

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 9, 2023, at 11:00 AM, at the Mount Prospect Village Hall, Executive Conference Room, Third Floor, 50 S Emerson St, Mount Prospect, IL 60056 with the attached agenda. 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 09, 2023, 11:00 AM

1. Call to Order
2. Approval of Minutes – November 10, 2022
3. Old Business
4. New Business
 - a. 2022 Audited Financials
 - b. Surplus Declaration 2022 Taxes
 - 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

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

Primary Use of Redevelopment Project Area*: Combined/Mixed	
<small>*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.</small>	
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	<input checked="" type="checkbox"/>
Industrial Jobs Recovery Law	<input type="checkbox"/>

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, 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). For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions 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, enactment or extension, and a copy of the redevelopment plan (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 (labeled Attachment J).	x	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; and <u>actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (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
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).		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)]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 395,781

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	\$ 1,307,969.00	\$ 4,630,684.00	15%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 1,701.00	\$ 128,489.00	0%
Land/Building Sale Proceeds	\$ 1,990,309.00	\$ 2,932,074.00	9%
Bond Proceeds		\$ 20,368,789.00	66%
Transfers from Municipal Sources		\$ 2,759,981.00	9%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)		\$ 223,273.00	1%

All Amount Deposited in Special Tax Allocation Fund \$ 3,299,979.00

Cumulative Total Revenues/Cash Receipts \$ 31,043,290 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 1,518,203.00

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 1,518,203

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 1,781,776

Previous Year Adjustment (Explain Below)

FUND BALANCE, END OF REPORTING PERIOD* \$ 2,177,557

* 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 [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Legal Fees	67,919	
		\$ 67,919
2. Annual administrative cost.		
Dues & Memberships	1,200	
		\$ 1,200
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Façade Program	10,000	
		\$ 10,000
6. Costs of the construction of public works or improvements.		
		\$ -

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	4,302	
Return of Increment to Cook County per Intergovernmental Agreement	193,168	
Developer Incentives	197,226	
		\$ 394,697
TOTAL ITEMIZED EXPENDITURES		\$ 1,518,203

SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE	\$ 2,177,557
-------------------------------	--------------

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
2017A Series Bonds	\$ 4,815,000	
2018A Series Bonds	\$ 7,060,000	
2019B Series Bonds	\$ 7,725,000	
Total Amount Designated for Obligations	\$ 19,600,000	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Maple Street Project Improvement		\$ 1,086,000
HQ Residence Project Improvement		\$ 1,091,557
Total Amount Designated for Project Costs		\$ 2,177,557

TOTAL AMOUNT DESIGNATED	\$ 2,177,557
--------------------------------	--------------

SURPLUS/(DEFICIT)	\$ -
--------------------------	------

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

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

x

Indicate an 'X' if no property was 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:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

PAGE 1

Page 1 MUST 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)	\$ 146,825,459	\$ 46,992,102	\$ 193,817,561
Public Investment Undertaken	\$ 20,734,254	\$ 8,836,500	\$ 29,731,312
Ratio of Private/Public Investment	7 3/37		6 41/79

Project 1 Name: Fire Relocation

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

Project 2 Name: Façade Improvements

Private Investment Undertaken (See Instructions)	\$ 238,647	\$ 50,000	\$ 288,647
Public Investment Undertaken	\$ 238,647	\$ 50,000	\$ 288,647
Ratio of Private/Public Investment	1		1

Project 3 Name: Pocket Part

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

Project 4 Name: Police Relocation

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

Project 5 Name: Parenti Relocation

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

Project 6 Name: 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 Name: 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 Name: 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 Name: 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 Name: 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 Name: Prospect Place

Private Investment Undertaken (See Instructions)	\$ 15,000,000	\$ 15,992,111	\$ 30,992,111
Public Investment Undertaken	\$ -	\$ 3,700,000	\$ 3,700,000
Ratio of Private/Public Investment	0		8 35/93

Project 12 Name: 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 Name:

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

Project 14 Name:

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

Project 15 Name:

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

Project 16 Name:

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

Project 17 Name:

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

Project 18 Name:

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

Project 19 Name:

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

Project 20 Name:

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

Project 21 Name:

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

Project 22 Name:

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

Project 23 Name:

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

Project 24 Name:

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

Project 25 Name:

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

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
	80	Temporary Construction Jobs	\$ 5,200,000
	7	Permanent	\$ 720,000
			\$ 5,920,000

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement
	80 Construction Jobs
	7 Management, Leasing Admin Jobs
	35 Restaurant Jobs
	25 Office/Admin Jobs

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The amount of increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement
6,320,000	\$486,000

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

6.26%

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

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

As attached.

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

SECTION 8 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area:

Prospect & Main TIF District

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

Year of Designation	Base EAV	Reporting Fiscal Year EAV
2017	\$ 37,621,688	\$ 49,309,124.00

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

Indicate an 'X' 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	\$ 11,130
Elk Grove Township	\$ 1,637
Village of Mount Prospect	\$ 20,296
Mt. Prospect Library	\$ 12,314
School Dist 57	\$ 71,692
School Dist 214	\$ 48,399
Harper College	\$ 8,285
Mt. Prospect Park District	\$ 11,231
Metropolitan Water Reclamation District	\$ 7,983
Northwest Mosquito Abatement	\$ 201

MAYOR
Paul Wm. Hoefert

TRUSTEES
Agostino S. Filippone
Terri Gens
John J. Matuszak
William A. Grossi
Colleen E. Saccotelli
Vince J. Dante



VILLAGE MANAGER
Michael J. Cassady

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, 2022

"(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, 2022 through December 31, 2022.

June 19, 2023
Date

A handwritten signature in blue ink, which appears to read "Paul Wm. Hoefert", is written over a horizontal line.

Paul Wm. Hoefert, Mayor
Village of Mount Prospect



120 S. LaSalle Street, Suite 1710
Chicago, Illinois 60603
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 23, 2023

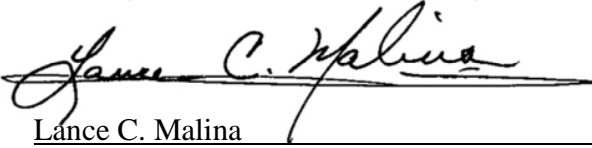
RE: Attorney Review Village of Mount Prospect, Prospect/Main TIF District

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, 2022 and ending December 31, 2022, to the best of my knowledge and belief.

Sincerely,

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



Lance C. Malina
Corporation Counsel

LCM/jm

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

**Village of Mount Prospect, IL
Unit Code: 016/370/32
Reporting Period: 12/31/2022**

STATEMENT OF ACTIVITIES

During the fiscal year ended on December 31, 2022, the following activities have taken place in the Prospect and Main TIF District for the Village of Mount Prospect:

The TIF District earned \$1,307,969 as incremental property taxes and had \$1,701 in interest income. From the increment, the Village declared \$193,168 as surplus (per the Intergovernmental Agreement with School Dist. 214) and was returned to Cook County. In addition, the Village incurred and paid \$67,919 in various legal and professional fees and have helped businesses within the TIF district with various Façade Program totaling \$10,000. The Village also paid \$360,000 in principal and \$683,488 in interest payments for its three bond issuances. Besides that, the Village paid \$197,226 in developer's incentives per the existing redevelopment agreements.

The Village had 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 was 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. Per the redevelopment agreement, the Village sold its property 112 E Northwest Highway and received \$1,990,309 net consideration during the year 2022.

Besides that, the other projects including Maple Street Lofts and Prospect Place development continued during the year as expected. These projects are on track and will be completed in near future as planned.

ORDINANCE NO. 6598

AN ORDINANCE AUTHORIZING THE REDEVELOPMENT AGREEMENT FOR THE HQ RESIDENCES DEVELOPMENT COMPRISING A PART OF THE PROSPECT AND MAIN TIF DISTRICT OF THE VILLAGE OF MOUNT PROSPECT, ILLINOIS

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Board of Trustees of the Village of Mount Prospect, Cook County, Illinois, as follows:

SECTION 1: The Mayor and Board of Trustees of the Village find as follows:

- A. The Village of Mount Prospect ("Village") is a home rule municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois.
- B. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended from time to time ("TIF Act").
- C. 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 2 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.
- D. 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").
- E. The Developer desires and intends to redevelop the Property with a mixed use residential and commercial building with six (6) stories and approximately eighty-eight (88) residential units and 3,500 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").
- F. It is necessary for the successful completion of the Project that the Village enter into an Agreement with Developer to provide for the redevelopment of the Property, thereby implementing the TIF Plan.
- G. 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.

