonds.

Each Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No Bond shall be entitled to any right or benefit under this ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the bond registrar.

**Section 7. Transfer, Exchange and Registry.** The Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Bond shall be transferable only upon the registration books maintained by the City for that purpose at the principal corporate trust office of the bond registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the bond registrar and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for transfer of any such Bond, the City shall execute and the bond registrar shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee, of the same aggregate principal amount, , maturity and interest rate as the surrendered Bond. Bonds, upon surrender thereof at the principal corporate trust office of the bond registrar, with a written instrument satisfactory to the bond registrar, duly executed by the registered owner or his attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of the denominations of \$5,000 or any integral multiple thereof.

For every such exchange or registration of transfer of Bonds, the City or the bond registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced Bonds.

The City and the bond registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the bond registrar shall be affected by any notice to the contrary.

**Section 8. Bond Registrar.** The City covenants that it shall at all times retain a bond registrar with respect to the Bonds, that it will maintain at the designated office of such bond registrar a place where Bonds may be presented for payment and registration of transfer or exchange and that it shall require that the bond registrar maintain proper registration books and perform the other duties and obligations imposed upon it by this ordinance in a manner consistent with the standards, customs and practices of the municipal securities business.

The bond registrar shall signify its acceptance of the duties and obligations imposed upon it by this ordinance by executing the certificate of authentication on any Bond, and by such execution the bond registrar shall be deemed to have certified to the City that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. The bond registrar is the agent of the City and shall not be liable in connection with the performance of its duties except for its own negligence or default. The bond registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

The City may remove the bond registrar at any time. In case at any time the bond registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the bond registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the bond registrar or of its property or affairs, the City covenants and agrees that it will thereupon appoint a successor bond registrar. The City shall mail notice of any such appointment made by it to each registered owner of Bonds within twenty days after such appointment.

**Section 9. General Obligations.** The full faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds shall be direct and general obligations of the City, and the City shall be obligated to levy ad valorem taxes upon all the taxable property in the City for the payment of the Bonds and the interest thereon, without limitation as to rate or amount.

**Section 10. Form of Bonds.** The Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the Bonds are printed:

No. \_\_\_\_\_

State of Illinois  
County of Rock Island  
CITY OF MOLINE  
GENERAL OBLIGATION REFUNDING BOND,  
SERIES 2016

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
%	December 1, ____	October 18, 2016	608557 ____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The CITY OF MOLINE, a municipal corporation and a home rule unit of the State of Illinois situate in the County of Rock Island, acknowledges itself indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 1, 2016 and semiannually thereafter on June 1 and December 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the City and the registered owner, or otherwise by check or draft mailed to the registered owner, at the address of such owner appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, as bond registrar or its successor (the "Bond Registrar"). This bond, as to principal when due, will be payable in lawful money of the United States of America upon presentation and surrender of this bond at the principal corporate trust office of the Bond Registrar. The full faith and credit of the City are irrevocably pledged for the punctual payment of the principal of and interest on this bond according to its terms.

This bond is one of a series of bonds issued in the aggregate principal amount of \$\_\_\_\_\_,000 which are authorized and issued under and pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and Section 2-1110 of the Moline Code of Ordinances and under and in accordance with an ordinance adopted by the City Council of the City on September 20, 2016 and entitled: "An Ordinance Authorizing the Issuance of General Obligation Refunding Bonds, Series 2016, of the City of Moline, Illinois."

The bonds of such series maturing on or after December 1, 20\_\_ are subject to redemption prior to maturity at the option of the City and upon notice as herein provided, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity, on December 1, 20\_\_ and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

The bonds of such series maturing in the years 20\_\_, 20\_\_ and 20\_\_ (the “Term Bonds”) are subject to mandatory redemption, in part and by lot, on December 1 of the years and in the respective principal amounts set forth in the following tables, by the application of sinking fund installments, at a redemption price equal to the principal amount thereof to be redeemed:

<u>20__ Term Bonds</u>		<u>20__ Term Bonds</u>		<u>20__ Term Bonds</u>	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
20__	\$ ,000	20__	\$ ,000	20__	\$ ,000
20__	,000	20__	,000	20__	,000
20__	,000	20__	,000	20__	,000

Notice of the redemption of bonds will be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of bonds to be redeemed at their last addresses appearing on such registration books. The bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such bonds or portions thereof shall cease to accrue and become payable.

This bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this bond. No other charge shall be made for the privilege of making such transfer or exchange. The City and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the City have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of bonds of which this bond is one, together with all other indebtedness of the City is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, the City of Moline has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its City Clerk.

Dated: October 18, 2016

CITY OF MOLINE

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the General Obligation Refunding Bonds, Series 2016, described in the within mentioned Ordinance.

AMALGAMATED BANK OF CHICAGO,  
as Bond Registrar

By \_\_\_\_\_  
Authorized Signer

ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

Signature Guarantee:

\_\_\_\_\_

**Section 11. Levy and Extension of Taxes.** (A) For the purpose of providing the money required to pay the interest on the Bonds, when and as the same falls due and to pay and discharge the principal thereof (including mandatory sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the City, in each year while any of the Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2016	\$ 427,000
2017	425,000
2018	424,000
2019	427,000
2020	425,000
2021	424,000
2022	667,000
2023	1,495,000
2024	1,495,000
2025	1,498,000
2026	1,499,000
2027	1,502,000
2028	1,502,000
2029	1,504,000

(B) Interest or principal coming due at anytime when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

(C) After the sale of the Bonds and the execution of the Bond Order, an executed copy of the Bond Order and a copy of this ordinance, certified by the City Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of Rock Island County, Illinois, who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2016 to 2029, inclusive, and, subject to adjustment as provided in paragraph (D) of this Section, to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the City for general corporate purposes of the City, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the Bonds herein authorized as the same become due and payable.

(D) In the event that Bonds are to be issued in principal amounts and bearing interest such that for any tax levy year an amount less than that set forth in paragraph (A) of this Section is required to be produced to pay when due the principal of and interest on the Bonds, then the City Treasurer is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the Bonds, a direction for abatement of taxes specifying the exact amount of taxes to be levied to produce the required amounts for each of the various tax levy years.

**Section 12. Taxes Levied for Payment of Prior Bonds.** After the issuance of the Bonds, the City Treasurer shall file with the County Clerk of Rock Island County, a certificate listing the Prior Bonds and the taxes theretofore levied for the payment of the principal of and interest on the Prior Bonds, and said certificate shall direct the abatement of such taxes. Taxes collected with respect to the 2015 tax levy year for the payment of the Prior Bonds and not needed for that purpose shall be deposited into the 2016 Debt Service Fund established by this ordinance first for the payment of the interest on the Bonds due December 1, 2016 and second for the payment of the interest on the Bonds due June 1, 2017.

**Section 13. Escrow Deposit Agreement.** The form of 2016 Escrow Deposit Agreement by and between the City and Amalgamated Bank of Chicago, as Escrow Agent, on file in the office of the City Clerk, is hereby approved. The proper officers of the City are authorized and directed to execute and deliver the 2016 Escrow Deposit Agreement on behalf of the City.

**Section 14. Application of Bond Proceeds.** The net proceeds of sale of the Bonds shall be applied as follows:

1. To the 2016 Escrow Fund maintained under the 2016 Escrow Deposit Agreement, the amount, together with other moneys (if any) of the City deposited therein, necessary to provide for the redemption of the Prior Bonds on their redemption date and to provide for interest to become due and payable on the Prior Bonds to their redemption date.
2. To the 2016 Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing deposit.

**Section 15. Debt Service Fund.** Money derived from the taxes levied pursuant to Section 11 of this ordinance are appropriated and set aside for the sole purpose of paying the principal of and interest on the Bonds when and as the same come due. All of such moneys shall be deposited in the “2016 Debt Service Fund,” which is hereby established as a special fund of the City and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986.

**Section 16. Pledge Securing Bonds.** The moneys deposited or to be deposited into the 2016 Debt Service Fund, including the tax receipts derived from the taxes levied pursuant to Section 11 of this ordinance, are pledged as security for the payment of the principal of and interest on the Bonds. This pledge is made pursuant to Section 13 of the Local Government Debt Reform Act and shall be valid and binding from the date of issuance of the Bonds. All such tax receipts and the moneys held in the 2016 Debt Service Fund shall immediately be subject to the lien of the pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City irrespective of whether such parties have notice thereof.

**Section 17. Expense Fund.** The “2016 Expense Fund,” is hereby established as a special fund of the City. Moneys in the 2016 Expense Fund shall be used for the payment of costs of issuance of the Bonds, but may hereafter be reappropriated and used for other purposes if such reappropriation is permitted by Illinois law and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

**Section 18. Investment Regulations.** All income derived from investments in respect of moneys or securities in any Fund shall be credited in each case to the Fund in which such moneys or securities are held.

No investment shall be made of any moneys in the 2016 Escrow Fund, the 2016 Debt Service Fund, or the 2016 Expense Fund, except in accordance with the tax covenants set forth in Section 19 of this ordinance.

Any moneys in any Fund that are subject to investment yield restrictions may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt or in any tax-exempt bond that is not an “investment property” within the meaning of Section 148(b)(2) of the Internal Revenue Code of 1986. The City Treasurer and agents designated by her are hereby authorized to submit, on behalf of the City, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 19. Tax Covenants.** The City shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Bond is subject on the date of original issuance thereof.

The City shall not permit any of the proceeds of the Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any Bond to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986.

The City shall not permit any of the proceeds of the Bonds or other moneys to be invested in any manner that would cause any Bond to constitute an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986 or a “hedge bond” within the meaning of Section 149(g) of the Internal Revenue Code of 1986.

The City shall comply with the provisions of Section 148(f) of the Internal Revenue Code of 1986 relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

**Section 20. Bank Qualified Designation.** The City hereby designates the Bonds as “qualified tax exempt obligations” as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986. The City represents that the reasonably anticipated amount of tax exempt obligations that are required to be taken into account for the purpose of Section 265(b)(3)(C) of the Code and will be issued by or on behalf of the City and all subordinate entities of the City during 2016 does not exceed \$10,000,000. The City covenants that it will not designate and issue more than \$10,000,000 aggregate principal amount of tax exempt obligations in the year in which the Bonds are issued. For purposes of the two preceding sentences, the term “tax exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in the Section 145 of the Internal Revenue Code of 1986) but does not include other “private activity bonds” (as defined in Section 141 of the Internal Revenue Code of 1986).

**Section 21. Continuing Disclosure.** For the benefit of the beneficial owners of the Bonds, the City covenants and agrees to provide to the Municipal Securities Rulemaking Board (the “MSRB”) for disclosure on the Electronic Municipal Market Access (“EMMA”) system, in an electronic format as prescribed by the MSRB, (i) an annual report containing certain financial information and operating data relating to the City and (ii) timely notices of the occurrence of certain enumerated events. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

The annual report shall be provided to the MSRB for disclosure on EMMA within 210 days after the close of the City’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the City and such additional information as noted in the Official Statement under the caption “Continuing Disclosure.” Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement shall be included in the annual report and the audited financial statement shall be provided promptly after it becomes available.

The City, in a timely manner not in excess of ten business days after the occurrence of the event, shall provide notice to the MSRB for disclosure on EMMA of any failure of the City to provide any such annual report within the 210 day period and of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final

determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds; (7) modifications to rights of bondholders, if material; (8) Bond calls, if material; (9) defeasances; (10) release, substitution or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) tender offers; (13) bankruptcy, insolvency, receivership or similar event of the City; (14) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (15) appointment of a successor or additional trustee or the change of name of a trustee, if material. For the purposes of the event identified in clause (13), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

It is found and determined that the City has agreed to the undertakings contained in this Section in order to assist participating underwriters of the Bonds and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The chief financial officer of the City is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the City, each and every thing necessary to accomplish the undertakings of the City contained in this Section for so long as Rule 15c2-12(b)(5) is applicable to the Bonds and the City remains an "obligated person" under the Rule with respect to the Bonds.

The undertakings contained in this Section may be amended by the City upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of Rule 15c2-12(b)(5) at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the City, the amendment does not materially impair the interests of the beneficial owners of the Bonds.

**Section 22. Book-Entry System.** In order to provide for the initial issuance of the Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Bond for each maturity, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the Bonds. The City Treasurer is authorized to execute and deliver on behalf of the City such letters to, or agreements with, the securities depository as shall be necessary to effectuate such book-entry system.

In case at any time the securities depository shall resign or shall become incapable of acting, then the City shall appoint a successor securities depository to provide a system of book-entry only transfers for the Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

If the system of book-entry only transfers for the Bonds is discontinued, then the City shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the Bonds, bond certificates in replacement of such beneficial owners' beneficial interests in the Bonds, all as shown in the records maintained by the securities depository.

**Section 23. Defeasance and Payment of Bonds.** (A) If the City shall pay or cause to be paid to the registered owners of the Bonds, the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this ordinance, then the pledge of taxes, securities and funds hereby pledged and the covenants, agreements and other obligations of the City to the registered owners and the beneficial owners of the Bonds shall be discharged and satisfied.

(B) Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of Paragraph (A) of this Section if (1) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (2) there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (i) moneys in an amount which shall be sufficient, or (ii) "Federal Obligations" as defined in Paragraph (C) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for such purpose, shall be sufficient, to pay when due the principal of, redemption premium, if any, and interest due and to become due on said Bonds on and prior to the applicable redemption date or maturity date thereof.

(C) As used in this Section, the term "Federal Obligations" means (i) non-callable, direct obligations of the United States of America, (ii) non-callable and non-prepayable, direct obligations of any agency of the United States of America, which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, or (iii) non-callable, non-prepayable coupons or interest installments from the securities described in clause (i) or clause (ii) of this paragraph, which are stripped pursuant to programs of the Department of the Treasury of the United States of America.

**Section 24. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the City and the registered owners of the Bonds. Any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the owners of any and all of the Bonds of like series. All of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this ordinance.

This ordinance shall constitute full authority for the issuance of the Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the City, the provisions of this ordinance shall control. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

**Section 25. Publication.** The City Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in her office.

**Section 26. Effective Date.** This ordinance shall become effective upon its passage and approval.

Passed and adopted this 20<sup>th</sup> day of September, 2016, by roll call vote as follows:

Ayes:

Nays:

Approved: September 20, 2016

\_\_\_\_\_  
Mayor

Published in pamphlet form: September 21, 2016

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

CERTIFICATE

I, Tracy A. Koranda, City Clerk of the City of Moline, Illinois, hereby certify that the foregoing ordinance entitled: "An Ordinance Authorizing the Issuance of General Obligation Refunding Bonds, Series 2016, of the City of Moline, Illinois," is a true copy of an original ordinance which was duly adopted by the recorded affirmative votes of not less than six members of the City Council of the City at a meeting thereof which was duly called and held at 7:45 p.m. on September 20, 2016, at City Hall, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance signed by the Mayor of the City on September 20, 2016, and thereafter published in pamphlet form on September 21, 2016, and recorded in the Ordinance Book of the City and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I further certify that the agenda for said meeting included the ordinance as a matter to be considered at the meeting and that said agenda was posted at least 48 hours in advance of the holding of the meeting in the manner required by the Open Meetings Act, 5 Illinois Compiled Statutes 120, and was continuously available for public review during the 48 hour period preceding the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

---

City Clerk

(SEAL)

Council Bill No./Special Ordinance No. 4050-2016

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

GRANTING a variance to Section 28-3200(a) of the Moline Code of Ordinances to delay the installation of sidewalks for property located at 4724 28<sup>th</sup> Avenue.

WHEREAS, the owner of the property addressed as 4724 28<sup>th</sup> Avenue (parcel #07-242-1) has requested a variance from installing sidewalks; and

WHEREAS, City standards require sidewalk installation along all streets at the time a lot is developed; and

WHEREAS, the City Council has identified a lack of connectivity, a sealcoat street without curbs, and drainage issues which constitute a hardship on the subject property.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby finds and declares that it is in the best interests of the City of Moline, Illinois, to grant a variance to Sec. 28-3200(a) of the Moline Code of Ordinances for the following described territory to allow the owner of 4724 28<sup>th</sup> Avenue to delay installation of sidewalks until such time that it is deemed necessary by the City to place sidewalks at this location.

Beginning at the Northeast Corner of Lot Number Eight (8), Clarence W. Weaver's Second Addition, according to the recorded plat thereof; thence running South Five (5) feet along the East line of said Lot Number Eight (8) for a place of beginning; thence continuing South along the East line of said Lot Number Eight (8) Three Hundred Sixty Five and Thirty Five One-Hundredths feet to the Southeast Corner of said Lot Number Eight (8); thence East along the continuation of the South line of said Lot Number Eight (8) Eastwardly One Hundred Six (106) feet; thence North parallel with the East line of said Lot Number Eight (8), Three Hundred Sixty Five and Thirty-Five One Hundredths feet; thence West parallel with the North line of said Lot Number Eight (8), One Hundred Six (106) feet to the place of beginning, being part of that part of the Northwest Quarter of the Northwest Quarter of Section Number Eleven (11) in Township Number Seventeen (17) North, Range one (1) West of the Fourth Principal Meridian.

**Section 2** – That this ordinance shall not constitute a repeal of any or all ordinances or resolutions in conflict herewith but shall be construed as a one-time variance with regard to such conflicting ordinances or resolutions.

**Section 3** – That this ordinance is an exercise of the City’s home rule powers granted to it by virtue of Article VII, Section 6 of the 1970 Illinois Constitution, and shall therefore take precedence over any conflicting State Statutes or rules.

**Section 4** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

Sponsor: \_\_\_\_\_

AN ORDINANCE

AMENDING Chapter 20 "MOTOR VEHICLES AND TRAFFIC," of the Moline Code of Ordinances, Appendix 18 thereof, "TWO-HOUR PARKING RESTRICTIONS IN NONMETERED ZONES," by including the street identified in Section 1 below:

\_\_\_\_\_

WHEREAS, as part of the Long Range Transportation Plan, consistent parking standards have been identified as beneficial to Downtown Moline Centre; and

WHEREAS, the request meets the criteria for maintaining consistency in parking standards.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That Chapter 20, "MOTOR VEHICLES AND TRAFFIC" of the Moline Code of Ordinances, Appendix 18 thereof, "TWO-HOUR PARKING RESTRICTIONS IN NONMETERED ZONES," is hereby amended to include the following streets where it shall be unlawful for any person to park a vehicle for a longer period than two (2) hours between the hours of 8:00 a.m. and 5:00 p.m., Saturdays, Sundays and legal holidays excepted, in a nonmetered parking space on the following streets and portions of streets:

Seventeenth Street, on the east side, from Fifth Avenue south to the first alley.

**Section 2** – That pursuant to Section 1-1107 of the Moline Code of Ordinances, any person, firm or corporation violating any of the provisions of this Ordinance shall be fined not more than seven hundred fifty dollars (\$750.00) for each offense.

**Section 3** – That this ordinance shall be in full force and effect from and after its passage and approval; and, if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and

AUTHORIZING the use of public right-of-way in conjunction with the Moline Dad's Club Halloween Parade scheduled for Sunday, October 23, 2016.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby authorizes and directs the Mayor, Director of Public Works and Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the following designated roadways to vehicular traffic during the specified times mentioned herein:

From Sunday, October 23, 2016, 2:00 p.m. to Sunday, October 16, 2016, 3:30 p.m., the following public right of way:

All lanes of River Drive from the westernmost side of 12<sup>th</sup> Street to the easternmost side of the parking lot entrance to the American Red Cross located at 1100 River Drive, Moline, IL.

All lanes of River Drive from the westernmost side of 12<sup>th</sup> Street to the easternmost side of 19<sup>th</sup> Street

All lanes of 12<sup>th</sup> Street from the northernmost side of River Drive to the southernmost side of 5<sup>th</sup> Avenue

All lanes of 5<sup>th</sup> Avenue from the westernmost side of 12<sup>th</sup> Street to the easternmost side of 19<sup>th</sup> Street

All lanes of 17<sup>th</sup> Street from the northernmost side of River Drive to the southernmost side of 5<sup>th</sup> Avenue

It shall be an offense to use said roadways for vehicular purposes during the times herein specified.

**Section 2** – That this Council declares the intent of this ordinance to be a temporary variance from other ordinances that may be in conflict herewith and shall authorize the activities described hereinabove only during such times specified for the street closings and shall not constitute a repeal of other ordinances of the City of Moline which are in conflict herewith.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute a Third Amendment to the KONE Development Agreement, a Loan Extension Agreement between Financial District Properties HQO, L.L.C. and the City of Moline, a Purchase Agreement with Fifth Avenue Block LLC, an Assignment to HOA Hotels LLC of the Purchase Agreement between the City and Fifth Avenue Block LLC, and a Development Agreement between the City and HOA Hotels LLC for HOA Hotels LLC's redevelopment of the property located at 1630 5<sup>th</sup> Avenue, Moline, Illinois (k/n/a the Fifth Avenue Building), and the adjacent building located at 1620 5<sup>th</sup> Avenue; and

AUTHORIZING all appropriate City officers and staff to do all things necessary to complete each of the City's responsibilities pursuant to said agreements.

\_\_\_\_\_  
WHEREAS, the City Council has designated the redevelopment of the Fifth Avenue Building, 1630 5<sup>th</sup> Avenue, Moline, as a priority as it is an integral part of the City's downtown and such redevelopment would contribute to the City's economic development; and

WHEREAS, as part of negotiations for the sale of the building with the current owner of the Fifth Avenue Building, the City agreed to extend the owner's loan term on the KONE building; to amend a term of the Development Agreement so that the owner could own the residential units in the KONE building for that project; and to purchase the Fifth Avenue Building for \$1.8 million; and

WHEREAS, HOA Hotels LLC seeks to purchase the Fifth Avenue Building and redevelop it into an approximate 105 room (+/-) nationally branded hotel or an independent boutique brand hotel with amenities such as food & beverage/bar operations, meeting/conference/banquet space, fitness facility, room service, dry cleaning and similar services along with the adjacent building at 1620 5<sup>th</sup> Avenue ("the Project"); and

WHEREAS, HOA Hotels LLC and members of Moline Promenade Investors, LLC have met with City staff to discuss the Project, and staff has received positive feedback on the project and authorization from Moline Promenade Investors, LLC to negotiate and execute this Agreement with HOA Hotels LLC for a hotel in the downtown that conforms with the terms of the previously approved Development Agreement with Moline Promenade Investors; and

WHEREAS, HOA Hotels LLC has agreed to take an assignment of the Purchase Agreement between the City and Fifth Avenue Block LLC and purchase the Fifth Avenue Building directly from Fifth Avenue Block LLC according to the terms of the Purchase Agreement; and

WHEREAS, the City is an Illinois municipal corporation possessing home rule powers under Section 6 of Article VII of the Illinois Constitution; and

WHEREAS, the City has the authority to prevent the spread of blight and encourage private development to enhance the local tax base and to enter into contractual agreements for the purpose of achieving these goals; and

WHEREAS, the City and HOA Hotels LLC have negotiated terms of a Development Agreement for the demolition, repair and remodel of the Fifth Avenue Building for the Project, which has a total cost of approximately \$18 million; and

WHEREAS, the City wishes to support the redevelopment within the Project through the granting of certain lawful incentives to Developer, including but not limited to those available through Tax Increment Financing (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the “Act” or the “TIF Act”), as well as through sales tax and hotel-motel use tax rebates; and

WHEREAS, the City believes that this redevelopment project and the fulfillment generally of the terms of the Third Amendment to the KONE Development Agreement, the Loan Extension, the Development Agreement between the City and HOA Hotels LLC, and the remaining documents referenced herein, are in the vital and best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute a Third Amendment to the KONE Development Agreement, a Loan Extension Agreement between Financial District Properties HQO, L.L.C. and the City of Moline, a Purchase Agreement with Fifth Avenue Block LLC, an Assignment to HOA Hotels LLC of the Purchase Agreement between the City and Fifth Avenue Block LLC, and a Development Agreement between the City and HOA Hotels LLC for HOA Hotels LLC’s redevelopment of the property located at 1630 5<sup>th</sup> Avenue, Moline, Illinois (k/n/a the Fifth Avenue Building), and the adjacent building located at 1620 5<sup>th</sup> Avenue; and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreements; provided, however, that said agreements are in substantially similar form and content to those attached hereto and incorporated herein by this reference thereto as Exhibit A and have been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

### **THIRD AMENDMENT TO DEVELOPMENT AGREEMENT**

This Third Amendment to Development Agreement (the "Amendment"), is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Moline, an Illinois Municipal Corporation ( "City"), and Financial District Properties KP, LLC, an Illinois limited liability company ("Developer").

#### **RECITALS**

A. WHEREAS, the Developer and the City entered into that certain Development Agreement dated June 17, 2009 and a First Amendment to Development Agreement dated December 17, 2010 in connection with the KONE Centre project (the "Development Agreement"); and

B. WHEREAS, Section 1.F.d. of the Development Agreement originally required that Developer sell and close to third party buyers 75% of the residential units within the KONE Centre building before any property tax rebates are issued to Developer and was later amended to say that 75% of the residential units were to be leased or sold to third party buyers; and

C. WHEREAS, Developer has not been able to sell the residential units because potential buyers have been unable to obtain conventional financing to purchase the units based upon their location within a commercial building that contains few other existing residential units; and

D. WHEREAS, Developer therefore proposes to complete construction of the residential units and retain ownership and offer them for lease; and

E. WHEREAS, the City and Developer have agreed to the terms of this Amendment.

#### **TERMS OF AGREEMENT**

NOW THEREFORE, in consideration of the recitals and mutual covenants contained herein, and for other good and valuable consideration, the sufficiency and receipt of which are

hereby acknowledged by all parties, the City and the Developer contract and agree as follows:

1. Section 1.F.d., "Maximum Amount of Property Tax Rebate," which states:

"d. 75% of the residential units are leased or sold and closed to third party buyer."

is hereby deleted from the Development Agreement.

2. Except as specifically amended by this Amendment, all other terms, provisions and conditions contained in the Development Agreement and its First Amendment are and remain in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the dates set forth above their respective signatures.

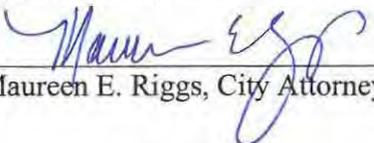
**THE CITY OF MOLINE, ILLINOIS**

DATED: \_\_\_\_\_

\_\_\_\_\_  
Scott Raes, Mayor

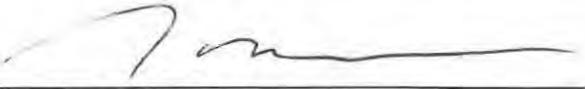
Attest: \_\_\_\_\_  
Tracy A. Koranda, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Maureen E. Riggs, City Attorney

**FINANCIAL DISTRICT PROPERTIES KP, L.L.C.**

DATED: 9-2-16

By:   
\_\_\_\_\_  
Rodney A. Blackwell, Manager

*Notary provisions on next page*

## EXTENSION AGREEMENT

This Extension Agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 2016, between Financial District Properties HQO, L.L.C., an Illinois limited liability company (“Borrower”) and City of Moline, Illinois, a municipal corporation (“Lender”), extends the term of the Promissory Note, dated December 17, 2007, as amended by the First Amendment to Promissory Note dated July 23, 2012, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Note”), and extends the term of certain of those documents securing said Note, said documents being:

- a. the Loan and Property Development Agreement dated December 5, 2007, as amended by the First Amendment to Loan and Property Development Agreement dated July 23, 2012, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Loan Agreement”);
- b. the Mortgage dated and recorded on December 17, 2007, as Document Number 2007-29733, in the Recorder’s office of Rock Island County, Illinois, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Mortgage”);
- c. the Collateral and Security Agreement dated December 16, 2010, as amended by the First Amendment to Collateral and Security Agreement dated July 23, 2012 and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“CSA”);
- d. the Personal Guaranty dated December 17, 2007, made by Rodney A. Blackwell, Guarantor;
- e. the Security Agreement dated March 10, 2008, made by Assignor to Assignee;
- f. the Guaranty of Hilltop Properties, L.L.C., an Iowa limited liability company, Rodney A. Blackwell, individually, and Jodi Blackwell, individually – jointly and severally, dated December 16, 2010;
- g. the Collateral Assignment of Certain Financial Interest between the City of Moline, Illinois, FDP, Inc., an Iowa corporation, and Rodney Blackwell dated December 16, 2010;

h. the Agreement for Additional Payment between Financial District Properties HQO, LLC, and the City of Moline dated August 29, 2014; and

any and all other documents executed in connection with or as security on the Note constitute the loan documents, (collectively referred to hereinafter as "Loan Documents" and individually a "Loan Document") which cover the real and personal property described in the Loan Documents and defined therein as the "Property", located at the following common addresses:

Parcel I: 1 Blackwell Boulevard, Moline, IL 61265 f/k/a 1 KONE Court, Moline, IL, 61265 (Tax Parcel Number MO-2451),

Parcel II: 30 20<sup>th</sup> Street, Moline, IL 61265 (Tax Parcel Number MO-2451-A),

Parcel IV: 325 19<sup>th</sup> Street, Moline, IL 61265 (Tax Parcel Number MO-5468),

Parcel VI: 1722 River Drive, Moline, IL 61265 (Tax Parcel Number MO-5463),

and said real property legally described as follows:

See Attached Exhibit "A" Legal Descriptions attached hereto and incorporated herein by this reference.

WHEREAS, the Borrower and the Lender entered into a Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder's office of Rock Island County, Illinois;

WHEREAS, by the terms of the Loan Modification and Amendment Agreement, in paragraph 5, the Maturity Date of the Note was December 31, 2014;

WHEREAS, paragraph 5 allowed the City to extend the term of the Note, and any and all documents securing the Note, for one-year intervals, through December 31, 2016, if the City's lender agreed to renew or extend the City's note and the Borrower is not in default under any Loan Documents;

WHEREAS, the City's lender agreed to extend the City's note to December 31, 2015 and the parties mutually agreed to such extension prior to December 31, 2014, and documented their agreement in an executed written extension dated July 23, 2015;

WHEREAS, the City's lender again agreed to extend the City's note to December 31, 2016 and the parties mutually agreed to such extension prior to December 31, 2015, and documented their agreement in an executed written extension dated January 5, 2016;

WHEREAS, the parties previously agreed there would be no further extensions after December 31, 2016;

WHEREAS, the parties now mutually agree to one additional extension beyond December 31, 2016, with all other terms and conditions remaining unchanged;

WHEREAS, the parties have now agreed to extend the term of the Note, and any and all documents securing the Note for an additional six months, to June 30, 2017, if the City's lender agrees to renew or extend the City's note and the Borrower is not in default under any Loan Documents; and

WHEREAS; the City's lender has agreed to extend the City's note;

WHEREAS, the Borrower is not in default under any Loan Documents; and

WHEREAS, the parties enter into this written agreement to extend the term to June 30, 2017.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows:

1. The Loan Modification and Amendment Agreement and all Loan Documents shall be extended for six months, to June 30, 2017.
2. Due to the extension, the Maturity Date of the Note shall be June 30, 2017.
3. All references to the Maturity Date throughout the Loan Documents shall be June 30, 2017.
4. Except as herein modified, all of the conditions, covenants and agreements contained in said Loan Documents shall remain in full force and effect. This Extension Agreement does not amend or alter any of the borrower's obligations under any other Loan Documents with the City of Moline.

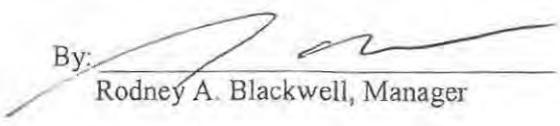
**The City of Moline, Illinois,  
a municipal corporation**

**Financial District Properties HQO, L.L.C.,  
an Illinois limited liability company**

Dated: \_\_\_\_\_

Dated: 9/5/16

\_\_\_\_\_  
Scott Raes, Mayor

By:   
Rodney A. Blackwell, Manager

Attest: \_\_\_\_\_

Tracy A. Koranda, City Clerk

Approved as to form:

Maureen E. Riggs  
Maureen E. Riggs, City Attorney

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF ROCK ISLAND )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared SCOTT RAES and TRACY A. KORANDA, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF Iowa )  
 ) SS:  
COUNTY OF South )

On this 6<sup>th</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn did say that he is the Manager of Financial District Properties HQO, L.L.C., executing the within and foregoing instrument to which this is attached; that said instrument was signed on behalf of said corporation and such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

Jennifer Kakert  
NOTARY PUBLIC



EXHIBIT A

Parcel I: Lots Number One (1), Two (2), Three (3) and Four (4) in Block "E" in that part of the City of Moline known as and called George Davenport's Addition to said City.

Also the East Sixteen (16) feet of Twentieth Street vacated by Ordinance passed April 21, 1930 by the City Council of the City of Moline and recorded in Book 254 of Deeds, Page 497, Number 269278 in the Office of the Recorder of Deeds of Rock Island County, Illinois, as lies adjacent to and abutting said above described Lot Number Four (4) and to the center of vacated First Avenue;

Also the Westerly half of Twenty First Street vacated by Ordinance passed February 1, 1926 by the City Council of said City recorded in Book 234 of Deeds, Page 315, Number 241396 in said Recorder's Office as lies adjacent to and abutting said Lot Number One (1) and South to the center line of vacated First Avenue; Also the Northerly Half of First Avenue vacated by Ordinance passed March 6, 1916 by the City Council of said city recorded in Book 176 of Deeds, Page 509, Number 172884 in said Recorder's Office, as lies adjacent to and abutting said Lots Number One (1), Two (2), Three (3) and Four (4) and between the West line of the vacated East Sixteen (16) feet of Twentieth Street and the center line of vacated Twenty First Street;

Excepting and reserving, however, so much of the above as is conveyed in deed from Montgomery Elevator Company to Moline Tool Company by deed recorded in Book 184 of Deeds, Page 107, Number 176645 in the Office of the Recorder of Deeds of Rock Island County, Illinois, and hereinbefore shown.

Also Lots 1 and 2 in Moline Tool Company's Addition to the City of Moline, situated in Rock Island County, Illinois.

Also; Beginning at the Southeast corner of Lot Number One (1) Block V, in that part of the City of Moline known as and called George Davenport's Addition to said City; thence Westerly along the southerly line of said Lot Number One (1) and Lot Number Two (2), Block V, of said George Davenport's Addition a distance

of Eighty-five and Sixty-one Hundredths (85.61) feet to the easterly line of the right of way of the Iowa-Illinois Memorial Bridge; thence northeasterly along the easterly line of the right of way of the Iowa-Illinois Memorial Bridge a distance of Two Hundred Ten and Fifty-nine Hundredths (210.59) feet to a point in the easterly line of said Lot Number One (1), Block V of said George Davenport's Addition, which is One Hundred Ninety-two and Ninety-five Hundredths (192.95) feet northerly of said Southeast corner of said Lot Number One (1) Block V; thence Southerly along the Easterly line of said Lot Number One (1) Block V of said George Davenport's Addition, a distance of One Hundred Ninety-two and Ninety-five Hundredths (192.95) feet to the point of beginning, situated in Rock Island County, Illinois.

Beginning at the Northeast corner of Lot Number Two (2) in Moline Tool Company's Addition to the City of Moline; thence Westerly along the Northerly line of said Lot Number Two (2) a distance of One Hundred Twenty-seven (127) feet, more or less, to the Easterly line of the right of way of the Iowa-Illinois Memorial Bridge; thence Northeasterly along the said Easterly right of way line of said Iowa-Illinois Memorial Bridge a distance of Forty-two (42) feet, more or less, to a point in the southerly line of Lot Number Two (2) in Block V in that part of the City of Moline known as and called George Davenport's Addition, which said point is Ninety-eight and Sixty-one Hundredths (98.61) feet, more or less, Westerly of the Southeast corner of Lot One (1) Block V in that part of the City of Moline known as and called George Davenport's Addition; thence Easterly along the Southerly line of said Lot Number Two (2) and Lot Number One (1) in Block V in George Davenport's Addition a distance of Ninety-eight and Sixty-One Hundredths (98.61) feet, more or less to the Southeast corner of said Lot Number One (1); thence Southerly along the Easterly line of said Lot Number One (1) Block V, projected Southerly a distance of Forty (40) feet to the point of beginning; situated in Rock Island County, Illinois.

AN EASEMENT for passenger vehicle parking purposes as created by and contained in a Special Warranty Deed dated May 13, 1958 and recorded on May 16, 1958 as Document Number 520828 over the real estate described as follows:

All that part of lots numbers one (1) and Two (2) in Block V in George L. Davenport's Addition to the City of Moline lying westerly of a line described as follows:

Commencing at a point on the east line of lot number one (1) in Block V in said Addition which is One Hundred Ninety-two and ninety-five hundredths (192.95) feet North of the southeast corner of said Lot Number One (1); thence Southwesterly to a point in the South line of Lot Number Two (2) in Block V of said Addition, which is Seventy-four and thirty-nine hundredths (74.39) feet east of the southwest corner of said Lot Number Two (2); together with so much of those lands adjoining and adjacent to the lands above particularly described and lying in the West half of the Public Street, or in the bed of the Mississippi River there situate, to the middle or thread of the stream of the said Mississippi River, situated in the City of Moline, County of Rock Island and State of Illinois.

**SUBJECT TO:**

Rights of the State of Illinois in and to a Three-Dimensional Permanent Easement created by Condemnation Judgment Order entered on September 28, 1972 in Case No. 72ED2 over the real estate described as follows:

A portion of a part of Lots 1 and 2 in Block V in George Davenport's Addition, being an Addition in the NE $\frac{1}{4}$  of Section 32, Township 18 North, Range 1 West of the 4th Principal Meridian; said part of Lots 1 and 2 in said Block V being described as lying easterly of a line described as follows:

Beginning at a point on the east line of said Lot 1, said point being 192.95 feet north of the southeast corner of said Lot 1; thence southerly to a point in the south line of said Lot 2, said point being 74.39 feet easterly of the southwest corner of said Lot 2.

All that portion of the above described part of said Lots 1 and 2 which lies westerly of a line that is 60 feet westerly of and parallel with the east line of said Lot 1.

A tract of land in Lot 2 of Moline Tool Company's Addition to the City of Moline, being an Addition in the NE $\frac{1}{4}$  of Section 32, Township 18 North, Range 1 West of the 4th Principal Meridian, described as follows: All that part of said Lot 2 of Moline Tool Company's Addition to the City of Moline which lies westerly of a line that is 80 feet westerly of and parallel with the easterly line of said Lot 2.

A tract of land in First Avenue lying between Lots 1 and 2 in Block V in George L. Davenport's Addition to the City of Moline and Lot 2 in Moline Tool Company's Addition to the City of Moline, bounded and described as

follows:

Commencing at the southeasterly corner of said Lot 1 in Block V in George L. Davenport's Addition to the City of Moline; thence westerly on the southerly line of said Lot 1, a distance of 60 feet to a point, said point being Lot 1, a distance of 60 feet to a point, said point being the point of beginning of the hereinafter described tract; thence continuing westerly on said southerly line of Lot 1 and the southerly line of said Lot 2 in Block V in George L. Davenport's Addition to the City of Moline, to a point in the east line of that part of First Avenue conveyed by the Moline Tool Company to the City of Moline by Quit Claim Deed recorded in the Recorder's Office of Rock Island County, Illinois.

Lot Number Eight (8) and the East Ten (10) feet of Lot Number Seven (7) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, situated in the County of Rock Island, in the State of Illinois.

Parcel II: Block "R" in Bailey Davenport's First Addition to the City of Moline, and the South Half of vacated Second Avenue lying between the East line of Twenty-First Street and the West line of Twenty-Second Street, excepting therefrom all that part of Bailey Davenport's First Addition, situated in the Northeast Quarter of Section 32 and the Northwest Quarter of Section 33, Township 18 North, Range 1 West of the 4th Principal Meridian, described as follows:

Beginning at the Southwest corner of Block "R" of said Bailey Davenport's First Addition; thence Northeast to the Southeast corner of said Block "R"; thence Northwest 45 feet to a point in the East line of said Block "R"; thence Southwest to a point in the west line of said Block "R", said point being 45 feet Northwest of the point of beginning; thence Southeast to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

Part of Lot 2 of LeClaire's Reserve, described as follows: A strip of land Thirty (30) feet in width extending from the East line of Twenty-Second Street East a distance of Three Hundred and Forty (340) feet to the land of Catherine Davenport, the North line of which strip shall be the same as the South line of the right of way of the Chicago, Burlington and Quincy Railway Company, as granted in a conveyance from Dimock Gould & Co. on December 17, 1881; situated in the City of Moline, County of Rock Island and State of Illinois.

Part of Lot 2 of LeClaire's Reserve, described as follows: A triangular piece of ground described as follows: Beginning at a point where the East line of Twenty-second Street in the City of Moline, County of Rock Island, State of Illinois, intersects the South line of the right of way of the Davenport, Rock Island and Northwestern Railway Company as a starting point; thence South along the East line of said Twenty-second Street, a distance of Fifteen feet; thence Easterly on a straight line One Hundred feet to the South line of the right of way of the aforesaid railway company; thence Westerly along the South line of said right of way to the point of beginning, containing Seven Hundred Forty one and Seventy-five Hundredths (741.75) square feet, more or less; the above described premises situated in the City of Moline, County of Rock Island and State of Illinois.

