Kane, McKenna
and Associates, Inc.

150 North Wacker Drive
Suite 1600
Chicago, Illinois 60606

T 312 . 444 . 1702
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October 29, 2007

State of Illinois
Local Government Division
Office of the Comptroller
100 West Randolph
Suite 15-500
Chicago, Illinois 60601

Re: Village of Mundelein
Downtown TIF (TIF #2) Annual Report FY ending April 30, 2007

Attached please find the captioned TIF Annual Reports for the Village of Mundelein Downtown TIF for Fiscal Year ending April 30, 2007.

If you have any questions, the Village contact person is identified in Section 1. of the Report.

Sincerely,

Robert Rychlicki
Executive Vice President

Encls.

cc: Mary Hatton
Village of Mundelein

To:			
Adobe as:	07 TIF ANNUAL RPT		
Location:	T:/ADOBE/TIF / ANNUAL		
Email to:	~~A~~ MAF		
Original:	Return	Pitch	File
Due By:			
From:			
Date:	11-3-07		

VILLAGE OF MUNDELEIN

TAX INCREMENT FINANCING DISTRICT #2
Downtown TIF

ANNUAL REPORT FOR FISCAL YEAR
BEGINNING MAY 1, 2006 AND ENDING APRIL 30, 2007

Village of Mundelein

Tax Increment Financing District
Downtown TIF
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Section 1. Name of Redevelopment Project Area and Contact Information

Refer to chart attached.

State of Illinois
COMPTROLLER
Daniel W. Hynes

ANNUAL TAX INCREMENT FINANCE REPORT
OFFICE OF ILLINOIS COMPTROLLER DANIEL W. HYNES

Name of Municipality: Village of Mundelein
County: Lake
Basis of Accounting: Modified/Accrual

Unit Code:049/130/32
Reporting Fiscal Year: 5/1/06 to 4/30/07
Fiscal Year End: 4/30

TIF Administrator/Contact Information:

First Name: Michael
Address: 440 East Hawley Street
Telephone:847/949-3200
E-Mail:

Last Name: Flynn
Title: Assistant Village Administrator
Village: Mundelein Zip: 60060

I attest to the best of my knowledge, this report of the redevelopment project areas in:
Village of Mundelein
is complete and accurate at the end of this reporting fiscal year under 65 ILCS 5/11-74 et. seq.

Michael Flynn
Written signature of TIF Administrator

10-11-07
Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONLY ONCE (PER MUNICIPALITY), ADD ADDITIONAL ROWS AS NECESSARY

Name of Redevelopment Project Area	Date Designated	Date Terminated
Village of Mundelein Downtown TIF District (TIF #2)	01/10/05	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for <u>each</u> redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area:	Downtown TIF (TIF #2)
Primary Use of Redevelopment Project Area*:	CBD
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 __X__ Industrial Jobs Recovery Law ____	

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] **If yes, please enclose the amendment labeled Attachment A**	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6 22 (d) (3)] **Please enclose the CEO Certification labeled Attachment B**		X
Opinion of legal counsel that municipality is in compliance with the Act [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] **Please enclose the Legal Counsel Opinion labeled Attachment C**		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [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 TIF advisors or consultants have enter into contracts with entities or persons 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 submitted to the municipality by 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 municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose the Official Statement labeled Attachment I**		X
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] **If yes, please enclose the Analysis labeled Attachment J**	X	
Has the cumulative total of $100,000 or more been deposited in the fund as set forth in 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
Has cumulative deposits of incremental tax revenues in the fund $100,000 or more as set forth in 65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)? **If yes, please enclose a Certified audit report reviewing compliance with the Act labeled Attachment L**		X

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

Attachment A Amendments to the Redevelopment Plan, the Redevelopment Project Area Boundary

There were no amendments to the RPA plan or boundaries during the reporting Fiscal Year. The Village designated the TIF in January, 2005 and the enabling ordinances are attached as Exhibit A.

Attachment B Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the reporting fiscal year.

I, Kenneth H. Kessler, the duly elected Chief Executive Officer of the Village of Mundelein, County of Lake, State of Illinois, do hereby certify that to the best of my knowledge, the Village of Mundelein complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning May 1, 2006 and ending April 30, 2007.

Village President

10-18-07
Date

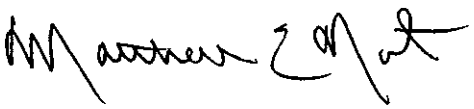
Attachment C Opinion of legal counsel that the municipality has complied with the Act.

RE: Attorney Review of Village of Mundelein Downtown TIF

Whom it May Concern:

This will confirm that Holland & Knight LLP is special counsel for the Village of Mundelein, Illinois. I have reviewed all information provided to me by the Village staff and consultants, and I find that the Village has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder for the fiscal year beginning May 1, 2006 and ending April 30, 2007, to the best of my knowledge and belief.

Sincerely,



Matthew E. Norton
Partner
Holland & Knight LLP

4885462_v1

Attachment D Statement setting forth all activities undertaken in furtherance of the objectives of the Redevelopment Plan, including:

A. Any project implemented during the reporting fiscal year; and

B. A description of the redevelopment activities undertaken.

A. The Village implemented redevelopment activities that included the Cardinal Square residential development (approved in the previous fiscal year) and the Park Station residential development (approved in the reporting fiscal year). Redevelopment agreements for both projects are attached in Exhibit B.

The Cardinal redevelopment provides for construction of up to 541 condominium and townhome residential units in up to nine buildings as part of the project. Village TIF assistance may utilized for TIF eligible costs up to a total of $7,000,000. The actual amount is based upon performance criteria related to the build out of the project as set forth in the redevelopment agreement. The Park Station redevelopment agreement provides for the construction of up to 27 townhome units in up to three buildings. TIF assistance is limited to up to $331,000 for TIF eligible improvements.

Village TIF obligations are "pay as you go", based upon a certain portion of TIF increment allocated to the projects, and are performance based – the developers only receive payment if certain redevelopment agreement provisions are satisfied and if the incremental property taxes from each development are received by the Village.

B. The Village continued the following activities: a) review of additional redevelopment proposals located within the Downtown TIF District, b) monitoring of current agreements, and c) review of public improvements as part of the Downtown area redevelopment activities.

Attachment E Description of Agreements Regarding Property Disposition or Redevelopment

No property was disposed of by the Village in the reporting Fiscal Year. One redevelopment agreement (Park Station) was approved and one amendment to a redevelopment agreement (Cardinal Square) were approved in the reporting Fiscal Year. The agreements are summarized in Attachment D and attached in Exhibit B.

Attachment F Additional Information on Uses of Funds Related to Achieving Objectives of the Redevelopment Plan

Funds were applied to redevelopment project costs described in Section 3.2.

Attachment G Information Regarding Contracts with TIF Consultants.

A contract was entered into with Kane, McKenna and Associates, Inc. by the Village in the reporting Fiscal Year. Kane. McKenna and Associates did not enter into any contracts with entities receiving payments financed by TIF revenues of the Village of Mundelein Downtown TIF.

Attachment H Reports Submitted by Joint Review Board.

No reports were submitted by the Joint Review Board to the Village in the reporting Fiscal Year. The Board met during the reporting Fiscal Year and received an update from Village staff regarding redevelopment activities. The minutes are attached hereto as part of Exhibit C.

Attachment I Summary of any obligations issued by the municipality and official statements

The Cardinal Square redevelopment agreement provides for the issuance of a developer note for an amount up to $7,000,000 based upon conformance to certain provisions as set forth in the redevelopment agreement.
The Park Station redevelopment agreement provides for the issuance of a developer note for an amount up to $331,000 subject to conformance with provisions as set forth in the redevelopment agreement.
The form of the notes and a description of each note's payment terms are included in Exhibit B.

Attachment J Financial Analysis: TIF Obligations

No new TIF bond obligations were issued by the Village in the reporting Fiscal Year. As part of the Park Station redevelopment agreement a developer note of up to $331,000 was authorized subject to certain conditions. The Village continues to monitor existing agreements and will apply incremental revenues to the repayment of such debt (assuming that all provisions of the redevelopment agreements are satisfied) upon completion of the project components and generation of tax increment revenues from each respective project The Village has undertaken analysis of estimated property tax amounts to be generated by each project as part of the review process for each agreement.

All notes are "pay as you go" notes payable to the developers. The Village's obligations are limited to the tax increment actually produced and received. Therefore, an analysis regarding projected debt service, required reserves, and debt coverage is not necessary at this time.

Attachment K and L TIF Audit

For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of $100,000 or more, a certified audit report reviewing compliance with the Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois. 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.

The TIF audit and the compliance letter are attached as Exhibit D.

Section 3.1 Analysis of Special Tax Allocation Fund

Refer to table attached.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

	Reporting Year	Cumulative
NOTE: FUND BALANCE RESTATED FROM PREVIOUS YEAR REPORT		
Fund Balance at Beginning of Reporting Period	$ (147,785)	

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	$ 182,843	$ 193,160	100%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ 243	$ 243	0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources	$ -		0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period	$ 183,086		
Cumulative Total Revenues/Cash Receipts		$ 193,403	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 22,638		
Distribution of Surplus	$ -		
Total Expenditures/Disbursements	$ 22,638		
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	$ 160,448		
FUND BALANCE, END OF REPORTING PERIOD	$ 12,663		

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

Section 3.2 Itemized List of Expenditures from Special Tax Allocation Fund

Refer to tables attached.

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
		$ -
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs.		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public		
		$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs		
		$ -
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		

Cardinal Square Tier 1 note payment - TIF cost reimbursements	22,638	
		$ 22,638
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other		
		$ -
14. Costs of reimbursing private developers for interest expenses incurred on approved		
		$ -
15. Costs of construction of new housing units for low income and very low-income households.		
		$ -
16. Cost of day care services and operational costs of.day care centers. Subsection (q) (11.5) - Tax		

		$ -

TOTAL ITEMIZED EXPENDITURES		$ 22,638

Section 3.2 B

Below is listed all vendors, including other municipal funds, that were paid in excess of $10,000 during		
Name	**Service**	**Amount**
Mundelein Downtown Properties LLC	TIF eligible cost reimbursement	$ 22,637.79

Section 3.3 Special Tax Allocation Fund Balance (end of reporting period).

Refer to table attached.

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))

FUND BALANCE, END OF REPORTING PERIOD	$ 12,663

	Amount of Original Issuance	**Amount Designated**
1. Description of Debt Obligations		
Total Amount Designated for Obligations	$ -	$ -

2. Description of Project Costs to be Paid		
Redevelopment Incentives/Redevelopment Agreements		$ 7,331,000
(Cardinal Square and Park Station redevelopment agrmnts.)*		
Other TIF eligible projects or costs		$ 258,960

Total Amount Designated for Project Costs	$ 7,589,960

*maximum principal amounts specified, not including interest
actual payouts are subject to the annual project
revenues generated and conformance with redevelopment agreements

TOTAL AMOUNT DESIGNATED	$ 7,589,960
SURPLUS*/(DEFICIT)	$ (7,577,297)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts

Section 4.0 A description of all property purchased by the municipality within the Redevelopment Project Area including:

A. Street Address
B. Approximate size or description of property
C. Purchase Price
D. Seller of property

Refer to table attached.

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

Provide a description of all property purchased by the municipality during the reporting fiscal year within the

__X__ No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

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

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

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

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

Section 5.0 Review of Public and Private Investment.

Refer to table attached.

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
Please include a brief description of each project.

_____ No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
TOTAL:			
Private Investment Undertaken (See Instructions)	$ -	$ -	$ 129,230,000
Public Investment Undertaken	$ -	$ -	$ 7,331,000
Ratio of Private/Public Investment	0		17 27/43
Project 1: Cardinal Square provided by developer	to be provided		
Private Investment Undertaken (See Instructions)			$ 122,000,000
Public Investment Undertaken			$ 7,000,000
Ratio of Private/Public Investment			17 3/7
Project 2: Park Station provided by developer	to be provided		
Private Investment Undertaken (See Instructions)			$ 7,230,000
Public Investment Undertaken			$ 331,000
Ratio of Private/Public Investment			21 59/70
Project 3:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 4:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6
Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2005	$ 8,313,815	$ 10,106,234

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.
___X__ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -

SECTION 7
Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -

SECTION 8
Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed	
Legal description of redevelopment project area	as Exhibit A	
Map of District	as Exhibit A	

Exhibit A

TIF Designation Ordinances

STATE OF ILLINOIS)
)
COUNTY OF LAKE)

5726140

FILED FOR RECORD BY:
MARY ELLEN VANDERVENTER
LAKE COUNTY, IL RECORDER
01/28/2005 - 11:26:18 A.M.
RECEIPT #: 205795
DRAWER #: 29

CERTIFICATE

I, Michael A. Flynn, certify that I am the duly appointed Acting Municipal Clerk for the Village of Mundelein, Lake County, Illinois.

I further certify that on January 10, 2005, the Corporate Authorities of such Village passed and approved

Ordinance No. 05-01-06

which is entitled

AN ORDINANCE OF THE VILLAGE OF
MUNDELEIN, LAKE COUNTY, ILLINOIS,
APPROVING A TAX INCREMENT REDEVELOPMENT PLAN
AND REDEVELOPMENT PROJECT FOR THE DOWNTOWN TIF
REDEVELOPMENT PROJECT AREA

which provides by its terms that it should be published in pamphlet form.

The pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof was prepared and a copy of such Ordinance was posted in the Village Hall commencing on January 11, 2005 and was posted for at least ten days thereafter.

Copies of such Ordinance are available for public inspection upon request in the office of the Village Clerk.

Dated at Mundelein, Illinois this 12th day of January, 2005.

Michael A. Flynn
Acting Village Clerk

5726140

(60)

ORDINANCE NO. 05-01-06

AN ORDINANCE OF THE VILLAGE OF
MUNDELEIN, LAKE COUNTY, ILLINOIS,
APPROVING A TAX INCREMENT REDEVELOPMENT PLAN
AND REDEVELOPMENT PROJECT FOR THE DOWNTOWN TIF
REDEVELOPMENT PROJECT AREA

Published in pamphlet form by authority
of the President and Board of Trustees
of the Village of Mundelein, Illinois

Date of Publication: January 11, 2005

5726140

2

ORDINANCE NO. 05-01-06

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, APPROVING A TAX INCREMENT REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT FOR THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA

WHEREAS, it is desirable and in the best interest of the citizens of the Village of Mundelein, Lake County, Illinois (the "Village"), for the Village to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the "Act"), for a proposed redevelopment plan and redevelopment project (the "Plan and Project") within the municipal boundaries of the Village within a proposed redevelopment project area (the "Area") described in Section 1(a) of this Ordinance, which Area constitutes in the aggregate more than one and one-half acres; and

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the President and Board of Trustees of the Village (the "Corporate Authorities") called a public hearing relative to the Plan and Project and the designation of the Area as a redevelopment project area under the Act for December 27, 2004; and

WHEREAS, due notice with respect to the Hearing was given pursuant to Section 11-74.4-5 of the Act, said notice being given to taxing districts and to the Department of Commerce and Economic Opportunity of the State of Illinois by certified mail on November 10, 2004, by publication on December 6, 2004 and December 7, 2004, and by certified mail to taxpayers within the Area on December 1, 2004; and

WHEREAS, the Village has heretofore convened a joint review board as required by and in all respects in compliance with the provisions of the Act; and

WHEREAS, the Plan and Project set forth the factors that caused the proposed Area to be blighted and the Corporate Authorities have reviewed the information concerning such factors presented at the public hearing and have reviewed other studies and are generally informed of the conditions in the proposed Area that could cause part of the Area to be a "conservation area" as defined in the Act; and

5726140

3

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to lack of private investment in the proposed Area to determine whether private development would take place in the proposed Area as a whole without the adoption of the proposed Plan; and

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to real property in the proposed Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Area would be substantially benefited by the proposed Project improvements; and

WHEREAS, the Corporate Authorities have reviewed the proposed Plan and Project and also the existing comprehensive plan for development of the Village as a whole to determine whether the proposed Plan and Project conform to the comprehensive plan of the Village.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Mundelein, Lake County, Illinois, as follows:

Section 1. Findings. That the Corporate Authorities hereby make the following findings:

a. The Area is legally described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference. The general street location for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

b. There exist conditions that cause the Area to be subject to designation as a redevelopment project area under the Act and to be classified as a conservation area as defined in Section 11-74.4-3(b) of the Act.

c. The proposed Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Plan.

d. The Plan and Project conform to the comprehensive plan for the development of the Village as a whole, as reflected in the Village's zoning map.

e. As set forth in the Plan it is anticipated that construction activities of the Project will be completed within twenty-three (23) years after the Area is designated and that all obligations incurred to finance redevelopment project costs, if any, as defined in the Plan shall be retired within twenty-three (23) years after the Area is designated.

f. The parcels of real property in the proposed Area are contiguous, and only those contiguous parcels of real property and improvements thereon that will be substantially benefited by the proposed Project improvements are included in the proposed Area.

Section 2. Plan and Project Approved. That the Plan and Project, which were the subject matter of the public hearing held on December 27, 2004, are hereby adopted and approved. A copy of the Plan and Project is set forth in Exhibit D attached hereto and incorporated herein as if set out in full by this reference.

Section 3. Invalidity of Any Section. That if any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 4. Superseder and Effective Date. All ordinances, resolutions, motions, or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effect immediately upon its passage.