- H. It is the desire of the Village to approve the "Redevelopment Agreement for the HQ Residences Development comprising a part of the Prospect and Main TIF District of the Village of Mount Prospect, Illinois," attached hereto as **EXHIBIT A** and made part hereof.

SECTION 2: Based upon the foregoing, the Village Mayor, Village Clerk and Village Manager, or their designees, be and are hereby authorized and directed to execute the attached Redevelopment Agreement and perform the Village's obligations thereunder.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

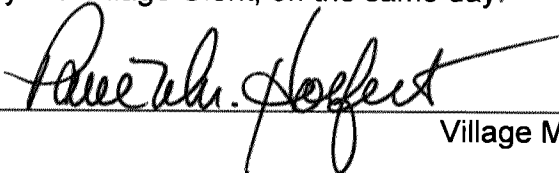
ADOPTED this 14th day of December, 2021 pursuant to a roll call vote as follows:

AYES: Filippone, Gens, Matuszak, Pissarreck, Rogers, Saccotelli

NAYS: None

ABSENT: None

APPROVED this 14th day of December, 2021, by the Village Mayor of the Village of Mount Prospect, and attested by the Village Clerk, on the same day.



Village Mayor

APPROVED and FILED in my office this 15th day of December, 2021 and published in pamphlet form in the Village of Mount Prospect, Cook County, Illinois.

ATTEST:



Village Clerk

This document prepared by and after recording return to:

Klein, Thorpe and Jenkins, Ltd.
20 North Wacker Drive
Suite 1660
Chicago, Illinois 60606-2903
Attn: Lance C. Malina, Esq.

This space reserved for Clerk's use only.

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

This Redevelopment Agreement For The HQ Residences 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 1st day of July, 2022 ("Effective Date") by and among the Village of Mount Prospect, Illinois, an Illinois home rule municipal corporation ("Village"), HQ Residences LLC, an Illinois limited liability company ("HQ") and MP2 Holdings Inc., an Illinois corporation ("MP2:") (HQ and MP2 and collectively, and jointly and severally as to all rights and obligations hereunder, referred to herein as "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 restore and 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, each 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 Village is the fee owner of certain real property, consisting 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 to acquire ownership of the Property and redevelop the Property with a mixed use residential and commercial building with six (6) stories and eighty-seven (87) residential units and 3,370 square feet of retail / restaurant 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 convey the Property to Developer in accordance with the terms and provisions of the Act and this Agreement. To implement the Project in accordance with the terms of this Agreement, the Village would convey title to the Property to MP2, MP2 would perform a portion of the work comprising the Project generally consisting of site preparation, utility work, demolition, and building rehabilitation (the "MP2 Work"), MP2 would ground lease the Property to HQ, and HQ would perform vertical construction, along with any remaining site preparation, utility work, demolition, and building rehabilitation to complete construction of the Project (the "HQ Work"). Pursuant to the terms of this Agreement, the Village would reimburse MP2 and HQ for their respective TIF Eligible Redevelopment Costs, up to the Maximum Reimbursement Amount (defined below).
- 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 H. 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. **“Certificate of Expenditure”** means a certificate provided by the Developer and approved by the Village evidencing the costs incurred and paid by Developer and their respective eligibility as a TIF Eligible Redevelopment Cost (defined below).

B. **“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, regulation, or executive order (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).

C. **“Corporate Authorities”** means the Mayor and Board of Trustees of the Village of Mount Prospect, Illinois.

D. **“Day”** means a calendar day.

E. **“Effective Date”** means the day on which this Agreement is executed by the Village, with said date appearing on page 1 hereof.

F. **“Incremental Property Taxes”** means that portion of the *ad valorem* real estate taxes, if any, arising from the taxes levied upon the Property, which taxes are actually collected and paid to the Village, and which are

attributable to the increase in the equalized assessed valuation (“EAV”) of the Property over and above the EAV of the Property at the time of the formation of the TIF District, all as determined by the County Clerk of the County of Cook, Illinois, pursuant to and in accordance with the TIF Act, the TIF Ordinances and this Agreement.

- G. **“Maximum Reimbursement Amount”** means Five Million Four Hundred Seventy-Five Thousand and No/100 Dollars (\$5,475,000), plus interest accrued and compounded annually in accordance with this Agreement.
- H. **“Party” or “Parties”** means the Village, HQ, and MP2, individually or collectively, and their respective successors and/or assigns as permitted herein, as the context requires.
- I. **“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.
- J. **“School District”** means Mount Prospect School District 57 and Prospect High School District 214.
- K. **“School Impact Fee”** means the amount to be paid, if any, on an annual basis to the School District pursuant to Section 3(q)(7.5) of the Act, equating to the increased costs attributable to the housing units developed as part of the Project pursuant to this Agreement, as calculated in accordance with Section 3(q)(7.5)(B) of the Act, up to an amount equal to forty percent (40%) of the total amount of Incremental Property Taxes generated by such housing units, in accordance with the terms and conditions of Section 3(q)(7.5) of the Act.
- L. **“State”** means the State of Illinois.
- M. **“TIF Eligible Redevelopment Costs”** means the costs of the Project, to be reimbursed, in part, from Incremental Property Taxes pursuant to the Act, and permitted to be reimbursed as a “redevelopment project cost” pursuant to Section 3(q) of the Act, 65 ILCS 5/11-74.4-3(q), by the Village, as provided in this Agreement.
- N. **“TIF Ordinances”** means those Ordinances referenced in subsection I.D. above.
- O. **“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, including without limitation delays in delivery of essential materials due to supply chain disruptions, 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.

- P. **“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, issue certificates, authorize payments under Section VI(A)(2), issue requests, demands, and notices and take 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. In addition, and unless applicable law requires action by the Corporate Authorities, the Village Manager shall have the power and authority to modify and amend the provisions of this Agreement, including without limitation extending any deadlines provided hereunder, subject to the mutual agreement of the Developer, 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 Richard Filler 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. CONVEYANCE OF THE PROPERTY

- A. The Village shall transfer title to the Property to MP2 in an “as-is, where-is” condition, pursuant to the Real Estate Sale Contract attached hereto as EXHIBIT E, and made part hereof (“Contract”), with such changes made to the Contract to make the Contract consistent with this Agreement and as are mutually agreed to by the Parties in their reasonable discretion. To the extent there are any conflicts between the terms of this Agreement and the Contract, the terms of this Agreement shall control. The Contract attached hereto as EXHIBIT E and incorporated herein, as may be modified pursuant to this Section V(A), shall be deemed approved by the Corporate Authorities as required by law. The terms of the transfer of title shall include:
- (i) Purchase Price: Two Million and No/100 Dollars (\$2,000,000.00);
 - (ii) Warranties: as-is, where-is;
 - (iii) Deed: Special Warranty Deed;
 - (iv) Earnest Money: Twenty-Five Thousand and No/100 Dollars (\$25,000.00), to be deposited in a strict joint order escrow with Chicago Title Insurance Company (“Title Company”) within five (5)

business days after the Effective Date (“Initial Earnest Money”), which Initial Earnest Money shall be refunded to Developer if Developer terminates the Agreement during the Due Diligence Period (as defined in Section V.A.(v) below), as set forth in Section V.A.(v) below. If Developer does not terminate the Agreement during the Due Diligence Period, within five (5) business days after the end of the Due Diligence Period, Developer shall deposit an additional One Hundred Thousand and No/100 Dollars (\$100,000.00) (“Additional Earnest Money” which together with the Initial Earnest Money is the “Earnest Money Deposit”) with the Title Company in the strict joint order escrow with the Initial Earnest Money. The Earnest Money Deposit shall be credited towards the Purchase Price of the Property. If the Property is not transferred from the Village to MP2 due to a breach by Developer of its obligation in this Agreement or the Contract, (and Village shall not be in default hereunder or under the Contract), the Village may as its sole and exclusive remedy, upon five (5) days written notice to Developer, if such breach is not cured within such five-day period, terminate this Agreement and the Contract without further liability on the Village's part and retain the Earnest Money as liquidated damages, and not as a penalty. If the Property is not transferred from the Village to MP2 due a breach by the Village of its obligation in this Agreement or the Contract, or any of its covenants, conditions, representations or warranties contained in this Agreement or the Contract, or should fail to consummate the sale contemplated herein for any reason other than Developer's default, Developer may, upon five (5) days written notice to Village, if such breach or failure is not cured within such five-day period, in addition to all remedies contained elsewhere in this Agreement or the Contract (i) terminate this Agreement and the Contract, without further liability on Developer's part, in which event the Earnest Money shall be refunded to Developer by Title Company or the Village (as the case may be); or (ii) pursue a claim for specific performance, as its sole and exclusive remedy.

