

NOTICE OF MEETING

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT AND MAIN TIF DISTRICT
JOINT REVIEW BOARD**

Notice is hereby given to all interested parties that, pursuant to the requirements of 65 ILCS 5/11-74.4-1, *et seq.*, a meeting of the Joint Review Board for the Prospect and Main Tax Increment Financing District will be held on Thursday, November 10, 2022, at 3:00 PM, in the Executive Conference Room, Third Floor, Village Hall, 50 S Emerson St, Mount Prospect, IL 60056. Said meeting will be open to the public. A copy of the Agenda for said meeting is attached.

VILLAGE OF MOUNT PROSPECT

By: Karen Agoranos
Village Clerk

AGENDA

VILLAGE OF MOUNT PROSPECT, ILLINOIS PROSPECT AND MAIN TIF DISTRICT JOINT REVIEW BOARD MEETING

Meeting Location:

**Executive Conference Room
Third Floor, Village Hall
50 S Emerson St, Mount Prospect, IL 60056**

Meeting Date and Time:

November 10, 2022, 3:00 PM

1. Call to Order
2. Approval of Minutes – November 17, 2021
3. Old Business
4. New Business
 - a. 2021 Audited Financials
 - b. Surplus Declaration 2021 Taxes (Discussion – No Data yet)
 - c. Student Impact Fees – (SD 57 and SD 214)
 - d. Update on Redevelopment within the TIF Project Area
5. Public Comments
6. Other Business
8. Adjournment

NOTE: Any individual who would like to attend this meeting but because of a disability needs some accommodation to participate should contact the Director of Finance at 50 South Emerson Street, Mount Prospect (847) 392-6000, or at athakkar@mountprospect.org

MINUTES

**JOINT REVIEW BOARD SPECIAL MEETING
MOUNT PROSPECT**

PROSPECT AND MAIN TAX INCREMENT FINANCING DISTRICT

**THURSDAY, NOVEMBER 17, 2021
Village Hall - Boardroom
50 S. Emerson Street
Mount Prospect, IL 60056**

1. Call Meeting to Order

Village of Mount Prospect Village Manager and Joint Review Board Chairperson Michael Cassady called the virtual meeting to order at 11:00 A.M.

Roll Call of Joint Review Board Members:

A roll call of Joint Review Board members for the proposed Prospect and Main Tax Increment Financing District (“Prospect and Main TIF District”) was taken, with the following representatives being present, except as otherwise noted:

<u>Member</u>	<u>Representative</u>
1. Village of Mount Prospect	Michael Cassady, Chairperson
2. County of Cook	Absent
3. Wheeling Township	Absent
4. Elk Grove Township	Absent
5. Harper College District 512	Absent
6. Mount Prospect School District 57	Adam Parisi
7. Township High School District 214	Cathy Johnson
8. Mount Prospect Park District	George Giese
9. Public Member	Sann Knipple

Also present: Village of Mount Prospect Director of Finance Amit Thakkar, Mount Prospect Assistant to the Director of Finance Jenny Fitzgerald, Mount Prospect Director of Community Development Bill Cooney, Mount Prospect Senior Planner Connor Harmon and Mount Prospect Village Clerk Karen Agoranos.

2. Approval of Minutes of Joint Review Board Special Meeting of November 20, 2020

Ms. Knipple moved, seconded by Ms. Johnson, to approve the minutes of the Joint Review Board special meeting held on November 20, 2020.

The minutes were approved by unanimous voice vote of those present.

3. Old Business

None.

4. New Business

a. 2020 Audited Financials and Current Pro-Forma
Mr. Thakkar displayed the existing boundary map.

Mr. Thakkar reported the following 2020 Audited Financials:

- Total revenue for 2020 - \$1.5 million
 - TIF increment - \$944,024
 - Transfer-in (Police and Fire Building Construction Fund) - \$590,000
- Total expenditures - \$10,081,885
 - Contractual services, capital improvements and debt service (bond payments)
- Beginning Fund Balance - \$8,532,044
- Ending Fund Balance - \$25,991

Mr. Thakkar stated the Village purchased property at 15 W. Busse for \$1.3 million. The property will provide parking in the downtown TIF district.

b. Surplus Declaration 2020 Taxes (received in 2021)

Per the intergovernmental agreement with School District 214, \$59,401 was declared as surplus and given back to Cook County to redistribute amongst the taxing bodies within the TIF district. The Village collected \$944,024 in TIF increment and these funds were used for eligible uses, including debt service payments totaling \$704,311. Mr. Thakkar reported \$590,000 was received from the Police and Fire Building Construction Fund as transfers from municipal sources during the year. The ending fund balance is \$25,991.

Mr. Thakkar reported the total 2020 TIF Increment collected from the carved out parcels is \$193,168 and the same will be declared as surplus in early 2022. The amount per taxing body will be sent to Cook County:

- Mt. Prospect Park District – \$11,231
- School District 214 – \$48,399
- School District 57 - \$71,692
- Mount Prospect Public Library - \$12,314
- Village of Mount Prospect - \$20,296

Other recipients include Northwest Mosquito Abatement, Metropolitan Water Reclamation District, Harper Community College, Elk Grove Township and Cook County.

Mr. Thakkar presented projected pro-forma information for 2021 and 2022. The 2021 projected revenue total \$1.8 million and \$3.6 million is projected for 2022. Major expenditures for 2021 include debt service, payable to Caputo Grocery Store at Maple Street Lofts, façade program and developer's incentives. Projected expenditures for 2021 total \$1.8 million. Projected expenditures for 2022 is \$2 million; this includes a \$1 million payment to debt service. The projected ending fund balance for 2021 is \$30,372.

Mr. Thakkar answered questions from the Board.

Mr. Cooney provided updates on key developments:

20 West

- 90% occupied; occupancy rate is well above the pro-forma
- Mixed-use development; 73 apartments with 5,000 square feet of retail

- Positive response
- Pandemic delayed restaurant opening; new expected date of opening is Spring 2022

10 N. Main

- Successful development
- Generate increment to school districts
- 97 units are almost fully leased; leasing began in March 2021

Park Terrace

- Twelve (12) unit row home; all units sold within three (3) months
- \$650,000 average cost; 33% above estimates

Maple Street Lofts

- Building A – 192 units; 100 are occupied
- 65-unit building is expected to begin leasing next spring
- Caputo's Fresh Market has been delayed; expected to open 1st quarter of 2022
- Row homes on south end of property; 21 are sold and 16 remain under construction; selling price is approximately \$400,000

Old Police/Fire Headquarters

- Proposed mixed-use development; 88 apartment units with retail 3500 square feet retail component
- Board approval expected in December 2021; construction to begin in spring 2022

Chase Building (111 E. Busse)

- Proposed mixed-use; 200 rental units with 7,500 – 10,000 square feet of retail
- Difficulties with the antenna leases continue to be an obstacle for redevelopment of this parcel

Pocket Park

- Successful project; active, popular park with the downtown community

Old Sakura site (105 S. Main)

- Proposed concept includes 30-40 residential units above retail

In response to a question from Ms. Johnson, Mr. Cassady stated the 20 West development generated five (5) or six (6) students, none from Park Terrace, and four (4) from 10 N. Main. Mr. Cooney added these numbers are close to estimates; the formula used to calculate estimates was very accurate. Mr. Cooney stated the EAVs are higher than expected.

Mr. Cassady and Mr. Cooney provided the following in response to questions from the Board:

- Village is in communications with the owner of the land next to Hubby's; owner has stated he plans to redevelop the area but no time-frame was provided
- The size of Caputo's is approximately 15,000 square feet (size of an average Trader Joe's); niche market with an emphasis on prepared foods
- Bonds will be paid off in 2040

Mr. Cassady provided an update on Union Pacific. Union Pacific is seeking to get out of the commuter rail business to focus on freight. Union Pacific would like to sell the property to a developer who specializes in affordable housing. Village staff is concerned the site is too narrow and too close to the tracks for any residential development.

5. Public Comment

No public comment

6. Other Business

Mr. Cassady stated the Village initiated an Eligibility Study for the south end of town. The proposed subject area will likely exclude residential. Most of the area, developed by Cook County, is industrial use with poor infrastructure.

7. Adjournment

It was moved by Ms. Johnson and seconded by Ms. Knipple that the Joint Review Board meeting be adjourned.

The motion passed by unanimous roll call vote of those present at 11:36 a.m.

Respectfully submitted,

Karen M. Agoranos
Village Clerk
Village of Mount Prospect

DRAFT

VILLAGE OF MOUNT PROSPECT,
ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND

REPORT ON COMPLIANCE WITH PUBLIC
ACT 85-1142

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142**

June 6, 2022

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Village of Mount Prospect, Illinois, as of and for the fiscal year ended December 31, 2021, and have issued our report separately dated June 6, 2022. These financial statements are the responsibility of the Village of Mount Prospect, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the Village of Mount Prospect, Illinois' compliance with the provisions of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund. The management of the Village of Mount Prospect, Illinois, is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis evidence about the Village of Mount Prospect, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of Mount Prospect, Illinois, complied in all material respects with the requirements of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

June 6, 2022

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Village of Mount Prospect, Illinois, as of and for the fiscal year ended December 31, 2021, and have issued our report separately dated June 6, 2022. These financial statements are the responsibility of the Village of Mount Prospect, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The accompanying schedules present only the Tax Increment Financing Area Fund and are intended to present fairly the financial position and changes in financial position of the Village of Mount Prospect, Illinois in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements. The accompanying schedule of revenue, expenditures, and changes in fund balance and schedule of fund balance by the source for the Tax Increment Financing (TIF) Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTARY INFORMATION

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

**Balance Sheet
December 31, 2021**

ASSETS	
Cash and Investments	\$ 341,682
Receivables - Net of Allowances	
Property Taxes	<u>60,969</u>
Total Assets	<u><u>402,651</u></u>
LIABILITIES	
Accounts Payable	6,870
FUND BALANCES	
Restricted	<u>395,781</u>
Total Liabilities and Fund Balance	<u><u>402,651</u></u>

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

**Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended December 31, 2021**

<hr/> <hr/>	
Revenues	
Taxes	
Property Taxes	\$ 1,483,537
Interest	131
Total Revenues	<u>1,483,668</u>
Expenditures	
Current	
General Government	
Other Employee Costs	600
Contractual Services	164,443
Capital Outlay	
Other	224,812
Debt Service	
Principal Retirement	320,000
Interest and Fiscal Charges	699,188
Total Expenditures	<u>1,409,043</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	74,625
Other Financing Sources	
Disposal of Capital Assets	<u>295,165</u>
Net Change in Fund Balance	369,790
Fund Balance - Beginning	<u>25,991</u>
Fund Balance - Ending	<u><u>395,781</u></u>

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2021**

Name of Redevelopment Project Area (below): <p style="text-align: center;">Prospect & Main TIF</p>	
Primary Use of Redevelopment Project Area*: Combined/Mixed	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

	Retail/Residential/Co If "Combination/Mixed" List Component Types: mmercial
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): <div style="display: flex; justify-content: space-between;"> Tax Increment Allocation Redevelopment Act <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-between;"> Industrial Jobs Recovery Law <input checked="" type="checkbox"/> </div>	

Please utilize the information below to properly label the Attachments.

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A).	x	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		x
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		x
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		x
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).		x
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	x	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	x	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	x	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	x	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).	x	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		x
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		x
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).		x

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d))

Provide an analysis of the special tax allocation fund.

FY 2021

Prospect & Main TIF

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 25,991

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 1,483,537	\$ 3,322,715	12%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 131	\$ 126,788	0%
Land/Building Sale Proceeds	\$ 295,165	\$ 941,765	3%
Bond Proceeds		\$ 20,368,789	73%
Transfers from Municipal Sources		\$ 2,759,981	10%
Private Sources			0%
Other		\$ 223,273	1%

All Amount Deposited in Special Tax Allocation Fund \$ 1,778,833

Cumulative Total Revenues/Cash Receipts \$ 27,743,311 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 1,409,043

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 1,409,043

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 369,790

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 395,781

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A

PAGE 3

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
Property Taxes	6,918	
Return of Increment to Cook County per Intergovernmental Agreement	145,197	
		\$ 152,115

TOTAL ITEMIZED EXPENDITURES		\$ 1,409,043
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SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2021

TIF NAME:

Prospect & Main TIF

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

x

Check here if no property was acquired by the Municipality within the Redevelopment Project Area.

Property Acquired by the Municipality Within the Redevelopment Project Area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (8):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 20 ILCS 620/4.7 (7)(F)

FY 2021

TIF Name: Prospect & Main TIF

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.

Select ONE of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
--	--

2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	x
--	---

2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	12
---	----

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:			
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 134,815,459	\$ 58,992,102	\$ 193,578,914
Public Investment Undertaken	\$ 20,724,254	\$ 8,836,500	\$ 21,802,070
Ratio of Private/Public Investment	6 49/97		8 29/33

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Fire Relocation

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 1,339,442		\$ 1,339,442
Ratio of Private/Public Investment	0		0

Project 2*: Façade Improvements

Private Investment Undertaken (See Instructions)	\$ 228,647	\$ 50,000	\$ 50,000
Public Investment Undertaken	\$ 228,647	\$ 50,000	\$ 114,950
Ratio of Private/Public Investment	1		10/23

Project 3*: Pocket Park

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 1,507,509		
Ratio of Private/Public Investment	0		0

Project 4*: Police Relocation

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 4,587,478		
Ratio of Private/Public Investment	0		0

Project 5*: Parenti Relocation

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 3,000,000		
Ratio of Private/Public Investment	0		0

Project 6*: 20 West Project

Private Investment Undertaken (See Instructions)	\$ 22,500,000		\$ 22,500,000
Public Investment Undertaken	\$ 700,000	\$ -	\$ 2,200,000
Ratio of Private/Public Investment	32 1/7		10 5/22

Project 7*: 10 N Main Project

Private Investment Undertaken (See Instructions)	\$ 21,000,000		\$ 21,000,000
Public Investment Undertaken	\$ 280,000		\$ 280,000
Ratio of Private/Public Investment	75		75

Project 8*: Park Terrace

Private Investment Undertaken (See Instructions)	\$ 8,000,000		\$ 8,000,000
Public Investment Undertaken	\$ 380,000		\$ 380,000
Ratio of Private/Public Investment	21 1/19		21 1/19

Project 9*: Maple Street Parking Deck

Private Investment Undertaken (See Instructions)	\$ -		\$ -
Public Investment Undertaken	\$ 7,614,678		\$ 7,614,678
Ratio of Private/Public Investment	0		0

Project 10*: Maple Street Lofts

Private Investment Undertaken (See Instructions)	\$ 80,086,812		\$ 80,086,812
Public Investment Undertaken	\$ 1,086,500	\$ 1,386,500	\$ 2,473,000
Ratio of Private/Public Investment	73 59/83		32 5/13

Project 11*: Prospect Place

Private Investment Undertaken (See Instructions)	\$ 3,000,000	\$ 27,992,111	\$ 30,992,111
Public Investment Undertaken	\$ -	\$ 3,700,000	\$ 3,700,000
Ratio of Private/Public Investment	0		8 35/93

Project 12*: HQ Residence

Private Investment Undertaken (See Instructions)		\$ 30,949,991	\$ 30,949,991
Public Investment Undertaken		\$ 3,700,000	\$ 3,700,000
Ratio of Private/Public Investment	0		8 27/74

Project 13*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 14*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 15*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. ***even though optional MUST be included as part of the complete TIF report**

**SECTION 6
FY 2021**

TIF NAME: Prospect & Main TIF

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area
Year redevelopment

project area was designated	Base EAV	Reporting Fiscal Year EAV
2017	\$ 37,621,688	\$ 51,817,632

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
Cook County and Subs	\$ 8,366
Elk Grove Township	\$ 1,230
Village of Mount Prospect	\$ 15,256
Mt. Prospect Library	\$ 9,256
School Dist. 57	\$ 53,888
School Dist. 214	\$ 36,380
Harper College	\$ 6,227
Mt. Prospect Park District	\$ 8,442
Metropolitan Water Reclamation District (MWRD)	\$ 6,000
Northwest Mosquito Abatement	\$ 151
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention:

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
Not Available at this time	Not Available at this time		\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed
Legal description of redevelopment project area	x
Map of District	x

MAYOR

Paul Wm. Hoefert

TRUSTEES

Agostino S. Filippone
Terri Gens
John J. Matuszak
Richard F. Rogers
Colleen E. Saccotelli
Michael A. Zadel



VILLAGE MANAGER

Michael J. Cassidy

VILLAGE CLERK

Karen Agoranos

Phone: 847/392-6000
Fax: 847/392-6022
www.mountprospect.org

Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

ANNUAL TIF REPORT

For the Fiscal Year Ended December 31, 2021

“(c) Certification from the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the TIF Act during the preceding fiscal year.”

I, Paul Wm. Hoefert, am the duly appointed Chief Executive Officer of the Village of Mount Prospect, County of Cook, State of Illinois, and as such, do hereby certify that the Village of Mount Prospect has complied with all the requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year from January 1, 2021 through December 31, 2021.

June 20, 2022
Date

A handwritten signature in black ink, appearing to read "Paul Wm. Hoefert", written over a horizontal line.

Paul Wm. Hoefert, Mayor
Village of Mount Prospect



20 N. Wacker Drive, Ste 1660
Chicago, Illinois 60606-2903
T 312 984 6400 F 312 984 6444

15010 S. Ravinia Avenue, Ste 10
Orland Park, Illinois 60462-5353
T 708 349 3888 F 708 349 1506

312 984 6439
lcmalina@ktjlaw.com

www.ktjlaw.com

June 24, 2022

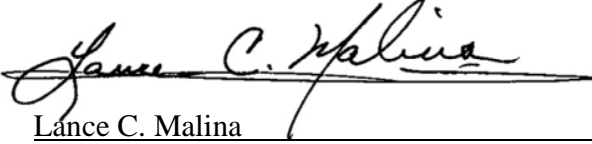
RE: Attorney Review Village of Mount Prospect, Prospect/Main TIF District

To Whom It May Concern:

This will confirm that I am the Corporation Counsel for the Village of Mount Prospect, Illinois. I have reviewed all information provided to me by the Village staff and consultants, and I find that the Village of Mount Prospect has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder for the Fiscal Year beginning January 1, 2021 and ending December 31, 2021, to the best of my knowledge and belief.

Sincerely,

Very truly yours,
KLEIN, THORPE AND JENKINS, LTD.