The foregoing Ordinance was passed by a roll call vote as follows:

AYES	NAYS	ABSENT AND/OR NOT VOTING
Trustee Sullivan Nutschnig Campbell Cancelli Semple	None	None

ABSTAIN: Trustee Voss

President

PASSED: January 10, 2005

APPROVED: January 10, 2005

PUBLISHED in pamphlet form: January 11, 2005

ATTEST:

Acting Village Clerk

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EXHIBIT A

Downtown Mundelein TIF District
Legal Description
SEC Project No. MUND 040742-7
Prepared by: Donald G. Groesser, IPLS No. 3273
Dated: October 7, 2004, (Checked by Craig L. Duy, IPLS No. 3359)
Revised: October 15, 2004, (Checked by Thomas R. Krohn, IPLS No. 3000)

Part of the Southwest Quarter of Section 19 and part of the Northwest Quarter of Section 30, Township 44 North, Range 11 East of the Third Principal Meridian, together with part of the Northeast Quarter of Section 25, Township 44 North, Range 10 East of the Third Principal Meridian, described as follows: Commencing from the Northwest corner of said Section 30, according to the Plat of the Town of Holcomb, as recorded June 19, 1886 as Document No. 33999, of Book "A of Plats, Page 58, said point of commencement also being on the Westerly projection of the North right-of-way line of Hawley Street; thence East along said Westerly projection and North right-of-way line, a distance of 200 feet to the Southwest corner of Lot 23 in Block 2 of said Plat of the Town of Holcomb for the point of beginning of the parcel to be described; thence North along the West line of said Lot 23 and its Northerly projection, a distance of 170 feet to the Westerly projection of the Southerly line of Lot 17 in said Block 2; thence East along said Southerly line and Westerly projection, a distance of 160 feet to the Southeast corner of said Lot 17, said point also being on the West right-of-way of Seymour Avenue; thence North along said West right-of-way line, 315 feet to the Southeast corner of the North 35 feet of Lot 5 in said Block 2, said point also being the Northeast corner of Lot 1 in Poirier's Resubdivision, according to the plat thereof recorded October 30, 1992 as Document No. 3234665; thence West along the North line of said Lot 1 (also the South line of the North 35 feet of said Lot 5) and its Westerly projection, a distance of 170 feet to a point on the Easterly line of Lot 6 in said Block 2, also being the Westerly line of a 20 foot alley in said Block 2; thence North along said Westerly line of a 20 foot alley, a distance of 135 feet to the Northeast corner of Lot 2 in said Block 2, also being a point on the South right-of-way line of Park Street; thence North a distance of 80 feet to the Southeast corner of Lot 24 in Block 1 of aforesaid Plat of the Town of Holcomb, also being a point on the North right-of-way line of Park Street; thence East along said North right-of-way line, a distance of 170 feet to the Southeast corner of Lot 23 in said Block 1, also being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue; thence North along said West right-of-way line, a distance of 253.5 feet to a bend point in the East line of Lot 13 in said Block 1, said point also being the intersection of said West right-of-way line with the Southwest right-of-way of Chicago Avenue; thence Northwesterly along said Southwest right-of-way to the Northeast corner of Lot 1 in said Block 1, also being the intersection of said Southwest right-of-way line with the Southerly right-of-way line of Maple Avenue (also known as Maple Street); thence Northwesterly to the Southwest corner of Lot 27 in Killey's Subdivision, according to the plat thereof recorded March 28, 1927, as Document No. 296302, also being on the Northerly right-of-way line of Maple Avenue; thence Easterly, along said Northerly right-of-way line, a distance of 151.85 feet to the Southeast corner of Lot 30 in said Killey's Subdivion, also being the intersection of said Northerly right-of-way line with the Westerly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road); thence Easterly along said Northerly right-of-way line to the Southwest corner of Lot 66 in Mundelein Heights Subdivision, according to the plat thereof recorded March 26, 1925, as

Document No. 254438, also being the intersection of said Northerly right-of-way line with the Easterly right-of-way line of said Wisconsin Central Ltd Railroad; thence continuing Easterly along said Northerly right-of-way line to a point of curvature in the South line of Lot 1 in First Addition to Forest Heights Addition to Mundelein Subdivision, according to the plat thereof recorded February 16, 1973, as Document No. 1600448, in Book 50 of Plats, Page 54; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the point of intersection of said Northerly right-of-way line with the Northwesterly projection of the Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along said Northwesterly projection to the Northeast corner of Lot 3 in Block 5 of the aforesaid Plat of the Town of Holcomb, also being the intersection of the South right-of-way line of Maple Avenue with said Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along the Southwesterly Right-of-Way, a distance of 52 feet to the Northeast corner of the Southerly 50 feet of Lots 2 and 3 in said Block 5 (as measured perpendicular from the Southeasterly line of said Lot 3); thence along the Northerly line of said Southerly 50 feet to a point on the Southwesterly line of said Lot 2 in Block 5, also being a point on a line that lies parallel and/or concentric with and 106.50 feet normally distant Northeasterly from the center of the main tract of said Wisconsin Central Ltd., according to Deed Document No. 4577254; thence Southeasterly along said parallel line, being also the Southwesterly line of said Block 5, a distance of 66 feet to the Northwest corner of Lot 4 in said Block 5; thence Northeasterly along the Northwesterly line of said Lot 4 in Block 5, to a point that is 95 feet Southwesterly of the Northeast corner thereof, as measured along said Northwesterly line; thence Southeasterly parallel with the Southwesterly right-of-way line of Morris Avenue, a distance of 83 feet; thence Northeasterly a distance of 95.3 feet to the Southwesterly right-of-way line of Morris Avenue at a point 93 feet Southeasterly of the Northeast corner of said Lot 4 in Block 5; thence Northwesterly along said Southwesterly right-of-way line, and its Northwesterly projection to the aforesaid intersection of said Southwesterly right-of-way line with the Northerly right-of-way line of Maple Avenue; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the Southeast corner of Lot 5 in said in First Addition to Forest Heights Addition; thence Southeasterly to the intersection of the Southerly line of Maple Avenue with a line drawn 50 feet Easterly of and parallel with the Easterly line of Morris Avenue, according to Quit Claim Deed recorded May 21, 1996 as Document No. 3827416, said point also being the Northwest corner of Lot 8 in Holcomb's Subdivision, according to the plat thereof recorded May 16, 1908 as Document No. 117105; thence Southeast along said parallel line to the intersection of said parallel line with the North right-of-way line of Park Street, said point also being the Southwest corner of Lot 9 in said Holcomb's Subdivision; thence West along said North right-of-way line to the intersection of said North right-of-way line with the Easterly line of the Easterly twenty feet of vacated Morris Avenue, vacated per Document No. 1322193, recorded November 14, 1966; thence Southeast to the intersection of the South right-of-way of Park Street with the Westerly right-of-way line of Morris Avenue, being the Northwest corner of a parcel of land described in Deed Document No. 4461974; thence continuing along said Easterly right-of-way line, to a point 170.0 feet South of the South right-of-way line of Park Street, being the Northwest corner of a parcel of land described as Parcel 2 in Deed recorded December 31, 1987 as Document No. 2645130; thence along the North line of said parcel, being a line that is 170.0 feet South of and parallel with the South right-of-way line of Park Street, a distance of 215.05 to the Northeast corner of a parcel of land described as Parcel 3 in said Deed Document No. 2645130, said point being on the West right-of-way line of Laurel Avenue; thence East, a distance of 33.0 feet to the Northwest corner

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of Lot 81 in Mundelein Station Subdivision, according to the plat thereof recorded April 22, 1926 as Document No. 277507 in Book "P" of Plats, Pages 24 to 28, said point also being on the East right-of-way line of Laurel Avenue; thence South along said East right-of-way line, a distance of 366 feet to the Southwest corner of Lot 86 in said Mundelein Station Subdivision, also being a point on the North line of a 20 foot alley; thence East along the North line of said 20 foot alley, a distance of 374.33 feet to a bend point on the South line of Lot 91 in said Mundelein Station Subdivision; thence Southeasterly to the Northeast corner of Lot 104 in said Mundelein Station Subdivision; thence Southeasterly along the Northeasterly line of said Lot 104, a distance of 102.35 feet to the Southeast corner of said Lot 104, said point also being on the Northerly right-of-way line of Hawley Street; thence Southwesterly to the Northeast corner of Lot 2 in Herbert's Addition to Mundelein, according to the plat thereof recorded August 5, 1974 as Document No. 1674550 in Plat Book 52, Page 31, said point also being on the Southerly right-of-way of Hawley Street; thence Southeasterly along the Northeasterly line of said Lot 2, a distance of 180.90 feet to the Northwest corner of Lot 1 in said Herbert's Addition; thence continuing Southeasterly along the Southwesterly line of said Lot 1, a distance of 108.68 feet to the Southwest corner thereof, also being a point on the Northwesterly line of Lot 1 in DeTomasi's Industrial Subdivision, according to the plat thereof recorded June 13, 1956, as Document No. 911850, in Book 33 of Plats, Page 98; thence Northeasterly along the Southerly line of Lot 1 in said Herbert's Addition, being a non-tangent curve to the right, having a radius of 775.52 feet, a length of 116.03 feet to a point of tangency; thence continuing Northeasterly along said Southerly line, a distance of 0.88 feet to the Northeast corner of Lot 1 in said DeTomasi's Industrial Subdivision; thence Southeasterly along the Northeasterly line of said Lot 1, a distance of 140.76 feet to the Southeast corner thereof; thence continuing Southeasterly to the Northeast corner of the West half of Lot 170 in the aforesaid Mundelein Station Subdivision; said point also being on the Southeasterly right-of-way line of McKinley Avenue; thence Southwesterly along said Southeasterly right-of-way and its Southwesterly projection, a distance of 104.77 feet to a point on Northeasterly line of Lot 1 in Block 1 of DeTomasi's First Addition to Mundelein, according to the plat thereof recorded June 11, 1954, as Document No. 827022, thence Northwesterly along said Northeasterly line of Lot 1 to the Northeast corner thereof, said point also being on the Southerly right-of-way line of McKinley Avenue; thence Southwesterly, along the Northwesterly line of said Lot 1, a distance of 150.02 to the Northwest corner thereof, said point also being on the Northeasterly boundary line of aforesaid DeTomasi's Industrial Subdivision; thence Southeasterly, along said Northeasterly boundary line, and the Southwesterly line of Lots 1 through 11 in Block 1 of said DeTomasi's First Addition to Mundelein Station, a distance of 580 feet to the Southwest corner of said Lot 11, said point also being on the Northwesterly right-of-way line of Lange Street; thence continuing Southeasterly, a distance of 60.00 feet to the Northwest corner of Lot 1 in Block 2 of said DeTomasi's First Addition to Mundelein, said point also being on the Southeasterly right-of-way line of Lange Street; thence continuing Southeasterly along the Southwesterly line of Lots 1 through 18 in said Block 2, a distance of 942.44 feet to the Southwest corner of said Lot 18, said point also being on the Northwesterly right-of-way line of Countryside Highway; thence continuing Southeasterly along the Southeasterly projection of the Southwesterly line of said Lot 18 in Block 2, to a point on the Northwesterly line of Lot 3 in Unit A of Countryside Terrace Subdivision, according to the plat thereof recorded March 8, 1956, as Document No. 900312, in Book 1425 of Records, Page 209, said point also being on the Southeasterly right-of-way line of Countryside Highway; thence Southwesterly along said Southeasterly right-of-way line, being a non-tangent curve to

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the right, having a radius of 1294.58 feet, to the Southwest corner of Lot 1 in said Unit A, also being the intersection of said Southeasterly right-of-way line with the North right-of-way line of Noel Drive, per Unit B of Countryside Terrace Subdivision, according to the plat thereof recorded November 26, 1956, as Document No. 931747, in Book 33, Page 140; thence continuing Southwesterly, a distance of 117.8 feet along the aforesaid Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the South right-of-way line of said Noel Drive, also being the North most Northwest corner of the "Park" parcel in aforesaid Unit A of Countryside Terrace Subdivision; thence continuing Southwesterly, a distance of 120.0 feet, along said Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the Northeasterly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road) thence continuing Southwesterly to the Northeast corner of Lot 460 in Lakewood Heights, according to the plat thereof recorded December 5, 1925 as Document No. 270298, said point being the intersection of the Southwesterly right-of-way of the Minneapolis, St. Paul and Sault Sainte Railway Company with the Southeasterly right-of-way line of Hawthorn Boulevard; thence Southwesterly along the Southeasterly right-of-way line of Hawthorn Boulevard, a distance of 446.05 to a point of curvature of Lot 365 in said Lakewood Heights; thence Southwesterly to the Southeast corner of Lot 104 in said Lakewood Heights, said point being on the Westerly right-of-way line of Crystal Street; thence Northerly along said Westerly right-of-way line, a distance of 208.25 feet to the Northeast corner of Lot 102, said point also being the intersection of said Westerly right-of-way line with the South right-of-way line of Courtland Street; thence West along said South right-of-way line, a distance of 1441.65 feet to the Northeast corner of Lot 24 in said Lakewood Heights, said point being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence North to the point of intersection of the North right-of-way line of Courtland Street with the West right-of-way line of Seymour Avenue, according to the plat of dedication thereof recorded as Document No. 806385 in Book 1209 of Records, Page 53; thence North along said West right-of-way line to a point of curvature (said point being 398.65 feet North of the North line of Courtland Street as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the East, having a radius of 1744.71 feet, to a point of returning curvature (said point being 228.2 feet North of the last described point of curvature, as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the West, having a radius of 1624.71 feet, to a point on the South line (or Easterly projection thereof) of Lot 3 in Aleckson's Subdivision, according to the plat thereof recorded August 30, 1977 as Document No. 1861434; thence West along the South line of said Lot 3 (or Easterly projection thereof) to the Southwest corner of said Lot 3, said point being on the East right-of-way line of Lake Street; thence Westerly to a point on the West line of Lake Street, according to the plat thereof recorded February 13, 1933 as Document No. 388786, and its intersection with the South line of Lot 177 in Western Slope Subdivision of Mundelein, according to the plat thereof recorded May 9, 1925 as Document No. 257151; thence North along the West right-of-way line of Lake Street to the point of intersection of said West right-of-way line with the Westerly projection of the South line of Mundelein Police Station Resubdivision, according to the plat thereof recorded August 25, 2000 as Document No. 4572977; thence East, along said Westerly projection, a distance of 80 feet to the West most Southwest corner of said Mundelein Police Station Resubdivision; thence East along the South line thereof, a distance of 148.40 feet to the Northwest corner of a portion of an alley heretofore vacated per Ordinance recorded December 23, 2002 as Document No.

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5080350; thence South along the West line thereof, a distance of 122.77 feet to the Southwest corner of said vacated portion; thence East along the South line thereof, a distance of 20.00 feet to the Southeast corner thereof, being a point on a West line of aforesaid Mundelein Police Station Resubdivision; thence South along said West line, a distance of 20.00 feet to the Southwest corner thereof, said point also being on the North right-of-way line of Division Street; thence East along said North right-of-way line, a distance of 150.31 feet to the Southeast corner of said Mundelein Police Station Resubdivision, said point being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue (also known as Seymour Street); thence continuing East along said North right-of-way line, a distance of 80 feet to the Southwest corner of Lot 30 in West View Addition Subdivision, according to the plat thereof recorded June 9, 1922, as Document No. 212624 in Book L, Page 8, said point also being the intersection of said North right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing East along the aforesaid North right-of-way line, a distance of 266 feet to the Southeast corner of Lot 31 in said West View Addition Subdivision, also being the intersection of said North right-of-way line with the West right-of-way line of Archer Avenue; thence South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 33.2 feet to the centerline of Division Street; also being the Northwest corner of a parcel of land described in deed Document No. 5575804; thence continuing South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 245 feet to the Southwest corner of said parcel per Document No. 5575804, also being a point on the North line of Lot 2 in Piggly Wiggly Subdivision, according to the plat thereof recorded June 16, 1959 as Document No. 103398; thence East, along the South line of said parcel per Document No. 5575804, (also being the North line and Easterly projection of said Piggly Wiggly Subdivision and also the Piggly Wiggly Subdivision First Addition, according to the plat thereof recorded December 16, 1961, as Document No. 1133412, and also property per Document No. 993563) a distance of a 1208.6 feet to the Southeast corner of said parcel per Document No. 5575804, being the intersection of said South line with the Southwesterly right-of-way line of the Wisconsin Central Ltd. Railroad (formerly Minneapolis, St. Paul and Saulte Ste. Marie Railroad); thence Northwesterly along said Southwesterly right-of-way line, a distance of 280.8 feet to the Northeast corner of said parcel per Document No. 5575804; thence along the North boundary of said Parcel per Document No. 5575804, the following six (6) courses; West, parallel with the North line of the Northwest Quarter of aforesaid Section 30, a distance of 392.18 feet; thence North, a distance of 9.00; thence West, a distance of 440.11 feet to a point on a 285.50 foot radius curve; thence Southwesterly along said non-tangent curve to the right, a distance of 21.46 feet; thence continuing Westerly, along said curve to the right, a distance of 112.83 feet; thence West 109.98 feet to the West line of Archer Avenue extended South, being the Northwest corner of said parcel of land per Document No. 5575804; thence North, along said West line of Archer Avenue extended South, to the Southeast corner of the aforesaid Lot 31 in said West View Addition Subdivision; thence North along said West right-of-way line, a distance of 750 feet to the Northeast corner of Lot 60 in said West View Addition Subdivision, also being the intersection of said West right-of-way line with the South right-of-way line of Hammond Street; thence continuing North along the Northerly projection of said West right-of-way line, a distance of 66 feet to the South line of Lot 1 in Hawley Commons, according to the plat thereof recorded October 8, 1999 as Document No. 4432301; thence East along the South line thereof to the South most Southeast corner of said Lot 1; thence Northeast along the Southeast line thereof, a distance of 16.89 feet to the East most Southeast corner thereof; thence North along the East line thereof,

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a distance of 388.00 feet to the Northeast corner thereof, said point also being on the South right-of-way line of Hawley Street; thence West, along said South right-of-way line, a distance of 449.00 feet to the Northwest corner of said Lot 1, also being the intersection of said South right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing West a distance of 80 feet to the Northeast corner of Lot 1 in Block 1 of Hammonds Addition to Rockefeller Subdivision, according to the plat thereof recorded April 2, 1895, as Document No. 61511, also being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence continuing West along said South right-of-way line, a distance of 160.00 feet to the intersection of said South right-of-way line with the center line of a 20 foot Alley, in said Block 1; thence North, a distance of 80 feet to the Point of Beginning, all in the Village of Mundelein, Lake County, Illinois.

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EXHIBIT B

The property proposed for designation as a Redevelopment Project Area is generally bounded by Maple Avenue on the north; Seymour Avenue on the west (north of Hawley Street) and Archer Avenue, Lake Street and Seymour Avenue on the west (south of Hawley Street); Morris Street on the east (north of Hawley Street) and the west property line, or its extension of properties located along rouse Avenue on the east (south of Hawley Street); and Courtland Street to the south. The property is more specifically described in the legal description attached as Exhibit A.