- (v) Due Diligence Period: the Developer shall have a period of the earlier of ninety (90) calendar days after the Effective Date or the Conveyance Deadline (as defined in Section V.B. below) (“Due Diligence Period”), to perform investigations of the Property, including, but not limited to environmental investigations, and determine, in Developer's sole and absolute discretion, whether the Property is suitable for Developers use, and the Village hereby grants the Developer a non-exclusive license to enter upon the Property, at reasonable times and for reasonable durations, for the purpose of performing such investigations, which license shall expire upon the termination of this Agreement. Developer shall have the right to terminate this Agreement, for any reason whatsoever, in its

sole and absolute discretion, by providing written notice to the Village of such termination prior to the expiration of the Due Diligence Period; and

- (vi) Closing costs: shared by the Village and Developer as customarily charged.

B. The transfer of title to the Property from the Village to MP2 shall occur so long as the following conditions, subject to Uncontrollable Circumstances, have been satisfied on or before August 31, 2022 (“Conveyance Deadline”), with the transfer of title to the Property to Developer occurring within thirty (30) days of the Conveyance Deadline:

1. Developer has submitted site geometry and proposed building plans for the Project to the Village, which are materially consistent with the proposed Project and reasonably satisfactory to the Village;
2. Developer has submitted detailed elevations for the Project, including façade details, a board of materials to be used on the building, and drawings to the Village, which have been approved by the Village’s Mayor and Board of Trustees, with said approval being in the reasonable discretion of the Village’s Mayor and Board of Trustees;
3. Developer has obtained construction financing for the Project and will close on construction financing with a lender for the development of the Project by the date of the Conveyance Deadline;
4. Developer has obtained all zoning approvals for the Project;
5. Developer has obtained all building permits necessary to commence construction of the Project; and
6. Developer has met the deadlines in Sections VI.A. 1 and 2. below and has provided thirty (30) days advance written notice to the Village that it will close on the Property, and provided the Closing Date to the Village in such written notice.

The date the Village conveys title to the Property to MP2 shall be the “Acquisition Date.” For clarity and the avoidance of doubt, the Acquisition Date may occur before the conditions contained in Section V.B.3 of this Agreement relating to the Conveyance Deadline have been satisfied, and in such circumstance, Developer shall still be permitted to satisfy those conditions by the Conveyance Deadline.

- C. Notwithstanding anything in this Agreement to the contrary (including but not limited to the default and cure periods in Section XVI. below), if title to the Property is not transferred from the Village to MP2 within thirty (30) days of the Conveyance Deadline, and if such failure is not cured within ninety (90) days after notice by the Village to Developer with a demand to consummate the transfer as herein provided, this Agreement shall be null and void, and the Village shall have no further obligations to transfer title to the Property to MP2; provided, however, this Agreement shall remain in full force and effect if the failure to transfer title to the Property is in any way caused by or the fault of the Village.

VI. DEVELOPMENT OF THE PROPERTY

- A. **Approvals, Permits, Construction, and Completion.** The Developer shall, subject to Uncontrollable Circumstances:

1. On or before June 20, 2022, apply to the Village for a foundation permit for the Project, and take reasonable steps to obtain issuance of the foundation permit by the Village on or before August 1, 2022.
2. Developer will take reasonable steps to timely submit permit applications and 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 in the timeframes provided under this Agreement.
3. On or before August 31, 2022, close on the acquisition of the Property, and commence construction of the Project within 60 days thereafter.
4. [Intentionally omitted.]
5. On or before August 1, 2024, 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 F attached hereto and made a part hereof.

- B. **Village Buy Back.** Subject to Uncontrollable Circumstances, if MP2 has taken title to the Property, and if the Developer has not commenced construction of the Project within the time frame set forth in Section VI.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 option to purchase the Property from the Developer, at

the same price paid by MP2 to the Village for the Property, and under the same terms and conditions applicable to the Village's conveyance thereof to MP2, such conveyance to be consummated within ninety (90) days of the non-cured default as herein set forth, and, upon conveyance of the Property back to the Village, this Agreement shall be of no further force or effect.

The Village's rights to purchase the Property set forth in this Section VI(B) shall be subordinate to the liens of any lenders providing acquisition or construction financing against the Property, and the Village shall execute a subordination agreement or agreements as required by any such lender to confirm said subordination. Notwithstanding the foregoing, if the Village exercises the rights to purchase set forth in this Section VI(B), the Developer shall indemnify and defend, and hold the Village harmless from, any liens and encumbrances on the Property arising after the date title is conveyed to the Developer, and the Village shall have the right to deduct the amount of such liens not otherwise satisfied by Developer from the purchase price.

Upon Developer's commencement of construction of the Project, the Village's rights to purchase under this Section VI(B) shall extinguish and be of no further force and effect, and the Village shall, upon the request of the Developer, execute a release of same in recordable form.

VII. 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. Reimburse the Developer for TIF Eligible Redevelopment Costs, in an amount not to exceed the Maximum Reimbursement Amount (the "TIF Contribution").
 - a. MP2 shall be entitled to a guaranteed initial payment of \$3,700,000 to reimburse MP2 for TIF Eligible Redevelopment Costs incurred and paid, subject to satisfaction of the following conditions:
 - i. MP2 has provided evidence supporting TIF Eligible Redevelopment Costs totaling at least \$3,700,000 have been incurred and paid;
 - ii. Developer has obtained a Certificate of Occupancy from the Village for the residential units;

- iii. Developer has obtained a Certificate of Occupancy for the commercial space/restaurant; and
- iv. The Village has received the first payment of Incremental Property Taxes for the Project from Cook County.

The Village shall issue such payment no later than the March 1st immediately following the Village's receipt of the first payment of Incremental Property Taxes for the Project from Cook County.

- b. After satisfying the conditions above, if there are further TIF Eligible Redevelopment Costs over and above \$3,700,000, HQ or MP2, as the case may be, shall submit the evidence of such TIF Eligible Redevelopment Costs, and payment thereof, and the Village shall reimburse HQ or MP2, as the case may be, for such TIF Eligible Redevelopment Costs, up to \$1,775,000. This additional reimbursement up to \$1,775,000 (plus accrued interest in accordance with this Agreement) will be paid on March 1st of each year, solely from the Incremental Property Taxes, subject to payment of the School Impact Fee, and subject to the terms of this Agreement. The initial obligation amount under this section will be \$1,775,000 or the actual expenditure (as evidenced by one or more Certificates of Expenditure) above \$3,700,000, whichever is lower. The agreed initial obligation amount will accrue interest at five percent (5%) per annum and will be compounded annually. The maximum increment (for the life of the TIF) to be shared under this section cannot exceed the initial obligation amount of \$1,775,000 or the actual expenditure (as evidenced by one or more Certificates of Expenditure) above \$3,700,000, whichever is lower, plus accrued interest thereon. The obligation to pay Incremental Property Taxes under this Section VII(A)(2)(b) shall terminate on December 31, 2040, and the Village shall have no further obligation to pay any eligible costs and accrued interest thereon using Incremental Property Taxes generated after December 31, 2040, even if the life of the TIF District is extended beyond the initial term of 23 years.
- c. The Parties acknowledge that up to forty percent (40%) of the Incremental Property Taxes generated by the housing units developed as part of the Project on an annual basis (the "Annual School Impact Fee Reservation") will be available for the School Impact Fee, pursuant to Section 3(q)(7.5) of the Act. The Parties acknowledge that, notwithstanding the deadline set forth in Section 3(q)(7.5) of the Act, the School District shall have until December 31st of each year to provide the Village with the payment request and reasonable evidence supporting its claim for reimbursement under Section 3(q)(7.5) of the Act. After

payment of the School Impact Fee, or the School District's failure to provide the payment request and reasonable evidence supporting its claim for reimbursement by December 31st, the Developer shall be entitled to such unpaid balance of the Annual School Impact Fee Reservation, up to fifty percent (50%) of the total amount of the Annual School Impact Fee Reservation (regardless of the actual amount of the School Impact Fee), to be applied to the Village's reimbursement obligation under Section VII(A)(2)(b) above. For avoidance of doubt, if no School Impact Fee is payable for a given year, the Developer shall be entitled to receive not more than eighty percent (80%) of the Incremental Property Taxes for such year, subject to this Agreement.