Lot 4 in Block 5 in George Davenport's Addition to Moline, excepting therefrom that part that falls within part of Lots Number Three (3) and Four (4) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, described as follows:

Beginning at the Southwest corner of said Lot Number Four (4) in said Block Number Five (5); thence Easterly along the Southerly line of said Lots Four (4) and Three (3), and also the Northerly line of the public alley of said Block Five (5) for a distance of 100 feet; thence Northwesterly along the center line of the Westerly Half of said Lot Three (3) and parallel to the Easterly line of 19th Street for a distance of 76.7 feet; thence Northwesterly on a straight line to a point on the Easterly line of 19th Street which point is 41 feet Southeasterly from the Northwest corner of said Lot Four (4); thence Southeasterly along the Easterly line of 19th Street One Hundred Nine and Six Tenths (109.6) feet to the point of beginning;

But, including, however, the North 41 feet of the East Half of that part of Nineteenth (19th) Street in the City of Moline (now vacated), lying South of the Northerly line of Lot Four (4) in said Block Five (5) extended

West and lying North of the Southerly line of said Lot Four (4) in said Block Five (5) extended West; situated in the City of Moline, Rock Island County, Illinois.

Lot 3 in Block 5 in George Davenport's Addition to Moline, lying South of the South right of way line of the Chicago, Burlington and Quincy Railway Company, excepting therefrom that part that falls within part of Lots Number Three (3) and Four (4) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, described as follows:

Beginning at the Southwest corner of said Lot Number Four (4) in said Block Number Five (5); thence Easterly along the Southerly line of said Lots Four (4) and Three (3) and also the Northerly line of the public alley of said Block Five (5) for a distance of 100 feet; thence Northwesterly along the center line of the Westerly Half of said Lot Three (3) and parallel to the Easterly line of 19th Street for a distance of 76.7 feet; thence Northwesterly on a straight line to a point on the Easterly line of 19th Street which point is 41 feet Southeasterly from the Northwest corner of said Lot Four (4); thence Southeasterly along the East line of 19th Street One Hundred Nine and Six Tenths (109.6) feet to the point of beginning;

Also, excepting the premises described as follows:

Beginning at the Southeasterly corner of said Lot Three (3); thence Northerly along the Easterly line of said Lot Three (3) 56.3 feet; thence Northwesterly approximately 42.4 feet to a point on the West line of the East Half ( $\frac{1}{2}$ ) of said Lot Three (3) at a point 70.3 feet Northerly of the South line of said Lot Three (3); thence Southerly along the West line of the East Half ( $\frac{1}{2}$ ) of said Lot 3 for a distance of 70.3 feet to the South line of said Lot 3; thence Easterly along the South line of said Lot Three (3), Forty (40) feet to the point of beginning;

Also, excepting the premises described as follows:

Beginning at the Southeasterly corner of said Lot 3 in said Block 5; thence Westerly along the Southerly line of said Lot Three (3), Forty (40) feet to the point of beginning; thence Northwesterly along the center line of said Lot 3 to a point 70.3 feet Northerly of the South line of said Lot 3; thence Northwesterly on a straight line to a point on the center line of the Westerly Half of said Lot Three (3), 76.7 feet Northerly of the South line of said Lot 3; thence Southeasterly along the center line of the Westerly Half of said Lot 3 and parallel to the Easterly line of 19th Street, 76.7 feet to the South line of said Lot 3; thence Easterly 20 feet to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

All that part of Lot 2 in Block 5 of George Davenport's Addition to the City of Moline, lying Southerly of the following line: Beginning at a point in the Westerly line of said Lot Two (2) at the South line of the Chicago, Burlington and Quincy Railway right-of-way; thence in a southeasterly direction along a curved line concaved southerly having a radius of 555.14 feet along the south line of the Chicago, Burlington and Quincy Railway right-of-way to a point in the easterly line of said Lot Two; excepting therefrom the south 15 feet of said Lot Two (2) in said Block Five (5); situated in the City of Moline, Rock Island County, Illinois.

That part of Lot 1 in Block 5 in George Davenport's Addition to the City of Moline, described as follows: Beginning at the Southwest corner of Lot Number One (1) in Block Number Five (5) in said Davenport's Addition; thence Northerly along the West line of said Lot One (1) Forty-one and Nine-tenths (41.9) feet; thence Southeasterly along a curve to the right whose radius is Five Hundred Fifty-eight and Seven-tenths (558.7) feet, Sixty-four and Twenty-eight One-hundredths (64.28) feet to a point in the South line of said Lot One (1), Thirty-one and Thirty-five One-hundredths (31.35) feet West of the East line of said Lot One (1); thence Westerly along the South line of said Lot One (1), Forty-eight and Sixty-five One-hundredths (48.65) feet to the Southwest corner of the same;

And, the right of way of the Davenport, Rock Island and Northwestern Railway Company, described as follows, to-wit: 30 feet in width, being 15 feet at right angles on each side of the center line located and described as follows:

Beginning at a point 240 feet Easterly from the East line of 19th Street and 92.7 feet Southerly from the South line of First Avenue; thence along said center line in an arc of a circle curving to the South with a

## AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

Purchaser:  
City of Moline

Seller:  
Fifth Avenue Block LLC, an Illinois limited liability company

### 1. **THIS AGREEMENT IS DATED:** September 1, 2016.

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as: 1630 5<sup>th</sup> Avenue, Moline, Illinois, and legally known as: Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois, for the sum of \$1,800,000.00 to be paid as follows:

The full purchase price shall be paid at closing.

### 2. **POSSESSION AND CLOSING**

Possession On Closing:

(A) Seller shall deliver possession of the subject property to Purchaser concurrently with the closing of this transaction which shall be held on or before September 30, 2016.

(B) Per diem rent in the amount of \$ 0 shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than 0 days after closing.

Additional Provisions:

(A) Possession shall be deemed delivered when Seller has vacated the subject property and delivered the keys to Purchaser or Purchaser's agent.

(B) Necessary timely legal notices to tenants, if any, to be given by Seller unless otherwise agreed to by the parties.

(C) If Seller shall fail for any reason whatsoever to vacate the subject property after the above specified number of days, the Purchaser shall in addition to all other remedies have the right to commence any legal action or proceeding to evict and remove the Seller from the subject property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

### 3. **EVIDENCE OF TITLE**

At least two weeks prior to the closing date, Seller shall deliver (A.) \_\_\_ an abstract of title or (B.) X a Commitment for Title Insurance issued by a title insurance company regularly doing business in the County where the subject property is located committing the company to issue an owner's policy in the usual form insuring merchantable title to the property. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of

title adopted by the Rock Island County Bar Association, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or any such exception which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Seller is unable to cure such exception, Purchaser shall be entitled to a refund of the Earnest Money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

#### **4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE**

Form of Deed. The Seller shall convey title to the Property by Warranty Deed ("Deed") along with such other documents as may be required to record the deed, transfer personal property, if any, and protect Purchaser from mechanics' liens. Seller represents that Seller knows of no conditions, faults or defects, whether environmental or otherwise. At closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the property will become Buyer's rights.

#### **5. PRORATIONS AND ADJUSTMENTS**

The following items shall be prorated at closing:

##### **A. Prorations:**

- (1) Real estate taxes, based on the most recent year's tax bill available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any funds and books/records of security/damage deposit, CAM account, and any other monies held as Landlord or property owner);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser; and
- (5) Other income and operation expenses, if any.

##### **B. Adjustments:**

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

#### **6. ASSESSMENTS**

Seller shall pay all special assessments, which are a lien on the subject property as of the date of closing. Seller acknowledges that prior to the execution of this Agreement, Seller has no knowledge of or no notice has been received from any municipal authority concerning improvements which could result in a special assessment on the subject property. Tap on fees, if any, which exist for municipal services to the subject property, shall be paid by the purchaser.

## **7. FIXTURES AND PERSONAL PROPERTY**

All fixtures presently installed on the subject property including but not limited to; brackets and fixtures, all carpeting, electric light fixtures, bathroom fixtures and accessories, telephone lines, central heating and cooling units and attached equipment, all shrubs and trees, shall be left by Seller in or upon said subject property exactly as they are as of the date of this Agreement, and shall be deemed a part of the subject property and title thereto shall pass to Purchaser at closing. The following personal property shall be sold to Purchaser as part of the consideration for the purchase price: all of Seller's personal property pertaining to the subject building and grounds located upon the premises at this time.

## **8. CONDITION OF SUBJECT PROPERTY**

The parties agree that the purchase price reflects the condition of the subject property and Purchaser acknowledges that the real estate and the improvements thereof have been inspected, and Purchaser is acquainted with the condition thereof and accepts the same in (CHECK ONE OF THE FOLLOWING):

(A.) "As-Is"

(B.) "As-Is" condition except Seller warrants the plumbing, heating and electrical systems to be in normal working condition on date of possession. Written notice of breach of the warranty contained above must be served upon Seller, Seller's attorney, or Seller's agent within two (2) business days of the date of possession. Purchaser shall have the right to inspect the subject property during the 48-hour period immediately prior to closing.

## **9. DEFAULT**

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser by this Agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller, subject to the terms of any listing agreement, may accept the Earnest Money and any additional down payment as damages. In the event Seller fails to perform any obligation imposed upon Seller by this Agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, Earnest Money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal remedy including specific performance. In the event of default, the defaulting party shall be liable to the other party for reasonable attorney fees, expenses incurred by reason of default, and the real estate brokerage fee.

## **10. CASUALTY CLAUSE**

Seller shall bear the risk of loss or damage to the subject property prior to closing or possession, whichever first occurs. In the event all or a material part of the subject property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the subject property can be restored to its present

condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the subject property until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title to the subject property.

## **11. EXPENSES OF TRANSFER**

A. Seller shall pay:

- (1) Broker's Commission;
- (2) Cost of owner's title policy; and
- (3) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage; and
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee.

Each party shall be responsible for their own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

## **12. 1031 EXCHANGE**

Both Purchaser and/or Seller agree that it shall be an accommodation party, if requested by Seller and/or Purchaser, in a "1031 Starker Exchange," provided that Purchaser and/or Seller shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the subject property and said accommodation does not delay the closing of the transaction for the subject property.

## **13. ESCROW**

This Agreement will be closed through an escrow either with the (A.) X Purchaser's attorney, (B.) \_\_\_\_\_ mortgage lender. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title in the Purchaser.

## **14. REPRESENTATIONS OF SELLER**

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the subject property is not contaminated with, nor threatened with contamination from outside sources by any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the subject property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the subject property with hazardous wastes or substances. Seller warrants that the subject property is not subject to any local, state or Federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set

## **19. BROKER REPRESENTATIONS**

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the subject property.

## **20. BROKERS AS AGENTS**

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Purchase Agreement. The Broker, the Broker's agents, employees, and associates must respond to all questions of the parties accurately and honestly and must disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the subject property or give advice on matters outside the scope of their real estate licenses.

## **21. AGENCY**

Seller and Purchaser acknowledge that no agents or brokers are involved in this transaction.

## **22. DUE DILIGENCE**

(A) From the date of execution of this agreement by Seller until September 20, 2016, (the "Due-Diligence Period"), Purchaser and its agents and representatives shall be entitled to conduct an inspection as to the Property, which will include, but shall not be limited to, the rights to (1) enter on the Property to perform inspections and tests, including, but not limited to, inspection, evaluation, and testing of the heating, ventilation, and air-conditioning systems and all components thereof, the roof of the Building, the parking lots, all structural and mechanical systems within the Building, including, but not limited to, sprinkler systems, power lines and panels, air lines and compressors, automatic doors, tanks, pumps and plumbing, and all equipment and Personal Property; (2) make investigations with regard to zoning, environmental, building code, and other legal requirements, including, but not limited to, an environmental assessment; (3) make or obtain market studies and real estate analyses; (4) analyze the financial feasibility of ownership of the Property; and (5) arrange for termination of existing leases and relocation of any long term lessees. If Purchaser, in its sole and absolute discretion, determines that the results of any inspection, test, or examination, or attempts at termination and relocation of existing leases do not meet Purchaser's (or its assignees', underwriters', investment bankers', board of directors', lenders', or investors') criteria for purchase, financing, or operating of the Property in the manner contemplated by Purchaser, or if the information disclosed does not otherwise meet Purchaser's investment criteria or underwriting for any reason whatsoever, or if Purchaser, in its sole discretion, otherwise determines that the Property is unsatisfactory to it, then Purchaser may terminate this Agreement by written notice to Seller, given not later than the last day of the Due-Diligence Period. Upon such termination, the Earnest Money, together with all interest accrued thereon, shall be returned immediately to Purchaser, and except as otherwise provided in this section, neither party shall have any further liability to the other hereunder. In the event Purchaser fails to notify Seller of its intent to terminate this Agreement prior to the expiration of the Due-

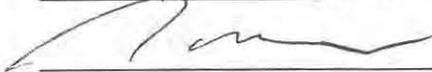
Diligence Period, Purchaser's right to terminate this Agreement shall be waived and become null and void.

**23. ACCEPTANCE BY PURCHASER**

Until accepted by the Purchaser, this document constitutes an irrevocable offer to sell by the Seller on the terms stated above. Seller acknowledges and agrees that this Agreement is subject to Purchaser's right and legal responsibility to formally submit this Agreement to the City Council for review, approval and authorization to execute. If not so approved by the Council by September 27, 2016, this offer and Agreement shall be void. The parties understand that the City Council may not approve this Agreement and that until approved by the City Council, it is not and shall not be binding upon the City, its officers, employees or agents.

This Agreement has been read and executed in duplicate on the dates beside the parties' authorized agents' signatures.

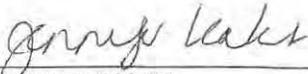
IN WITNESS WHEREOF, Fifth Avenue Block, LLC, an Illinois limited liability company,, Seller, has caused this Agreement for Sale of Real Estate to be executed this 1<sup>st</sup> day of Sept, 2016.

  
\_\_\_\_\_

STATE OF IOWA            )  
                                          )        SS:  
COUNTY OF SCOTT        )

On this 1<sup>st</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn (of affirmed), did say that he is Managing Principal and sole owner of Fifth Avenue Block LLC, an Illinois limited liability company and that said instrument was signed on behalf of said company. Rodney A. Blackwell acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.



  
\_\_\_\_\_  
NOTARY PUBLIC

Landlord: Financial District Properties  
 Building: 5th Ave Building  
 Location: 1630 5th Avenue Moline IL

2016 Rent Roll - Through August 2016

TENANT	STE/FLR	2016		Tenant Occupancy %	2016 Base Rent Paid	No Tenants Pay CAM		2016 Total Receipts
		Tenant rsf Area	Months Occupied			2016 Total CAM	2015 CAM True-Up	
Edward Jones	1st Floor		8		13,626			\$13,626
La Flama	1st Floor		5.5		30,250			\$30,250
Winstein Kavenshy & Cunningham	1600	Storage	8		4,000			\$4,000
Mid American Law Offices	200		8		4,655			\$4,655
Honkamp Krueger & Co	201 AB	Storage	8		1,600			\$1,600
Flanagan State Bank	235		8		4,900			\$4,900
BNPN	300		8		75,527			\$75,527
Eden Green Reading Clinic	435		8		650			\$650
Golden Dreams Home Care	508		8		1,200			\$1,200
Meador Investigations	535		8		1,800			\$1,800
Monty Meyer	606/607		8		8,960			\$8,960
Advanced Insurance	625		8		13,675			\$13,675
Pamela Taylor	706		8		3,200			\$3,200
David Bybee Branch	803		8		2,000			\$2,000
	Total Occupied rsf	0	TOTALS	0.00%	\$166,043	\$0	\$0	\$166,043
	Total NRA	98,000						

Details of Leases:

TENANT	Lease Start	Lease End	Vacated	Extension?	Monthly Gross Rent	Security Deposit
Edward Jones	4/1/2008	3/31/2018	No	Yes	\$ 1,703.31	
La Flama	1/15/2012	1/15/2015	Yes	Vacated 6/30/16	\$ -	
Winstein Kavenshy & Cunningham	MTM	No Lease	No		\$ 500.00	
Mid American Law Offices	MTM	No Lease	No		\$ 665.00	
Honkamp Krueger & Co	MTM		No		\$ 200.00	
Flanagan State Bank	MTM		No		\$ 700.00	
BNPN	1/1/2003	12/31/2019	No	Yes	\$ 9,440.83	
Eden Green Reading Clinic	MTM	No Lease	No		\$ 100.00	
Golden Dreams Home Care	MTM		No		\$ 150.00	
Meador Investigations	MTM		No		\$ 225.00	\$225.00
Monty Meyer	MTM	No Lease	No		\$ 1,120.00	
Advanced Insurance	MTM	No Lease	No		\$ 525.00	
Pamela Taylor	MTM	No Lease	No		\$ 400.00	
David Bybee Branch	MTM	No Lease	No		\$ 250.00	
					<u>\$ 15,979.14</u>	<u>\$ 225.00</u>

Exhibit A to Agreement for Sale of Commercial Real Estate:  
 Fifth Avenue Building Lease Agreements and Tenant Ledgers

EDWARD D. JONES & CO.  
d/b/a EDWARD JONES  
TERM LEASE AGREEMENT

THIS AGREEMENT (hereinafter referred to as the "Lease") made and entered into this the \_\_\_\_ day of \_\_\_\_\_, 2003, by and between Rodney A. Blackwell having principal offices at 1630 5<sup>th</sup> Avenue, Suite 514 in Moline, Illinois 61265, hereinafter referred to as LESSOR,

and

EDWARD D. JONES & CO., d/b/a EDWARD JONES, having principal offices at 201 Progress Parkway, in Maryland Heights, Missouri 63043, hereinafter referred to as LESSEE,

WITNESSETH, that said LESSOR does by these presents lease and demise unto the said LESSEE the following described property being situated in the City of Moline, State of Illinois, to wit:

Address: 1632 5<sup>th</sup> Avenue

Square Feet: 1900

With appurtenances for the term of five (5) years beginning the 1<sup>st</sup> day of April, 2003, and ending the 31<sup>st</sup> day of March, 2008, at the following monthly rent or sum, payable one month in advance, on the first day of each and every month during said term, with any partial months being prorated based upon a thirty (30) day month, upon the conditions and covenants following:

April 1, 2003 - March 31, 2004:	\$1,425.00 per month
April 1, 2004 - March 31, 2005:	\$1,453.50 per month
April 1, 2005 - March 31, 2006:	\$1,482.57 per month
April 1, 2006 - March 31, 2007:	\$1,512.22 per month
April 1, 2007 - March 31, 2008:	\$1,542.47 per month

Notwithstanding anything to the contrary contained elsewhere in this Lease, Lessor shall credit Lessee Ten Thousand Eight Hundred and No/Dollars (\$10,800.00) during the first twenty four months of the original lease term in order to reimburse Lessee for the cost incurred to replace the HVAC unit and appropriate duct work exclusively servicing the Premises. The monthly rent shall be abated by Four Hundred Fifty and No/Dollars (\$450.00) per month from April 1, 2003 to March 31, 2005.

1. FORM W-9

Under Section 6109 of the Internal Revenue Code, Lessor is required to provide Lessee with the correct Taxpayer Identification Number (TIN) in order for Lessee to file information returns to the IRS to report income paid to Lessor. Lessor shall complete all IRS required forms and return to Lessee as requested. Notwithstanding anything to the contrary herein, if Lessor fails to submit a properly completed Form W-9 as requested by Lessee, Lessor agrees that Lessee has the right (but not the obligation), pursuant to Section 3406 of the Internal Revenue Code, to withhold and pay to the IRS a percentage of the total monthly rent payment.

In the event that Lessor shall have a change in its business or legal name, Lessor agrees to notify Lessee in writing, within 30 days of any such change, and submit a new Form W-9 reflecting such change(s).

2. NOTICE TO LESSEE

a) It is expressly understood between the parties hereto that LESSEE'S employees stationed at the Premises are not empowered to give instruction regarding the leasehold and furthermore that all notices to be served by the LESSOR upon the LESSEE shall be in writing addressed to:

Edward D. Jones & Co. (Headquarters)  
12555 Manchester Road  
St. Louis, MO 63131  
Attention: Branch Leasing; BR# 06325

Notices to either party shall be considered served when deposited with the United States Postal Service via Certified Mail, return receipt requested.

b) Only Principals or Authorized Officers/Agents of LESSEE employed at its Headquarters are empowered to give any instruction or notice regarding the Lease and any notice or instruction issued by any other party is null and void.

c) Due to the nature of LESSEE'S business, any access to or entrance into the Premises by the LESSOR or its employees, agents or contractors shall require 24 hours prior notice to LESSEE, except in cases of an emergency.

3. NOTICE TO LESSOR

Any payments required to be paid, and all notices required to be rendered by LESSEE to LESSOR shall be delivered to LESSOR at: 1630 5<sup>th</sup> Avenue, Suite 514, Moline, IL 61265.

4. SATELLITE DISH

LESSEE shall have the privilege, at any time during the Lease Term or at any time before vacating the Premises, of installing to the Building or affixing to the roof of the Property on which the Building is located wherein LESSEE is in possession, a 1.8 meter (6 feet) > mounted satellite receiver and all accompanying equipment to make said receiver functional. LESSEE shall have reasonable access to the roof or other areas as deemed necessary in order to maintain, install, repair, remove or modify the satellite receiver and all accompanying equipment at any time during the Lease Term or at any time before vacating the Premises. LESSEE must remove the satellite receiver and repair the Building or Property within thirty (30) days of any termination of this Lease due to the removal of the receiver.

LESSEE shall indemnify and hold LESSOR harmless for all damage or injury that results from the negligence of LESSEE due to the installation and/or use of the satellite receiver. LESSEE shall have the privilege at any time to remove the satellite receiver and shall repair any damage caused thereby. LESSEE is responsible to obtain any legally required permits and zoning variances.

5. OCCUPANCY AND COMMENCEMENT OF TERM

In the event the Premises are ready for occupancy prior to April 1, 2003, ("Commencement Date") LESSOR will allow LESSEE to take early occupancy. All terms and conditions of this Lease shall be in effect during any said early occupancy period. Base rent and other charges for any early occupancy period shall be prorated. Additionally, if LESSEE shall occupy the Premises prior to the Commencement Date of this Lease, with LESSOR'S consent, all the provisions of this Lease shall be in full force and effect as soon as LESSEE occupies the Premises and the Lease expiration date shall not change.

If the LESSOR shall be unable to give possession of the Premises on the Commencement Date for any reason except that caused solely by LESSEE, then the rent shall not commence until possession of the Premises is given and all improvements to be made by LESSOR are substantially complete, and reasonably acceptable to LESSEE. Additionally in the event that the Premises are not made substantially complete and reasonably acceptable to LESSEE within thirty (30) days after the Commencement Date, LESSEE may, at its option, cancel this Lease, upon written notice to LESSOR, without liability to LESSOR and this lease shall be null and void. In the event LESSOR is unable to give possession on the Commencement Date, and LESSEE does not elect to cancel this Lease, the expiration date shall be extended from the actual date of occupancy in accordance with the total lease term specified in the Lease.

6. EARLY TERMINATION

Notwithstanding anything to the contrary contained elsewhere in this Lease it is expressly understood and agreed between the parties hereto that LESSEE is granted an option to cancel this Lease upon sixty (60) days written notice to LESSOR at any time prior to the stated maturity of said Lease, then LESSEE shall pay to LESSOR as liquidated damages, a sum equivalent to four (4) months base rent. Upon payment of aforesaid sum, LESSOR shall hold harmless and relieve LESSEE from any further liability or obligation under this Lease.

7. **OPTION TO RENEW**

Provided LESSEE is not in default of the Lease, LESSOR will grant LESSEE an option to renew this Lease for one (1) additional period of five (5) years with six (6) months notice at the following rates:

Year 1: \$1,573.32 per month  
Year 2: \$1,604.79 per month  
Year 3: \$1,636.88 per month  
Year 4: \$1,669.62 per month  
Year 5: \$1,703.01 per month

8. **DELIVERY UPON TERMINATION**

Upon expiration of the Lease term, or any subsequent renewal term, or other sooner termination of this Lease, LESSEE shall deliver to LESSOR possession of the Premises, together with all improvements or additions in or to the Premises, in the same condition as received, ordinary wear and tear excepted.

LESSEE shall not be required to remove any of said improvements or return the Premises to its original condition upon any termination of this Lease. All said improvements shall remain in place as the Property of the LESSOR. LESSEE shall remove its furniture, fixtures and equipment and make any repairs occasioned by said removal upon any termination of this Lease.

9. **USE**

LESSEE shall use said Premises for general office space in connection with investment brokerage, insurance sales and related financial services and LESSEE shall be the only business in the Building to engage in investment brokerage, insurance sales and related financial services.

LESSEE, its employees, customers, invitees, contractors, and agents shall have access and the right to use the Common Areas, if any, including but not limited to: corridors, sidewalks, restrooms, parking lots, entryways, lobbies and elevators, subject to LESSOR'S reasonable written rules and regulations which shall not adversely affect LESSEE'S right to use the Premises.

10. **RESTRICTED USE**

The LESSOR shall not lease or sell the contiguous units to the Leased Premises to the following user:

- a) Bars, taverns, billiard halls;
- b) Pawn shops;
- c) Dance studios or Karate studios;
- d) Beer or wine-making stores;
- e) Adult video/Adult entertainment stores;
- f) Off-track betting establishments;
- g) Abortion/drug rehabilitation offices/facilities;
- h) Alcohol/drug rehabilitation offices/facilities;
- i) Psychological counseling offices/facilities;
- j) Unemployment or Social Security offices; or
- k) any other non-professional use similar to those listed above.

11. **UTILITIES**

LESSOR shall provide to the Premises and Building, and its Common Areas, all utilities, including but not limited to electric, water, sewer, heat, and waste or trash removal. LESSEE shall pay, either to LESSOR or directly to said utility or service provider, the following services used exclusively for the Premises: gas and electric. LESSOR shall pay for the following services used exclusively for the Premises: trash removal, water and sewer. LESSOR shall provide any necessary metering devices.

If permitted by law, LESSEE, without LESSOR'S consent, shall have the right at any time and from time to time during the Lease Term, to contract for service from a different company or companies providing utility service (including but not limited to, electric, water, sewer, heat and waste or trash removal, etc.) for said Premises.

12. **REAL ESTATE TAXES AND INSURANCE**

LESSOR shall provide, at its sole cost and expense, all reasonable Common Area Maintenance, property insurance and real estate taxes.

13. **HOURS OF OPERATION**

LESSEE'S hours of operation shall be 8:00 a.m. to 5:00 p.m., Monday through Friday. However, LESSEE'S employees are not required by this Lease to continuously occupy the Premises during the above days and hours due to the nature of LESSEE'S business operation, nor shall LESSEE be obligated to light the Premises or its signage beyond the hours set forth above. Additionally, LESSEE shall have 24-hour access to the Premises and the Common Areas.

14. **SIGNAGE**

LESSOR will allow LESSEE to install signage on the Building and/or Property in a location reasonably acceptable to LESSOR and LESSEE. LESSEE'S signage shall conform to all applicable local, city and county requirements.

All signs shall be constructed, maintained and installed at LESSEE'S sole cost and expense and in a quality and workmanlike manner. Electrical connections, if applicable, shall comply with the latest National Electrical Code. All electrical wiring shall be enclosed in building standard raceway or wireway, if applicable. All electrical connections shall be wired to LESSEE'S panel and meter.

LESSEE'S sign contractor shall be responsible to repair any damage caused by sign installation or maintenance. LESSEE shall be responsible to remove its signs and repair any damage caused by said removal as soon as practical after any termination of this Lease.

LESSOR shall also allow LESSEE to place regulatory agency mandated signage (stickers) on or near the front entrance of the Premises. At anytime during the term of this Lease, or any extension hereof, LESSEE reserves the right to change its name. In the event LESSEE does change its name, LESSEE may, at its expense, change its signage to reflect the new name.

15. **ZONING**

LESSOR hereby warrants that the Property/land/Premises are zoned for the use intended in this Lease.

16. **PEACEABLE & PRIVATE ENJOYMENT**

LESSOR agrees to permit the LESSEE to peaceably and quietly have and enjoy the use of the Premises and Common Areas for the purpose and for the term aforesaid. In addition, LESSOR agrees to provide LESSEE with access and ability to conduct business during normal business hours with the same peaceable and private enjoyment during any repairs, maintenance, and improvements.

17. **SUBORDINATION AND ATTORNMENT**

This Lease shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation of security now or hereafter placed upon the Premises or Project and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding such subordination, LESSEE'S right to quiet possession of the Premises shall not be disturbed if LESSEE is not in default and so long as LESSEE shall pay the rent and observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. If any mortgagee, trustee or ground LESSOR shall elect to have this Lease prior to the Lien of its mortgage, deed of trust or ground lease, and shall give written notice thereof to LESSEE, this Lease shall be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease is dated prior to or subsequent to the date of said mortgage, deed of trust or ground lease or the date of the recording thereof.

LESSEE agrees to execute any documents required to effectuate an attornment, a subordination, or to make this Lease prior to the lien of any mortgage, deed of trust or ground lease, as the case may be. In the event of any foreclosure, sale, or transfer in lieu of foreclosure, Edward Jones shall attorn to the

purchaser, transferee or LESSOR as the case may be, and recognize that part as LESSOR under this Lease, provided such party acquires and accepts the Premises subject to this Lease.

18. **LEASE MODIFICATION AND ASSIGNMENT**

This Lease may be modified only upon the written and signed Agreement of LESSOR and LESSEE. LESSEE expressly covenants that it shall not assign or sublet the Premises, except to affiliates or parent companies, without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld.

19. **TENANT IMPROVEMENTS**

Lessee shall install a new HVAC unit and appropriate duct work exclusively servicing the Premises within sixty (60) days of lease commencement. Lessor shall credit Lessee Ten Thousand Eight Hundred and No/Dollars (\$10,800.00) during the first twenty four months of the original lease term in order to reimburse Lessee for the cost incurred to replace the HVAC unit and appropriate duct work exclusively servicing the Premises. The monthly rent shall be abated by Four Hundred Fifty and No/Dollars (\$450.00) per month from April 1, 2003 to March 31, 2005

20. **REPAIR AND MAINTENANCE**

a) LESSOR shall be responsible, at its expense, for all repair, maintenance or replacement of the following Building and Common Area (if any) elements: roof, foundation, outside walls, sidewalks, parking lot, common corridors and restrooms, windows, drainage system, heating, air conditioning, plumbing, electrical wiring, snow/ice removal and landscaping.

b) LESSOR shall be responsible, at its expense, for all repair, maintenance or replacement of the following Premises elements: windows, drainage system, heating, air conditioning, plumbing, electrical wiring, snow/ice removal and landscaping.

c) Notwithstanding anything to the contrary herein, LESSEE shall only be responsible, at its expense, for all repair and maintenance of the following: interior walls and construction. Additionally, LESSOR shall assign to LESSEE or allow and participate with LESSEE with regard to any warranty applicable to such items in the Building.

d) In the event LESSOR should fail to address the repairs and maintenance issues as required, LESSEE shall have the right to terminate this Lease upon thirty (30) days written notice with no further liability to LESSEE.

e) LESSOR warrants that all fixtures and equipment are in good working order at the commencement of this Lease and LESSOR warrants that all fixtures and equipment shall be under warranty for ninety (90) days after commencement of this Lease.

21. **CONTRACTOR LIEN**

In the event a lien is filed on the Premises by a contractor under the control of the LESSEE, LESSEE shall have the option to bond off the lien.

22. **CONDEMNATION**

In the event of the condemnation or purchase in lieu of all or any substantial part of the Premises by any public or private corporation with the power of condemnation, LESSEE reserves the right to seek a separate award due to such condemnation. Additionally, LESSEE shall have the right to cancel the Lease, with no further liability to LESSOR if said condemnation affects LESSEE in any manner.

23. **DAMAGE OR DESTRUCTION TO THE PREMISES**

In the event of damage or destruction to the Premises, the LESSOR or the LESSEE shall be allowed to cancel the Lease if the LESSOR cannot restore the Premises within 60 days. If the LESSOR can restore the Premises within said 60 days, the LESSOR shall commence to do so diligently. LESSOR shall notify LESSEE in writing within 15 days of said damage or destruction of its ability to restore the Premises

within 60 days or not. If restoration is not completely restored within 60 days, or cannot be restored within 60 days, LESSEE shall have the immediate right to cancel the Lease effective from the date of occurrence of said damage or destruction, and LESSEE shall have no further liability to LESSOR. Rent payable hereunder for the period during which such damage, repairs or restoration continues shall be abated.

24. **COMPLIANCE WITH LAWS AND ORDINANCES**

LESSOR shall be responsible for making the Premises, Building and its Common Areas comply with all laws, ordinances or regulations.

25. **HAZARDOUS MATERIALS**

To the best of LESSOR'S knowledge, the Building, its Common Areas, and Premises contain no Hazardous Materials (as defined by the US Environmental Protection Agency) and/or harmful mold, and/or harmful contaminants, and is in compliance with all applicable local, state and federal material rules, regulations, laws and ordinances. In the event that Hazardous Materials and/or harmful mold, and/or harmful contaminants are identified as present in the Premises, Building, its Common Areas, and/or Property during the term of this Lease, LESSOR shall be responsible for the removal of said Hazardous Materials, and/or harmful mold, and/or harmful contaminants. LESSOR shall hold harmless and indemnify LESSEE for any hazardous waste mold and/or contaminant costs, clean-up, fine, damage, or judgment caused by LESSOR or its agents. LESSEE shall be responsible for removal of any Hazardous Materials and/or harmful mold, and/or harmful contaminants LESSEE introduces into the Premises. LESSOR shall be responsible for the removal of any Hazardous Materials, and/or harmful mold, and/or harmful contaminants introduced to the Building, its Common Areas, or Premises by third parties not controlled by LESSEE. Additionally, LESSOR shall continue to comply with all applicable local, state and federal material rules, regulations, laws and ordinances.

26. **INSURANCE**

LESSEE shall carry and maintain, during the entire term hereof, at LESSEE'S sole cost and expense, a broad form of comprehensive commercial general liability insurance with limits of not less than \$1,000,000.00 per occurrence, insuring against any and all liability of LESSEE with respect to the demised Premises or arising out of the use or occupancy thereof. LESSEE shall furnish LESSOR, if requested, evidence that the insurance is in full force and effect from the Company issuing such insurance. Notwithstanding anything to the contrary herein, LESSEE'S maximum liability to LESSOR shall not exceed the total amount of rent due for the entire Lease, except when insurance is available to cover a claim by LESSOR.

LESSOR shall insure the Building and its Common Areas under a fire and extended coverage policy with limits of not less than \$1,000,000.00 or to 100% of the replacement costs.

27. **INDEMNIFICATION**

LESSEE agrees to indemnify and hold harmless LESSOR for any risk of loss, injury or damage of any kind or nature to the Property, Building, or its Common Areas, or persons at the Property, Building, its Common Areas, or Premises that results from the negligence of LESSEE except when such injury or damage is a result of a malfunction of or damage to items to be maintained, repaired or provided by LESSOR, or when such injury or damage is the result of LESSOR'S negligent act and/or willful misconduct.

LESSOR agrees to indemnify and hold harmless LESSEE for any risk of loss, injury or damage of any kind or nature to the Property, Building, or its Common Areas, or persons at the Property, Building, its Common Areas, or Premises that results from the negligence of LESSOR except when such injury or damage is a result of a malfunction of or damage to items to be maintained, repaired, or provided by LESSEE, or when such injury or damage is a result of LESSEE'S negligent act and/or willful misconduct.

28. **DEFAULT**

a) In the event of any non-monetary default by either party, the defaulting party shall cure or commence to cure and diligently conclude said cure, within thirty (30) days of non-defaulting party's written notice of said default. In the event that the default cannot reasonably be cured within said thirty (30) day timeframe, as long as the defaulting party has diligently commenced to cure said default within thirty (30) days from receipt of notice of default from the other party, then in such case, the defaulting party shall not be considered in default by reason of non-compliance of the thirty (30) day timeframe requirement.

b) In the event of a monetary default, LESSEE shall cure said default within ten (10) days of receipt of written notice from LESSOR.

29. **LATE FEES**

LESSEE will pay said rents in a manner and form herein before specified. LESSEE shall pay to LESSOR the sum of \$10.00 per day as late fees for any rental payment unpaid to LESSOR by the tenth day of the month.

30. **HOLDOVER**

Provided LESSEE has not vacated the Premises, and provided LESSEE has not exercised any option to renew, or has not entered into a new Lease regarding the Premises, then if LESSEE holds over after the Lease term, this Lease shall revert to a month-to-month agreement upon expiration of the lease term and a ninety (90) day notice by either party shall be required to terminate this said month-to-month tenancy. All other terms and conditions of the original Lease, including the rental amount paid during the last month of the Lease term, would remain in effect during this month-to-month tenancy.

31. **LESSOR'S DEFAULT**

In the event LESSOR breaks a clause in this Lease, omits to undertake what is stated he will undertake, or acts in a manner in which the Lease states he shall not act, LESSEE has the right of setoff in a subsequent month's rent for the fair value of said act, omission, repair or maintenance that hinders LESSEE'S leasehold interests. In addition, LESSEE shall have the option to cure a default/breach of Lease by LESSOR, if (a) LESSEE has sent written notice to LESSOR of LESSEE'S intent to cure, and (b) LESSOR fails to cure said default/breach within 30 days following LESSOR'S receipt of such notice from LESSEE per paragraph 29.

32. **INTERRUPTION OF LEASE**

If any required service to be provided by LESSOR is interrupted or otherwise ceases to be provided, and a substantial part of the Premises are deemed unfit for LESSEE'S normal use for more than three (3) days, all rent payable by LESSEE shall abate until such interruption ceases. Said three (3) day period shall not begin until LESSOR receives written notice from LESSEE of said interruption. In the event said interruption continues for more than 15 days, Lessee shall have the option to terminate this Lease without further liability to LESSOR.

33. **REMEDIES**

LESSOR and LESSEE shall have all remedies available at law or equity to enforce this Lease, and to proceed against the other party for any default of this Lease.

34. **ATTORNEYS' FEES**

If either party becomes a party to any litigation concerning this Lease, the Premises, or the Building or other improvements in which the Premises are located, by reason of any act or omission of the other party or its authorized representatives, the party that causes the other party to become involved in the litigation shall be liable to that party for the reasonable attorneys' fees and court costs incurred by it in the litigation.

If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

35. FORCE MAJEURE

In the event that either party shall be delayed or hindered in or prevented from doing or performing any act required in this Lease by reason of strikes, lock-outs, casualties, Acts of God, labor troubles, inability to procure materials, failure of power, governmental laws or regulations, riots, insurrection, war or other causes beyond the reasonable control of such party, then such party shall not be liable or responsible for any such delays and the doing or performing of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

36. CONSENT OR APPROVAL

In each and every instance where the consent or approval of either party is required by the other party, said consent or approval shall be given in a prompt manner, and shall not be unreasonably withheld.

37. HEIRS AND ASSIGNS

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon LESSOR and LESSEE and their respective heirs, executors, administrators, successors and assigns.

38. ENTIRE AGREEMENT

This Lease sets forth all the covenants, promises, agreements, conditions and understandings between LESSOR and LESSEE concerning the Premises and there are not covenants, promises, agreements, conditions or understandings either oral or written, between them other than as are herein set forth.

39. ABANDONMENT

Notwithstanding anything to the contrary in the Lease, if during the term of this Lease and any extensions hereof, so long as LESSEE shall continue to pay rent as outlined herein, LESSEE shall not be considered in default of this Lease by reason of abandonment or non-use in the event the LESSEE'S employee(s) vacates or fails to initially occupy the Premises. LESSEE will use its best efforts to locate other employees to occupy the Premises. LESSEE shall maintain the interior appearance of the Premises in a clean and orderly fashion at all times.

This Lease is not in effect until duly signed by LESSOR and LESSEE.