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EXHIBIT C

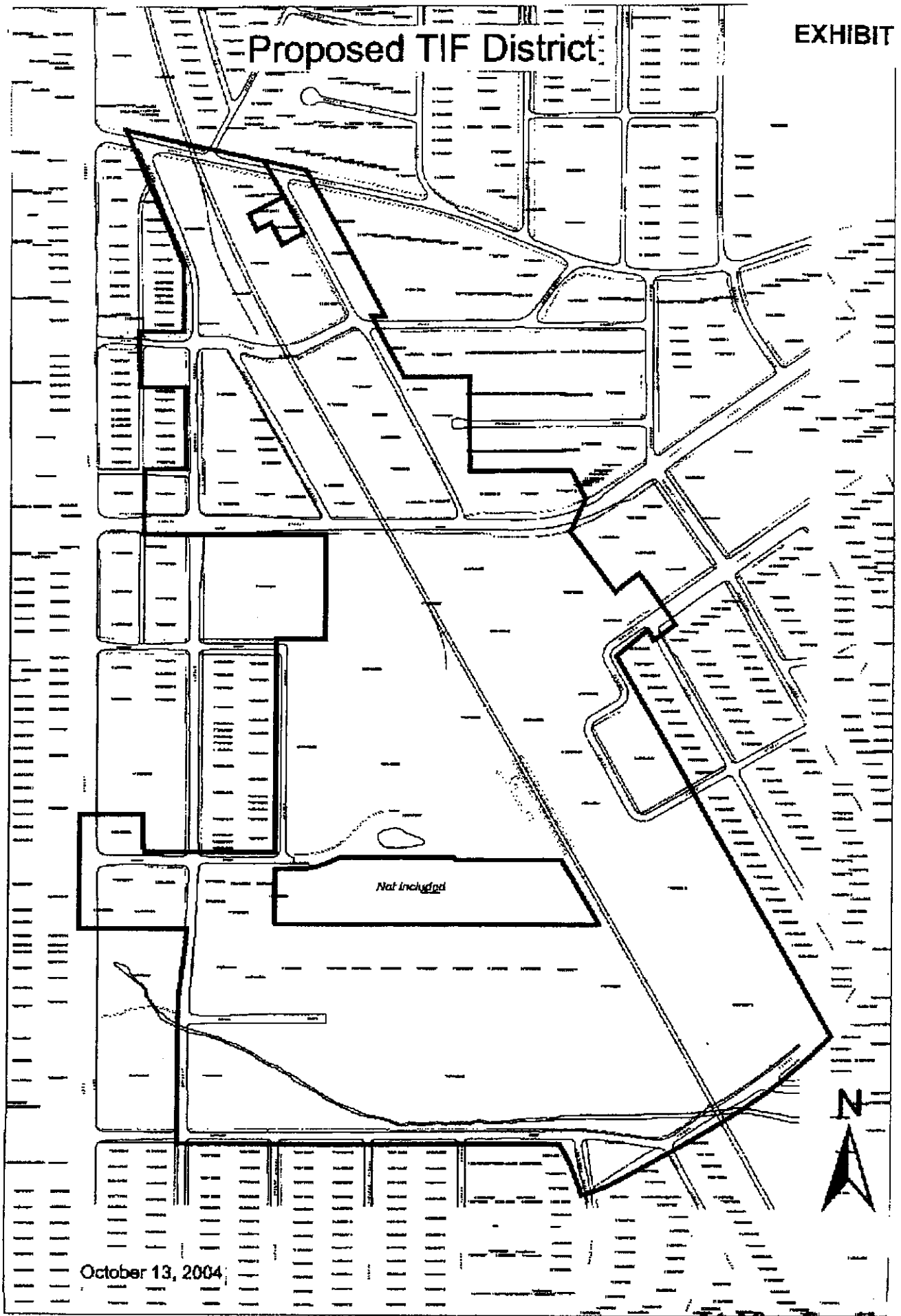

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EXHIBIT D

VILLAGE OF MUNDELEIN
DOWNTOWN TIF
REDEVELOPMENT PLAN AND PROJECT

Jointly Prepared By:

Village of Mundelein, Illinois

And

Kane, McKenna and Associates, Inc.

JANUARY 2005

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LIST OF EXHIBITS

EXHIBITS

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Exhibit 3	-	Existing Land Use Map
Exhibit 4	-	Proposed Land Use Map
Exhibit 5	-	TIF Qualification/Designation Report

I. INTRODUCTION

The Village of Mundelein (the "Village") is a home rule municipality located in Lake County, approximately thirty-five (35) miles northwest of Chicago. The Village is bordered by unincorporated land and the Village of Libertyville on the north, the Village of Libertyville on the east, the Villages of Indian Creek and Long Grove on the south and unincorporated land to the west. The Village is served by Route 60, Route 45, Route 176 and Route 83. I-94 is approximately five (5) miles east of the Village. The Village was incorporated in 1909.

In the context of planning for the Downtown Redevelopment Project Area, the Village has initiated actions related to the study of the Redevelopment Project Area (the "RPA") in its entirety to determine whether it qualifies for consideration as a Tax Increment Financing ("TIF") District.

The RPA is generally bounded by Maple Avenue on the north; Seymour Avenue on the west (north of Hawley Street) and Archer Avenue, Lake Street and Seymour Avenue on the west (south of Hawley Street); Morris Street on the east (north of Hawley Street) and the west property line, or its extension, of properties located along Rouse Avenue on the east (south of Hawley Street); and Courtland Street to the south. The former Anatol property is excluded.

The RPA consists of approximately eighty (80) tax parcels and fifty eight (58) structures. Over 55% of the buildings are thirty-five (35) years or more of age.

The development of the RPA can be characterized as having been influenced by the presence of railroad right-of-ways, and mixed uses that include industrial facilities, retail/commercial facilities, residential uses and institutional uses. Due to the mixed uses, varying dates of construction, and railroad right-of-way, many of the parcels exhibit irregular sizes, setbacks and building characteristics.

The commercial/industrial area was developed primarily in the 1940's through the 1960's. The streets that service the commercial/industrial area are narrow and not constructed for truck traffic. The "core area" of the Downtown (near Park and Seymour Streets) developed from the 1900's to the 1930's (with certain structures built in the 1890's). The commercial and industrial areas as a whole are categorized by uses that were ancillary to the rail lines. Land uses are not well buffered, and mixed uses often exist side by side. Properties are categorized by varying setbacks, parking availability, and lot sizes. Large industrial facilities exhibit special use needs that will require coordination and redevelopment for reuse.

The Downtown area was developed over the same period as described above. Many of these buildings lack coordinated parking and loading provisions. Many parcels, especially along the northwestern area of the RPA, due to smaller size and their relationship to adjacent parcels, would be difficult to develop without centralized coordination. Requirements for buffering to adjacent residential uses or for the coordination of convenient parking would also need to be included in planning efforts.

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Similar to older downtown areas that developed in a piecemeal fashion, the downtown area requires coordinated parking to service commuter uses, existing uses and proposed redevelopments. The existing parking in the area is generally either on-street (along ancillary streets) or off-street parking, designated for private use associated with specific businesses.

Conditions of deterioration, inadequate utilities, deleterious layout, obsolescence, lack of community planning, excessive vacancy and lag in Equalized Assessed Valuation (EAV) growth are evidenced throughout the area and have been documented pursuant to site visits and Village sources.

Sources of potential concern regarding redevelopment of the RPA include the creation of new public improvements, assembly and site preparation, as well as the redevelopment of underutilized industrial areas.

The RPA may be suitable for redevelopment for modern and more intensive mixed use if there is coordination of uses and infrastructure by the Village. The Village has undertaken an initiative, through the designation of the RPA, to redevelop key areas within the Village and, in doing so, stabilizing and expanding benefits to the community and affected taxing districts.

The Redevelopment Plan

The Village recognizes the need for implementation of a strategy to revitalize existing properties within the boundaries of the RPA and to stimulate and enhance private development. Private investment attraction and redevelopment of properties are key components of the strategy. The needed private investment may only be possible if tax increment financing (TIF) is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act (the "Act") Illinois Compiled Statutes, Chapter 65, Section 5/11-74.4-1 et seq., as amended. Incremental property tax revenue generated by redevelopment activities will play a decisive role in encouraging private redevelopment. Site conditions that may have precluded intensive private investment in the past will be eliminated. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the Village and all the taxing districts which encompass the area in the form of a significantly expanded tax base.

The designation of the area as a Redevelopment Project Area will allow the Village to address area deficiencies including (but not limited to):

- Providing viable uses/redevelopment for the properties located within the RPA;

- Establishing a pattern of land-use activities that will increase efficiency and economic relationships, especially as such uses complement adjacent commercial, retail, residential, recreational, institutional, industrial and other existing Village developments or potential redevelopment;

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- Providing infrastructure that is adequate in relation to Village redevelopment plans;

- Provision of roadway and traffic improvements within the area, including the continued review of ingress and egress requirements that satisfy area circulation, coordinated parking and connections to major arterials;

- Entering into redevelopment agreements in order to include the redevelopment of property and/or to induce new development to locate within the RPA;

- Improving area appearance through rehabilitation of structures, landscape, streetscape, open space planning and signage programs; and

- Coordinating land and facilitating assembly in order to provide sites for more modern redevelopment plans, including open space.

A map of the RPA boundaries is included in Exhibit 2 and is a part of this Redevelopment Plan and Project. The area on the whole would not reasonably be anticipated to be redeveloped in a coordinated manner without the adoption of a Redevelopment Plan and Project. The Village, with the assistance of Kane, McKenna and Associates, Inc. has commissioned this Redevelopment Plan and Project to use tax increment financing in order to address local needs and to meet redevelopment goals and objectives.

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the area. By means of public investment, the RPA will become a more viable area that will attract private investment. The public investment will set the stage for the redevelopment of the area with private capital.

Pursuant to the Act, the RPA includes only those contiguous parcels of real property and improvements thereon substantially benefited by the redevelopment plan and project. Also pursuant to the Act, the area is not less in the aggregate than 1½ acres.

Through this Redevelopment Plan and Project, the Village will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the Village and all the taxing districts which encompass the RPA in the form of a stabilized and expanded tax base and creation of new employment and investment opportunities within the Village as a result of new private redevelopment in the area.

Summary

It is found and declared by the Village, through legislative actions as required by the Act, that in order to promote and protect the health, safety, and welfare of the public, that certain conditions that have adversely affected redevelopment within the RPA need to be addressed, and that redevelopment of such areas must be undertaken; and, to alleviate the existing adverse conditions, it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of certain areas. Public/private partnerships are determined to be necessary in order to achieve redevelopment goals. Without the redevelopment focus and resources provided under the Act, the redevelopment goals of the Village would not reasonably be expected to be achieved.

It is found and declared by the Village that the use of incremental tax revenues derived from the tax rates of various taxing districts in the Redevelopment Project Area for the payment of redevelopment project costs is of benefit to the taxing districts. This is because these taxing districts whose jurisdictions are included in the Redevelopment Project Area would not derive the benefits of an increased assessment base without addressing the coordination of redevelopment.

It is further found, and certified by the Village, in connection to the process required for the adoption of this Plan and Project pursuant to 65 ILSC Section 5/11-74.4.3(n)(5) of the Act, that this Plan and Project will not result in the displacement of 10 or more inhabited residential units. Therefore, this Plan and Project does not include a housing impact study. If at a later time the Village does decide to dislocated more than ten (10) inhabited residential units, this Plan would have to be amended and a housing impact study would be completed.

The redevelopment activities that will take place within the RPA will produce benefits that are reasonably distributed throughout the RPA.

Redevelopment of the RPA is tenable only if a portion of the improvements and other costs are funded by TIF.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The Redevelopment Project Area legal description is attached in Exhibit 1.

III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are presented for the RPA in conformance with the Village's Comprehensive Plan (including any amendments thereto). The Village's Comprehensive Plan was established in 1990. A Downtown Comprehensive Plan was initiated in 1997. The provisions of this plan are still being implemented by the Village. A Transit Oriented Development (TOD) Amendment to the 1990

Comprehensive Plan was adopted on December 27, 2004. The TOD Comprehensive Plan Amendment is regarded as an important planning document for the Downtown area. The RPA boundaries are included within the TOD Comprehensive Plan Amendment.

General Goals of the Village

A) To provide for implementation of economic development and redevelopment strategies that benefit the Village and its residents.

B) To improve public infrastructure including roadways, water, sanitary and storm sewer related improvements within the area.

C) To encourage positive and feasible redevelopment of vacant sites and/or underutilized facilities.

D) To strengthen the property tax base of the Village and overlapping tax districts.

E) To create new jobs and retain existing jobs for Village and area residents.

F) To coordinate all redevelopment within the Village in a comprehensive manner, avoiding adjacent land use conflicts and negative community impacts.

G) To create a cooperative partnership between Village and private redevelopment entities.

TOD Goals

A) Increase growth and density near the train stations.

B) Increase the utilization of the transit functions.

C) Draw traffic into the heart of the TOD.

Objectives related to these goals include:

- open space design and coordination;
- coordination of access and traffic patterns;
- improve convenience related to parking coordination and adjacent land uses;
- provide for mixed use redevelopment including various residential options and public uses (Village Hall included).

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Specific Objectives for the RPA

A) Promote the redevelopment of existing properties and certain available sites located within the RPA.

B) Renovate and rehabilitate public and private buildings within the RPA as provided for by the Act.

C) Acquire and develop key properties within the RPA.

D) Improve the necessary infrastructure and related improvements in order to serve the parcels (including potential new developments), and improve service to parcels within the RPA.

E) Improve existing streets and right-of-ways, including the coordination of parking improvements and access/egress patterns.

F) Provide for the necessary site preparation, grading, and excavation (if necessary) of property located within the RPA.

G) Provide for the development of open space within the RPA including a central square concept.

H) Coordinate redevelopment activities within the RPA in a manner that conforms with the fiscal and economic development policies of the Village.

I) Provide assistance to existing businesses within the RPA and help provide incentives to attract new commercial/retail services, transit oriented and residential investments into the RPA.

Redevelopment Objectives

The purpose of the RPA designation will allow the Village to:

a) Assist in coordinating redevelopment activities within the RPA in order to provide a positive marketplace signal;
b) Reduce or eliminate negative factors as more fully described in the TIF Eligibility Report, present within the area. These factors include inadequate utilities, lack of community planning, obsolescence, excessive land coverage and deleterious layout;
c) Accomplish redevelopment over a reasonable time period;
d) Provide for high quality development within the RPA; and
e) Provide for an attractive overall appearance of the area, including open space.

The implementation of the Redevelopment Project will serve to improve the physical appearance of the RPA and contribute to the economic development of the

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area. The implementation of the RPA will provide new employment opportunities for community and Village residents.

IV. EVIDENCE OF THE LACK OF DEVELOPMENT AND GROWTH WITHIN THE RPA AND ASSESSMENT OF FISCAL IMPACT ON AFFECTED TAXING DISTRICTS

A. Evidence of the Lack of Development and Growth Within the RPA

As found in Exhibit 5 of this Plan, the RPA has suffered from certain impediments to redevelopment. The area has not in recent years benefited from significant private investment and/or development. As a result, the RPA is not likely to gain in value without encouragement by the Village. The Equalized Assessed Valuation (EAV) has lagged behind the Village for four (4) out of the last five (5) years.

The RPA evidences inadequate utilities, deleterious layout, lack of community planning, deterioration, and obsolescence.

B. Assessment of Fiscal Impact on Affected Taxing Districts

It is not anticipated that the implementation of this Redevelopment Plan and Project will have a negative financial impact on the affected taxing districts. Instead, actions taken by the Village to stabilize and cause growth of its tax base through the implementation of this Redevelopment Plan and Project will have a positive impact on the affected taxing districts by arresting potential assessed valuation declines.

It is not anticipated that the RPA will require increased services from any affected taxing districts except by the Village. Educational or library districts that may be affected by residential development are eligible for TIF funding pursuant to the Act (see below). Though strategies will be encouraged to promote growth via private investment within the area, specific objectives are geared to stabilize the RPA's existing strengths and revitalize the RPA's redevelopment potential. Should the Village achieve success in attracting private investment which does result in the need for documented increased services from any taxing districts, the Village will consider the declaration of sufficient surplus funds, which funds are neither expended or obligated, as provided by the Act, to assist affected taxing districts in paying the costs for the increased services.

Any surplus Special Tax Allocation Funds, to the extent any surplus exists, will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts, including the Village, after all TIF eligible costs either expended or incurred as an obligation by the Village have been duly accounted for through administration of the Special Tax Allocation Fund to be established by the Village as provided by the Act. The exception to this provision will be to the extent that the Village utilizes TIF funding to assist in the redevelopment of residential units. In such cases, the Village will provide for the cost incurred by eligible school districts or library districts in the manner prescribed by the Act.

V. TIF QUALIFICATION FACTORS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Findings

The RPA was studied to determine its qualifications under the Tax Increment Allocation Redevelopment Act. It was determined that the area as a whole qualifies as a TIF district as a "conservation area" under Illinois law. Refer to the TIF Qualification/Designation Report, (Exhibit 5) which is attached as part of this Plan.

Eligibility Survey

The RPA was evaluated in May, June, August and September of 2004 by representatives of Kane, McKenna and Associates, Inc., (KMA) and Village staff. Analysis was aided by certain reports obtained from the Village and other sources. In KMA's evaluation, only information was recorded which would directly aid in the determination of eligibility for a TIF district.

VI. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

The Village proposes to realize its goals and objectives of encouraging the development of the RPA and encouraging private investment through public finance techniques including, but not limited to, Tax Increment Financing:

1) By implementing a plan that provides for the attraction of investment to redevelop underutilized property and buildings that are available within the RPA.

2) By constructing public improvements which may include (if necessary):

   i. Street and sidewalk improvements (including new street construction and widening of current streets)
   ii. Utility improvements (including, but not limited to, water, stormwater sewer, and sanitary sewer projects consisting of construction and rehabilitation)
   iii. Storm water management and flood mitigation
   iv. Signalization, traffic control and lighting
   v. Off-street parking including parking structures (if applicable)
   vi. Landscaping and beautification, including open space and/or a central square concept.
   vii. Certain public facilities as permitted by the Act.

3) By entering into Redevelopment Agreements with developers for qualified redevelopment projects, including (but not limited to) the provision of interest rate subsidy as allowed under the Act.

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4) By providing for land acquisition, site preparation, clearance, and demolition, including grading and excavation as necessary and appropriate.

5) By the redevelopment of certain existing public and private buildings through necessary rehabilitation and improvement of structures.

6) By providing for the redevelopment of mixed uses within the RPA including the creation of entertainment, retail, and residential uses.

7) By exploration and review of job training programs in coordination with any Village, federal, state, and county programs.

B. Redevelopment Activities

Pursuant to the foregoing objectives, the Village will implement a coordinated program of actions, including, but not limited to, acquisition, site preparation, clearance, demolition, provision of public infrastructure and related public improvements, and rehabilitation of structures, if necessary. The Village intends to implement well planned and coordinated mixed use redevelopments - including retail, commercial, residential, institutional and office uses.

Land Assembly and Relocation

Certain properties in the RPA may be acquired, assembled and reconfigured into appropriate redevelopment sites. Relocation activities may also be undertaken by the Village.

Site Preparation, Clearance, and Demolition

Property within the RPA may be improved through the use of site clearance, excavation, environmental remediation or demolition prior to redevelopment. The land may also be graded and cleared prior to redevelopment.