The Parties acknowledge and agree that the Village shall be entitled to reserve an amount not to exceed \$293,367 annually (the "Village Reservation") from Incremental Property Taxes (subject to the School Impact Fee Reservation) to reimburse the Village for its use of general funds for the payment required under Section VII(A)(2)(a). The Village shall not be required to pay such Village Reservation amount to the Developer under this Agreement. In the event the Increment Property Taxes are not sufficient to generate the full amount of the Village Reservation for a given year, the Village shall have right to increase the amount of the Village Reservation in subsequent years to recover such shortfall.

3. Apply the provisions of the Village Code in effect as of the effective date of this Agreement to this Agreement, regardless of subsequent changes and amendments to the Village Code.
 4. Waive the fee for the connection of the Property to the Village's water supply and sanitary sewer supply occurring during the initial construction of the Project.
 5. Waive building permit, inspection, and occupancy permit fees for the initial construction of the Project.
- 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.

VIII. 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.

- M. **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.

- N. **Evidence of TIF Eligible Redevelopment Costs.** To establish its right to reimbursement, Developer shall submit to the Village a request for approval of a Certificate of Expenditure, along with such documentation as may be reasonably requested by the Village (including but not limited to lien waivers, cancelled checks, and paid invoices) verifying the TIF Eligible Redevelopment Costs that Developer has incurred. The Village shall promptly review any Certificate of Expenditure for completeness and eligibility for reimbursement. Once any Certificate of Expenditure is complete, the Village shall have 60 days to either make payment to the Developer or reject the request. If a request is not approved, the Village shall provide Developer with a written explanation providing sufficient detail as to why a Certificate of Expenditure is not approved.

IX. **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.
- F. **Limits on Developer Action.** Prior to issuance of the Certificate of Project Completion, Developer may not, without the Village's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned:
- (1) Merge, liquidate or consolidate its development entities.
 - (2) Sell, lease, or transfer the property or all or substantially all of its ownership interest in the Property, other than to an entity wholly-owned or controlled by or related to, or wholly-owning or controlling, the Developer, and other than the ground lease from MP2 to HQ.
 - (3) Enter into any transaction outside the ordinary course of business that would materially and adversely affect its ability to finance the Project;
 - (4) Assume or guarantee the obligations of another person or entity that would materially and adversely affect its ability to finance the Project;
or
 - (5) Enter into a transaction that would cause a material and detrimental change to its financial condition.

X. 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.

XI. SPECIAL CONDITIONS

- A. **Certificate of Project Completion.** 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 certificate of occupancy for the residential units and the retail space within 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. The Village shall not unreasonably withhold, delay or condition issuance of the 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.

XII. 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.** HQ 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. MP2 is an Illinois corporation, 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 each of HQ's and MP2'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.

XIII. 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.** Village owns fee simple title to the Property subject only to permitted exceptions to be agreed upon by the parties, and has full right, power, and authority to execute this Agreement and to convey the Property to Developer in accordance with the terms and provisions of this Agreement.
- 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.

XIV. INSURANCE

This Section XIV. 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 XIV. 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 XIV., 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 XIV. 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.

XV. INDEMNIFICATION, HOLD HARMLESS AND RELEASE PROVISIONS

This Section XV. 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 other Persons acting on its 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.

XVI. 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 or Property in breach of this Agreement.

8. A change in the management of Developer in breach of 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 XVI.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 XVI.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 XVI.G. shall survive the termination of this Agreement.

XVII. 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.

XVIII. 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: Paul Wm. Hoefert, Mayor
Village of Mount Prospect
50 S. Emerson Street
Mount Prospect, Illinois 60056
Email: phoefert@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: lcmalina@ktjlaw.com / gtsmith@ktjlaw.com

If to HQ HQ Residences LLC
c/o T2 Capital Management, LLC
120 North Hale Street, Suite #300
Wheaton, Illinois 60187
Attn: Tom Lowe
Email: tlowe@t2investments.com

If to MP2 MP2 Holdings Inc.
c/o The Harlem Irving Companies
4104 North Harlem Avenue
Norridge, Illinois 60706
Attn: Greg Fix
Email: gfix@harlemirving.com

And: DLA Piper LLP (US)
444 W. Lake Street, Suite 900
Chicago, Illinois 60606
Attn: Paul Shadle, Esq., and Mariah DiGrino, Esq.
Email: paul.shadle@us.dlapiper.com and
mariah.digrino@us.dlapiper.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.

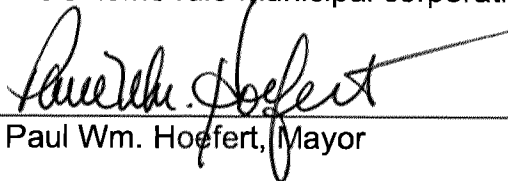
- O. **Repealer.** To the extent that any ordinance, resolution, rule, order or provision of the Village Code, or any part thereof, is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling, to the extent lawful.
- P. **Term.** This Agreement shall remain in full force and effect until December 31st of the year following the year of 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 fifteen (15) 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 acquisition or 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.

- T. **Limited and General Obligations.** The Developer acknowledges that, except for the reimbursement obligations under Section VII(A)(2)(a) above, the Village's obligations under this Agreement constitute limited obligations of the Village, and that said obligations do not now and shall never constitute a general indebtedness of the Village within the meaning of any State of Illinois constitutional or statutory provision, and shall not constitute or give rise to any pecuniary liability of the Village or a charge against its general credit or taxing power. The Village's reimbursement obligations under Section VII(A)(2)(a) above are, and shall be, a general obligation of the Village representing its full faith and credit and backed by its taxing power.

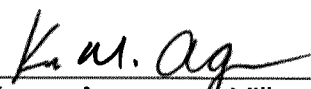
[THIS SPACE INTENTIONALLY LEFT BLANK]

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

By: 
Paul Wm. Hoefert, Mayor

ATTEST:

By: 
Karen Agoranos, Village Clerk

HQ Residences LLC,
an Illinois limited liability company

By: T2 HQ Residences I, LLC, a Delaware limited liability company
Its: Manager

By: _____
Its: _____
Printed Name: _____

MP2 Holdings Inc., an Illinois
corporation

By: _____
Its: Vice President
Printed Name: Vincent G. Forgione

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

HQ Residences LLC,
an Illinois limited liability company

By: T2 HQ Residences I, LLC, a Delaware limited liability company
Its: Manager

By: *JB*
Its: *Manager*
Printed Name: *Jeff Brown*

MP2 Holdings Inc., an Illinois
corporation

By: *Vincent G. Forgione*
Its: Vice President
Printed Name: Vincent G. Forgione

ACKNOWLEDGMENT

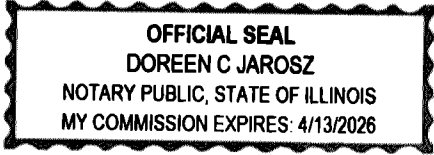
State of Illinois)
) SS
County of Cook)

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 29 day of June, 2022.

Doreen C. Jarosz

Notary Public

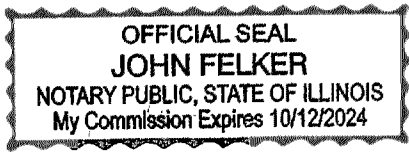



ACKNOWLEDGMENT

State of Illinois)
 De Page) SS
County of Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Jeff Brown, personally known to me to be the Manager, of T2 HQ Residences I, LLC, a Delaware limited liability company and the Manager of HQ Residences LLC, an Illinois limited liability company (the "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 Company, as his/her free and voluntary act, and as the free and voluntary acts and deeds of said Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 29 day of June, 2022.



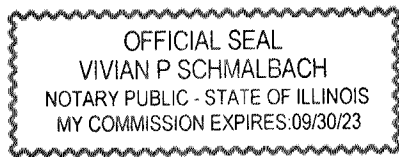


Notary Public

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 Vincent G. Forgione personally known to me to be the Vice President of MP2 Holdings Inc., an Illinois corporation (the "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 Vice President, he signed and delivered the said pursuant to authority given by the Company, as his/her free and voluntary act, and as the free and voluntary acts and deeds of said Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 28th day of June, 2022.