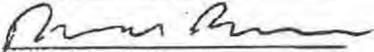
LESSOR:

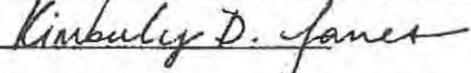
LESSEE:

RODNEY A. BLACKWELL

EDWARD D. JONES & CO.,  
d/b/a EDWARD JONES

By: COLLIERS TURLEY MARTIN TUCKER, AGENT

By:   
(Authorized Signature)

By: 

Its: OWNER

Its: Transaction Manager

Printed Name: RODNEY A. Blackwell

Date: 3-25-03

Date: 3/21/03

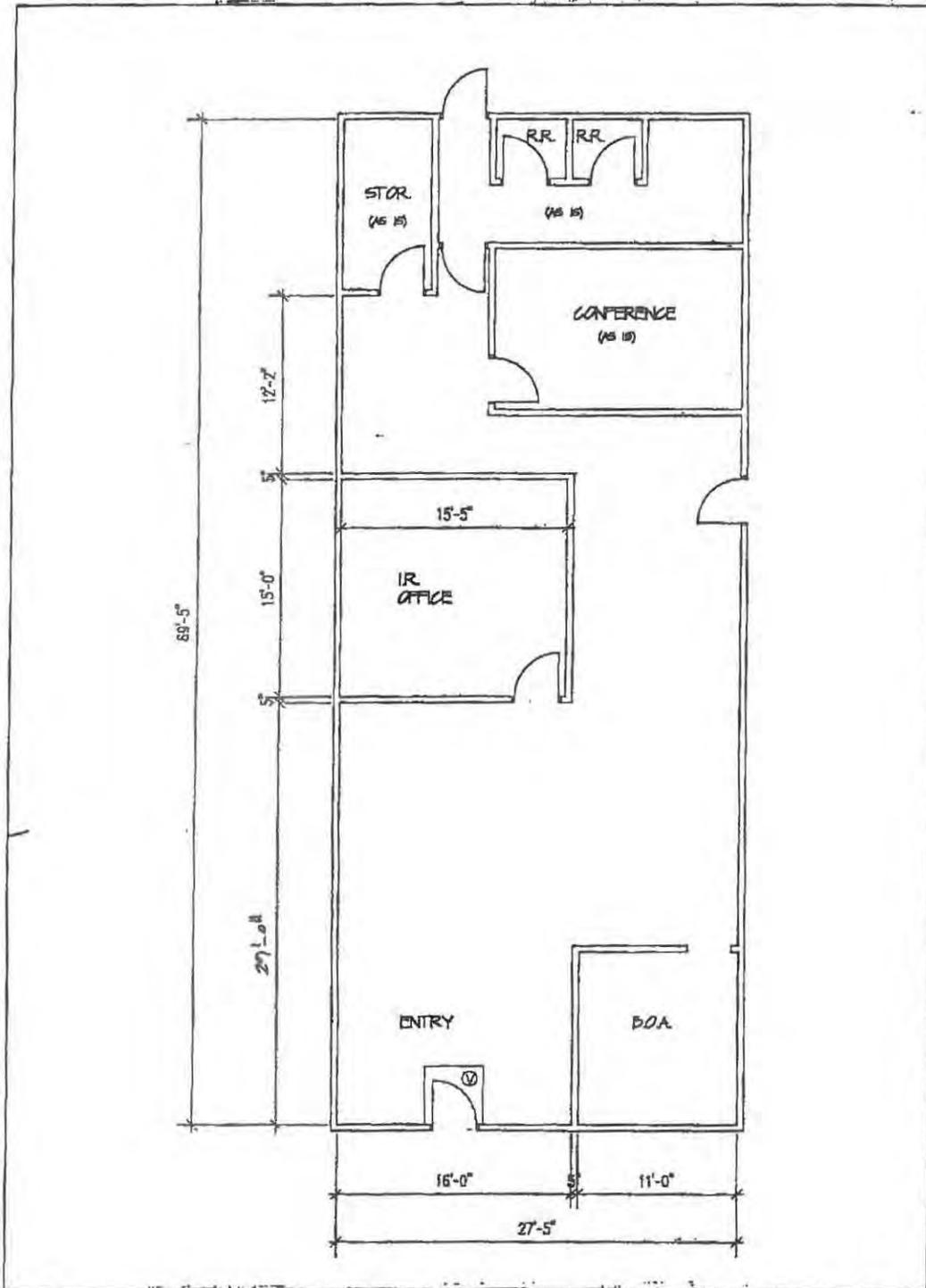
Social Security #: 259-37-1968

Federal ID #: N/A

CTMT

ELECTRICAL KEY		ARCH KEY		EQUIP KEY	
⊖	OUTLET	■	NEW	⊙	TERMINAL
⊕	QUADRAPLEX	□	EXISTING	Ⓛ	LASER PRINTER
⊖	ISOLATED GROUND OUTLET	▭	DEMOLISHED	Ⓜ	DIGITAL INDOOR UNIT
☐	PHONE BOX	⊙	VINYL COMP TILE	Ⓜ	INT REG DECODER
◀	BYPASS JACK				
◀	PHONE JACK				

# EXHIBIT A



<p><b>Edward D. Jones</b></p>	MOJINE, L	ISSUED: 5-19-95		
	BRANCH: 6915 - 25   EXHIBIT	BY: GANDAGE		

Lease Amendment 1

This Agreement, made on October 18, 2012 by and between RODNEY A BLACKWELL, 201 N HARRISON ST STE 402, DAVENPORT, IA 52801 (referred to herein as "Lessor"), and EDWARD D JONES & CO, LP D/B/A EDWARD JONES, 12555 MANCHESTER RD, ST LOUIS, MO 63131 (referred to herein as "Lessee"),

WITNESSETH

WHEREAS, Lessor and Lessee entered into that certain Lease Agreement dated March 25, 2003 (collectively hereinafter referred to as the "Lease"), for certain real property containing approximately 1900 square feet located at 1634 5TH AVENUE, MOLINE, IL 61265 (hereinafter referred to as the "Premises"),

WHEREAS, Lessee exercised their option to renew via option letter dated September 28, 2007 thereby extending the term of this Lease for an additional period of Five (5) years beginning April 1, 2008, and ending March 31, 2013, and,

WHEREAS, Lessor and Lessee desire to amend the Lease;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

That the Lease is amended effective on the date above:

1. **Renewal Term**

The term of the Lease shall be extended for an additional period of Five (5) year(s) commencing on April 1, 2013 and expiring on March 31, 2018.

2. **Base Rent**

April 1, 2013 – March 31, 2018	\$1,703.31 per month
(One Thousand Seven Hundred Three and 31/100 Dollars)	

3. **Tenant Improvements**

The following tenant improvements shall be at the Lessor's sole cost and expense, and will be completed prior to commencement April 1, 2013:

1. Repair damaged window sills on East wall of leased premises
2. Repair damaged plaster on East wall of leased premises.

Lessor's liability for the completion of such items will include labor, materials, and clean-up. In the event that any or all of these improvements are not adequately met the corresponding date, Lessee shall have the right to arrange for such improvements and deduct such costs from Lessee's rent.

4. **Option to Renew**

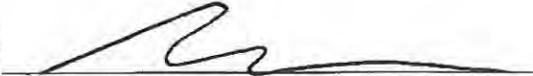
Provided Lessee is not in default of the Lease, Lessor will grant Lessee an option to renew this Lease for One (1) additional period of Five (5) years with Three (3) months notice at a mutually agreeable Fair Market Rental at the time of renewal. Lessor shall provide written notice of the then Fair Market Rental within ten (10) days of receipt of Lessee's notice to renew. Lessor and Lessee shall reach agreement on the renewal rate within an additional twenty (20) days or the renewal shall become voidable by Lessee.

All other terms, covenants and conditions of the Lease shall remain in full force and effect. In the event of any conflicts between the terms and conditions of the Lease and the terms and conditions of this Agreement, the terms and conditions of this Agreement shall prevail.

IN WITNESS WHEREOF, Lessor and Lessee have caused this agreement to be executed as of the day and year first written above.

Lessor:  
RODNEY A BLACKWELL

Lessee:  
EDWARD D JONES & CO., L.P.  
D/B/A EDWARD JONES

By: 

By: Cassidy Turley Commercial Real Estate Services, Inc., Agent

Printed Name: RODNEY A. BLACKWELL

By: 

Title: OWNER

Printed Name: Nick Garavaglia

Date: 10/24/12

Title: Transaction Manager

SSN or Fed ID #: \_\_\_\_\_

Date: October 18, 2012

## LEASE

The area leased by BNPN, L.L.C., herein referred to as "Tenant," is herein designated as the "total current premises", as defined in Article I. Rodney Blackwell is herein referred to as "Landlord".

In order that Tenant may now enter into a lease term with Landlord, the parties agree as follows:

### *ARTICLE I. PREMISES.*

Section 1.01. Premises. Landlord does hereby demise and lease unto Tenant, and Tenant does lease and take from Landlord the Third Floor and the south wing of the Fourth Floor south of the front elevator facilities and restroom adjacent thereto but excluding the common hallway through the center section of said Fourth Floor area at 1630 Fifth Avenue, Moline, Illinois, as is presently leased by Bozeman, Neighbour, Patton & Noe from Landlord and the basement storage area presently occupied by Bozeman, Neighbour, Patton & Noe in the westerly portion of the basement area of said building, more particularly legally described as:

All of Lot 1 and the East 30 feet of Lot 2, William McEnary's Addition to the City of Moline, as said Lots are known and delineated upon the recorded Plat of said addition, recorded in Book "J" of Deeds, at Page 277 thereof, in the Recorder's Office of Rock Island County, Illinois excepting the North 10 feet thereof, which said North 10 feet has been heretofore conveyed to the City of Moline for street purposes, the dimensions of said property hereby conveyed being 110 feet abutting on Fifth Avenue and 140 feet abutting on Seventeenth Street, situated in the City of Moline, Rock Island County, Illinois,

Also sometimes described as follows:

Lot Number One (1) and the East Thirty (30) feet of Lot Number Two (2) in that part of the City of Moline known as and called, McEnarys (McEnirys) Addition; except the Northerly ten (10) feet thereof taken for the widening of Fifth Avenue in said City, situated in Rock Island County, Illinois,

plus the parking facility at 1822 Fifth Avenue, Moline, Illinois, with the addition of other parking facilities bought by Landlord from Carl Spaeth and/or Cabe Corp. and/or any other legal entity which was purchased by Landlord during 2002 and including hereafter leased parking facilities in a new parking building to be built by the City of Moline and leased, as herein described, by Landlord, hereinafter referred to as "total current premises".

The parking will consist of parking spaces for thirty (30) vehicles at 1822 Fifth Avenue, Moline, Illinois. Landlord reasonably believes that the City of Moline will build at least a three-story parking building south of his existing building. Landlord recognizes that Tenant leases a substantial number of spaces on that real estate directly from the City of Moline, Illinois.

At such time as construction commences, Landlord will obtain either from the City of Moline, Illinois, or from his parking lots owned in downtown Moline, Illinois, sufficient additional parking places equal to the number now leased by Bozeman, Neighbour, Patton & Noe from the City of Moline, Illinois, at a cost as set forth herein. Upon completion of the parking building, Tenant shall be provided a minimum of forty (40) assigned parking places on the second level of the parking building and additional parking on the third floor of said building to accommodate the reasonable needs and potential future growth of Tenant or its subtenant.

Section 1.02. Term. The term of the Lease of the total current premises and Tenant's obligation to pay rent for it shall commence January 1, 2003, and shall end on December 31, 2008.

Section 1.03. Fourth Floor. Tenant or its subtenant shall have the right to lease any additional space on the Fourth Floor of the building upon giving Landlord not less than twelve (12) months notice of its intention to lease such space. Landlord will not enter into any lease which, because of its duration or other terms, would prevent Landlord from complying with its commitment to reasonably make additional Fourth Floor space available to Tenant. Landlord also grants Tenant the option of leasing any vacant space on the Fourth Floor of the building on a first-refusal basis.

## *ARTICLE II. RENT.*

Section 2.01. Third and Fourth Floors Office Basic Annual Rent. Tenant agrees to pay to Landlord annual rent of Ninety-five Thousand and 00/100 Dollars (\$95,000.00), payable in equal monthly installments, in advance, of one-twelfth of the basic annual rent, beginning on January 1, 2003, through December 31, 2008. For each year after 2003 for which this initial six-year Lease is in effect, but not including any five year option period, if applicable, the annual rent shall increase two percent (2%) from the prior year's annual rent, payable monthly.

Section 2.02. Basement Rent. For the currently occupied basement storage space, the annual rent shall be Three Thousand Two Hundred Ninety and 00/100 Dollars (\$3,290.00), payable in equal monthly installments, in advance, of one-twelfth of said annual rent, beginning on January 1, 2003, and for each month thereafter at said amount through the initial term and one or both option periods, without increase.

Section 2.03. Parking.

A. Parking Facility Owner by Landlord. Tenant agrees to pay to Landlord additional rent for parking facilities to park thirty (30) vehicles on premises owned by Landlord at \$17.71 per space per month. On the commencement of construction of a new parking facility to the south of the Landlord's building, Landlord will replace each space lost on the construction site by Tenant with parking as reasonably close to the building as possible at the same rental amount per space.

B. Parking Facilities Owned by City of Moline, Illinois, and Leased by Landlord in New Parking Building Immediately South and West of Total Current Premises. At such time as the City of Moline completes a proposed new parking building, Tenant shall pay the actual cost paid by Landlord to the City of Moline for such assigned spaces as are utilized by Bozeman, Neighbour, Patton & Noe, its successors or assigns, said parking spaces currently anticipated to be \$25.00 per space per month. Landlord shall provide relevant documents between himself and the City of Moline, Illinois, as to his lease costs per space of assigned parking on the second floor and open parking on the third floor of said building as are reasonably requested by Tenant.

### ***ARTICLE III. OPTION TO RENEW.***

Section 3.01. Option. In consideration of the payment of increased rent for 2003 from the rent provided for in the prior lease of the premises by Bozeman, Neighbour, Patton & Noe, Tenant shall receive the option to rent additional space on the Fourth Floor as provided in Section 1.03, and Tenant shall have the option to extend this Lease upon the same terms and conditions for two (2) additional five-year terms to commence on January 1, 2009, ending December 31, 2013, for a rental amount of One Hundred Ten Thousand and 00/100 Dollars (\$110,000.00) per year, payable monthly, for said five-year term; and an additional option to extend this Lease, upon the same terms and conditions, for an additional five-year term to commence on January 1, 2014, and ending on December 31, 2018, for annual rent not in excess of One Hundred Twenty-five Thousand and 00/100 Dollars (\$125,000.00) per year, payable monthly. Landlord and Tenant agree that on the exercise of any option, that they will negotiate in good faith for a fair market rental rate if such would be less than the annual rent provided for herein which shall operate as a cap and shall not be exceeded. This Lease shall automatically renew without any notice from Tenant to Landlord unless Tenant elects not to renew. In the event Tenant shall elect not to renew and to terminate the Lease on December 31, 2008, Tenant shall give Landlord written notice not less than ninety (90) days prior to the end of the term. In the event that the Lease is extended through the first option period, it shall then automatically renew without any notice from Tenant to Landlord for the second option period unless Tenant elects not to renew. In the event Tenant shall elect not to renew and to terminate the Lease on December 31, 2013, Tenant shall give Landlord written notice not less than ninety (90) days prior to the end of the term of the first option period.

### ***ARTICLE IV. USE, MAINTENANCE AND REPAIR OF THE DEMISED PREMISES***

Section 4.01. Use of Building. Landlord agrees and warrants to Tenant that the entire building shall be leased to tenants solely for office space and that no residential use of the premises will be allowed with the exception of the living premises at one time occupied by Peter Spaeth on the southwest corner of the building. Landlord shall also have the right to lease the first floor for office, retail, banking or restaurant purposes but agrees to reasonably ventilate and prevent any restaurant odors from entering the office spaces herein leased.

Section 4.02. Maintenance by Tenant. Tenant shall, at all times during the lease term, at its own expense, maintain the interior of the demised premises, including Tenant's air conditioning system, the light fixtures and electrical systems installed by Tenant, but excluding all structural components or members, windows, plumbing and all other elements the repair or maintenance of which is the responsibility of Landlord under this lease. Upon termination of the lease, Tenant shall not be required to restore the demised premises to any prior condition.

Section 4.03. Condition of Premises at Termination. All alterations, additions, erections or improvements on or in the demised premises at the expiration of this lease (except trade fixtures, light fixtures, drapes, curtains, blinds, appliances, office systems, special-purpose wiring, freestanding bookcases, telephone systems, and all other removable fixtures or equipment) shall be and become a part of the demised premises, and shall remain upon and be surrendered with said premises as a part thereof at the termination of this lease.

Section 4.04. Maintenance by Landlord. Landlord shall, at all times during the lease term, at its expense, and for the benefit of Tenant, put and maintain the building in good and safe condition and in compliance with all applicable laws, rules and regulations, state, federal and local, including, but not limited to, the pipes, heating system, the plumbing system, the general telephone lines and equipment to Tenant's premises and to all elevators, the electrical system to Tenant's space, all structural components and members, the roof, windows and window glass (including cleaning, but excluding the cleaning of the windows in the current premises of Tenant), the restrooms, limited janitorial services and supplies as have been customarily provided, refuse removal from premises, elevators, sidewalks, stairwells, drains, downspouts, entrances and all other common areas.

#### ***ARTICLE V. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS***

Section 5.01. Alterations by Tenant. Tenant may at any time during the lease term, at its own expense, make any alterations, additions, or improvements in and to the demised premises, with Landlord's written consent, which consent shall not be unreasonably withheld. Alterations shall be performed in a workmanlike manner and shall not weaken or impair the structural strength of the building.

Section 5.02. Alterations by Landlord. Landlord shall make changes in the lobby with the written consent of the Tenant, which consent shall not be unreasonably withheld. Landlord shall improve the present first floor lobby to a better condition than it is on the commencement date of this Lease. Landlord shall maintain the building directory so that at all times it has a professional appearance appropriately listing the Tenant or any subtenant thereof and all of its attorneys on said directory in a timely manner, with uniform appearance of all listings.

Section 5.03. Sign. Landlord will provide, at his expense, a professional sign to be placed at the left of the front entrance at the square area now covered with wood immediately adjacent to the sidewalk. Such sign shall provide: "Bozeman, Neighbour, Patton & Noe, Attorneys at Law, Suite 300" and shall be created and installed with the approval and written consent of Bozeman, Neighbour, Patton & Noe.

## *ARTICLE VI. PAYMENT OF TAXES AND UTILITIES*

Section 6.01. Taxes. The Landlord shall pay all taxes, assessments, or other governmental charges that shall or may be imposed on the demised premises or any part thereof.

Section 6.02. Utilities. Tenant shall pay for all utilities delivered to the demised premises, except for adequate heat, water and sewer, which shall be supplied by Landlord.

## *ARTICLE VII. INSURANCE AND SUBROGATION*

Section 7.01. Insurance. During the term of this lease and for any further time that Tenant shall hold the demised premises, Tenant may obtain and maintain at its expense such insurance as it deems necessary or desirable. Both Landlord and Tenant shall maintain adequate policies of liability insurance.

Section 7.02. Mutual Release for Fire or Other Casualty. Landlord and Tenant release each other from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) under fire and extended coverage or supplementary contract casualties, if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policy shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder. The parties agree to request their respective insurers to provide such clause or endorsement, but a party shall have no liability for the failure to obtain such clause or endorsement if his/its insurer refuses to provide it.

## *ARTICLE VIII. ASSIGNMENT*

Section 8.01. Assignment and Subletting. Tenant may assign this Lease or sublet the demised premises or any part thereof to the law firm of Bozeman, Neighbour, Patton & Noe, its successors or assigns, without the written consent of Landlord and may assign the Lease or sublet the demised premises or any part thereof to any other third party with the written consent of the Landlord which shall not be unreasonably withheld.

## *ARTICLE IX. QUIET ENJOYMENT*

Section 9.01. Quiet Enjoyment. Landlord warrants that Tenant shall be granted comfortable, peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Landlord if Tenant performs the terms and conditions hereof.

## ***ARTICLE X. LANDLORD REPRESENTATIONS***

Section 10.01. Owner/Authority. Landlord represents and warrants to Tenant that he is the owner of the building and real estate in which the total current premises are located and all parking facilities to be furnished to Tenant or subtenant with the exception of those facilities that are or will be owned by the City of Moline, Illinois, which Landlord shall secure leases from the City of Moline, Illinois, to perform this lease agreement. If the owner of the premises is a corporation or other legal entity, the Landlord as owner of said real estate has taken appropriate action by its directors and shareholders and 100% of the beneficiaries of any land trust in title to said premises authorizing the execution and performance of this lease agreement and any related documents. Landlord agrees that this transaction complies with all statutory and operational requirements involved in the operation of Landlord's corporation and land trust, if any, and the agreement does not violate any mortgage, security agreement, lien or other encumbrance on the real and personal property which is the subject of this Lease.

## ***ARTICLE XI. MISCELLANEOUS PROVISIONS***

Section 11.01. Relationship of Parties. Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between Landlord and Tenant, it being understood and agreed that no provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

Section 11.02. Applicable Law; Grammatical Usage. This agreement shall be governed by and construed in accordance with the laws of the State of Illinois. In construing this lease, feminine or neuter pronoun shall be substituted for those masculine in form and vice versa, and the plural terms shall be substituted for singular and singular for plural in any place in which the context requires.

Section 11.03. Counterparts. This agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall, together, constitute and be one and the same instrument.

Section 11.04. Parties Bound. It is agreed that this lease, and each and all the covenants and obligations hereof, shall be binding upon and inure to the benefit of, as the case may be, the parties hereto, their respective heirs, executors, administrators, successors and assigns.

Section 11.05. Entire Agreement. This lease contains the entire agreement between the parties, and no agreement shall be effective to change, modify or terminate this lease in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification or termination is sought. This Lease shall replace all prior agreements.

Section 11.06. Savings. The invalidity or unenforceability or any provision of this lease shall not affect or impair the validity of any other provision.

This Lease is executed Moline, Illinois, in multiple counterparts, on January 15, 2003.

Tenant:

**BNPN, L.L.C., an Illinois Limited  
Liability Company**

By: John P. Harris  
President

Landlord:

**RODNEY BLACKWELL**

By: Rodney Blackwell  
Rodney Blackwell

## LEASE

The area leased by BNPN, L.L.C., herein referred to as "Tenant," is herein designated as the "total current premises", as defined in Article I. Rodney Blackwell is herein referred to as "Landlord".

In order that Tenant may now enter into a lease term with Landlord, the parties agree as follows:

### *ARTICLE I. PREMISES.*

Section 1.01. Premises. Landlord does hereby demise and lease unto Tenant, and Tenant does lease and take from Landlord the Third Floor and the south wing of the Fourth Floor south of the front elevator facilities and restroom adjacent thereto but excluding the common hallway through the center section of said Fourth Floor area at 1630 Fifth Avenue, Moline, Illinois, as is presently leased by Bozeman, Neighbour, Patton & Noe from Landlord and the basement storage area presently occupied by Bozeman, Neighbour, Patton & Noe in the westerly portion of the basement area of said building, more particularly legally described as:

All of Lot 1 and the East 30 feet of Lot 2, William McEnary's Addition to the City of Moline, as said Lots are known and delineated upon the recorded Plat of said addition, recorded in Book "J" of Deeds, at Page 277 thereof, in the Recorder's Office of Rock Island County, Illinois excepting the North 10 feet thereof, which said North 10 feet has been heretofore conveyed to the City of Moline for street purposes, the dimensions of said property hereby conveyed being 110 feet abutting on Fifth Avenue and 140 feet abutting on Seventeenth Street, situated in the City of Moline, Rock Island County, Illinois,

Also sometimes described as follows:

Lot Number One (1) and the East Thirty (30) feet of Lot Number Two (2) in that part of the City of Moline known as and called, McEnarys (McEnirys) Addition; except the Northerly ten (10) feet thereof taken for the widening of Fifth Avenue in said City, situated in Rock Island County, Illinois,

plus the parking facility at 1822 Fifth Avenue, Moline, Illinois, with the addition of other parking facilities bought by Landlord from Carl Spaeth and/or Cabe Corp. and/or any other legal entity which was purchased by Landlord during 2002 and including hereafter leased parking facilities in a new parking building to be built by the City of Moline and leased, as herein described, by Landlord, hereinafter referred to as "total current premises".

The parking will consist of parking spaces for thirty (30) vehicles at 1822 Fifth Avenue, Moline, Illinois. Landlord reasonably believes that the City of Moline will build at least a three-story parking building south of his existing building. Landlord recognizes that Tenant leases a substantial number of spaces on that real estate directly from the City of Moline, Illinois.

At such time as construction commences, Landlord will obtain either from the City of Moline, Illinois, or from his parking lots owned in downtown Moline, Illinois, sufficient additional parking places equal to the number now leased by Bozeman, Neighbour, Patton & Noe from the City of Moline, Illinois, at a cost as set forth herein. Upon completion of the parking building, Tenant shall be provided a minimum of forty (40) assigned parking places on the second level of the parking building and additional parking on the third floor of said building to accommodate the reasonable needs and potential future growth of Tenant or its subtenant.

Section 1.02. Term. The term of the Lease of the total current premises and Tenant's obligation to pay rent for it shall commence January 1, 2003, and shall end on December 31, 2008.

Section 1.03. Fourth Floor. Tenant or its subtenant shall have the right to lease any additional space on the Fourth Floor of the building upon giving Landlord not less than twelve (12) months notice of its intention to lease such space. Landlord will not enter into any lease which, because of its duration or other terms, would prevent Landlord from complying with its commitment to reasonably make additional Fourth Floor space available to Tenant. Landlord also grants Tenant the option of leasing any vacant space on the Fourth Floor of the building on a first-refusal basis.

## *ARTICLE II. RENT.*

Section 2.01. Third and Fourth Floors Office Basic Annual Rent. Tenant agrees to pay to Landlord annual rent of Ninety-five Thousand and 00/100 Dollars (\$95,000.00), payable in equal monthly installments, in advance, of one-twelfth of the basic annual rent, beginning on January 1, 2003, through December 31, 2008. For each year after 2003 for which this initial six-year Lease is in effect, but not including any five year option period, if applicable, the annual rent shall increase two percent (2%) from the prior year's annual rent, payable monthly.

Section 2.02. Basement Rent. For the currently occupied basement storage space, the annual rent shall be Three Thousand Two Hundred Ninety and 00/100 Dollars (\$3,290.00), payable in equal monthly installments, in advance, of one-twelfth of said annual rent, beginning on January 1, 2003, and for each month thereafter at said amount through the initial term and one or both option periods, without increase.

Section 2.03. Parking.

A. Parking Facility Owner by Landlord. Tenant agrees to pay to Landlord additional rent for parking facilities to park thirty (30) vehicles on premises owned by Landlord at \$17.71 per space per month. On the commencement of construction of a new parking facility to the south of the Landlord's building, Landlord will replace each space lost on the construction site by Tenant with parking as reasonably close to the building as possible at the same rental amount per space.

B. Parking Facilities Owned by City of Moline, Illinois, and Leased by Landlord in New Parking Building Immediately South and West of Total Current Premises. At such time as the City of Moline completes a proposed new parking building, Tenant shall pay the actual cost paid by Landlord to the City of Moline for such assigned spaces as are utilized by Bozeman, Neighbour, Patton & Noe, its successors or assigns, said parking spaces currently anticipated to be \$25.00 per space per month. Landlord shall provide relevant documents between himself and the City of Moline, Illinois, as to his lease costs per space of assigned parking on the second floor and open parking on the third floor of said building as are reasonably requested by Tenant.

### ***ARTICLE III. OPTION TO RENEW.***

Section 3.01. Option. In consideration of the payment of increased rent for 2003 from the rent provided for in the prior lease of the premises by Bozeman, Neighbour, Patton & Noe, Tenant shall receive the option to rent additional space on the Fourth Floor as provided in Section 1.03, and Tenant shall have the option to extend this Lease upon the same terms and conditions for two (2) additional five-year terms to commence on January 1, 2009, ending December 31, 2013, for a rental amount of One Hundred Ten Thousand and 00/100 Dollars (\$110,000.00) per year, payable monthly, for said five-year term; and an additional option to extend this Lease, upon the same terms and conditions, for an additional five-year term to commence on January 1, 2014, and ending on December 31, 2018, for annual rent not in excess of One Hundred Twenty-five Thousand and 00/100 Dollars (\$125,000.00) per year, payable monthly. Landlord and Tenant agree that on the exercise of any option, that they will negotiate in good faith for a fair market rental rate if such would be less than the annual rent provided for herein which shall operate as a cap and shall not be exceeded. This Lease shall automatically renew without any notice from Tenant to Landlord unless Tenant elects not to renew. In the event Tenant shall elect not to renew and to terminate the Lease on December 31, 2008, Tenant shall give Landlord written notice not less than ninety (90) days prior to the end of the term. In the event that the Lease is extended through the first option period, it shall then automatically renew without any notice from Tenant to Landlord for the second option period unless Tenant elects not to renew. In the event Tenant shall elect not to renew and to terminate the Lease on December 31, 2013, Tenant shall give Landlord written notice not less than ninety (90) days prior to the end of the term of the first option period.

### ***ARTICLE IV. USE, MAINTENANCE AND REPAIR OF THE DEMISED PREMISES***

Section 4.01. Use of Building. Landlord agrees and warrants to Tenant that the entire building shall be leased to tenants solely for office space and that no residential use of the premises will be allowed with the exception of the living premises at one time occupied by Peter Spaeth on the southwest corner of the building. Landlord shall also have the right to lease the first floor for office, retail, banking or restaurant purposes but agrees to reasonably ventilate and prevent any restaurant odors from entering the office spaces herein leased.

Section 4.02. Maintenance by Tenant. Tenant shall, at all times during the lease term, at its own expense, maintain the interior of the demised premises, including Tenant's air conditioning system, the light fixtures and electrical systems installed by Tenant, but excluding all structural components or members, windows, plumbing and all other elements the repair or maintenance of which is the responsibility of Landlord under this lease. Upon termination of the lease, Tenant shall not be required to restore the demised premises to any prior condition.

Section 4.03. Condition of Premises at Termination. All alterations, additions, erections or improvements on or in the demised premises at the expiration of this lease (except trade fixtures, light fixtures, drapes, curtains, blinds, appliances, office systems, special-purpose wiring, freestanding bookcases, telephone systems, and all other removable fixtures or equipment) shall be and become a part of the demised premises, and shall remain upon and be surrendered with said premises as a part thereof at the termination of this lease.

Section 4.04. Maintenance by Landlord. Landlord shall, at all times during the lease term, at its expense, and for the benefit of Tenant, put and maintain the building in good and safe condition and in compliance with all applicable laws, rules and regulations, state, federal and local, including, but not limited to, the pipes, heating system, the plumbing system, the general telephone lines and equipment to Tenant's premises and to all elevators, the electrical system to Tenant's space, all structural components and members, the roof, windows and window glass (including cleaning, but excluding the cleaning of the windows in the current premises of Tenant), the restrooms, limited janitorial services and supplies as have been customarily provided, refuse removal from premises, elevators, sidewalks, stairwells, drains, downspouts, entrances and all other common areas.

#### ***ARTICLE V. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS***

Section 5.01. Alterations by Tenant. Tenant may at any time during the lease term, at its own expense, make any alterations, additions, or improvements in and to the demised premises, with Landlord's written consent, which consent shall not be unreasonably withheld. Alterations shall be performed in a workmanlike manner and shall not weaken or impair the structural strength of the building.

Section 5.02. Alterations by Landlord. Landlord shall make changes in the lobby with the written consent of the Tenant, which consent shall not be unreasonably withheld. Landlord shall improve the present first floor lobby to a better condition than it is on the commencement date of this Lease. Landlord shall maintain the building directory so that at all times it has a professional appearance appropriately listing the Tenant or any subtenant thereof and all of its attorneys on said directory in a timely manner, with uniform appearance of all listings.

Section 5.03. Sign. Landlord will provide, at his expense, a professional sign to be placed at the left of the front entrance at the square area now covered with wood immediately adjacent to the sidewalk. Such sign shall provide: "Bozeman, Neighbour, Patton & Noe, Attorneys at Law, Suite 300" and shall be created and installed with the approval and written consent of Bozeman, Neighbour, Patton & Noe.

## *ARTICLE VI. PAYMENT OF TAXES AND UTILITIES*

Section 6.01. Taxes. The Landlord shall pay all taxes, assessments, or other governmental charges that shall or may be imposed on the demised premises or any part thereof.

Section 6.02. Utilities. Tenant shall pay for all utilities delivered to the demised premises, except for adequate heat, water and sewer, which shall be supplied by Landlord.

## *ARTICLE VII. INSURANCE AND SUBROGATION*

Section 7.01. Insurance. During the term of this lease and for any further time that Tenant shall hold the demised premises, Tenant may obtain and maintain at its expense such insurance as it deems necessary or desirable. Both Landlord and Tenant shall maintain adequate policies of liability insurance.

Section 7.02. Mutual Release for Fire or Other Casualty. Landlord and Tenant release each other from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) under fire and extended coverage or supplementary contract casualties, if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policy shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder. The parties agree to request their respective insurers to provide such clause or endorsement, but a party shall have no liability for the failure to obtain such clause or endorsement if his/its insurer refuses to provide it.

## *ARTICLE VIII. ASSIGNMENT*

Section 8.01. Assignment and Subletting. Tenant may assign this Lease or sublet the demised premises or any part thereof to the law firm of Bozeman, Neighbour, Patton & Noe, its successors or assigns, without the written consent of Landlord and may assign the Lease or sublet the demised premises or any part thereof to any other third party with the written consent of the Landlord which shall not be unreasonably withheld.

## *ARTICLE IX. QUIET ENJOYMENT*

Section 9.01. Quiet Enjoyment. Landlord warrants that Tenant shall be granted comfortable, peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Landlord if Tenant performs the terms and conditions hereof.

## *ARTICLE X. LANDLORD REPRESENTATIONS*

Section 10.01. Owner/Authority. Landlord represents and warrants to Tenant that he is the owner of the building and real estate in which the total current premises are located and all parking facilities to be furnished to Tenant or subtenant with the exception of those facilities that are or will be owned by the City of Moline, Illinois, which Landlord shall secure leases from the City of Moline, Illinois, to perform this lease agreement. If the owner of the premises is a corporation or other legal entity, the Landlord as owner of said real estate has taken appropriate action by its directors and shareholders and 100% of the beneficiaries of any land trust in title to said premises authorizing the execution and performance of this lease agreement and any related documents. Landlord agrees that this transaction complies with all statutory and operational requirements involved in the operation of Landlord's corporation and land trust, if any, and the agreement does not violate any mortgage, security agreement, lien or other encumbrance on the real and personal property which is the subject of this Lease.

## *ARTICLE XI. MISCELLANEOUS PROVISIONS*

Section 11.01. Relationship of Parties. Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between Landlord and Tenant, it being understood and agreed that no provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

Section 11.02. Applicable Law; Grammatical Usage. This agreement shall be governed by and construed in accordance with the laws of the State of Illinois. In construing this lease, feminine or neuter pronoun shall be substituted for those masculine in form and vice versa, and the plural terms shall be substituted for singular and singular for plural in any place in which the context requires.

Section 11.03. Counterparts. This agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall, together, constitute and be one and the same instrument.

Section 11.04. Parties Bound. It is agreed that this lease, and each and all the covenants and obligations hereof, shall be binding upon and inure to the benefit of, as the case may be, the parties hereto, their respective heirs, executors, administrators, successors and assigns.

Section 11.05. Entire Agreement. This lease contains the entire agreement between the parties, and no agreement shall be effective to change, modify or terminate this lease in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification or termination is sought. This Lease shall replace all prior agreements.

Section 11.06. Savings. The invalidity or unenforceability of any provision of this lease shall not affect or impair the validity of any other provision.

This Lease is executed Moline, Illinois, in multiple counterparts, on January 15, 2003.

Tenant:

BNPN, L.L.C., an Illinois Limited  
Liability Company

By: John P. Harris  
President

Landlord:

RODNEY BLACKWELL

By: Rodney Blackwell  
Rodney Blackwell

## FIRST AMENDMENT TO LEASE AGREEMENT

This **First Amendment to Lease Agreement** ("Amendment") is made and effective as of this 9<sup>th</sup> day of September, 2013, by and between **Rodney Blackwell** ("Landlord") and **BNPN, L.L.C.** ("Tenant").

### RECITALS

A. Landlord and Tenant are parties to a certain Lease agreement dated as of January 15, 2003 ("Lease"), for certain Premises as described within the Lease, including, but not limited to, third and fourth floor existing space, basement storage and parking in the City of Moline Parking Ramp as described within the Lease, as presently existing between Landlord, Tenant and the City of Moline, Illinois.

B. Landlord and Tenant desire to amend the Lease.

C. Tenant and Landlord wish to extend the existing lease term for one additional year, ending December 31, 2014, continue the existing five (5) year Option to Renew thereafter, which shall then commence on January 1, 2015, and end on December 31, 2019.

D. Capitalized terms used within this Lease which are not defined herein shall have the meanings ascribed to such terms within the Lease.

### AGREEMENT

*IT IS THEREFORE AGREED* between Landlord and Tenant as follows:

1. All dates provided in the Lease shall be extended by one (1) year, including, but not limited to the following:

A. The existing term of the Lease shall be extended to December 31, 2014.

B. Tenant shall retain its Option to Renew, in accordance with Article III of the Lease, for an additional five (5) year term commencing January 1, 2015, and ending December 31, 2019.

C. The current rent, as payable under the existing Lease, shall apply to the extended period to December 31, 2014.

2. The Premises leased shall be all of the existing facilities leased by the Tenant, including, but not limited to, the third floor, its portion of the fourth floor, storage in the basement and the parking spaces in the parking ramp facility to the south of the building owned by the City of Moline, for which Landlord has certain rights for sufficient spaces, including all spaces presently utilized by Tenant.

3. Ratification. Except as specifically provided within this Amendment, Landlord and Tenant ratify and confirm all of the terms and provisions of the Lease and the respective obligations of Landlord and Tenant with respect to the Premises, as amended by this Amendment, under the terms of the Lease.

This First Amendment to Lease Agreement is executed, in multiple counterparts, in Moline, Illinois, on 9/9, 2013.

TENANT:

**BNPN, L.L.C.**,  
an Illinois Limited Liability Company,

By: John P. Harris

President

LANDLORD:

**RODNEY BLACKWELL**

By: [Signature]

Rodney Blackwell

## SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to Lease Agreement ("Second Amendment") is made and effective as of this 3rd day of September, 2014, by and between Rodney Blackwell ("Landlord"), and BNPN, L.L.C. ("Tenant").

### RECITALS

A. Landlord and Tenant are parties to a certain lease agreement dated as of January 15, 2003 as amended by First Amendment to Lease Agreement dated as of September 9, 2013 (said lease agreement as amended are collectively referred to herein as the "Lease") for certain premises as described within the Lease, including, but not limited to third and fourth floor existing space, basement storage and parking in the City of Moline parking ramp as described within the Lease, as presently existing between Landlord, Tenant and the City of Moline, Illinois.

B. Landlord and Tenant desire to further amend the Lease in the particulars hereinafter set forth.

C. Landlord intends to transfer and convey the entire building in which the Premises is located ("Building") to Fifth Avenue Block, L.L.C., an Illinois limited liability company ("Fifth Avenue Block") at some point subsequent to the entering into of this Second Amendment.

D. Capitalized terms used within this Second Amendment which are not defined herein shall have the meanings ascribed to such terms within the Lease.

### AGREEMENT

*IT IS THEREFORE AGREED* between the Landlord and Tenant as follows:

1. The Lease shall be extended by five years with two additional five-year options to further extend the same as follows:

(a) The existing term of the Lease shall be and is hereby extended in that the Lease shall end and expire on December 31, 2019.

(b) The Tenant is hereby granted two (2) five-year options to renew the Lease so long as Tenant is not in default under the Lease, the first such option commencing on January 1, 2020 and running through December 31, 2024 and the second renewal option to commence on January 1, 2025 and running through December 31, 2029. The Lease shall automatically renew without a notice from Tenant to Landlord unless Tenant elects not to renew. In the event Tenant elects not to renew and to terminate the Lease effective December 31, 2019, Tenant shall give Landlord written notice not less than 90 days prior to the end of the term. In the event that the Lease is extended by the first option period, it shall then automatically renew without any notice from Tenant to Landlord for the

second option period unless Tenant elects not to renew. In the event Tenant elects not to renew and to terminate the Lease effective December 31, 2024, Tenant shall give Landlord written notice not less than 90 days prior to the end of the term of the first option period.

2. (a) The current rent, as payable under the existing Lease, shall apply to December 31, 2016 and then there will then be a six percent (6%) increase effective January 1, 2017 which will remain in effect through December 31, 2019.

(b) Rental for the first option period, if any, shall be further increased by two percent (2%) for the period commencing January 1, 2020 and continuing through December 31, 2024. Rental payable, if any, for the second option period shall be further increased by an additional two percent (2%) from the first option period rent for the period commencing January 1, 2025 and continuing through December 31, 2029.

(c) Rent for the currently occupied basement storage space shall continue at the amount provided by the Lease for the balance of the term of the Lease and both option periods, without increase.

3. The provisions in the Lease concerning parking shall remain the same as stated in the Lease and the Tenant shall continue to be provided a minimum of 40 assigned parking spaces on the second level of the parking building which will be marked in some manner so as not to allow other tenants of the building to utilize the same during weekdays or between 6:00 a.m. and noon on Saturdays.