Public Improvements

The Village may, but is not required to, provide public improvements in the RPA to enhance the immediate area and support the Redevelopment Plan and Project. Appropriate public improvements may include, but are not limited to:

- Improvements and/or construction of public utilities including extension of water mains as well as sanitary and storm sewer systems and detention related improvements;
- Storm water management and flood mitigation;
- Beautification, identification makers, landscaping, lighting, streetscape, and signage of public right-of-ways;

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- Open space including a central square concept.
- Parking improvements.
- Certain public facilities as permitted by the Act.

Rehabilitation

The Village may provide for the rehabilitation of certain public and private structures within the RPA in order to provide for the redevelopment of the area and conformance to Village code provisions. Improvements may include exterior and facade related work as well as interior related work.

Interest Rate Write-Down

The Village may enter into agreements with owners/developers whereby a portion of the interest cost of a construction, renovation or rehabilitation project is paid for on annual basis out of the Special Tax Allocation fund of the RPA, in accordance with the Act.

Job Training

The Village may assist facilities and enterprises located within the RPA in obtaining job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to:

- Federal programs;
- State of Illinois programs;
- Applicable local vocational educational programs, including community college sponsored programs;
- Other federal, state, county or non-profit programs that are currently available or will be developed and initiated over time.

School Tuition

The Village may, pursuant to the TIF Act, provide school tuition reimbursement to the RPA's school districts.

C. General Land Use Plan

Existing land use generally consists of mixed industrial, commercial, retail, residential and institutional uses. Existing land uses are shown in Exhibit 3, attached hereto and made a part of this Plan. Exhibit 4, attached hereto and made a part of this Plan designates intended general land uses in the Redevelopment Project Area that will generally continue to include mixed uses as described above with an emphasis on

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retail, commercial, residential, institutional and open space uses. The land uses will conform to the Comprehensive Plan of the Village.

D. Additional Design and Control Standards

The appropriate design controls including any Planned Unit Developments, as set forth in the Village's Zoning Ordinance, shall apply to the RPA.

E. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the TIF statute, and any such costs incidental to this Redevelopment Plan and Project. Private investments, which supplement "Redevelopment Project Costs", are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan and Project include:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected. No contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three (3) years. In addition, "redevelopment project costs" shall not include lobbying expenses.

    1.1 Annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

    1.2 The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

2. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if, pursuant to the implementation of a redevelopment project, the existing public building is

to be demolished to use the site for private investment or devoted to a different use requiring private investment;

4. Costs of the construction of public works or improvements, and redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of the amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provided that basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

5. Costs of job training and retraining projects including the costs of "welfare to work" programs implemented by businesses located within the redevelopment project area;

6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

7. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;

8. Relocation costs to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;

9. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Redevelopment Project

Area; and (ii) when incurred by a taxing district or taxing districts other than the Village, are set forth in a written agreement by or among the Village and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Section 10-22.20a and 10-23.3a of the School Code.

10. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

    a) such costs are to be paid directly from the Special Tax Allocation Fund established pursuant to the Act;

    b) such payments in any one-year may not exceed 30% of the annual interest costs incurred by the developer with regard to the redevelopment project during that year;

    c) if there are not sufficient funds available in the Special Tax Allocation Fund to make the payment pursuant to this paragraph (10) then the amounts so due shall accrue and be payable when sufficient funds are available in the Special Tax Allocation Fund; and

    d) the total of such interest payments paid pursuant to this Act may not exceed 30% of the (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act.

11. Unless explicitly stated herein, the costs of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

12. For redevelopment project area designated (or development project areas amended to add or increase the number of tax increment financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as

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authorized by the Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

a) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

b) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition charge equal to or more than $5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because

the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school district, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school district, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under the Act.

c) Any school district seeking payment shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by the Act. By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects.

13. Library district payments pursuant to the Act, based upon per patron costs stated in the most recent Illinois Public Library Statistics, if the library district has experienced an increase in the number of patrons from the municipality that created the RPA, since the designation of the RPA.

Estimated costs are shown in the next section. Adjustments to these cost items may be made without amendment to the Redevelopment Plan.

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VILLAGE OF MUNDELEIN
DOWNTOWN AREA REDEVELOPMENT PROJECT
ESTIMATED PROJECT COSTS

Program Actions/Improvements	Estimated Costs (A)
1. Utility Improvements including, but not limited to, water, storm, sanitary sewer, the service of public facilities, public parking facilities and road and streetscape improvements	$ 40,000,000
2. Flood Mitigation, Site Preparation	$ 2,500,000
3. Land Acquisition and Assembly Costs including Demolition and Relocation Costs	$ 10,000,000
4. Rehabilitation of Structures	$ 2,000,000
5. Interest Costs Pursuant to the Act	$ 1,000,000
6. Planning, Legal, Engineering, Administrative and Other Professional Service Costs	$ 10,000,000
7. School District Tuition Costs and Library Per Patron Costs	$ 12,000,000
8. Taxing District Capital Improvements Pursuant to the Act	$ 2,000,000
9. Job Training	$ 500,000
TOTAL ESTIMATED PROJECT COSTS	$ 80,000,000

(A) All project cost estimates are in year 2004 dollars. In addition to the above stated costs, any bonds issued to finance a phase of the Project may include an amount sufficient to pay customary and reasonable charges associated with the issuance of any obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be reevaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures as the specific items listed above are not intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the RPA, provided the total amount of payment for Eligible Redevelopment Project Costs shall not exceed the amount set forth above, as adjusted pursuant to the

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Act. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

F. Sources of Funds to Pay Redevelopment Project Costs Eligible Under Illinois TIF Statute

Funds necessary to pay for public improvements and other project costs eligible under the Act are to be derived principally from property tax increment revenues, proceeds from municipal obligations, if any, and to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible costs set forth in the Act. The majority of development costs will be privately financed, and TIF or other public sources are to be used, subject to approval by the Village Board, only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 2003 tax year for the RPA.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: certain local sales or utility taxes, special service area taxes, the proceeds of property sales, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the Village may from time to time deem appropriate.

The Village may also direct incremental revenues from the RPA to any contiguous RPA for redevelopment activities conformant with the provisions of the TIF Statute and it may also receive incremental revenues from any contiguous RPA in order to further the redevelopment activities described in this Plan.

G. Nature and Term of Obligations to be Issued

The Village may issue obligations secured by the tax increment Special Tax Allocation Fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the Village by virtue of its power pursuant to the Illinois State Constitution.

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Any and/or all obligations issued by the Village pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the Redevelopment Project Area. The actual date for such retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer, pursuant to the Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year, occurring after adoption of the Ordinance which establishes the RPA. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year on all obligations shall not exceed the amount available in that year or projected to be available in that year, may be payable from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds, and all other sources of funds as may be provided by ordinance, including tax increment revenues from contiguous RPAs.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, as general obligation or revenue bonds, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions, and on such other terms, all as the Village may determine.

H. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Project Area

The most recent estimate of equalized assessed valuation (EAV) for tax year 2003 of the property within the RPA is approximately $8,530,914 for the RPA. The Boundary Map, Exhibit 2, shows the location of the RPA.

I. Anticipated Equalized Assessed Valuation (EAV)

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty-three (23) year period, it is estimated that the equalized assessed valuation (EAV) of the property within the Redevelopment Project Area will increase by approximately $124,600,000.

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VII. DESCRIPTION AND SCHEDULING OF REDEVELOPMENT PROJECT

A. Redevelopment Project

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. It is anticipated that a phased redevelopment will be undertaken.

Particular redevelopment projects will begin as soon as the specific private entities have obtained financing approvals for appropriate projects and such uses are conformant with Village zoning and planning requirements. Depending upon the scope of the development as well as the actual uses, the following activities may be included in each phase:

Land Assembly: Certain properties in the RPA may be acquired and assembled into an appropriate redevelopment site.

Demolition, Site Preparation and Relocation: Existing improvements located within the RPA may have to be reconfigured or prepared to accommodate new uses or expansion plans. Demolition and relocation activities may be necessary for future projects.

Rehabilitation: The Village may assist in the rehabilitation of private and public buildings or site improvements located within the RPA.

Landscaping/Buffering/Streetscaping/Open Space: The Village may fund certain landscaping projects, which serve to beautify public properties or rights-of-way and provide buffering between land uses. Existing or proposed open space/recreational improvements may also be addressed, including the development of a central square concept as part of redevelopment activities.

Water, Sanitary Sewer, Storm Sewer and Other Utility Improvements: Certain utilities may be extended or re-routed to serve or accommodate the new development. Upgrading of existing utilities may be undertaken. The provision of necessary detention or retention facilities may also be undertaken by the Village.

Roadway/Street/Parking Improvements: Widening of existing road improvements and/or vacation of roads may be undertaken by the Village. Certain secondary streets/roads may be extended or constructed. Related sidewalk, curb, gutter, and paving improvements could also be constructed as needed. Parking facilities may be constructed that would be available to the general public.

Utility services may also be provided or relocated in order to accommodate the renovation or expansion of buildings.

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Traffic Control/Signalization: Traffic control or signalization improvements that improve access to the RPA and enhance its redevelopment may be constructed.

Public Safety Related Infrastructure: Certain public safety improvements including, but not limited to, public signage, public facilities, and streetlights may be constructed or implemented.

Interest Rate Write Down: The Village may fund a portion of interest costs incurred by a developer for construction, renovation or rehabilitation of a redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the RPA as allowed under the Act.

Professional Services: The Village may fund necessary planning, legal, engineering, administrative and financing costs during project implementation. The Village may reimburse itself for eligible administrative costs pursuant to the Act.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the Village and any private developers, both will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the Village. The program will conform to the most recent Village policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race, religion or creed. Neither party will discriminate against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The Village and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

C. Completion of Redevelopment Project and Retirement of Obligations to Finance Redevelopment Costs

This Redevelopment Project and retirement of all obligations to finance redevelopment costs will be completed within twenty-three (23) years after the adoption of an ordinance designating the Redevelopment Project Area. The actual date for such completion and retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year in which the ordinance approving the RPA is adopted.

The Joint Review Board established to review this Redevelopment Plan and Project pursuant to the Act shall, based on its review of the status of the special tax allocation fund for the Redevelopment Project at its statutorily required annual meeting, consider the desirability of terminating and retiring the Redevelopment Plan and Project prior to the stated twenty-three (23) year term, and shall transmit its recommendation regarding the same to the President and Board of Trustees of the Village.

VIII. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN AND PROJECT

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

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Downtown Mundelein TIF District
Legal Description
SEC Project No. MUND 040742-7
Prepared by: Donald G. Groesser, IPLS No. 3273
Dated: October 7, 2004, (Checked by Craig L. Duy, IPLS No. 3359)
Revised: October 15, 2004, (Checked by Thomas R. Krohn, IPLS No. 3000)

Part of the Southwest Quarter of Section 19 and part of the Northwest Quarter of Section 30, Township 44 North, Range 11 East of the Third Principal Meridian, together with part of the Northeast Quarter of Section 25, Township 44 North, Range 10 East of the Third Principal Meridian, described as follows: Commencing from the Northwest corner of said Section 30, according to the Plat of the Town of Holcomb, as recorded June 19, 1886 as Document No. 33999, of Book "A of Plats, Page 58, said point of commencement also being on the Westerly projection of the North right-of-way line of Hawley Street; thence East along said Westerly projection and North right-of-way line, a distance of 200 feet to the Southwest corner of Lot 23 in Block 2 of said Plat of the Town of Holcomb for the point of beginning of the parcel to be described; thence North along the West line of said Lot 23 and its Northerly projection, a distance of 170 feet to the Westerly projection of the Southerly line of Lot 17 in said Block 2; thence East along said Southerly line and Westerly projection, a distance of 160 feet to the Southeast corner of said Lot 17, said point also being on the West right-of-way of Seymour Avenue; thence North along said West right-of-way line, 315 feet to the Southeast corner of the North 35 feet of Lot 5 in said Block 2, said point also being the Northeast corner of Lot 1 in Poirier's Resubdivision, according to the plat thereof recorded October 30, 1992 as Document No. 3234665; thence West along the North line of said Lot 1 (also the South line of the North 35 feet of said Lot 5) and its Westerly projection, a distance of 170 feet to a point on the Easterly line of Lot 6 in said Block 2, also being the Westerly line of a 20 foot alley in said Block 2; thence North along said Westerly line of a 20 foot alley, a distance of 135 feet to the Northeast corner of Lot 2 in said Block 2, also being a point on the South right-of-way line of Park Street; thence North a distance of 80 feet to the Southeast corner of Lot 24 in Block 1 of aforesaid Plat of the Town of Holcomb, also being a point on the North right-of-way line of Park Street; thence East along said North right-of-way line, a distance of 170 feet to the Southeast corner of Lot 23 in said Block 1, also being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue; thence North along said West right-of-way line, a distance of 253.5 feet to a bend point in the East line of Lot 13 in said Block 1, said point also being the intersection of said West right-of-way line with the Southwest right-of-way of Chicago Avenue; thence Northwesterly along said Southwest right-of-way to the Northeast corner of Lot 1 in said Block 1, also being the intersection of said Southwest right-of-way line with the Southerly right-of-way line of Maple Avenue (also

known as Maple Street); thence Northwesterly to the Southwest corner of Lot 27 in Killey's Subdivision, according to the plat thereof recorded March 28, 1927, as Document No. 296302, also being on the Northerly right-of-way line of Maple Avenue; thence Easterly, along said Northerly right-of-way line, a distance of 151.85 feet to the Southeast corner of Lot 30 in said Killey's Subdivision, also being the intersection of said Northerly right-of-way line with the Westerly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road); thence Easterly along said Northerly right-of-way line to the Southwest corner of Lot 66 in Mundelein Heights Subdivision, according to the plat thereof recorded March 26, 1925, as Document No. 254438, also being the intersection of said Northerly right-of-way line with the Easterly right-of-way line of said Wisconsin Central Ltd Railroad; thence continuing Easterly along said Northerly right-of-way line to a point of curvature in the South line of Lot 1 in First Addition to Forest Heights Addition to Mundelein Subdivision, according to the plat thereof recorded February 16, 1973, as Document No. 1600448, in Book 50 of Plats, Page 54; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the point of intersection of said Northerly right-of-way line with the Northwesterly projection of the Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along said Northwesterly projection to the Northeast corner of Lot 3 in Block 5 of the aforesaid Plat of the Town of Holcomb, also being the intersection of the South right-of-way line of Maple Avenue with said Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along the Southwesterly Right-of-Way, a distance of 52 feet to the Northeast corner of the Southerly 50 feet of Lots 2 and 3 in said Block 5 (as measured perpendicular from the Southeasterly line of said Lot 3); thence along the Northerly line of said Southerly 50 feet to a point on the Southwesterly line of said Lot 2 in Block 5, also being a point on a line that lies parallel and/or concentric with and 106.50 feet normally distant Northeasterly from the center of the main tract of said Wisconsin Central Ltd., according to Deed Document No. 4577254; thence Southeasterly along said parallel line, being also the Southwesterly line of said Block 5, a distance of 66 feet to the Northwest corner of Lot 4 in said Block 5; thence Northeasterly along the Northwesterly line of said Lot 4 in Block 5, to a point that is 95 feet Southwesterly of the Northeast corner thereof, as measured along said Northwesterly line; thence Southeasterly parallel with the Southwesterly right-of-way line of Morris Avenue, a distance of 83 feet; thence Northeasterly a distance of 95.3 feet to the Southwesterly right-of-way line of Morris Avenue at a point 93 feet Southeasterly of the Northeast corner of said Lot 4 in Block 5; thence Northwesterly along said Southwesterly right-of-way line, and its Northwesterly projection to the aforesaid intersection of said Southwesterly right-of-way line with the Northerly right-of-way line of Maple Avenue; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the Southeast corner of Lot 5 in said in First Addition to Forest Heights Addition; thence Southeasterly to the intersection of the Southerly line of Maple Avenue with a line drawn 50 feet Easterly of and parallel with the Easterly line of Morris Avenue, according to Quit Claim Deed recorded May 21, 1996 as Document No. 3827416, said point also being the Northwest corner of Lot 8 in Holcomb's Subdivision, according to the plat thereof recorded May 16, 1908 as Document No. 117105; thence Southeast along said parallel line to the intersection of said parallel line with the North right-of-way line of Park Street, said point also being the Southwest corner of Lot 9 in said Holcomb's Subdivision; thence West along said North right-of-way line to the intersection of said North right-of-way line with the Easterly line

of the Easterly twenty feet of vacated Morris Avenue, vacated per Document No. 1322193, recorded November 14, 1966; thence Southeast to the intersection of the South right-of-way of Park Street with the Westerly right-of-way line of Morris Avenue, being the Northwest corner of a parcel of land described in Deed Document No. 4461974; thence continuing along said Easterly right-of-way line, to a point 170.0 feet South of the South right-of-way line of Park Street, being the Northwest corner of a parcel of land described as Parcel 2 in Deed recorded December 31, 1987 as Document No. 2645130; thence along the North line of said parcel, being a line that is 170.0 feet South of and parallel with the South right-of-way line of Park Street, a distance of 215.05 to the Northeast corner of a parcel of land described as Parcel 3 in said Deed Document No. 2645130, said point being on the West right-of-way line of Laurel Avenue; thence East, a distance of 33.0 feet to the Northwest corner of Lot 81 in Mundelein Station Subdivision, according to the plat thereof recorded April 22, 1926 as Document No. 277507 in Book "P" of Plats, Pages 24 to 28, said point also being on the East right-of-way line of Laurel Avenue; thence South along said East right-of-way line, a distance of 366 feet to the Southwest corner of Lot 86 in said Mundelein Station Subdivision, also being a point on the North line of a 20 foot alley; thence East along the North line of said 20 foot alley, a distance of 374.33 feet to a bend point on the South line of Lot 91 in said Mundelein Station Subdivision; thence Southeasterly to the Northeast corner of Lot 104 in said Mundelein Station Subdivision; thence Southeasterly along the Northeasterly line of said Lot 104, a distance of 102.35 feet to the Southeast corner of said Lot 104, said point also being on the Northerly right-of-way line of Hawley Street; thence Southwesterly to the Northeast corner of Lot 2 in Herbert's Addition to Mundelein, according to the plat thereof recorded August 5, 1974 as Document No. 1674550 in Plat Book 52, Page 31, said point also being on the Southerly right-of-way of Hawley Street; thence Southeasterly along the Northeasterly line of said Lot 2, a distance of 180.90 feet to the Northwest corner of Lot 1 in said Herbert's Addition; thence continuing Southeasterly along the Southwesterly line of said Lot 1, a distance of 108.68 feet to the Southwest corner thereof, also being a point on the Northwesterly line of Lot 1 in DeTomasi's Industrial Subdivision, according to the plat thereof recorded June 13, 1956, as Document No. 911850, in Book 33 of Plats, Page 98; thence Northeasterly along the Southerly line of Lot 1 in said Herbert's Addition, being a non-tangent curve to the right, having a radius of 775.52 feet, a length of 116.03 feet to a point of tangency; thence continuing Northeasterly along said Southerly line, a distance of 0.88 feet to the Northeast corner of Lot 1 in said DeTomasi's Industrial Subdivision; thence Southeasterly along the Northeasterly line of said Lot 1, a distance of 140.76 feet to the Southeast corner thereof; thence continuing Southeasterly to the Northeast corner of the West half of Lot 170 in the aforesaid Mundelein Station Subdivision, said point also being on the Southeasterly right-of-way line of McKinley Avenue; thence Southwesterly along said Southeasterly right-of-way and its Southwesterly projection, a distance of 104.77 feet to a point on Northeasterly line of Lot 1 in Block 1 of DeTomasi's First Addition to Mundelein, according to the plat thereof recorded June 11, 1954, as Document No. 827022, thence Northwesterly along said Northeasterly line of Lot 1 to the Northeast corner thereof, said point also being on the Southerly right-of-way line of McKinley Avenue; thence Southwesterly, along the Northwesterly line of said Lot 1, a distance of 150.02 to the Northwest corner thereof, said point also being on the Northeasterly boundary line of aforesaid DeTomasi's Industrial Subdivision; thence Southeasterly, along said Northeasterly boundary line, and the Southwesterly line of