Vivian P Schmalbach
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

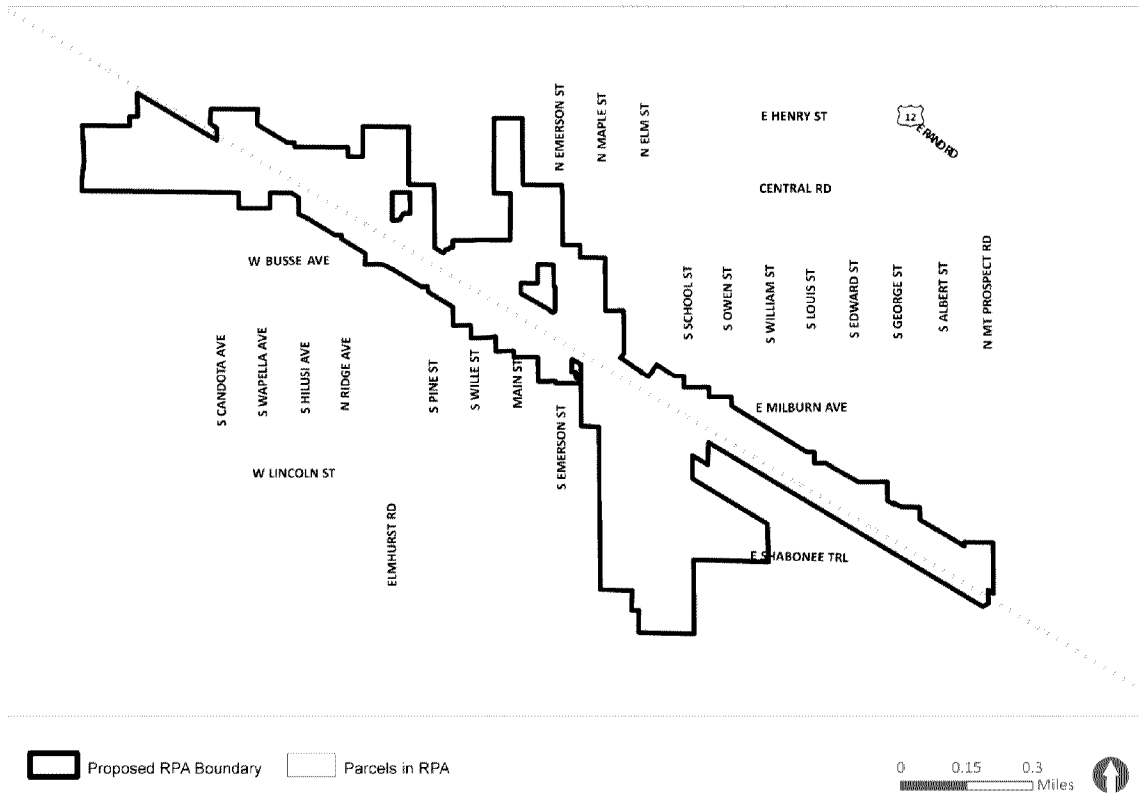


EXHIBIT B

Legal Description of the Property

LOT A IN CORPORATE SUBDIVISION NO. 1 VILLAGE OF MT. PROSPECT, A
RESUBDIVISION OF LOTS 8 TO 14 IN BLOCK 12 IN BUSSE & WILLIE'S
RESUBDIVISION IN MT. PROSPECT RECORDED JANUARY 26, 1979 AS DOCUMENT
24817046, IN COOK COUNTY, ILLINOIS.

P.I.N.: 08-12-109-029-0000

Common Address: 112 E. Northwest Highway
Mount Prospect, Illinois 60056

EXHIBIT D

Detailed Description of the Project

The Project is a roughly \$30,000,000 mixed use planned unit development (PUD) known as, HQ Residences, consisting of a six (6) story building, including eighty-seven (87) apartments, 3,370 square feet of ground floor retail / restaurant space and related site improvements.

EXHIBIT E

Real Estate Sale Contract

(attached)

REAL ESTATE SALE CONTRACT
("Contract")

1. This Contract shall be subject to the terms and conditions of the "Redevelopment Agreement for the HQ Residences Development Comprising a Part of the Prospect and Main TIF District of the Village of Mount Prospect, Illinois," entered into among the Seller, HQ Residences LLC, an Illinois limited liability company ("HQ"), and MP2 Holdings Inc., an Illinois corporation ("MP2", referred to herein as "**Purchaser**") ("Redevelopment Agreement"), and, to the extent of any conflict between the terms of this Contract and said Redevelopment Agreement, the terms of the Redevelopment Agreement shall control. Capitalized terms shall have the meaning set forth in the Contract and the Redevelopment Agreement.
2. Purchaser agrees to purchase at a price of Two Million and 00/100 Dollars (\$2,000,000.00) ("**Purchase Price**"), on the terms set forth herein, the property legally described on Exhibit 1 attached hereto ("**Property**"). Purchaser shall deposit earnest money as set forth in the Redevelopment Agreement, and the earnest money shall be used as set forth in the Redevelopment Agreement. Purchaser shall complete the disclosure form in Exhibit 2 simultaneous with its execution of this Contract.
3. The Village of Mount Prospect, Illinois, an Illinois home rule municipal corporation ("**Seller**") agrees to sell the Property, at the Purchase Price and on the terms and the conditions set forth herein and in the Redevelopment Agreement, and to convey or cause to be conveyed to Purchaser thereto by delivering a recordable Special Warranty Deed to MP2, as grantee, ("**Deed**") subject to the Permitted Exceptions, in the form attached hereto as Exhibit 3 together with the any and all personal property, including fixtures presently located thereon, which the Seller shall execute and convey to Purchaser by a bill of sale delivered to MP2, as grantor, in the form attached hereto as Exhibit 4.
4. Seller shall, within twenty (20) business days after the effective date of this contract, deliver to Purchaser, at Seller's sole cost and expense, a current as-built ALTA/ACSM survey ("**Survey**") of the Property, prepared by a registered land surveyor or engineer, licensed in the State of Illinois, prepared in accordance with the Minimum Standard Detail Requirements of a Class A Land Title Survey jointly established by the American Land Title Association and the American Congress on Surveying and Mapping, certified to the Title Company, Purchaser, and any lender of which Seller shall be notified, and in form sufficient to provide ALTA coverage and satisfy all reasonable lender requirements, if applicable. The Survey shall depict and include, without limiting the foregoing: the present location of all improvements or structures on the Property, including all encroachments of any part thereof onto adjoining land and all encroachments of any part of adjoining improvements onto the Property, parking spaces (by location and number), building lines and all easements whether recorded or visible (and, if recorded, by specific reference to recorded document numbers); access to public roads or

ways; all underground and above ground utilities servicing the Property; and identification of each Permitted Exception capable of being geographically located, by locating the same on the Survey with reference to recording information. The Survey must be sufficient to cause the Title Company (as defined below) to delete the standard printed survey exception and to issue the title policy free from any survey objections or exceptions whatsoever, other than the Permitted Exceptions. Within ten (10) business days of receipt of the Survey, Purchaser and Seller shall agree in writing on those Survey exceptions subject to which Purchaser shall take title to the Property.

Upon approval of the Survey by Seller and Purchaser, the legal description in Exhibit 1 shall be automatically revised to be that of the legal description in the Survey and Title Commitment. At either party's request, any changes to the legal description shall be confirmed in writing signed by both parties.

5. The time of closing ("**Closing**") shall be as provided for in Section V. of the Redevelopment Agreement ("**Closing Date**") or on the date, if any, to which such time is extended by reason of paragraph 1 of the Conditions and Stipulations attached hereto hereafter becoming operative (whichever date is later), unless subsequently mutually agreed otherwise, at the office of Chicago Title Insurance in downtown Chicago, Illinois, or by a New York style closing escrow, provided title is shown to be good or is accepted by Purchaser.
6. Each party hereto hereby represents and warrants to the other that, in connection with this transaction, no third-party broker or finder has been engaged or consulted by it or, through such party's actions (or claiming through such party), is entitled to compensation as a consequence of this transaction. Each party hereby defends, indemnifies and holds the other harmless against any and all claims of brokers, finders or the like, and against the claims of all third parties claiming any right to a commission or compensation by or through acts of that party or that party's partners, agents or affiliates in connection with this Contract. Each party's indemnity obligations shall include all damages, losses, costs, liabilities and expenses, including reasonable attorney's fees, which may be incurred by the other in connection with all matters against which the other is being indemnified hereunder. Further, the representations and warranties of each party made in Sections XII and XIII of the Redevelopment Agreement are hereby remade and incorporated into this Contract as if fully set forth herein, and further each of the parties agrees to deliver to the other a certificate in the form attached hereto as Exhibit 5 stating that the representations and warranties set forth in Section XII and XIII, as the case may be, are true and correct as of the date of Closing.
7. This Contract is subject to the Conditions and Stipulations set forth on the following pages, which Conditions and Stipulations are made a part of this Contract. To the extent of any conflict between the terms of this Contract, the Conditions and Stipulations, and the Redevelopment Agreement, the terms of the Redevelopment Agreement shall control.