4. Landlord and Tenant have agreed that the restrooms currently located on the third floor of the leased premises will be remodeled and new fixtures installed. Landlord and Tenant have agreed to split the cost of this remodeling with each party bearing 50% of the costs thereof provided that the total remodeling costs shall not exceed \$50,000.00 unless one of the parties agrees to solely pay the costs in excess of \$50,000.00. As soon as reasonably practicable after the execution hereof, Landlord shall prepare plans and specifications showing such remodeling and submit the same to Tenant for its approval prior to Landlord requesting a contractor to bid on the same. Upon Tenant's approval, Landlord shall then submit the plans to a contractor for bidding and then submit the bids to Tenant for Tenant's prior approval prior to commencement of such remodeling. Such remodeling shall be scheduled by the contractor in such a manner as so as to allow other restrooms in the building to be utilized during the period of time that the restrooms on the third floor are closed for remodeling.

5. In consideration of the agreements hereinabove reached by the parties, Section 4.01 of the Lease shall be and is hereby modified and amended to provide that floors two (2), five (5), six (6), seven (7) and/or eight (8) of the Building may be leased for residential apartment use provided, however, that such apartments will always be rented at prevailing market rates for comparable apartments and none of the apartments will be rented on a subsidized basis at any time during the term of this Lease.

6. Section 1.03 Fourth Floor. Landlord hereby grants to Tenant the option of leasing any vacant space on the Fourth Floor of the building on a first refusal basis. Landlord will notify Tenant in writing each time it receives a written proposal to lease vacant space on the Fourth Floor from a third party and supply Tenant with a copy of the proposed lease it desires to enter into with such third party. Tenant shall have a period of fifteen (15) days from its receipt of such notification to advise Landlord of its desire to lease such vacant space upon the same terms and conditions as contained in the proposed lease to a third party. If Tenant does not advise Landlord of its desire to so lease such vacant space within said fifteen (15) day period, Landlord may proceed to enter into the proposed lease with the third party. If Tenant advises Landlord of its desire to so lease such vacant space with said fifteen (15) day period, Landlord and Tenant shall enter into a lease amendment providing for the leasing of such vacant space to Tenant and containing the same terms and conditions as contained in the proposed lease to a third party.

7. Except as specifically provided within this Second Amendment, Landlord and Tenant ratify and confirm all of the terms and provisions of the Lease, as previously amended, and the respective obligations of Landlord and Tenant with respect to the premises, as amended by this amendment, under the terms of the Lease.

8. At such time as Landlord conveys and transfers the Building to Fifth Avenue Block, Landlord shall be released and discharged of all liability, responsibility and obligations under the Lease as amended by this Second Amendment and Fifth Avenue Block shall assume all of Landlord's obligations, responsibilities and liabilities under the Lease as amended by this Second Amendment. Tenant hereby consents to said conveyance and transfer of the Building from Landlord to Fifth Avenue Block. Upon said conveyance and transfer of the Building, the Lease as amended hereby shall remain in full force and effect and fully binding on and upon both Landlord and Tenant. Upon said transfer and conveyance, Fifth Avenue Block shall be considered the landlord for all purposes under the Lease as amended by this Second Amendment and Tenant shall look solely to Fifth Avenue Block as landlord under the Lease.

This Second Amendment to Lease is executed in multiple counterparts in Moline, Illinois, on September 3, 2014.

TENANT:

**BNPN, L.L.C.,**  
**an Illinois Limited Liability Company,**

By: John P. Harris  
John P. Harris, Managing Member

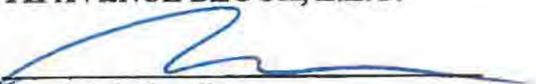
LANDLORD:

**RODNEY BLACKWELL**

By: Rodney Blackwell  
Rodney Blackwell

Fifth Avenue Block, L.L.C. agrees to be bound by all terms and conditions of the Lease as amended by this Second Amendment as they relate or apply to the landlord thereunder at such time as it is the owner of the Building and shall assume all of Landlord's obligations, responsibilities and liabilities under the Lease as amended.

**FIFTH AVENUE BLOCK, L.L.C.**

By: 

Rodney A. Blackwell

Its: Manager

## AGREEMENT REGARDING CONSTRUCTION

This Agreement Regarding Construction ("Agreement") is made and entered into effective as of this 3<sup>rd</sup> day of September, 2014 by and between Rodney Blackwell ("Landlord") and BNPN, L.L.C. ("Tenant").

### Recitals

A. WHEREAS, Landlord and Tenant are parties to a certain Lease Agreement dated as of January 15, 2003, as amended by First Amendment to Lease Agreement dated as of September 9, 2013, and as further amended by Second Amendment to Lease Agreement dated contemporaneously herewith (said lease agreement, as amended, hereinafter called the "Lease") for certain premises as described within the Lease; and

B. WHEREAS, contemporaneous with the execution hereof, Landlord and Tenant have entered into a Second Amendment to Lease providing for certain extensions of the Lease, rental increases and allowing Landlord to construct market rate apartments on floors 2, 5, 6, 7 and 8 of the building occupied by Tenant; and

C. WHEREAS, Landlord and Tenant wish to set forth certain understandings which the parties have reached concerning the construction which Landlord intends to perform to said building in order to build such apartments; and

D. WHEREAS, Landlord intends to transfer and convey the entire building in which the leased premises is located ("Building") to Fifth Avenue Block, L.L.C., an Illinois limited liability company ("Fifth Avenue Block") at some point subsequent to the entering into of this Agreement.

## AGREEMENT

IT IS THEREFORE AGREED between the Landlord and Tenant as follows:

1. The current heating system covering the third and fourth floors occupied by the Tenant will be separated from the proposed apartments and a separate dedicated system will just serve the 3<sup>rd</sup> and 4<sup>th</sup> floors of the building. Landlord agrees to provide a copy of the plans and specifications for said dedicated system to Tenant, however, Tenant shall have no rights to disapprove of said system unless the same is substantially deficient in the opinion of a reputable heating contractor. In constructing these modifications, Landlord's contractor will take all reasonable steps necessary to protect the existing air conditioning system servicing the third and fourth floors from damage or destruction during the construction.

2. Landlord agrees to repaint and carpet the following lobbies:

(a) the lobby on the 5<sup>th</sup> Avenue side of the building;

- (b) the lobby on the second floor adjacent to the sky walk; and
- (c) the lobby at the southeast corner of the building.

Access to the lobby on the 5<sup>th</sup> Avenue side of the building shall be maintained at all times between 8:00 a.m. and 5:00 p.m. Monday through Friday. Likewise, access to one of the other lobbies shall be afforded during such times. Notwithstanding the foregoing, Tenant recognizes and agrees that any of such work is subject to the express approval of the National Park Service.

3. The three elevators located in the building will be upgraded mechanically and interior wise by the Landlord in connection with such construction. Said upgrades and the extent thereof shall be at Landlord's discretion. The freight elevator shall be further modified in that it will be operated by key lock or similar method of entry similar to the other two elevators.

4. Tenant has relayed to Landlord its concerns about possible interruption of its business due to construction, including noise, dust, electrical and water damage. Accordingly, the parties have agreed that the following procedures are to be materially followed during the construction period:

(a) Landlord is to designate a contact person with authority to make on-the-spot decisions and corrections who may be reached by Tenant in the event of problems or questions. An "after hours" phone number will be given to the Tenant in case an emergency arises in which Tenant has to notify the Landlord or his contact person of a problem. Landlord may change said contact person at any time upon providing Tenant's with prior notice.

Tenant shall only have to speak with the contact person no matter what phase of construction (i.e. - demolition, etc.) is being conducted and this person shall handle all communications with construction managers, demolition crews, sub-contractors, suppliers, etc. If problems occur, the Tenant does not desire to have to speak to anyone else except the contact person and would expect the contact person to cause any valid problem to be rectified.

(b) Any work to the building which is core or structure related work which will indeed materially interrupt Tenant's business shall be performed prior to 7:30 a.m. or after 5:00 p.m. Monday through Friday and any work between 7:30 a.m. and 5:00 p.m. will be done in a manner so as to cause minimal noise and non-disruptive noise. Any interruption of utility or water service to Tenant's suite, no matter when it is scheduled to occur, shall be made only with prior notice and approval of Tenant. Landlord's contractor will provide Tenant with a general break out of the types of work to be done before and after 7:30 each day so the Tenant may be advised of the same. Landlord's contractor shall communicate with Tenant so that it is aware of any major meetings, depositions or conference calls scheduled by Tenant which may need to cause such contractor to temporarily cease work so that no possible disruption would ensue. Landlord and Tenant have met with Landlord's contractor culminating in certain understandings concerning construction as detailed in Meeting Minutes and Work Activity Matrix dated

January 7, 2014, a copy of which are attached hereto as Exhibit "A" and made a part hereof and, notwithstanding the foregoing, the construction matters referenced in Exhibit A shall govern and be followed by Landlord's contractor. Landlord shall cause its contractors to substantially abide by the items referenced in such Minutes and Work Activity Matrix.

(c) In the event of any damage to Tenant's or any sub-tenant of Tenant's or any member of sub-tenant's property, including, but not limited to, computers, furniture, books, machines, fixtures, etc. occasioned by Landlord's construction, Landlord shall cause same to be rectified in a reasonable amount of time and shall cause Tenant or any sub-tenant of Tenant or any member of sub-tenant to be reimbursed for the cost to repair or replace the same (but only if replacement is necessary). Notwithstanding the foregoing, Tenant acknowledges that certain repairs and replacements do take time depending on the nature and extent of same.

(d) If it is necessary for intrusion into the Tenant's space for demo/construction work or any other reason, reasonable notice will be given to the Tenant in order to allow it to move and/or cover files, papers, etc. Reasonable notice shall be 2 days for non-intrusive work which does not require construction/demolition or similar work and one week for any demolition/construction work. Tenant agrees to allow Landlord said access into Tenant's space for said work. If intrusions into Tenant's space are going to be made after Tenant's normal working hours, a security person will be hired by Landlord to monitor the same to insure that Tenant's property is not disturbed, read or taken during the intrusion.

(e) The Landlord and its contractor shall use reasonable and customary practices concerning dust/debris control relating to tracking dust from the worksite into Tenant's suite, passenger (front) elevators and lobby areas and for controlling airborne distribution of dust from the worksite area and keeping it out of Tenant's premises. Same shall be performed according to industry standards. If Tenant so elects, it may cause Landlord to provide periodic cleaning of windows, carpets, walls, fixtures, etc. due to dust entering Tenant's suite during the construction process.

(f) The Landlord shall immediately address any issues concerning water leakage/flooding and power interruption and if Tenant or any sub-tenant of Tenant or any member of sub-tenant is forced to move some of its property off-site or replace the same due to said construction work, the Landlord shall cause Tenant or any sub-tenant of Tenant or any member of sub-tenant to be reimbursed for the costs thereof.

(g) If possible, construction workers will be limited to use of the freight elevator and if this is not feasible, designation of one of the front passenger elevators for workers should be made and the same shall be kept as clean as

possible since Tenant and its clients will also be utilizing it. The other front elevator shall not be utilized by construction workers or have material placed in it.

(h) Landlord shall cause the sky walk from the parking garage to the building to remain unobstructed in order for Tenant to gain access to the building at all times. Further, Landlord shall cause its contractor to minimize obstruction of the skywalk's entrance to the second floor of the building and will provide advanced notice of any obstruction planned of same so that alternative routes may be identified for Tenant's use. Tenant recognizes that there may be some obstruction on the second floor from the sky walk to the front elevators and alternative routes may be identified for Tenant's use for short periods of time, such as access to the freight elevator or to the staircase located in the southeast corner of the second floor.

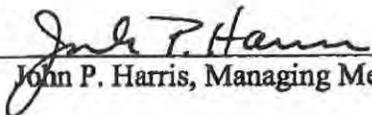
5. At such time as Landlord conveys and transfers the Building to Fifth Avenue Block, Landlord shall be released and discharged of all liability, responsibility and obligations under this Agreement and Fifth Avenue Block shall assume all of Landlord's obligations, responsibilities and liabilities under this Agreement. Tenant hereby consents to said conveyance and transfer of the Building from Landlord to Fifth Avenue Block. Upon said conveyance and transfer of the Building, this Agreement shall remain in full force and effect and fully binding on and upon Tenant. Upon said transfer and conveyance, Fifth Avenue Block shall be considered the landlord for all purposes under this Agreement and Tenant shall look solely to Fifth Avenue Block as landlord hereunder.

This Agreement Regarding Construction is executed in multiple counterparts in Moline, Illinois, effective on September 3, 2014.

TENANT:

BNPN, L.L.C.,  
an Illinois Limited Liability Company,

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

  
John P. Harris, Managing Member

LANDLORD:

RODNEY BLACKWELL

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

  
Rodney Blackwell

Fifth Avenue Block, L.L.C. agrees to be bound by all terms and conditions of this Agreement as they relate or apply to the landlord hereunder at such time as it is the owner of the Building and shall assume all of Landlord's obligations, responsibilities and liabilities under the Lease as amended.

**FIFTH AVENUE BLOCK, L.L.C.**

By:   
Rodney A. Blackwell  
Its: Manager



## MEETING MINUTES

**DATE:** January 7, 2014  
**FROM:** Thomas Edwards  
**PROJECT:** 5<sup>th</sup> Avenue Apartments  
**PURPOSE:** The purpose of this meeting was to discuss with Bozeman, Neighbour, Patton, & Noe, LLP (BNPN) those work items that may occur during non-business hours.

<b>Date:</b>	01/07/2014	
<b>Time:</b>	10:00 AM	
<b>Location:</b>	Bozeman, Neighbour, Patton & Noe, LLP - Moline	
<b>Attendance:</b>	Bill Snyder (BNPN) Jim Kiesey (Ryan) Joe Ryder (Ryan)	Bob Noe (BNPN) Thomas Edwards (Ryan)
<b>Distribution:</b>	Attendees	Bryce Henderson (FDP)

### TOPICS OF DISCUSSION

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- 1 **ACCESS**
  - 1.1 The use of elevators were discussed.
    - 1.1.1 Construction personnel would utilize the freight elevator or stairs for access floor access.
    - 1.1.2 Materials, tools and boxes will be delivered to the floor via the freight elevator.
    - 1.1.3 The passenger elevator would be reserved for tenant and client traffic.
  - 1.2 Materials not suitable for delivery in the freight elevator will be hoisted by crane or lift to the appropriate floor and off-loaded through a window opening. Appropriate safeguards will be in place during any hoisting operations.
  - 1.3 The 5<sup>th</sup> Avenue entrance lobby will be reserved for tenants' use. Ryan personnel will not utilize the 5<sup>th</sup> Avenue entrance for daily access.
  - 1.4 Any work conducted in the lobbies will be completed either after hours or with the appropriate safeguards such as signage, barricade, or caution tape depending upon the task performed.

**GENERAL CONSTRUCTION**

- 2.1 After hours work was discussed. Generally, there are items that will be performed either during the work day, or outside of business hours. However, there are many items that may be disruptive only sometimes. Ryan Cos will endeavor to perform the most disruptive tasks outside of the business day. Ryan will also work with the tenants to curtail ongoing work that proves to be disruptive to another time, or to after hours if it becomes necessary.
- 2.2 Ryan Cos has developed a *Work Item Matrix* subsequent to the meeting (attached) that lists many common tasks and identified whether it those tasks are intended to be performed during regular hours, non-business hours, or those that may change from time to time (the subjective items).
- 2.3 The new heating system for floors 3 and 4 was discussed. Ryan Cos did not have any details to the extent of the work during the meeting. Subsequent to the meeting, Ryan Cos learned that the work for the new system would be minimally invasive by introducing a hot water source to the chilled water heat pump during winter months to provide heating in lieu of cooling. No work at the radiators would be required as they would essentially be abandoned in place. Electric baseboard heaters may need to be added, but is yet to be determined. The design work has not been performed however and the plans may change.
- 2.4 The restroom remodel was also discussed. Any restroom work would be coordinated with the tenant. Consideration needs to be made as to timing so that the tenants are not left without a restroom during the remodel period.
- 2.5 The elevator modernization was also discussed regarding timing. It was discussed that the best time for the work could be during the renovation period – before additional tenants move into the building. However, the timing of equipment manufacture could impact the work.

Enc. Fifth Avenue Work Item Matrix



Work Activity Matrix		Regular Hours	Non-Business Hours*	Subjective**	Worker Prohibited	Comments
1	Abatement.	X				
2	Demolition.	X		X		
3	Demolition of 5th floor.		X			
4	Use of debris chute.		X			To the extent the City allows or neighbors complain.
5	Use of passenger elevators.				X	
6	Use of 5th Avenue entrance.				X	
7	Use of freight elevator.	X	X			
8	Materials deliveries.	X				
9	Hoisting materials via crane or lift.	X				
10	2nd floor lobby work.	X	X	X		Activity dependent.
11	Layout.	X				
12	Drilling pilot holes.	X	X	X		
13	Core drilling horizontal decks.	X		X		
14	Core drilling on 5th floor.		X			
15	Sawing vertical concrete.	X		X		
16	Hammer drilling concrete decks, walls & plaster ceiling.	X		X		
17	Hammer drilling 5th floor deck.		X			
18	Hammer drilling 5th floor walls.	X	X	X		
19	Hammer drilling 2nd floor concrete deck.		X			
20	Hammer drilling 2nd floor plaster ceiling.	X	X	X		
21	Shoot metal track to concrete deck.	X		X		
22	Shoot metal track to concrete deck 5th floor.		X			
23	Distributing drywall.	X				
24	Screwing drywall.	X				
25	Screwing drywall on 2nd or 5th floors.	X		X		
26	Plumbing rough-in.	X				
27	Plumbing rough-in above 4th floor ceiling.		X			Work to occur between Friday evening and Monday morning. Work will be planned in advance with tenant.
28	Core building electrical shut-downs, if any.		X			
29	Core building water service shut-downs.		X			
30	Work on existing continuous water risers.	X		X		
31	Fire alarm work, 3rd and 4th floors, if required.		X			TBD
32	Fire sprinkler work, 3rd and 4th floor, if required.		X			TBD
33	Elevator modernization.	X				

\* Non-Business Hours are assumed to be between 5:00 PM and 7:30 AM.  
 \*\* Items marked as subjective are those work items that may or may not be disruptive depending on person, location, time of day, and/or duration and will be addressed on an as-needed basis with the tenants.

**FINANCIAL DISTRICT PROPERTIES  
STORAGE RENTAL AGREEMENT  
201 N. Harrison Street, Suite 402  
DAVENPORT, IA 52801  
563-324-9898**

THIS AGREEMENT EXECUTED IN DUPLICATE, MADE AND ENTERED INTO ON: NOVEMBER 3, 2009 BETWEEN FINANCIAL DISTRICT PROPERTIES, HEREIN AFTER REFERRED TO AS THE "LANDLORD" WHOSE ADDRESS FOR THE PURPOSE OF THIS LEASE IS AS ABOVE, AND CRIPPEN REID & BOWEN, HEREIN AFTER REFERRED TO AS THE "TENANT", WHOSE ADDRESS FOR THE PURPOSE OF THIS LEASE IS:

1528 47<sup>TH</sup> AVENUE MOLINE, IL 61265

STORAGE UNIT ADDRESS: 1630 5<sup>th</sup> AVENUE SUITE 201A and 201B  
MOLINE, IL 61265

MONTHLY RENT: \$200.00

1. Tenant shall pay rent prior to the first of each month. Rental payment is due to the above address.
2. Tenant further agrees to pay an additional \$25.00/day if rental payment is not received by the fifth day of each month. In the event of default, ~~any unused~~ prepaid rent shall constitute liquidated damages. If the tenant fails to pay the rentals as agreed upon or fails to vacate the premises promptly upon expiration of this agreement, then the landlord does hereby become entitled to enforce its possessor lien according to the procedures as outlined in Iowa Senate File 163, Sec. 4578A. A sale or other disposition of the personal property shall conform to the terms of the notification provided for in this section.
3. Landlord shall not be liable in any way or to any extent, for or on account of an injury to, or destruction of any property at anytime in any said storage bay. Landlord shall not be liable for any personal injury of anyone working in or on the premises of these storage units/warehouses. Landlord shall be responsible for keeping the door(s) and lock(s) in a workable and good order.
4. EACH TENANT SHOULD CARRY INSURANCE ON HIS/HER POSSESSIONS TO COVER DAMAGE OR LOSS FROM ALL CAUSES, INCLUDING WATER AND FLOODING. TENANT INITIAL: KEB
5. Tenant agrees to use and occupy the premises only for the storage of personal property or property legally in their care of custody and for no other use. Dismantling of automobiles or other types of equipment is not permitted on the premises.

6. FOOD, FLAMMABLE, EXPLOSIVE OR COMBUSTIBLE MATERIALS ARE NOT TO BE STORED IN ANY STORAGE BAYS, AND STORAGE BAYS MAY BE USED FOR LAWFUL PURPOSES ONLY.
7. This rental agreement shall automatically be extended on the first of each month unless either party delivers to the other party notice of its intention to terminate this agreement ten (10) days prior to the end of the current rental month.
8. DEPOSIT: At the time of the execution of this rental agreement tenant shall pay to the landlord in trust in addition to the rent the sum of \$0.00 security or damage deposit. If tenant fully complies with the terms of this rental agreement said amount shall be refunded. If tenant fails to comply with the terms of this rental agreement, said sum shall be applied by the landlord toward the payment of charges for cleaning and leftover items from the unit at a rate of ten (\$10.00) dollars per hour with a one (1) hour minimum. The tenant agrees to notify landlord when unit(s) are vacated in order to accurately determine the deposit refund, if any. A twenty (\$20.00) dollar charge will be made for returned checks.
9. The attached Confidentiality Agreement is a binding attachment to this lease.

TENANT SIGNATURE Kell Borne CEO

LANDLORD AGENT \_\_\_\_\_

### CONTRACTOR CONFIDENTIALITY AGREEMENT

It is understood that this document is required to be signed as a condition of providing services or reviewing confidential information for Crippen, Reid & Bowen, L.L.C.

AGREEMENT, entered into this 3RD day of NOVEMBER, 2009, between Crippen, Reid & Bowen, L.L.C., a limited liability company, having its office at 1528 47<sup>th</sup> Avenue, Moline, Illinois (hereinafter referred to as "The Firm") and Financial District Properties, L.L.C., having its office at 201 North Harrison Street, Davenport, Iowa (hereinafter referred to as "Contractor").

#### 1. Confidential Information

- A. Contractor acknowledges that the business of The Firm is a unique and unusual service business consisting of the providing of professional advice and other services to clientele who expect confidentiality of entrusted information. Contractor also acknowledges that the disclosure of the information contained in a client's files would be harmful to The Firm and could cause damage to The Firm's business.
- B. Contractor acknowledges that Contractor will come into contact with and have access to confidential client matters and confidential information pertaining to The Firm's business.
- C. Contractor shall not, during the term of this Agreement or at any time thereafter, divulge, furnish or make accessible to anyone any knowledge or information with respect to any confidential information of The Firm as now or hereafter conducted.

#### 2. Enforcement

Contractor expressly agrees that, in addition to any other remedies which may be available to The Firm, the Firm shall be entitled to injunctive and/or other equitable relief to prevent or remedy a breach of any of the provisions of paragraph 1 of this Agreement or any part thereof, and to secure their enforcement.

#### 3. Arbitration

Any dispute between the parties arising hereunder shall be submitted to arbitration in the City of Moline, in accordance with the then rules and regulations of the American Arbitration Association. The parties shall be bound by the award of the arbitrators and judgment upon any award of the arbitrators may be entered in any court having jurisdiction. The parties consent to the jurisdiction of the Circuit Court of the State of Illinois, County of Rock Island.

#### 4. Remedies Cumulative

The remedies provided for herein are cumulative and not exclusive. The Firm may exercise the remedies set forth in paragraphs 2 and 3 hereof as well as any other remedies which it may have,

at any time, from time to time or at the same time, and the failure to exercise any remedy shall not be deemed to constitute a waiver thereof unless the same is in writing and signed by an equity owner of The Firm and is with specific reference to this Agreement.

5. Entire Agreement

This Agreement sets forth the entire agreement and understanding between The Firm and Contractor with respect to the subject matter hereof and supersedes any prior negotiations and dealing as well as any other written contracts between them. No modifications, variances or change in the terms and provisions hereof shall be valid unless in writing and signed by both parties.

6. Miscellaneous

This Agreement shall be deemed to be entered into and governed by and construed in accordance with the laws of the State of Illinois. Any and all notices hereunder by either party shall be forwarded by certified or registered mail, postage prepaid, addressed to the parties at the addresses set forth in this Agreement or to such other address as may be furnished to a party in like manner. All notices to The Firm shall be addressed to the attention of Ray Harrison. In case any one or more of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day first hereinabove set forth.

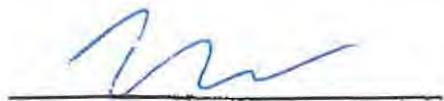
Contractor:

The Firm:



 Kent Bowen CEO

I have received a countersigned copy of this Agreement.

  
(Contractor)

## LEASE

This Lease ("Lease") is made and is effective and binding as of August 4,, 2015, by and between RODNEY A. BLACKWELL, ("Landlord"), and Flanagan State Bank ("Tenant").

### 1. GENERAL

- 1.1 PREMISES. Landlord is the owner of certain real property locally know as Unit 235, 1630 5<sup>th</sup> Avenue, Moline, Illinois consisting of approximately 1,350 square feet (the "Premises") which is part of a multi-tenant building located at 1630 5<sup>th</sup> Avenue Moline, Illinois ("Building").
- 1.2 LEASE. Landlord leases to Tenant, and Tenant leases from Landlord for the Term, at the rental rate, and on all the conditions set forth in this Lease, the Premises. The "Commencement Date" of this Lease shall be August 1, 2015.

### 2. TERM.

- 2.1 TERM. The term of this Lease ("Term") is "month-to-month" beginning on the Commencement Date. Either Landlord or Tenant may terminate this Lease for any reason, upon providing the other party thirty (30) days advance written notice.
- 2.2 HOLDING OVER. If Tenant, with Landlord's consent, remains in possession of the Premises or any part thereof after the termination or expiration of the Term, such occupancy will be deemed a tenancy from month to month, subject to all the provisions of this Lease. If Tenant, without Landlord's consent, remains in possession of the Premises or any part thereof after the termination or expiration of the Term, such occupancy will be deemed a tenancy from onth to month, subject to all the provisions of this Lease except that Tenant shall pay to Landlord two hundred percent (200%) of the monthly rent due under this Lease.

### 3. RENT.

- 3.1 MONTHLY RENT. Beginning on the Commencement Date through the end of the Term, Tenant shall pay to Landlord as monthly rent for the Premises as follows: \$700.00 per month.
- Said amounts are payable in advance and without demand, on or before the first day of each and every month. All payments to Landlord shall be made by checks or drafts payable to the order of Landlord and mailed to Landlord at the address stated in this Lease or at such other address as Landlord may designate by written notice to Tenant. All payments under this Lease shall be payable to Landlord in lawful money of the United States.

- 3.2 PRO RATA RENT. Monthly rent for any partial month will be a pro rata

portion of the applicable monthly installment.

**4. USE; COMPLIANCE WITH LAW; CONDITION OF PREMISES.**

4.1 **USE.** The Premises may be used and occupied for office use only (the "Permitted Uses").

**4.2 COMPLIANCE WITH LAW.**

(a) Tenant warrants to Landlord that the Permitted Uses of the Premises and Tenant's use and occupancy of the Premises from and after the Commencement Date does not and will not violate any covenants or restrictions of record or any applicable state, federal, or local law, building code, regulation, or ordinance. If this warranty has been violated, Tenant shall, upon becoming aware of such violation, at Tenant's sole cost and expense, promptly rectify such violation.

(b) Tenant shall not use or permit the use of the Premises in any manner that will create waste or a nuisance. Tenant shall not disturb, disrupt, or cause damage to any other tenant or space located in the Building.

**4.3 CONDITION OF PREMISES.**

(a) Tenant accepts and leases the Premises in its existing "as-is", "where-is", "with-all-faults" condition as of the Commencement Date. Landlord shall have no obligation to make any improvements to the Premises. Landlord makes no type of representation or warranty regarding the Premises or the condition thereof, whether express, implied, by operation of law or otherwise.

**5. MAINTENANCE AND REPAIRS.**

**5.1 TENANT'S OBLIGATIONS.**

(a) Tenant at Tenant's sole cost and expense shall maintain and keep in good order, condition, and repair the Premises and every part thereof (except for as set forth in Section 5.2 herein) including, without limitation, the interior walls, wall coverings, floor coverings, floors, ceiling, and lighting facilities. Tenant shall provide its own janitorial services to the Premises at its own expense and keep the Premises free of all debris. Tenant at its expense shall keep the Premises in a good, neat, clean and orderly condition. Tenant at Tenant's sole cost and expense shall be responsible for its equipment, furniture, inventory, trade fixtures and personal property.

(b) If Tenant fails to perform Tenant's obligations under this Lease, Landlord may, at Landlord's option, enter upon the Premises after 30 business days' prior written notice to Tenant (except in the case of emergency, in which case no notice will be required), perform such obligations on Tenant's behalf, and put the Premises in good order, condition, and repair. The

Landlord's reasonable out-of-pocket costs of performing such obligations will be set forth in Landlord's invoice to Tenant, which invoice shall document Landlord's out-of-pocket costs in reasonable detail. Landlord's invoice for costs incurred pursuant to this paragraph shall be due and payable to Landlord as additional rent together with Tenant's next monthly rent installment. Notwithstanding the foregoing, if the repair obligations described in Landlord's notice are not reasonably susceptible of being performed within the 30-business-day period following Tenant's receipt of Landlord's notice, Landlord will not be entitled to perform Tenant's repair obligations under this paragraph so long as Tenant begins to make such repairs within such 30-business-day period and completes the repairs within a commercially reasonable time.

(c) On the last day of the Term, or on any sooner termination of this Lease, Tenant shall, subject to the provisions of paragraph 5.3: (1) surrender the Premises to Landlord in the same condition as received, ordinary wear and tear excepted, broom clean and free of debris; (2) repair any damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, furnishings, machinery, signage and equipment; and (3) leave any power panels, electrical distribution systems, lighting fixtures, air conditioning, and plumbing on the Premises in good operating condition, ordinary wear and tear excepted.

**5.2 LANDLORD'S OBLIGATIONS.** Landlord, at its expense, shall perform all necessary repairs and maintenance to the exterior of the Building and the surrounding real estate, the roof and foundations of the Building, the HVAC servicing the Premises, and the parking lot, staircases and outside facilities (i.e. landscaping and snow removal). Same shall be maintained in a good state of repair. Landlord, at its expense, shall also perform all necessary repairs and maintenance to any windows, plumbing and electrical facilities. Same shall be maintained in a good state of repair. Notwithstanding anything set forth in this section 5.2, should any of the above need to be repaired or replaced (as applicable) due to the neglect, act or omission of Tenant or Tenant's employees, agents, assignees, customers, clients, contractors, invitees subcontractors, lessees, sublessees, or representatives, then the costs of same shall be paid for in full by Tenant.

### **5.3 ALTERATIONS AND ADDITIONS.**

(a) Tenant shall not, without Landlord's prior written consent, make any alterations, improvements, additions, or Utility Installations in, on, or about the Premises, except for cosmetic changes, decorating changes, or non-structural alterations. The foregoing shall not be construed to limit or restrict Tenant's right to relocate, reinstall and operate its machinery or equipment, or to comply with its obligations or exercise its rights under this Lease, provided that such activities can be performed without causing structural damage to the Premises. Tenant shall not make any structural change or alteration to the Premises without Landlord's prior written consent. As used in this paragraph 5.3(a), the term "Utility Installation" means power panels, electrical distribution systems, air conditioning, and plumbing. At the expiration or termination of this Lease, at Tenant's election, or as Landlord may require, Tenant shall remove any or all of said alterations, improvements, additions, or Utility Installations in which case, Tenant shall, at its sole cost and expense, remove any or all of the same, repair any damages to the Premises caused by such removal and restore the Premises to its condition existing before the installation of such alteration, improvement, addition, or Utility Installation. Should Tenant make any

alterations, improvements, additions, or Utility Installations without the prior consent of Landlord, Landlord may require that Tenant, at Tenant's sole cost and expense, remove any or all of the same, and repair any damages to the Premises caused by the removal.

(b) Tenant will pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Premises, which claims are or may be secured by any mechanic's or materialman's lien against the Premises or any interest therein. If Tenant in good faith contests the validity of any such lien, claim, or demand, Tenant will, at its sole cost and expense, defend itself, Landlord, and the Premises against the same and pay and satisfy any adverse judgment that may be rendered before the enforcement of such judgment against Landlord or the Premises.

(c) Unless Landlord requires their removal as set forth in paragraph 5.3(a), all alterations, improvements, fixtures, additions, and Utility Installations, will become Landlord's property and remain on and be surrendered with the Premises at the expiration or termination of this Lease. Tenant's machinery, equipment, inventory, and furnishings other than that which is affixed to the Premises so that it cannot be removed without causing damage to the Premises, will remain Tenant's property and may be removed by Tenant subject to the provisions of this paragraph 5.3(c), provided that Tenant is not then in default under any provision of this Lease. Any damages to the Premises caused by the removal of such property shall be repaired by Tenant at Tenant's sole cost and expense.

## 6. INSURANCE AND INDEMNIFICATION.

6.1 **LIABILITY INSURANCE - TENANT.** Tenant will, at Tenant's sole cost and expense, obtain and keep in force during the Term, a commercial general liability policy insuring Tenant against liability arising out of the use, occupancy, or maintenance of the Premises and all other areas appurtenant thereto. Such insurance will be in an amount not less than \$1,000,000.00 combined single limit, bodily injury, and property damage per occurrence and \$2,000,000.00 in the aggregate. Tenant shall name Landlord as an additional insured on said insurance policy and provide proof to Landlord of same.

6.2 **PROPERTY INSURANCE.** Landlord will, at Landlord's sole cost and expense, obtain and keep in force during the Term naming Landlord as the primary insured an insurance policy or policies covering loss or damage to the Premises in the amount of its full insurable replacement value, as the same may exist from time to time, providing protection against all perils included within the classification of fire and extended coverage.

Tenant will obtain and keep in force during the Term a policy or policies of standard fire and extended coverage insurance covering loss or damage to Tenant's personal property, fixtures, furnishings, machinery, equipment, or tenant improvements which have not become part of the Premises ("Tenant's Insurable Personal Property") to the extent of 100 percent of its full insurable replacement value. Tenant shall name Landlord as an additional insured on said insurance policy and provide proof to Landlord of same.

6.3 **INSURANCE POLICIES.** Insurance required by this Lease will be in

companies admitted to do business in the State of Illinois. Upon request by the other party, Landlord and Tenant will each deliver to the other copies of all policies of insurance required under this paragraph 6 or certificates evidencing the existence and amounts of such insurance. No such policy will be cancelable or subject to reduction of coverage or other modification except after 30 days' prior written notice to the other party. Neither Landlord nor Tenant will do or permit to be done anything which will invalidate the insurance policies referred to in paragraph 6. Tenant shall name Landlord as an additional insured on said insurance policy and provide proof to Landlord of same.

**6.4 WAIVER OF SUBROGATION.** Landlord and Tenant each hereby release and relieve the other, and waive their entire right of recovery against the other for loss or damage arising out of or incident to the perils insured against under paragraph 6.2, which perils occur in, on or about the Premises, whether due to the negligence of Landlord or Tenant or their agents, employees, contractors and/or invitees. Tenant and Landlord will give notice to their respective insurance carrier or carriers that a mutual waiver of subrogation is contained in this Lease.

**6.5 TENANT'S INDEMNIFICATION OF LANDLORD.** Tenant shall indemnify the Landlord, its members, managers, employees, and agents against and hold them harmless from and against any and all claims, demands, judgments, damages, actions, causes of actions, injuries, administrative orders, consent agreements, and orders, liabilities or losses, penalties, costs, and expenses (including, but not limited to, any attorneys fees incurred by Landlord) of any kind whatsoever arising out of (i) Tenant's possession or occupancy of the Premises, (ii) the conduct of Tenant's business on the Premises, (iii) the breach or default of any of Tenant's obligations under this Lease, or (iv) any activity, act, omission, occurrence, event, work, or things done, permitted, or suffered by or through Tenant, or Tenant's invitees, licensees, employees, customers, clients, contractors, or agents, in or about the Building, Premises and/or surrounding land.

Tenant covenants and agrees to indemnify and save Landlord harmless from and against any and all costs, liability or expenses arising out of any suits, actions, damages, liability and claims (including costs, attorney's fees and expenses of defending against same) of any person or persons on account of any occurrence in, upon or at the Premises, or resulting from the occupancy or use thereof by Tenant, or by any person or persons holding thereunder, or occasioned in whole or in part by reason of the improper and/or lack of control and supervision throughout the Premises by reason of the use or misuse of the Premises or any other areas in or around the Premises and including, without limitation, any roadways, sidewalks, entrance ways, parking lots, and allies by Tenant or by any person or persons holding or using the Premises, or any part thereof, under Tenants, including without limitation, Tenants customers, invitees, agents, contractors, employees, servants, subtenants, assignees, licensees or concessionaires; and without limiting the generality of the foregoing, Tenant further covenants and agrees to indemnify and save Landlord harmless from and against any penalty, damage or charge incurred or imposed by reason of any violation of law or ordinance by Tenant or any person or persons holding under Tenant or using the Premises, and from any cost, damage or expense arising out of the death of or injury to any person or persons holding under Tenant or using the Premises, or any part thereof, or any part of the common area in or around the Premises and including, without limitation, any roadways, sidewalks, entrance ways, parking lots, and allies.

Landlord shall not be liable for any damage to or loss of Tenant's merchandise, fixtures, inventory, glass, storefront, equipment or other personal property placed in, on or about the Premises by Tenant or others, resulting from fire, theft, explosion, flood, windstorm or other casualty caused by Acts of God or by the acts or omissions of other occupants of other space in the Premises or caused by operations during construction of any public or quasi-public work. All property kept or stored within the Premises shall be kept or stored at the risk of Tenant only, and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurer, if any.

Tenant shall give immediate notice to Landlord in the event of fire or other accidents or casualties within the Premises, and further, Tenant shall give immediate notice to Landlord of any defects in any of the fixtures or equipment located within the Premises.

All of the indemnities and Tenant's obligations under this Section 6.5 shall survive the termination of this Lease whether by expiration, operation of law or agreement and the surrender of the Premises to Landlord.

## 7. DAMAGE OR DESTRUCTION.

7.1 **DESTRUCTION DUE TO RISK COVERED BY INSURANCE.** If during the Term, the Premises are totally or partially destroyed from a risk covered by the insurance described in paragraph 6.2, rendering the Premises totally or partially inaccessible or unusable, Tenant shall restore the Premises to substantially the same condition as they were in immediately before destruction, and such destruction shall not terminate this Lease. Notwithstanding the preceding sentence, if the cost of restoration (as estimated by Tenant's architect) exceeds the insurance proceeds received by Tenant by fifty percent, Tenant shall not be obligated to restore the Premises and can terminate this Lease by giving notice to Landlord. If Tenant elects to terminate this Lease, Landlord may, within ten business days after receiving notice of termination from Tenant, but shall not be obligated to, notify Tenant that Landlord elects to pay to Tenant, at the time of such notice to Tenant, the difference between the insurance proceeds and the cost of restoration, in which case Tenant shall restore the Premises. If Tenant elects to terminate this Lease and Landlord does not elect to contribute toward the cost of restoration as provided in this paragraph, this Lease shall terminate. If the existing laws do not permit the restoration, either party can terminate this Lease immediately by giving notice to the other party.

7.2 **DESTRUCTION DUE TO RISK NOT COVERED BY INSURANCE.** If, during the Term, the Premises are totally or partially destroyed from a risk not covered by the insurance described in paragraph 6.2, rendering the Premises totally or partially inaccessible or unusable, either party can terminate this Lease immediately by giving notice to the other party.

## 7.3 TENANT'S RESTORATION OF PREMISES.

(a) If, during the Term, the Premises are destroyed from a risk covered by the insurance described in paragraph 6.2, and Tenant is obligated to restore the Premises, Tenant shall make the loss adjustment with the insurance company insuring the loss. The

proceeds shall be paid directly to Tenant for the sole purpose of making the restoration of the Premises in accordance with paragraph 7.1.

(b) If, during the Term, the Premises are destroyed from a risk covered by the insurance described in paragraph 6.2, and Tenant is not obligated to restore the Premises, the insurance proceeds shall be paid to Tenant and Landlord in the proportion that the then depreciated value of Tenant's Improvements as shown on Tenant's books bears to the then estimated replacement cost of the Premises.

(c) Within 30 days after the date that Tenant is obligated to restore the Premises, Tenant at its cost shall prepare final plans and specifications and working drawings complying with applicable laws that will be necessary for restoration of the Premises. The plans and specifications and working drawings must be approved by Landlord. Landlord shall have 15 days after receipt of the plans and specifications and working drawings to either approve or disapprove the plans and specifications and working drawings and return them to Tenant. If Landlord disapproves the plans and specifications and working drawings, Landlord shall notify Tenant of its objections and Landlord's proposed solution to each objection. Tenant acknowledges that the plans and specifications and working drawings shall be subject to approval of the appropriate government bodies and that they will be prepared in such a manner as to obtain that approval.