Lance C. Malina
Corporation Counsel

LCM/kp

**ANNUAL TAX INCREMENT FINANCE REPORT
OFFICE OF ILLINOIS COMPTROLLER**

**Village of Mount Prospect, IL
Unit Code: 016/370/32
Reporting Period: 12/31/2021**

STATEMENT OF ACTIVITIES

During the fiscal year ended on December 31, 2021, the following activities have taken place in the Prospect and Main TIF District for the Village of Mount Prospect:

In 2021, the Village disposed of part of the previously acquired assets per the Redevelopment Agreement for \$300,000. After paying closing fees and other expenditures, the Village received \$295,165 as a net consideration.

The TIF District earned \$1,483,537 as incremental property taxes and had \$131 in interest income. From the increment, the Village declared \$145,197 as surplus (per the Intergovernmental Agreement with School Dist. 214) and was returned to Cook County. In addition, the Village incurred and paid \$164,443 in various legal and professional fees and have helped businesses within the TIF district with various Façade Program totaling \$72,697. The Village also paid \$320,000 in principal and \$699,188 in interest payments for its three bond issuances.

The Village entered into a redevelopment agreement with MP2 Holdings Inc (Harlem Irving) to develop the old Police and Fire Head Quarter at the Northwest Highway. The redevelopment agreement was approved in 2021, subject to attorney review, and the final agreement will be delivered in 2022. The project would provide a \$30 million mixed-use planned unit development known as "HQ Residence" consisting of a six-story building, including 87 apartments, 3,370 sq. ft. of ground floor retail/restaurant space, and related site improvements. The project is anticipated to be completed by August 1, 2024.

The Village also entered into a redevelopment agreement with Prospect Place Deelopment Partners, LLC to develop the old Keifer Pharmacy location at Prospect Avenue. The redevelopment provides for a planned unit development consisting of a five-story building, including 80 apartments and 10,250 sq. ft of ground floor retail space and related improvements.

**REDEVELOPMENT AGREEMENT
FOR THE PROSPECT PLACE DEVELOPMENT
COMPRISING A PART OF THE PROSPECT AND MAIN TIF DISTRICT
OF THE VILLAGE OF MOUNT PROSPECT, ILLINOIS**

This Redevelopment Agreement For The Prospect Place Development Comprising A Part Of The Prospect And Main TIF District Of The Village Of Mount Prospect, Illinois ("Agreement") is made and entered into as of the _____ day of October, 2021 ("Effective Date") by and between the Village of Mount Prospect, Illinois, an Illinois home rule municipal corporation ("Village") and Prospect Place Development Partners, LLC, an Illinois limited liability company ("Developer") The Village and the Developer are sometimes referred to herein individually as a "Party," and collectively as the "Parties."

WITNESSETH:

In consideration of the Preliminary Statements, the mutual covenants herein contained, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties hereto agree as follows:

I. PRELIMINARY STATEMENTS

Among the matters of mutual inducement which have resulted in this Agreement are the following:

- A. The Village is a home rule unit of government in accordance with Article VII, Section 6 of the Constitution of the State of Illinois, 1970.
- B. The Village has the authority, pursuant to the laws of the State of Illinois, including, but not limited to 65 ILCS 5/8-1-2.5, to promote the health, safety and welfare of the Village and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base and increase additional tax revenues realized by the Village, to foster increased economic activity within the Village, to increase employment opportunities within the Village, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise take action in the best interests of the Village.
- C. The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended ("Act"), to finance redevelopment in accordance with the conditions and requirements set forth in the Act.
- D. Pursuant to Ordinance Numbers 6293, 6294 and 6295, adopted January 17, 2017, the Village designated the tax increment redevelopment project area ("Redevelopment Project Area"), approved a tax increment

redevelopment plan and project ("TIF Plan"), and adopted tax increment financing relative to the Village's Prospect and Main Tax Increment Financing District ("TIF District"); said TIF District being legally described and depicted as set forth in EXHIBIT A-1 and EXHIBIT A-2, respectively, attached hereto and made part hereof.

- E. The Developer is the contract purchaser of a parcel, located within the Redevelopment Project Area, said property being legally described on EXHIBIT B, attached hereto and made a part hereof ("Property").
- F. The Developer desires and intends to redevelop the Property with a mixed use residential and commercial building with five (5) stories and approximately eighty (80) residential units and 10,250 square feet of retail space, as depicted on the site plan attached hereto as EXHIBIT C, and made part hereof, and as described in further detail in EXHIBIT D, attached hereto and made part hereof ("Project").
- G. It is necessary for the successful completion of the Project that the Village enter into this Agreement with Developer to provide for the redevelopment of the Property, thereby implementing the TIF Plan.
- H. Developer has been and continues to be unable and unwilling to undertake the redevelopment of the Property with the Project, but for certain tax increment financing ("TIF") incentives to be provided by the Village in accordance with the Act and the home rule powers of the Village, which the Village is willing to provide under the terms and conditions contained herein. The Parties acknowledge and agree that but for the aforementioned TIF incentives, to be provided by the Village, Developer cannot successfully and economically develop the Project in a manner satisfactory to the Village. The Village has determined that it is desirable and in the Village's best interest to assist Developer in the manner set forth herein, and as this Agreement may be supplemented and amended from time to time pursuant to the mutual agreement of the Parties and in the manner as herein provided.
- I. The Village, in order to stimulate and induce development of the Property with the Project, has agreed to enter into this Agreement.
- J. This Agreement has been submitted to the Corporate Authorities of the Village (as defined below) for consideration and review, the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same, and any and all actions taken by the Village in furtherance hereof, binding upon the Village according to the terms hereof, and any and all actions of the Corporate Authorities of the Village precedent to the execution of this Agreement have been undertaken and performed in the manner required by law.

- K. This Agreement has been submitted to the Developer for consideration and review, and Developer has taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon Developer according to the terms hereof, and any and all action of Developer's members precedent to the execution of this Agreement have been undertaken and performed in the manner required by law.
- L. The Village is desirous of having the Redevelopment Project Area rehabilitated, developed and redeveloped in accordance with the TIF Plan, and particularly the Project as a part thereof, in order to serve the needs of the Village, arrest physical decay and decline in the Redevelopment Project Area, increase employment opportunities, stimulate commercial growth and stabilize the tax base of the Village and, in furtherance thereof, the Village is willing to offer Developer the TIF incentives referenced in subsection J. above, under the terms and conditions hereinafter set forth, to assist such development.

II. DEFINITIONS

For the purposes of this Agreement, unless the context clearly requires otherwise, words and terms used in this Agreement shall have the meanings provided from place to place herein, and as follows:

- A. **"Change in Law"** means the occurrence, after the Effective Date, of an event described below in this definition, provided such event materially changes the costs or ability of the Party relying thereon to carry out its obligations under this Agreement and such event is not caused by the Party relying thereon:

Change in Law means any of the following: (1) the enactment, adoption, promulgation or modification of any federal, State or local law, ordinance, code, rule or regulation (other than by the Village, or, with respect to those made by the Village, only if they violate the terms of this Agreement); (2) the order or judgment of any federal or State court, administrative agency or other governmental body (other than the Village); or (3) the adoption, promulgation, modification or interpretation in writing of a written guideline or policy statement by a governmental agency (other than the Village, or, with respect to those made by the Village, only if they violate the terms of this Agreement). Change in Law, for purposes of this Agreement, shall also include the imposition of any conditions on, or delays in, the issuance or renewal of any governmental license, approval or permit (or the suspension, termination, interruption, revocation, modification, denial or failure of issuance or renewal thereof) necessary for the undertaking of the actions to be performed under this Agreement (except any imposition of any

conditions on, or delays in, any such issuance or renewal by the Village, except as provided herein).

- B. **“Corporate Authorities”** means the Mayor and Board of Trustees of the Village of Mount Prospect, Illinois.
- C. **“Day”** means a calendar day.
- D. **“Effective Date”** means the day on which this Agreement is executed by the Village, with said date appearing on page 1 hereof.
- E. **“Party” or “Parties”** means the Village and/or the Developer, individually/collectively, and their respective successors and/or assigns as permitted herein, as the context requires.
- F. **“Person”** means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof, or any agency or entity created or existing under the compact clause of the United States Constitution.
- G. **“State”** means the State of Illinois.
- H. **“TIF Ordinances”** means those Ordinances referenced in subsection I.D. above.
- I. **“Uncontrollable Circumstance”** means any event which:
 - 1. is beyond the reasonable control of and without the fault of the Party relying thereon; and
 - 2. is one or more of the following events:
 - a. a Change in Law;
 - b. insurrection, riot, civil disturbance, sabotage, act of the public enemy, explosion, fire, nuclear incident, war or naval blockade;
 - c. pandemic, epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary or ordinary weather conditions or other similar act of God;
 - d. governmental condemnation or taking;
 - e. strikes or labor disputes, or work stoppages not initiated by Developer or the Village;
 - f. unreasonable delay in the issuance of building or other permits or approvals by the Village or other governmental authorities having jurisdiction other than the Village including but not limited to the Illinois Department of Transportation

- ("IDOT"), the Metropolitan Water Reclamation District of Greater Chicago ("MWRD") and/or the Illinois Environmental Protection Agency ("IEPA");
- g. shortage or unavailability of essential materials, which materially change the ability of the Party relying thereon to carry out its obligations under this Agreement;
 - h. unknown or unforeseeable geo-technical or environmental conditions;
 - i. major environmental disturbances, which delay construction by more than thirty (30) days;
 - j. vandalism;
 - k. unscheduled closure of the New York Stock Exchange for a period of two (2) consecutive days; or
 - l. terrorist acts.

Uncontrollable Circumstance shall not include: economic hardship; unavailability of materials (except as described in subsection 2.g. above); or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to any applicable contractor).

For each day that the Village or Developer is delayed in its performance under this Agreement by an Uncontrollable Circumstance, the dates set forth in this Agreement shall be extended by one (1) day without penalty or damages to either Party.

- J. **"Village Code"** means the Village of Mount Prospect Village Code, as amended as of the Effective Date.

III. CONSTRUCTION OF TERMS

This Agreement, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

- A. Definitions include both singular and plural.
- B. Pronouns include both singular and plural and cover all genders.
- C. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."
- D. Headings of Sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.
- E. All exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the

context of use where mentioned and referenced in this Agreement. In the event of a conflict between any exhibit and the terms of this Agreement, the Agreement shall control.

- F. Any certificate, letter or opinion required to be given pursuant to this Agreement means a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth. Reference herein to supplemental agreements, certificates, demands, requests, approvals, consents, notices and the like means that such shall be in writing whether or not a writing is specifically mentioned in the context of use.
- G. The Village Manager, unless applicable law requires action by the Corporate Authorities, shall have the power and authority to make or grant or do those things, certificates, payments under Section VI(A)(2), requests, demands, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by and provided for in this Agreement. Developer is entitled to rely on the full power and authority of the Persons executing this Agreement on behalf of the Village as having been properly and legally given by the Village.
- H. In connection with the foregoing and other actions to be taken under this Agreement, and unless applicable documents require action by Developer in a different manner Developer hereby designates Bart Przyjemski, Noah Properties, 3901 25th Avenue, Schiller Park, IL 60176 as its authorized representative who shall individually have the power and authority to make or grant or do all things, supplemental agreements, certificates, requests, demands, approvals, consents, notices and other actions required or described in this Agreement for and on behalf of Developer and with the effect of binding Developer in that connection (such individual being designated as an "Authorized Developer Representative"). Developer shall have the right to change its Authorized Developer Representative by providing the Village with written notice of such change from its authorized representative which notice shall be sent in accordance with Section XVIII.B. of this Agreement.

IV. COOPERATION OF THE PARTIES

The Village and Developer agree to cooperate in implementing the Project in accordance with the Parties' respective obligations set forth in this Agreement, and specific approvals by the Village in the future, relative to the development of the Property and the Project, including zoning applications relative thereto, and Village-issued permits and approvals relative thereto.

V. DEVELOPMENT OF THE PROPERTY

- A. **Approvals, Permits, Construction, and Completion.** The Developer shall, subject to Uncontrollable Circumstances:
1. Prior to the Execution Date, apply for all necessary permits and approvals from all governmental agencies having jurisdiction over the Project as may be required to commence construction of the Project, which application may occur prior to the conveyance of the Property from the Village to Developer.
 2. On or before September 1, 2021, take reasonable steps to obtain all necessary permits and approvals from all governmental agencies having jurisdiction over the Project as may be required to commence construction of the Project.
 3. Within thirty (30) days of receipt of all necessary permits and approvals as provided in Section V(A)(2) above, commence construction of the Project.
 4. On or before January 1, 2023 apply for a temporary Certificate of Occupancy for the Project.
 5. On or before June 1, 2023 apply for the Certificate of Project Completion in described in Section XI.A. of this Agreement, which application for the Certificate of Project Completion shall include the public improvements described in EXHIBIT E attached hereto and made a part hereof.
- B. Subject to Uncontrollable Circumstances, if the Developer has not commenced construction of the Project within the time frame set forth in Section V.A.3. above, the Village shall deliver a notice of default to Developer and, in the event that Developer has failed to commence construction, or take the prerequisite steps necessary to commence construction and diligently pursue commencement of same, within thirty (30) days after receipt of such notice, the Village shall have the right to terminate this Agreement. Notwithstanding the foregoing, if Developer has applied for such necessary permits and approvals as required above and despite diligently pursuing obtaining such necessary permits and approvals is unable to obtain them, then the Village will forbear from declaring Developer in default of this Agreement and exercising its right to purchase the Property from the Developer so long as Developer continues to pursue obtaining the necessary permits and approvals from governmental

agencies having jurisdiction over the Project with due diligence, in good faith and without delay.

VI. UNDERTAKINGS ON THE PART OF THE VILLAGE

A. The Village agrees to and shall:

1. Cooperate with Developer in Developer's attempts to obtain all necessary approvals, licenses and/or permits from any governmental or quasi-governmental entity other than the Village and, upon request of Developer, will promptly execute any applications or other documents (upon their approval by the Village) which Developer intends to file with such other governmental agencies, quasi-governmental agencies and/or utility companies in regard to the Project.
2. Contribute up to \$3.7 million of TIF funds (2021 present value discounted at 5% annually, i.e. the outstanding balance of the \$3.7 million shall accrue 5% interest compounded annually during the Term) generated by the Project on a pay-as-you-go basis (the "TIF Contribution") as detailed in the SB Friedman memorandum dated February 26, 2021 (Exhibit "F").
 - a. Developer shall be entitled to sixty percent (60%) of the TIF funds generated by the Project each property tax collection year until the earlier of i) the payment to Developer of an amount equal to the TIF Contribution, or ii) the expiration of the Term.
 - b. The TIF Contribution shall be paid to the Developer annually on December 1st of each year following the issuance of the Certificate of Project Completion.
3. Enter into an Off-Street Parking Agreement (Exhibit "G") providing six parking spaces within 1,000 feet of the Property for residential tenants of the Project.
4. Waive all applicable fees for the connection of the Property to the Village's water supply and sanitary sewer system for the Project.
5. Waive all building permit, inspection, impact fees and occupancy permit fees for the Project.
6. Apply the provisions of the Village Code in effect as of the effective date of this Agreement, regardless of subsequent changes and amendments to the Village Code.

- B. The Village shall further promptly respond to, and/or process, and consider reasonable requests of Developer for applicable building approvals and/or permits, driveway permits, drive thru permits, special use permits (if and to the extent applicable), zoning amendments, variances, curb cut permits, or other approvals, permits and/or licenses necessary for the construction of the Project. Approval of any building approvals and/or permit applications and/or engineering plans and/or operating licenses (including liquor licenses, subject to the applicant therefor being qualified to receive same under both State law and the Village's ordinances) shall be contingent on the Developer providing all required and requested documentation including, but not limited to, building plans required to substantiate that said improvements fully conform with all applicable State statutes and also all Village ordinances and codes, as well as receipt of all required building approvals from any federal, state, regional or county agencies having applicable jurisdiction.

VII. DEVELOPER'S OBLIGATIONS

Developer 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:

- A. **Constructions in Accordance with Approvals and Laws.** The Developer shall endeavor to construct the Project materially and substantially in conformance with the approvals therefor from the Village. The Developer shall pay or cause to be paid all building-related fees required by the Village Code, except as waived or modified in this Agreement. The Developer 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 substantially 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 Village, or any of its rules or regulations or amendments thereto which are applicable to all properties in the Village and are in effect from time to time during the construction and maintenance of the Project and/or during the term of this Agreement.
- B. **Construction Staging.** During the initial construction of the Project as herein contemplated, the Developer shall stage its construction of the Project to avoid to the fullest extent possible any material community disruption. During construction, the Developer shall also keep all public

streets used by the Developer clean on a daily basis, and for each day in which such public streets are not properly clean and such condition is not remedied within twenty-four (24) hours of written notice to Developer, the Developer shall pay the Village the sum of Two Hundred Fifty and No/100 Dollars (\$250.00) for each such violation. Developer shall park and stage all construction equipment, materials and vehicles to be used in relation to the construction of the Project on the Property.

- C. **Sufficient Funds.** Developer shall submit written evidence to the Village, in a form and substance reasonably satisfactory to the Village, that Developer has access to sufficient funds to pay any costs of the Project within ninety (90) days after the Effective Date. Such evidence can include, without limitation, commitments for financing and/or letters of credit from a lender, and/or investor commitments, and/or incentives to be provided in this Agreement for the anticipated costs of such Project.
- D. **Meetings with Village.** Developer shall meet with the Corporate Authorities and Village staff and make presentations to the Corporate Authorities and Village staff as reasonably requested by the Village Mayor or Village Manager in order to keep the Village apprised of the progress of the Project.

VIII. ADDITIONAL COVENANTS OF DEVELOPER

- A. **Continued Existence.** Developer will do or cause to be done all things necessary to preserve and keep in full force and effect its existence and standing as an Illinois limited liability company, so long as this Agreement is in effect, and for so long as Developer maintains an ownership interest in the Property or has any other remaining obligation pursuant to the terms of this Agreement, whichever is the first to occur.
- B. **Further Assistance and Corrective Instruments.** The Village and Developer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be reasonably required for carrying out the intention of or effectuating or facilitating the performance of this Agreement to the extent legally permitted and within the Village's and the Developer's sound legal discretion.
- C. **No Gifts.** Developer covenants that no director, employee or agent of Developer, or any other Person connected with Developer, has made, offered or given, either directly or indirectly, to any member of the Corporate Authorities, or any officer, employee or agent of the Village, or any other Person connected with the Village, any money or anything of value as a gift or bribe or other means of influencing his or her action in his or her capacity with the Village.