8. This Contract shall be deemed dated and become effective as of the date of the Redevelopment Agreement (“**Effective Date**”).

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date next to their respective signature.

SELLER:

VILLAGE OF MOUNT PROSPECT,
an Illinois home rule municipal corporation

By: _____
Paul Wm. Hoefert, Mayor

PURCHASER:

MP2 Holdings Inc., an Illinois
corporation

By: _____
Its: Vice President
Name: Vincent G. Forgione

ATTEST:

By: _____
Karen Agoranos, Village Clerk

Executed by Seller on _____ Executed by Purchaser on _____

CONDITIONS AND STIPULATIONS

1. Seller shall deliver to Purchaser, a title commitment issued by Chicago Title Insurance Company ("**Title Company**"), with the cost of said title commitment to be shared equally by Seller and Purchaser, in the amount of the Purchase Price, with extended coverage over the standard exceptions 1 through 5, ("**Title Commitment**"), together with copies of all underlying title documents listed in the Title Commitment ("**Underlying Title Documents**"), subject only to (i) covenants, conditions, restrictions and easements of record; (ii) all applicable laws and ordinances affecting the Property, including but not limited to, zoning, subdivision, public health, environmental and building; (iii) public and private easements, recorded and unrecorded for utilities and drainage and other purposes over, under and upon the Property; (iv) the restrictions and reservations, if any, contained in the Deed, provided that (i), (ii), (iii) and (iv) do not prevent the Purchaser, in Purchaser's reasonable judgment, from being able to proceed with the Project, as defined in the Redevelopment Agreement; (v) 2022 and subsequent general real estate taxes not yet due and payable and subsequent years; and (vi) acts done or suffered by or judgments against Purchaser (collectively, the "**Permitted Exceptions**"). If the Title Commitment, Underlying Title Documents or the Survey (as defined above) disclose exceptions to title, which are not acceptable to Purchaser, ("**Unpermitted Exceptions**"), Purchaser shall have thirty (30) days from the last to occur of the delivery of the Title Commitment, the Underlying Title Documents and the Survey to object to the Unpermitted Exceptions. Purchaser shall provide Seller with a title and survey objection letter ("**Purchaser's Objection Letter**") listing those matters, which are not acceptable to Purchaser. Seller shall have thirty (30) days from the date of delivery of the Purchaser's Objection Letter ("**Seller's Cure Period**") to have the Unpermitted Exceptions removed from the Title Commitment or to cure such Unpermitted Exceptions or to have the Title Company commit to insure against loss or damage that may be occasioned by such Unpermitted Exceptions or to cure any Survey Defects, and the time of Closing shall be extended thirty (30) days ("**Extended Title Closing Date**") after Purchaser's receipt of a proforma title policy ("**Proforma Title Policy**") reflecting the Title Company's commitment to insure the Unpermitted Exceptions. If Seller fails to have the Unpermitted Exceptions removed or in the alternative, to obtain a Title Commitment insuring the Unpermitted Exceptions or correcting the Survey Defects within the specified time, Purchaser may elect to either (i) terminate this Contract, or (ii) upon notice to Seller within ten (10) days after Purchaser's receipt of Seller's intention not to cure the Unpermitted Exceptions or Survey Defects, to take title as it then is with the right to deduct from the Purchase Price any liens or encumbrances of a definite or ascertainable amount which are listed in the Title Commitment. All Unpermitted Exceptions, which the Title Company commits to insure, shall be included within the definition of Permitted Exceptions. The Proforma Title Policy shall be conclusive evidence of good title as shown therein as to all matters insured by the Title Company, subject only to the Permitted Exceptions. If Purchaser

does not so elect, this Contract shall become null and void without further action of the parties. Seller also shall furnish Purchaser an affidavit of title in customary form covering the date of closing and showing title in Seller subject only to the Permitted Exceptions and any Unpermitted Exceptions or defects in the title disclosed by the Survey, if any, as to which the title insurer commits to extend insurance in the manner specified in this Paragraph.

2. General Property taxes, if any, shall be prorated as of the closing date on the basis of the prior year's taxes increased five percent (5%), unless the Seller has obtained an exemption for payment of real estate taxes from the Department of Revenue, in which event, the Purchaser shall be responsible for payment of real estate taxes on the day of Closing through, to and including December 31, 2022 and subsequent years.
3. The provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall be applicable to this Contract.
4. In the event Seller fails to close this transaction in accordance with the terms hereof, the Purchaser may either seek specific performance or terminate its obligations hereunder, and, in the event of termination, all sums paid hereunder by Purchaser to the Seller or to the Title Company shall be refunded to Purchaser without deduction, together with any interest earned thereon.
5. This sale shall be closed through an escrow with the Title Company, in accordance with the general provisions of the usual form of Deed and Money Escrow Agreement then in use by the Title Company, with such special provisions inserted in the escrow agreement as may be required to conform with this Contract. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the Purchase Price and delivery of the Special Warranty Deed shall be made through the escrow and this Contract. The cost of the escrow shall be divided equally between Seller and Purchaser.
6. Time is of the essence of this Contract. If the date of Closing or any 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 Closing or such performance shall be extended to the next business day.
7. Any and all notices, demands, consents and approvals required under this Contract shall be sent and deemed received: A) on the third business day after mailed by certified or registered mail, postage prepaid, return receipt requested, or B) on the next business day after deposit with a nationally-recognized overnight delivery service (such as Federal Express or Airborne) for guaranteed next business day delivery, if addressed to the parties as follows:

If to Village: Paul Wm. Hoefert, Mayor

Village of Mount Prospect
50 S. Emerson Street
Mount Prospect, Illinois 60056
Email: phoefert@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 / Michael A. Marrs
Email: lmalina@ktjlaw.com / mamarrs@ktjlaw.com

If to MP2 MP2 Holdings Inc.
c/o The Harlem Irving Companies
4104 North Harlem Avenue
Norridge, Illinois 60706
Attn: Greg Fix
Email: gfix@harlemirving.com

and: DLA Piper LLP (US)
444 W. Lake Street, Suite 900
Chicago, Illinois 60606
Attn: Paul Shadle, Esq., and Mariah DiGrino, Esq.
Email: paul.shadle@us.dlapiper.com and
mariah.digrino@us.dlapiper.com

Either party hereto may change the name(s) and address(es) of the designee to whom notice shall be sent by giving written notice of such change to the other party hereto in the same manner, as all other notices are required to be delivered hereunder.

8. The parties acknowledge that as the Seller is a governmental entity, this transaction is exempt from any State, County or local real estate transfer tax pursuant to 35 ILCS 200/31-45(b). Seller is obligated to furnish completed Real Estate Transfer Declarations signed by Seller or Seller's agent in the form required pursuant to the Real Estate Transfer Tax Act of the State of Illinois.
9. This Contract and the Exhibit attached hereto, if any, and made a part hereof, or required hereby, embody the entire contract between the parties hereto with respect to the Real Estate and supersede any and all prior agreements and understandings, whether written or oral, and whether formal or informal. No

extensions, changes, modifications or amendments to or of this Contract, of any kind whatsoever, shall be made or claimed by Seller or Purchaser, and no notices of any extension, change, modification or amendment made or claimed by Seller or Purchaser (except with respect to permitted unilateral waivers of conditions precedent by Purchaser) shall have any force or effect whatsoever unless the same shall be endorsed in writing and fully signed by Seller and Purchaser.