7.4 **ABATEMENT OR REDUCTION OF RENT.** In case of destruction, there shall be no abatement or reduction of rent unless this Lease is terminated as provide in this paragraph 7. On termination of this Lease pursuant to this paragraph 7, an equitable adjustment will be made concerning advance rent and any advance payments made by Tenant to Landlord.

7.5 **WAIVER.** Landlord and Tenant waive the provisions of any statutes which relate to termination of leases when leased property is destroyed and agree that such event will be governed by the terms of this Lease.

## 8. TAXES.

### 8.1 REAL PROPERTY TAXES.

(a) During the Term, Landlord shall pay all Real Property Taxes (as defined in paragraph 8.3) applicable to the Premises for the period of time in which this Lease is in effect.

8.2 **DEFINITION OF "REAL PROPERTY TAX."** As used in this Lease, the term "Real Property Tax" includes any form of real estate tax or assessment, general, special, ordinary, or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy, or tax (other than inheritance, personal income, or estate taxes) imposed on the Premises by any authority having the direct or indirect power to tax, including any city, state, or federal government, or any school, agricultural, sanitary, fire, street, drainage, or other improvement district thereof, as against any of Landlord's legal or equitable interest in the Property.

### 8.3 PERSONAL PROPERTY TAXES.

(a) Tenant shall pay to Landlord before they become delinquent, all taxes, if any, assessed against and levied on Tenant's trade fixtures, furnishings, machinery, equipment, and all other property of Tenant contained in the Premises or elsewhere, including, without limitation, all taxes on industrial machinery and equipment or computers that are assessed and taxed as real property. When possible, Tenant will cause all Tenant's trade fixtures, furnishings, machinery, equipment, and all other property to be assessed and billed separately from Landlord's real property.

9. UTILITIES. Tenant will pay all water, sewer, storm water/sewer, electric, gas, heat, light, power, telephone and all other utilities and services supplied to the Premises, together with any taxes thereon. Landlord reserves the right to gain immediate access to any portion of the Premises for purposes of installing, maintaining, and removing such utility, supplies, connections, or hookups, after giving such notice to Tenant as is reasonable under the circumstances.

10. ASSIGNMENT AND SUBLETTING. Tenant shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises (each referred to herein as a "Transfer") without Landlord's prior written consent which may be withheld at Landlord's sole and absolute discretion. No consent by Landlord to any Transfer shall relieve Tenant of any obligation to be performed by Tenant under this Lease, whether occurring before or after such consent, assignment, subletting or other Transfer. Each transferee shall be jointly and severally liable with Tenant (and Tenant shall be jointly and severally liable with each transferee) for the payment of rent and all other amounts owing under this Lease (or, in the case of a sublease, rent in the amount set forth in the sublease) and for the performance of all other terms and provisions of this Lease. The consent by Landlord to any Transfer shall not relieve Tenant or any such transferee from the obligation to obtain Landlord's express prior written consent to any subsequent Transfer by Tenant or any transferee. The acceptance of rent by Landlord from any other person (whether or not such person is an occupant of the Premises) shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any Transfer.

Landlord may assign this Lease to a third party at any time without the consent of Tenant and upon said assignment Landlord shall have no further liability or responsibilities to Tenant under this Lease.

### 11. DEFAULTS; REMEDIES.

11.1 DEFAULTS. The occurrence of any one or more of the following events will constitute a material default and breach of this Lease by Tenant:

- (a) Tenant's vacating or abandoning of the Premises.
- (b) Tenant's failure to make any payment of monthly rent or any other amount

due and payable under this Lease, as and when due, when such failure continues for a period of five (5) days after due.

(c) Tenant's failure to observe or perform any of the covenants, conditions, or provisions of this Lease, to be observed or performed by Tenant, other than those described in paragraph 11.1(b) above, when such failure continues for a period of 10 days after written notice from Landlord to Tenant, provided that, if the nature of Tenant's default is such that more than 10 days are reasonably required for its cure, Tenant will not be deemed to be in default if Tenant begins such cure within said 10-day period and diligently prosecutes such cure to completion.

(d) (1) Tenant's making of any general arrangement or assignment for the benefit of creditors; (2) Tenant's becoming a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within 60 days); (3) the appointment of a trustee or receiver to take possession of substantially all Tenant's assets located at the Premises or of Tenant's interest in this Lease, if possession is not restored to Tenant within 30 days; or (4) the attachment, execution, or other judicial seizure of substantially all Tenant's assets located at the Premises or of Tenant's interest in this Lease, if such seizure is not discharged within 30 days. If any provision of this paragraph is contrary to any applicable law, such provision will be of no force or effect.

11.2 REMEDIES. If any such default or breach by Tenant continues beyond applicable cure periods, the Landlord may at any time thereafter do any one or more of the following, with or without notice or demand and without limiting the Landlord in the exercise of any right or remedy which the Landlord may have by reason of such default or breach under the law:

a. Terminate Tenant's right to possession of the Premises by any lawful means, in which case Landlord may at Landlord's sole discretion terminate this Lease if Landlord so chooses. Regardless of whether or not Landlord terminates this Lease, Tenant will immediately surrender possession of the Premises to the Landlord. Landlord will be entitled to recover from Tenant immediately upon Tenant's default all damages incurred by Landlord by reason of Tenant's default, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting the Premises including necessary renovations and alteration of the Premises, attorney's fees, any real estate commission actually paid to relet the Premises, the total amount of unpaid rent for the remainder of the Term or applicable Renewal Term which shall be accelerated and due and payable in full immediately, and all other amounts and obligations due and owing from Tenant under this Lease for the balance of the Term or applicable Renewal Term which shall be accelerated and due and payable in full immediately.

b. Cure such default or breach at Tenant's expense and the amount of all expenses, including attorney's fees, incurred by the Landlord in curing such default shall be deemed additional rent payable on demand by Tenant.

c. Pursue any other remedy now or hereafter available to the Landlord at law or equity under the applicable laws or judicial decisions of the state where the

Premises is located. All of the remedies in this Section 11.2 shall be cumulative in nature and any one or more of same may be exercised at any one time.

11.3 **DEFAULT BY LANDLORD.** Landlord will not be in default under this Lease unless Landlord fails to materially perform its obligations hereunder required of Landlord within a reasonable time, but in no event later than 30 days after written notice by Tenant to Landlord specifying the nature of Landlord's failure to perform; provided that, if the nature of Landlord's obligation is such that more than 30 days are required for performance, Landlord will not be in default if Landlord begins performance within such 30 day period and diligently prosecutes the same to completion. If any such default by Landlord continues beyond applicable cure periods, Tenant's exclusive remedy is to cure Landlord's default and recover from Landlord (but not by way of off-setting rent or any other amount due and payable to Landlord hereunder) the amount of all reasonable expenses, including attorneys' fees, incurred by Tenant in curing such default.

## 12. CONDEMNATION.

12.1 **EFFECT OF CONDEMNATION.** If the Premises or any portion thereof is taken under the power of eminent domain or sold under the threat of the exercise of said power ("Condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10 percent of the floor area of the portion of the building located on the Premises or more than 10 percent of the land area of the Premises which is not occupied by any building is taken by Condemnation, Tenant may, at Tenant's option to be exercised in writing only within 30 days after Landlord has given Tenant written notice of such taking (or in the absence of such notice, within 30 days after the condemning authority takes possession), terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease will remain in full force and effect as to the portion of the Premises remaining, except that the rent will be reduced in the proportion that the floor area of the portion of the building located on the Premises taken bears to the floor area of the Premises before Condemnation. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power will be Landlord's property, whether such award will be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Tenant will be entitled to:

(a) Any sum awarded to Tenant which is attributable to Tenant's Improvements or Tenant's machinery, equipment or other property that Tenant has the right to remove from the Premises pursuant to the provisions of this Lease but elects not to remove;

(b) Any sum awarded to Tenant which is attributable to any excess of the market value of the Premises, exclusive of Tenant's Improvements or alterations for which Tenant is compensated, over the present value at the date of taking of the monthly rent for the remainder of the Term, calculated as of the date of such taking, with allowances for the estimated increases in the cost of living increase for the remainder of the Term projected over the remainder of the Term, and

(c) Severance damages specifically awarded to Tenant for restoration of the Premises.

12.2 **LEASE NOT TERMINATED.** If this Lease is not terminated by reason of such Condemnation, Landlord shall repair any damage to the Premises caused by such Condemnation except to the extent that Tenant has been reimbursed therefore by the condemning authority. If the repairs contemplated by this paragraph cannot be made in accordance with existing laws, Landlord and Tenant shall mutually agree as to the nature of the repairs to be made hereunder.

13. **SECURITY DEPOSIT.** None.

14. **ACCESS.** Landlord and Landlord's agents will have the right to: (1) enter the Premises at reasonable times for the purpose of inspecting the same; (2) show the Premises to prospective purchasers, lenders, or tenants; and (3) make necessary alterations, repairs, improvements, or additions to the Premises. Landlord shall give Tenant such notice of its need for access to the Premises as is reasonable under the circumstances. Landlord shall use reasonable commercial efforts to not unreasonably interfere with Tenant's business when accessing the Premises for the purposes set forth in this paragraph. In addition to the above, Landlord may, within six months prior to the expiration of the Term, place upon, in or about the Premises "For Lease" or "For Sale" signs, all without rebate of rent or liability to Tenant.

15. **SIGNS.** Tenant may place its business signs on or about the Premises subject to Landlord's approval as to location, color, size, content, design and specifications, which approval may be given or withheld at Landlord's reasonable discretion. Tenant at Tenant's sole cost and expense shall be responsible for maintaining, installing, designing, removing and paying for its signs.

16. **COMMON AREAS.**

16.1 **Landlord's Rights.** Landlord reserves the right, at its sole discretion, to designate, and change from time to time, the size, dimensions, use, and location of any "Common Area" servicing the Premises and/or Building (whether same is inside or outside the Building), as well as the size, dimensions, and identity and type of the buildings or other improvements located on the real estate of Landlord which includes the Premises. Common Areas include, without limitation, all parking areas, elevators, paved areas, elevators, staircases, common lobbies, landscaped and grassed areas, walkways, exterior stairs and sidewalks. Landlord shall at all times have the right to designate, add, change or remove any Common Area. Landlord reserves the right to construct, reconstruct, remodel, or remove any structure, temporary or permanent, on any part of any Common Area, without the consent of Tenant. Upon written request of either party, both parties will execute an agreement modifying the Lease to reflect the change. Landlord may temporarily close any part of the Common Areas as may be necessary for repairs or alterations. Landlord will make reasonable effort to ensure that Tenant's access and visibility to the Premises is not inhibited, and that Tenant's parking usage is not substantially decreased. Landlord shall reasonably maintain the Common Areas at Landlord's expense.

16.2 **Tenant's Rights.** Tenant, its employees, customers and invitees shall have the non-exclusive right to use the Common Areas as constituted from time to time, such use in common with the Landlord, other tenants of the Building, and other persons entitled to use the same and subject to such rules and regulations from time to time hereafter prescribed by Landlord and subject to the terms of this Lease. Tenant shall not solicit any business, directly or indirectly, from or within the Common Areas or take any action that would interfere with the rights of other persons to use the Common Areas or which at any time would interfere with other tenants located in the Building. Tenant shall not directly or indirectly solicit for business any customer or client of any other tenant located in the Building or any guest, family member or companion of same, anywhere on or from the Premises, Common Areas or any area surrounding the Building. Tenant shall not at any time place any marketing materials on any vehicle in the Common Areas or place any sign, banner, advertising or marketing materials in any Common Area or any area on or surrounding the Building. If any portion of the Common Areas are damaged due to the neglect, act, or omission of Tenant or Tenant's employees, agents, assignees, contractors, invitees, customers, patients, subcontractors, lessees, sublessees, or representatives, then the costs of repairing or replacing same shall be paid for in full by Tenant.

17. **OPTION TO RENEW.**

17.1 Intentionally deleted.

18. **GENERAL PROVISIONS.**

18.1 **EFFECT.** This Lease, including the Exhibit attached hereto, constitutes the entire agreement between Landlord and Tenant with respect to the leasing of the Premises by Tenant, and supersede all prior or contemporaneous agreements, understandings, proposals and other representations by or between Landlord and Tenant, whether written or oral, all of which are merged herein. Neither Landlord nor Landlord's agents have made any representations or warranties with respect to the Premises or this Lease except as expressly set forth herein, and no rights, easements or licenses shall be acquired by Tenant by implication or otherwise unless expressly set forth herein. Subject to any provisions restricting assignment or subletting by Tenant, this Lease binds and benefits the parties, their personal representatives, successors, and permitted assigns.

18.2 **AMENDMENT.** No amendment or modification of this Lease is effective unless made in writing and signed by each party.

18.3 **NON-WAIVER.** A party's failure to enforce at any time or for any period of time any provision of this Lease or to exercise any right or remedy shall not constitute a waiver of such provision, right, or remedy, or prevent such party thereafter from enforcing any or all provisions and exercising any or all rights and remedies. The exercise of any single right or remedy does not constitute an election or prevent the exercise of any or all other rights or remedies.

18.4 **NOTICE.** Unless otherwise expressly provided, any notice, demand,

request, consent, approval, or communication that a party desires or is required to give to another party (or any other person) in connection with this Agreement (the "Notice") shall be in writing and may be delivered by hand, by overnight courier, by electronic transmission, or by facsimile, or served in the manner provided for in the original notice, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and addressed to the party or person at the address provided in this Agreement or otherwise designated by written notice, with copies forwarded to such persons as such party or person may have directed in writing. The Notice shall be deemed given or delivered, as the case may be, on the date of receipt if delivered by hand or by overnight courier or served as an original notice; on the date of sending if sent by electronic transmission or by facsimile; or on the second calendar day after the Notice is deposited in the United States mail.

**18.5 INTEREST ON PAST-DUE OBLIGATIONS.** Any amount due and owing to Landlord by Tenant that is seven (7) or more days past due will bear interest at a rate of interest equal to eighteen percent per annum. Payment of such interest will not excuse or cure any default by Tenant under this Lease.

**18.6 RECORDING.** Landlord and Tenant may execute, acknowledge, and deliver a "short form" memorandum of this Lease for recording purposes.

**18.7 ATTORNEY'S FEES; JURY TRIAL.** If either party brings an action to enforce the terms of or declare rights under this Lease, the substantially prevailing party in any such action, on trial or appeal, will be entitled to reasonable attorneys' fees to be paid by the non-substantially prevailing party as fixed by the court. Landlord and Tenant waive the right to trial by jury in any such action.

**18.8 AUTHORITY.** Each individual executing this Lease on behalf of an entity represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said entity and, upon request, will deliver to the other evidence of such authority reasonably satisfactory to the other on execution of this Lease.

**18.9 COUNTERPARTS.** This Lease may be signed in several counterparts, each of which will be an original and all of which will constitute one agreement.

**18.10 GOVERNING LAW.** This Lease is governed by and construed in accordance with the laws of the State of Illinois, without regard to conflict of law provisions of said state. Any disputes regarding this Lease shall and must be brought exclusively in the 14<sup>th</sup> Judicial Circuit state court sitting in Rock Island, Illinois.

**18.11 SEVERABILITY.** The unenforceability, invalidity, or illegality of any provision of this Lease does not affect or impair any other provision or render the remainder of the Lease unenforceable, invalid, or illegal.

**18.12 INTERPRETATION.** Wherever used in this Lease, unless the context clearly indicates otherwise, the use of the singular includes the plural, and vice versa; and the use of any gender is applicable to any other gender. The captions and the table of contents, if any,

are for convenience only and do not affect the interpretation of this Lease.

18.13 **MERGER.** The voluntary or other surrender of this Lease by Tenant, a mutual cancellation of this Lease, or a termination of this Lease by Landlord will not work a merger and will, at Landlord's option, either terminate all or any existing subtenancies or may operate as an assignment to Landlord of any or all of such subtenancies.

18.14 **EXHIBITS.** All exhibits or addenda specified in this Lease, if any, are attached and incorporated by reference.

18.15 **SURVIVAL.** The following shall survive termination or expiration of this Lease: (a) any claim of a party against the other party that has accrued in accordance with this Lease prior to the effective date of such termination or expiration; (b) all representations and warranties contained in this Lease; and (c) all covenants and agreements to be performed by either party under this Lease after the termination or expiration of this Lease or which by their nature survive such termination or expiration, including, but not limited to, the remedy provisions of this Lease.

18.16 **ESTOPPEL CERTIFICATES.** Within ten (10) business days after written request therefor, Tenant shall execute and deliver to Landlord, in a form provided by or satisfactory to Landlord, a certificate stating that this Lease is in full force and effect, describing any amendments or modifications hereto, acknowledging that this Lease is subordinate or prior, as the case may be, to any encumbrance and stating any other information Landlord may reasonably request, including the Term, the monthly rent and all other amounts due from Tenant hereunder, the date to which rent and all other amounts due from Tenant hereunder has been paid, the amount of any security deposit or prepaid rent, and whether either party hereto is in default under the terms of the Lease. Any person or entity purchasing, acquiring an interest in or extending financing with respect to the Premises shall be entitled to rely upon any such certificate.

18.17 Landlord intends to transfer and convey the entire Building to Fifth Avenue Block, L.L.C., an Illinois limited liability company ("Fifth Avenue Block") at some point subsequent to the entering into of this Lease. At such time as Landlord conveys and transfers the Building to Fifth Avenue Block, Landlord shall be released and discharged of all liability, responsibility and obligations under the Lease and Fifth Avenue Block shall assume all of Landlord's obligations, responsibilities and liabilities under the Lease. Tenant hereby consents to said conveyance and transfer of the Building from Landlord to Fifth Avenue Block. Upon said conveyance and transfer of the Building, the Lease shall remain in full force and effect and fully binding on and upon both Fifth Avenue Block and Tenant. Upon said transfer and conveyance, Fifth Avenue Block shall be considered the landlord for all purposes under the Lease and Tenant shall look solely to Fifth Avenue Block as landlord under the Lease.

Signed and effective as of the date stated in the introductory paragraph.

TENANT:  
Flanagan State Bank

By: Audrey Harlan  
It's: Executive Vice President

LANDLORD:  
Fifth Avenue Block, LLC

By: Cyl O'Leary  
~~Rodney A. Blackwell~~ Controller

**LEASE AGREEMENT**  
**Basic Lease Provisions**

<b>A. Date of Lease</b>	Nov. 21, 2008
<b>B. Landlord</b>	Rodney Blackwell 1630 5 <sup>th</sup> Ave., Suite # 514 Moline, IL
<b>C. Tenant</b>	Donna Albert d.b.a. Golden Dreams Homecare 1311 Pinehill Rd. Bettendorf, IA. 52722
<b>D. Leased Premises</b>	1630 5 <sup>th</sup> Ave., Suite #506 & #508 Moline, IL
<b>E. Term</b> Beginning Ending	January 1, 2009 December 31, 2010
<b>F. Extensions</b>	None
<b>G. Rent</b> Beginning Extension Rent Security Deposit	\$4,080 per year \$340
<b>H. Use of Premises</b>	Office Space
<b>I. Repairs &amp; Maintenance</b>	Tenant pays none
<b>J. Common Area Maintenance</b>	Tenant pays none
<b>K. Utilities</b>	Tenant pays own electricity
<b>L. Real Estate Taxes</b>	Tenant pays none
<b>M. Insurance</b>  Property Damage General Liability Any One Person Single Occurrence Excess Liability	  \$500,000 \$500,000 \$500,000 \$500,000 \$500,000
<b>N. Late Charges</b>	\$10.00 per day if not received by the 5 <sup>th</sup> of each month
<b>O. Special Provisions</b>	Tenant will be given possession on November 21 <sup>st</sup> , 2008

  
 \_\_\_\_\_  
 Landlord Initials

  
 \_\_\_\_\_  
 Tenant Initials

## LEASE AGREEMENT

THIS LEASE AGREEMENT, executed in duplicate, is made and entered into as of the date listed in Section A of the Basic Lease Provisions, by and between the party listed in Section B of the Basic Lease Provisions, hereinafter called the Landlord, and the party listed in Section C of the Basic Lease Provisions, hereinafter called the Tenant. The Basic Lease Provisions are an integral part of this Lease Agreement and are by this reference incorporated into the terms of this Lease Agreement as if fully set forth in each case.

1. **PREMISES AND TERM:** The Landlord, in consideration of the rents herein reserved and of the agreements and conditions herein contained, on the part of the Tenant to be kept and performed, leases unto the Tenant and Tenant hereby rents and leases from the Landlord, according to the terms and provisions herein, the premises described in Section D of the Basic Lease Provisions, hereinafter called the Leased Premises.

This lease is made for the term and upon the conditions, covenants and agreements hereinafter specified, and the Landlord and Tenant covenant to keep and perform each and all of the conditions, covenants and agreements hereinafter set forth to be kept and performed by them respectively.

A. **Term:** The term of this lease shall be for the period specified in Section B of the Basic Lease Provisions.

B. **Option to Extend:** If Tenant has complied with all terms and conditions of said Lease, Tenant shall have an option to extend this Lease for the additional period(s) (if any) specified in Section F of the Basic Lease Provisions, upon giving to the Landlord a ninety (90) day notice in writing prior to the expiration of the current lease term.

### 2. RENTAL:

A. Tenant agrees to pay Landlord as a rental for said term, the amount specified in Section G of the Basic Lease Provisions. Rentals shall be prorated for the first and last months of the term hereof, if the term begins on a day other than the first day of a month, on the basis of a thirty (30) day month. All sums shall be paid at the address of the Landlord, as designated in Section B of the Basic Lease Provisions, or at such other place as the Landlord may, from time to time, designate in writing.

B. The rental amount during any extension term (if any) shall be the amount specified in Section G of the Basic Lease Provisions.

3. **POSSESSION:** Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to the Landlord at the time and date of the close of the lease term, or any extension thereof, except as herein otherwise expressly provided.

4. **USE OF PREMISES:** Tenant covenants and agrees during the term of this lease to use and occupy the Leased Premises only for the purpose(s) specified in Section H of the Basic Lease Provisions, and that it will not suffer or permit any person to use the Leased Premises for any purpose in violation of any laws or ordinances, and will, at all times, comply with and obey such laws and ordinances; and Tenant agrees to indemnify and save harmless the Landlord from any and all claims for damages to persons or property that may arise directly or indirectly from the use, misuse or disuse of the Leased Premises by the Tenant during this lease, except for damages attributable to or caused by Landlord's negligent acts or omissions.

5. **COVENANT OF QUIET ENJOYMENT:** The Landlord does hereby, for itself, its successors and assigns, covenant to and with the Tenant, that the Tenant, paying rent herein reserved and keeping, performing, observing and fulfilling the covenants and agreements in this lease contained on the part of the Tenant to be kept, performed, observed or fulfilled, shall and may peaceably quietly possess and enjoy the Leased Premises for the term hereby granted, and any extension thereof, without any interruption or disturbance whatever by the Landlord or by anyone claiming by, through, against or under the Landlord.

6. **CONDITION, CARE AND MAINTENANCE OF PREMISES:**

A. Tenant takes said Leased Premises in its present condition, "As Is."

B. Tenant's duty of care and maintenance: Tenant shall keep and maintain in good order, condition and repair, the interior of the Leased Premises. Landlord's shall keep and maintain in good order, condition and repair, the exterior of the building, including the roof.

C. Responsibility for the repair and maintenance of the heating, plumbing, ventilating, cooling and electrical systems shall be with the party set forth in Section I of the Basic Lease Provisions. If Section I of the Basic Lease Provisions contains a Dollar Amount Limit then it shall be the responsibility of the Landlord to pay for the costs of repair of the system involved over that Dollar Amount Limit.

D. Any alterations, improvements and repairs made to the interior of the Leased Premises by Tenant shall be at its own cost and expense, after permission therefore first had and obtained from the Landlord, with said permission not to be unreasonably withheld. Any such alterations, improvements or repairs shall be such as not to damage the Leased Premises and Tenant will pay all costs and expenses of such repairs and improvements before any lien or claim of lien is made therefore. Tenant shall not remove from the Leased Premises, unless directed by the Landlord, any such alterations and improvements so placed therein except its trade fixtures, equipment, stock and furniture. If Landlord directs Tenant to remove any improvements or alterations upon termination of the Lease, then Tenant shall do so immediately and shall restore the Leased Premises to their original condition.

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- E. Tenant agrees to keep faucets closed so as to prevent waste of water and flooding of the Leased Premises; to promptly take care of any leakage or stoppage in any of the water, gas or waste pipes in its area. The Tenant agrees to maintain adequate heat to prevent freezing of pipes.
- F. Tenant further agrees it will not allow trash of any kind to accumulate on said Leased Premises, and it will remove same at its own expense. Tenant also agrees to remove snow and ice and other obstacles from the sidewalks on or abutting the Leased Premises and cut the grass as required.

7. **COMMON AREA MAINTENANCE:**

- A. Tenant shall pay its proportional share of the Common Area Maintenance Costs (as defined in Paragraph 7B) as set forth in Section J. of the Basic Lease Provisions. The annual charges for Common Area Maintenance Costs shall be paid in monthly installments on the first day of each calendar month in advance in an amount estimated by Landlord. Within ninety (90) days after the end of each calendar year, Landlord shall furnish Tenant a statement in reasonable detail of the actual Common Area Maintenance Cost paid or incurred by Landlord during such period prepared in accordance with sound accounting practices and thereupon there shall be an adjustment between Landlord and Tenant with payment to or repayment by Landlord, as the case may require, to the end that Landlord shall receive the precise amount of Tenant's pro rata share of said Costs for such period.
- B. Common Area Maintenance Costs defined: All costs and expenses of every kind and nature paid or incurred by Landlord during the Lease Term (including appropriate reserves) in operating, managing, equipping, policing (if and to the extent provided by Landlord), protecting, insuring, lighting, repairing, replacing and maintaining the Common Areas and facilities in the Landlord's entire premises. Such costs and expenses shall include, but not be limited to, such maintaining and repairing as shall be required in Landlord's judgment to preserve the utility of the Common Areas in condition and status the same as it was at the time of the completion of the original construction and installation thereof, all costs and expenses of cleaning and removing of rubbish, dirt, debris, snow and ice, premiums for liability and property damage, fire, extended coverage, malicious mischief, vandalism, and any other casualty or risk insurance procured by Landlord in connection with Common Areas, all costs and expenses for supplies, all charges for utility services together with all costs and expenses of maintaining lighting fixtures (including the cost of light bulbs and electric current); reasonable depreciation of equipment, machinery and facilities, rents paid for the leasing of equipment and finance charges paid under any installment purchase of equipment, machinery and facilities, used in the operation of the Common Areas and administrative costs at the rate of fifteen percent (15%) of the total costs of operating and maintaining the Common Areas (except the appropriate reserves); and such other costs as Landlord may reasonably determine are required.

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for the proper maintenance of the Common Areas) but there shall be excluded costs of equipment properly chargeable to capital.

8. **UTILITIES:** Tenant shall pay for all utility expenses for the Leased Premises unless otherwise stated in Section K of the Basic Lease Provisions.

9. **PAYMENT OF TAXES:** Landlord shall be responsible for the payment of all real estate taxes, but shall be reimbursed by Tenant for Tenant's pro rata portion as set forth in Section L of the Basic Lease Provisions.

10. **DESTRUCTION BY FIRE OR OTHER CASUALTY:** If Leased Premises shall be partially or wholly damaged or destroyed by fire, windstorm, act of God, or any other cause or casualty, Landlord shall have the option to either rebuild and restore the same promptly or to terminate this lease by written notice delivered to the Tenant within thirty (30) days after such damage or destruction. No rents shall be due or payable hereunder during any period of time when the Leased Premises are untenable but rental shall be paid on a pro rata basis upon the portion of the Leased Premises used as it bears to the whole.

11. **INSURANCE:**

- A. Tenant shall be responsible for the payment of all insurance premiums for the premises.
- B. Tenant agrees to hold harmless said Landlord from any claim for damages for personal injury or property damage directly or indirectly caused by the Tenant's use and occupancy of the Leased Premises. Tenant shall take out and keep in force, during the primary term of this lease or any extension or renewals, property damage insurance and public liability insurance in the amounts of at least those specified in Section M of the Basic Lease Provisions, and said policies, shall name Landlord as an additional insured.

12. **ASSIGNMENT AND SUBLETTING:** Tenant may not assign this lease or sublease any part or all of the Leased Premises without the previous written consent of the Landlord, which consent shall not be unreasonably withheld.

13. **MORTGAGE SUBORDINATION:** Landlord shall have the right to mortgage all of its right, title, interest in said Leased Premises at any time without notice, subject to this lease. Tenant agrees to subordinate this lease to the lien of any mortgage, provided that the holder of the first mortgage shall enter into an agreement with Tenant recognizing Tenant's rights and estate hereunder and agreeing that the rights of Tenant hereunder shall not be terminated or disturbed except in accordance with the provisions of this lease.

Tenant agrees that if the mortgage or any person claiming under the mortgagee shall succeed to the interest of the Landlord in this lease, it will recognize said mortgagee or person as its landlord under the term of this lease.



16. **CONDEMNATION:** If the whole of the Leased Premises is condemned or taken for any public or quasi-public use under any statute, by right of eminent domain or by negotiated purchase in lieu thereof, then this Lease shall automatically terminate and the term hereby granted shall cease on the day prior to the taking of possession by such authority or the vesting of title in such authority, whichever first occurs, and the rent hereunder shall be apportioned and paid to said date, and thereupon both parties shall be relieved of any further obligations hereunder

If a portion of the Leased Premises shall be condemned or taken and, as a result thereof; there shall be such a major change in the character of the leased premises so as to substantially affect potential profitability due to the lack of the entire leased premises as prior to such taking, then in that event, the Tenant shall have the option to terminate this Lease as of the earlier of the date of the taking of possession by the condemning or taking authority or the date prior to the vesting of title in such authority. If Tenant so elects to terminate, it shall give written notice to the Landlord within Thirty (30) days of the date of such taking, and this Lease shall terminate and the rentals provided hereunder shall be apportioned and paid in the same manner as if a total condemnation had occurred.

If Tenant does not elect to terminate this Lease in the event of a partial condemnation or in the event that the portion of the Leased Premises so taken constitutes only a minor change in the character of the leased premises so as not to prevent Tenant from using the same in substantially the same manner as theretofore used, then Tenant shall remain in possession and occupancy of the remaining portion. In that event, the rent reserved to be paid hereunder shall be equitably reduced according to the effect of the diminution of the leased premises upon the potential profitability of such remaining space.

All compensation awarded or paid upon such a total or partial taking of the leased premises shall belong to and be the property of the Landlord without any participation by the Tenant; provided, however, that nothing contained herein shall be construed to preclude the Tenant from prosecuting any claim directly against the condemning authority in such condemnation proceeding for loss of business; depreciation to, damage to, cost of removal of; or the value of stock, trade fixtures, furniture, and other personal property belonging to the Tenant; provided, further, that no such claim of Tenant shall diminish or otherwise adversely effect the Landlord's award or the award of any fee mortgagee.

17. **SIGNS:**

A. Tenant shall have the right and privilege of attaching, affixing, painting or exhibiting signs on the Leased Premises, provided only that:

- (1) any and all signs shall comply with the ordinances of the city or municipality in which the property is located and the laws of the State of Illinois;
- (2) such signs shall not change the structure of the building;
- (3) such signs if and when taken down shall not damage the building; and,

(4) such signs and their design shall be subject to the written approval of the Landlord; which approval shall not be unreasonably withheld.

- B. Landlord during the last thirty (30) days of this lease, or extension, shall have the right to maintain in the windows or on the building or on the Leased Premises a "For Rent" sign and Tenant will permit, at such time, prospective tenants to enter and examine the Leased Premises.

18. **MECHANIC'S LIENS:** Neither the Tenant nor anyone claiming by, through, or under the Tenant, shall have the right to file or place any mechanic's lien or other lien of any kind or character whatsoever, upon said Leased Premises or upon any building or improvement thereon, or upon the leasehold interest of the Tenant therein, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish material, service or labor for any building, improvements, alteration, repairs or any part thereof; shall at anytime be or become entitled to any lien thereon, and for the further security of the Landlord, the Tenant covenants and agrees to give actual notice hereof in advance, to any and all contracts and sub-contractors who may furnish or agree to furnish any such material, service or labor.

19. **LANDLORD'S LIEN AND SECURITY INTEREST;** Said Landlord shall have the lien given by law upon all personal property and all substitutions therefore, owned by Tenant on said Leased Premises. Landlord may proceed at law or in equity with any remedy provided by law or by this lease for the recovery of rent, or for termination for this lease because of Tenant's default in its performance.

20. **RIGHTS CUMULATIVE:** The various rights, powers, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any unremedied, unsatisfied or undischarged.

21. **NOTICES AND DEMANDS:** Notices as provided for in this lease shall be given to the respective parties hereto at the respective addresses designated under Sections B and C of the Basic Lease Provisions unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such message shall be considered given under the terms of this lease when sent, addressed as above designated, postage prepaid, by registered or certified mail, return receipt requested, by the United States mail and so deposited in a United States mail box.

22. **LIABILITY:** Landlord shall not be responsible for any damage to any property of Tenant or others contained in the Leased Premises, whether caused by fire or otherwise, or by leakage upon or into the Leased Premises of water, steam, gas or by any breakage of pipes or plumbing; nor for loss of property by theft or otherwise; nor for any damage arising from any act or neglect of any co-tenant or other occupant of the building, or of any owner or occupants of adjoining or contiguous property, except that caused by the neglect of the Landlord.

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14. **TERMINATION OF LEASE AND DEFAULTS OF TENANT:**

A. Termination upon expiration or upon notice of defaults.

(1) This lease shall terminate upon expiration of the original term; or if this lease expressly and in writing provides for any option or options to extend, and if any such option is exercised by the Tenant, then this lease will terminate at the expiration of the option term or terms.

(2) Upon default in payment of rental herein or upon any other default by Tenant in accordance with the terms and provisions of this lease, this lease may at the option of the Landlord be cancelled and forfeited, PROVIDED HOWEVER~ before any such cancellation and forfeiture except as provided in subparagraph B below, Landlord shall give Tenant a written notice specifying the default, or defaults, and stating that this lease will be cancelled and forfeited Ten (10) calendar days after the giving of such notice, unless such default, or defaults, are remedied within such grace period. (See RIGHTS CUMULATIVE paragraph below.) As an additional optional procedure or as an alternative to the foregoing (and neither exclusive of the other) Landlord may proceed under the LANDLORD'S LIEN AND SECURITY INTEREST paragraph below.

B. Bankruptcy or insolvency of tenant. In the event Tenant is adjudicated a bankrupt or in the event of a judicial sale or other transfer of Tenant's leasehold interest by reason of any bankruptcy or insolvency proceedings or by other operation of law, but not by death, and such bankruptcy, judicial sale or transfer has not been vacated or set aside within Five (5) days from the giving of notice thereof by Landlord to Tenant, then and in any such events, Landlord may, at its option, immediately terminate this lease, re-enter said Leased Premises, upon giving of Ten (10) days written notice by Landlord to Tenant.

C. In A and B above, waiver as to any default shall not constitute a waiver of any subsequent default or defaults.

D. Acceptance of keys, advertising and re-entering by the Landlord upon the Tenant's default shall be construed only as an effort to mitigate damages by the Landlord, and not as an agreement to terminate this lease.

15. **RIGHT OF EITHER PARTY TO MAKE GOOD ANY DEFAULT OF THE OTHER:**

If default shall be made by either party in their performance of; or compliance with, any of the terms, covenants, or conditions of this lease, and such default shall have continued for Ten (10) days after written notice thereof from one party to the other, the party aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term, covenant or condition, or make good such default and the amount advanced shall be repaid forthwith on demand, together with interest at the rate of ten percent per annum, from date of advance.



Tenant agrees to obtain its own insurance to protect itself against any loss or damage to its property including but not limited to books, periodicals, records, pictures, documents, etc.

23. **WAIVER OF SUBROGATION:** Each of Landlord and Tenant, for themselves and their insurers, hereby release the other from any and all liability for loss or damage caused by fire or the extended coverage casualties, even if brought about by the fault or negligence of the other party, to the extent of the insurance coverage for such loss or damage.

24. **LATE CHARGES ON PAST DUE OBLIGATIONS:** Any amount due to Landlord hereunder that is not paid when due shall be subject to a late charge and shall bear interest as specified in Section N of the Basic Lease Provisions. No payment of such late charges and interest shall excuse or cure any default by Tenant under this lease.

25. **HOLDING OVER:** If Tenant holds possession of the Leased Premises after the term of this lease and any extension thereof, Tenant shall become a tenant from month to month upon the same covenants and agreements as herein in this lease specified, and shall continue to be such tenant until said tenancy shall be terminated by required statutory notices of either party to the other with the sole exception that the monthly rent shall be increased to 150% of the monthly rent during the initial term of this Lease.

26. **BINDING UPON SUCCESSORS:** This lease, and all of the covenants, agreements and warranties herein contained, shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereto.

27. **ATTORNEY'S FEES:** The defaulting party shall be responsible for reasonable attorney's fees and costs incurred as a result of a default by Landlord or Tenant of any of the provisions of this lease, or in the defense of any proceeding to which either Landlord or Tenant is named as a party as a result of the actions of the other.

28. **SEVERABILITY AND GENDER:** My provision of this lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and such remaining provisions shall remain in full force and effect.

The term Landlord or Tenant, as herein used, shall apply to the plural, if necessary, and all terms used in the singular, or in any gender, shall apply to the plural or to any other gender, as the context requires.

29. **APPLICABLE LAW:** The provisions of this Lease Agreement shall be governed by and construed according to the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be executed the day and year first above written.

Landlord

Tenant



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## AMENDMENT TO LEASE

**THIS AMENDMENT TO LEASE** (this "**Amendment**") is made as of this 10th day of May, 2010 by and between **Rodney Blackwell** ("**Landlord**"), having an office at 201 N. Harrison Street, Suite 402, Davenport, Iowa 52801 and Donna Albert, d.b.a. Golden Dreams Homecare, having an office at 1630 5<sup>th</sup> Avenue Suite 506 & 508 Moline, Illinois 61265 ("**Tenant**").

### WITNESSETH

**WHEREAS**, Landlord and Tenant entered into a certain Lease Agreement, dated November 21, 2008 ("**Lease**") relating to certain office space in the building located 1630 5<sup>th</sup> Avenue, Moline, Illinois (the "**Building**"); and

**WHEREAS**, Landlord and Tenant now desire to amend certain terms and provisions of the Lease; and

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which is hereby mutually acknowledged, Landlord and Tenant agree as follows:

### TERMS

#### 1. MODIFICATION OF LEASE

Effective as of the date of this Amendment, the Lease shall be deemed modified as follows:

- a. **Additional Space.** Tenant agrees to rent an additional approximately 225 Square Feet of space located in Suite 504. Tenant agrees to lease space "As Is". Landlord will not replace carpet or paint or make any other improvements.
- b. **Fixed Rent.** The monthly rent amount will be \$100.00

#### 2. BROKER

Landlord and Tenant covenant, warrant and represent to each other that there was no broker or finder instrumental in consummating the Amendment and that they have had no conversations or negotiations with any broker or finder concerning the Amendment. Landlord and Tenant agree to indemnify and hold each other harmless from and against any claims or suits for a brokerage commission or finder's fee arising out of any conversations or negotiations had

by Tenant or Landlord with any broker or finder in connection with the Amendment.

3. MISCELLANEOUS

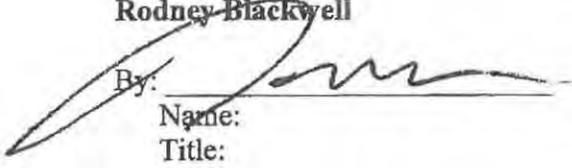
- (a) Except as otherwise provided herein, all of the terms, covenants, conditions and provisions of the Lease shall remain and continue unmodified, in full force and effect and binding upon the parties hereto, their heirs, administrators, executors and their permitted assigns.
- (b) This Amendment may not be changed, modified or cancelled orally.
- (c) This Amendment may be executed in any number of original counterparts, all of which evidence only one agreement.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]**

IN WITNESS WHEREOF, Landlord and Tenant have caused this Amendment to be duly executed as of the date first written above.