Lots 1 through 11 in Block 1 of said DeTomasi's First Addition to Mundelein Station, a distance of 580 feet to the Southwest corner of said Lot 11, said point also being on the Northwesterly right-of-way line of Lange Street; thence continuing Southeasterly, a distance of 60.00 feet to the Northwest corner of Lot 1 in Block 2 of said DeTomasi's First Addition to Mundelein, said point also being on the Southeasterly right-of-way line of Lange Street; thence continuing Southeasterly along the Southwesterly line of Lots 1 through 18 in said Block 2, a distance of 942.44 feet to the Southwest corner of said Lot 18, said point also being on the Northwesterly right-of-way line of Countryside Highway; thence continuing Southeasterly along the Southeasterly projection of the Southwesterly line of said Lot 18 in Block 2, to a point on the Northwesterly line of Lot 3 in Unit A of Countryside Terrace Subdivision, according to the plat thereof recorded March 8, 1956, as Document No. 900312, in Book 1425 of Records, Page 209, said point also being on the Southeasterly right-of-way line of Countryside Highway; thence Southwesterly along said Southeasterly right-of-way line, being a non-tangent curve to the right, having a radius of 1294.58 feet, to the Southwest corner of Lot 1 in said Unit A, also being the intersection of said Southeasterly right-of-way line with the North right-of-way line of Noel Drive, per Unit B of Countryside Terrace Subdivision, according to the plat thereof recorded November 26, 1956, as Document No. 931747, in Book 33, Page 140; thence continuing Southwesterly, a distance of 117.8 feet along the aforesaid Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the South right-of-way line of said Noel Drive, also being the North most Northwest corner of the "Park" parcel in aforesaid Unit A of Countryside Terrace Subdivision; thence continuing Southwesterly, a distance of 120.0 feet, along said Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the Northeasterly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road) thence continuing Southwesterly to the Northeast corner of Lot 460 in Lakewood Heights, according to the plat thereof recorded December 5, 1925 as Document No. 270298, said point being the intersection of the Southwesterly right-of-way of the Minneapolis, St. Paul and Sault Sainte Railway Company with the Southeasterly right-of-way line of Hawthorn Boulevard; thence Southwesterly along the Southeasterly right-of-way line of Hawthorn Boulevard, a distance of 446.05 to a point of curvature of Lot 365 in said Lakewood Heights; thence Southwesterly to the Southeast corner of Lot 104 in said Lakewood Heights, said point being on the Westerly right-of-way line of Crystal Street; thence Northerly along said Westerly right-of-way line, a distance of 208.25 feet to the Northeast corner of Lot 102, said point also being the intersection of said Westerly right-of-way line with the South right-of-way line of Courtland Street; thence West along said South right-of-way line, a distance of 1441.65 feet to the Northeast corner of Lot 24 in said Lakewood Heights, said point being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence North to the point of intersection of the North right-of-way line of Courtland Street with the West right-of-way line of Seymour Avenue, according to the plat of dedication thereof recorded as Document No. 806385 in Book 1209 of Records, Page 53; thence North along said West right-of-way line to a point of curvature (said point being 398.65 feet North of the North line of Courtland Street as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the East, having a radius of 1744.71 feet, to a point of returning curvature (said point being 228.2 feet North of the last described point of curvature, as measured along the East line of Seymour Avenue);

Lots 1 through 11 in Block 1 of said DeTomasi's First Addition to Mundelein Station, a distance of 580 feet to the Southwest corner of said Lot 11, said point also being on the Northwesterly right-of-way line of Lange Street; thence continuing Southeasterly, a distance of 60.00 feet to the Northwest corner of Lot 1 in Block 2 of said DeTomasi's First Addition to Mundelein, said point also being on the Southeasterly right-of-way line of Lange Street; thence continuing Southeasterly along the Southwesterly line of Lots 1 through 18 in said Block 2, a distance of 942.44 feet to the Southwest corner of said Lot 18, said point also being on the Northwesterly right-of-way line of Countryside Highway; thence continuing Southeasterly along the Southeasterly projection of the Southwesterly line of said Lot 18 in Block 2, to a point on the Northwesterly line of Lot 3 in Unit A of Countryside Terrace Subdivision, according to the plat thereof recorded March 8, 1956, as Document No. 900312, in Book 1425 of Records, Page 209, said point also being on the Southeasterly right-of-way line of Countryside Highway; thence Southwesterly along said Southeasterly right-of-way line, being a non-tangent curve to the right, having a radius of 1294.58 feet, to the Southwest corner of Lot 1 in said Unit A, also being the intersection of said Southeasterly right-of-way line with the North right-of-way line of Noel Drive, per Unit B of Countryside Terrace Subdivision, according to the plat thereof recorded November 26, 1956, as Document No. 931747, in Book 33, Page 140; thence continuing Southwesterly, a distance of 117.8 feet along the aforesaid Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the South right-of-way line of said Noel Drive, also being the North most Northwest corner of the "Park" parcel in aforesaid Unit A of Countryside Terrace Subdivision; thence continuing Southwesterly, a distance of 120.0 feet, along said Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the Northeasterly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road) thence continuing Southwesterly to the Northeast corner of Lot 460 in Lakewood Heights, according to the plat thereof recorded December 5, 1925 as Document No. 270298, said point being the intersection of the Southwesterly right-of-way of the Minneapolis, St. Paul and Sault Sainte Railway Company with the Southeasterly right-of-way line of Hawthorn Boulevard; thence Southwesterly along the Southeasterly right-of-way line of Hawthorn Boulevard, a distance of 446.05 to a point of curvature of Lot 365 in said Lakewood Heights; thence Southwesterly to the Southeast corner of Lot 104 in said Lakewood Heights, said point being on the Westerly right-of-way line of Crystal Street; thence Northerly along said Westerly right-of-way line, a distance of 208.25 feet to the Northeast corner of Lot 102, said point also being the intersection of said Westerly right-of-way line with the South right-of-way line of Courtland Street; thence West along said South right-of-way line, a distance of 1441.65 feet to the Northeast corner of Lot 24 in said Lakewood Heights, said point being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence North to the point of intersection of the North right-of-way line of Courtland Street with the West right-of-way line of Seymour Avenue, according to the plat of dedication thereof recorded as Document No. 806385 in Book 1209 of Records, Page 53; thence North along said West right-of-way line to a point of curvature (said point being 398.65 feet North of the North line of Courtland Street as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the East, having a radius of 1744.71 feet, to a point of returning curvature (said point being 228.2 feet North of the last described point of curvature, as measured along the East line of Seymour Avenue);

thence Northerly along a curve concave to the West, having a radius of 1624.71 feet, to a point on the South line (or Easterly projection thereof) of Lot 3 in Aleckson's Subdivision, according to the plat thereof recorded August 30, 1977 as Document No. 1861434; thence West along the South line of said Lot 3 (or Easterly projection thereof) to the Southwest corner of said Lot 3, said point being on the East right-of-way line of Lake Street; thence Westerly to a point on the West line of Lake Street, according to the plat thereof recorded February 13, 1933 as Document No. 388786, and its intersection with the South line of Lot 177 in Western Slope Subdivision of Mundelein, according to the plat thereof recorded May 9, 1925 as Document No. 257151; thence North along the West right-of-way line of Lake Street to the point of intersection of said West right-of-way line with the Westerly projection of the South line of Mundelein Police Station Resubdivision, according to the plat thereof recorded August 25, 2000 as Document No. 4572977; thence East, along said Westerly projection, a distance of 80 feet to the West most Southwest corner of said Mundelein Police Station Resubdivision; thence East along the South line thereof, a distance of 148.40 feet to the Northwest corner of a portion of an alley heretofore vacated per Ordinance recorded December 23, 2002 as Document No. 5080350; thence South along the West line thereof, a distance of 122.77 feet to the Southwest corner of said vacated portion; thence East along the South line thereof, a distance of 20.00 feet to the Southeast corner thereof, being a point on a West line of aforesaid Mundelein Police Station Resubdivision; thence South along said West line, a distance of 20.00 feet to the Southwest corner thereof, said point also being on the North right-of-way line of Division Street; thence East along said North right-of-way line, a distance of 150.31 feet to the Southeast corner of said Mundelein Police Station Resubdivision, said point being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue (also known as Seymour Street); thence continuing East along said North right-of-way line, a distance of 80 feet to the Southwest corner of Lot 30 in West View Addition Subdivision, according to the plat thereof recorded June 9, 1922, as Document No. 212624 in Book L, Page 8, said point also being the intersection of said North right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing East along the aforesaid North right-of-way line, a distance of 266 feet to the Southeast corner of Lot 31 in said West View Addition Subdivision, also being the intersection of said North right-of-way line with the West right-of-way line of Archer Avenue; thence South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 33.2 feet to the centerline of Division Street; also being the Northwest corner of a parcel of land described in deed Document No. 5575804; thence continuing South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 245 feet to the Southwest corner of said parcel per Document No. 5575804, also being a point on the North line of Lot 2 in Piggly Wiggly Subdivision, according to the plat thereof recorded June 16, 1959 as Document No. 103398; thence East, along the South line of said parcel per Document No. 5575804, (also being the North line and Easterly projection of said Piggly Wiggly Subdivision and also the Piggly Wiggly Subdivision First Addition, according to the plat thereof recorded December 16, 1961, as Document No. 1133412, and also property per Document No. 993563) a distance of a 1208.6 feet to the Southeast corner of said parcel per Document No. 5575804, being the intersection of said South line with the Southwesterly right-of-way line of the Wisconsin Central Ltd. Railroad (formerly Minneapolis, St. Paul and Saulte Ste. Marie Railroad); thence Northwesterly along said Southwesterly right-of-way line, a distance of 280.8 feet to the Northeast corner of said

parcel per Document No. 5575804; thence along the North boundary of said Parcel per Document No. 5575804, the following six (6) courses; West, parallel with the North line of the Northwest Quarter of aforesaid Section 30, a distance of 392.18 feet; thence North, a distance of 9.00; thence West, a distance of 440.11 feet to a point on a 285.50 foot radius curve; thence Southwesterly along said non-tangent curve to the right, a distance of 21.46 feet; thence continuing Westerly, along said curve to the right, a distance of 112.83 feet; thence West 109.98 feet to the West line of Archer Avenue extended South, being the Northwest corner of said parcel of land per Document No. 5575804; thence North, along said West line of Archer Avenue extended South, to the Southeast corner of the aforesaid Lot 31 in said West View Addition Subdivision; thence North along said West right-of-way line, a distance of 750 feet to the Northeast corner of Lot 60 in said West View Addition Subdivision, also being the intersection of said West right-of-way line with the South right-of-way line of Hammond Street; thence continuing North along the Northerly projection of said West right-of-way line, a distance of 66 feet to the South line of Lot 1 in Hawley Commons, according to the plat thereof recorded October 8, 1999 as Document No. 4432301; thence East along the South line thereof to the South most Southeast corner of said Lot 1; thence Northeast along the Southeast line thereof, a distance of 16.89 feet to the East most Southeast corner thereof; thence North along the East line thereof, a distance of 388.00 feet to the Northeast corner thereof, said point also being on the South right-of-way line of Hawley Street; thence West, along said South right-of-way line, a distance of 449.00 feet to the Northwest corner of said Lot 1, also being the intersection of said South right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing West a distance of 80 feet to the Northeast corner of Lot 1 in Block 1 of Hammonds Addition to Rockefeller Subdivision, according to the plat thereof recorded April 2, 1895, as Document No. 61511, also being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence continuing West along said South right-of-way line, a distance of 160.00 feet to the intersection of said South right-of-way line with the center line of a 20 foot Alley, in said Block 1; thence North, a distance of 80 feet to the Point of Beginning, all in the Village of Mundelein, Lake County, Illinois.