- D. **Disclosure.** Concurrently with execution of this Agreement, Developer shall disclose to the Village the names, addresses and ownership interests of all Persons that have an ownership interest in the Developer in excess of 7.5% of the total equitable interest of the entity, together with such supporting documentation that may be reasonably requested by the Village. Until the issuance of the Certificate of Project Completion, Developer further agrees to notify the Village throughout the term of this Agreement of the names, addresses and ownership interests of any changes of owners of the Developer in the event such ownership interests exceeds 7.5%.
- E. **Prevailing Wage.** To the extent required by law, Developer shall comply with the Illinois Prevailing Wage Act. Developer warrants and represents that it has reviewed the Illinois Prevailing Wage Act, that it has reviewed the regulations promulgated thereunder, and that it understands and will strictly comply with the obligations imposed on it by this Section VIII.E.

IX. ADHERENCE TO VILLAGE CODES AND ORDINANCES

Except as otherwise provided for in this Agreement, all development and construction of the Project shall comply in all material respects with the provisions in the building, plumbing, mechanical, electrical, storm water management, fire prevention, property maintenance, zoning and subdivision codes of the Village and all other germane codes and ordinances of the Village in effect from time to time during the course of construction of the Project. The Developer, by executing this Agreement, expressly warrants that it has examined and is familiar with all the covenants, conditions, restrictions, building regulations, zoning ordinances, property maintenance regulations, 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) and land use regulations, codes, ordinances, federal, State and local ordinances, and the like, currently in effect.

X. SPECIAL CONDITIONS

- A. **Certificate of Project Completion.** Within thirty (30) days after written request from Developer, and provided that Developer has not received any notice of default under this Agreement or notice of non-compliance with any Village codes with respect to Developer's construction obligations, any of which have not been cured, and after the Village has issued the final certificate of occupancy for the proposed building on the Property, and has confirmed that the proposed building on the Property has been constructed in substantial and material compliance with the Village Code and this Agreement, the Village shall deliver a certificate of completion and satisfaction of all construction terms, covenants and conditions contained in this Agreement ("Certificate of Project Completion") or, if not complete or

satisfied, a written statement as to what deficiencies exist, and upon Developer's correction of such issues, the Village shall then promptly and no more than five (5) days after receipt of the evidence of the correction of the deficiencies issue to Developer a Certificate of Project Completion. Developer may record the Certificate of Project Completion with the Cook County Recorder of Deeds, and the Certificate of Project Completion shall be conclusive evidence of the satisfaction of Developer's agreement and covenants under the Agreement and release Developer from any further obligations hereunder, except those specifically set forth in Section X hereof.

- B. **Employment Opportunities.** To the extent feasible, the Developer shall make reasonable efforts to notify Village residents of employment opportunities that are available relative to the Project, and, to the extent permitted by law, make reasonable efforts to employ qualified residents of the Village in relation to the Project. Developer's inability to discharge this obligation shall not be deemed a breach of this Agreement.

XI. REPRESENTATIONS AND WARRANTIES OF DEVELOPER

Developer represents agrees as the basis for the undertakings on its part herein contained that as of the date hereof and until completion of the Project to the best of its knowledge and without independent investigation:

- A. **Existence and Authority.** Developer is an Illinois limited liability company, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform, this Agreement. Developer is solvent, able to pay its debts as they mature and financially able to perform all the terms of this Agreement in accordance with Section V.C. of this Agreement. To Developer's knowledge, there are no actions at law or similar proceedings which are pending or threatened against Developer which would result in any material and adverse change to Developer's financial condition, or which would materially and adversely affect the level of Developer's assets as of the date of this Agreement or that would materially and adversely affect the ability of Developer to proceed with the construction and development of the Project.
- B. **No Conflict.** Neither the execution and delivery of this Agreement by Developer, the consummation of the transactions contemplated hereby by Developer, nor the fulfillment of or compliance with the terms and conditions of this Agreement by Developer conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of Developer (with Developer's prior written approval), any organizational documents, any restriction, agreement or instrument to which Developer or any of its partners, directors,

or venturers is now a party or by which Developer or any of its partners, directors or venturers is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the assets or rights of Developer, any related party or any of its partners, directors or venturers under the terms of any instrument or agreement to which Developer, any related party or any of its partners, directors or venturers is now a party or by which Developer, any related party or any of its partners, directors or venturers is bound.

- C. **Adequate Resources.** Developer has, or will have within sixty (60) days of the Acquisition Date, sufficient financial and economic resources or access to the same to implement and complete Developer's obligations contained in this Agreement.
- D. **No Adverse Notices.** Developer represents and warrants that it has not received any notice from any local, State or federal official that the activities of Developer with respect to the Property and/or the Project may or will be in violation of any environmental law or regulation. Developer is not aware of any State or federal claim filed or planned to be filed by any Party relating to any violation of any local, State or federal environmental law, regulation or review procedure, and Developer is not aware of any violation of any local, State or federal law, regulation or review procedure which would give any person a valid claim under any State or federal environmental statute.
- E. **Experience.** Developer represents and warrants to the Village that Developer, and its respective principals, are experienced in the development and operation of developments similar or comparable to the Project, and are able to provide the Project with the necessary skill, knowledge and expertise as well as input from other experts and consultants in the construction and operation of such a Project.
- F. **Payment of Real Estate Taxes.** Developer and successor owners agree to pay or cause to be paid all general and special real estate taxes levied during their respective period of ownership against their respective interest in the Project on or prior to the date same is due and said taxes shall not become delinquent; provided, however, Developer reserves the right to contest and appeal property taxes levied on the Property and the property tax assessment of the Property. Developer and successor owners shall deliver evidence of payment of such taxes to the Village upon request.
- G. **No Broker.** Developer represents and warrants to the Village that, in connection with this transaction, no third-party broker or finder has been engaged or consulted by it, or its subsidiaries or agents or employees, or, through such the Developer's actions (or claiming through such party), which is entitled to compensation as a consequence of this transaction.

XII. REPRESENTATIONS AND WARRANTIES OF THE VILLAGE

The Village represents, warrants and agrees as the basis for the undertakings on its part herein contained that:

- A. **Existence.** The Village is an Illinois home rule municipal corporation duly organized and validly existing under the laws of the State of Illinois, and has all requisite corporate power and authority to enter into this Agreement.
- B. **Authority.** The execution, delivery and performance of this Agreement and the consummation by the Village of the transactions provided for herein and the compliance with the provisions of this Agreement:
 - 1. have been duly authorized by all necessary corporate action on the part of the Village;
 - 2. require no other consents, approvals or authorizations on the part of the Village in connection with the Village's execution and delivery of this Agreement; and
 - 3. shall not, by lapse of time, giving of notice or otherwise result in any breach of any term, condition or provision of any indenture, agreement or other instrument to which the Village is subject.
- C. **Litigation.** To the best of the Village's knowledge, there are no proceedings pending or threatened against or affecting the Village or the TIF District in any court or before any governmental authority which involves the possibility of materially or adversely affecting the ability of the Village to perform its obligations under this Agreement and there is no litigation, dispute or proceeding pending or to the best of knowledge of Village, threatened, against Village which pertains to the Property, the Project or any portion thereof.
- D. **Adequate Resources.** The Village has sufficient financial and economic resources to implement and complete the Village's obligations contained in this Agreement.
- E. **No Broker.** The Village represents and warrants to the Developer that, in connection with this transaction, no third-party broker or finder has been engaged or consulted by it, or its subsidiaries or agents or employees, or, through such the Village's actions (or claiming through such party), is entitled to compensation as a consequence of this transaction.
- F. **No Contracts, No Undisclosed Obligations.** Village is not a party to any contract, agreement or commitment to sell, convey, assign, transfer,

provide rights of first refusal or other similar rights or otherwise dispose of any portion or portions of the Project. As of the Conveyance Deadline, except as created by this Agreement, there will be no obligations or liabilities of any kind or nature whatsoever, actual or contingent, including, but not limited to, any tax liabilities, contract liabilities or tort liabilities for which or to which Developer or the Project will be liable or subject, except for non-delinquent obligations and liabilities accrued and thereafter accruing under permitted exceptions to title to the Property.

G. **Fee Simple Title.** INTENTIONALLY OMITTED.

H. **No Violations of Law.** Village has knowledge of, or notice of, any claims of any governmental authority to the effect that the construction, operation or use of any of the Project is in violation of any applicable laws or that any claim or any investigation with respect thereto is under consideration and Village has not received any notice from any governmental authority alleging or claiming that the Property or any portion thereof violates any applicable environmental law, rule or regulation including, without limitation, the requirements of the "No Further Remediation Letter" issued by the Illinois Environmental Protection Agency the ("NFR"), dated December 12, 2016, and recorded against title to the Property with the Cook County Record of Deeds on December 29, 2016, as document number 1636445070; and that Village has complied with the requirements of the NFR.

I. **No Special Assessments.** There is not presently contemplated or pending, and Village has received no notice of, any special assessments of any nature with respect to the Property, the Project or any part thereof, nor has Village received any notice of any special assessments being contemplated.

Both Developer and Village agree to make the above representations and warranties in the Contract and on the date of the conveyance of the Property from the Village to Developer.

XIII. INSURANCE

This Section XIII. shall survive the termination of the Agreement until the earlier of (i) the issuance of a Certificate of Completion or (ii) twenty (24) months after the Effective Date.

A. **Insurance Coverages.** The Developer, and any successor in interest to the Developer, shall obtain and continuously maintain insurance on the Property and the Project and, from time to time at the request of the Village, furnish proof to the Village evidence that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage

described below is the minimum insurance coverage that the Developer must obtain and continuously maintain, provided that the Developer shall obtain the insurance described in subsection 1. below prior to the commencement of construction of any portion of the Project:

1. Builder's risk insurance, written on the so-called "Builder's Risk - Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Project at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy.
2. Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's/Contractor's Policy on a primary non-contributory basis naming the Village, its governing body members, officers, agents, including independent contractors, consultants, attorneys, servants and employees as additional insureds, with limits against bodily injury and property damage of not less than \$5,000,000.00 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.
3. Workers compensation insurance, with statutory coverage if applicable to the Developer.

B. **Continuity of Insurance.** All insurance required in this Section XIII. shall be obtained and continuously maintained through responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State to assume the risks covered by such policies. Unless otherwise provided in this Section XIII., cancellation relative to each policy shall be as provided by the policy; however, the Village must be named as a cancellation notice recipient. Not less than fifteen (15) days prior to the expiration of any policy, the Developer, or its successor or assign, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Section XIII. In lieu of separate policies, the Developer or its successor or assign, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

XIV. INDEMNIFICATION, HOLD HARMLESS AND RELEASE PROVISIONS

This Section XIV. shall survive the termination of the Agreement until the earlier of (i) a period of twenty (24) months after the Effective Date or (ii) the Village's issuance of the Certificate of Completion.

- A. **Release.** The Developer releases from and covenants and agrees that the Village, its governing body members, officers, agents, including independent contractors, consultants, attorneys, servants and employees thereof (for purposes of this Section XIV., collectively the "Village Indemnified Parties") shall not be liable for, and agrees to indemnify, defend and hold harmless the Village Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project or the Property or arising pursuant to the Developer's obligations or warranties under this Agreement or actions in furtherance thereof to the extent not attributable to the gross negligence or willful misconduct of the Village Indemnified Parties; provided, that this waiver shall not apply to the warranties made or obligations undertaken by the Village in this Agreement.
- B. **Indemnification.** Except for gross negligence or willful misconduct of the Village Indemnified Parties, Developer agrees to indemnify, defend and hold harmless the Village Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claims, demands, suits, costs, expenses (including reasonable attorney's fees), actions or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of Developer (or if other Persons acting on their behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project.
- C. **Environmental Disclaimer.** Except as otherwise set forth herein, the Village makes no warranties or representations regarding, nor does it indemnify the Developer with respect to, the existence or nonexistence on or in the vicinity of the Property, or anywhere within the TIF District of any toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, or any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. §§ 9601-9657, as amended) (collectively, the "Hazardous Substances"). The foregoing disclaimer relates to any Hazardous Substance allegedly generated, treated, stored, released or disposed of, or otherwise placed, deposited in or located on or in the vicinity of the Property, or within the TIF District, as well as any activity claimed to have been undertaken on or in the vicinity of the Property, that would cause or contribute to causing (1) the Property to become a treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. §6901 *et seq.*, or any similar State law or local ordinance, (2) a release or threatened release of toxic or hazardous wastes

or substances, pollutants or contaminants, from the Property, within the meaning of, or otherwise bring the Property within the ambit of, CERCLA, or any similar State law or local ordinance, or (3) the discharge of pollutants or effluents into any water source or system, the dredging or filling of any waters or the discharge into the air of any emissions, that would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. §1251 *et seq.*, or any similar State law or local ordinance. Further, the Village makes no warranties or representations regarding, nor does the Village indemnify the Developer with respect to, the existence or nonexistence on or in the vicinity of the Project, or anywhere within the Property or the TIF District, of any substances or conditions in or on the Property, that may support a claim or cause of action under RCRA, CERCLA, or any other federal, State or local environmental statutes, regulations, ordinances or other environmental regulatory requirements. The Village makes no representations or warranties regarding the existence of any above ground or underground tanks in or about the Property, or whether any above or underground tanks have been located under, in or about the Property have subsequently been removed or filled. The Village warrants and represents to Developer that it has not received notice, other than as already provided to the Developer by the Village in the environmental reports provided to the Developer by the Village, from any agency, individual or entity of any violation of any environmental law relating to any Hazardous Substances affecting the Property.

- D. **Waiver.** The Developer waives any claims against the Village Indemnified Parties, and their members and boards, for indemnification, contribution, reimbursement or other payments arising under Federal, State and common law relating to the environmental condition of the land comprising the Property.

- E. **No Personal Liability.** No liability, right or claim at law or in equity shall attach to or shall be incurred by the Village Indemnified Parties (other than claims against the Village for breach of this Agreement), the Village's Mayor, Trustees, officers, officials, attorneys, agents and/or employees, and any such rights or claims of the Developer against the Village Indemnified Parties (other than claims against the Village for breach of this Agreement), the Village's Mayor, Trustees, officers, officials, attorneys, agents and/or employees are hereby expressly waived and released as a condition of and as consideration for the execution of the Agreement by the Village.

XV. EVENTS OF DEFAULT AND REMEDIES

A. **Developer Events of Default.** The following shall be Events of Default with respect to this Agreement:

1. If any material representation made by Developer in this Agreement, or in any certificate, notice, demand or request made by a Party hereto, in writing and delivered to the Village pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if Developer does not remedy the default, within thirty (30) days after written notice from the Village and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.
2. Default by Developer for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant contained in this Agreement concerning the existence, structure or financial condition of Developer; provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and Developer, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice. A violation of the Village Code prosecuted as an ordinance violation shall not, alone, be considered an event of default.
3. Default by Developer for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant, warranty or obligation contained in this Agreement; provided, however, that such default shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and the Developer, within said thirty (30) days initiates and diligently pursues appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.
4. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of Developer in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or State bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of Developer for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or

order unstayed and in effect for a period of ninety (90) consecutive days.

5. The commencement by Developer of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or State bankruptcy, insolvency or other similar law, or the consent by Developer to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of Developer or of any substantial part of the Property, or the making by any such entity of any assignment for the benefit of creditors or the failure of Developer generally to pay such entity's debts as such debts become due or the taking of action by Developer in furtherance of any of the foregoing, or a petition is filed in bankruptcy by others.
6. Failure to have funds as timely required to meet Developer's obligations to construct the Project and obtain a Certificate of Project Completion, except in accordance with this Agreement.
7. A sale, assignment, or transfer of the Project, except in accordance with this Agreement.
8. Material change in the management of Developer, except in accordance with this Agreement.
9. Developer abandons the Project on the Property. Abandonment shall be deemed to have occurred when work stops on the Property for more than ninety (90) consecutive days for any reason other than Uncontrollable Circumstances and such work is not resumed within ninety (90) days of written demand by the Village.
10. Prior to issuance of the Certificate of Project Completion, Developer fails to comply with applicable governmental codes and regulations in relation to the construction and maintenance of the Project contemplated by this Agreement and such failure continues for more than thirty (30) days after written notice thereof from the Village; provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and Developer, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.
11. A material representation or warranty of Developer is not true for a period of thirty (30) days after written notice from the Village; provided, however, that such default or breach shall not constitute

an Event of Default if such default cannot be cured within said thirty (30) days and Developer, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.

B. **Village Events of Default.** The following shall be Events of Default with respect to this Agreement:

1. If any material representation made by the Village in this Agreement, or in any certificate, notice, demand or request made by a Party hereto, in writing and delivered to Developer pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if the Village does not remedy the default, within thirty (30) days after written notice from Developer and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.
2. Default by the Village in the performance or breach of any material covenant contained in this Agreement concerning the existence, structure or financial condition of the Village; provided, however, that such default or breach shall constitute an Event of Default only if the Village does not, within thirty (30) days after written notice from Developer, initiate and diligently pursue appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.
3. Default by the Village in the performance or breach of any material covenant, warranty or obligation contained in this Agreement; provided, however, that such default shall not constitute an Event of Default if the Village, commences cure within thirty (30) days after written notice from Developer and in any event cures such default within ninety (90) days after such notice, subject to Uncontrollable Circumstances.
4. A material representation or warranty of the Village is not true for a period of thirty (30) days after written notice from Developer; provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and the Village, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event (subject to Uncontrollable Circumstances) cures such default within ninety (90) days after such notice.

C. **Remedies for Default.** In the case of an Event of Default hereunder:

1. The defaulting Party shall, upon written notice from the non-defaulting Party, take prompt action to cure or remedy such Event of Default. If, in such case, any monetary Event of Default is not cured, or if in the case of a non-monetary Event of Default, except for circumstances contemplated under Section XV.A.1., action is not taken or not diligently pursued, or if action is taken and diligently pursued but such Event of Default or breach shall not be cured or remedied within the cure periods specified therefor, unless extended by mutual agreement, the non-defaulting Party may institute such proceedings as may be necessary or desirable in its opinion to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance of the defaulting Party's obligations under this Agreement.
2. In case a Party shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, then, and in every such case, the Parties shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of Developer and the Village shall continue as though no such proceedings had been taken.
3. In no event shall either Party be liable to the other for any consequential or punitive damages suffered as a result of a default under this Agreement.

D. **Agreement to Pay Attorneys' Fees and Expenses.** In the event an Event of Default is not cured within the applicable cure periods and the Parties employ an attorney or attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement herein contained, the non-prevailing Party shall pay, on demand, the prevailing Party's reasonable fees of such attorneys and such other reasonable expenses in connection with such enforcement action. This Section XV.D. shall survive the termination of this Agreement for a period of twelve (12) months after the termination of this Agreement.