**LANDLORD:**

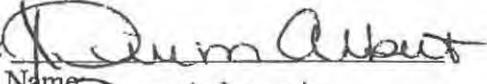
**Rodney Blackwell**

By: 

Name:

Title:

**TENANT:**

By: 

Name:

Title:

President

Fax -  
563-324-0359

**SECOND AMENDMENT TO LEASE**

THIS AMENDMENT TO LEASE (this "Amendment"), is dated this 5<sup>TH</sup> day of June, 2014, by and between, Rodney Blackwell ("Landlord"), having an office at 201 N Harrison St, #402, Davenport, Iowa 52801 and Donna Albert, d.b.a. Golden Dreams Homecare, having an office at 1630 5<sup>th</sup> Avenue Suite 504, 506 & 508 Moline, Illinois 61265 ("Tenant")

**WITNESSETH**

WHEREAS, Landlord and Tenant entered into a certain Lease Agreement, dated November 21, 2008 ("Lease") relating to certain office space in the building located 1630 5<sup>th</sup> Avenue, Moline, Illinois (the "Building") and

WHEREAS, Landlord and Tenant now desire to amend certain terms and provisions of the Lease; and

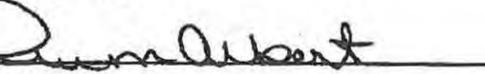
NOW THEREFORE, in consideration of the mutual promises, obligations and covenants contained in the Lease and in this Amendment, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree and contract as follows:

1. Tenant hereby will vacate suite 504 and 506. Tenant agrees to continue to lease suite 508.
2. The rent for unit 508 shall be \$150.00 per month.
- 3.) This will be a month to month lease. Both Tenant and Landlord have the right to terminate this lease with a 30 day advanced written notice.

IN WITNESS THEREOF, the parties hereto have caused this Amendment to be made as of the day and year first above written.

**TENANT:**

**Donna Albert**

By 

Name:

Title:

**LANDLORD:**

**Rodney Blackwell**

By 

Rodney Blackwell

**LEASE AGREEMENT**  
Basic Lease Provisions

<b>A. Date of Lease</b>	8/16/07
<b>B. Landlord</b>	Rodney Blackwell 1630 5 <sup>th</sup> Ave., Suite # 514 Moline, IL
<b>C. Tenant</b>	Meader Investigations
<b>D. Leased Premises</b>	1630 5 <sup>th</sup> Ave., Suite #535, Moline, IL
<b>E. Term</b> Beginning Ending	September 1, 2007 August 31, 2008
<b>F. Extensions</b>	None
<b>G. Rent</b> Beginning Security Deposit	\$2,700 per year. \$225
<b>H. Use of Premises</b>	Office Space for Investigations
<b>I. Repairs &amp; Maintenance</b>	Tenant pays none
<b>J. Common Area Maintenance</b>	Tenant pays none
<b>K. Utilities</b>	Tenant pays own electricity
<b>L. Real Estate Taxes</b>	Tenant pays none
<b>M. Insurance</b> Property Damage General Liability Any One Person Single Occurrence Excess Liability	\$500,000 \$500,000 \$500,000 \$500,000 \$500,000
<b>N. Late Charges</b>	\$10.00 per day if not received by the 5 <sup>th</sup> of each month
<b>O. Special Provisions</b>	Landlord will have carpets cleaned; fix any plaster falling off walls or ceilings and remove glass from window that separates the space.

\_\_\_\_\_  
Landlord Initials

*MEM*  
\_\_\_\_\_  
Tenant Initials

## LEASE AGREEMENT

THIS LEASE AGREEMENT, executed in duplicate, is made and entered into as of the date listed in Section A of the Basic Lease Provisions, by and between the party listed in Section B of the Basic Lease Provisions, hereinafter called the Landlord, and the party listed in Section C of the Basic Lease Provisions, hereinafter called the Tenant. The Basic Lease Provisions are an integral part of this Lease Agreement and are by this reference incorporated into the terms of this Lease Agreement as if fully set forth in each case.

1. **PREMISES AND TERM:** The Landlord, in consideration of the rents herein reserved and of the agreements and conditions herein contained, on the part of the Tenant to be kept and performed, leases unto the Tenant and Tenant hereby rents and leases from the Landlord, according to the terms and provisions herein, the premises described in Section D of the Basic Lease Provisions, hereinafter called the Leased Premises.

This lease is made for the term and upon the conditions, covenants and agreements hereinafter specified, and the Landlord and Tenant covenant to keep and perform each and all of the conditions, covenants and agreements hereinafter set forth to be kept and performed by them respectively.

- A. **Term:** The term of this lease shall be for the period specified in Section E of the Basic Lease Provisions.
- B. **Option to Extend:** If Tenant has complied with all terms and conditions of said Lease, Tenant shall have an option to extend this Lease for the additional period(s) (if any) specified in Section F of the Basic Lease Provisions, upon giving to the Landlord a ninety (90) day notice in writing prior to the expiration of the current lease term.

2. **RENTAL:**

- A. Tenant agrees to pay Landlord as a rental for said term, the amount specified in Section G of the Basic Lease Provisions. Rentals shall be prorated for the first and last months of the term hereof, if the term begins on a day other than the first day of a month, on the basis of a thirty (30) day month. All sums shall be paid at the address of the Landlord, as designated in Section B of the Basic Lease Provisions, or at such other place as the Landlord may, from time to time, designate in writing.
- B. The rental amount during any extension term (if any) shall be the amount specified in Section G of the Basic Lease Provisions.

3. **POSSESSION:** Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to the Landlord at the time and date of the close of the lease term, or any extension thereof, except as herein otherwise expressly provided.

4. **USE OF PREMISES:** Tenant covenants and agrees during the term of this lease to use and occupy the Leased Premises only for the purpose(s) specified in Section H of the Basic Lease Provisions, and that it will not suffer or permit any person to use the Leased Premises for any purpose in violation of any laws or ordinances, and will, at all times, comply with and obey such laws and ordinances; and Tenant agrees to indemnify and save harmless the Landlord from any and all claims for damages to persons or property that may arise directly or indirectly from the use, misuse or disuse of the Leased Premises by the Tenant during this lease, except for damages attributable to or caused by Landlord's negligent acts or omissions.

5. **COVENANT OF QUIET ENJOYMENT:** The Landlord does hereby, for itself, its successors and assigns, covenant to and with the Tenant, that the Tenant, paying rent herein reserved and keeping, performing, observing and fulfilling the covenants and agreements in this lease contained on the part of the Tenant to be kept, performed, observed or fulfilled, shall and may peaceably quietly possess and enjoy the Leased Premises for the term hereby granted, and any extension thereof, without any interruption or disturbance whatever by the Landlord or by anyone claiming by, through, against or under the Landlord.

6. **CONDITION, CARE AND MAINTENANCE OF PREMISES:**

- A. Tenant takes said Leased Premises in its present condition, "As Is."
- B. Tenant's duty of care and maintenance: Tenant shall keep and maintain in good order, condition and repair, the interior of the Leased Premises. Landlord's shall keep and maintain in good order, condition and repair, the exterior of the building, including the roof.
- C. Responsibility for the repair and maintenance of the heating, plumbing, ventilating, cooling and electrical systems shall be with the party set forth in Section I of the Basic Lease Provisions. If Section I of the Basic Lease Provisions contains a Dollar Amount Limit then it shall be the responsibility of the Landlord to pay for the costs of repair of the system involved over that Dollar Amount Limit.
- D. Any alterations, improvements and repairs made to the interior of the Leased Premises by Tenant shall be at its own cost and expense, after permission therefore first had and obtained from the Landlord, with said permission not to be unreasonably withheld. Any such alterations, improvements or repairs shall be such as not to damage the Leased Premises and Tenant will pay all costs and expenses of such repairs and improvements before any lien or claim of lien is made therefore. Tenant shall not remove from the Leased Premises, unless directed by the Landlord, any such alterations and improvements so placed therein except its trade fixtures, equipment, stock and furniture. If Landlord directs Tenant to remove any improvements or alterations upon termination of the Lease, then Tenant shall do so immediately and shall restore the Leased Premises to their original condition.

- E. Tenant agrees to keep faucets closed so as to prevent waste of water and flooding of the Leased Premises; to promptly take care of any leakage or stoppage in any of the water, gas or waste pipes in its area. The Tenant agrees to maintain adequate heat to prevent freezing of pipes.
- F. Tenant further agrees it will not allow trash of any kind to accumulate on said Leased Premises, and it will remove same at its own expense. Tenant also agrees to remove snow and ice and other obstacles from the sidewalks on or abutting the Leased Premises and cut the grass as required.

7. COMMON AREA MAINTENANCE:

- A. Tenant shall pay its proportional share of the Common Area Maintenance Costs (as defined in Paragraph 7B) as set forth in Section J. of the Basic Lease Provisions. The annual charges for Common Area Maintenance Costs shall be paid in monthly installments on the first day of each calendar month in advance in an amount estimated by Landlord. Within ninety (90) days after the end of each calendar year, Landlord shall furnish Tenant a statement in reasonable detail of the actual Common Area Maintenance Cost paid or incurred by Landlord during such period prepared in accordance with sound accounting practices and thereupon there shall be an adjustment between Landlord and Tenant with payment to or repayment by Landlord, as the case may require, to the end that Landlord shall receive the precise amount of Tenant's pro rata share of said Costs for such period.
- B. Common Area Maintenance Costs defined: All costs and expenses of every kind and nature paid or incurred by Landlord during the Lease Term (including appropriate reserves) in operating, managing, equipping, policing (if and to the extent provided by Landlord), protecting, insuring, lighting, repairing, replacing and maintaining the Common Areas and facilities in the Landlord's entire premises. Such costs and expenses shall include, but not be limited to, such maintaining and repairing as shall be required in Landlord's judgment to preserve the utility of the Common Areas in condition and status the same as it was at the time of the completion of the original construction and installation thereof, all costs and expenses of cleaning and removing of rubbish, dirt, debris, snow and ice, premiums for liability and property damage, fire, extended coverage, malicious mischief, vandalism, and any other casualty or risk insurance procured by Landlord in connection with Common Areas, all costs and expenses for supplies, all charges for utility services together with all costs and expenses of maintaining lighting fixtures (including the cost of light bulbs and electric current); reasonable depreciation of equipment, machinery and facilities, rents paid for the leasing of equipment and finance charges paid under any installment purchase of equipment, machinery and facilities, used in the operation of the Common Areas and administrative costs at the rate of fifteen percent (15%) of the total costs of operating and maintaining the Common Areas (except the appropriate reserves); and such other costs as Landlord may reasonably determine are required

for the proper maintenance of the Common Areas) but there shall be excluded costs of equipment properly chargeable to capital.

8. **UTILITIES:** Tenant shall pay for all utility expenses for the Leased Premises unless otherwise stated in Section K of the Basic Lease Provisions.

9. **PAYMENT OF TAXES:** Landlord shall be responsible for the payment of all real estate taxes, but shall be reimbursed by Tenant for Tenant's pro rata portion as set forth in Section L of the Basic Lease Provisions.

10. **DESTRUCTION BY FIRE OR OTHER CASUALTY:** If Leased Premises shall be partially or wholly damaged or destroyed by fire, windstorm, act of God, or any other cause or casualty, Landlord shall have the option to either rebuild and restore the same promptly or to terminate this lease by written notice delivered to the Tenant within thirty (30) days after such damage or destruction. No rents shall be due or payable hereunder during any period of time when the Leased Premises are untenable but rental shall be paid on a pro rata basis upon the portion of the Leased Premises used as it bears to the whole.

11. **INSURANCE:**

A. Tenant shall be responsible for the payment of all insurance premiums for the premises.

B. Tenant agrees to hold harmless said Landlord from any claim for damages for personal injury or property damage directly or indirectly caused by the Tenant's use and occupancy of the Leased Premises. Tenant shall take out and keep in force, during the primary term of this lease or any extension or renewals, property damage insurance and public liability insurance in the amounts of at least those specified in Section M of the Basic Lease Provisions, and said policies, shall name Landlord as an additional insured.

12. **ASSIGNMENT AND SUBLETTING:** Tenant may not assign this lease or sublease any part or all of the Leased Premises without the previous written consent of the Landlord, which consent shall not be unreasonably withheld.

13. **MORTGAGE SUBORDINATION:** Landlord shall have the right to mortgage all of its right, title, interest in said Leased Premises at any time without notice, subject to this lease. Tenant agrees to subordinate this lease to the lien of any mortgage, provided that the holder of the first mortgage shall enter into an agreement with Tenant recognizing Tenant's rights and estate hereunder and agreeing that the rights of Tenant hereunder shall not be terminated or disturbed except in accordance with the provisions of this lease.

Tenant agrees that if the mortgage or any person claiming under the mortgagee shall succeed to the interest of the Landlord in this lease, it will recognize said mortgagee or person as its landlord under the term of this lease.

16. **CONDEMNATION:** If the whole of the Leased Premises is condemned or taken for any public or quasi-public use under any statute, by right of eminent domain or by negotiated purchase in lieu thereof, then this Lease shall automatically terminate and the term hereby granted shall cease on the day prior to the taking of possession by such authority or the vesting of title in such authority, whichever first occurs, and the rent hereunder shall be apportioned and paid to said date, and thereupon both parties shall be relieved of any further obligations hereunder

If a portion of the Leased Premises shall be condemned or taken and, as a result thereof, there shall be such a major change in the character of the leased premises so as to substantially affect potential profitability due to the lack of the entire leased premises as prior to such taking, then in that event, the Tenant shall have the option to terminate this Lease as of the earlier of the date of the taking of possession by the condemning or taking authority or the date prior to the vesting of title in such authority. If Tenant so elects to terminate, it shall give written notice to the Landlord within Thirty (30) days of the date of such taking, and this Lease shall terminate and the rentals provided hereunder shall be apportioned and paid in the same manner as if a total condemnation had occurred.

If Tenant does not elect to terminate this Lease in the event of a partial condemnation or in the event that the portion of the Leased Premises so taken constitutes only a minor change in the character of the leased premises so as not to prevent Tenant from using the same in substantially the same manner as theretofore used, then Tenant shall remain in possession and occupancy of the remaining portion. In that event, the rent reserved to be paid hereunder shall be equitably reduced according to the effect of the diminution of the leased premises upon the potential profitability of such remaining space.

All compensation awarded or paid upon such a total or partial taking of the leased premises shall belong to and be the property of the Landlord without any participation by the Tenant; provided, however, that nothing contained herein shall be construed to preclude the Tenant from prosecuting any claim directly against the condemning authority in such condemnation proceeding for loss of business; depreciation to, damage to, cost of removal of; or the value of stock, trade fixtures, furniture, and other personal property belonging to the Tenant; provided, further, that no such claim of Tenant shall diminish or otherwise adversely effect the Landlord's award or the award of any fee mortgagee.

17. **SIGNS:**

A. Tenant shall have the right and privilege of attaching, affixing, painting or exhibiting signs on the Leased Premises, provided only that:

- (1) any and all signs shall comply with the ordinances of the city or municipality in which the property is located and the laws of the State of Illinois;
- (2) such signs shall not change the structure of the building;
- (3) such signs if and when taken down shall not damage the building; and,

(4) such signs and their design shall be subject to the written approval of the Landlord; which approval shall not be unreasonably withheld.

- B. Landlord during the last thirty (30) days of this lease, or extension, shall have the right to maintain in the windows or on the building or on the Leased Premises a "For Rent" sign and Tenant will permit, at such time, prospective tenants to enter and examine the Leased Premises.

18. **MECHANIC'S LIENS:** Neither the Tenant nor anyone claiming by, through, or under the Tenant, shall have the right to file or place any mechanic's lien or other lien of any kind or character whatsoever, upon said Leased Premises or upon any building or improvement thereon, or upon the leasehold interest of the Tenant therein, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish material, service or labor for any building, improvements, alteration, repairs or any part thereof; shall at anytime be or become entitled to any lien thereon, and for the further security of the Landlord, the Tenant covenants and agrees to give actual notice hereof in advance, to any and all contracts and sub-contractors who may furnish or agree to furnish any such material, service or labor.

19. **LANDLORD'S LIEN AND SECURITY INTEREST;** Said Landlord shall have the lien given by law upon all personal property and all substitutions therefore, owned by Tenant on said Leased Premises. Landlord may proceed at law or in equity with any remedy provided by law or by this lease for the recovery of rent, or for termination for this lease because of Tenant's default in its performance.

20. **RIGHTS CUMULATIVE:** The various rights, powers, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any unremedied, unsatisfied or undischarged.

21. **NOTICES AND DEMANDS:** Notices as provided for in this lease shall be given to the respective parties hereto at the respective addresses designated under Sections B and C of the Basic Lease Provisions unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such message shall be considered given under the terms of this lease when sent, addressed as above designated, postage prepaid, by registered or certified mail, return receipt requested, by the United States mail and so deposited in a United States mail box.

22. **LIABILITY:** Landlord shall not be responsible for any damage to any property of Tenant or others contained in the Leased Premises, whether caused by fire or otherwise, or by leakage upon or into the Leased Premises of water, steam, gas or by any breakage of pipes or plumbing; nor for loss of property by theft or otherwise; nor for any damage arising from any act or neglect of any co-tenant or other occupant of the building, or of any owner or occupants of adjoining or contiguous property, except that caused by the neglect of the Landlord.

Tenant agrees to obtain its own insurance to protect itself against any loss or damage to its property including but not limited to books, periodicals, records, pictures, documents, etc.

23. **WAIVER OF SUBROGATION:** Each of Landlord and Tenant, for themselves and their insurers, hereby release the other from any and all liability for loss or damage caused by fire or the extended coverage casualties, even if brought about by the fault or negligence of the other party, to the extent of the insurance coverage for such loss or damage.

24. **LATE CHARGES ON PAST DUE OBLIGATIONS:** Any amount due to Landlord hereunder that is not paid when due shall be subject to a late charge and shall bear interest as specified in Section N of the Basic Lease Provisions. No payment of such late charges and interest shall excuse or cure any default by Tenant under this lease.

25. **HOLDING OVER:** If Tenant holds possession of the Leased Premises after the term of this lease and any extension thereof, Tenant shall become a tenant from month to month upon the same covenants and agreements as herein in this lease specified, and shall continue to be such tenant until said tenancy shall be terminated by required statutory notices of either party to the other with the sole exception that the monthly rent shall be increased to 150% of the monthly rent during the initial term of this Lease.

26. **BINDING UPON SUCCESSORS:** This lease, and all of the covenants, agreements and warranties herein contained, shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereto.

27. **ATTORNEY'S FEES:** The defaulting party shall be responsible for reasonable attorney's fees and costs incurred as a result of a default by Landlord or Tenant of any of the provisions of this lease, or in the defense of any proceeding to which either Landlord or Tenant is named as a party as a result of the actions of the other.

28. **SEVERABILITY AND GENDER:** My provision of this lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof; and such remaining provisions shall remain in full force and effect.

The term Landlord or Tenant, as herein used, shall apply to the plural, if necessary, and all terms used in the singular, or in any gender, shall apply to the plural or to any other gender, as the context requires.

29. **APPLICABLE LAW:** The provisions of this Lease Agreement shall be governed by and construed according to the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be executed the day and year first above written.

Landlord

Tenant

\_\_\_\_\_

  
\_\_\_\_\_

**ILLINOIS SELLER/LANDLORD AGENCY DISCLOSURE NOTICE AND CONSENT TO DUAL AGENCY**

Mel Foster Co., Inc. of Iowa ("Mel Foster") is pleased to assist you in connection with the sale or lease of Illinois real estate. The following will govern the terms of your relationship with Mel Foster.

Mel Foster designates MICHAEL MINARD ("Designated Agent") as your non-exclusive Designated Agent, for the purpose of representing you in the sale or lease of Illinois real estate. Except for other Mel Foster sales associates designated by you or Mel Foster as your agents, neither Mel Foster nor any other sales associates affiliated with Mel Foster will be acting as your agent. Mel Foster may appoint additional Designated Agents for you from time to time. Mel Foster operates exclusively through Designated Agents with respect to Illinois real estate, and no other agency relationships, except dual agency as explained below, are available through Mel Foster.

You may want to be shown property which is listed by your Designated Agent. In that event, your Designated Agent will undertake a dual representation (represent both the seller/landlord and the buyer/tenant for sale or lease of the property). The undersigned acknowledge they were informed of the possibility of this type of representation. Before signing this document please read the following:

Representing more than one party to a transaction presents a conflict of interest: since both clients may rely upon the Designated Agent's advice and the client's respective interests may be adverse to each other. Your Designated Agent will undertake this representation only with the written consent of ALL clients in the transaction.

Any agreement between the clients as to a final contract price and other terms is a result of negotiations between the clients acting in their own best interests and on their own behalf. You acknowledge that your Designated Agent has explained the implications of dual representation, including the risks involved, and understand that you have been advised to seek independent advice from your advisors or attorneys before signing any documents in this transaction.

**WHAT YOUR DESIGNATED AGENT CAN DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT:**

1. Treat all clients honestly.
2. Provide information about the property to the buyer or tenant.
3. Disclose all latent material defects in the property that are known to Designated Agent.
4. Disclose financial qualification of the buyer or tenant to the seller or landlord.
5. Explain real estate terms.
6. Help the buyer or tenant to arrange for property inspections.
7. Explain closing costs and procedures.
8. Help the buyer or tenant compare financing alternatives.
9. Provide information about comparable properties that have sold or leased so both clients may make educated decisions on what price to accept or offer.

**WHAT YOUR DESIGNATED AGENT CANNOT DISCLOSE TO CLIENTS WHEN ACTING AS A DUAL AGENT:**

1. Confidential information that Designated Agent may know about the clients, without that client's permission.
2. The price the seller or landlord will take, other than the listing price, without permission of the seller or landlord.
3. The price the buyer or tenant is willing to pay, without permission of the buyer or tenant.
4. A recommended or suggested price the buyer or tenant should offer.
5. A recommended or suggested price the seller or landlord should accept or counter with.

If you are uncomfortable with this disclosure and dual representation, please let your Designated Agent know. You are not required to sign this document unless you want to allow your Designated Agent to proceed as a Dual Agent in this transaction.

By signing below, you acknowledge that you have read and understand this form and voluntarily consent to your Designated Agent acting as a Dual Agent (that is, to represent BOTH the seller or landlord and the buyer or tenant) should that become necessary. You also agree to sign a confirmation of any Dual Agency at the time of making an offer to purchase or lease. Buyer or tenant acknowledges receipt of a copy of this document.

It is disclosed that Mel Foster Co. Insurance is owned by Mel Foster Co. Inc.

  
 \_\_\_\_\_  
 BUYER/TENANT'S SIGNATURE  
 DATE 8/16/07

\_\_\_\_\_  
 SELLER/LANDLORD'S SIGNATURE  
 DATE \_\_\_\_\_

**ASSIGNMENT OF PURCHASE AGREEMENT**

Dated September \_\_\_, 2016

FOR VALUE RECEIVED, the City of Moline, Illinois, an Illinois municipal corporation, hereby sells, assigns, transfers, and sets over unto HOA Hotels LLC, an Iowa limited liability company authorized to do business in the State of Illinois, all rights, powers, privileges, and interest in and to a certain Purchase Agreement dated the 1st day of September, 2016, between Fifth Avenue Block LLC as Seller, and City of Moline as Purchaser, for property with the following legal description:

Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois;

And commonly known as 1630 5<sup>th</sup> Avenue, Moline, Illinois.

This Assignment is effective as long as the City Council of Moline approves the Development Agreement between the City of Moline and HOA Hotels LLC, and said Development Agreement is executed by the Mayor and City Clerk. If not approved or executed, this Assignment becomes null and void.

**THE CITY OF MOLINE, ILLINOIS**

DATED: \_\_\_\_\_

\_\_\_\_\_  
Scott Raes, Mayor

Attest: \_\_\_\_\_

Tracy A. Koranda, City Clerk

*Approved as to form Maurin E Jo*

HOA Hotels LLC, an Iowa limited liability company hereby accepts the above assignment of that Purchase Agreement of September 1, 2016. HOA Hotels LLC assumes all rights, promises, covenants, conditions and obligations to be performed by the City of Moline under the Purchase Agreement and agrees to be bound by all of the obligations of the City of Moline under the Purchase Agreement and to indemnify and hold harmless the City of Moline against any liability arising from the performance or nonperformance of such obligations.

**HOA HOTELS LLC**

DATED: 9-7-16

*[Signature]*  
\_\_\_\_\_  
Michael L. Whalen, Manager

STATE OF ILLINOIS            )  
                                          )    SS:  
COUNTY OF ROCK ISLAND    )

On this \_\_\_\_\_ day of September, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA** to me personally known, who, being by me duly sworn, did say that they are the **Mayor** and **City Clerk**, respectively, of the **City of Moline**, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

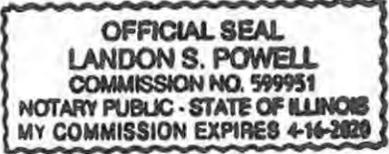
(seal)

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF ILLINOIS            )  
                                          )    SS:  
COUNTY OF ROCK ISLAND    )

On this 7th day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **Michael L. Whalen**, to me personally known, who being by me duly sworn (or affirmed) did say that he is a **Manager** of **HOA Hotels LLC**, an Iowa limited liability company authorized to do business in Illinois, and that said instrument was signed on behalf of the company by said **Michael L. Whalen** as **Manager** of said company. **Michael L. Whalen** acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

*Landon S. Powell*  
\_\_\_\_\_  
NOTARY PUBLIC



**DEVELOPMENT AGREEMENT**  
**between the**  
**CITY OF MOLINE, ILLINOIS**  
**and**  
**HOA HOTELS LLC**  
**for the**  
**FIFTH AVENUE BUILDING/SEARS ROEBUCK BUILDING**

THIS AGREEMENT (“Agreement”) made and entered into on this \_\_\_\_ day of September, 2016, by and between the City of Moline, an Illinois Municipal Corporation (“City”), and HOA Hotels LLC, an Iowa limited liability company authorized to do business in Illinois (“Developer”), collectively (“the Parties”).

RECITALS:

WHEREAS, the City wishes to engage in certain lawful activities authorized by applicable law to assist private persons and entities in carrying out certain redevelopment activities which are identified in the Project Plan for the City’s Tax Incremental Financing District (TIF) enacted pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the “Act”); and

WHEREAS, the City of Moline, Illinois, Approved the Tax Increment Financing Redevelopment Plan & Project Area; Designated the Redevelopment Area and Adopted the Use of TIF for the Project Area # 13 which identified the subject properties as vacant and showing signs of deterioration; and

WHEREAS, the City is an Illinois municipal corporation possessing home rule powers under Section 6 of Article VII of the Illinois Constitution; and

WHEREAS, the City has the authority to prevent the spread of blight and encourage private development to enhance the local tax base and to enter into contractual agreements for the purpose of achieving these purposes; and

WHEREAS, the City Council has designated the redevelopment of the 5<sup>th</sup> Avenue Building as a Council Priority; and

WHEREAS, City wishes to enter into this Development Agreement with the Developer in order to facilitate the redevelopment of the Property (as defined below) located at 1620 and 1630 5<sup>th</sup> Avenue; and

WHEREAS, the Property is located within the Moline Downtown Commercial Historic District that was placed on the National Register of Historic Places on August 30, 2007, in order to help facilitate the historic renovations of properties within the District by making the property eligible to apply for a 20% Tax Credit; and

WHEREAS, Developer will use private funds to re-develop the buildings into an approximate 105 room (+/-) nationally branded hotel or an independent boutique brand hotel with amenities such as food & beverage/bar operations, meeting/conference/banquet space, fitness facility, room service, dry cleaning and similar services (“the Project”); and

WHEREAS, the Developer and members of Moline Promenade Investors, LLC have met with City Staff to discuss the Project and Staff has received positive feedback on the project and authorization from Moline Promenade Investors, LLC to negotiate and execute this Agreement with the Developer for a hotel in the downtown that conforms with the terms of the previously approved Development Agreement with Moline Promenade Investors.

NOW, THEREFORE, in consideration of the foregoing recitals, which are meant to be substantive and binding and not superfluous, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby stipulate, covenant, contract and agree as follows:

## **I. INCORPORATION OF RECITALS**

The representations and recitations set forth in the foregoing Preambles are material to this Agreement and hereby incorporated into and made a part of this Agreement as though fully set forth in this Section and representation and recitations constitute the understandings of the City and the Developer.

## **II. GENERAL TERMS**

Developer, after receipt of the promises and inducements contained herein, agrees to redevelop the existing buildings located at 1620 and 1630 5<sup>th</sup> Avenue, Moline, IL, legally described in Exhibit “A” which is attached hereto and incorporated herein by reference and referred to as the “Property.”

The parties hereto acknowledge, and Developer represents and warrants, that it requires economic assistance from the City in order to commence and complete the Project, and that, but for said economic assistance, the Project as contemplated would not be economically viable.

For purposes of this Agreement, the use of the terms "Property Tax Increment" and "TIF Increment" shall be construed to refer to that net portion of taxes imposed by Rock Island County for distribution to the City's TIF #13 Redevelopment fund pursuant to the Tax Increment Allocation Redevelopment Act, *65 ILCS 11-74.4-1, et seq.* (“the Act”) that is generated by the Project. In addition, Section 6 of Article VII of the Illinois Constitution authorizes contractual agreements with private parties for the purposes of enhancing the local tax base.

The use of the term “Hotel-Motel Use Tax” shall be construed to refer to the tax imposed by the City on hotel-motel rooms.

Also, the use of the term "Sales Tax" shall be construed to refer to that net portion of taxes imposed by the State of Illinois for distribution to the City pursuant to the Retailer's Occupation Tax Act and the Service Occupation Tax Act (as said Acts may be amended from time to time) and which are collected by the State and distributed to the City, and all revenue derived from such taxes.

It is expressly understood that if a governmental or legislative body other than the City enacts any law or statute that results or that may result in any material changes or amendments to the foregoing property tax, hotel-motel use tax or sales tax provisions, which changes or amendments prohibit the City from complying with this Agreement or which materially adversely affect the City's ability to comply herewith, then the City and Developer shall re-evaluate this Agreement and the incentives provided hereunder and shall mutually use all reasonable efforts to restructure the Agreement in a manner which provides substantially the same economic benefits to Developer. The use of the term "Property Tax" or "Sales Tax" shall not be construed to mean any additional taxes imposed by the City as a home rule municipality.

For purposes of this Agreement, the incentives and inducements set forth herein shall apply only to Developer and the Development Project.

The Combined Maximum Incentive from the City of Moline shall be the total sum of the Property Tax Increment rebates, Hotel-Motel Use Tax rebates and Sales Tax rebates to be paid to Developer, which shall be Four Million Six Hundred Thousand and 00/100 Dollars (\$4,600,000.00) on a Net Present Value basis ("Combined Maximum Incentive"). In addition, other forms of incentives shall be included as incentives for the Project and shall count toward the Combined Maximum Incentive, such as Enterprise Zone sales tax savings, Façade Loan Funds, if awarded, and City improvements made to the Midtown Parking Ramp for the benefit of the Project. For the specific incentive of the Enterprise Zone, if Developer is able to utilize this benefit for the entire Project, then the parties agree to a fixed incentive value of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00).

### **III. SALE AND PURCHASE OF PROPERTY.**

- A. Developer has previously purchased the Sears Roebuck Building at 1620 5<sup>th</sup> Avenue. This purchase and remediation and repairs completed to the building shall be counted toward the total project cost.
- B. City has a signed purchase agreement ("Purchase Agreement") with Fifth Avenue Block LLC, an Illinois limited liability company, which contains a clause that allows the City to assign the Purchase Agreement to any other entity. Developer has agreed to take the Assignment and close on the Property under the terms of the Purchase Agreement. The executed Purchase Agreement is attached as Exhibit "B."

### **IV. CITY'S AGREEMENT TO PROVIDE ASSISTANCE.**

The following sets forth certain intentions, undertakings and contractual obligations and responsibilities of the City to Developer under this Agreement, subject to certain responsibilities of Developer as set forth in this Agreement (including, but not limited to, substantial compliance with the development timetable as extended by Unavoidable Delays set forth on Exhibit "C" attached hereto):

- A. Total Incentives. The City Agrees to provide incentives from several funding sources including Property Tax Increment generated in the TIF #13 Redevelopment Fund, Hotel-Motel Use Tax Funds generated from the proposed hotel, and Sales Tax Funds generated from the food & beverage/bar operations and other retail goods/services at the Project. The Combined Maximum Incentive to be paid to the Developer from these sources shall be Four Million Six Hundred Thousand Dollars (\$4,600,000) on a Net Present Value basis, which is estimated to be approximately Seven Million Dollars (\$7,000,000) to be paid out over time, but which may be more or less depending on how much tax revenue is actually generated and how quickly it is generated.

In addition, other forms of incentives shall be included as incentives for the Project and shall count toward the Combined Maximum Incentive, such as benefits received by the Developer from the existing Enterprise Zone, Façade Loan Funds, if awarded, and City improvements made to the Midtown Parking Ramp for the benefit of the Project.

- B. Complete the Creation of a new TIF District. The Property is located within the recently established and valid Tax Increment Financing Redevelopment Project Area, as defined under the Act, which is set to expire in 2039 and is known as TIF #13.
- C. TIF Payment. Subject to Developer paying the annual real estate taxes for the Property when due and payable, the City shall pay through its TIF Fund to Developer, 90% of the Property Tax Increment generated from the Project until the Combined Maximum Incentive is reached.

The net incremental annual real estate taxes shall be used by the Developer only for eligible redevelopment costs under the Act (65 ILCS 5/11-74.4-3) including the purchase of the Sears and Roebuck Building and the 5<sup>th</sup> Avenue Buildings, which are eligible redevelopment costs, as well as other eligible redevelopment costs as listed in Exhibit "D."

The base year for computation purposes of the net annual Property Tax Increment is agreed to be 2016, and the base Equalized Assessed Valuation (EAV) for the base year 2016 is \$557,528. The property tax rebate period will start with the first year that the Project is assessed, which is estimated to be assessment year 2018 and payment year 2019. An illustrative example of the payments called for under this paragraph is shown in Exhibit "E" attached hereto and incorporated by reference

herein. The payment shall be from the Property Tax Increment generated solely by the Project and paid to the City's TIF # 13 Account. The City shall remit the property tax rebate to the Developer within thirty (30) days after receipt of total annual payment into said City's TIF Account from Rock Island County.

The Parties agree that the figures shown in Exhibit "E" are for illustrative purposes, and the actual annual payments to be made in any given year may be more or less than the amount shown.

- D. Hotel-Motel Use Tax Rebate. In addition to the Property Tax Increment rebate, City agrees to rebate to Developer a portion of the Hotel-Motel Use Tax revenues generated annually from the Project and paid to the City, until the Combined Maximum Incentive is reached. The City's current Hotel-Motel Use tax rate is 7%. The City remits 17.857% of all Hotel-Motel Use Tax revenues to the Quad Cities Visitors and Convention Bureau ("QCCVB"). City agrees to rebate to Developer 50% of the remaining Hotel-Motel Use Tax revenues from the Project after the first 17.857% of the Hotel-Motel Use tax revenues are subtracted from the total revenues for the Hotel and set aside for the QCCVB. The City shall remit the hotel-motel tax rebate to the Developer semi-annually within thirty (30) days after receipt of six months of payments by the City.
- E. Sales Tax Rebate. In addition to the Property Tax Increment rebate and Hotel-Motel Use Tax rebate, the City shall provide a Sales Tax rebate. It is understood that the Sales Tax rebate portion of the incentive payments will be due and payable to Developer solely from the proceeds of sales tax revenue received by the City as a result of retail sales from the Project.

It is acknowledged and understood by and between the parties hereto that the City receives sales tax revenue monthly, and that the taxes generated by sales in any one month are distributed to the City approximately three months later (e.g. taxes generated by sales in July are generally not received by the City until October).

The City of Moline agrees to provide Developer with a Sales Tax rebate on the City's receipt of sales tax revenues within the Project. The Developer shall be entitled to 100% of the Sales Tax revenue from the Municipal 1% Sales Tax generated from retail sales generated from the Project, until the Combined Maximum Incentive is reached. The City shall remit the sales tax rebate to Developer within thirty (30) days after receipt of the sales tax report and the sales tax funds from the State, which is sent three times per year.

The Sales Tax rebate shall be calculated on the Municipal 1% sales tax only, not the City's 1% Home Rule Sales Tax, nor the City's 1.25% prepared food and packaged liquor tax.

- F. Grants and Loan Applications. The City agrees to use its best efforts to support the Developer in applying to city, state and federal grant or loan programs that will

enhance the Redevelopment Project. This includes the City of Moline Façade Improvement Program that currently provides for forgivable loans up to \$15,000/building for façade improvements and repair.

- G. Enterprise Zone Benefits. City shall take no action to eliminate the Enterprise Zone while still authorized by statute for the benefit and duration of the Project by which means materials can be purchased for the construction of the Project without the imposition of sales tax, and other economic benefits may be obtained under the Enterprise Zone guidelines as are available under the law. City will cooperate and assist Developer in its application for all Enterprise Zone benefits, if any, but City does not warrant or assure or guarantee that any such benefits will be available to Developer.
  
- H. Parking. City hereby grants to Developer the right to lease 105 parking spaces in the Midtown Parking Ramp (“Midtown”) that is attached to the second floor of the 5<sup>th</sup> Avenue Building. Due to existing leases in the parking ramp, the City makes no guarantee that the spaces will initially be available on a certain floor or that the spaces will be covered as the 4<sup>th</sup> floor of the Midtown is currently uncovered. Notwithstanding the foregoing sentence, both parties recognize that Project parking in the Midtown would best occur on floors and locations best able to utilize the Midtown Skywalk, and will work together as existing leases terminate or as stalls become relocatable to maximize the Project guest experience without unreasonably impairing the City’s ability to lease non-Project stalls. The parking ramp is owned by the City, will be improved using City funds to provide for an electronic security gate system tied into the hotel’s room card system, and for informational and directional signage and lighting, all of which (excepting the hotel room card system interface) will be maintained by the City in good condition. Rent for spaces on the second and third floors shall be at \$35 per space per month for the first five (5) years from the date the Certificate of Occupancy is issued for the Hotel; \$40 per space per month for years 6 – 10; \$45 per space per month for years 11 – 15; \$50 per space per month for years 16 – 20; \$55 per space per month for years 21-25 (at the Developer’s option, which must be given sixty (60) days in advance); and \$60 per space per month for years 26-30 (at the Developer’s option, which must be given sixty (60) days in advance); and at then applicable market rates thereafter. Rent for spaces on the 4<sup>th</sup> Floor (if needed) shall be at the City’s standard rate at the time of leasing, which is currently \$10 per month.
  
- I. Interest. The Net Present Value of the Combined Maximum Incentive shall be calculated using a 6% Net Present Value factor. Incentives that are provided by the City prior to Project opening, such as Façade Funds, Enterprise Zone Benefits, and Parking Ramp Improvements, are not subject to the NPV Calculation.
  
- J. TIF Amendments. The Parties expressly understand and agree that all payments provided for in the paragraphs set forth above shall be at all times subject to the requirements and restrictions of the Act.

- K. Prevailing Wage. The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to the Project. Payment of Prevailing Wage and compliance with the Prevailing Wage Act, if required, is the sole responsibility of Developer and/or its contractors and subcontractors. Developer agrees to indemnify and hold harmless the City and the agents, officers and employees thereof against all losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise from any claims pertaining to the Illinois Prevailing Wage Act.
- L. Maintenance of Skywalk Connection: There is currently a skywalk connection from the Fifth Avenue Building to the 2<sup>nd</sup> floor of the City's Midtown Parking Ramp ("Midtown Skywalk") that is maintained by the current owner. The Developer agrees to continue the maintenance of the Midtown Skywalk for as long as the Developer remains the owner of the Property and will continue to allow access from the Project to the Midtown Skywalk for guests of the Project. Developer and City agree to execute an access easement to the Midtown Skywalk that will be recorded and will run with the land.
- M. Due Diligence: As part of the Purchase agreement of the 5<sup>th</sup> Avenue Building, the City of Moline has obtained and funded several reports related to environmental and structural analysis of the building that have been provided to the Developer. In addition, City Fire and Building Officials have toured the building with the Developer. The City makes no warranties or representations on the materials provided by outside sources and comments made by City Officials during tours of the building. The Developer shall hold the City harmless on information provided in the reports and rely on its own Due Diligence.

## **V. DEVELOPER AGREEMENT TO DEVELOP PROPERTY.**

Upon the execution of this Agreement, the Developer shall complete the Project substantially in accordance with the plans and specifications for the Project, which plans and specifications must be approved by City prior to commencement of the Project (such approval may not unreasonably be withheld), as may be normal, customary or required in order to proceed with the Project, in accordance with all applicable rules, codes, regulations, ordinances and laws, including without limitation, the City's PMT/DBMT process and any other federal or state requirements that may apply to the Project. Further, Developer confirms that development, use of and construction on the Property, shall at all times comply with and be in accordance with this Agreement, Zoning Code, Subdivision Code and any special use granted in connection therewith, the Final Development Plan, the Landscape Plan, Elevations Plan, and all other requirements of law, it being understood that in the event of a conflict between or among any of the above plans or documents, the plan or document that provides the greatest control and protection for the City, as determined by the City Administrator, shall control. All of the above plans and documents shall be interpreted so that the duties and requirements imposed by any one of them are cumulative among all of them, unless otherwise provided in this Agreement.

