

RESIDENTIAL SUBDIVISION BUILDER AGREEMENT

THIS RESIDENTIAL SUBDIVISION BUILDER AGREEMENT (“Agreement”) is made and entered into this ___ day of March, 2026, by and between CONTRY HOMES GROUP, LLC, a limited liability company organized and existing under the laws of the State of Illinois (“Builder”), and the VILLAGE OF POPLAR GROVE, ILLINOIS, an Illinois municipal corporation (“Village”). The Village and the Builder are at times collectively referred to herein as the “Parties” or individually as a “Party”.

RECITALS

WHEREAS, Westergren Subdivision (“Subdivision”) is an existing subdivision located within the Village which was previously platted and partially constructed but remains incomplete; and

WHEREAS, the Builder has the exclusive rights to purchase ninety-three (93) undeveloped lots within the Subdivision by December 31, 2029; and

WHEREAS, the Builder desires to complete certain improvements in and around the Subdivision, including but not limited to the second lift of asphalt and repairs to curb and gutter (“Subdivision Improvements”); and

WHEREAS, Builder is willing to fund asphalt and concrete remediation work on “phases” it currently owns or purchases by December 31, 2029, without reimbursement credits from the Village.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I — DEFINITIONS

- 1.1 “Applicable laws” means all applicable federal, state, and local constitutions, statutes, laws, ordinances, codes, regulations, rules, orders, and judicial decisions, including Village ordinances and engineering standards, as amended from time to time.
- 1.2 “Certificate of Occupancy means a certificate issued by the Village authorizing occupancy of a building in accordance with Applicable Laws.
- 1.3 “Included Lots” means those lots that Developer has closed on or will close on before December 31, 2029. “Included Lots” are limited to the following lot numbers, all of which are depicted on Exhibit “A”: 10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-30-31-32-33-34-35-36-37-38-39-40-41-45-46-47-48-55-56-57-58-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-121-122-123-124-125-126-127-128-130-131-

140-141-142-143-144.

- 1.4 “Lot” means an individual platted lot within the Subdivision.
- 1.5 “Phase” means one (1) of four (4) development phases within the Subdivision as described in Article IX of this Agreement and depicted conceptually on Exhibit “A”.
- 1.6 “Subdivision” means the Westergren Subdivision located within the Village.
- 1.7 “Subdivision Improvements” means the agreed infrastructure improvements required for the Subdivision and each Phase, including without limitation the second lift of asphalt, curb and gutter repairs, and related remediation and improvements.

ARTICLE II —ACKNOWLEDGMENTS; NATURE OF DEVELOPMENT

- 2.1 Partially-Developed Subdivision. The Parties acknowledge and agree that the Subdivision is partially-developed and that the purpose of this Agreement is to establish the terms and conditions under which Builder will complete the Subdivision Improvements in a manner protective of the public health, safety, and welfare.
- 2.2 Purchase and Exclusive Rights. Builder represents that it has purchased, or intends to purchase, certain Included Lots by December 31, 2029.
- 2.3 No Village Reimbursement. Builder acknowledges that it shall fund the cost of asphalt and concrete remediation work for Phases it purchases without reimbursement credits from the Village.

ARTICLE III —FEES; CONTRIBUTIONS; CREDITS

- 3.1 Water Connection Fees. For Included Lots, the Builder shall pay a water connection fee in the amount of One Thousand Five Hundred Dollars (\$1,500.00) per Lot at the time of building permit issuance.
- 3.2 Sewer Connection Fees. For Included Lots, the sewer connection fees have been prepaid, and the Builder shall not be required to pay any additional sewer connection fees.
- 3.3 Impact Fees. Currently there are no impact fees being charged for the Westergren Subdivision, and the Village agrees that there will be no impact fees for the Included Lots.
- 3.4 No Credits. Builder acknowledges that it shall not be entitled to reimbursement credits or recapture for asphalt and concrete remediation work within the Phases covered by this Agreement.