E. **No Waiver by Delay or Otherwise.** Any delay by any Party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that any Party should not be deprived of or limited in the exercise of the remedies provided in this Agreement because of concepts of waiver,

laches or otherwise); nor shall any waiver in fact made with respect to any specific Event of Default be considered or treated as a waiver of the rights by the waiving Party of any future Event of Default hereunder, except to the extent specifically waived in writing. No waiver made with respect to the performance, nor the manner or time thereof, of any obligation or any condition under the Agreement shall be considered a waiver of any rights except if expressly waived in writing.

- F. **Rights and Remedies Cumulative.** The rights and remedies of the Parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise by such Party, at that time or different times, of any other such remedies for the same Event of Default.
- G. **Legal and Other Fees and Expenses.** Other than for demands, suits, costs, expenses (including reasonable attorney's fees), actions or other proceedings covered by Section XV. above, in the event that any third party or parties institute any legal proceedings against the Developer and/or the Village, which relate to the terms of this Agreement, then, in that event, the Parties shall cooperate in the defense of any such lawsuit, with each Party assuming, fully and vigorously, its own defense of such lawsuit, and all costs and expenses of its own defense, of whatever nature (including attorney's fees). This Section XV.G. shall survive the termination of this Agreement.

XVI. EQUAL EMPLOYMENT OPPORTUNITY

- A. **No Discrimination.** To the extent required by law, Developer shall comply with all federal, state and local laws relating to equal employment opportunity, if any. To the extent permitted by law, Developer shall use reasonable efforts to employ qualified residents of the Village as to any direct hires by the Developer, if applicable. In the event the Developer is unable to employ qualified residents of the Village it shall not be deemed a Default of this Agreement.
- B. **Advertisements.** To the extent required by law, Developer shall, in all solicitations or advertisements for employees placed by or on behalf of Developer, if applicable, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

XVII. MISCELLANEOUS PROVISIONS

A. **Cancellation.** Notwithstanding any terms in this Agreement to the contrary, in the event Developer or the Village shall be prohibited, in any material respect, from performing covenants and agreements or enjoying the rights and privileges herein contained, or contained in the TIF Plan, including Developer's duty to build the Project and operate the Project, by the order of any court of competent jurisdiction, or in the event that all or any part of the Act or any ordinance adopted by the Village in connection with the Project, shall be declared invalid or unconstitutional, in whole or in part, by a final decision of a court of competent jurisdiction and such declaration shall materially affect the Project or the covenants and agreements or rights and privileges of Developer or the Village, then and in any such event, the Party so materially affected may, at its election, cancel or terminate this Agreement in whole (or in part with respect to that portion of the Project materially affected) by giving written notice thereof to the other Parties within thirty (30) days after such final decision or amendment. Further, the cancellation or termination of this Agreement shall have no effect on the authorizations granted to Developer for buildings, or the remodeling of any building, permitted and under construction, to the extent permitted by said court order; and the cancellation or termination of this Agreement shall have no effect on perpetual easements contained in any recorded, properly executed document.

B. **Notices.** All notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be given in writing at the addresses set forth below, by any of the following means: (1) personal service, (2) electronic communications, whether by electronic mail, telex, telegram or telecopy, but only if followed up, within one (1) business day, by another method of notice, (3) overnight courier, or (4) registered or certified first class mail, postage prepaid, return receipt requested.

If to Village: Arlene Juracek, Mayor
 Village of Mount Prospect
 50 S. Emerson Street
 Mount Prospect, Illinois 60056
 Email: ajuracek@mountprospect.org

With a copy to: Michael Cassady, Village Manager
 Village of Mount Prospect
 50 S. Emerson Street
 Mount Prospect, Illinois 60056
 Email: mcassady@mountprospect.org

and: Klein, Thorpe and Jenkins, Ltd.
 20 North Wacker Drive, Suite 1660
 Chicago, Illinois 60606-2903
 Attention: Lance C. Malina / Gregory T. Smith

Email: lmalina@ktjlaw.com / gtsmith@ktjlaw.com

If to Developer: Prospect Place Development Partners, LLC
2222 Chestnut Avenue, Suite 201
Chicago, Illinois 60026-1679
Attn: S. Aaron Tenebaum
Email: slava@lawtenenbaum.com

And: Matthew Welch
11950 S. Harlem, Suite 102
Palos Heights, IL 60463
Email: mwelch@montanawelch.com

The Parties, by notice hereunder, may designate any further or different addresses to which subsequent notices, certificates, approvals, consents or other communications shall be sent. Any notice, demand or request sent pursuant to either clause (1) or (2) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (3) shall be deemed received on the day immediately following deposit with the overnight courier, and any notices, demands or requests sent pursuant to clause (4) shall be deemed received forty-eight (48) hours following deposit in the mail. All notices requiring a deadline for responses shall be sent in such a manner so as to determine the date of receipt by the intended recipient.

- C. **Time is of the Essence.** Time is of the essence of this Agreement. Notwithstanding the foregoing, if the date for performance of any of the terms, conditions and provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, then the date of such performance shall be extended to the next business day.
- D. **Integration.** Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.
- E. **Counterparts.** This Agreement may be executed in any number of counterparts, but in no event less than two (2) counterparts, each of which shall be an original and each of which shall constitute but one and the same Agreement.
- F. **Recordation of Agreement.** The Parties agree to record this Agreement with the Cook County Recorder's Office against title to the Property. The Village and the Developer shall equally share the cost of the recording charges. The Developer's rights and obligations in this Agreement are covenants running with title to the Property and successor owners of the

Property shall be and are bound by this Agreement to the same extent as Developer.

- G. **Severability.** If any provision of this Agreement, or any Section, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held to be invalid, the remainder of this Agreement shall be construed as if such invalid part were never included herein, and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.
- H. **Choice of Law / Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, and any court proceedings between the Parties hereto shall be brought in Cook County, Illinois.
- I. **Entire Contract and Amendments.** This Agreement (together with the exhibits attached hereto and incorporated herein by this reference) is the entire contract between the Village and the Developer relating to the subject matter hereof, supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Village and the Developer, and may not be modified or amended except by a written instrument executed by the Parties hereto.
- J. **Third Parties.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other Person other than the Village and the Developer, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third parties to the Village and the Developer, nor shall any provision give any third parties any rights of subrogation or action over or against the Village or the Developer. This Agreement is not intended to and does not create any third-party beneficiary rights whatsoever.
- K. **Waiver.** Any Party to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.
- L. **Cooperation and Further Assurances.** The Village and the Developer each covenant and agree that each will do, execute, acknowledge and deliver or cause to be done, executed and delivered, such agreements, instruments and documents supplemental hereto and such further acts, instruments, pledges and transfers as may be reasonably required for the better clarifying, assuring, mortgaging, conveying, transferring, pledging, assigning and confirming unto the Village or the Developer, or other

appropriate Persons, all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under or in respect of this Agreement at no additional cost or expense to the non-requesting Party.

- M. **No Joint Venture, Agency or Partnership Created.** Nothing in this Agreement, or any actions of the Parties to this Agreement, shall be construed by the Parties or any third party to create the relationship of a partnership, agency or joint venture between or among such Parties.
- N. **No Personal Liability of Officials of the Village or the Developer.** No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of the Corporate Authorities, Village Manager, any elected official, officer, partner, member, shareholder, manager, director, agent, employee or attorney of the Village or the Developer, in his or her individual capacity, and no elected official, officer, partner, member, director, agent, employee or attorney of the Village or the Developer shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement, or any failure in that connection.
- O. **Repealer.** To the extent that any ordinance, resolution, rule, order or provision of the Village Code, or any part thereof, is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling, to the extent lawful.
- P. **Term.** This Agreement shall remain in full force and effect until the termination of the Redevelopment Project Area ("Term").
- Q. **Estoppel Certificates.** Each of the Parties hereto agrees to provide the other, upon not less than five (5) days prior request, a certificate ("Estoppel Certificate") certifying that this Agreement is in full force and effect (unless such is not the case, in which case such Party shall specify the basis for such claim), that the requesting Party is not in default of any term, provision or condition of this Agreement beyond any applicable notice and cure provision (or specifying each such claimed default) and certifying such other matters reasonably requested by the requesting Party. If either Party fails to comply with this provision within the time limit specified, and if, after an additional seven (7) days' notice there still is no compliance, then said non-complying Party shall be deemed to have appointed the other as its attorney-in-fact for execution of same on its behalf as to that specific request only.
- R. **Assignment.** This Agreement, and the rights and obligations hereunder, may not be assigned by Developer prior to the date the Village issues

Developer a Certificate of Project Completion, unless the Village consents in writing to such assignment which consent shall not be unreasonably withheld or delayed, and unless the assignee consents in writing to be bound by the terms of this Agreement. Thereafter, Developer may sell or transfer the Property, and assign its right, duties and obligations hereunder, without the consent or approval of the Village. Nothing herein shall be deemed to prohibit or impair an assignment to Developer's lender pursuant to an assignment required for construction financing or using the benefits of this Agreement as collateral.

- S. **Municipal Limitations.** All Village commitments hereunder are limited to the extent required by law.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on or as of the day and year first above written.

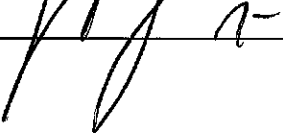
VILLAGE OF MOUNT PROSPECT,
an Illinois home rule municipal corporation

ATTEST:

By: _____
Paul Wm Hoefert, Mayor

By: _____
Karen Agoranos, Village Clerk

PROSPECT PLACE DEVELOPMENT PARTNERS, LLC
an Illinois limited liability company

By: _____


ACKNOWLEDGMENT

State of Illinois)
) SS
County of Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Paul Wm Hoefert and Karen Agoranos, personally known to me to be the Mayor and Village Clerk of the Village of Mount Prospect, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Mayor and Village Clerk, they signed and delivered the said instrument and caused the corporate seal of said municipal corporation to be affixed thereto, pursuant to authority given by the Board of Trustees of said Illinois home rule municipal corporation, as their free and voluntary act, and as the free and voluntary act and deed of said Illinois home rule municipal corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this _____ day of _____, 2021.

Notary Public

ACKNOWLEDGMENT

State of Illinois)
) SS
County of Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Bart Przyjemski personally known to me to be the Manager of Prospect Place Development Partners, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Manager, he signed and delivered the said pursuant to authority given by the operating agreement of Prospect Place Partners, LLC, as his/her free and voluntary act, and as the free and voluntary acts and deeds of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 6ⁿ day of October, 2021
2021.

Malgorzata Poplawski
Notary Public

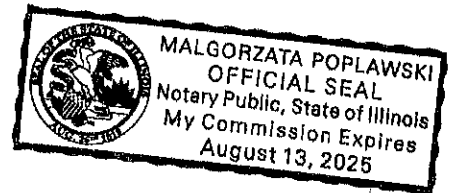


EXHIBIT A-1

Prospect and Main TIF District

Legal Description

Legal Description:

THAT PART OF SECTIONS 11 & 12 IN TOWNSHIP 41 NORTH, RANGE 11 EAST AND SECTIONS 33 & 34 IN TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD, AND THE SOUTHWESTERLY LINE OF NORTHWEST HIGHWAY, BEING ALSO THE NORTHEASTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY;

THENCE SOUTH ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AND THE CENTER LINE OF MT. PROSPECT ROAD TO THE SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY, BEING ALSO THE NORTHEASTERLY LINE OF PROSPECT AVENUE;

THENCE SOUTHWESTERLY TO THE INTERSECTION OF THE WEST LINE OF MT. PROSPECT ROAD WITH THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE WEST LINE OF THE EAST 205 FEET OF LOT 1 IN GLEICH'S INDUSTRIAL PARK, A SUBDIVISION OF PART OF THE WEST HALF OF THE NORTHEAST QUARTER AND PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID WEST LINE OF THE EAST 205 FEET OF LOT 1 IN GLEICH'S INDUSTRIAL PARK TO THE SOUTHERLY LINE OF LOT 1 AFORESAID;

THENCE NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF LOT 1 IN GLEICH'S INDUSTRIAL PARK TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE NORTHEASTERLY LINE OF LINCOLN STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LINCOLN STREET AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF WILLIAM STREET;

THENCE SOUTH ALONG SAID EAST LINE OF WILLIAM STREET TO THE SOUTH LINE OF SHA-BONEE TRAIL;

THENCE WEST ALONG SAID SOUTH LINE OF SHA-BONEE TRAIL TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE SOUTH LINE OF COUNCIL TRAIL;

THENCE WEST ALONG SAID SOUTH LINE OF COUNCIL TRAIL TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 12 IN ELLENDALE, A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 12 IN ELLENDALE TO THE NORTH LINE THEREOF;

THENCE WEST ALONG SAID NORTH LINE OF LOT 12 IN ELLENDALE TO THE EAST LINE OF LOT 3 IN ELLENDALE AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 3 IN ELLENDALE AND THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF MOEHLING DRIVE;

THENCE WEST ALONG SAID NORTH LINE OF MOEHLING DRIVE AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF MAPLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF MAPLE STREET TO THE NORTH LINE OF THE SOUTH 270 FEET OF LOT 2 IN ETHEL BUSSE'S SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 270 FEET OF LOT 2 IN ETHEL BUSSE'S SUBDIVISION TO THE EAST LINE OF LOTS 35 THRU 42 IN BUSSE'S RESUBDIVISION OF LOT "A" IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOTS 35 THRU 42 IN BUSSE'S RESUBDIVISION TO THE EAST LINE OF LOT 2 IN MILLER RESUBDIVISION OF LOTS 1 TO 3 & 43 IN BUSSE'S SUBDIVISION OF LOT "A" IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION AFORESAID;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION TO A BEND THEREIN;

THENCE SOUTH ALONG SAID WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE NORTH LINE OF LOT 3 IN MILLER RESUBDIVISION AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 3 IN MILLER RESUBDIVISION TO THE MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION AFORESAID;

THENCE SOUTH ALONG SAID MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION TO A BEND THEREIN;

THENCE SOUTHEASTERLY ALONG SAID MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE EAST LINE THEREOF, AND THE NORTH LINE OF LOT 42 IN BUSSE'S RESUBDIVISION AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 42 IN BUSSE'S RESUBDIVISION AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF EMERSON STREET;

THENCE NORTH ALONG SAID WEST LINE OF EMERSON STREET TO THE SOUTH LINE OF LOT 11 IN BUSSE'S RESUBDIVISION AFORESAID;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 11 IN BUSSE'S RESUBDIVISION TO THE EAST LINE OF LOTS 5 THRU 9 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION AFORESAID, LYING SOUTH OF THE RIGHT OF WAY OF THE CHICAGO & NORTHWESTERN RAILWAY;

THENCE NORTH ALONG SAID EAST LINE OF LOTS 5 THRU 9 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT TO THE NORTH LINE OF LOT 5 AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 5 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF MAIN STREET;

THENCE NORTH ALONG SAID WEST LINE OF MAIN STREET TO THE NORTH LINE OF LOT 24 IN BLOCK 4 IN MEIER'S ADDITION TO MT. PROSPECT AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 24 IN BLOCK 4 IN MEIER'S ADDITION TO MT. PROSPECT TO THE WEST LINE OF THE 20 FOOT WIDE ALLEY EAST OF WILLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF THE 20 FOOT WIDE ALLEY EAST OF WILLE STREET TO THE SOUTH LINE OF EVERGREEN AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF EVERGREEN AVENUE TO THE WEST LINE OF WILLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF WILLE STREET TO THE SOUTH LINE OF LOT 13 IN BUSSE'S RESUBDIVISION OF LOTS 1 TO 6, INCLUSIVE, OF RESUBDIVISION OF LOTS 1 TO 6, INCLUSIVE, IN BLOCK 4, ALOS OF LOTS 2 & 3 IN BLOCK 5, ALL OF BLOCK 6, LOT 13 TO 24, INCLUSIVE, IN BLOCK 7, LOTS 17 TO 20 IN BLOCK 8 ALL IN MEIER'S ADDITION TO MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 13 IN BUSSE'S RESUBDIVISION TO THE WEST LINE OF LOTS 13 AND 14 IN BUSSE'S RESUBDIVISION;

THENCE NORTH ALONG SAID WEST LINE OF LOTS 13 AND 14 IN BUSSE'S RESUBDIVISION TO THE SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF PINE STREET;

THENCE NORTH ALONG SAID WEST LINE OF PINE STREET TO THE SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE WEST AND NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO ITS INTERSECTION WITH THE SOUTH LINE OF BUSSE AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF BUSSE AVENUE TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE 20 FOOT WIDE ALLEY WEST OF ELMHURST AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF THE 20 FOOT WIDE ALLEY WEST OF ELMHURST AVENUE TO THE SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF I-OKA AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF I-OKA AVENUE TO THE SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE WEST AND NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF HI-LUSI AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF HI-LUSI AVENUE TO THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE EAST LINE OF LOT 8 IN H.ROY BERRY CO.S' COLONIAL MANOR, A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 11 AND PART OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 8 IN H.ROY BERRY CO.S' COLONIAL MANOR AND THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF THE 16 FOOT WIDE ALLEY SOUTH OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF THE 16 FOOT WIDE ALLEY SOUTH OF CENTRAL ROAD TO THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 11 AFORESAID;

THENCE NORTH ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 11 TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF MILLERS LANE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF MILLERS LANE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 11 IN MILLERS STATION SUBDIVISION, A RESUBDIVISION OF LOT 1 IN TRADE SERVICE PUBLICATIONS SUBDIVISION AND PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 11 IN MILLERS STATION SUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF CATHY LANE;

THENCE NORTH ALONG SAID EAST LINE OF CATHY LANE TO THE EAST LINE OF LOT 12 IN MILLERS STATION SUBDIVISION AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 12 IN MILLERS STATION SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO THE SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTER RAILWAY RIGHT OF WAY TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID;

THENCE NORTH ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID TO THE WESTERLY EXTENSION OF THE NORTH LINE OF HENRY STREET;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF HENRY STREET TO THE EAST LINE OF FAIRVIEW AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF FAIRVIEW AVENUE TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE WEST LINE OF PROSPECT MANOR AVENUE;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF FAIRVIEW AVENUE TO THE EAST LINE OF PROSPECT MANOR AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF PROSPECT MANOR AVENUE TO THE NORTH LINE OF WALNUT STREET;