- A. Project Elements. Developer agrees to complete the following Project Elements:
- i. Developer shall take the assignment from the previously signed Purchase Agreement for the Fifth Avenue Building and fulfill all responsibilities as the buyer.
  - ii. Developer will work diligently to relocate the existing tenants in the buildings with a preference to downtown Moline locations.
  - iii. Developer has indicated that it may be seeking Historic Tax Credits for the Project.
  - iv. Developer will rehabilitate the buildings into an approximate 105-room hotel, with food & beverage/bar operations, meeting/conference/banquet space, a fitness facility, and other amenities to enhance the level of service of the hotel. Exhibit "G" provides schematics of the exterior of the Project.
  - v. Developer will use good faith efforts to attempt to obtain 4 Star status for the hotel.
  - vi. Developer will lease 105 parking spaces in the Midtown Parking Ramp that is attached to the second floor of the 5<sup>th</sup> Avenue Building. Rent for spaces on the second and third floors shall be at \$35 per space per month for the first five (5) years from the date the Certificate of Occupancy is issued for the Hotel; \$40 per space per month for years 6 – 10; \$45 per space per month for years 11 – 15; \$50 per space per month for years 16 – 20; \$55 per space per month for years 21-25 (at Developer's option, which must be given sixty (60) days in advance); and \$60 per space per month for years 26-30 (at Developer's option, which must be given sixty (60) days in advance); and at then applicable market rates thereafter. Rent for spaces on the 4<sup>th</sup> Floor shall be at the City's standard rate at the time of leasing, which is currently \$10 per month.
- B. Code Compliance: Developer agrees to comply with all applicable building codes that are in effect as of the date of execution of this Agreement. Developer certifies that the Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinance.
- C. Developer to Comply with Hotel Restrictions. The City previously entered into a Development Agreement with Moline Promenade Investors, LLC that placed a restriction on incentives to other hotels in Moline. The City, together with Moline Promenade Investors, LLC and HOA Hotels LLC, have met and discussed the Fifth Avenue Buildings/Sears Roebuck Building Project. Exhibit "F", attached hereto is written confirmation of the meeting which took place on Monday, August 8, 2016 and further indicates that the City and HOA Hotels LLC have permission to enter into this Development Agreement with the understanding that the Project shall

generally conform to the description outlined in the letter and that the proposed hotel will not open until 12 months after the Element Hotel opens or May 31, 2018, whichever occurs first.

#### **VI. WARRANTIES OF THE CITY.**

The City represents and warrants to the Developer that it is empowered and authorized to execute and deliver this Agreement and to lend and deliver the assistance described herein upon proof of TIF Eligible Redevelopment Project Costs pursuant to Section 5/11-74.4-3 (q) of the Act, and to execute and deliver all other agreements and documents, if any, required hereunder to be executed and delivered by City. The City further represents to Developer that it has fully complied with and satisfied the requirements of the TIF Act pertaining to the establishment of the TIF District referenced herein and in entering into this Agreement. In addition, Section 6 of Article VII of the Illinois Constitution authorizes the City as a Home Rule Community to prevent the spread of blight and encourage private development to enhance the local tax base by executing other financial incentive agreements. This Agreement has been, and each such document at the time it is executed and delivered will be, duly executed and delivered on behalf of City pursuant to its legal power and authority to do so. When executed and delivered by the City to Developer, all such agreements shall constitute a legal, valid, and binding obligation of City, enforceable in accordance with the terms of all such agreements.

#### **VII. WARRANTIES OF THE DEVELOPER.**

- A. Developer represents and warrants to City that Developer is an Iowa Limited Liability Company duly organized and existing under the laws of the State of Iowa and authorized to do business in the State of Illinois and that all proceedings of Developer necessary to authorize the negotiation and execution of this Agreement and the consummation of the transaction contemplated by this Agreement have been taken in accordance with applicable law.
- B. Developer represents and warrants to City that this Agreement has been duly authorized, executed, and delivered by Developer, and will be enforceable against Developer by its terms, except to the extent that such enforceability shall be limited by bankruptcy, or solvency, or similar laws of general application affecting the enforcement of creditor rights, and by equitable principles.
- C. Developer represents and warrants to City that the execution and delivery of this Agreement, and the consummation of the transactions contemplated in this Agreement will not violate any provision of its operating agreement or any other contract, agreement, court order or decree to which Developer may be a party or to which Developer may be subject, or any applicable federal or state law or municipal ordinance.

#### **VIII. INDEMNIFICATION.**

- A. The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) actually incurred by the City which may arise directly or indirectly from the failure of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman, from any default or breach of the terms of this Development Agreement by the Developer, or from any negligence, or reckless or willful misconduct of the Developer or any contractor, subcontractor agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer or Developer's contractor). The Developer shall, at the Developer's sole cost and expense, appear, defend and pay all charges, attorneys' fees of attorney(s) mutually agreed upon by the City and Developer, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at the Developer's sole cost and expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence, or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.
- B. In the event that any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Development Agreement shall determine that this Development Agreement, or payments to be made hereunder, are contrary to law, or in the event that the legitimacy of the TIF Ordinances are otherwise challenged before a court or governmental agency having jurisdiction thereof and such challenge would affect the payments to be made under this Development Agreement, the City shall at its sole cost defend the integrity of the TIF Ordinances and this Development Agreement unless such challenge is as a direct result of the acts or omissions of the Developer. The Developer shall fully cooperate with the City in connection with the foregoing. In the event of an adverse lower court or agency ruling, payments shall be suspended during the pendency of any appeal thereof, but such payments shall be reinstated retroactively if such adverse ruling is reversed by the reviewing court or agency. The City shall not seek to set aside, or otherwise challenge, its obligations under this Development Agreement during the pendency of any appeal.

## **IX. ENTIRE AGREEMENT.**

This document and exhibits hereto contain the entire agreement between Developer and City as to this Agreement and its burdens and benefits shall inure to the benefit of, and shall be binding upon the Parties hereto or a memorandum thereof and their respective heirs, executors, successors, and assigns. This Agreement or a memorandum thereof may be recorded and may be modified only by written amendment signed by Developer and City.

**X. ASSIGNMENT.**

The Developer hereunder may assign the rights, duties, and obligations of Developer to affiliated entities. Other assignments may be made only with the prior written consent of City (which consent shall not unreasonably be withheld). If a request for consent is not denied in writing on or before thirty days (30) after written request, such consent shall be deemed given.

**XI. SURVIVAL OF WARRANTIES AND REPRESENTATIONS.**

Any warranty, representation, or agreement herein contained shall survive the execution of the Agreement.

**XII. DEFAULT.**

The following shall be considered a "Default" under this Agreement and subject to the notice requirements and remedies set forth in Section XIII of this Agreement:

- A. A material breach of this Agreement by either City or Developer.
- B. A material breach of any term or condition of the Purchase Agreement for the purchase of the Property by either City or Developer.
- C. The Developer ceases to be permitted to do business in good standing in Illinois by the Secretary of State or other regulatory agency of the Illinois government for a period of ninety (90) days or more.

**XIII. NOTICE OF DEFAULT AND REMEDIES UPON DEFAULT.**

- A. If, in City's reasonable judgment, Developer is in material Default of this Agreement, City shall provide Developer with a written statement indicating in adequate detail any failure on Developer's part to fulfill its obligations under this Agreement. Except and only as required to protect against further damages, City may not exercise any remedies against Developer in connection with such Default until thirty (30) days after giving such written notice. If such Default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as Developer diligently proceeds with such cure. If such Default is substantially cured within such extended period, the Default shall not be deemed to constitute a breach of this Agreement. A Default not substantially cured as provided above shall constitute a breach of this Agreement. Any failure or delay by City in asserting any of its rights or remedies as to any Default or alleged Default or breach shall not operate as a waiver of any such Default or breach or of any rights or remedies it may have as a result of such Default or breach.

- B. If Developer materially fails to fulfill its obligations under this Agreement (including without limitation any incorporated agreements) after notice is given by City and any cure periods described in Paragraph A above have expired, City may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Developer insolvent or unable to pay Developer's debts, or Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for Developer or for the major part of the Developer's property, City may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by City, to forthwith terminate this Agreement. To effect City's termination of this Agreement under this Section XIII B, City's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default executed by the Mayor of the City or such other person as shall be designated by the City, stating that this Agreement is terminated pursuant to the provisions of this Section XIII B, in which event this Agreement by virtue of the recording of such certificate, shall become null and void and of no further force and effect.
- C. If, in Developer's reasonable judgment, City is in material Default of this Agreement, the Developer shall provide City with a written statement indicating in adequate detail any failure on City's part to fulfill its obligations under this Agreement. Except and only as required to protect against further damages, Developer may not exercise any remedies against City in connection with such failure until thirty (30) days after giving such written notice. If such Default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as City diligently proceeds with such cure. If such Default is substantially cured within such extended period, the Default shall not be deemed to constitute a breach of this Agreement. A Default not substantially cured as provided above shall constitute a breach of this Agreement. Any failure or delay by Developer in asserting any right or remedy as to any Default or any alleged Default or breach shall not operate as a waiver of any such Default or breach or of any rights or remedies it may have as a result of such Default or breach.
- D. If City materially fails to fulfill its obligations under this Agreement (including without limitation any incorporated agreements) after notice is given by Developer and any cure periods described in Paragraph C above have expired, Developer may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by

or against City, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare City insolvent or unable to pay City's debts, or City makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for City or for the major part of the City's property, Developer may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by Developer, to forthwith terminate this Agreement. To effect Developer's termination of this Agreement under this Section XIII D, Developer's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default stating that this Agreement is terminated pursuant to the provisions of this Section XIII D, in which event this Agreement by virtue of the recording of such certificate, shall become null and void and of no further force and effect.

- E. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any Default, or to obtain any other remedy or seek any type of damages, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance. Notwithstanding the foregoing, in the event either party shall institute and complete legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the substantially prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.
- F. The rights and remedies of the Parties are cumulative and the exercise by a party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or for any other default by the other party.
- G. Any and all remedies available to the City and Developer under the Purchase Agreement for the purchase of the Property shall be available and enforceable at the election of City or Developer herein, and this Agreement shall not limit but only expand said remedies available to City and Developer under such agreement.

#### **XIV. NON-DISCRIMINATION.**

Developer agrees that neither the Property nor any portion thereof, shall be sold to, leased, or used by Developer in a manner to permit discrimination or restriction on the basis of race, creed, ethnic origin or identity, color, gender, sexual orientation, religion, marital status, age, handicap, or national origin, and that the development of and construction and operations on the Property shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

**XV. NOTICES.**

Any notice required or permitted hereunder shall be in writing, signed by the party giving the notice, and shall be deemed given when (a) hand delivered to the party to whom the notice is addressed; (b) mailed by certified mail, return receipt requested, United States mail, postage prepaid; or (c) delivered by overnight courier delivery service (i.e. Federal Express, UPS, etc.) and addressed to the party at the address shown as follows:

If to Developer:  
HOA Hotels LLC  
Attn: Mike Whalen, President & CEO  
1501 River Drive  
Moline, IL 61265

If to the City:  
City of Moline  
619 16<sup>th</sup> Street  
Moline, IL 61265  
Attn: City Administrator and City Clerk

With a copy to:  
Heart of America Group  
Attn: Kirk Whalen, VP & General Counsel  
1501 River Drive  
Moline, IL 61265

With a copy to:  
City of Moline  
619 16<sup>th</sup> Street  
Moline, IL 61265  
Attn.: City Attorney and Planning  
and Economic Development Director

Any party may change the address to which notices shall be sent by notice given in accordance with the terms of this paragraph.

**XVI. COUNTERPARTS.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

**XVII. HEADINGS.**

Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

**XVIII. APPLICABLE LAW.**

This Agreement, and each of its subparts and incorporated items thereto, shall be interpreted under the laws of the State of Illinois and any action brought to enforce or interpret any of its provisions or otherwise involving this Agreement must be filed in a Rock Island County, Illinois, court of competent jurisdiction.

**XIX. SEVERABILITY; RULE AGAINST PERPETUITY.**

Should any part of this Agreement be determined to be illegal, invalid, or otherwise unenforceable, then all such remaining parts not so affected by such illegality, invalidity, or unenforceability shall continue in full force and effect, fully binding both Parties, their respective heirs and assigns, as to such remaining terms. Further, if any provision of this Agreement or the application thereof would otherwise be unlawful, void, or voidable by reason of any applicable rule against perpetuities, then such provision or application shall continue only until twenty one (21) years after the death of the last survivor of the now living descendants of Barack Obama.

**XX. NO JOINT VENTURE, AGENCY OR PARTNERSHIP CREATED.**

Neither anything in this Agreement nor any acts of the Parties to this Agreement shall be construed by the Parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

**XXI. ASSURANCE OF FURTHER ACTION.**

From time to time hereafter and without further consideration, each of the Parties to this Agreement shall execute and deliver, or cause to be executed and delivered, such recordable memoranda, further instruments, and agreements, and shall take such other actions, as any other party may reasonably request, in order to more effectively memorialize, confirm, and effectuate the intentions, undertakings, and obligations contemplated by this Agreement.

The Parties further agree to good faith cooperation in executing the Project pursuant to this Agreement.

**XXII. DISCLAIMER OF THIRD PARTY BENEFITS.**

The intentions, affirmations, authorizations and agreements between the Parties hereto as expressed herein are approved solely by and between the Parties hereto and no other; and provided further, however, that neither and none of such intentions, affirmations, authorizations or agreements may be relied upon by any such third person or entity, to such entity or person(s) detriment, or for any reason whatsoever, whether third person or otherwise. Any such reliance or purported reliance as a third party beneficiary to this Agreement or predicated upon any other relationship to any of the Parties hereto and each of them, whether real or alleged, is specifically disclaimed by the Parties herein.

**XXIII. PROJECT OF HIGH PRIORITY.**

The City agrees to act in good faith and use its best efforts to timely process and review all plans and submissions and consider the issuance of all necessary permits and other approvals, including building permits, rezoning approvals, preliminary and final plat approval, construction progress inspections, and all other permits or approvals which are required for the Developer to construct the Project. To the extent the City determines that any plans or other documents or

requests submitted by the Developer for the City's approval are unacceptable, the City shall provide a written description detailing the portions of the Plans or documents that are unacceptable.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set forth above their respective signatures.

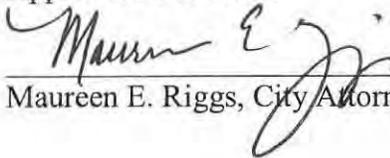
**THE CITY OF MOLINE, ILLINOIS**

DATED: \_\_\_\_\_

\_\_\_\_\_  
Scott Raes, Mayor

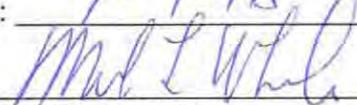
Attest: \_\_\_\_\_  
Tracy A. Koranda, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Maureen E. Riggs, City Attorney

**HOA HOTELS LLC**

DATED: 9-7-16 \_\_\_\_\_

  
\_\_\_\_\_  
Michael L. Whalen, Manager

STATE OF ILLINOIS                    )  
                                                  )    SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_\_ day of September, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA** to me personally known, who, being by me duly sworn, did say that they are the **Mayor** and **City Clerk**, respectively, of the **City of Moline**, executing the within and foregoing instrument to which this

is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

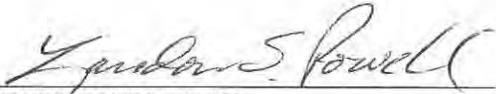
(seal)

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF ILLINOIS            )  
                                          )    SS:  
COUNTY OF ROCK ISLAND    )

On this 7th day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **Michael L. Whalen**, to me personally known, who being by me duly sworn (or affirmed) did say that he is a **Manager** of **HOA Hotels LLC**, an Iowa limited liability company authorized to do business in Illinois, and that said instrument was signed on behalf of the company by said **Michael L. Whalen** as **Manager** of said company. **Michael L. Whalen** acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

(seal)

  
\_\_\_\_\_  
NOTARY PUBLIC



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Project Property (Entire Property)

1620 5<sup>th</sup> Avenue

That part of Lot Number Two (2) in McEnary's Addition to the City of Moline, described as follows: Commencing at the most Westerly corner of said Lot: Thence Southeasterly along the Southwesterly line of said Lot to the most Southerly corner of said Lot; Thence Northeasterly along the Southeasterly line of said Lot, Fifty (50) feet; Thence Northwesterly to the Northwesterly line of said Lot along a line parallel to the Southwesterly line thereof; Thence Southwesterly to the place of beginning; Commonly known as the West fifty (50) feet of said Lot; Except that part of said premises heretofore taken for street purposes, Situated in Rock Island County, Illinois

and

1630 5<sup>th</sup> Avenue

Lot 1 and the East 30' of Lot 2 of McEnary's Addition situated in the City of Moline, County of Rock Island and State of Illinois

## EXHIBIT "B"

### PURCHASE AGREEMENT FOR 5<sup>th</sup> AVENUE BUILDING

#### AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

Purchaser:  
City of Moline

Seller:  
Fifth Avenue Block LLC, an Illinois limited  
liability company

**1. THIS AGREEMENT IS DATED:** September 1, 2016.

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as: 1630 5<sup>th</sup> Avenue, Moline, Illinois, and legally known as: Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois, for the sum of \$1,800,000.00 to be paid as follows:

The full purchase price shall be paid at closing.

**2. POSSESSION AND CLOSING**

Possession On Closing:

(A) Seller shall deliver possession of the subject property to Purchaser concurrently with the closing of this transaction which shall be held on or before September 30, 2016.

(B) Per diem rent in the amount of \$  0  shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than  0  days after closing.

Additional Provisions:

(A) Possession shall be deemed delivered when Seller has vacated the subject property and delivered the keys to Purchaser or Purchaser's agent.

(B) Necessary timely legal notices to tenants, if any, to be given by Seller unless otherwise agreed to by the parties.

(C) If Seller shall fail for any reason whatsoever to vacate the subject property after the above specified number of days, the Purchaser shall in addition to all other remedies have the right to commence any legal action or proceeding to evict and remove the Seller from the subject property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

**3. EVIDENCE OF TITLE**

At least two weeks prior to the closing date, Seller shall deliver (A.) \_\_\_ an abstract of title or (B.) X a Commitment for Title Insurance issued by a title insurance company regularly doing business in the County where the subject property is located committing the company to issue an owner's policy in the usual form insuring merchantable title to the property. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of

title adopted by the Rock Island County Bar Association, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or any such exception which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Seller is unable to cure such exception, Purchaser shall be entitled to a refund of the Earnest Money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

#### **4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE**

Form of Deed. The Seller shall convey title to the Property by Warranty Deed ("Deed") along with such other documents as may be required to record the deed, transfer personal property, if any, and protect Purchaser from mechanics' liens. Seller represents that Seller knows of no conditions, faults or defects, whether environmental or otherwise. At closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the property will become Buyer's rights.

#### **5. PRORATIONS AND ADJUSTMENTS**

The following items shall be prorated at closing:

##### **A. Prorations:**

- (1) Real estate taxes, based on the most recent year's tax bill available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any funds and books/records of security/damage deposit, CAM account, and any other monies held as Landlord or property owner);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser; and
- (5) Other income and operation expenses, if any.

##### **B. Adjustments:**

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

#### **6. ASSESSMENTS**

Seller shall pay all special assessments, which are a lien on the subject property as of the date of closing. Seller acknowledges that prior to the execution of this Agreement, Seller has no knowledge of or no notice has been received from any municipal authority concerning improvements which could result in a special assessment on the subject property. Tap on fees, if any, which exist for municipal services to the subject property, shall be paid by the purchaser.

## **7. FIXTURES AND PERSONAL PROPERTY**

All fixtures presently installed on the subject property including but not limited to; brackets and fixtures, all carpeting, electric light fixtures, bathroom fixtures and accessories, telephone lines, central heating and cooling units and attached equipment, all shrubs and trees, shall be left by Seller in or upon said subject property exactly as they are as of the date of this Agreement, and shall be deemed a part of the subject property and title thereto shall pass to Purchaser at closing. The following personal property shall be sold to Purchaser as part of the consideration for the purchase price: all of Seller's personal property pertaining to the subject building and grounds located upon the premises at this time.

## **8. CONDITION OF SUBJECT PROPERTY**

The parties agree that the purchase price reflects the condition of the subject property and Purchaser acknowledges that the real estate and the improvements thereof have been inspected, and Purchaser is acquainted with the condition thereof and accepts the same in (CHECK ONE OF THE FOLLOWING):

(A.) "As-Is"

(B.) "As-Is" condition except Seller warrants the plumbing, heating and electrical systems to be in normal working condition on date of possession. Written notice of breach of the warranty contained above must be served upon Seller, Seller's attorney, or Seller's agent within two (2) business days of the date of possession. Purchaser shall have the right to inspect the subject property during the 48-hour period immediately prior to closing.

## **9. DEFAULT**

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser by this Agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller, subject to the terms of any listing agreement, may accept the Earnest Money and any additional down payment as damages. In the event Seller fails to perform any obligation imposed upon Seller by this Agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, Earnest Money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal remedy including specific performance. In the event of default, the defaulting party shall be liable to the other party for reasonable attorney fees, expenses incurred by reason of default, and the real estate brokerage fee.

## **10. CASUALTY CLAUSE**

Seller shall bear the risk of loss or damage to the subject property prior to closing or possession, whichever first occurs. In the event all or a material part of the subject property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the subject property can be restored to its present

condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the subject property until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title to the subject property.

#### **11. EXPENSES OF TRANSFER**

A. Seller shall pay:

- (1) Broker's Commission;
- (2) Cost of owner's title policy; and
- (3) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage; and
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee.

Each party shall be responsible for their own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

#### **12. 1031 EXCHANGE**

Both Purchaser and/or Seller agree that it shall be an accommodation party, if requested by Seller and/or Purchaser, in a "1031 Starker Exchange," provided that Purchaser and/or Seller shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the subject property and said accommodation does not delay the closing of the transaction for the subject property.

#### **13. ESCROW**

This Agreement will be closed through an escrow either with the (A.) X Purchaser's attorney, (B.) \_\_\_\_\_ mortgage lender. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title in the Purchaser.

#### **14. REPRESENTATIONS OF SELLER**

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the subject property is not contaminated with, nor threatened with contamination from outside sources by any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the subject property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the subject property with hazardous wastes or substances. Seller warrants that the subject property is not subject to any local, state or Federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set

forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the Earnest Money paid herein shall be returned to Purchaser.

## **15. LEASES**

As of the date of this Agreement, the subject property is subject to the following leases:

See Exhibit A attached hereto and incorporated herein by reference.

Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent and shall provide estoppel letters.

## **16. SELLER'S CONSENT TO ASSIGNMENT**

This Agreement shall be freely assignable by Purchaser to any other person or entity without Seller's prior written consent.

## **17. NOTICES**

All notices required hereunder shall be in writing and shall be served upon the parties at the addresses designated herein by personal service, certified mail (return receipt requested), or Federal Express or other overnight mail.

Seller:  
Fifth Avenue Block LLC  
c/o Rodney A. Blackwell  
Financial District Properties  
201 N. Harrison St., Suite 402  
Davenport, IA 52801

Purchaser:  
City of Moline  
c/o Maureen E. Riggs, City Attorney  
619 16<sup>th</sup> Street  
Moline, IL 61265

## **18. GENERAL CONDITIONS**

This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by and enforced in accordance with the laws of the state in which the subject property is located. This Agreement contains the entire agreement of the parties and no representations, warranties, or agreements have been made by either party except as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of the Agreement.

## **19. BROKER REPRESENTATIONS**

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the subject property.

## **20. BROKERS AS AGENTS**

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Purchase Agreement. The Broker, the Broker's agents, employees, and associates must respond to all questions of the parties accurately and honestly and must disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the subject property or give advice on matters outside the scope of their real estate licenses.

## **21. AGENCY**

Seller and Purchaser acknowledge that no agents or brokers are involved in this transaction.

## **22. DUE DILIGENCE**

(A) From the date of execution of this agreement by Seller until September 20, 2016, (the "Due-Diligence Period"), Purchaser and its agents and representatives shall be entitled to conduct an inspection as to the Property, which will include, but shall not be limited to, the rights to (1) enter on the Property to perform inspections and tests, including, but not limited to, inspection, evaluation, and testing of the heating, ventilation, and air-conditioning systems and all components thereof, the roof of the Building, the parking lots, all structural and mechanical systems within the Building, including, but not limited to, sprinkler systems, power lines and panels, air lines and compressors, automatic doors, tanks, pumps and plumbing, and all equipment and Personal Property; (2) make investigations with regard to zoning, environmental, building code, and other legal requirements, including, but not limited to, an environmental assessment; (3) make or obtain market studies and real estate analyses; (4) analyze the financial feasibility of ownership of the Property; and (5) arrange for termination of existing leases and relocation of any long term lessees. If Purchaser, in its sole and absolute discretion, determines that the results of any inspection, test, or examination, or attempts at termination and relocation of existing leases do not meet Purchaser's (or its assignees', underwriters', investment bankers', board of directors', lenders', or investors') criteria for purchase, financing, or operating of the Property in the manner contemplated by Purchaser, or if the information disclosed does not otherwise meet Purchaser's investment criteria or underwriting for any reason whatsoever, or if Purchaser, in its sole discretion, otherwise determines that the Property is unsatisfactory to it, then Purchaser may terminate this Agreement by written notice to Seller, given not later than the last day of the Due-Diligence Period. Upon such termination, the Earnest Money, together with all interest accrued thereon, shall be returned immediately to Purchaser, and except as otherwise provided in this section, neither party shall have any further liability to the other hereunder. In the event Purchaser fails to notify Seller of its intent to terminate this Agreement prior to the expiration of the Due-

Diligence Period, Purchaser's right to terminate this Agreement shall be waived and become null and void.

**23. ACCEPTANCE BY PURCHASER**

Until accepted by the Purchaser, this document constitutes an irrevocable offer to sell by the Seller on the terms stated above. Seller acknowledges and agrees that this Agreement is subject to Purchaser's right and legal responsibility to formally submit this Agreement to the City Council for review, approval and authorization to execute. If not so approved by the Council by September 27, 2016, this offer and Agreement shall be void. The parties understand that the City Council may not approve this Agreement and that until approved by the City Council, it is not and shall not be binding upon the City, its officers, employees or agents.

This Agreement has been read and executed in duplicate on the dates beside the parties' authorized agents' signatures.

IN WITNESS WHEREOF, Fifth Avenue Block, LLC, an Illinois limited liability company,, Seller, has caused this Agreement for Sale of Real Estate to be executed this 15 day of September, 2016.



STATE OF IOWA            )  
                                          )    SS:  
COUNTY OF SCOTT        )

On this 15<sup>th</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn (of affirmed), did say that he is Managing Principal and sole owner of Fifth Avenue Block LLC, an Illinois limited liability company and that said instrument was signed on behalf of said company. Rodney A. Blackwell acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.

Jennifer Kakert  
NOTARY PUBLIC



IN WITNESS WHEREOF, the **CITY OF MOLINE**, Buyer, has caused this Agreement for Sale of Real Estate to be duly executed in its name and on behalf by Scott Raes, its Mayor, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF MOLINE (Buyer)

\_\_\_\_\_  
Scott Raes, Mayor

Attest:

\_\_\_\_\_  
Tracy A. Koranda, City Clerk

STATE OF ILLINOIS                    )  
                                                  )     SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA**, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

\_\_\_\_\_  
NOTARY PUBLIC

Approved as to Form:

\_\_\_\_\_  
Maureen E. Riggs, City Attorney

## **EXHIBIT "C"**

### **PROJECT SCHEDULE**

Estimated Schedule:

Structural repairs, demolition and environmental remediation. 11/16 – 8/17

Tenant relocation. 11/16 – 8/17

Plan submission. 6/17 – 8/17

Building Conversion. 9/17 – 7/18

Open. 7/18 – 8/18

Note: Anticipated dates could vary 2-3 months depending on environmental remediation and tenant relocation timing/delays.

## **EXHIBIT “D”**

### **ELIGIBLE REDEVELOPMENT COSTS**

**Costs as Permitted Pursuant to Section 5/11-74.4-3 (q) and any other applicable sections of the Act:**

- Acquisition and other Property Assembly Costs
- Rehabilitation, Reconstruction, Repair and Remodeling costs
- Development Services Design and Engineering Services
- Legal/Appraisal
- Surveys and Environmental Reports Related to Property Assembly
- And any other items permitted by the Act

## EXHIBIT "E"

### ILLUSTRATED EXAMPLE OF ESTIMATED COMBINED REBATE WORKSHEET

#### 5TH AVENUE BUILDING/SEARS ROEBUCK BUILDING REDEVELOPMENT ESTIMATED INCREMENT WORKSHEET

5th Avenue Building	06-4376	Current Market Value	\$ 1,413,922.00	FAV	\$ 473,260.00
Sears Roebuck Building	06-4377		\$ 172,804.00		\$ 84,258.00
					\$ 557,518.00
Total Project Cost			\$ 18,000,000.00		
Current FAV			\$ 557,528.00		
Value at Completion			\$ 10,800,000.00 (60% of project cost)		
New EAV			\$ 3,600,000.00		

#### Estimated Incentives Available

\$ 30,000.00	Facade Grants	\$15,000 each Building - estimate (to be adjusted to actual)
\$ 70,000.00	Parking Deck Improvements	- estimate (to be adjusted to actual)
\$ 350,000.00	Enterprise Zone	Sales Tax Exemption & Building Permit Fee Waiver (agreed upon amount by Parties)
\$ 6,222,362.87	TIF Property Tax Rebate	
\$ 1,745,755.95	Hotel/Motel Tax Rebate	
\$ 584,639.23	Sales Tax Rebate	
\$ 9,507,758.05		

ID #	Address	Total Fair Market Value (FMV)	EAV (2015)	"Base" EAV (2016)	New EAV	*Project Increment	2015 Tax Rate 9.0085	Development Increment
	1620 & 1630 5th Ave	\$ 10,800,000.00	\$ 557,528.00	\$ 557,518.00	\$ 3,600,000.00	\$ 3,042,472.00	9.9383	\$ 303,208.51
		\$ 10,800,000.00	\$ 557,528.00	\$ 557,518.00	\$ 3,600,000.00	\$ 3,042,472.00		\$ 303,208.51

REBATE ESTIMATE SCHEDULE														
No. of Years	Assessment Year	Payable Year	Net Property Tax Increment*	Property Tax Rebate	Developer % PT Rebate	Hotel/Motel Tax Increment	QCCVB 17.857%	50% Hotel/Motel Rebate	Sales Tax Increment	20% Sales Tax Rebate	Combined Rebate Total	Cumulative Rebate	Net Present Value of Rebates @ 6%	Cumulative NPV of Rebates @ 6%
1	2018	2019	\$141,004.25	\$127,443.83	90%	\$109,300.00	\$17,374.70	\$85,924.05	\$283,000.00	\$5,850.00	\$716,256.48	\$216,256.48	204,015.54	204,015.54
2	2019	2020	\$288,672.63	\$259,985.41	90%	\$235,550.00	\$42,012.16	\$96,743.92	\$315,000.00	\$6,315.00	\$359,879.33	\$575,155.80	330,281.32	524,306.86
3	2020	2021	\$294,050.13	\$265,105.72	90%	\$215,430.00	\$49,749.64	\$106,175.48	\$330,000.00	\$6,630.00	\$371,560.30	\$948,896.10	312,808.81	817,115.67
4	2021	2022	\$300,543.13	\$270,493.83	90%	\$207,480.00	\$47,249.82	\$109,625.19	\$345,000.00	\$6,915.00	\$381,794.01	\$1,331,450.11	303,977.04	1,141,092.71
5	2022	2023	\$306,514.00	\$275,989.80	90%	\$202,100.00	\$50,374.60	\$115,962.90	\$360,000.00	\$7,200.00	\$395,361.90	\$1,727,812.01	295,416.96	1,436,509.67
6	2023	2024	\$311,685.07	\$281,475.57	90%	\$205,750.00	\$51,591.09	\$118,983.56	\$375,000.00	\$7,500.00	\$403,688.52	\$2,131,501.93	284,578.44	1,721,088.12
7	2024	2025	\$318,918.78	\$287,044.85	90%	\$205,750.00	\$52,812.08	\$121,468.96	\$375,000.00	\$7,500.00	\$412,231.86	\$2,543,735.79	274,175.01	1,995,263.53
8	2025	2026	\$325,317.55	\$292,261.80	90%	\$204,750.00	\$54,063.47	\$124,443.97	\$380,000.00	\$7,600.00	\$420,949.76	\$2,964,715.56	264,109.09	2,259,372.62
9	2026	2027	\$331,821.90	\$298,141.51	90%	\$209,750.00	\$55,113.66	\$127,218.97	\$390,000.00	\$7,800.00	\$429,760.46	\$3,394,476.04	254,374.57	2,513,747.19
10	2027	2028	\$338,460.48	\$304,314.34	90%	\$216,750.00	\$56,562.65	\$130,091.98	\$397,000.00	\$7,940.00	\$438,676.32	\$3,833,152.36	244,955.48	2,758,702.67
11	2028	2029	\$344,844.98	\$310,569.49	90%	\$223,880.00	\$57,693.29	\$133,038.68	\$404,000.00	\$8,080.00	\$447,560.10	\$4,271,760.10	235,107.40	2,993,810.07
12	2029	2030	\$349,263.43	\$316,717.09	90%	\$229,540.00	\$58,647.15	\$135,945.77	\$413,000.00	\$8,260.00	\$456,727.30	\$4,718,487.40	225,744.18	3,219,554.25
13	2030	2031	\$349,716.07	\$317,444.46	90%	\$235,132.52	\$60,074.69	\$138,895.76	\$421,000.00	\$8,420.00	\$465,114.72	\$5,163,602.12	215,844.15	3,435,398.40
14	2031	2032	\$352,201.23	\$318,307.91	90%	\$241,860.42	\$61,234.59	\$141,817.92	\$429,000.00	\$8,580.00	\$473,697.92	\$5,615,299.04	205,488.43	3,640,886.83
15	2032	2033	\$355,735.26	\$319,172.74	90%	\$249,717.82	\$62,449.68	\$144,844.77	\$438,000.00	\$8,760.00	\$482,404.77	\$6,072,703.81	195,351.07	3,836,237.90
16	2033	2034	\$359,387.51	\$320,041.13	90%	\$257,711.95	\$63,696.05	\$147,962.85	\$447,000.00	\$8,940.00	\$491,222.85	\$6,531,486.66	184,919.95	4,021,157.85
17	2034	2035	\$362,871.34	\$320,915.81	90%	\$265,846.21	\$64,977.02	\$149,110.10	\$456,000.00	\$9,120.00	\$499,950.18	\$6,991,436.84	174,472.74	4,195,630.59
18	2035	2036	\$366,304.09	\$321,805.30	90%	\$274,111.13	\$66,271.48	\$150,270.84	\$465,000.00	\$9,300.00	\$508,971.01	\$7,451,407.85	164,000.13	4,359,630.72
19	2036	2037	\$370,169.13	\$322,707.27	90%	\$278,145.58	\$67,596.88	\$151,447.35	\$474,000.00	\$9,480.00	\$518,197.39	\$7,911,205.24	153,505.58	4,513,136.30
20	2037	2038	\$373,870.82	\$323,621.74	90%	\$285,116.50	\$68,946.82	\$152,632.84	\$483,000.00	\$9,660.00	\$527,592.84	\$8,371,798.08	142,976.26	4,655,112.56
21	2038	2039	\$377,609.53	\$324,548.58	90%	\$292,116.50	\$70,348.82	\$153,844.82	\$492,000.00	\$9,840.00	\$537,044.82	\$8,833,842.90	132,400.14	4,787,512.70
<b>Total</b>			\$6,913,514.29	\$6,222,262.87		\$6,685,307.23	\$1,193,795.11	\$2,745,755.96	\$8,463,923.00	\$84,639.23	\$9,052,558.05			

\* Year 1 assumes Property 50% assessed at 1/1/18. 2% Annual Increment Growth for Years 2-10, 1% for Years 11-21.

Note: If \$30,000 Façade Grants received & \$70,000 Parking Deck Improvements performed & Enterprise Zone (STE) maintained, remaining Incentives from Rebates = \$4,150,000. Based on estimates, such will be achieved between Years #16-17.

## EXHIBIT "F"

### LETTER OF UNDERSTANDING HOTEL INCENTIVES



Lewis J. Steinbrecher  
City Administrator

619 16<sup>th</sup> Street  
Moline, Illinois 61265

Phone: 309.524.2004  
Email:  
[lsteinbrecher@moline.il.us](mailto:lsteinbrecher@moline.il.us)

August 29, 2016

Mike Amin  
Moline Promenade Investors, LLC  
1415 River Drive  
Moline, IL 61265

Dear Mike:

Pursuant to the meeting which took place on Monday, August 8, 2016, the City wishes to confirm the description of the proposed hotel to be located within the Fifth Avenue and Sears Roebuck Buildings located at 1620 and 1630 Fifth Avenue, Moline. Based on the meeting and the below description, it is the City's understanding that you acknowledge and approve the ability of the City to enter into a performance based development with the HOA LLC immediately. Further all parties acknowledge that the Hotel will not open until 12 months after the Element Hotel, or May 31, 2018, whichever occurs first.

#### *FIFTH AVENUE BUILDING HOTEL DESCRIPTION*

**CATEGORY:** A full service hotel

**BRAND:** The hotel will seek branding as a Marriott or Hyatt brand pending acceptance. No brand has been formally approved. The hotel may be operated under an independent boutique brand, The Hotel Renovo, a brand owned and operated by Heart of America Group.

**ROOM COUNT:** Approximately 107 +/-

**PROJECTED ADR:** \$155 - \$165

**OPENING:** May 31, 2018 or 12 months after the opening of the Westin Element Hotel, whichever is sooner.

**RESTAURANT:** The LaFlama restaurant space will be reprogrammed into a full service food and beverage operation that will open to the public during normal operating hours.

**AMENITIES:** Heart of America Group will explore how to incorporate the Barnett/Sears Building into the hotel design for use as meeting/conference space and health facilities. This 14,000 square foot building is owned by Heart of America Group. This adjacent building may also include other uses.

**SERVICE LEVEL:** Heart of America Group will use good faith efforts to obtain 4 star status. The hotel will offer room service, dry cleaning and similar services. The hotel will coordinate with neighboring businesses to provide barber and salon, floral and other personal services.

The City and HOA LLC will keep you informed as to the status of any agreements as well as provide you with the details of the project as they become available. In addition, should the project follow the PMT/DBMT process, the Amin Group will be included in the Core DBMT Team.

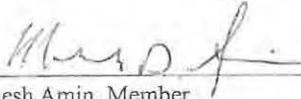
Sincerely,



Lew Steinbrecher  
City Administrator  
City of Moline

---

Please acknowledge by signature below that the items listed in the letter are accurate and that you consent to the City executing a performance based development agreement with HIOA LLC, and that such agreement will not be considered to be a breach of the agreement between the City of Moline and Moline Promenade Investors LLC.



Mahesh Amin, Member  
Moline Promenade Investors, LLC

**EXHIBIT "G"**  
**SCHEMATICS**

To be completed when plans are finalized. Proposed exterior schematic below.



Council Bill/Special Ordinance No. 4054-2016

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute a Performance Based Development Agreement between the City of Moline and Moline 501, L.L.C. and Moline Chase, L.L.C. for the “Chase Bank Building” project and to execute any necessary agreements referenced therein, and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement.

WHEREAS, Moline 501, L.L.C. and Moline Chase, L.L.C. (“Developer”) seeks to enter into a Performance Based Development Agreement with the City to facilitate redevelopment of the property consisting of the following property: (08)5719, 501 15<sup>th</sup> Street, known as the Chase Bank Building Project (“Project”); and

WHEREAS, the Project will consist of Developer completing a Historic Rehabilitation of 501 15th Street into 31 market rate apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces; and

WHEREAS, the City wishes to support the redevelopment within the Project through the granting of certain lawful incentives to Developer, including but not limited to those available through Tax Increment Financing (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the “Act” or the “TIF Act”); and

WHEREAS, the City believes that the Redevelopment Project to be located on the Property and the fulfillment generally of the terms of this Development Agreement are in the vital and best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute a Development Agreement between the City of Moline and Moline 501, L.L.C. and Moline Chase, L.L.C. for the Chase Bank Building project and to execute any necessary agreements referenced therein, and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement; provided, however, that said Agreement is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

## **DEVELOPMENT AGREEMENT**

Between the

**CITY OF MOLINE**

and

**MOLINE 501, L.L.C. AND MOLINE CHASE, L.L.C.**

**“CHASE BANK BUILDING”**

THIS INDENTURE ("Agreement") made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Moline, an Illinois Municipal Corporation (“City”), and Moline 501, L.L.C., an Iowa limited liability company and Moline Chase, L.L.C., an Illinois Limited Liability Company, as tenants in common, duly registered to do business in the State of Illinois. (“Developer”).