ARTICLE IV — UTILITIES; RESPONSIBILITIES

- 4.1 Village Responsibility. The Village shall be responsible for the condition, maintenance, and repair of the public water and sanitary sewer systems up to the property line of each Included Lot within the Subdivision. By way of example and without limitation, if a curb stop box (B-Box) or similar component of the water service is damaged, bent, or otherwise deficient prior to commencement of construction on a lot, the Village shall repair or replace the same at its sole cost and expense.
- 4.2 Builder Responsibility. Except for the public water and sanitary sewer systems, the Builder shall be responsible for the condition & maintenance of all other utilities on the Included Lots, including but not limited to electric, natural gas, internet, cable, and any related facilities or infrastructure.
- 4.3. Utility Coordination. Builder shall coordinate with all utility providers to ensure timely service availability, relocation, and approvals as needed for each Phase.

ARTICLE V — PERMITS AND INSPECTIONS

- 5.1 Compliance. Builder shall perform all work in compliance with Applicable Laws and Village standards.
- 5.2 Permits. Builder shall obtain all required permits and approvals prior to commencing any work and shall pay all related fees, except as otherwise specified herein.
- 5.3. Testing and Inspection. Builder shall provide timely notice for inspections and shall pay for all testing required by the Village, including pavement cores, compaction testing, and concrete testing. Failed tests shall be retested at Builder's expense.
- 5.4. Building Permits and Certificates of Occupancy. Building permits and Certificates of Occupancy for Lots within a Phase shall be issued in accordance with Village ordinances and this Agreement.
- 5.5. Permit Holds. The Village may withhold building permits and/or Certificates of Occupancy for any Lots within a Phase if Builder fails to timely post or maintain security, comply with approved plans, correct unsafe conditions, or pay required fees.

ARTICLE VI — REPRESENTATIONS AND WARRANTIES

- 6.1 Builder's Representations. Builder represents and warrants that:
 - a. It is duly organized, validly existing, and in good standing under the laws of

the State of Illinois;

b. It has full authority to enter into and perform its obligations under this Agreement; and

c. Execution and performance of this Agreement shall not violate any agreement or instrument to which Builder is bound.

6.2 Village Representations. Village represents and warrants that:

a. It is a municipal corporation duly organized and in good standing under the laws of the State of Illinois;

b. It has full authority to enter into and perform its obligations under this Agreement; and

c. This Agreement has been duly authorized by all necessary official action.

ARTICLE VII —INSURANCE; INDEMNIFICATION; SAFETY

7.1 Requirements. Builder shall maintain the following insurance policies and limits during the repairs of the subdivision:

- Commercial General Liability: \$1,000,000 each occurrence; \$2,000,000 aggregate
- Auto Liability: \$1,000,000 combined single limit (each accident)
- Workers Compensation: \$500,000
- The Village shall be named as an additional insured on all policies.

7.2 Certificates; Endorsements. Prior to commencing work, Builder shall deliver certificates of insurance and add additional insured endorsements acceptable to the Village. Policies shall be primary and non-contributory with Village coverage and include waiver of subrogation in favor of the Village where permissible.

7.3 Indemnification. To the fullest extent permissible by law, Builder shall indemnify, defend, and hold harmless the Village and its officers, officials, employees, agents and consultants from and against any and all claims, damages, losses, liabilities, fines, penalties, costs, and expenses (including reasonable attorneys' fees) arising out of or related to Builder's or its contractors' performance of this Agreement, except to the extent caused by the Village's sole negligence or willful misconduct.