10. The following Exhibits, Schedules, Riders or attachments are hereby attached hereto and made a part hereof by reference:

Exhibit 1 - Legal Description of Property

Exhibit 2 – Disclosure Form (which shall be completed by the Purchaser)

Exhibit 3 – Form of Special Warranty Deed

Exhibit 4 – Form of Bill of Sale

Exhibit 5 – Certificate of Representations and Warranties

Exhibit 1 to Real Estate Sale Contract

LOT A IN CORPORATE SUBDIVISION NO. 1 VILLAGE OF MT. PROSPECT, A
RESUBDIVISION OF LOTS 8 TO 14 IN BLOCK 12 IN BUSSE & WILLIE'S
RESUBDIVISION IN MT. PROSPECT RECORDED JANUARY 26, 1979 AS DOCUMENT
24817046, IN COOK COUNTY, ILLINOIS.

P.I.N.: 08-12-109-029-0000

Common Address: 112 E. Northwest Highway
Mount Prospect, Illinois 60056

Exhibit 2 to Real Estate Sale Contract

Disclosure Form

State of Illinois)
)ss.
County of)

DISCLOSURE AFFIDAVIT

I, _____, (hereinafter referred to as "Affiant") reside at _____
_____, in _____ County, State of _____, being first
duly sworn and having personal knowledge of the matters contained herein, swear to the following:

- 1. That I am over the age of eighteen and the (choose one)
 - owner or
 - authorized trustee or
 - corporate official or
 - managing agent or
 - _____ of the Real Estate (as defined herein).
- 2. That the Real Estate (as defined herein) being sold to the Purchaser is commonly known as:

P.I.N.:

Common Addresses: (herein referred to as the "Real Estate").

- 3. That I understand that, pursuant to 50 ILCS 105/3.1, prior to execution of a real estate purchase agreement between the record fee owner of the Real Estate and Purchaser, Illinois State Law requires the owner, authorized trustee, corporate official or managing agent to submit a sworn affidavit to the Purchaser disclosing the identity of every owner and beneficiary having *any* interest, real or personal, in the Real Estate, and every shareholder entitled to receive more than 7½% of the total distributable income of any corporation having any interest, real or personal, in the Real Estate.

- 4. As the owner or
 - authorized trustee or
 - corporate official or
 - managing agent or
 - _____ of the Real Estate, I declare under oath that (choose one):

The owners or beneficiaries of the trust are: _____
_____ or

The shareholders with more than 7 1/2% interest are: _____
_____ or

The corporation is publicly traded and there is no readily known individual having greater than a 7½% interest in the corporation.

This Disclosure Affidavit is made to induce the Purchaser to accept title to the Real Estate in accordance with 50 ILCS 105/3.1.

AFFIANT

SUBSCRIBED AND SWORN to before me
this _____ day of _____, 2021.

NOTARY PUBLIC

Exhibit 3 to Real Estate Sale Contract

Form of Special Warranty Deed

THIS DOCUMENT WAS)
PREPARED BY AND)
AFTER RECORDING)
RETURN TO:)
_____)
_____)
_____)
Attention: _____)

[This space reserved for recording data.]

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED (“Deed”), is made as of this ___ day of _____, 2022, by the **VILLAGE OF MOUNT PROSPECT**, Illinois, an Illinois home rule municipal corporation (the “Grantor”), having an address at 50 S. Emerson Street, Mount Prospect, Illinois 60056 to **MP2 Holdings Inc.**, an Illinois corporation (“Grantee”), having an address 120 North Hale Street, Wheaton, Illinois 60187.

WITNESSETH:

That the Grantor for and in consideration of the sum of TEN AND 00/100THS DOLLARS (\$10.00) and other good and valuable consideration in hand paid by the Grantee, the receipt and sufficiency of which is hereby acknowledged, by these presents does **GRANT, REMISE, RELEASE, ALIEN, SELL AND CONVEY** unto the Grantee and its successors and assigns **FOREVER**, all of the real estate described on **Exhibit A** attached hereto and made a part hereof together with the building structures, fixtures, and other improvements located on said real estate, if any, but excluding fixtures and improvements owned by tenants, and all hereditaments, easements and appurtenances thereunto belonging, or in any way pertaining to said real estate (“**Property**”), subject only to those matters described on **Exhibit B** attached hereto and made a part hereof (“**Permitted Exceptions**”).

TO HAVE AND TO HOLD the Property, subject only to the Permitted Exceptions, unto the Grantee and its successors and assigns forever.

Grantor does covenant, promise and agree, to and with the Grantee and its successors and assigns, that Grantor, and only Grantor, has not done, or suffered to be done, anything whereby the Property is, or may be, in any manner encumbered, except as herein recited, and that it **WILL WARRANT AND FOREVER DEFEND** the Property against persons lawfully claiming by, through, or under Grantor but not otherwise, except for claims arising under or by virtue of the Permitted Exceptions.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Grantor has caused its name to be signed to these presents on the date first set forth above.

GRANTOR:

VILLAGE OF MOUNT PROSPECT, ILLINOIS, an Illinois home rule municipal corporation

By: _____

Name: _____

Title: _____

STATE OF)
) SS
COUNTY OF)

On _____, 2022 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Witness my hand and official seal.

Notary Public

My Commission expires: _____

[SEAL]

Exhibit A to Special Warranty Deed

Legal Description of the Property

LOT A IN CORPORATE SUBDIVISION NO. 1 VILLAGE OF MT. PROSPECT, A RESUBDIVISION OF LOTS 8 TO 14 IN BLOCK 12 IN BUSSE & WILLIE'S RESUBDIVISION IN MT. PROSPECT RECORDED JANUARY 26, 1979 AS DOCUMENT 24817046, IN COOK COUNTY, ILLINOIS.

P.I.N.: 08-12-109-029-0000

Common Address: 112 E. Northwest Highway
Mount Prospect, Illinois 60056

Exhibit B to Special Warranty Deed

Permitted Exceptions

- (a) All liens, encumbrances, easements, covenants, conditions, restrictions and other matters of record;
- (b) All matters which a correct survey of the Property would disclose;
- (c) All matters which could be ascertained by a physical inspection of the Property;
- (d) Any and all liens not yet delinquent for real property and personal property taxes and for general and special assessments against the Property;
- (e) All matters arising in connection with any acts of Grantee; and
- (f) Building and zoning ordinances and regulations and any other laws, ordinances, or governmental regulations restricting, regulating or relating to the use, occupancy or enjoyment of the Property.

Exhibit 4 to Real Estate Sale Contract

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, the VILLAGE OF MOUNT PROSPECT, ILLINOIS, an Illinois home rule municipal corporation ("**Seller**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration to it in hand paid by MP2 Holdings Inc., an Illinois corporation, ("**Purchaser**"), the receipt and sufficiency of which are hereby acknowledged, hereby sells, assigns, transfers and conveys unto said Purchaser any and all of Seller's right, title and interest in and to all tangible personal property located upon the land described in **Exhibit A** attached hereto and hereby made a part hereof ("**Land**"), including, without limitation, any and all appliances, furniture, carpeting, draperies and curtains, tools and supplies, and other items of personal property (excluding cash, computers, software and all items of personal property owned by tenants or by the property manager, or leased to Seller), if any, used exclusively in connection with the operation of the Land, as is, where is, and without warranty, express or implied, of title, use, merchantability or fitness for any purpose.

TO HAVE AND TO HOLD all of said personal property unto Purchaser, its successors and assigns, to its own use forever.

[Signature Page Follows]

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the _____ day of _____, 2022.

SELLER:

VILLAGE OF MOUNT PROSPECT, ILLINOIS, an Illinois home rule municipal corporation

By: _____
Paul Wm. Hoefert, Mayor

ATTEST:

By: _____
Karen Agoranos, Village Clerk

Exhibit A to Bill of Sale

Legal Description of Land

LOT A IN CORPORATE SUBDIVISION NO. 1 VILLAGE OF MT. PROSPECT, A RESUBDIVISION OF LOTS 8 TO 14 IN BLOCK 12 IN BUSSE & WILLIE'S RESUBDIVISION IN MT. PROSPECT RECORDED JANUARY 26, 1979 AS DOCUMENT 24817046, IN COOK COUNTY, ILLINOIS.

P.I.N.: 08-12-109-029-0000

Common Address: 112 E. Northwest Highway
Mount Prospect, Illinois 60056

Exhibit 5 to Real Estate Sale Contract

CERTIFICATE OF REPRESENTATIONS AND WARRANTIES

THIS CERTIFICATE OF REPRESENTATIONS AND WARRANTIES is made this ___ day of _____, 2022 by the VILLAGE OF MOUNT PROSPECT, ILLINOIS, an Illinois home rule municipal corporation (“**Seller**”).