THENCE EAST ALONG SAID NORTH LINE OF WALNUT STREET AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF RIDGE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF RIDGE AVENUE TO THE NORTH LINE OF LOT 1 IN FRIEDRICH'S SUBDIVISION OF LOTS 4 & 5 IN BLOCK 25 IN PROSPECT MANOR, A SUBDIVISION OF THE SOUTH 3/4 OF THE WEST HALF OF THE WEST HALF OF SECTION 34 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 1 IN FRIEDRICH'S SUBDIVISION TO THE WEST LINE OF ELMHURST AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF ELMHURST AVENUE TO THE WESTERLY EXTENSION OF THE NORTH LINE OF THE PLAT OF CONSOLIDATION OF THE WEST 70 FEET OF LOTS 1 THRU 10 IN BLOCK 3 AND PART OF BLOCK 4 IN THE ERNST BUSSE ADDITION TO MT. PROSPECT IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 34 AFORESAID;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE PLAT OF CONSOLIDATION TO THE EAST LINE OF LOT 1 IN THE PLAT OF CONSOLIDATION AFORESAID;

THENCE SOUTH ALONG SAID EAST LINE LOT 1 IN THE PLAT OF CONSOLIDATION TO THE NORTH LINE OF CENTRAL ROAD;

THENCE EAST ALONG SAID NORTH LINE OF CENTRAL ROAD TO THE EAST LINE OF PINE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF PINE STREET TO THE NORTHEASTERLY LINE OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF NORTHWEST HIGHWAY TO THE WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION OF LOTS 18 & 19 AND THE NORTH 22 FEET OF LOT 17 IN BLOCK 2 OF BUSSE & WILDE'S RESUBDIVISION IN MT. PROSPECT TOGETHER WITH LOT "A" IN CORPORATE SUBDIVISION NO. 8 VILLAGE OF MT. PROSPECT AND LOT 1 IN WILLE'S RECONSOLIDATION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 38.06 FEET TO A BEND THEREIN;

THENCE EAST ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 28.07 FEET TO A BEND THEREIN;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 18.61 FEET TO A BEND THEREIN;

THENCE EAST ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 30.63 FEET TO A BEND THEREIN;

THENCE NORTH ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 65.92 FEET TO THE NORTH LINE THEREOF;

THENCE EAST ALONG SAID NORTH LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION TO THE WEST LINE OF WILLE STREET;

THENCE EAST TO THE EAST LINE OF WILLE STREET AT THE SOUTHWEST CORNER OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION OF SUNDRY LOTS AND VACATED ALLEYS OF VARIOUS SUBDIVISIONS IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION TO THE EAST LINE THEREOF;

THENCE NORTH ALONG SAID EAST LINE OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN TRAPANI'S RESUBDIVISION OF LOT "A" IN BLOCK 1 IN THE ERNST BUSSE ADDITION TO MT. PROSPECT AND LOT "A" IN HILLCREST SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 34 AFORESAID;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF LOT 1, AND THE WEST LINE OF LOT 2 IN TRAPANI'S RESUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF HENRY STREET;

THENCE EAST ALONG SAID NORTH LINE OF HENRY STREET TO THE EAST LINE OF MAIN STREET;

THENCE SOUTH ALONG SAID EAST LINE OF MAIN STREET TO THE NORTH LINE OF CENTRAL ROAD;

THENCE EAST ALONG SAID NORTH LINE OF CENTRAL ROAD TO THE EAST LINE OF EMERSON STREET;

THENCE SOUTH ALONG SAID EAST LINE OF EMERSON STREET TO THE NORTH LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE NORTH LINE OF BUSSE AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF BUSSE AVENUE TO THE EAST LINE OF MAPLE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF MAPLE STREET TO THE NORTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE SOUTH LINE THEREOF;

THENCE SOUTHWESTERLY ALONG SAID SOUTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE OF LOT 12 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT, BEING ALSO THE WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT OF LOTS 2, 3, 4 & OUT LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1, A RESUBDIVISION OF LOTS A & B IN THE RESUBDIVISION OF LOTS 2 TO 6, PART OF LOT 1 IN THE SUBDIVISION OF BLOCK 10, LOT 16 IN BUSSE'S SUBDIVISION, LOTS 13 TO 15 IN BLOCK 11 & PART OF BLOCK 9 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 172.45 FEET TO A BEND THEREIN;

THENCE WEST ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 4.63 FEET TO A BEND THEREIN;

THENCE SOUTH ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 147.65 FEET TO A BEND THEREIN;

THENCE SOUTHWESTERLY ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT TO THE NORTHEASTERLY LINE OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF NORTHWEST HIGHWAY TO THE NORTHWESTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1, A RESUBDIVISION OF PARTS OF BLOCKS 9, 10 & 11 IN BUSSE & WILLE'S RESUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1 TO THE NORTHEASTERLY LINE THEREOF;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1 TO THE NORTH LINE OF LOT A IN

GEORGE R. BUSSE'S RESUBDIVISION OF PART OF BLOCK 9 IN BUSSE & WILLE'S RESUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT A IN GEORGE R. BUSSE'S RESUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE NORTH LINE OF THE SOUTH HALF OF LOT 33 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF THE SOUTH HALF OF LOT 33 IN MT. PROSPECT SUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF THE 16 FOOT WIDE ALLEY EAST OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF THE 16 FOOT ALLEY EAST OF SCHOOL STREET TO THE NORTH LINE OF LOT 1 IN BRUCE'S RESUBDIVISION IN MT. PROSPECT OF LOTS 22 TO 27 IN BLOCK 20 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 1 IN BRUCE'S RESUBDIVISION IN MT. PROSPECT AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF OWEN STREET;

THENCE SOUTH ALONG SAID EAST LINE OF OWEN STREET TO THE NORTHWESTERLY EXTENSION OF THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHWESTERLY EXTENSION AND THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF LOUIS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF LOUIS STREET TO THE NORTHERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE EAST AND SOUTHEASTERLY ALONG SAID NORTHERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF EDWARDS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF EDWARDS STREET TO THE NORTH LINE OF LINCOLN STREET;

THENCE EAST ALONG SAID NORTH LINE OF LINCOLN STREET TO THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 1 IN OLIVER'S

RESUBDIVISION OF LOTS 12 & 13 IN H. ROY BERRY COMPANY'S MAPLEWOOD HEIGHTS (EXCEPT THE SOUTHERLY 66 FEET FOR ROAD) ALSO BLOCK 26 IN BUSSE'S EASTERN ADDITION TO MT. PROSPECT IN THE EAST HALF OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF LOT 1 IN OLIVER'S RESUBDIVISION TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE EAST LINE OF GEORGE STREET;

THENCE NORTH ALONG SAID EAST LINE OF GEORGE STREET TO THE NORTH LINE OF LOT 17 IN MAPLEWOOD HEIGHTS, A SUBDIVISION NORTH OF THE RAILROAD IN THE DIVISION OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 17 IN MAPLEWOOD HEIGHTS TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 17 IN MAPLEWOOD HEIGHTS TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE WEST LINE OF LOT 65 IN MAPLEWOOD HEIGHTS AFORESAID;

THENCE NORTH ALONG SAID WEST LINE OF LOT 65 IN MAPLEWOOD HEIGHTS TO THE NORTH LINE THEREOF;

THENCE EAST ALONG SAID NORTH LINE OF LOT 65 IN MAPLEWOOD HEIGHTS AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD;

THENCE SOUTH ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD, TO THE SOUTHWESTERLY LINE OF NORTHWEST HIGHWAY, BEING ALSO THE NORTHEASTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY, AND THE POINT OF BEGINNING;

EXCEPTING THEREFROM

THAT PART OF LOT 1 IN DESIDERATA SUBDIVISION OF BLOCK 1 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN SECTION 12 AFORESAID, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING ON THE WEST LINE OF SAID LOT 1 AT POINT 246.07 FEET SOUTH OF THE NORTHWEST CORNER THEREOF;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF SAID LOT 1, A DISTANCE OF 67.34 FEET;

THENCE NORTHEASTERLY ALONG A LINE DRAWN PERPENDICULAR TO THE SOUTHWESTERLY LINE OF LOT 1, A DISTANCE OF 65.76 FEET;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF SAID LOT 1, A DISTANCE OF 55.38 FEET TO THE MOST WESTERLY EAST LINE OF SAID LOT 1, AND THE POINT OF TERMINUS OF SAID LINE;

ALSO EXCEPTING THEREFROM

ALL OF VILLAGE CENTRE PHASE 1-B PLAT OF RESUBDIVISION OF LOTS 6, 7, 8, 9 IN BLOCK 13 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AND PARTS OF LOTS 8, 9, 10 IN BLOCK 15 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

IN COOK COUNTY, ILLINOIS.

EXHIBIT A-2

Prospect and Main TIF District

Map

Map: Prospect & Main Proposed RPA Boundary

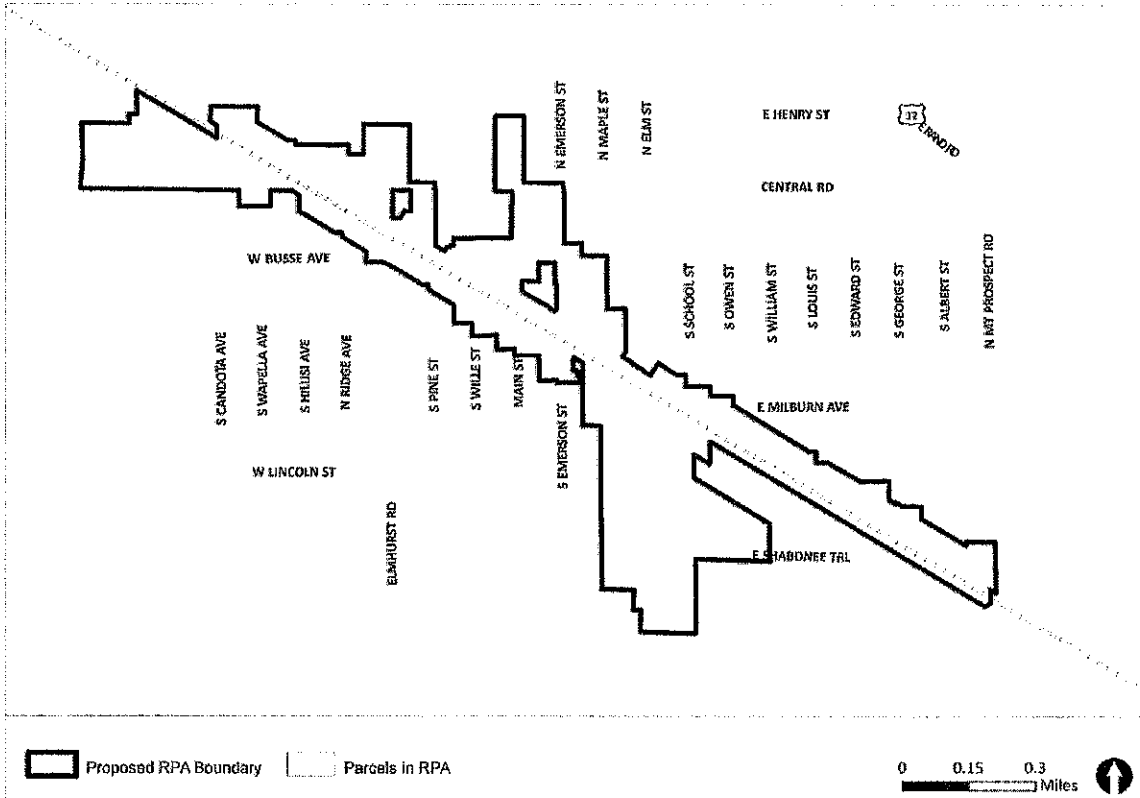


EXHIBIT B

Legal Description of the Property

LOTS 8, 9, 10, 11 IN BUSSE'S RESUBDIVISION OF LOTS 1-6, INCLUSIVE IN BLOCK 4, ALSO OF LOTS 2 AND 3 IN BLOCK 5, ALL OF BLOCK 6, LOTS 13 TO 24, INCLUSIVE IN BLOCK 7, AND LOTS 17 THRU 20 IN BLOCK 8, ALL IN MEIER'S ADDITION TO MOUNT PROSPECT, A SUBDIVISION IN THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO, LOT 1 (EXCEPT THE NORTHEASTERLY 16 FEET THEREOF) IN BLOCK 5 DEDICATED TO FORM PART OF PROSPECT AVENUE BY PLAT REGISTERED AS DOCUMENT NUMBER 301948 IN MEIER'S ADDITION TO MOUNT PROSPECT IN THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 1-27 PROSPECT AVENUE (COVE PLAZA), MOUNT PROSPECT, IL

PIN #- 08-12-114-001-0000, 08-12-114-002-0000, 08-12-114-003-0000, 08-12-114-004-0000 & 08-12-114-005-0000

EXHIBIT C

Site Plan for the Project

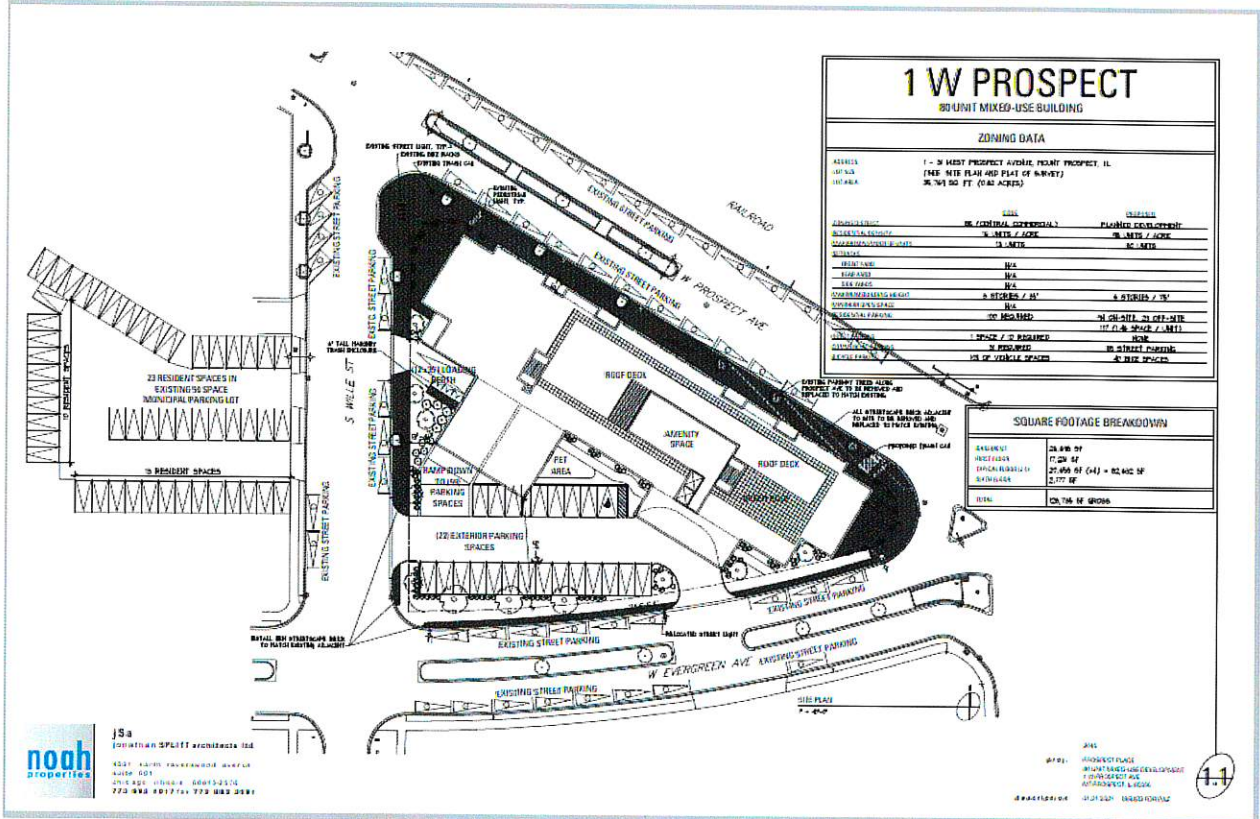


EXHIBIT D

Detailed Description of the Project

The Project is a mixed use planned unit development (PUD) known as Prospect Place consisting of a five (5) story building, including eighty (80) apartments, 10,250 square feet of ground floor retail and related site improvements.

EXHIBIT E

PUBLIC IMPROVEMENTS

The Developer shall construct public improvements relative to the Project as directed by the Village, at the Developer's sole cost and expense, which shall include, but not be limited to, the following public improvements, along with others required by the Village:

1. Installation of streetscape improvements around the perimeter of the Project. Streetscape improvements include brick pavers, pedestrian lighting, landscaping, ornamental street furniture typical of improvements located throughout the downtown district.

Exhibit F

SB Friedman Memorandum



MEMO

To: Bill Cooney, Village of Mount Prospect
From: Geoff Dickinson, AICP, SB Friedman Development Advisors
(312) 384-2404, gdickinson@sbfriedman.com
Date: February 26, 2021
RE: Preliminary Financial Review – Prospect Place – Request for Village Financial Support

SB Friedman Development Advisors (SB Friedman) was engaged by the Village of Mount Prospect (the "Village") to assist the Village in evaluating the proposed redevelopment of the Prospect Place retail center into an 80-unit multifamily apartment building with 10,000 square feet of ground-floor retail space (the "Project") in downtown Mount Prospect. First Equity Group, LLC (the "Developer") is requesting Village TIF assistance to support the Project. The site is located in the Prospect and Main Tax Increment Financing District (the "TIF District") which was established in 2017.

The Developer has indicated that Project financial feasibility is challenged by extraordinary costs of: site preparation, utilities and underground parking construction. Therefore, the Developer is requesting the following financial assistance from the Village:

- Reimbursement of approximately \$4.25 million in TIF-eligible expenses with payments made as TIF revenues are generated by the Project

The Developer's request for assistance amounts to approximately 14% of the total proposed Project costs, which are approximately \$31 million.

This memorandum includes a review of the following for the Project:

- Project characteristics
- Development budget
- Proforma assumptions
- Incremental property tax revenue projections
- Need for requested financial assistance

Our analysis indicated that the full amount of requested TIF assistance is not likely to be necessary for the Project to achieve viable rates of return. Our recommendations are provided in more detail in the Conclusions and Recommendations section of the memo.

Project Characteristics

The Project is located on the site of the Prospect Place retail center, which is bounded by West Prospect Place, South Wille Street, West Evergreen Avenue and South Main Street in downtown Mount Prospect (the "Site"). The proposed development program includes the following:

- 80 multifamily rental apartment units
- 10,000 square feet of ground floor retail space
- A 72-space, underground parking structure

In addition, we understand that the Developer is working with the Village to lease surface parking spaces near the Site to satisfy the Project's demand for parking. The Developer is anticipating a 9-month construction period beginning in 2021 with completion by fall/winter 2022.

Developer Pro Forma Assumptions

SB Friedman reviewed materials submitted by the Developer to best understand the underlying Project assumptions.