7.4 Site Safety. Builder is solely responsible for site safety and protection of the public.

ARTICLE VIII — DEFAULT AND REMEDIES

- 8.1 Default & Remedies. Notwithstanding anything to the contrary, the failure of the Village or Builder to comply with any of the provisions, covenants or conditions of this Agreement shall be a material breach of this Agreement. In such event the non-defaulting party shall send written notice to the defaulting party notifying and identifying the nature of the default. The defaulting party shall then have 14 days to cure such breach. If the nature of the default is not capable of being cured in 14 days, so long as the defaulting party commences to cure the default within said 14 days and diligently pursues the cure to completion, the defaulting party shall not be deemed to have committed a default. In the event a default is not timely cured, the non-defaulting party may pursue any and all rights and remedies that it may have at law or in equity, including but not limited to termination of this Agreement. In any action to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover its costs and fees, including its reasonable attorneys' fees.

ARTICLE IX – PHASING OF DEVELOPMENT; SCOPE

- 9.1 Phases. Development of the Subdivision is contemplated in four (4) separate Phases. The approximate boundaries and lot groupings for each Phase are shown on the conceptual phasing diagram attached as Exhibit "A". The final delineating of each Phase shall be established in the approved plans and may be adjusted with the Village's prior written approval, provided such adjustments maintain continuity of public improvements and do not impair public safety.
- 9.2 Phase Work. For each Phase, Builder shall complete all agreed Subdivision Improvements required to provide safe and functional infrastructure serving the Lots within that Phase.
- 9.3 Inter-Phase Dependencies. Builder shall design and sequence work to avoid creating unsafe or non-functional conditions between Phases. Temporary measures (including but not limited to pavement tapers, erosion control and temporary signage) shall be installed and maintained until final conditions are achieved.
- 9.4. Plans and Specifications. For each Phase, prior to commencement of work, Builder shall review the Village Engineer's list of required remediation and completion items for that Phase as set forth in Section 10.2 and shall then prepare a written cost estimate for all identified work and submit it for Village review and approval.

ARTICLE X – PERFORMANCE GUARANTEES

- 10.1 Performance Security. Prior to issuance of any building permit or commencement of Subdivision Improvements within a Phase, Builder shall deliver to the Village an irrevocable standby letter of credit, in conformance with the applicable Letter of Credit

Agreement then in place between the Village and the Builder.

- 10.2 Inspection and Costing. Following Builder's acquisition of Lots within a Phase, the Village Engineer shall inspect existing public improvements to identify required remediation and completion items for that Phase. Builder shall then prepare a written cost estimate for all identified work and submit it for Village review and approval.
- 10.3. Security Amount; Draws; Increase, Reduction, and Release. The required letter of credit amount for each Phase shall be specified in the applicable Letter of Credit Agreement then in place between the Village and the Builder. The Village may draw on the letter of credit only in accordance with the terms set forth in the applicable Letter of Credit Agreement then in place between the Village and the Builder. Any increases in the amount required to be maintained in a letter of credit, reductions in the amount of a letter of credit, and the release of a letter of credit shall all be governed by the terms set forth in the applicable Letter of Credit Agreement then in place between the Village and the Builder.

ARTICLE XI – MISCELLANEOUS

- 11.1 Incorporation of Recitals. The Recitals to this Agreement are incorporated into the body of this Agreement by reference.
- 11.2 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or understandings, whether written or oral.
- 11.3. Amendments. No amendment to this Agreement shall be effective unless in writing and signed by both Parties.
- 11.4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. The Parties agree that the proper venue for any action brought pursuant to or under this Agreement is the State of Illinois, 17th Judicial Circuit.
- 11.5. Assignment. Builder may not assign this Agreement, in whole or in part, without the Village's prior written consent.
- 11.6. Liens. Builder shall promptly pay contractors and suppliers and keep the Subdivision free of mechanics' liens. If a lien is recorded, Builder shall bond off, discharge, or otherwise resolve the lien within thirty (30) days of notice.
- 11.7. No Waiver; Cumulative Remedies. No failure or delay in exercising any right operates as a waiver. Remedies are cumulative.
- 11.8. Severability. If any provision of this Agreement is held invalid, the remaining provisions of this Agreement shall not be affected.

EXHIBIT A

Exhibit A | Approximate Subdivision Phasing

- 28 Lots
- 15 Lots
- 25 Lots
- 25 Lots

