

MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Settlement Agreement and Release ("Settlement Agreement") is entered into by the City of Aurora, IL (the "City") related to certain real estate located in the City. Middle Prairie LLC owns the property located at 114 Prairie (commonly known as 514-518 Middle Road and 114 Prairie Street; Pin # 15-28-204-001; Legal Description- LOTS 14, 15 AND 16 IN BLOCK 5 IN WAGNER'S ADDITION TO AURORA, IN KANE COUNTY, ILLINOIS). Aurora Broadway & Knightsbridge Global, Ltd. owns the property located at 35 N. Broadway (35 N. Broadway Avenue (Pin # 15-22-332-001; Legal Description- LOTS 1 AND 2 (EXCEPT THE EASTERLY 12 FEET OF L.D. BRADY'S SUBDIVISION OF LOTS 1 AND 11 IN BLOCK 6 OF THE ORIGINAL TOWN OF AURORA, ON THE EAST SIDE OF FOX RIVER IN THE CITY OF AURORA, KANE COUNTY, ILLINOIS)

Middle Prairie LLC and Aurora Broadway & Knightsbridge Global, Ltd. (collectively the "Owners") and the City hereby agree to the following terms to settle the issues raised in administrative hearing cases 20 BC 241 (114 Prairie) and 23 BC 156 (35 N. Broadway) and all other related issues that arose during the rehabilitation of the real properties commonly known as 35 N. Broadway and 114 Prairie Street.

The parties agree as follows:

1. In consideration of the payments and property transfers called for in this Settlement Agreement, the City of Aurora completely releases and discharges forever the Owners, their employees, agents, representatives and assigns, and all other persons not specifically named above who participated in actions related to the City of Aurora Administrative Hearing cases and the property rehabilitation. Both cases will be dismissed with prejudice; all fines waived and,

2. In consideration of the payments and property transfers called for in this Settlement Agreement, the Owner completely releases and discharges forever the City of Aurora, its employees, agents, and representatives and assigns, and all other persons not specifically named above who were involved in any way with above-referenced City of Aurora Administrative Hearing cases and the property rehabilitation; and
3. The City of Aurora and the Owners' heirs, executors, administrators, personal representatives, agents, servants, employees, employers, insurers, successors, and assigns, are hereby released from any and all claims, demands, actions, causes of actions, suits, losses and expenses of any nature whatsoever, past, present, or future, whether known or unknown, on account of or growing out of the above-referenced City of Aurora Administrative Hearing cases and the property rehabilitation.
4. It is understood and agreed that this Settlement Agreement expresses a full and complete settlement of any and all liability, which has been denied by the Owners, and is not now admitted, and regardless of the adequacy of the compensation to be paid under this Settlement Agreement it is intended to avoid any possible litigation.
5. It is understood that the Owners, their heirs, executors, administrators, personal representatives, agents, servants, employees, employers, insurers, successors, and assigns, by reason of this payment, do not admit any liability, nor have they made any agreement to make any payment or to take any action not reflected in this Settlement Agreement.
6. In consideration of the Release set forth above, the City of Aurora, agrees to pay to the individuals named below (the "Payees") the sums indicated below:

\$ 287,500.00 (two hundred and eighty-seven thousand five hundred and zero/100 dollars)

7. Agreed upon payment will be released as follows:
 - a. One payment of \$212,500.00 will be paid at closing; and
 - b. The City will hold \$75,000.00 in an escrow and distributed pursuant to the terms contained in this agreement and managed by the City.
8. In addition, the property known as 35 N. Broadway will be transferred by Special Warranty Deed to the City of Aurora. Owner shall be responsible for accrued real taxes, assessments or charges against the property. Proratable items shall be prorated to and including the Date of Closing and shall include without limitation, general real estate taxes, rents and deposits (if any) from tenants; Special Service Area or Special Assessment Area tax for the year of Closing only, utilities, water and sewer and pre-purchased fuel. General real estate taxes shall be prorated to and including the Date of Closing based on 100% of the most recent ascertainable full year tax bill. All general real estate tax prorations shall be final as of Closing. The proration shall not include exemptions to which the Owner is not lawfully entitled to.
9. The City of Aurora and Owners shall bear their own expenses, including costs and attorneys' fees, incurred in connection with the Actions described in this agreement.
10. Project. The City is desirous of having the property at 114 Prairie rehabilitated, developed and redeveloped in accordance with the Agreement ("Project"), and particularly the Project as a part thereof, in order to serve the needs of the City, arrest physical decay and decline in the area of 114 Prairie, increase employment opportunities, stimulate commercial growth and stabilize the tax base of the City and, in furtherance thereof, the City is willing to undertake certain incentives, under the terms and conditions hereinafter set forth, to assist such development.

11. Escrow. Subject to the terms and conditions of this Agreement, the City shall reimburse the Owner for Eligible Project Costs from the escrow of Seventy-Five Thousand and zero/100 Dollars (\$75,000.00) ("Escrow Amount").
12. The City shall deposit the Escrow Amount into the City Funding Escrow upon closing of the transfer described in Paragraph 8, supra.
13. City Funding Escrow Account. City Funding Escrow Account will be managed by City Staff at the Mayor's Office of Economic Development.
14. Disbursement of Escrow Amount. Disbursement of Escrow Amount shall be done upon:
 - a. The provision of invoices, waivers of lien and proof of payment of Eligible Project Costs by Owner for each draw request; and
 - b. Approval of said documentation by the City's Chief Financial Officer or his designee and certification that the Owner follows all conditions precedent to the draw requested; and
 - c. Escrow shall be available for eighteen (18) months from the date of closing.
 - d. If the escrow expires, any remaining funds in the City Funding Escrow shall belong to, be owned by, and be released to, the City.
15. The City's obligation to pay the Owners the Escrow Amount is a limited obligation payable solely from the City funding deposited in the City Funding Escrow and shall not be a general obligation of the City or secured by the full faith and credit of the City.
16. The Owners shall have the obligations set forth below, in addition to those set forth elsewhere in this Agreement, for the development, construction, financing, completion and furtherance of the Project.