EXHIBIT 2

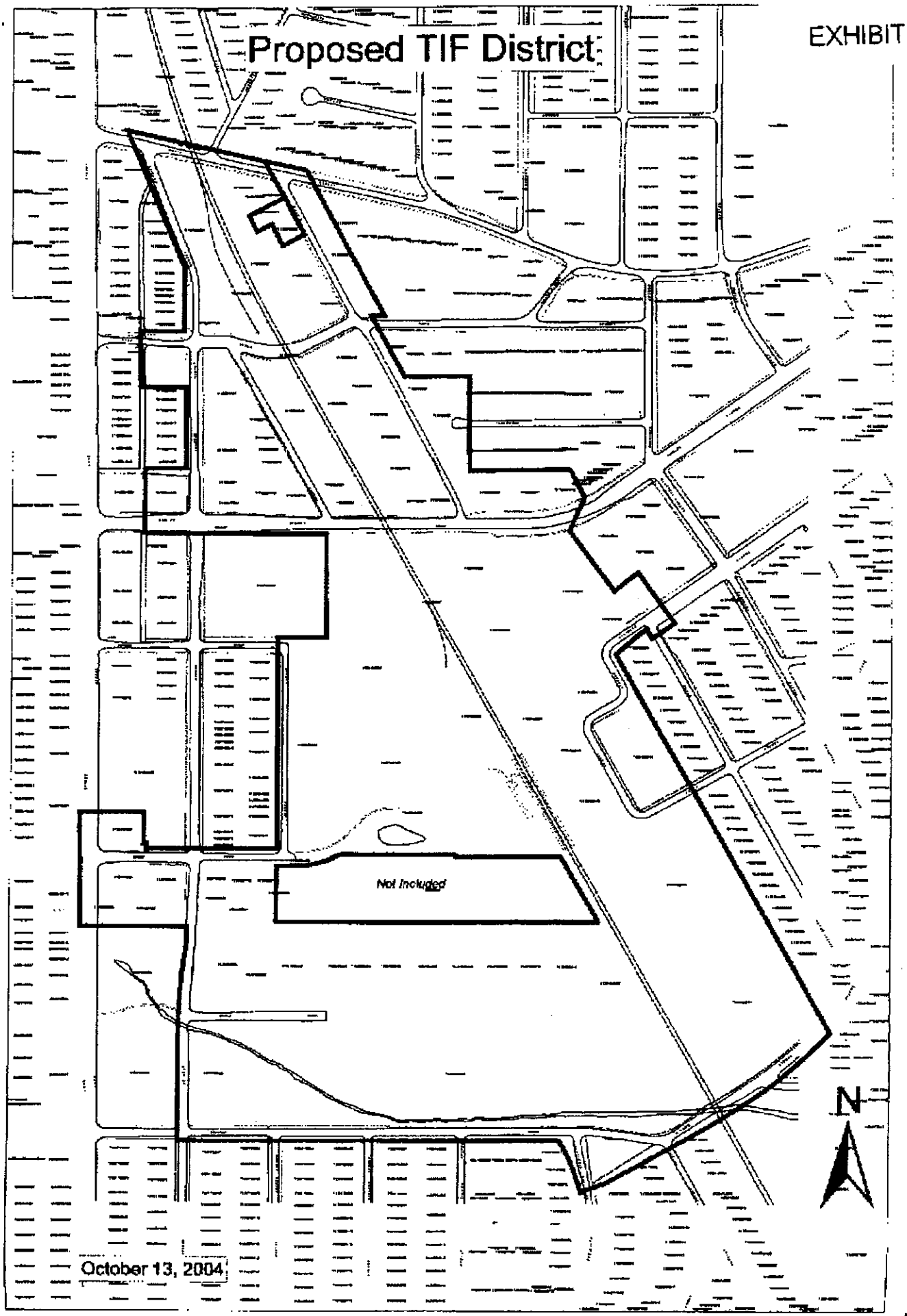

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EXHIBIT 3

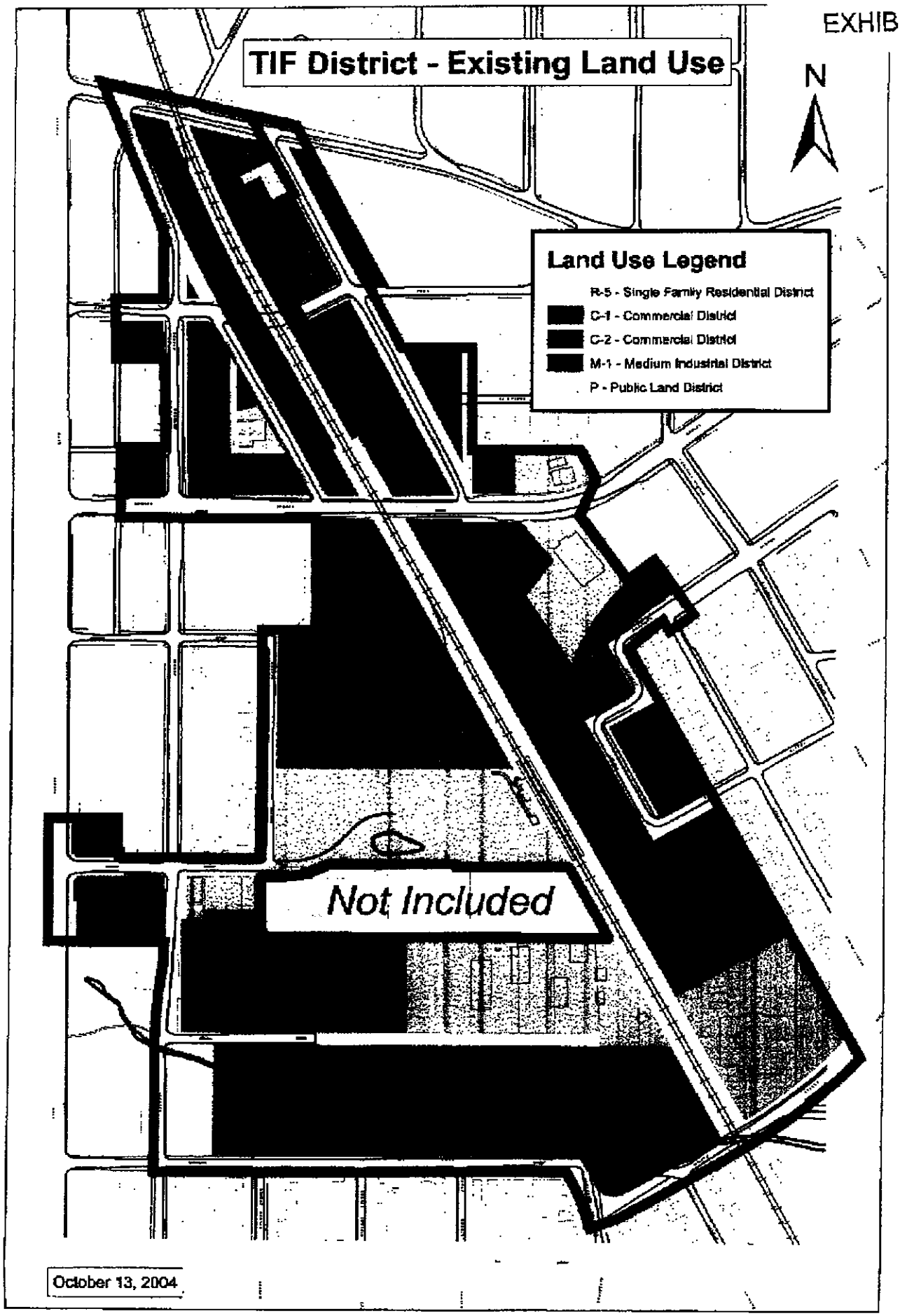

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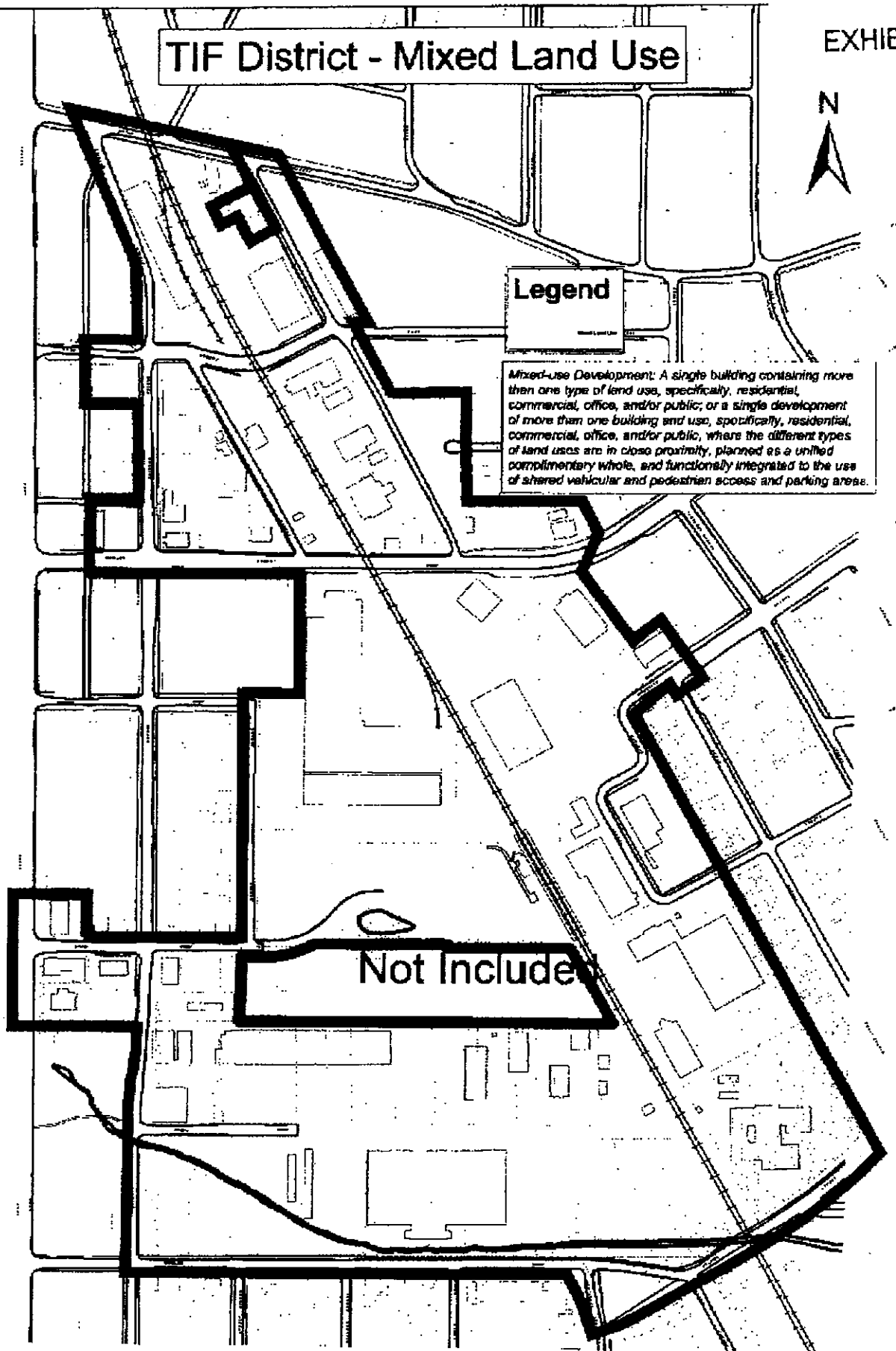
EXHIBIT 4

TIF District - Mixed Land Use



October 13, 2004

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EXHIBIT 5

VILLAGE OF MUNDELEIN
QUALIFICATION/DESIGNATION REPORT
PROPOSED DOWNTOWN TIF DISTRICT

A study to determine whether all or a portion of an area located in the Village of Mundelein qualifies as a conservation area as set forth in the definition in the Tax Increment Allocation Redevelopment Act of 65 ILCS Section 5/11-74.4-1, et seq. of the Illinois Compiled Statutes as amended (the "TIF Act").

Prepared For: Village of Mundelein, Illinois

Jointly Prepared By: Kane, McKenna and Associates, Inc.

and

The Village of Mundelein

JANUARY 2005

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VILLAGE OF MUNDELEIN
QUALIFICATION REPORT
PROPOSED DOWNTOWN TIF DISTRICT

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MAP

Proposed RPA Boundary Map

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I. INTRODUCTION AND BACKGROUND

In the context of planning for a proposed Mundelein Redevelopment Project Area (RPA), the Village of Mundelein (the "Village") has initiated action related to the study of the Proposed Redevelopment Project Area (the "Proposed RPA") in its entirety to determine whether it qualifies for consideration as a Tax Increment Financing ("TIF") District. Kane, McKenna and Associates, Inc. ("KMA"), in accordance with such resolutions, has agreed to undertake the study of the area.

The Proposed RPA is generally bounded on the north by Maple Street, on the east by various properties fronting Morris Street, properties fronting Hawley Street to the Village Hall and properties fronting Anthony Avenue, on the south by Courtland Street, and on the west by properties that front Chicago, Archer and Seymour Avenues. The former Anatol property is excluded. The area encompasses most of the Village's Downtown area.

The Proposed RPA consists of retail/commercial properties, institutional uses, and industrial uses.

The Proposed RPA suffers from deficiencies related to obsolescence, inadequate utilities, deleterious layout, and deterioration. The rate of growth in property values within the Proposed RPA has lagged behind the Village's overall growth for four (4) of the last five (5) years.

The area consists of approximately eighty-one (81) tax parcels and fifty-eight (58) structures. According to Libertyville Township data, on-site inspections of the area and historical aerial photographs, it has been determined that over 55% of the buildings are thirty-five (35) years old or greater.

The development of the Proposed RPA can be characterized as having been influenced by the proximity to the railroad line that traverses the area and the proximity to the historical downtown of the Village. Lot depth and the presence of single purpose buildings limit the availability of land for redevelopment.

From a Village economic redevelopment perspective, the Proposed RPA represents a significant potential for redevelopment. The Village has identified a number of goals and objectives for area redevelopment, including infrastructure improvements and upgrades.

The Village wishes to coordinate any new mixed use, residential, commercial and retail uses within the Proposed RPA and to ensure that redevelopment occurs within the guidelines of the Village's comprehensive plan.

The qualification factors discussed with this Report qualify the area described below as a "conservation area", as such term is hereinafter defined pursuant to the TIF Act.

The Village has reviewed the Proposed RPA for possible redevelopment since 1999. In planning for this potential redevelopment, the Village has conducted a review of possible land uses for the area. A key goal of the Village is to promote the development of underutilized sites

and to encourage the redevelopment or renovation of the existing improved sites in order to improve the area's tax base.

There are currently numerous mixed uses within the Proposed RPA. Because of this, it will be difficult to develop the area in a coordinated manner. It has been determined that in order to encourage redevelopment in the area, the Village may need to coordinate redevelopment activities within the area and to assist in the assembly of properties. The area is important for the continued generation of sales taxes and property taxes within the Village.

The creation and utilization of a TIF redevelopment plan is being investigated by the Village to help provide the assistance required to address conditions that are detrimental to successful redevelopment of the Proposed RPA.

II. QUALIFICATION CRITERIA USED

With the assistance of Village staff, Kane, McKenna and Associates, Inc. examined the Proposed RPA in May, June and August of 2004. KMA reviewed information collected for the area to determine the presence or absence of appropriate qualifying factors listed in the Illinois "Tax Increment Redevelopment Allocation Act" (hereinafter referred to as "the Act") Ch. 65 ILCS Section 5/11-74.4-1 et. seq. of the Illinois Compiled Statutes, as amended. The relevant sections of the Act are found below.

The Act sets out specific procedures that must be adhered to in designating a redevelopment project area. By definition, a "Redevelopment Project Area" is:

> "an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted area and conservation area."

Conservation Area

The Act defines a "conservation area" as follows:

> "Conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors may be considered as a "conservation area":
>
> (A) Dilapidation: An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

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(B) Obsolescence: The condition or process of falling into disuse. Structures become ill-suited for the original use.

(C) Deterioration: With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

(D) Presence of Structures Below Minimum Code Standards: All structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal Use of Individual Structures: The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive Vacancies: The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

(G) Lack of Ventilation, Light, or Sanitary Facilities: The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate Utilities: Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area; (ii) deteriorated, antiquated, obsolete or in disrepair; or (iii) lacking within the redevelopment project area.

(I) Excessive Land Coverage and Overcrowding of Structures and Community Facilities: The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels

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of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking or inadequate provision for loading service.

(J) Deleterious Land-Use or Layout: The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses or uses considered to be noxious, offensive or unsuitable for the surrounding area.

(K) Environmental Clean-Up: The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of Community Planning: The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years, for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

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III. THE PROPOSED RPA

The Proposed RPA consists of approximately eighty-one (81) tax parcels and fifty-eight (58) structures. Land uses are mixed. Residential uses are interspersed with retail, commercial, industrial and institutional uses. Some of these parcels include vacant lots or site improvements related to other uses (e.g. parking lots).

IV. METHODOLOGY OF EVALUATION

In evaluating the Proposed RPA's potential qualification as a TIF District, the following methodology was utilized:

1) Site surveys of the Proposed RPA were undertaken by representatives from Kane, McKenna and Associates, Inc. Site surveys were completed for all parcels located within the proposed area.

2) Exterior evaluation of structures, noting deterioration, or dilapidation as well as vacancies or possible code violations was completed by KMA in conjunction with Village staff.

3) The area was studied in relation to review of available planning reports, Village ordinances, land surveys, flood maps, local history, and an evaluation of area-wide factors that have affected the area's development (e.g., lack of community planning, obsolescence, deleterious layout, etc.). Kane, McKenna reviewed the area in its entirety. Village redevelopment goals and objectives for the area have also been established and reviewed.

4) Existing structures and site conditions were initially surveyed only in the context of checking, to the best and most reasonable extent available, criteria factors of specific structures and site conditions on the parcels.

5) The Proposed RPA was examined to assess the applicability of the different factors, for both improved land and vacant land, required for qualification for TIF designation under the Act. Evaluation was made by reviewing the information and determining how each measured when evaluated against the relevant factors. Improved land within the Proposed RPA was examined to determine the applicability of the conservation or blighted factors for qualification for TIF designation under this statute.

V. QUALIFICATION OF PROPOSED RPA/FINDINGS OF ELIGIBILITY

As a result of KMA's evaluation of each parcel in the Proposed RPA, and analysis of each of the eligibility factors summarized in Section II, the following factors are presented to support qualification of the Proposed RPA as a "conservation" area.

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THRESHOLD FACTOR

1) Age

Based upon site surveys relating to parcels that currently have buildings located on them and review of Libertyville Township age data, over 55% (or thirty-two (32) of fifty-eight (58) structures) were found to be thirty-five years of age or greater.

OTHER CONSERVATION AREA FACTORS (MUST INCLUDE THREE OR MORE ADDITIONAL FACTORS)

2) Inadequate Utilities

The status of existing utilities and infrastructure has been reviewed by Village staff, including the Development of Public Works.

Roadway and street improvements are required along Hawley Street, Archer Avenue and Crystal Street. Additional redevelopment (with potentially higher densities) would require increased detention/retention requirements.

Various water, sanitary, and storm sewer repairs/replacements are required in certain areas due to the age and the condition of infrastructure; one major example is the replacement of the Hawley Street storm sewer east of the railroad tracks.

Redevelopment activities that require traffic recirculation, improved access and egress, and the reuse of properties may require the replacement and relocation of existing infrastructure service and components. Many of the existing components will require upgrades and/or reconstruction in order to accommodate redevelopment.

3) Deleterious Land Use

The RPA includes many instances of incompatible uses. Industrial uses that are adjacent to the railroad right-of-way border residential and small commercial uses. Buffering, or transition, between uses is minimal in many cases.

Commercial and industrial uses exhibit varying parking requirements, specific loading and unloading needs, and different provisions for truck or rail access. However, these uses are often placed adjacent to each other or are adjacent to residential uses.

Traffic circulation within the RPA will require additional study – in relation to any proposed redevelopments and in relation to the improvement of existing traffic patterns. Redevelopment will also require review of parking conditions in order to improve and enhance use of the properties and to address deficiencies in the existing layout of the RPA. Currently, the RPA includes roadways with varying widths and

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conditions. Village plans include review of improved signage, streetscape, and street lighting in order to enhance both pedestrian and vehicular traffic.

4) Obsolescence

Functional and economic obsolescence is identified for portions or all of the large industrial properties – such as the former Greenhill (Mallinkrodt) facilities. These facilities are vacant -- in particular Greenhill represents over 200,000 square feet of space and has been vacant for approximately eight years, according to the Village staff. Additional commercial vacancies are noted along Crystal Street. The age of over 55% of the structures is thirty-five (35) years or greater. Past Village planning reports have identified the "tired" or dated appearance of the Downtown area as a whole – due in part to economic obsolescence.

The area wide factors relating to lack of community planning and deleterious layout, as well as deterioration, have contributed to obsolescence within the RPA.

5) Lack of Community Planning

Over 55% of the structures are thirty-five (35) years or greater and were constructed prior to the Village's adoption of its comprehensive plan in 1990 and its zoning ordinance in 1980. The 1990 plan updated the 1969 comprehensive plan, but over half of the development occurred before the 1969 plan adoption.

The Transit Oriented Development (TOD) Comprehensive Plan Amendment adopted December 27, 2004 is regarded as an important planning document for the Downtown area. The RPA boundaries are included within the TOD study. Reference to the Downtown Comprehensive Plan, initiated in 1997 with the provisions still currently being implemented, indicates that the following planning related constraints are present in the Downtown area (which encompasses the RPA described herein):

-The presence of large industrial buildings (located adjacent to the railroad right-of-way) are out of scale – in relation to other uses (existing or proposed). As a result, those poor transitional areas between manufacturing and residential uses,

-The railroad right-of-way splits the Downtown area into two "neighborhoods",

-There are limited uses in the Downtown area in order to generate traffic during non-business hours,

-Retail uses are limited – other uses, including restaurant or entertainment, would enhance non-business hour usage, but these uses are either not present or limited,

-Streetscape and signage require improvement,

-Overall, the appearance of the Downtown area is outdated,

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-Parking requires coordination, and

-Area traffic circulation and the traffic flow needs improvement and coordination, particularly to accommodate redevelopment.

In addition to the lack of buffering between mixed uses, the area is also characterized by irregular lot sizes and varying setbacks. Large industrial uses are adjacent to single-family residential as well as small commercial uses.

In some areas residential uses are interspersed with commercial or industrial uses. Parking, loading/unloading requirements, and access/egress points require coordination in order to accommodate redevelopment and integrate proposed or existing uses with transit oriented development.

6) Equalized Assessed Valuation (EAV) Analysis

The EAV of the Proposed RPA has grown at a rate slower than the balance of the Village for four (4) of the last five (5) calendar years (refer to chart below).

Year	Proposed RPA EAV	Percent Change	Balance of Village EAV (1)	Percent Change
2003	$ 8,350,914	2.34%	$ 699,982,603	8.38%
2002	$ 8,160,035	-9.44%	$ 645,847,110	7.46%
2001	$ 9,010,698	2.58%	$ 601,029,252	6.57%
2000	$ 8,784,199	1.37%	$ 563,988,242	4.90%
1999	$ 8,665,558	3.63%	$ 537,643,647	2.47%
1998	$ 8,361,644		$ 524,694,664	

(1) Less: Proposed RPA EAV.

Source: Village of Mundelein and Lake County.

7) Deterioration of Structures and Site Improvements

Pursuant to the TIF Act, deterioration can be evidenced in major or secondary building defects. For example, such defects include, but are not limited to, defects in building components such as windows, porches, gutters and doors.

Various degrees of deterioration were identified on thirty-seven (37) parcels within the area. With respect to surface improvements, deterioration was found related to roadways, driveways, walkways and curbs and off-street parking areas evidence deterioration, including, but not limited to, surface cracking, potholes, depressions and loose paving materials.