PROJECT BUDGET

Figure 1 presents total development costs (TDC) and key line items from the Developer's preliminary Project pro forma and detailed site improvement costs. The Developer provided costs from their recent development at Central and Main Street in Mount Prospect as backup on construction cost estimates.

Figure 1. Project Budget Summary and Benchmarks

Uses/Development Costs [1]	Developer Budget	SBF Adjusted Budget			Key Line Item
		\$	% of TDC	\$/SF	
Acquisition Costs	\$1,870,250	\$1,870,250	6.2%	\$52	<input checked="" type="checkbox"/>
Site Preparation Costs	\$1,825,654	\$1,825,654	6.0%	\$51	<input checked="" type="checkbox"/>
Hard Construction Costs [1]	\$20,600,257	\$20,600,257	73.8%	\$203	<input checked="" type="checkbox"/>
<i>Underground Parking</i>	<i>\$1,770,000</i>	<i>\$1,770,000</i>			
Soft Costs	\$1,595,856	\$1,595,856	5.3%	\$16	
Financing Costs	\$3,063,424	\$2,399,561	7.9%	\$24	<input checked="" type="checkbox"/>
Developer Fees	\$266,670	\$266,670	0.9% [6]	\$3	
TOTAL DEVELOPMENT COSTS	\$30,992,111	\$30,328,248	100.0%	\$0	

[1] Net of Parking Costs

Source: First Equity Group, LLC and SB Friedman

- **Acquisition Costs.** The Developer entered into a purchase and sale agreement with the current property owner on March 29, 2020 to acquire the Site for approximately \$1.7 million. Other acquisition costs, which appear to be reasonable, include broker's commission, legal fees and taxes.
- **Construction Period Interest.** The Developer's pro forma included a calculation of construction period interest based on the monthly construction outlays for the various project components, totaling approximately \$1.5 million. In our review, we found a formula error in the calculation of construction interest which resulted in double-counting of certain construction costs. Correcting the formula error in our version of the pro forma reduced the construction period interest line item to approximately \$900,000. After flowing through other calculations within the model, the total project costs reduced from \$31.0 million to \$30.3 million.
- **TIF Eligible Costs.** The Developer provided a list of costs that they believe are eligible for Village TIF reimbursement totaling approximately \$7.0 million (presented in Figure 2 below), including approximately \$1.7

million for land acquisition and \$1.8 million for construction of an underground parking deck that will support the Project. The Developer's current TIF request accounts for over half of costs that may be eligible for TIF reimbursement. Though the Developer's list of eligible costs exceeds the Developer's total request for assistance, the true value of those costs may change once the Project is constructed.

We believe that approximately \$4.6 million of the Developer's eligible costs are very likely eligible for reimbursement. The remaining \$2.5 million would require more scrutiny and back-up information before drawing conclusions as to their eligibility for reimbursement. Should the Village agree to provide assistance within the range of costs that are likely to be reimbursable, further scrutiny may not be necessary.

Figure 2. Estimated TIF Eligible Costs.

Item	Projected Cost	Eligibility	Likely Eligible
Land Costs	\$1,675,000	Likely	\$1,675,000
Demolition	\$125,000	Likely	\$125,000
Environmental/CCDD Soils	\$575,000	Likely	\$575,000
On-Site Improvements	\$611,000	Requires more scrutiny	
Off-Site Improvements	\$500,000	Likely	\$500,000
Underground Parking	\$1,770,000	Requires more scrutiny	
Consulting & Permitting Fees	\$634,000	Likely	\$634,000
Necessary Financing Fees (2% of Debt Issue)	\$434,000	Likely	\$434,000
Interest Costs (30% of Construction Loan Interest)	\$679,000	Likely	\$679,000
TOTAL	\$7,003,000		\$4,622,000

Source: First Equity Group, LLC and SB Friedman

FINANCING

The Developer anticipates financing the Project with conventional debt and cash equity. Figure 4 presents preliminary anticipated construction financing sources included in the Project pro forma, and also reflects cost adjustments made by SB Friedman.

Figure 4. Preliminary Construction Financing Sources

Sources/Development Financing [1]	Developer Sources	SBF Adjusted Sources	
		\$	% of TDC
Conventional Debt	\$21,694,478	\$21,229,773	70.0%
Cash Equity	\$9,297,633	\$9,098,474	30.0%
TOTAL SOURCES	\$30,992,111	\$30,328,248	100.0%

Source: First Equity Group, LLC and SB Friedman

- Conventional Debt.** The Developer is assuming 70% loan-to-cost (LTC) in permanent debt, with a 5.0% annual interest rate and 25-year amortization. The LTC, interest rate and amortization assumptions are in line with comparable projects reviewed by SB Friedman and market data, and therefore appear reasonable.

- **Cash Equity.** Equity initially accounts for 30% of TDC. This is in line with comparable projects reviewed by SB Friedman and market data, and therefore appears reasonable.

CASH FLOW ASSUMPTIONS

SB Friedman analyzed cash flow assumptions in the Developer's stabilized pro forma against comparable mixed-use and residential projects recently reviewed by SB Friedman. Key assumptions from the Developer's pro forma are outlined below:

- **Rents.** The Developer is assuming an average monthly rent of \$2.43/SF, or \$2,206/unit in 2021 dollars. SB Friedman compared the proposed rents to other recently reviewed projects in the Northwest Cook County suburbs. The Developer's assumptions are in the middle of the range observed by SB Friedman (\$1.80-2.60/SF), and appear reasonable.

For retail, the Developer is assuming an average annual triple net rent of \$15/sf, which appears reasonable based on SB Friedman's experience with comparable projects.

- **Residential Expenses.** The Developer's pro forma is estimating residential operating expenses of approximately \$390,000 annually net of property taxes. The operating expense figure represents approximately 18.4% of residential revenues. Based on SB Friedman's reviews of comparable projects, operating expenses as a percentage of revenues generally range from 20 to 25%. Therefore, the Developer's assumption appears reasonable.
- **Vacancy.** The Developer's pro forma shows a stabilized vacancy assumption of 5% for residential and 10% for retail, which appears reasonable compared to the typical vacancy assumptions SB Friedman has observed for comparable projects.

Incremental Property Tax Projections

The Developer is projecting total incremental property tax revenues generated by the Project (after netting out 5% annually for the Village for administrative costs) of approximately \$4.27 million on a present value (PV) basis assuming a 5% discount rate. This amount is sufficient to meet the request with a small margin should the Project not perform as projected.

SB Friedman developed independent TIF revenue projections for the Project. Our projections conservatively account for maximum payments to the school districts under state TIF law. Using the same discount rate as the Developer's TIF projections do (5%), our projections result in a present value (PV) of approximately \$3.7 million.

It is possible that the Project could generate fewer school-aged children and thus require less than the maximum amount of reimbursements to the affected school districts and thereby have more TIF revenue potentially available to the Developer. However, we prefer to use more conservative assumptions to ensure that assumptions about funding available to assist the Project are more likely to materialize.

Need for Financial Assistance

SB Friedman analyzed the Project's need for financial assistance under the following scenarios:

1. **Without Assistance.** This scenario assumes the Project will not receive any Village TIF reimbursement.
2. **With Full Requested Assistance.** This scenario assumes the Project receives the requested TIF assistance.

SB Friedman typically uses one or more of the following four return metrics to evaluate the need for gap financing:

1. **Unleveraged Internal Rate of Return (IRR).** This is the rate of return or discount rate for the Project, accounting for initial expenditures to construct the Project and ongoing cash inflows (annual net operating income [NOI] before debt service), as well as a hypothetical sale of the Project in Year 10.
2. **Stabilized Yield on Cost.** This metric is calculated by dividing NOI before debt service in the first year of stabilized operations by total project costs and is an indicator of the annual overall return on investment for the Project's financing structure.
3. **Leveraged Internal Rate of Return.** This is the annualized rate of return the Project's equity investors would be projected to realize over their full investment period, including an assumed hypothetical sale of the Project in Year 10.
4. **Stabilized Cash on Cash Return.** This metric indicates the annual cash return to equity investors once the Project reaches stabilization and is calculated by dividing net cash flow (after debt service) by the total initial equity investment.

For the Project, SB Friedman evaluated the need for financial assistance based on stabilized yield on cost and evaluated the Project against the Developer's indicated 6.75% yield on cost hurdle rate.

Over the course of the analysis, SB Friedman made the following adjustments to the Developer's original pro forma to analyze returns:

- **Construction Interest.** As discussed above, SB Friedman corrected a formula error in the Developer's calculation of construction interest, which reduced overall Project costs by approximately \$0.7 million.
- **Available TIF Revenues.** SB Friedman used our independent projections of available TIF revenue, which total approximately \$3.7 million on a present value basis, in place of the Developer's projections, which total approximately \$4.27 million on a present value basis.

After incorporating our adjustments to the Developer's original pro forma into an independent model to evaluate Project returns, our analysis indicates that the Developer could reach a 6.2% yield on total cost with the full amount of our projected TIF revenues (approximately \$3.7 million on a present value basis). Though the 6.2% is less than the Developer's indicated 6.75% hurdle rate, a yield on cost between 6 – 7% is an acceptable return benchmark in our experience with comparable projects.

Therefore, should the Village decide to offer TIF assistance to support the Project, our review indicates that the Project could be financially feasible with less than the Developer's full assistance request of \$4.25 million (PV). At an assistance

level of \$3.7 million (PV), we project that the Project would achieve an adequate return on total cost to be financially feasible and a Village-issued \$3.7 million TIF Note with an annual interest rate of 5% could be fully amortized based on our conservative projections of available incremental property tax revenues resulting from the Project.

In addition, we recommend that the Village require that the Developer document both total Project costs and TIF eligible costs as a part of the TIF reimbursement process. Documenting TIF eligible costs will ensure that the Village is only reimbursing the Developer for eligible costs that have been incurred and paid per state law. Requiring that the total development costs of the Project be documented will ensure that actual project costs are equal to or greater than the budget we have reviewed. Should actual costs come in lower than budget, the redevelopment agreement could reduce the principle amount of the TIF note on say a 50 cents for every dollar of savings below budget.

Please call if you have questions.

Limitations of our Engagement

Our deliverables are based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings/teleconferences with the Village and developers during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the deliverable. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverables to reflect events or conditions that occur subsequent to the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in state statute or village ordinance, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our deliverables are intended solely for your information, for purposes of reviewing a request for financial assistance, and do not constitute a recommendation to issue bonds or other securities. The report should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors without our prior written consent.

We acknowledge that upon submission to the Village, the report may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the documents under such Act.



DRAFT

Village of Mt. Pleasant
Project & Main Redevelopment Project Area
TIF Revenue Projections

Project Site Equated Assessed Value	
Equated Value (2019)	\$101,724
Project Site 2019 EAV	\$11,651,921

Development Program & Phasing	
Redevelopment	100%
Reconstruction	0%

Other Assumptions	Source
Project Equated Value	2019 Department of Revenue, LTR
Inflation Factor	2.00% (FR, Friedman)
Interest	6.00% (Based on 1.00% Inflation Factor)
Maximum Future Payment	40.00% (per assumption table)
Maximum Future TIF Payment	3.00% (per assumption table)
Current Tax Rate	6.47% (Cook County Cook County Property Report)

Project Area Revenue Projections																			
Year	Year	Calendar Year	Project Base EAV	Inflation Factor	Terminal Assessed Value	Current EAV (Inflated)	Annual EAV Additions	Combinable EAV Additions	Annual EAV Deductions	Combinable EAV Deductions	Total Taxable EAV	Incremental EAV	Tax Rate	Gross TIF Revenue	Maximum TIF/Year Payment	Maximum TIF/Year Excess	Net TIF Revenue		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)		
1	2017	2018	\$ 881,206																
2	2018	2019	\$ 881,206	1.00	872%	\$ 1,166,95													
3	2019	2020	\$ 881,206	1.02	2.00%	\$ 1,185,26													
4	2020	2021	\$ 881,206	1.04	4.00%	\$ 1,217,54													
5	2021	2022	\$ 881,206	1.06	6.00%	\$ 1,267,56	\$ 3,396,912		\$ 12,277,76		\$ 12,277,76	\$ 12,277,76	9.40%	\$ 115,443	\$ 1,244,74		\$ 115,443		
6	2022	2023	\$ 881,206	1.08	8.00%	\$ 1,341,16													
7	2023	2024	\$ 881,206	1.10	10.00%	\$ 1,473,47													
8	2024	2025	\$ 881,206	1.12	12.00%	\$ 1,621,46													
9	2025	2026	\$ 881,206	1.14	14.00%	\$ 1,792,87													
10	2026	2027	\$ 881,206	1.17	17.00%	\$ 1,978,91													
11	2027	2028	\$ 881,206	1.21	21.00%	\$ 2,393,49													
12	2028	2029	\$ 881,206	1.25	25.00%	\$ 2,991,45													
13	2029	2030	\$ 881,206	1.30	30.00%	\$ 3,891,45													
14	2030	2031	\$ 881,206	1.35	35.00%	\$ 5,251,45													
15	2031	2032	\$ 881,206	1.40	40.00%	\$ 7,151,45													
16	2032	2033	\$ 881,206	1.45	45.00%	\$ 9,751,45													
17	2033	2034	\$ 881,206	1.50	50.00%	\$ 13,451,45													
18	2034	2035	\$ 881,206	1.55	55.00%	\$ 18,451,45													
19	2035	2036	\$ 881,206	1.60	60.00%	\$ 25,451,45													
20	2036	2037	\$ 881,206	1.65	65.00%	\$ 34,451,45													
21	2037	2038	\$ 881,206	1.70	70.00%	\$ 46,451,45													
22	2038	2039	\$ 881,206	1.75	75.00%	\$ 62,451,45													
23	2039	2040	\$ 881,206	1.80	80.00%	\$ 84,451,45													
24	2040	2041	\$ 881,206	1.85	85.00%	\$ 114,451,45													
													Total Revenue (2019-2041)	\$ 4,474,762					
													Present Value at 6% (2021 dollars)	\$ 1,712,000					

Source: Village of Mt. Pleasant, Cook County, SB Friedman

- The Project & Main Redevelopment Project Area is located within the Village of Mt. Pleasant, Cook County, Illinois.
- The Project & Main Redevelopment Project Area is located within the Village of Mt. Pleasant, Cook County, Illinois.
- The Project & Main Redevelopment Project Area is located within the Village of Mt. Pleasant, Cook County, Illinois.
- Project Base EAV for the Project Site is based on the 2019 Equalized Assessed Value Report for Cook County, Illinois.
- An annual inflation rate of 2.00 percent is assumed, applied beginning in 2018 and continued throughout the life of the Project.
- Maximum TIF Payment is assumed to be 40 percent annually and is based on a maximum TIF payment of 40 percent of the Project Base EAV.
- Maximum TIF Excess is assumed to be 3.00 percent annually and is based on a maximum TIF excess of 3.00 percent of the Project Base EAV.
- Annual EAV Additions are based on assumed values and are subject to change based on actual values and are subject to change based on actual values.
- Annual EAV Deductions are based on assumed values and are subject to change based on actual values and are subject to change based on actual values.
- Total Taxable EAV is based on Current EAV, Annual EAV Additions, and Annual EAV Deductions.
- Incremental EAV is based on Total Taxable EAV less Project Base EAV.
- The TIF Revenue is based on the maximum TIF Revenue and is subject to change based on actual values and is subject to change based on actual values.
- Gross TIF Revenue is based on the maximum TIF Revenue and is subject to change based on actual values and is subject to change based on actual values.
- Net TIF Revenue is based on the maximum TIF Revenue and is subject to change based on actual values and is subject to change based on actual values.
- Present Value at 6% (2021 dollars) is based on the maximum TIF Revenue and is subject to change based on actual values and is subject to change based on actual values.

Exhibit G

Off-Street Parking Agreement

PROSPECT PLACE PARKING AGREEMENT

THIS PARKING AGREEMENT (the "Agreement") is made and entered into this ____ day of _____, 2021, by and between the Village of Mount Prospect, an Illinois home rule municipal corporation (the "Village"), and Prospect Place Development Partners, LLC, an Illinois limited liability company (the "Developer"), (at times herein referred to collectively as the "Parties").

WHEREAS, Developer has proposed to develop certain real estate, located on the West side of Main Street, just south of Prospect Avenue, in Mount Prospect, Illinois, as legally described on Exhibit 1 attached hereto and made part hereof (the "Subject Property"), for the purpose of constructing and operating a mixed use development (the "Prospect Place"); and

WHEREAS, the provisions of the Village of Mount Prospect Village Code (the "Village Code") require the Bank, as new construction within the B-5 Central Commercial District (the "Downtown District"), to provide off-street parking spaces (the "Off-Street Parking Requirements"), although the Off-Street Parking Requirements may be satisfied through a lease of off-site parking "no more than one thousand feet (1,000') from the use served in the central business district," pursuant to the Village Code; and

WHEREAS, the Village owns certain municipal parking lots and off-street parking spaces within one thousand feet (1,000') of the Subject Property; and

WHEREAS, the President and Board of Trustees find that it is in the best interests of the Village to promote the viability of the Downtown District by the development of projects, such as the Prospect Place, and that such viability will be promoted by the Village's agreement to permit Developer to comply with the Off-Street Parking Requirements through the use of Village-owned and maintained parking spaces at the Surface Lots and/or the Village Garages, to the extent specifically provided for in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual understandings, promises, considerations and agreements as set forth below, the Parties hereby agree and covenant as follows:

1. Developer shall request from the Village, and the Village shall make available on behalf of Developer's residential tenants, on an annual basis, parking permits to authorize parking in parking spaces in the Surface Lots and/or the Village Garages (the "Permits"), up to a maximum of six (6) such Permits in aggregate at any given time. These Permits shall be for the use of Prospect Place residential tenants only. Developer shall pay the same rate as for overnight parking in Village-owned

spaces in the downtown. Developer understands that the current rate, as of the effective date of this agreement, is \$90 per space per month, subject to future modifications by the Village applicable to all such spaces.