WITNESSETH:

WHEREAS, the City wishes to engage in certain lawful activities authorized by applicable law to assist private persons and entities in carrying out certain redevelopment activities which are identified in the Project Plan for the City’s Tax Incremental Financing District (TIF) enacted pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the “Act”); and

WHEREAS, the City wishes to enter into this Performance-Based Development Agreement with the Developer in order to facilitate redevelopment of the Property (as defined below) located at 501 15th Street and

WHEREAS, the Redevelopment Project shall consist of the following elements:

- i. Completion of a Historic Rehabilitation of 501 15th Street into 31 market rate apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces.
- ii. The entire property, including the attached annex, is comprised of approximately 48,000 sq. ft.; roughly 31,500 sq. ft. of renovations are planned as part of the primary apartment conversion. Additional improvements will be necessary to facilitate the location of a tenant in the 17,883 sq. ft. annex.

The foregoing elements of the Chase Bank Building Project shall hereinafter be collectively referred to as the "Redevelopment Project" unless individually identified; and

WHEREAS, the Redevelopment Project is to take place upon that certain real property described above as parcel number 08-5719, which is more particularly described in Exhibit A, "Legal Description," attached hereto and incorporated herein by this reference thereto; and

WHEREAS, the City has made a commitment to identify and conserve those properties which serve as a visible reminder to the City's architectural and social history, thereby contributing to the cultural and economic vitality and livability of the City through the implementation of sound urban planning and design principles; and

WHEREAS, it is necessary for the successful completion of the Project that the City enter into this Performance-Based Development Agreement with Developer to provide for the redevelopment of the Property, thereby implementing the TIF Plan; and

WHEREAS, but for certain incentives to be provided by the City in accordance with the Act and pursuant to the home rule powers of the City, which the City is willing to provide under the terms and conditions contained herein, the Parties acknowledge and agree that but for the incentives, to be provided by the City as set forth herein, Developer cannot successfully and economically develop the Property substantially in conformance with the Redevelopment Project. The City has determined that it is desirable and in the City's best interests to assist Developer in the manner set forth herein and as this Performance-Based Development Agreement may be supplemented and amended from time to time; and

WHEREAS, the City wishes to assist private developers in carrying out projects that expand housing opportunities and create commercial enterprises in the City; and

WHEREAS, the City believes that the Redevelopment Project to be located on the Property and the fulfillment generally of the terms of this Agreement are in the vital and best interests of the City and its residents, and are in accord with its duty, authority, and the public purposes and conditions arising under the Act and all applicable state and local laws and requirements.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby stipulate, covenant, contract and agree as follows, to-wit:

**I. CITY'S AGREEMENT TO PROVIDE ASSISTANCE.**

The following sets forth the intentions, undertakings and contractual obligations and responsibilities of the City under this Agreement in accordance with the

Development Timetable contained in Exhibit B, attached hereto and incorporated by reference herein:

- A. Maximum TIF Payment. The City's total payment paid from the net incremental real estate tax generated by the Redevelopment Project under this Section I shall not extend beyond December 31, 2039, which is the expiration of the property tax TIF district.

The estimated total project cost for the Redevelopment Project is Eight Million Three Hundred Thirty Three Thousand Three Hundred Thirty Four Dollars and 00/100 (\$8,333,334.00). Fifteen percent (15%) of the estimated total project cost equals One Million Two Hundred Fifty Thousand and 00/100 Dollars (\$1,250,000.00). In no event shall the maximum total assistance ever exceed One Million Two Hundred Fifty Thousand Dollars and 00/100 distributed from the property tax rebate. In the event that the total project cost is less than the amount shown above, then fifteen percent (15%) of the reduced project cost will be the maximum amount paid to the Developer through the term of this Agreement. If, for example, the total project costs are twenty percent (20%) less than the amount shown above, then the total City rebate distributed from the property tax rebate will be reduced by twenty percent (20%).

- B. Property Tax Rebate. The City shall pay through its TIF Fund to Developer ninety percent (90%) of the net incremental annual real estate taxes once collected by the City. The net incremental annual real estate taxes paid to the City shall be reimbursed to the Developer only to pay for eligible redevelopment expenses allowed under the Act (65 ILCS 5/11-74.4-3) as illustrated in Exhibit C, "TIF Eligible Expenses," attached hereto and incorporated herein by this reference, subject to the maximum identified in I.A. above.

The base year for computation purposes of the net incremental annual real estate taxes is agreed to be 2016, and the base Equalized Assessed Valuation (EAV) for the base year 2016 for parcel 08-5719 is Three Hundred Seventy Three Thousand Twelve Dollars (\$373,012.00). The property tax rebate period will start with assessment year 2017 and payment year 2018. The payment shall be from the incremental property tax generated solely by the Property, and paid to the City's TIF Account; the City shall remit to the Developer within thirty-days (30) after receipt of total annual payment into said City's TIF Account from Rock Island County. Ninety percent (90%) of the Incremental Real Estate Taxes generated will be paid to the Developer for the particular year in question as set forth above until the maximum rebate has been paid.

Developer agrees to pay property taxes for the Property when due and payable and understands and agrees that failure to pay property taxes for the Property in a timely manner will render the City's rebate obligation null and void. Developer further agrees that the total rebate paid is limited to the increment generated by the project and paid to the City's TIF Account and may not be the amount identified in Section I.A. above. An illustrative example of the payments called for under this paragraph is shown in Exhibit D attached hereto and by this reference made a part hereof. The parties agree that the figures shown in Exhibit D are for illustrative purposes, and the actual payments to be made in any given year may be less than the amount shown or may be \$0 depending upon the actual experience.

- C. Maximum Amount of Property Tax Rebate. Pursuant to 65 ILCS 5/11-74.4-3(q), the maximum amount of rebate shall not exceed the sum of all reasonable or necessary eligible expenses (see Exhibit C) incurred or incidental to the Redevelopment Plan and Redevelopment Project.
- D. Final Payment. Upon final payment of the amount specified in paragraph I.A., above, or upon making the final payment as specified in I.B. above, the City's obligations under this Agreement shall be fully paid and satisfied regardless of the total amount of payments actually received by the Developer.
- E. Interest. There shall be no interest charged to the City or due to the Developer pursuant to this Agreement at any time, and no interest shall ever be paid to the Developer from the City pursuant to this Agreement, irrespective of whether or not the City is delinquent or otherwise tardy in making payments required hereunder.
- F. Enterprise Zone Benefits. The City shall take no action to eliminate the Enterprise Zone while still authorized by statute for the benefit and duration of the Redevelopment Project by which means materials can be purchased for the construction of the Redevelopment Project without the imposition of sales tax and other economic benefits may be obtained under the Enterprise Zone guidelines as are available under the law. The City will cooperate and assist the Developer in its application for all Enterprise Zone benefits, if any, but the City does not warrant or assure or guarantee that any such benefits will be available to the Developer.
- G. Grants and Loan Applications. The City agrees to use its best efforts to support the Developer in applying to state and federal grant or loan programs that will enhance the Redevelopment Project.

- H. TIF Amendments. The parties expressly understand and agree that all payments provided for in the paragraphs set forth above shall be at all times subject to the requirements and restrictions of the Act.

**II. DEVELOPER AGREEMENT TO DEVELOP PROPERTY.**

- A. Upon the execution of this Agreement, the Developer shall complete the Redevelopment Project substantially in accordance with the plans and specifications for the Redevelopment Project, which plans and specifications must be approved by the City prior to commencement of the Redevelopment Project (such approval may not unreasonably be withheld), as may be normal, customary or required in order to proceed with the Redevelopment Project, in accordance with all applicable rules, codes, regulations, ordinances and laws.
- B. Developer agrees to complete the following project elements in accordance with the Development Timetable attached hereto and incorporated herein by reference as Exhibit B:
- i. Completion of a Historic Rehabilitation of 501 15th Street into 31 Market Rate Apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces.
  - ii. The entire property, including the attached Annex, is comprised of approximately 48,000 sq. ft.; roughly 31,500 sq. ft. of renovations are planned as part of the primary apartment conversion. Additional improvements will be necessary to facilitate the location of a tenant in the 18,000 sq. ft. Annex.
- C. Code Compliance. To the best of the Developer's knowledge, the Redevelopment Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinances. Further, Developer warrants that the City Code Compliance Manager or Building Official and City Fire Department shall have approved all building plans submitted and agrees to follow all recommendations and requirements of the City Code and the City Code Compliance Manager or Building Official and Fire Chief.
- D. Assessed Valuation. Developer agrees not to appeal the annual assessed valuation of the Property as determined by the Moline Township Assessor until the expiration of this TIF district, provided that any such assessment is consistent with that of comparable properties

within the Quad Cities or by an independent appraisal mutually agreed to by the City and Developer.

### **III. CONDITIONS PRECEDENT TO CITY'S INCENTIVE PAYMENTS HEREUNDER.**

A. The Parties agree that the performance of their respective obligations set forth herein are specifically contingent upon the satisfaction and performance of the Developer having obtained debt and equity financing, or commitments for the same, in such amounts and having such financial terms as are reasonable and related to a fair market financing subject to the exercise of the Developer's discretion within sixty (60) days of the execution of this Agreement.

B. Prior to the disbursement of any TIF rebate payments, Developer shall provide documentation of the actual project cost incurred, which have been independently verified by a third party mutually agreed to by City and Developer, at Developer's expense. Failure to provide an independently verified accounting of project costs for purposes of calculating the TIF rebate payments pursuant to paragraphs I. A and I. B, preceding, shall constitute a breach of this Performance-Based Development Agreement and relieve the City of its obligation to make payments hereunder.

### **IV. WARRANTIES OF THE CITY.**

The City represents and warrants to the Developer that it is empowered and authorized to execute and deliver this Agreement and to lend and deliver the assistance described herein upon proof of eligible "redevelopment project costs" pursuant to Section 5/11-74.4-3(q) of the Act, and to execute and deliver all other agreements and documents, if any, required hereunder to be executed and delivered by the City. This Agreement has been, and each such document at the time it is executed and delivered will be, duly executed and delivered on behalf of the City pursuant to its legal power and authority to do so. When executed and delivered to the Developer, all such agreements shall constitute a legal, valid, and binding obligation of the City, enforceable in accordance with the terms of all such agreements.

### **V. WARRANTIES OF THE DEVELOPER.**

A. The Developer represents and warrants to the City that the Developer are an Illinois Limited Liability Company and an Iowa Limited Liability Company, as tenants in common duly organized and existing under the laws of the State of Illinois and Iowa, respectively, and duly authorized to do business in the State of Illinois and that all proceedings of the Developer necessary to authorize the negotiation and execution of this Agreement and the consummation of the transaction contemplated by this Agreement have been taken in accordance with applicable law.

B. The Developer represents and warrants to the City that this Agreement has been duly authorized, executed, and delivered by the Developer, and will be enforceable against the Developer by its terms, except to the extent that such

enforceability shall be limited by bankruptcy, or solvency, or similar laws of general application affecting the enforcement of creditor rights, and by equitable principles.

C. The Developer represents and warrants to the City that the execution and delivery of this Agreement, and the consummation of the transactions contemplated in this Agreement will not violate any provision of its operating agreement or any other contract, agreement, court order or decree to which the Developer may be a party or to which the Developer may be subject, or any applicable federal or state law or municipal ordinance.

## **VI. DEVELOPER'S INDEMNIFICATION.**

The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman, from any default or breach of the terms of this Agreement by the Developer, or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer or Developer's contractor). The Developer shall, at the Developer's sole cost and expense, appear, defend and pay all charges, attorneys' fees, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at the Developer's sole cost and expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to this Project. Payment of Prevailing Wage and compliance with the Prevailing Wage Act, if required, is the sole responsibility of Developer, and/or its contractors and subcontractors. Developer agrees to indemnify and hold harmless the City and the agents, officers and employees thereof against all losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise from any claims pertaining to the Illinois Prevailing Wage Act.

## **VII. ENTIRE AGREEMENT.**

This document and exhibits hereto contain the entire agreement between the Developer and the City as to this Agreement and its burdens and benefits shall inure to the benefit of, and shall be binding upon the parties hereto or a memorandum thereof

and their respective heirs, executors, successors, and assigns. This Agreement or a memorandum thereof shall be recorded as set forth below, and may be modified only by written amendment signed by the Developer and the City, which amendment shall become effective upon recording by either party in the Recorder's Office in Rock Island County, Illinois.

#### **VIII. ASSIGNMENT.**

The Developer hereunder may assign the rights, duties, and obligations of the Developer only with the prior written consent of the City (which consent may not unreasonably be withheld).

Notwithstanding the foregoing, the Developer may without City's consent, assign this Agreement to any Related Entity or Successor (as such terms are defined below).

"Related Entity" means any corporation or other business entity which controls, is controlled by or is under common control with the Developer. For purposes of the preceding sentence, "control" means either (i) ownership or voting control, directly or indirectly, of 50% or more of the voting stock, partnership interests or other beneficial ownership interests of the entity in question or (ii) the power to direct the management and policies of such entity.

"Successor" means an entity resulting from a merger, consolidation, reorganization or recapitalization of or with the Developer.

For the purposes of this paragraph, consent shall be deemed given by the City upon execution of this Agreement for any assignment to any person or entity having a verified net worth of not less than Five Million and No/100 Dollars (\$5,000,000.00). If a request for consent is not denied in writing on or before thirty (30) days after written request, such consent shall be deemed given.

#### **IX. SURVIVAL OF WARRANTIES AND REPRESENTATIONS.**

Any warranty, representation, or agreement herein contained shall survive the execution of the Agreement.

#### **X. NOTICE OF DEFAULT.**

In the event either party is in default hereunder (the "Defaulting Party"), the other party (the "Non-Defaulting Party") shall be entitled to take any action allowed by applicable law by virtue of said default provided that the Non-Defaulting Party first gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than thirty (30) days in which the default may be cured by the Defaulting Party.

## **XI. REMEDIES UPON DEFAULT.**

A. If, in the City's judgment, the Developer is in default of this Agreement, the City shall provide the Developer with a written statement indicating in adequate detail any failure on the Developer's part to fulfill its obligations under this Agreement. Except as required to protect against further damages, the City may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the Developer diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the City in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

B. If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the City and any cure periods described in Paragraph A above have expired or if all or a portion of any such agreement is terminated, the City may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including without limitation the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the City may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by the City, to forthwith terminate this Agreement. To effect the City's termination of this Agreement under this Section XI.B., the City's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default executed by the Mayor of the City or such other person as shall be designated by the City, stating that this Agreement is terminated pursuant to the provisions of this Section XI.B., in which event this Agreement by virtue of the recording of such certificate, shall *ipso facto* automatically become null and void and of no further force and effect.

C. If, in the Developer's judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice. If such default

cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the City diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any right or remedy as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

D. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance. Notwithstanding the foregoing, in the event either party shall institute and complete legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the substantially prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

E. The rights and remedies of the parties are cumulative and the exercise by a party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or for any other default by the other party.

## **XII. NON-DISCRIMINATION.**

The Developer agrees that neither the Property nor any portion thereof, shall be sold to, leased, or used by the Developer in a manner to permit discrimination or restriction on the basis of race, creed, ethnic origin or identity, color, gender, sexual orientation, religion, marital status, age, handicap, or national origin, and that the development of and construction and operations on the Property shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

## **XIII. NOTICES.**

Any notice required or permitted hereunder shall be in writing, signed by the party giving the notice, and shall be deemed given when (a) hand delivered to the party to whom the notice is addressed; (b) mailed by certified mail, return receipt requested, United States mail, postage prepaid; or (c) delivered by overnight courier delivery service (i.e. Federal Express, UPS, etc.) and addressed to the party at the address shown as follows:

TO CITY: City Administrator and City Clerk  
619 16<sup>th</sup> Street  
Moline, IL 61265

WITH A COPY TO: City Attorney  
619 16<sup>th</sup> Street  
Moline, IL 61265

TO DEVELOPER: Moline 501, L.L.C.  
4600 E. 53<sup>rd</sup> Street  
Davenport, IA 52807

Moline Chase, L.L.C.  
4600 E. 53<sup>rd</sup> Street  
Davenport, IA 52807

Any party may change the address to which notices shall be sent by notice given in accordance with the terms of this paragraph.

**XIV. COUNTERPARTS.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

**XV. HEADINGS.**

Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

**XVI. APPLICABLE LAW.**

This Agreement and each of its subparts and incorporated items thereto shall be interpreted under the laws of the State of Illinois and any action brought to enforce or interpret any of its provisions or otherwise involving this Agreement must be filed in a Rock Island County, Illinois, court of competent jurisdiction.

**XVII. SEVERABILITY.**

Should any part of this Agreement be determined to be illegal, invalid, or otherwise unenforceable, then all such remaining parts not so affected by such illegality, invalidity, or unenforceability shall continue in full force and effect, fully binding both parties, their respective heirs and assigns, as to such remaining terms.

**XVIII. NO JOINT VENTURE, AGENCY OR PARTNERSHIP CREATED.**

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

From time to time hereafter and without further consideration, each of the parties to this Agreement shall execute and deliver, or cause to be executed and delivered, such recordable memoranda, further instruments, and agreements, and shall take such other actions, as any other party may reasonably request, in order to more effectively memorialize, confirm, and effectuate the intentions, undertakings, and obligations contemplated by this Agreement.

**XX. DELAYED EXECUTION.**

After this Agreement is approved by the Moline City Council and duly signed by the Mayor and attested by the City Clerk, the Developer shall have up to ten days (10) from that date to execute this Agreement, and this Agreement shall not be binding on the parties until duly executed by both parties.

**XXI. DISCLAIMER OF THIRD PARTY BENEFITS.**

The intentions, affirmations, authorizations and agreements between the parties hereto as expressed herein are approved solely by and between the parties hereto and no other; and provided further, however, that neither and none of such intentions, affirmations, authorizations or agreements may be relied upon by any person or entity, to such entity or person(s) detriment, or for any reason whatsoever, whether third person or otherwise. Any such reliance or purported reliance as a third party beneficiary to this Agreement or predicated upon any other relationship to any of the parties hereto and each of them, whether real or alleged, is specifically disclaimed by the parties herein.

**XXII. TERM.**

This Agreement shall be in full force and effect from and after execution hereof by the last party to execute same and shall remain in full force and effect to and until the earlier of (i) December 31, 2039 and (ii) the final net incremental annual real estate property tax payment generated under the TIF Ordinances for TIF eligible Project costs have been received by Developer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth above their respective signatures.

**THE CITY OF MOLINE, ILLINOIS**

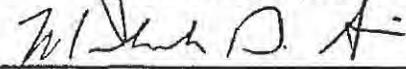
**Moline 501, L.L.C. and  
Moline Chase, L.L.C.**

DATED: \_\_\_\_\_

DATED: 9/6/16

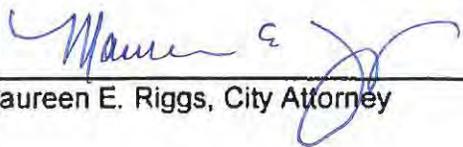
By: \_\_\_\_\_  
Scott Raes, Mayor

By:  \_\_\_\_\_  
MOLINE 501, LLC

By:  \_\_\_\_\_  
MOLINE CHASE, LLC

Attest: \_\_\_\_\_  
Tracy Koranda, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Maureen E. Riggs, City Attorney

STATE OF ILLINOIS )  
 )  
COUNTY OF ROCK ISLAND ) SS:

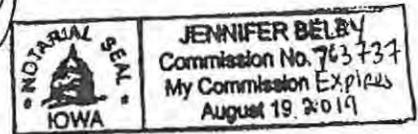
On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared Scott Raes and Tracy Koranda to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the CITY OF MOLINE, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF IOWA )  
 )  
COUNTY OF SCOTT ) SS:

On this 6<sup>th</sup> day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared James V. Russell to me personally known, who being by me duly sworn (or affirmed) did say that they are the Managers of Moline 501, L.L.C., and that said instrument was signed on behalf of the Corporation; James V. Russell acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by him voluntarily executed.

Jennifer Belby  
\_\_\_\_\_  
NOTARY PUBLIC



STATE OF California )  
 )  
COUNTY OF San Mateo ) SS:

On this 6<sup>th</sup> day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared Mahesh D. Amin to me personally known, who being by me duly sworn (or affirmed) did say that they are the Managers of Moline Chase, L.L.C., and that said instrument was signed on behalf of the Corporation; Mahesh D. Amin acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by him voluntarily executed.

\_\_\_\_\_  
NOTARY PUBLIC

see attached

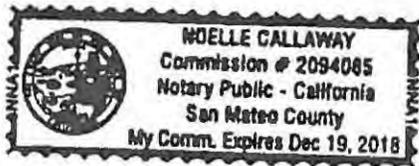
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California ) ss  
County of San Mateo )

On the 6<sup>th</sup> day of September, 2016 before me, Noelle Callaway, Notary Public, personally appeared Maresh D. Amin as a manager of Moline Chase who proved to me on satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/hers/their signatures(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the law of the State of California the forgoing paragraph is true and correct.

WITNESS my hand and seal.



Noelle Callaway  
Noelle Callaway  
Notary Public, San Mateo County  
Commission #2094085  
Expires December 19, 2018

If marked, then attached pages will bear embossment of above notary.

**EXHIBIT A**  
**LEGAL DESCRIPTIONS**

**Tract I**

Lot 1 and the East 21 feet of Lot 2, all in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, County of Rock Island, Illinois; and that part of Fifth Avenue vacated by ordinance dated April 3, 1876, lying adjacent to the North side of said Tract 1; and that part of 15<sup>th</sup> Street and the public alley vacated by ordinance dated January 26, 1982 and recorded as Document Number 901795, lying adjacent to the South and East side of said Tract 1;

**Tract II**

Lots 3, 4, 5 and the West 21 feet of Lot 2, all in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, County of Rock Island, Illinois; and that part of Fifth Avenue vacated by Ordinance dated April 3, 1876, lying adjacent to the North side of Tract 2;

**Tract III**

The North Forty-one (41) feet 3 inches of Lot Number Ten (10) in Block Number One (1) in that part of the City of Moline known as and called Pitts, Gilbert and Pitts' First Addition, Also, the North 26 feet of the South 108.95 feet of Lot Number Ten (10) in Block Number One (1) in that part of the City of Moline known as and called Pitts, Gilbert and Pitts' First Addition;

Also, that part of Lot Number Nine (9) in Block Number One (1) of said Pitts, Gilbert and Pitts' First Addition to the Town, now City of Moline described as follows, to wit:

Commencing 40 feet South on the Northeast Corner of said Lot Number Nine (9), thence running South 27 feet, thence West 1½ feet, thence North 27 feet, thence East 1½ feet to the place of beginning; all situated in the County of Rock Island and State of Illinois.

**Tract IV**

Lot Number Nine (9) in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, together with so much of Ann Street as has heretofore been vacated, excepting therefrom the following described property, to wit:

That part of Lot Number Nine (9) in Block Number One (1) of said Pitts, Gilbert and Pitts' First Addition to the Town, now City of Moline described as follows, to wit:

Commencing 40 feet South on the Northeast corner of said Lot Number Nine (9), thence running South, 27 feet, thence West 1½ feet to the place of beginning; all situated in the County of Rock Island and State of Illinois.

**EXHIBIT B**

**DEVELOPMENT TIMETABLE**

Begin Construction on 501 15th Street

Upon approval of  
Performance-Based  
Development  
Agreement by City  
Council

**EXHIBIT C**  
**TIF ELIGIBLE EXPENSES**

**Expenses as Permitted Pursuant to Section 5/11-74.4-3(q) of the Act:**

- Acquisition and other Property Assembly Costs
  
- Development Services Design and Engineering Services
  
- Legal/Appraisal
  
- Surveys and Environmental Reports Related to Property Assembly or Reconstruction, Remodeling, Repair, or Rehabilitation
  
- Reconstruction, rehabilitation, repair or remodeling
  
- And other items permitted by the Act

**EXHIBIT D**  
**ILLUSTRATIVE EXAMPLE OF REBATE**

5th Avenue Building  
ESTIMATED INCREMENT WORKSHEET  
6/28/2015

Total Project Cost	\$	8,333,334.00	
Current Market Value	\$	1,119,036.00	
EAV Estimate at Completion	\$	5,833,333.80	Fair Market Value (70% of project cost)
	\$	1,250,000.10	Rebate Amount (15% of Total Project Cost)

ID #	Address	Total Fair Market Value (FMV)	EAV (2016)	"base" EAV (2016)	New EAV	*Project Increment	2015 Tax Rate 9.0085	Development Increment
	5719 501 15th Street	\$ 5,833,333.80	\$ 373,012.00	\$ 373,012.00	\$ 1,944,444.60	\$ 1,571,432.60	9.3085	\$ 146,276.80
		\$ 5,833,333.80	\$ 373,012.00	\$ 373,012.00	\$ 1,944,444.60	\$ 1,571,432.60		\$ 146,276.80

**REBATE ESTIMATE SCHEDULE**

No. Of Yrs.	Assmt Yr**	Payable Yr	Net Prop. Tax Incre.*	Prop. Tax Rebate	% Dev'r. PTX Rebate	Balanc To TIF Redevelopment Fund
1	2017	2018	\$73,138.40	\$65,824.56	90%	\$7,313.84
2	2018	2019	\$149,202.34	\$134,282.11	90%	\$14,920.23
3	2019	2020	\$152,186.39	\$136,967.75	90%	\$15,218.64
4	2020	2021	\$155,230.11	\$139,707.10	90%	\$15,523.01
5	2021	2022	\$158,334.72	\$142,501.24	90%	\$15,833.47
6	2022	2023	\$161,501.41	\$145,351.27	90%	\$16,150.14
7	2023	2024	\$164,731.44	\$148,258.30	90%	\$16,473.14
8	2024	2025	\$168,026.07	\$151,223.46	90%	\$16,802.61
9	2025	2026	\$171,386.59	\$154,247.93	90%	\$17,138.66
10	2027	2027	\$174,814.32	\$32,340.65	19%	\$142,473.67
<b>Total</b>			<b>\$1,528,551.79</b>	<b>\$1,250,704.37</b>		<b>\$277,847.42</b>

2017 is a Partial Year Estimate based on Opening July 31, 2017

Council Bill/Ordinance No. 4055-2016

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and

AUTHORIZING the use of public right-of-way in conjunction with the Mercado on 5<sup>th</sup> for October 7, 14, 21 and 28, 2016.

\_\_\_\_\_

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby authorizes and directs the Mayor, Director of Public Works and Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the following designated roadways to vehicular traffic during the specified times mentioned herein:

October 7, 14, 21 and 28, 2016, from 4:00 p.m. to 10:00 p.m.

All lanes of 5<sup>th</sup> Avenue from the easternmost side of 11<sup>th</sup> Street to the westernmost side of 12<sup>th</sup> Street

It shall be an offense to use said roadways for vehicular purposes during the times herein specified.

**Section 2** – That this Council declares the intent of this ordinance to be a temporary variance from other ordinances that may be in conflict herewith and shall authorize the activities described hereinabove only during such times specified for the street closings and shall not constitute a repeal of other ordinances of the City of Moline which are in conflict herewith.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

September 20, 2016

\_\_\_\_\_  
Date

Passed: September 20, 2016

Approved: September 27, 2016

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# **City of Moline**

August 2016  
Financial Report

CITY OF MOLINE  
SUMMARY OF REVENUE AND EXPENDITURES  
AS OF 08/30/2016

	BUDGET	YTD ACTUAL	VARIANCE
<b>GENERAL FUND</b>			
Revenues	\$43,792,860	\$27,443,175	\$16,349,685
Expenditures	\$43,792,860	\$26,997,411	\$16,795,449
Difference	\$0	\$445,765	
<b>GENERAL TRUST FUND</b>			
Revenues	\$447,000	\$345,069	\$101,931
Expenditures	\$447,000	\$89,609	\$357,391
Difference	\$0	\$255,460	
<b>SFOOR GRANT</b>			
Revenues	\$0	\$591	(\$591)
Expenditures	\$0	\$0	\$0
Difference	\$0	\$591	
<b>TOURISM FUND</b>			
Revenues	\$160,000	\$108,687	\$51,313
Expenditures	\$160,000	\$0	\$160,000
Difference	\$0	\$108,687	
<b>LEAD GRANT</b>			
Revenues	\$843,830	\$477,214	\$366,616
Expenditures	\$843,830	\$402,958	\$440,872
Difference	\$0	\$74,257	
<b>HOMEBUYER TRUST GRANT</b>			
Revenues	\$1,395	\$86,239	(\$84,844)
Expenditures	\$1,395	(\$43)	\$1,438
Difference	\$0	\$86,282	
<b>EMERGENCY REPAIR GRANT</b>			
Revenues	\$30,740	\$21,709	\$9,031
Expenditures	\$30,740	\$0	\$30,740
Difference	\$0	\$21,709	
<b>ABANDONED PROP PROGRAM</b>			
Revenues	\$0	\$12,300	(\$12,300)
Expenditures	\$0	\$9,383	(\$9,383)
Difference	\$0	\$2,917	
<b>NSP2 GRANT</b>			
Revenues	\$77,080	\$99,931	(\$22,851)
Expenditures	\$77,080	\$29,074	\$48,006
Difference	\$0	\$70,857	
<b>AG GRANT</b>			
Revenues	\$150,000	\$269,094	(\$119,094)
Expenditures	\$150,000	\$255,485	(\$105,485)
Difference	\$0	\$13,609	

	BUDGET	YTD ACTUAL	VARIANCE
<b>BLIGHT REDUCTION PROGRAM</b>			
Revenues	\$350,000	\$0	\$350,000
Expenditures	\$350,000	\$74,340	\$275,660
Difference	\$0	(\$74,340)	
<b>LIBRARY FUND</b>			
Revenues	\$3,317,025	\$2,017,762	\$1,299,263
Expenditures	\$3,317,025	\$1,921,219	\$1,395,806
Difference	\$0	\$96,543	
<b>PARK FUND</b>			
Revenues	\$3,753,090	\$2,523,309	\$1,229,781
Expenditures	\$3,753,090	\$2,277,586	\$1,475,504
Difference	\$0	\$245,723	
<b>MOTOR FUEL TAX FUND</b>			
Revenues	\$4,819,440	\$732,136	\$4,087,304
Expenditures	\$4,819,440	\$877,945	\$3,941,495
Difference	\$0	(\$145,810)	
<b>COMMUNITY DEVELOPMENT</b>			
Revenues	\$661,740	\$508,624	\$153,116
Expenditures	\$661,740	\$209,204	\$452,536
Difference	\$0	\$299,420	
<b>REVOLVING LOAN FUND</b>			
Revenues	\$222,375	\$13,376	\$208,999
Expenditures	\$222,375	\$0	\$222,375
Difference	\$0	\$13,376	
<b>TAX INCREMENTAL FINANCING #1</b>			
Revenues	\$3,284,925	\$1,689,106	\$1,595,819
Expenditures	\$3,284,925	\$323,895	\$2,961,030
Difference	\$0	\$1,365,211	
<b>TAX INCREMENTAL FINANCING #2</b>			
Revenues	\$237,950	\$120,078	\$117,872
Expenditures	\$237,950	\$51,703	\$186,248
Difference	\$0	\$68,375	
<b>TAX INCREMENTAL FINANCING #3</b>			
Revenues	\$56,015	\$53,527	\$2,488
Expenditures	\$56,015	\$60,580	(\$4,565)
Difference	\$0	(\$7,053)	
<b>TAX INCREMENTAL FINANCING #4</b>			
Revenues	\$416,620	\$93,710	\$322,910
Expenditures	\$416,620	\$138,229	\$278,391
Difference	\$0	(\$44,519)	
<b>TIF #5 KONE CENTRE</b>			
Revenues	\$495,035	\$111,752	\$383,283
Expenditures	\$495,035	\$0	\$495,035
Difference	\$0	\$111,752	

	BUDGET	YTD ACTUAL	VARIANCE
<b>TIF #6 MOLINE PL PHASE II</b>			
Revenues	\$175,435	\$28,000	\$147,435
Expenditures	\$175,435	\$10,981	\$164,454
Difference	\$0	\$17,019	
<b>TIF #7 BUSINESS PARK</b>			
Revenues	\$5,976,175	\$4,054	\$5,972,121
Expenditures	\$5,976,175	\$1,798,576	\$4,177,599
Difference	\$0	(\$1,794,522)	
<b>TIF #9 Route 150</b>			
Revenues	\$8,055	\$4,970	\$3,085
Expenditures	\$8,055	\$0	\$8,055
Difference	\$0	\$4,970	
<b>TIF #8 MALL AREA</b>			
Revenues	\$35,000	\$1,924	\$33,076
Expenditures	\$35,000	\$0	\$35,000
Difference	\$0	\$1,924	
<b>TIF #10 Health Park</b>			
Revenues	\$141,375	\$106,917	\$34,458
Expenditures	\$141,375	\$0	\$141,375
Difference	\$0	\$106,917	
<b>SPECIAL SERVICE AREA #5</b>			
Revenues	\$177,485	\$71,397	\$106,088
Expenditures	\$177,485	\$68,517	\$108,968
Difference	\$0	\$2,880	
<b>SPECIAL SERVICE AREA #6</b>			
Revenues	\$258,415	\$159,467	\$98,948
Expenditures	\$258,415	\$119,859	\$138,556
Difference	\$0	\$39,608	
<b>TIF #11 MULTI MODAL</b>			
Revenues	\$3,087,525	\$0	\$3,087,525
Expenditures	\$3,087,525	\$151,319	\$2,936,206
Difference	\$0	(\$151,319)	
<b>TIF #12 RIVERBEND COMMONS</b>			
Revenues	\$147,740	\$2,723	\$145,017
Expenditures	\$147,740	\$68,868	\$78,872
Difference	\$0	(\$66,145)	
<b>TIF #13 MOLINE CENTRE</b>			
Revenues	\$0	\$0	\$0
Expenditures	\$0	\$356,796	(\$356,796)
Difference	\$0	(\$356,796)	
<b>WATER FUND</b>			
Revenues	\$9,761,615	\$6,005,955	\$3,755,660
Expenditures	\$9,761,615	\$5,855,627	\$3,905,988
Difference	\$0	\$150,328	

	BUDGET	YTD ACTUAL	VARIANCE
<b>WPC FUND</b>			
Revenues	\$27,022,650	\$14,612,168	\$12,410,482
Expenditures	\$27,022,650	\$10,975,494	\$16,047,156
Difference	\$0	\$3,636,674	
<b>STORMWATER UTILITY</b>			
Revenues	\$1,017,175	\$702,244	\$314,931
Expenditures	\$1,017,175	\$623,320	\$393,855
Difference	\$0	\$78,924	
<b>FIRE PENSION</b>			
Revenues	\$7,631,375	\$3,309,104	\$4,322,271
Expenditures	\$7,631,375	\$3,094,697	\$4,536,678
Difference	\$0	\$214,408	
<b>REHER ART GALLERY</b>			
Revenues	\$50,500	\$1	\$50,499
Expenditures	\$50,500	\$2,640	\$47,860
Difference	\$0	(\$2,639)	
<b>PERPETUAL CARE FUND</b>			
Revenues	\$13,520	\$13,649	(\$129)
Expenditures	\$13,520	\$0	\$13,520
Difference	\$0	\$13,649	
<b>PARK/CEMETERY GIFTS</b>			
Revenues	\$12,000	\$31,726	(\$19,726)
Expenditures	\$12,000	\$28,071	(\$16,071)
Difference	\$0	\$3,655	
<b>FOREIGN FIRE INS TAX</b>			
Revenues	\$48,000	\$0	\$48,000
Expenditures	\$48,000	\$48,945	(\$945)
Difference	\$0	(\$48,945)	
<b>POLICE PENSION</b>			
Revenues	\$7,082,030	\$2,586,601	\$4,495,429
Expenditures	\$7,082,030	\$2,447,788	\$4,634,242
Difference	\$0	\$138,813	
<b>LIBRARY TRUST</b>			
Revenues	\$80,000	\$280,056	(\$200,056)
Expenditures	\$80,000	\$184,689	(\$104,689)
Difference	\$0	\$95,367	
<b>HEALTH BENEFIT FUND</b>			
Revenues	\$7,181,240	\$4,234,376	\$2,946,864
Expenditures	\$7,181,240	\$5,858,656	\$1,322,584
Difference	\$0	(\$1,624,280)	
<b>OPEB RETIREMENT FUND</b>			
Revenues	\$500,000	\$521,456	(\$21,456)
Expenditures	\$500,000	\$0	\$500,000
Difference	\$0	\$521,456	

	BUDGET	YTD ACTUAL	VARIANCE
<b>INFORMATION TECHNOLOGY</b>			
Revenues	\$1,289,090	\$722,217	\$566,873
Expenditures	\$1,289,090	\$1,036,523	\$252,567
Difference	\$0	(\$314,306)	
<b>PUBLIC SAFETY EQUIPMENT</b>			
Revenues	\$208,025	\$45,003	\$163,022
Expenditures	\$208,025	\$0	\$208,025
Difference	\$0	\$45,003	
<b>LIABILITY FUND</b>			
Revenues	\$3,932,920	\$2,009,180	\$1,923,740
Expenditures	\$3,932,920	\$1,908,662	\$2,024,258
Difference	\$0	\$100,518	
<b>FACILITIES MANAGEMENT</b>			
Revenues	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0
Difference	\$0	\$0	
<b>FLEET SERVICES</b>			
Revenues	\$4,771,095	\$2,931,124	\$1,839,971
Expenditures	\$4,771,095	\$2,588,053	\$2,183,042
Difference	\$0	\$343,071	
<b>SANITATION FUND</b>			
Revenues	\$2,445,535	\$1,708,451	\$737,084
Expenditures	\$2,445,535	\$1,532,491	\$913,044
Difference	\$0	\$175,960	
<b>DEBT. SERVICE FUND</b>			
Revenues	\$3,100,000	\$1,827,305	\$1,272,695
Expenditures	\$3,100,000	\$1,827,305	\$1,272,695
Difference	\$0	\$0	
<b>2007 ESCROW ACCOUNT</b>			
Revenues	\$144,000	\$128,009	\$15,991
Expenditures	\$144,000	\$128,000	\$16,000
Difference	\$0	\$9	
<b>CAPITAL IMPROVEMENT FUND</b>			
Revenues	\$8,346,215	\$5,018,905	\$3,327,310
Expenditures	\$8,346,215	\$3,774,934	\$4,571,281
Difference	\$0	\$1,243,971	
<b>* TOTALS</b>			
Revenues	\$157,761,310	\$83,794,370	\$73,966,940
Expenditures	\$157,761,310	\$78,209,389	\$79,551,921
Difference	\$0	\$5,941,777	

**City of Moline  
Major Revenue Projection  
Summary Sheet  
as of August 31, 2016**

Revenues	Year to Date Receipts	Projections	Current Budget	Budget Variance	Prior Year Actual	% Change Cur Proj/ Prior Yr	Last Month's Projection	% Change Proj This Month/ Last Month
Property Tax	\$8,003,891	<b>\$14,801,470</b>	\$14,801,470	<b>\$0</b>	\$14,677,835	0.84%	\$14,801,470	0.00%
State Sales Tax	\$7,073,364	<b>\$10,944,705</b>	\$10,744,705	<b>\$200,000</b>	\$9,457,039	13.62%	\$10,894,705	0.46%
Water User Fees	\$5,257,560	<b>\$8,145,870</b>	\$8,145,870	<b>\$0</b>	\$7,735,554	5.30%	\$8,145,870	0.00%
Sewer User Fees	\$5,255,848	<b>\$8,066,640</b>	\$8,066,640	<b>\$0</b>	\$6,725,107	19.95%	\$8,066,640	0.00%
Home Rule Sales Tax	\$5,784,032	<b>\$8,707,885</b>	\$8,207,885	<b>\$500,000</b>	\$8,106,203	1.25%	\$8,507,885	2.35%
Income Tax	\$2,751,875	<b>\$4,231,930</b>	\$4,097,930	<b>\$134,000</b>	\$4,142,981	-1.09%	\$4,382,930	-3.45%
Replacement Tax	\$1,832,817	<b>\$2,323,900</b>	\$2,674,900	<b>(\$351,000)</b>	\$2,389,920	11.92%	\$2,303,900	0.87%
Utility Taxes	\$1,828,664	<b>\$2,615,500</b>	\$3,037,500	<b>(\$422,000)</b>	\$3,014,491	0.76%	\$2,637,500	-0.83%
Food/Liquor Tax	\$1,489,608	<b>\$2,237,565</b>	\$2,266,565	<b>(\$29,000)</b>	\$2,016,801	0.00%	\$2,237,565	0.00%
Telecommunication Tax	\$829,843	<b>\$1,221,330</b>	\$1,387,330	<b>(\$166,000)</b>	\$1,636,428	-15.22%	\$1,221,330	0.00%
<b>Total</b>	<b>\$40,107,502</b>	<b>\$63,296,795</b>	<b>\$63,430,795</b>	<b>(\$134,000)</b>	<b>\$59,902,359</b>	<b>5.89%</b>	<b>\$63,199,795</b>	<b>0.15%</b>

NOTE: State of Illinois is two months behind in remitting Income Tax payments.