17. Use of Funds. The Owner shall use the City Funding only for reimbursement of legitimate costs of the Project, as detailed in EXHIBIT A (the "Eligible Project Costs"). Further, the City Funding shall not be used to pay down any third-party financing of the Owner related to the Project.
18. Construction in Accordance with Approvals and Laws. The Owner shall construct the Project in full conformance with the approvals therefor from the City. The Owner shall at all times acquire, install, construct, operate and maintain the Project in substantial conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the Project shall conform to all applicable federal, State and local laws, regulations and ordinances, including, but not limited to, zoning, subdivision and planned development codes, building codes, environmental laws (including any law relating to public health, safety and the environment and the amendments, regulations, orders, decrees, permits, licenses or deed restrictions now or hereafter promulgated thereafter), life safety codes, property maintenance codes and any other applicable codes and ordinances of the City, or any of its rules or regulations or amendments thereto which are in effect from time to time during the construction and maintenance of the Project and/or during the term of this Agreement.
19. City Cooperation. The City agrees to cooperate with the Owners to obtain all necessary permits and/or approvals required by the City upon request of the Owner. The City shall further promptly respond to, and/or process, and consider reasonable requests of the Owner for applicable permits necessary for the construction and operation of the Project. Approval of any building permit applications and/or engineering plans shall be contingent on the Owner providing all required and requested documentation including but not limited to

engineering reports, calculations, plans, engineering fees and security required to substantiate that said improvements fully conform with all applicable state statutes and all City ordinances and codes, as well as receipt of all required approvals from any federal, State, regional or county agencies having applicable jurisdiction.

20. The Owners represent and warrant that no other person or entity has or has had any interest in the claims, demands, obligations, or causes of action referred to in this Settlement Agreement except as otherwise set forth in the Settlement Agreement; and that they have the sole right and exclusive authority to sign this Settlement Agreement and receive the sums specified in it; and that they has not sold, assigned, transferred, conveyed, or otherwise disposed of any of the claims, demands, obligations, real estate or causes of action referred to in this Settlement Agreement.

21. This Settlement Agreement contains the entire agreement between the City of Aurora and the Owners, regarding the matters covered by it, and shall be binding on and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each.

22. In entering into this Settlement Agreement, the City of Aurora and the Owners represent that they have relied on the legal advice of their attorney, who is the attorney of their own choice and that the terms of this Settlement Agreement have been completely read and explained to them by their attorney, and that the terms are fully understood and voluntarily accepted.

23. This agreement represents a full and final compromise, adjustment, and settlement of any and all claims, disputed or otherwise, on account of the matters discussed in it, for the

purpose of excluding forever, as against the world, any further claims or demands by the undersigned flowing from the matters and events set forth here.

24. This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois and the preferred venue for any litigation will be in the Circuit Court of Kane County.
25. All parties agree to cooperate fully and sign any and all supplementary documents and take all additional actions necessary to give full force and effect to the terms of this Settlement Agreement.
26. This Settlement Agreement may not be amended or otherwise modified except in a writing signed by the Parties.
27. This Settlement Agreement shall not be interpreted or construed against any Party because such Party drafted all or some portion of the Settlement Agreement.
28. Parties warrant and represent that they have full authority to enter into this Settlement Agreement on behalf of the respective parties to this agreement.
29. This Settlement Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
30. This Settlement Agreement may also be executed electronically or by facsimile, which shall be treated as if it were an original execution.

Dated: [date of settlement agreement]

April 14, 2025

CITY OF AURORA,
an Illinois home rule municipal corporation

ATTEST:

By: _____
Richard C. Irvin, Mayor

By: _____
Jennifer Stallings, City Clerk

Date: _____, 202_

Middle Prairie, LLC
an Illinois limited liability company

ATTEST:

By: Knightsbridge Global, Ltd.
Name: [REDACTED]
Title: Sole Member

By: [REDACTED]
Name: RICHARD C. SLOAN
Title: Agent/Attorney

Aurora Broadway, LLC
an Illinois limited liability company

ATTEST:

By: Knightsbridge Global, Ltd.
Name: [REDACTED]
Title: Sole Member

By: [REDACTED]
Name: RICHARD C. SLOAN
Title: Agent/Attorney

Knightsbridge Global, Ltd. an Illinois corporation

ATTEST:

By: [REDACTED]
Name: SCOT BODE
Title: CEO

By: [REDACTED]
Name: RICHARD C. SLOAN
Title: Agent/Attorney

Exhibit A
Eligible Project Costs associated with 114 Prairie

1. Roof Replacement
2. Concrete Floor with Grading
3. Office and Facilities Buildout
4. Fire Protection-Alarm Design Plans
5. Fire Protection -Alarm and Monitoring updates
6. Fire Protection-Updated Riser and Backflow preventor