Seller intends to sell certain real property (“**Property**”) to MP2 Holdings Inc., an Illinois corporation (“**Purchaser**”), which real property is located at 112 E. Northwest Highway, Mount Prospect, Illinois 60056, pursuant to the terms and conditions of a **REAL ESTATE SALE CONTRACT** made and entered into as of _____, 2022, and all amendments thereto (collectively, the “**Contract**”). The Property is legally described in the Contract.

In consideration of Purchaser’s purchase of the Property, and for purposes of inducing Purchaser’s purchase of the Property, Seller hereby warrants, represents and covenants that all of the representations and warranties set forth in the Contract remain true, accurate and complete as of the Closing Date under the Contract.

In consideration of Seller’s sale of the Property, and for purposes of inducing Seller’s sale of the Property, Purchaser hereby warrants, represents and covenants that all of the representations and warranties set forth in the Contract remain true, accurate and complete as of the Closing Date under the Contract.

Unless otherwise provided in this **CERTIFICATE OF REPRESENTATIONS AND WARRANTIES**, all capitalized terms herein shall have the meanings ascribed to them in the Contract.

IN WITNESS WHEREOF, this **CERTIFICATE OF REPRESENTATIONS AND WARRANTIES** has been executed for purposes of inducing the passing of title to the Property.

[Signature Page Follows]

SELLER:

VILLAGE OF MOUNT PROSPECT,
an Illinois home rule municipal corporation

By: _____
Paul Wm. Hoefert, Mayor

ATTEST:

By: _____
Karen Agoranos, Village Clerk

PURCHASER:

MP2 Holdings Inc., an Illinois
corporation

By: _____
Its: Vice President
Printed Name: Vincent G. Forgione

EXHIBIT F

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.
2. Installation of on-street parking on the Project's Maple Street frontage as depicted on the approved site plan.

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, 2022

50 South Emerson Street
Mount Prospect, IL 60056
Phone: 847.392.6000
www.mountprospect.org

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

TABLE OF CONTENTS

PAGE

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142	<u>1</u>
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION	<u>2</u>
SUPPLEMENTARY INFORMATION	
Balance Sheet	<u>4</u>
Statement of Revenues, Expenditures and Changes in Fund Balance	<u>5</u>

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE



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

June 1, 2023

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, 2022, and have issued our report separately dated June 1, 2023. 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, 2022 for the Prospect/Main 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, 2022 for the Prospect/Main Tax Increment Financing Fund.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

June 1, 2023

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, 2022, and have issued our report separately dated June 1, 2023. 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 Prospect/Main Tax Increment Financing 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, 2022**

ASSETS	
Cash and Investments	\$ 1,927,204
Receivables - Net of Allowances	
Property Taxes	<u>252,753</u>
Total Assets	<u><u>2,179,957</u></u>
LIABILITIES	
Accounts Payable	2,400
FUND BALANCES	
Restricted	<u>2,177,557</u>
Total Liabilities and Fund Balance	<u><u>2,179,957</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, 2022

Revenues	
Taxes	
Property Taxes	\$ 1,307,969
Interest	1,701
Total Revenues	<u>1,309,670</u>
Expenditures	
Current	
General Government	
Other Employee Costs	1,200
Contractual Services	67,919
Capital Outlay	
Other	404,696
Debt Service	
Principal Retirement	360,000
Interest and Fiscal Charges	684,388
Total Expenditures	<u>1,518,203</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	(208,533)
Other Financing Sources	
Disposal of Capital Assets	<u>1,990,309</u>
Net Change in Fund Balance	1,781,776
Fund Balance - Beginning	<u>395,781</u>
Fund Balance - Ending	<u><u>2,177,557</u></u>



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

June 1, 2023

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, 2022, and have issued our report separately dated June 1, 2023. 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, 2022 for the Prospect/Main 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, 2022 for the Prospect/Main 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: 12/31/2022

**INTERGOVERNMENTAL
AGREEMENTS FY 2022**

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	193,168	None



MEMO

To: Amit Thakkar, Village of Mount Prospect

From: Geoff Dickinson, SB Friedman Development Advisors
(312) 384-2404, gdickinson@sbfriedman.com

Date: June 23, 2023

RE: Review of T2's Police/Fire Site Redevelopment Project – Returns Discussion

In 2021, the Village of Mount Prospect (the "Village") selected a team comprised of T2 Capital Management, LLC, The Harlem Irving Companies and Hamilton Partners (collectively, the "Developer") as their preferred developer for the redevelopment of the Village's police/fire station site (the "Site"). The Site is in the Prospect & Main Tax Increment Financing (TIF) District, which was designated in 2017. SB Friedman Development Advisors, LLC ("SB Friedman") was engaged later that year by the Village to conduct a high-level review of the Developer's request for Village financial assistance. SB Friedman helped the Village evaluate and structure a public-private partnership with the Developer to facilitate responsible redevelopment of the Site. In December 2021, the Village approved a redevelopment agreement with the Developer, which included agreement to reimburse certain TIF-eligible costs.

As part of its annual report to the Illinois State Comptroller's office, the Village is required to report a developer's stated rate of return for certain redevelopment projects beginning in or after FY 2022. Stated rates of return are required to be independently verified by a third party chosen by the municipality. SB Friedman served as the third party for this redevelopment project. The following section summarizes our findings from our 2021 returns analysis.

RETURNS ANALYSIS AND DISCUSSION

SB Friedman evaluated the project's need for financial assistance based on its projected stabilized yield on cost. This metric is calculated by dividing net operating income 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 a project's financing structure.

According to the Developer's consultant, with the full amount of requested Village financial assistance the project would achieve a yield on cost of 6.75%. SB Friedman meanwhile evaluated the Project against a 6.25-7.00% yield on cost benchmark returns range, which was based on third party market reports and SB Friedman's experience with comparable projects.

SB Friedman created an independent financial analysis model to evaluate the Project. Using the Developer's TIF revenue projections, our analysis indicated that project could reach a 6.26% yield on cost if the Village were to provide assistance equal to the full amount of projected available incremental property taxes (assuming maximum tuition payments). If the Village's tuition payments are equal to 20% of gross revenue rather than 40% (the statutory maximum), our analysis indicates the Project could reach a 6.59% yield on cost with the full amount of available projected TIF revenues.

Over the course of the analysis, SB Friedman also prepared independent projections of available incremental property taxes, which total approximately \$3.72 million on a present value basis (2023 dollars, assuming a discount rate of 5%), in place of the Developer’s incremental property tax projections, which total approximately \$4.51 million on a present value basis.

After incorporating our TIF revenue projections into the financial model, our analysis indicated that the project could reach a 6.27% yield on cost if the Village were to provide assistance equal to the full amount of available revenues projected by SB Friedman. If the Village’s tuition payments are equal to 20% of gross TIF revenue rather than the 40% statutory maximum, our analysis indicates the Project could reach a 6.57% yield on cost. **Figure 1** summarizes returns and TIF revenue projections under these different tuition payment scenarios.

Figure 1. Returns and TIF Revenue Projection Scenarios

Scenario	Tuition Payment [1]	Yield on Cost	TIF Revenue Projections [2]	
			Undiscounted	PV [3]
Developer	60%	6.26%	\$7.52 million	\$4.51 million
	80%	6.59%	\$9.74 million	\$5.84 million
SB Friedman	60%	6.27%	\$6.32 million	\$3.72 million
	80%	6.57%	\$8.19 million	\$4.81 million

[1] Represents the share of gross TIF revenue available from the multifamily portion after tuition payments to school districts.

[2] Total revenue over the remaining life of the TIF district.

[3] Discounted at 5% annually, all figures in 2022 dollars.

Source: T2 and SB Friedman

Based on our independent financial analysis, it appears that the project can achieve sufficient returns to attract debt and equity investors. This holds true under a wide range of scenarios. The project’s projected yield on cost is within SB Friedman’s benchmark range in all of the analyzed scenarios; thus, in none of the analyzed scenarios does the Developer achieve above-market returns. Therefore, assistance is likely needed for the Project to be financially feasible. The structure of the deal ensures that the Village need not make up any potential shortfall(s) in tax increment. If the Project underperforms Developer expectations regarding property tax productivity, the Developer will suffer the consequences.

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