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During the site evaluation of the improved portion of the Proposed RPA, it was determined that many of the structures and site improvements (approximately 45%) displayed some signs of deteriorated conditions. According to on-site inspections performed by KMA and documented by site surveys and photographic analysis, some of the site improvements and structures contained the following signs of deterioration:

- Rusted, damaged siding or exterior fascia
- Rotted wood frames and/or eaves
- Damaged pavement – cracked or buckling surfaces and potholes found along roadways, parking lots, and site improvements

VI. SUMMARY OF FINDINGS AND OVERALL ASSESSMENT OF QUALIFICATION

The following is a summary of relevant qualification findings as it relates to potential designation of the Proposed Redevelopment Project Area (RPA) by the Village as a Tax Increment Finance (TIF) District. The findings herein pertain to the Proposed RPA.

1. The Proposed RPA is contiguous and is greater than 1½ acres in size.

2. The Proposed RPA will qualify as a "conservation area". Further, the factors present throughout the Proposed RPA as documented herein are present to a meaningful extent and are evenly distributed throughout the Proposed RPA. A more detailed analysis of the qualification findings is outlined in this report.

3. All property in the area would substantially benefit by the proposed redevelopment project improvements.

4. The sound growth of taxing districts applicable to the area, including the Village, has been impaired by the factors found present in the area.

5. The area would not be subject to redevelopment without the investment of public funds, including property tax increments.

These findings, in the judgment of KMA, provide the Village with sufficient justification to consider designation of the Proposed RPA as a TIF District.

The area has not benefited from coordinated planning efforts by either the public or private sectors. There is a need to focus redevelopment efforts relating to infrastructure and the improvement of existing building inventory.

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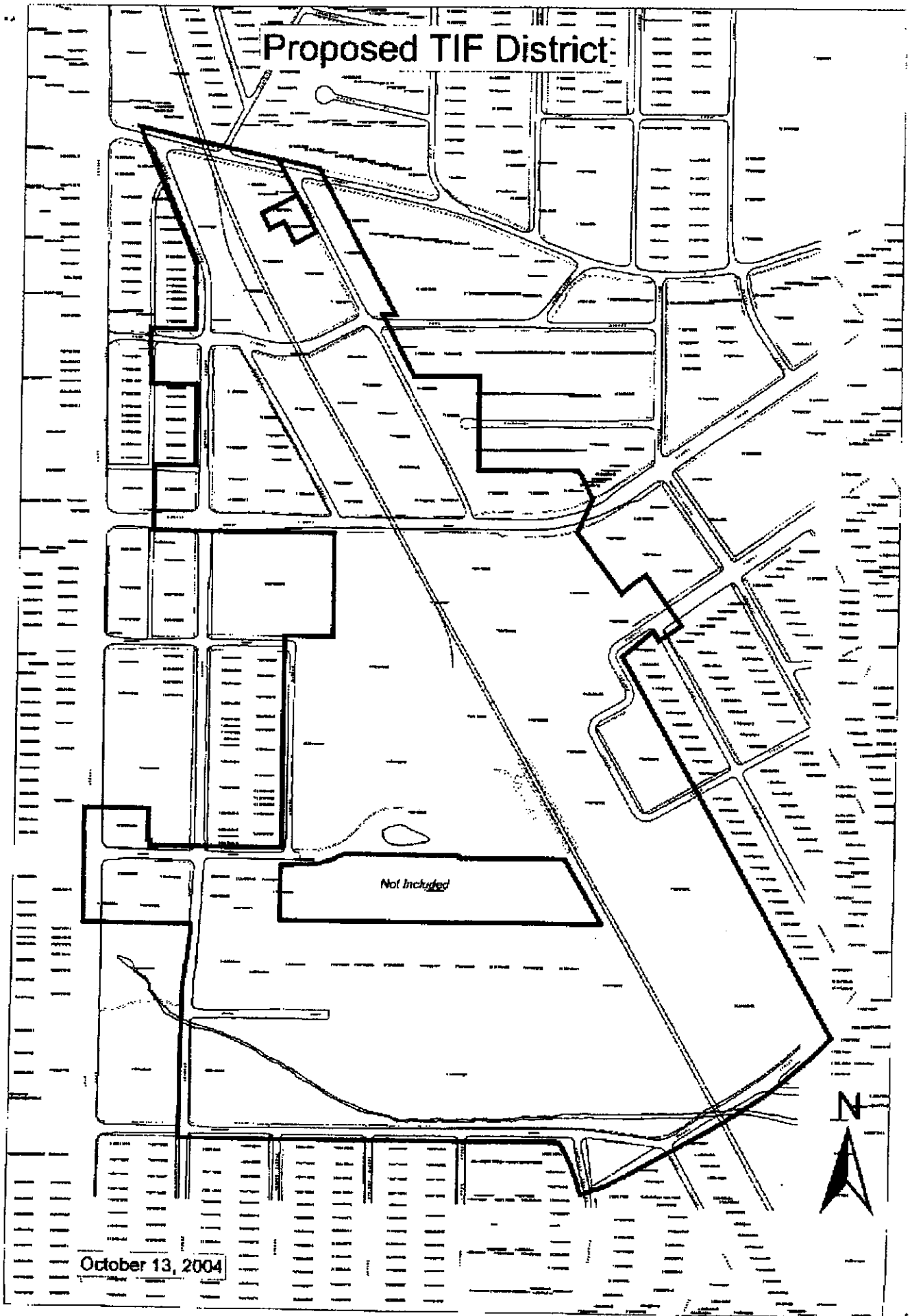

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TIF DISTRICT PROPERTY OWNERSHIP

PIN	PARCEL ADDRESS			OWNER (BTN NAME - TAX BILL RECIPIENT)	OWNER BTA ADDRESS					
1119300029	0 E	MAPLE	AVE	ALAN JOSEPHSEN	415	HEATHER	LN	LAKE FOREST	IL	60045-2353
1119300008	101 E	MAPLE	AVE	ALAN JOSEPHSEN, TRUSTEE	415	HEATHER	LN	LAKE FOREST	IL	60045-2353
1130102014	265	ANTHONY	AVE	AMERITECH - ILLINOIS	225 W	RANDOLPH	ST	CHICAGO	IL	60606-1638
1130100039	0 E	DIVISION	ST	ANATOL ENTERPRISES, LLC.	165	ARCHER	AVE	MUNDELEIN	IL	60060
1130100040	165 N	ARCHER	AVE	ANATOL ENTERPRISES, LLC.	165	ARCHER	AVE	MUNDELEIN	IL	60060
1130100030	407 E	HAWLEY	ST	BALSAM ROAD LEASING LLC	9650 W	FOSTER	AVE	CHICAGO	IL	60656
1119316007	0	MORRIS	AVE	BRADCO REALTY CORP	13	PRODUCTION	WAY	AVENEL	NJ	07001-1628
1119316005	538	MORRIS	AVE	BRADCO REALTY CORP	13	PRODUCTION	WAY	AVENEL	NJ	07001-1628
1119300031	0 E	MAPLE	AVE	BRADCO SUPPLY CORPORATION % M.	13	PRODUCTION WAY		AVENEL	NJ	07001-1628
1130100025	0 N	SEYMOUR	AVE	CATHOLIC BISHOP OF CHICAGO	155 E	SUPERIOR	ST	CHICAGO	IL	60611-2911
1130100017	0 E	DIVISION	ST	COMED		PO BOX 767		CHICAGO	IL	60690-0767
1130100021	167 N	SEYMOUR	AVE	D & D DETAIL INC.	72	BIRCH	TRL	WHEELING	IL	60090
1119300032	0 N	CHICAGO	AVE	DONALD H. GARRISON	437 N	CHICAGO	AVE	MUNDELEIN	IL	60060-1822
1119300033	0 E	PARK	ST	EDWARD F. & JANICE L. WOOD	W258	FAIRVIEW	DR	MUNDELEIN	IL	60060-3475
1119323019	452	MORRIS	AVE	EDWARD F. & JANICE L. WOOD	W258	FAIRVIEW	DR	MUNDELEIN	IL	60060-3475
1119322011	411 N	SEYMOUR	AVE	FIRST MIDWEST BANK N.A.	300	PARK	BLVD STE 400	ITASCA	IL	60143-3106
1119322021	433 N	SEYMOUR	AVE	FIRST MIDWEST BANK N.A.	300	PARK	BLVD STE 400	ITASCA	IL	60143-3106
1119316001	0 E	MAPLE	AVE	GLENN M. & GLORIA GARAMONI	28880 N	LEMON	RD	MUNDELEIN	IL	60060-9606
1119316009	131 E	MAPLE	AVE	GLENN M. & GLORIA GARAMONI	28880 N	LEMON	RD	MUNDELEIN	IL	60060-9606
1119316010	135 E	MAPLE	AVE	GLENN M. & GLORIA GARAMONI	28880 N	LEMON	RD	MUNDELEIN	IL	60060-9606
1119323021	446	MORRIS	AVE	GRAHAM ENTERPRISE INC.		PO BOX 777		MUNDELEIN	IL	60060-0777
1130109006	139 N	SEYMOUR	AVE	GREGORY S. & MICHELE A. KERBS	608	TAMARACK	DR	WAUCONDA	IL	60084
1130109005	145 N	SEYMOUR	AVE	GREGORY S. & MICHELE A. KERBS	608	TAMARACK	DR	WAUCONDA	IL	60084
1130100009	0 N	ARCHER	AVE	HAWLEY PARTNERS LLC	225 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100032	0 N	ARCHER	AVE	HAWLEY PARTNERS LLC	225 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100002	225 E	HAWLEY	ST	HAWLEY PARTNERS LLC	225 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130108004	0 N	LAKE	ST	ILLINOIS DEPT OF TRANSPORTATION	201 W	CENTER	CT	SCHAUMBURG	IL	60196-1096
1119322020	210 E	HAWLEY	ST	J & L OIL INC #103	204	RTE 45		VERNON HILLS	IL	60061
1130109003	149 N	SEYMOUR	AVE	JIANHUA GUO & ZHIPING LU	2197	APPLE HILL	LN	BUFFALO GROVE	IL	60089-4668
1130109002	151 N	SEYMOUR	AVE	JOHN D. & WILLIE JO MORRISON	46 W	MAPLE	AVE	MUNDELEIN	IL	60060-1735
1119323022	436	MORRIS	AVE	JOHN KUNATH.	436	MORRIS	AVE	MUNDELEIN	IL	60060-1919
1119325001	409 N	CHICAGO	AVE	JOSE & AMERICA TOLOSA	409 N	CHICAGO	AVE	MUNDELEIN	IL	60060-1822
1119300014	300 E	PARK	ST	K. NELSON & K. BEHM	300 E	PARK	ST	MUNDELEIN	IL	60060-1968
1130108007	169 N	LAKE	ST	KEITH L. WEST	169 N	LAKE	ST	MUNDELEIN	IL	60060-0677
1119322019	128 E	HAWLEY	ST	LASALLE BANK	540 W	MADISON		CHICAGO	IL	60661-2591
1119322012	401 N	SEYMOUR	AVE	LASALLE BANK	540 W	MADISON		CHICAGO	IL	60661-2591
1130108002	75 E	DIVISION	ST	LOUIS F. & ROSE M. CAIRO	361	BANBURY	RD	MUNDELEIN	IL	60060-1108
1130100026	444 E	COURTLAND	ST	MARIANNA SCHLACHER	444	COURTLAND	ST	MUNDELEIN	IL	60060
1119325010	410 E	HAWLEY	ST	MATTHEW C. KEPS	3016 N	OKETO	AVE	CHICAGO	IL	60707-1202
1130108005	151 N	LAKE	ST	MCDONALDS CORPORATION #120347		PO BOX 66321 AMF O'HARE AIRPORT		CHICAGO	IL	60666
1119323009	428	MORRIS	AVE	MONCELLE	23761	TALON	CT	ANTIOCH	IL	60002-7523

Data Source: Lake County IL Tax Parcel Database (Provided to and uploaded by the Village of Mundelein on 07-24-04).

01/06/2005

Exhibit 1

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TIF DISTRICT PROPERTY OWNERSHIP

PIN	PARCEL ADDRESS	OWNER (BTN_NAME - TAX BILL RECIPIENT)	OWNER BTA_ADDRESS					
1119326002	403 N CHICAGO AVE	MONICA R. OROZCO	403 N	CHICAGO	AVE	MUNDELEIN	IL	60060-1822
1130100015	169 N SEYMOUR AVE	MUNDELEIN COUNTRYSIDE FIRE DEPT.	600 N	DEERPATH	DR	VERNON HILLS	IL	60061
1119322022	103 E PARK ST	NATIONAL CITY BANK	1	NATIONAL CITY	PKWY	KALAMAZOO	MI	49009-8003
1119323015	404 E HAWLEY ST	RAYMOND F. BAUERNSMITH	907 E	HAWLEY	ST	MUNDELEIN	IL	60060-1949
1119323023	318 E HAWLEY ST	RICHARD E. JENNINGS, TRUSTEE	3451	CHURCH	ST	EVANSTON	IL	60203-1621
1130109004	147 N SEYMOUR AVE	ROGAN STORES LLC	2675	4 1/2 MILE	RD	RACINE	WI	53402-1717
1130109001	155 N SEYMOUR AVE	SARAH & MICHAEL ZIMMERMAN	1701 W	DES PLAINES	AVE	PARK RIDGE	IL	60068
1119300020	0 MORRIS AVE	SCHAEFER PACKING CO.	416	MORRIS	AVE	MUNDELEIN	IL	60060-1919
1119300021	0 MORRIS AVE	SCHAEFER PACKING CO.	416	MORRIS	AVE	MUNDELEIN	IL	60060-1919
1119323018	416 MORRIS AVE	SCHAEFER PACKING CO.	416	MORRIS	AVE	MUNDELEIN	IL	60060-1919
1130102013	634 COUNTRYSIDE HWY	SCHOOL TRUSTEES OF DISTRICT 76	500	ACORN	LN	MUNDELEIN	IL	60060
1119322007	440 N CHICAGO AVE	STEVE & ADELE RAJKOVICH	440 N	CHICAGO	AVE	MUNDELEIN	IL	60060-1823
1130102008	0 ANTHONY AVE	THE GREEN HILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102009	0 ANTHONY AVE	THE GREEN HILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102045	421 E HAWLEY ST	THE GREEN HILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102006	500 MC KINLEY AVE	THE GREEN HILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102011	200 ANTHONY AVE	THE GREENHILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102010	279 ANTHONY AVE	THE GREENHILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102012	501 LANGE ST	THE GREENHILL CORPORATION	15521 W	ROCKLAND	RD	LIBERTYVILLE	IL	60048-9674
1130102004	0 E HAWLEY ST	U.S. POSTAL SERVICE	433 W	VAN BUREN	ST	CHICAGO	IL	60699
1119325011	0 E HAWLEY ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1119325012	0 E HAWLEY ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100008	0 N ARCHER AVE	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100016	0 E DIVISION ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100020	0 N SEYMOUR AVE	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100023	0 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100038	0 E DIVISION ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060-2400
1130109007	0 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130109011	0 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130100037	205 N ARCHER AVE	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060-2400
1119322008	434 N CHICAGO AVE	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130109008	440 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130109009	440 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1130109010	440 E CRYSTAL ST	VILLAGE OF MUNDELEIN	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1119322009	0 N CHICAGO AVE	VILLAGE PROPERTY	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1119322010	0 N CHICAGO AVE	VILLAGE PROPERTY	440 E	HAWLEY	ST	MUNDELEIN	IL	60060
1119300030	0 E MAPLE AVE	WISCONSIN CENTRAL LTD.	1420	RENAISSANCE	DR	PARK RIDGE	IL	60069
1130100027	0 E HAWLEY ST	WISCONSIN CENTRAL LTD.	1420	RENAISSANCE	DR	PARK RIDGE	IL	60068
1119321035	400 N SEYMOUR AVE	WON H & KUM OK KANG	8 E	DEVEAUX	CT	SOUTH BARRINGTON	IL	60010-7134

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Data Source: Lake County IL Tax Parcel Database (Provided to and uploaded by the Village of Mundelein on 07-24-04).

01/06/2005

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STATE OF ILLINOIS)
)
COUNTY OF LAKE)

FILED FOR RECORD BY:
MARY ELLEN VANDERVENTER
LAKE COUNTY, IL RECORDER
01/28/2005 - 11:27:11 A.M.
RECEIPT #: 205795
DRAWER #: 29

CERTIFICATE

I, Michael A. Flynn, certify that I am the duly appointed Acting Municipal Clerk for the Village of Mundelein, Lake County, Illinois.

I further certify that on January 10, 2005, the Corporate Authorities of such Village passed and approved

Ordinance No. 05-01-07

which is entitled

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, DESIGNATING THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA PURSUANT TO THE TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

which provides by its terms that it should be published in pamphlet form.

The pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof was prepared and a copy of such Ordinance was posted in the Village Hall commencing on January 11, 2005 and was posted for at least ten days thereafter.

Copies of such Ordinance are available for public inspection upon request in the office of the Village Clerk.

Dated at Mundelein, Illinois this 12th day of January, 2005.

Acting Village Clerk

JK

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ORDINANCE NO. 05-01-07

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, DESIGNATING THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA PURSUANT TO THE TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

Published in pamphlet form by authority
of the President and Board of Trustees
of the Village of Mundelein, Illinois

Date of Publication: January 11, 2005

5726141

ORDINANCE NO. 05-01-07

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, DESIGNATING THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA PURSUANT TO THE TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

WHEREAS, it is desirable and in the best interest of the citizens of the Village of Mundelein, Lake County, Illinois (the "Village"), for the Village to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the "Act"), for a proposed redevelopment plan and redevelopment project (the "Plan and Project") within the municipal boundaries of the Village and within a proposed redevelopment project area (the "Area") described in Section 1 of this Ordinance; and

WHEREAS, the Corporate Authorities have heretofore by ordinance approved the Plan and Project, which Plan and Project were identified in such ordinance and were the subject, along with the Area designation hereinafter made, of a public hearing held on December 27, 2004, and it is now necessary and desirable to designate the Area as a redevelopment project area pursuant to the Act.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Mundelein, Lake County, Illinois, as follows:

Section 1. Area Designated. That the Area, as legally described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference, is hereby designated as a redevelopment project area pursuant to Section 11-74.4-4 of the Act. The general street location for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

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Section 2. Invalidity of Any Section. That if any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 3. Superseder and Effective Date. That all ordinances, resolutions, motions, or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effect immediately upon its passage and approval as provided by law.