2. The Village shall, in its sole discretion, designate which Surface Lots and which area(s) within the Village Garages, if any, may be utilized by Developer for parking under this Agreement. In addition, the Village may, in its sole discretion, designate parking spaces on such other property as the Village may own, lease or otherwise control, for use under this Agreement, so long as such parking spaces are within one thousand feet (1,000') of Prospect Place.
3. A detailed description of the designated parking spaces shall be provided to Developer upon execution of this Agreement. The Village shall, in its sole discretion, have authority to modify such designations at any time upon thirty (30) days prior written notice to Developer, so long as the total of six (6) parking spaces continue to be made available to Developer within one thousand feet (1,000') of Prospect Place.
4. Prospect Place residential tenants shall abide by all Village rules and regulations of general applicability for display of the Permits and use of public parking facilities in the Village in effect from time to time.
5. This Agreement shall remain in full force and effect for a period of twenty (20) years from and after its effective date. This Agreement may be renewed by the Parties thereafter, for such term, and under such terms and conditions, as the Parties may agree to. Notwithstanding the foregoing, if Developer at any time acquires or provides permanently through other means six (6) parking spaces (alone or in combination with additional spaces and/or uses) for the exclusive use of Prospect Place's residential tenants and within one thousand feet (1,000') of Prospect Place, Developer shall have the right to terminate this Agreement effective as of the end of any calendar month, on not less than thirty (30) days prior written notice to the Village, and the Village agrees to rebate and refund any parking fees paid in advance for calendar months thereafter.
6. The parking spaces referred to in this Agreement have been determined to meet the Off-Street Parking Requirements for Prospect Place.
7. Any Notice required under this Agreement shall be made in writing and given in person, by overnight delivery or by certified mail, return receipt requested, addressed to the Parties as follows, or at such other place as either of them may hereafter designate for itself by notice in writing to the other:

To: Village

To: Developer

Director of the Finance Department
Village of Mount Prospect
50 S. Emerson Street
Mount Prospect, Illinois 60056

Notice by mail shall become effective three (3) days after the date of mailing, and personal notice or overnight delivery notice shall become effective upon delivery.

8. This Agreement shall run with the land for so long as Prospect Place exists on the Subject Property. In the event that Developer wishes to transfer its interest in this Agreement, and the new owner operates a different use, then the Village shall be free to determine whether it will enter into a similar agreement with the proposed transferee.
9. This Agreement may be terminated by the Village, in the event that the Developer, or any of its officers, agents or employees, fails to comply with the terms hereof, and fails to correct said non-compliance within thirty (30) days of receiving written notice thereof from the Village.
10. If any provision of this Agreement is found to be invalid, illegal or unenforceable, that provision shall be severable from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions will in no way be affected or impaired.
11. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois. Venue shall only be proper in a court of competent jurisdiction located within the County of Cook, Illinois.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below, and the date of the last signatory below shall be inserted on page 1 of this Agreement, as the Effective Date of this Agreement.

VILLAGE OF MOUNT PROSPECT,
an Illinois home rule municipal corporation

PROSPECT PLACE DEVELOPMENT,
An Illinois limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: Pat Prujemski
Title: manager

Date: _____

Date: 10-06-2021

Exhibit 1

**Legal Description
of the Subject Property**

Legal Description:

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COMMONLY KNOWN AS: 1-27 PROSPECT AVENUE (COVE PLAZA), MOUNT PROSPECT, IL

PINs: 08-12-114-001-0000, 08-12-114-001-0002, 08-12-114-001-0003, 08-12-114-001-0004, 08-12-114-001-0005

MEMO

To: Bill Cooney, Village of Mount Prospect
From: Geoff Dickinson, AICP, SB Friedman Development Advisors
(312) 384-2404, gdickinson@sbfriedman.com
Date: February 26, 2021

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SB Friedman Development Advisors (SB Friedman) was engaged by the Village of Mount Prospect (the “Village”) to assist the Village in evaluating the proposed redevelopment of the Prospect Place retail center into an 80-unit multifamily apartment building with 10,000 square feet of ground-floor retail space (the “Project”) in downtown Mount Prospect. First Equity Group, LLC (the “Developer”) is requesting Village TIF assistance to support the Project. The site is located in the Prospect and Main Tax Increment Financing District (the “TIF District”) which was established in 2017.

The Developer has indicated that Project financial feasibility is challenged by extraordinary costs of: site preparation, utilities and underground parking construction. Therefore, the Developer is requesting the following financial assistance from the Village:

- Reimbursement of approximately \$4.25 million in TIF-eligible expenses with payments made as TIF revenues are generated by the Project

The Developer’s request for assistance amounts to approximately 14% of the total proposed Project costs, which are approximately \$31 million.

This memorandum includes a review of the following for the Project:

- Project characteristics
- Development budget
- Proforma assumptions
- Incremental property tax revenue projections
- Need for requested financial assistance

Our analysis indicated that the full amount of requested TIF assistance is not likely to be necessary for the Project to achieve viable rates of return. Our recommendations are provided in more detail in the Conclusions and Recommendations section of the memo.

Project Characteristics

The Project is located on the site of the Prospect Place retail center, which is bounded by West Prospect Place, South Wille Street, West Evergreen Avenue and South Main Street in downtown Mount Prospect (the “Site”). The proposed development program includes the following:

- 80 multifamily rental apartment units
- 10,000 square feet of ground floor retail space
- A 72-space, underground parking structure

In addition, we understand that the Developer is working with the Village to lease surface parking spaces near the Site to satisfy the Project's demand for parking. The Developer is anticipating a 9-month construction period beginning in 2021 with completion by fall/winter 2022.

Developer Pro Forma Assumptions

SB Friedman reviewed materials submitted by the Developer to best understand the underlying Project assumptions.

PROJECT BUDGET

Figure 1 presents total development costs (TDC) and key line items from the Developer's preliminary Project pro forma and detailed site improvement costs. The Developer provided costs from their recent development at Central and Main Street in Mount Prospect as backup on construction cost estimates.

Figure 1. Project Budget Summary and Benchmarks

Uses/Development Costs [1]	Developer Budget	SBF Adjusted Budget			Key Line Item
		\$	% of TDC	\$/SF	
Acquisition Costs	\$1,870,250	\$1,870,250	6.2%	\$52	☒
Site Preparation Costs	\$1,825,654	\$1,825,654	6.0%	\$51	☒
Hard Construction Costs [1]	\$20,600,257	\$20,600,257	73.8%	\$203	☒
<i>Underground Parking</i>	\$1,770,000	\$1,770,000			
Soft Costs	\$1,595,856	\$1,595,856	5.3%	\$16	
Financing Costs	\$3,063,424	\$2,399,561	7.9%	\$24	☒
Developer Fees	\$266,670	\$266,670	0.9% [6]	\$3	
TOTAL DEVELOPMENT COSTS	\$30,992,111	\$30,328,248	100.0%	\$0	

[1] Net of Parking Costs

Source: First Equity Group, LLC and SB Friedman

- **Acquisition Costs.** The Developer entered into a purchase and sale agreement with the current property owner on March 29, 2020 to acquire the Site for approximately \$1.7 million. Other acquisition costs, which appear to be reasonable, include broker's commission, legal fees and taxes.
- **Construction Period Interest.** The Developer's pro forma included a calculation of construction period interest based on the monthly construction outlays for the various project components, totaling approximately \$1.5 million. In our review, we found a formula error in the calculation of construction interest which resulted in double-counting of certain construction costs. Correcting the formula error in our version of the pro forma reduced the construction period interest line item to approximately \$900,000. After flowing through other calculations within the model, the total project costs reduced from \$31.0 million to \$30.3 million.
- **TIF Eligible Costs.** The Developer provided a list of costs that they believe are eligible for Village TIF reimbursement totaling approximately \$7.0 million (presented in **Figure 2** below), including approximately \$1.7

million for land acquisition and \$1.8 million for construction of an underground parking deck that will support the Project. The Developer’s current TIF request accounts for over half of costs that may be eligible for TIF reimbursement. Though the Developer’s list of eligible costs exceeds the Developer’s total request for assistance, the true value of those costs may change once the Project is constructed.

We believe that approximately \$4.6 million of the Developer’s eligible costs are very likely eligible for reimbursement. The remaining \$2.5 million would require more scrutiny and back-up information before drawing conclusions as to their eligibility for reimbursement. Should the Village agree to provide assistance within the range of costs that are likely to be reimbursable, further scrutiny may not be necessary.

Figure 2. Estimated TIF Eligible Costs.

Item	Projected Cost	Eligibility	Likely Eligible
Land Costs	\$1,675,000	Likely	\$1,675,000
Demolition	\$125,000	Likely	\$125,000
Environmental/CCDD Soils	\$575,000	Likely	\$575,000
On-Site Improvements	\$611,000	Requires more scrutiny	
Off-Site Improvements	\$500,000	Likely	\$500,000
Underground Parking	\$1,770,000	Requires more scrutiny	
Consulting & Permitting Fees	\$634,000	Likely	\$634,000
Necessary Financing Fees (2% of Debt Issue)	\$434,000	Likely	\$434,000
Interest Costs (30% of Construction Loan Interest)	\$679,000	Likely	\$679,000
TOTAL	\$7,003,000		\$4,622,000

Source: First Equity Group, LLC and SB Friedman

FINANCING

The Developer anticipates financing the Project with conventional debt and cash equity. **Figure 4** presents preliminary anticipated construction financing sources included in the Project pro forma, and also reflects cost adjustments made by SB Friedman.

Figure 4. Preliminary Construction Financing Sources

Sources/Development Financing [1]	Developer Sources	SBF Adjusted Sources	
		\$	% of TDC
Conventional Debt	\$21,694,478	\$21,229,773	70.0%
Cash Equity	\$9,297,633	\$9,098,474	30.0%
TOTAL SOURCES	\$30,992,111	\$30,328,248	100.0%

Source: First Equity Group, LLC and SB Friedman

- **Conventional Debt.** The Developer is assuming 70% loan-to-cost (LTC) in permanent debt, with a 5.0% annual interest rate and 25-year amortization. The LTC, interest rate and amortization assumptions are in line with comparable projects reviewed by SB Friedman and market data, and therefore appear reasonable.

- **Cash Equity.** Equity initially accounts for 30% of TDC. This is in line with comparable projects reviewed by SB Friedman and market data, and therefore appears reasonable.

CASH FLOW ASSUMPTIONS

SB Friedman analyzed cash flow assumptions in the Developer's stabilized pro forma against comparable mixed-use and residential projects recently reviewed by SB Friedman. Key assumptions from the Developer's pro forma are outlined below:

- **Rents.** The Developer is assuming an average monthly rent of \$2.43/SF, or \$2,206/unit in 2021 dollars. SB Friedman compared the proposed rents to other recently reviewed projects in the Northwest Cook County suburbs. The Developer's assumptions are in the middle of the range observed by SB Friedman (\$1.80-2.60/SF), and appear reasonable.

For retail, the Developer is assuming an average annual triple net rent of \$15/sf, which appears reasonable based on SB Friedman's experience with comparable projects.

- **Residential Expenses.** The Developer's pro forma is estimating residential operating expenses of approximately \$390,000 annually net of property taxes. The operating expense figure represents approximately 18.4% of residential revenues. Based on SB Friedman's reviews of comparable projects, operating expenses as a percentage of revenues generally range from 20 to 25%. Therefore, the Developer's assumption appears reasonable.
- **Vacancy.** The Developer's pro forma shows a stabilized vacancy assumption of 5% for residential and 10% for retail, which appears reasonable compared to the typical vacancy assumptions SB Friedman has observed for comparable projects.

Incremental Property Tax Projections

The Developer is projecting total incremental property tax revenues generated by the Project (after netting out 5% annually for the Village for administrative costs) of approximately \$4.27 million on a present value (PV) basis assuming a 5% discount rate. This amount is sufficient to meet the request with a small margin should the Project not perform as projected.

SB Friedman developed independent TIF revenue projections for the Project. Our projections conservatively account for maximum payments to the school districts under state TIF law. Using the same discount rate as the Developer's TIF projections do (5%), our projections result in a present value (PV) of approximately \$3.7 million.

It is possible that the Project could generate fewer school-aged children and thus require less than the maximum amount of reimbursements to the affected school districts and thereby have more TIF revenue potentially available to the Developer. However, we prefer to use more conservative assumptions to ensure that assumptions about funding available to assist the Project are more likely to materialize.

Need for Financial Assistance

SB Friedman analyzed the Project's need for financial assistance under the following scenarios:

1. **Without Assistance.** This scenario assumes the Project will not receive any Village TIF reimbursement.
2. **With Full Requested Assistance.** This scenario assumes the Project receives the requested TIF assistance.

SB Friedman typically uses one or more of the following four return metrics to evaluate the need for gap financing:

1. **Unleveraged Internal Rate of Return (IRR).** This is the rate of return or discount rate for the Project, accounting for initial expenditures to construct the Project and ongoing cash inflows (annual net operating income [NOI] before debt service), as well as a hypothetical sale of the Project in Year 10.
2. **Stabilized Yield on Cost.** This metric is calculated by dividing NOI before debt service in the first year of stabilized operations by total project costs and is an indicator of the annual overall return on investment for the Project's financing structure.
3. **Leveraged Internal Rate of Return.** This is the annualized rate of return the Project's equity investors would be projected to realize over their full investment period, including an assumed hypothetical sale of the Project in Year 10.
4. **Stabilized Cash on Cash Return.** This metric indicates the annual cash return to equity investors once the Project reaches stabilization and is calculated by dividing net cash flow (after debt service) by the total initial equity investment.

For the Project, SB Friedman evaluated the need for financial assistance based on stabilized yield on cost and evaluated the Project against the Developer's indicated 6.75% yield on cost hurdle rate.

Over the course of the analysis, SB Friedman made the following adjustments to the Developer's original pro forma to analyze returns:

- **Construction Interest.** As discussed above, SB Friedman corrected a formula error in the Developer's calculation of construction interest, which reduced overall Project costs by approximately \$0.7 million.
- **Available TIF Revenues.** SB Friedman used our independent projections of available TIF revenue, which total approximately \$3.7 million on a present value basis, in place of the Developer's projections, which total approximately \$4.27 million on a present value basis.

After incorporating our adjustments to the Developer's original pro forma into an independent model to evaluate Project returns, our analysis indicates that the Developer could reach a 6.2% yield on total cost with the full amount of our projected TIF revenues (approximately \$3.7 million on a present value basis). Though the 6.2% is less than the Developer's indicated 6.75% hurdle rate, a yield on cost between 6 – 7% is an acceptable return benchmark in our experience with comparable projects.

Therefore, should the Village decide to offer TIF assistance to support the Project, our review indicates that the Project could be financially feasible with less than the Developer's full assistance request of \$4.25 million (PV). At an assistance

level of \$3.7 million (PV), we project that the Project would achieve an adequate return on total cost to be financially feasible and a Village-issued \$3.7 million TIF Note with an annual interest rate of 5% could be fully amortized based on our conservative projections of available incremental property tax revenues resulting from the Project.

In addition, we recommend that the Village require that the Developer document both total Project costs and TIF eligible costs as a part of the TIF reimbursement process. Documenting TIF eligible costs will ensure that the Village is only reimbursing the Developer for eligible costs that have been incurred and paid per state law. Requiring that the total development costs of the Project be documented will ensure that actual project costs are equal to or greater than the budget we have reviewed. Should actual costs come in lower than budget, the redevelopment agreement could reduce the principle amount of the TIF note on say a 50 cents for every dollar of savings below budget.

Please call if you have questions.

Limitations of our Engagement

Our deliverables are based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings/teleconferences with the Village and developers during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the deliverable. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverables to reflect events or conditions that occur subsequent to the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in state statute or village ordinance, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our deliverables are intended solely for your information, for purposes of reviewing a request for financial assistance, and do not constitute a recommendation to issue bonds or other securities. The report should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors without our prior written consent.

We acknowledge that upon submission to the Village, the report may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the documents under such Act.

VILLAGE OF MOUNT PROSPECT,
ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND

REPORT ON COMPLIANCE WITH PUBLIC
ACT 85-1142

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142

June 6, 2022

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Village of Mount Prospect, Illinois, as of and for the fiscal year ended December 31, 2021, and have issued our report separately dated June 6, 2022. These financial statements are the responsibility of the Village of Mount Prospect, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the Village of Mount Prospect, Illinois' compliance with the provisions of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund. The management of the Village of Mount Prospect, Illinois, is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis evidence about the Village of Mount Prospect, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of Mount Prospect, Illinois, complied in all material respects with the requirements of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

June 6, 2022

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Village of Mount Prospect, Illinois, as of and for the fiscal year ended December 31, 2021, and have issued our report separately dated June 6, 2022. These financial statements are the responsibility of the Village of Mount Prospect, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The accompanying schedules present only the Tax Increment Financing Area Fund and are intended to present fairly the financial position and changes in financial position of the Village of Mount Prospect, Illinois in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements. The accompanying schedule of revenue, expenditures, and changes in fund balance and schedule of fund balance by the source for the Tax Increment Financing (TIF) Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTARY INFORMATION

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

**Balance Sheet
December 31, 2021**

ASSETS	
Cash and Investments	\$ 341,682
Receivables - Net of Allowances	
Property Taxes	<u>60,969</u>
Total Assets	<u><u>402,651</u></u>
LIABILITIES	
Accounts Payable	6,870
FUND BALANCES	
Restricted	<u>395,781</u>
Total Liabilities and Fund Balance	<u><u>402,651</u></u>

**VILLAGE OF MOUNT PROSPECT, ILLINOIS
PROSPECT/MAIN TAX INCREMENT FINANCING FUND**

**Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended December 31, 2021**

<hr/> <hr/>	
Revenues	
Taxes	
Property Taxes	\$ 1,483,537
Interest	131
Total Revenues	<u>1,483,668</u>
Expenditures	
Current	
General Government	
Other Employee Costs	600
Contractual Services	164,443
Capital Outlay	
Other	224,812
Debt Service	
Principal Retirement	320,000
Interest and Fiscal Charges	699,188
Total Expenditures	<u>1,409,043</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	74,625
Other Financing Sources	
Disposal of Capital Assets	<u>295,165</u>
Net Change in Fund Balance	369,790
Fund Balance - Beginning	<u>25,991</u>
Fund Balance - Ending	<u><u>395,781</u></u>



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142

June 6, 2022

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Village of Mount Prospect, Illinois, as of and for the fiscal year ended December 31, 2021, and have issued our report separately dated June 6, 2022. These financial statements are the responsibility of the Village of Mount Prospect, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the Village of Mount Prospect, Illinois' compliance with the provisions of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund. The management of the Village of Mount Prospect, Illinois, is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis evidence about the Village of Mount Prospect, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of Mount Prospect, Illinois, complied in all material respects with the requirements of subsection (q) of Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the fiscal year ended December 31, 2021 for the Tax Increment Financing Fund.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

**ANNUAL TAX INCREMENT FINANCE REPORT
OFFICE OF ILLINOIS COMPTROLLER**

Village of Mount Prospect, IL
Unit Code: 016/370/32
Reporting Period: 12/31/2021

**INTERGOVERNMENTAL
AGREEMENTS FY 2021**

Name of the Agreement	Description	Amount Transferred	Amount Received
IGA – Prospect & Main Tax Increment Financing District	IGA between the Village of Mount Prospect, High School Dist. 214, and the Mount Prospect Park District about declaring the surplus from the Incremental Taxes generated from the Carved Out Area in the agreement specified as Appendix B	145,197	None

Exhibit A

Redevelopment Project Area Legal Description

Village of Mount Prospect Prospect and Main Tax Increment Financing District

Legal Description:

THAT PART OF SECTIONS 11 & 12 IN TOWNSHIP 41 NORTH, RANGE 11 EAST AND SECTIONS 33 & 34 IN TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD, AND THE SOUTHWESTERLY LINE OF NORTHWEST HIGHWAY, BEING ALSO THE NORTHEASTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY;

THENCE SOUTH ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AND THE CENTER LINE OF MT. PROSPECT ROAD TO THE SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY, BEING ALSO THE NORTHEASTERLY LINE OF PROSPECT AVENUE;

THENCE SOUTHWESTERLY TO THE INTERSECTION OF THE WEST LINE OF MT. PROSPECT ROAD WITH THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE WEST LINE OF THE EAST 205 FEET OF LOT 1 IN GLEICH'S INDUSTRIAL PARK, A SUBDIVISION OF PART OF THE WEST HALF OF THE NORTHEAST QUARTER AND PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID WEST LINE OF THE EAST 205 FEET OF LOT 1 IN GLEICH'S INDUSTRIAL PARK TO THE SOUTHERLY LINE OF LOT 1 AFORESAID;

THENCE NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF LOT 1 IN GLEICH'S INDUSTRIAL PARK TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE NORTHEASTERLY LINE OF LINCOLN STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LINCOLN STREET AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF WILLIAM STREET;

THENCE SOUTH ALONG SAID EAST LINE OF WILLIAM STREET TO THE SOUTH LINE OF SHA-BONEE TRAIL;

THENCE WEST ALONG SAID SOUTH LINE OF SHA-BONEE TRAIL TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE SOUTH LINE OF COUNCIL TRAIL;

THENCE WEST ALONG SAID SOUTH LINE OF COUNCIL TRAIL TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 12 IN ELLENDALE, A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 12 IN ELLENDALE TO THE NORTH LINE THEREOF;

THENCE WEST ALONG SAID NORTH LINE OF LOT 12 IN ELLENDALE TO THE EAST LINE OF LOT 3 IN ELLENDALE AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 3 IN ELLENDALE AND THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF MOEHLING DRIVE;

THENCE WEST ALONG SAID NORTH LINE OF MOEHLING DRIVE AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF MAPLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF MAPLE STREET TO THE NORTH LINE OF THE SOUTH 270 FEET OF LOT 2 IN ETHEL BUSSE'S SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 270 FEET OF LOT 2 IN ETHEL BUSSE'S SUBDIVISION TO THE EAST LINE OF LOTS 35 THRU 42 IN BUSSE'S RESUBDIVISION OF LOT "A" IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOTS 35 THRU 42 IN BUSSE'S RESUBDIVISION TO THE EAST LINE OF LOT 2 IN MILLER RESUBDIVISION OF LOTS 1 TO 3 & 43 IN BUSSE'S SUBDIVISION OF LOT "A" IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION AFORESAID;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION TO A BEND THEREIN;

THENCE SOUTH ALONG SAID WESTERLY LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE NORTH LINE OF LOT 3 IN MILLER RESUBDIVISION AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 3 IN MILLER RESUBDIVISION TO THE MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION AFORESAID;

THENCE SOUTH ALONG SAID MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION TO A BEND THEREIN;

THENCE SOUTHEASTERLY ALONG SAID MOST EASTERLY WEST LINE OF LOT 2 IN MILLER RESUBDIVISION TO THE EAST LINE THEREOF, AND THE NORTH LINE OF LOT 42 IN BUSSE'S RESUBDIVISION AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 42 IN BUSSE'S RESUBDIVISION AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF EMERSON STREET;

THENCE NORTH ALONG SAID WEST LINE OF EMERSON STREET TO THE SOUTH LINE OF LOT 11 IN BUSSE'S RESUBDIVISION AFORESAID;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 11 IN BUSSE'S RESUBDIVISION TO THE EAST LINE OF LOTS 5 THRU 9 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION AFORESAID, LYING SOUTH OF THE RIGHT OF WAY OF THE CHICAGO & NORTHWESTERN RAILWAY;

THENCE NORTH ALONG SAID EAST LINE OF LOTS 5 THRU 9 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT TO THE NORTH LINE OF LOT 5 AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 5 IN BLOCK 1 IN MEIER'S ADDITION TO MT. PROSPECT AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF MAIN STREET;

THENCE NORTH ALONG SAID WEST LINE OF MAIN STREET TO THE NORTH LINE OF LOT 24 IN BLOCK 4 IN MEIER'S ADDITION TO MT. PROSPECT AFORESAID;

THENCE WEST ALONG SAID NORTH LINE OF LOT 24 IN BLOCK 4 IN MEIER'S ADDITION TO MT. PROSPECT TO THE WEST LINE OF THE 20 FOOT WIDE ALLEY EAST OF WILLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF THE 20 FOOT WIDE ALLEY EAST OF WILLE STREET TO THE SOUTH LINE OF EVERGREEN AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF EVERGREEN AVENUE TO THE WEST LINE OF WILLE STREET;

THENCE NORTH ALONG SAID WEST LINE OF WILLE STREET TO THE SOUTH LINE OF LOT 13 IN BUSSE'S RESUBDIVISION OF LOTS 1 TO 6, INCLUSIVE, OF RESUBDIVISION OF LOTS 1 TO 6, INCLUSIVE, IN BLOCK 4, ALOS OF LOTS 2 & 3 IN BLOCK 5, ALL OF BLOCK 6, LOT 13 TO 24, INCLUSIVE, IN BLOCK 7, LOTS 17 TO 20 IN BLOCK 8 ALL IN MEIER'S ADDITION TO MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 13 IN BUSSE'S RESUBDIVISION TO THE WEST LINE OF LOTS 13 AND 14 IN BUSSE'S RESUBDIVISION;

THENCE NORTH ALONG SAID WEST LINE OF LOTS 13 AND 14 IN BUSSE'S RESUBDIVISION TO THE SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF PINE STREET;

THENCE NORTH ALONG SAID WEST LINE OF PINE STREET TO THE SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE WEST AND NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO ITS INTERSECTION WITH THE SOUTH LINE OF BUSSE AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF BUSSE AVENUE TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE 20 FOOT WIDE ALLEY WEST OF ELMHURST AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF THE 20 FOOT WIDE ALLEY WEST OF ELMHURST AVENUE TO THE SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF I-OKA AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF I-OKA AVENUE TO THE SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE;

THENCE WEST AND NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF THE 16 FOOT WIDE ALLEY SOUTHWESTERLY OF PROSPECT AVENUE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WEST LINE OF HI-LUSI AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF HI-LUSI AVENUE TO THE SOUTHWESTERLY LINE OF PROSPECT AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF PROSPECT AVENUE TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE EAST LINE OF LOT 8 IN H.ROY BERRY CO.S' COLONIAL MANOR, A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 11 AND PART OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 8 IN H.ROY BERRY CO.S' COLONIAL MANOR AND THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF THE 16 FOOT WIDE ALLEY SOUTH OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF THE 16 FOOT WIDE ALLEY SOUTH OF CENTRAL ROAD TO THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 11 AFORESAID;

THENCE NORTH ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 11 TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF MILLERS LANE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF MILLERS LANE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 11 IN MILLERS STATION SUBDIVISION, A RESUBDIVISION OF LOT 1 IN TRADE SERVICE PUBLICATIONS SUBDIVISION AND PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 11 IN MILLERS STATION SUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF CATHY LANE;

THENCE NORTH ALONG SAID EAST LINE OF CATHY LANE TO THE EAST LINE OF LOT 12 IN MILLERS STATION SUBDIVISION AFORESAID;

THENCE NORTH ALONG SAID EAST LINE OF LOT 12 IN MILLERS STATION SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO THE SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE CHICAGO & NORTHWESTER RAILWAY RIGHT OF WAY TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID;

THENCE NORTH ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID TO THE WESTERLY EXTENSION OF THE NORTH LINE OF HENRY STREET;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF HENRY STREET TO THE EAST LINE OF FAIRVIEW AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF FAIRVIEW AVENUE TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE WEST LINE OF PROSPECT MANOR AVENUE;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF FAIRVIEW AVENUE TO THE EAST LINE OF PROSPECT MANOR AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF PROSPECT MANOR AVENUE TO THE NORTH LINE OF WALNUT STREET;

THENCE EAST ALONG SAID NORTH LINE OF WALNUT STREET AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF RIDGE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF RIDGE AVENUE TO THE NORTH LINE OF LOT 1 IN FRIEDRICH'S SUBDIVISION OF LOTS 4 & 5 IN BLOCK 25 IN PROSPECT MANOR, A SUBDIVISION OF THE SOUTH 3/4 OF THE WEST HALF OF THE WEST HALF OF SECTION 34 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 1 IN FRIEDRICH'S SUBDIVISION TO THE WEST LINE OF ELMHURST AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF ELMHURST AVENUE TO THE WESTERLY EXTENSION OF THE NORTH LINE OF THE PLAT OF CONSOLIDATION OF THE WEST 70 FEET OF LOTS 1 THRU 10 IN BLOCK 3 AND PART OF BLOCK 4 IN THE ERNST BUSSE ADDITION TO MT. PROSPECT IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 34 AFORESAID;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE PLAT OF CONSOLIDATION TO THE EAST LINE OF LOT 1 IN THE PLAT OF CONSOLIDATION AFORESAID;

THENCE SOUTH ALONG SAID EAST LINE LOT 1 IN THE PLAT OF CONSOLIDATION TO THE NORTH LINE OF CENTRAL ROAD;

THENCE EAST ALONG SAID NORTH LINE OF CENTRAL ROAD TO THE EAST LINE OF PINE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF PINE STREET TO THE NORTHEASTERLY LINE OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF NORTHWEST HIGHWAY TO THE WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION OF LOTS 18 & 19 AND THE NORTH 22 FEET OF LOT 17 IN BLOCK 2 OF BUSSE & WILDE'S RESUBDIVISION IN MT. PROSPECT TOGETHER WITH LOT "A" IN CORPORATE SUBDIVISION NO. 8 VILLAGE OF MT. PROSPECT AND LOT 1 IN WILLE'S RECONSOLIDATION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 38.06 FEET TO A BEND THEREIN;

THENCE EAST ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 28.07 FEET TO A BEND THEREIN;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 18.61 FEET TO A BEND THEREIN;

THENCE EAST ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 30.63 FEET TO A BEND THEREIN;

THENCE NORTH ALONG SAID WESTERLY LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION 65.92 FEET TO THE NORTH LINE THEREOF;

THENCE EAST ALONG SAID NORTH LINE OF LOT 3 IN CLOCK TOWER PLACE RESUBDIVISION TO THE WEST LINE OF WILLE STREET;

THENCE EAST TO THE EAST LINE OF WILLE STREET AT THE SOUTHWEST CORNER OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION OF SUNDRY LOTS AND VACATED ALLEYS OF VARIOUS SUBDIVISIONS IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION TO THE EAST LINE THEREOF;

THENCE NORTH ALONG SAID EAST LINE OF LOT 1 IN PROSPECT PLACE PLAT OF RESUBDIVISION TO THE SOUTH LINE OF CENTRAL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF CENTRAL ROAD TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN TRAPANI'S RESUBDIVISION OF LOT "A" IN BLOCK 1 IN THE ERNST BUSSE ADDITION TO MT. PROSPECT AND LOT "A" IN HILLCREST SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 34 AFORESAID;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF LOT 1, AND THE WEST LINE OF LOT 2 IN TRAPANI'S RESUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF HENRY STREET;

THENCE EAST ALONG SAID NORTH LINE OF HENRY STREET TO THE EAST LINE OF MAIN STREET;

THENCE SOUTH ALONG SAID EAST LINE OF MAIN STREET TO THE NORTH LINE OF CENTRAL ROAD;

THENCE EAST ALONG SAID NORTH LINE OF CENTRAL ROAD TO THE EAST LINE OF EMERSON STREET;

THENCE SOUTH ALONG SAID EAST LINE OF EMERSON STREET TO THE NORTH LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 13 IN BLOCK 5 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE NORTH LINE OF BUSSE AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF BUSSE AVENUE TO THE EAST LINE OF MAPLE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF MAPLE STREET TO THE NORTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE SOUTH LINE THEREOF;

THENCE SOUTHWESTERLY ALONG SAID SOUTH LINE OF LOT 9 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT TO THE EAST LINE OF LOT 12 IN BLOCK 11 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT, BEING ALSO THE WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT OF LOTS 2, 3, 4 & OUT LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1, A RESUBDIVISION OF LOTS A & B IN THE RESUBDIVISION OF LOTS 2 TO 6, PART OF LOT 1 IN THE SUBDIVISION OF BLOCK 10, LOT 16 IN BUSSE'S SUBDIVISION, LOTS 13 TO 15 IN BLOCK 11 & PART OF BLOCK 9 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 172.45 FEET TO A BEND THEREIN;

THENCE WEST ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 4.63 FEET TO A BEND THEREIN;

THENCE SOUTH ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT 147.65 FEET TO A BEND THEREIN;

THENCE SOUTHWESTERLY ALONG SAID WESTERLY LINE OF VILLAGE COMMONS A PLANNED UNIT DEVELOPMENT TO THE NORTHEASTERLY LINE OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF NORTHWEST HIGHWAY TO THE NORTHWESTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1, A RESUBDIVISION OF PARTS OF BLOCKS 9, 10 & 11 IN BUSSE & WILLE'S RESUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1 TO THE NORTHEASTERLY LINE THEREOF;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LOT 1 IN TAX INCREMENT FINANCE SUBDIVISION NO. 1 TO THE NORTH LINE OF LOT A IN GEORGE R. BUSSE'S RESUBDIVISION OF PART OF BLOCK 9 IN BUSSE & WILLE'S RESUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT A IN GEORGE R. BUSSE'S RESUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SCHOOL STREET TO THE NORTH LINE OF THE SOUTH HALF OF LOT 33 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF THE SOUTH HALF OF LOT 33 IN MT. PROSPECT SUBDIVISION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF THE 16 FOOT WIDE ALLEY EAST OF SCHOOL STREET;

THENCE SOUTH ALONG SAID EAST LINE OF THE 16 FOOT ALLEY EAST OF SCHOOL STREET TO THE NORTH LINE OF LOT 1 IN BRUCE'S RESUBDIVISION IN MT. PROSPECT OF LOTS 22 TO 27 IN BLOCK 20 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 1 IN BRUCE'S RESUBDIVISION IN MT. PROSPECT AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF OWEN STREET;

THENCE SOUTH ALONG SAID EAST LINE OF OWEN STREET TO THE NORTHWESTERLY EXTENSION OF THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHWESTERLY EXTENSION AND THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF LOUIS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF LOUIS STREET TO THE NORTHERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE EAST AND SOUTHEASTERLY ALONG SAID NORTHERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY AND THE SOUTHEASTERLY EXTENSION THEREOF TO THE EAST LINE OF EDWARDS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF EDWARDS STREET TO THE NORTH LINE OF LINCOLN STREET;

THENCE EAST ALONG SAID NORTH LINE OF LINCOLN STREET TO THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 1 IN OLIVER'S RESUBDIVISION OF LOTS 12 & 13 IN H. ROY BERRY COMPANY'S MAPLEWOOD HEIGHTS (EXCEPT THE SOUTHERLY 66 FEET FOR ROAD) ALSO BLOCK 26 IN BUSSE'S EASTERN ADDITION TO MT. PROSPECT IN THE EAST HALF OF SECTION 12 AFORESAID;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF LOT 1 IN OLIVER'S RESUBDIVISION TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE EAST LINE OF GEORGE STREET;

THENCE NORTH ALONG SAID EAST LINE OF GEORGE STREET TO THE NORTH LINE OF LOT 17 IN MAPLEWOOD HEIGHTS, A SUBDIVISION NORTH OF THE RAILROAD IN THE DIVISION OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID;

THENCE EAST ALONG SAID NORTH LINE OF LOT 17 IN MAPLEWOOD HEIGHTS TO THE EAST LINE THEREOF;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 17 IN MAPLEWOOD HEIGHTS TO THE NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE 16 FOOT WIDE ALLEY NORTHEASTERLY OF NORTHWEST HIGHWAY TO THE WEST LINE OF LOT 65 IN MAPLEWOOD HEIGHTS AFORESAID;

THENCE NORTH ALONG SAID WEST LINE OF LOT 65 IN MAPLEWOOD HEIGHTS TO THE NORTH LINE THEREOF;

THENCE EAST ALONG SAID NORTH LINE OF LOT 65 IN MAPLEWOOD HEIGHTS AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD;

THENCE SOUTH ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 12 AFORESAID, BEING ALSO THE CENTER LINE OF MT. PROSPECT ROAD, TO THE SOUTHWESTERLY LINE OF NORTHWEST HIGHWAY, BEING ALSO THE NORTHEASTERLY LINE OF THE CHICAGO & NORTHWESTERN RAILWAY RIGHT OF WAY, AND THE POINT OF BEGINNING;

EXCEPTING THEREFROM

THAT PART OF LOT 1 IN DESIDERATA SUBDIVISION OF BLOCK 1 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT IN SECTION 12 AFORESAID, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING ON THE WEST LINE OF SAID LOT 1 AT POINT 246.07 FEET SOUTH OF THE NORTHWEST CORNER THEREOF;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF SAID LOT 1, A DISTANCE OF 67.34 FEET;

THENCE NORTHEASTERLY ALONG A LINE DRAWN PERPENDICULAR TO THE SOUTHWESTERLY LINE OF LOT 1, A DISTANCE OF 65.76 FEET;

THENCE EAST PERPENDICULAR TO THE WEST LINE OF SAID LOT 1, A DISTANCE OF 55.38 FEET TO THE MOST WESTERLY EAST LINE OF SAID LOT 1, AND THE POINT OF TERMINUS OF SAID LINE;

ALSO EXCEPTING THEREFROM

ALL OF VILLAGE CENTRE PHASE 1-B PLAT OF RESUBDIVISION OF LOTS 6, 7, 8, 9 IN BLOCK 13 IN BUSSE & WILLE'S RESUBDIVISION IN MT. PROSPECT AND PARTS OF LOTS 8, 9, 10 IN BLOCK 15 IN MT. PROSPECT SUBDIVISION IN SECTION 12 AFORESAID;

IN COOK COUNTY, ILLINOIS.

Map: Prospect & Main Proposed RPA Boundary