The foregoing Ordinance was passed by a roll call vote as follows:

AYES	NAYS	ABSENT AND/OR NOT VOTING
Trustee Sullivan Nutschnig Campbell Cancelli Semple	None	None

ABSTAIN: Trustee Voss

President

PASSED: January 10, 2005

APPROVED: January 10, 2005

PUBLISHED in pamphlet form: January 11, 2005

ATTEST: Acting Village Clerk

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EXHIBIT A

Downtown Mundelein TIF District
Legal Description
SEC Project No. MUND 040742-7
Prepared by: Donald G. Groesser, IPLS No. 3273
Dated: October 7, 2004, (Checked by Craig L. Duy, IPLS No. 3359)
Revised: October 15, 2004, (Checked by Thomas R. Krohn, IPLS No. 3000)

Part of the Southwest Quarter of Section 19 and part of the Northwest Quarter of Section 30, Township 44 North, Range 11 East of the Third Principal Meridian, together with part of the Northeast Quarter of Section 25, Township 44 North, Range 10 East of the Third Principal Meridian, described as follows: Commencing from the Northwest corner of said Section 30, according to the Plat of the Town of Holcomb, as recorded June 19, 1886 as Document No. 33999, of Book "A of Plats, Page 58, said point of commencement also being on the Westerly projection of the North right-of-way line of Hawley Street; thence East along said Westerly projection and North right-of-way line, a distance of 200 feet to the Southwest corner of Lot 23 in Block 2 of said Plat of the Town of Holcomb for the point of beginning of the parcel to be described; thence North along the West line of said Lot 23 and its Northerly projection, a distance of 170 feet to the Westerly projection of the Southerly line of Lot 17 in said Block 2; thence East along said Southerly line and Westerly projection, a distance of 160 feet to the Southeast corner of said Lot 17, said point also being on the West right-of-way of Seymour Avenue; thence North along said West right-of-way line, 315 feet to the Southeast corner of the North 35 feet of Lot 5 in said Block 2, said point also being the Northeast corner of Lot 1 in Poirier's Resubdivision, according to the plat thereof recorded October 30, 1992 as Document No. 3234665; thence West along the North line of said Lot 1 (also the South line of the North 35 feet of said Lot 5) and its Westerly projection, a distance of 170 feet to a point on the Easterly line of Lot 6 in said Block 2, also being the Westerly line of a 20 foot alley in said Block 2; thence North along said Westerly line of a 20 foot alley, a distance of 135 feet to the Northeast corner of Lot 2 in said Block 2, also being a point on the South right-of-way line of Park Street; thence North a distance of 80 feet to the Southeast corner of Lot 24 in Block 1 of aforesaid Plat of the Town of Holcomb, also being a point on the North right-of-way line of Park Street; thence East along said North right-of-way line, a distance of 170 feet to the Southeast corner of Lot 23 in said Block 1, also being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue; thence North along said West right-of-way line, a distance of 253.5 feet to a bend point in the East line of Lot 13 in said Block 1, said point also being the intersection of said West right-of-way line with the Southwest right-of-way of Chicago Avenue; thence Northwesterly along said Southwest right-of-way to the Northeast corner of Lot 1 in said Block 1, also being the intersection of said Southwest right-of-way line with the Southerly right-of-way line of Maple Avenue (also known as Maple Street); thence Northwesterly to the Southwest corner of Lot 27 in Killey's Subdivision, according to the plat thereof recorded March 28, 1927, as Document No. 296302, also being on the Northerly right-of-way line of Maple Avenue; thence Easterly, along said Northerly right-of-way line, a distance of 151.85 feet to the Southeast corner of Lot 30 in said Killey's Subdivion, also being the intersection of said Northerly right-of-way line with the Westerly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road); thence Easterly along said Northerly right-of-way line to the Southwest corner of Lot 66 in Mundelein Heights Subdivision, according to the plat thereof recorded March 26, 1925, as

Document No. 254438, also being the intersection of said Northerly right-of-way line with the Easterly right-of-way line of said Wisconsin Central Ltd Railroad; thence continuing Easterly along said Northerly right-of-way line to a point of curvature in the South line of Lot 1 in First Addition to Forest Heights Addition to Mundelein Subdivision, according to the plat thereof recorded February 16, 1973, as Document No. 1600448, in Book 50 of Plats, Page 54; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the point of intersection of said Northerly right-of-way line with the Northwesterly projection of the Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along said Northwesterly projection to the Northeast corner of Lot 3 in Block 5 of the aforesaid Plat of the Town of Holcomb, also being the intersection of the South right-of-way line of Maple Avenue with said Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along the Southwesterly Right-of-Way, a distance of 52 feet to the Northeast corner of the Southerly 50 feet of Lots 2 and 3 in said Block 5 (as measured perpendicular from the Southeasterly line of said Lot 3); thence along the Northerly line of said Southerly 50 feet to a point on the Southwesterly line of said Lot 2 in Block 5, also being a point on a line that lies parallel and/or concentric with and 106.50 feet normally distant Northeasterly from the center of the main tract of said Wisconsin Central Ltd., according to Deed Document No. 4577254; thence Southeasterly along said parallel line, being also the Southwesterly line of said Block 5, a distance of 66 feet to the Northwest corner of Lot 4 in said Block 5; thence Northeasterly along the Northwesterly line of said Lot 4 in Block 5, to a point that is 95 feet Southwesterly of the Northeast corner thereof, as measured along said Northwesterly line; thence Southeasterly parallel with the Southwesterly right-of-way line of Morris Avenue, a distance of 83 feet; thence Northeasterly a distance of 95.3 feet to the Southwesterly right-of-way line of Morris Avenue at a point 93 feet Southeasterly of the Northeast corner of said Lot 4 in Block 5; thence Northwesterly along said Southwesterly right-of-way line, and its Northwesterly projection to the aforesaid intersection of said Southwesterly right-of-way line with the Northerly right-of-way line of Maple Avenue; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the Southeast corner of Lot 5 in said in First Addition to Forest Heights Addition; thence Southeasterly to the intersection of the Southerly line of Maple Avenue with a line drawn 50 feet Easterly of and parallel with the Easterly line of Morris Avenue, according to Quit Claim Deed recorded May 21, 1996 as Document No. 3827416, said point also being the Northwest corner of Lot 8 in Holcomb's Subdivision, according to the plat thereof recorded May 16, 1908 as Document No. 117105; thence Southeast along said parallel line to the intersection of said parallel line with the North right-of-way line of Park Street, said point also being the Southwest corner of Lot 9 in said Holcomb's Subdivision; thence West along said North right-of-way line to the intersection of said North right-of-way line with the Easterly line of the Easterly twenty feet of vacated Morris Avenue, vacated per Document No. 1322193, recorded November 14, 1966; thence Southeast to the intersection of the South right-of-way of Park Street with the Westerly right-of-way line of Morris Avenue, being the Northwest corner of a parcel of land described in Deed Document No. 4461974; thence continuing along said Easterly right-of-way line, to a point 170.0 feet South of the South right-of-way line of Park Street, being the Northwest corner of a parcel of land described as Parcel 2 in Deed recorded December 31, 1987 as Document No. 2645130; thence along the North line of said parcel, being a line that is 170.0 feet South of and parallel with the South right-of-way line of Park Street, a distance of 215.05 to the Northeast corner of a parcel of land described as Parcel 3 in said Deed Document No. 2645130, said point being on the West right-of-way line of Laurel Avenue; thence East, a distance of 33.0 feet to the Northwest corner

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of Lot 81 in Mundelein Station Subdivision, according to the plat thereof recorded April 22, 1926 as Document No. 277507 in Book "P" of Plats, Pages 24 to 28, said point also being on the East right-of-way line of Laurel Avenue; thence South along said East right-of-way line, a distance of 366 feet to the Southwest corner of Lot 86 in said Mundelein Station Subdivision, also being a point on the North line of a 20 foot alley; thence East along the North line of said 20 foot alley, a distance of 374.33 feet to a bend point on the South line of Lot 91 in said Mundelein Station Subdivision; thence Southeasterly to the Northeast corner of Lot 104 in said Mundelein Station Subdivision; thence Southeasterly along the Northeasterly line of said Lot 104, a distance of 102.35 feet to the Southeast corner of said Lot 104, said point also being on the Northerly right-of-way line of Hawley Street; thence Southwesterly to the Northeast corner of Lot 2 in Herbert's Addition to Mundelein, according to the plat thereof recorded August 5, 1974 as Document No. 1674550 in Plat Book 52, Page 31, said point also being on the Southerly right-of-way of Hawley Street; thence Southeasterly along the Northeasterly line of said Lot 2, a distance of 180.90 feet to the Northwest corner of Lot 1 in said Herbert's Addition; thence continuing Southeasterly along the Southwesterly line of said Lot 1, a distance of 108.68 feet to the Southwest corner thereof, also being a point on the Northwesterly line of Lot 1 in DeTomasi's Industrial Subdivision, according to the plat thereof recorded June 13, 1956, as Document No. 911850, in Book 33 of Plats, Page 98; thence Northeasterly along the Southerly line of Lot 1 in said Herbert's Addition, being a non-tangent curve to the right, having a radius of 775.52 feet, a length of 116.03 feet to a point of tangency; thence continuing Northeasterly along said Southerly line, a distance of 0.88 feet to the Northeast corner of Lot 1 in said DeTomasi's Industrial Subdivision; thence Southeasterly along the Northeasterly line of said Lot 1, a distance of 140.76 feet to the Southeast corner thereof; thence continuing Southeasterly to the Northeast corner of the West half of Lot 170 in the aforesaid Mundelein Station Subdivision, said point also being on the Southeasterly right-of-way line of McKinley Avenue; thence Southwesterly along said Southeasterly right-of-way and its Southwesterly projection, a distance of 104.77 feet to a point on Northeasterly line of Lot 1 in Block 1 of DeTomasi's First Addition to Mundelein, according to the plat thereof recorded June 11, 1954, as Document No. 827022, thence Northwesterly along said Northeasterly line of Lot 1 to the Northeast corner thereof, said point also being on the Southerly right-of-way line of McKinley Avenue; thence Southwesterly, along the Northwesterly line of said Lot 1, a distance of 150.02 to the Northwest corner thereof, said point also being on the Northeasterly boundary line of aforesaid DeTomasi's Industrial Subdivision; thence Southeasterly, along said Northeasterly boundary line, and the Southwesterly line of Lots 1 through 11 in Block 1 of said DeTomasi's First Addition to Mundelein Station, a distance of 580 feet to the Southwest corner of said Lot 11, said point also being on the Northwesterly right-of-way line of Lange Street; thence continuing Southeasterly, a distance of 60.00 feet to the Northwest corner of Lot 1 in Block 2 of said DeTomasi's First Addition to Mundelein, said point also being on the Southeasterly right-of-way line of Lange Street; thence continuing Southeasterly along the Southwesterly line of Lots 1 through 18 in said Block 2, a distance of 942.44 feet to the Southwest corner of said Lot 18, said point also being on the Northwesterly right-of-way line of Countryside Highway; thence continuing Southeasterly along the Southeasterly projection of the Southwesterly line of said Lot 18 in Block 2, to a point on the Northwesterly line of Lot 3 in Unit A of Countryside Terrace Subdivision, according to the plat thereof recorded March 8, 1956, as Document No. 900312, in Book 1425 of Records, Page 209, said point also being on the Southeasterly right-of-way line of Countryside Highway; thence Southwesterly along said Southeasterly right-of-way line, being a non-tangent curve to

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the right, having a radius of 1294.58 feet, to the Southwest corner of Lot 1 in said Unit A, also being the intersection of said Southeasterly right-of-way line with the North right-of-way line of Noel Drive, per Unit B of Countryside Terrace Subdivision, according to the plat thereof recorded November 26, 1956, as Document No. 931747, in Book 33, Page 140; thence continuing Southwesterly, a distance of 117.8 feet along the aforesaid Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the South right-of-way line of said Noel Drive, also being the North most Northwest corner of the "Park" parcel in aforesaid Unit A of Countryside Terrace Subdivision; thence continuing Southwesterly, a distance of 120.0 feet, along said Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the Northeasterly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road) thence continuing Southwesterly to the Northeast corner of Lot 460 in Lakewood Heights, according to the plat thereof recorded December 5, 1925 as Document No. 270298, said point being the intersection of the Southwesterly right-of-way of the Minneapolis, St. Paul and Sault Sainte Railway Company with the Southeasterly right-of-way line of Hawthorn Boulevard; thence Southwesterly along the Southeasterly right-of-way line of Hawthorn Boulevard, a distance of 446.05 to a point of curvature of Lot 365 in said Lakewood Heights; thence Southwesterly to the Southeast corner of Lot 104 in said Lakewood Heights, said point being on the Westerly right-of-way line of Crystal Street; thence Northerly along said Westerly right-of-way line, a distance of 208.25 feet to the Northeast corner of Lot 102, said point also being the intersection of said Westerly right-of-way line with the South right-of-way line of Courtland Street; thence West along said South right-of-way line, a distance of 1441.65 feet to the Northeast corner of Lot 24 in said Lakewood Heights, said point being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence North to the point of intersection of the North right-of-way line of Courtland Street with the West right-of-way line of Seymour Avenue, according to the plat of dedication thereof recorded as Document No. 806385 in Book 1209 of Records, Page 53; thence North along said West right-of-way line to a point of curvature (said point being 398.65 feet North of the North line of Courtland Street as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the East, having a radius of 1744.71 feet, to a point of returning curvature (said point being 228.2 feet North of the last described point of curvature, as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the West, having a radius of 1624.71 feet, to a point on the South line (or Easterly projection thereof) of Lot 3 in Aleckson's Subdivision, according to the plat thereof recorded August 30, 1977 as Document No. 1861434; thence West along the South line of said Lot 3 (or Easterly projection thereof) to the Southwest corner of said Lot 3, said point being on the East right-of-way line of Lake Street; thence Westerly to a point on the West line of Lake Street, according to the plat thereof recorded February 13, 1933 as Document No. 388786, and its intersection with the South line of Lot 177 in Western Slope Subdivision of Mundelein, according to the plat thereof recorded May 9, 1925 as Document No. 257151; thence North along the West right-of-way line of Lake Street to the point of intersection of said West right-of-way line with the Westerly projection of the South line of Mundelein Police Station Resubdivision, according to the plat thereof recorded August 25, 2000 as Document No. 4572977; thence East, along said Westerly projection, a distance of 80 feet to the West most Southwest corner of said Mundelein Police Station Resubdivision; thence East along the South line thereof, a distance of 148.40 feet to the Northwest corner of a portion of an alley heretofore vacated per Ordinance recorded December 23, 2002 as Document No.

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5080350; thence South along the West line thereof, a distance of 122.77 feet to the Southwest corner of said vacated portion; thence East along the South line thereof, a distance of 20.00 feet to the Southeast corner thereof, being a point on a West line of aforesaid Mundelein Police Station Resubdivision; thence South along said West line, a distance of 20.00 feet to the Southwest corner thereof, said point also being on the North right-of-way line of Division Street; thence East along said North right-of-way line, a distance of 150.31 feet to the Southeast corner of said Mundelein Police Station Resubdivision, said point being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue (also known as Seymour Street); thence continuing East along said North right-of-way line, a distance of 80 feet to the Southwest corner of Lot 30 in West View Addition Subdivision, according to the plat thereof recorded June 9, 1922, as Document No. 212624 in Book L, Page 8, said point also being the intersection of said North right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing East along the aforesaid North right-of-way line, a distance of 266 feet to the Southeast corner of Lot 31 in said West View Addition Subdivision, also being the intersection of said North right-of-way line with the West right-of-way line of Archer Avenue; thence South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 33.2 feet to the centerline of Division Street; also being the Northwest corner of a parcel of land described in deed Document No. 5575804; thence continuing South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 245 feet to the Southwest corner of said parcel per Document No. 5575804, also being a point on the North line of Lot 2 in Piggly Wiggly Subdivision, according to the plat thereof recorded June 16, 1959 as Document No. 103398; thence East, along the South line of said parcel per Document No. 5575804, (also being the North line and Easterly projection of said Piggly Wiggly Subdivision and also the Piggly Wiggly Subdivision First Addition, according to the plat thereof recorded December 16, 1961, as Document No. 1133412, and also property per Document No. 993563) a distance of a 1208.6 feet to the Southeast corner of said parcel per Document No. 5575804, being the intersection of said South line with the Southwesterly right-of-way line of the Wisconsin Central Ltd. Railroad (formerly Minneapolis, St. Paul and Saulte Ste. Marie Railroad); thence Northwesterly along said Southwesterly right-of-way line, a distance of 280.8 feet to the Northeast corner of said parcel per Document No. 5575804; thence along the North boundary of said Parcel per Document No. 5575804, the following six (6) courses; West, parallel with the North line of the Northwest Quarter of aforesaid Section 30, a distance of 392.18 feet; thence North, a distance of 9.00; thence West, a distance of 440.11 feet to a point on a 285.50 foot radius curve; thence Southwesterly along said non-tangent curve to the right, a distance of 21.46 feet; thence continuing Westerly, along said curve to the right, a distance of 112.83 feet; thence West 109.98 feet to the West line of Archer Avenue extended South, being the Northwest corner of said parcel of land per Document No. 5575804; thence North, along said West line of Archer Avenue extended South, to the Southeast corner of the aforesaid Lot 31 in said West View Addition Subdivision; thence North along said West right-of-way line, a distance of 750 feet to the Northeast corner of Lot 60 in said West View Addition Subdivision, also being the intersection of said West right-of-way line with the South right-of-way line of Hammond Street; thence continuing North along the Northerly projection of said West right-of-way line, a distance of 66 feet to the South line of Lot 1 in Hawley Commons, according to the plat thereof recorded October 8, 1999 as Document No. 4432301; thence East along the South line thereof to the South most Southeast corner of said Lot 1; thence Northeast along the Southeast line thereof, a distance of 16.89 feet to the East most Southeast corner thereof; thence North along the East line thereof,

a distance of 388.00 feet to the Northeast corner thereof, said point also being on the South right-of-way line of Hawley Street; thence West, along said South right-of-way line, a distance of 449.00 feet to the Northwest corner of said Lot 1, also being the intersection of said South right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing West a distance of 80 feet to the Northeast corner of Lot 1 in Block 1 of Hammonds Addition to Rockefeller Subdivision, according to the plat thereof recorded April 2, 1895, as Document No. 61511, also being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence continuing West along said South right-of-way line, a distance of 160.00 feet to the intersection of said South right-of-way line with the center line of a 20 foot Alley, in said Block 1; thence North, a distance of 80 feet to the Point of Beginning, all in the Village of Mundelein, Lake County, Illinois.

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EXHIBIT B

The property proposed for designation as a Redevelopment Project Area is generally bounded by Maple Avenue on the north; Seymour Avenue on the west (north of Hawley Street) and Archer Avenue, Lake Street and Seymour Avenue on the west (south of Hawley Street); Morris Street on the east (north of Hawley Street) and the west property line, or its extension of properties located along rouse Avenue on the east (south of Hawley Street); and Courtland Street to the south. The property is more specifically described in the legal description attached as Exhibit A.

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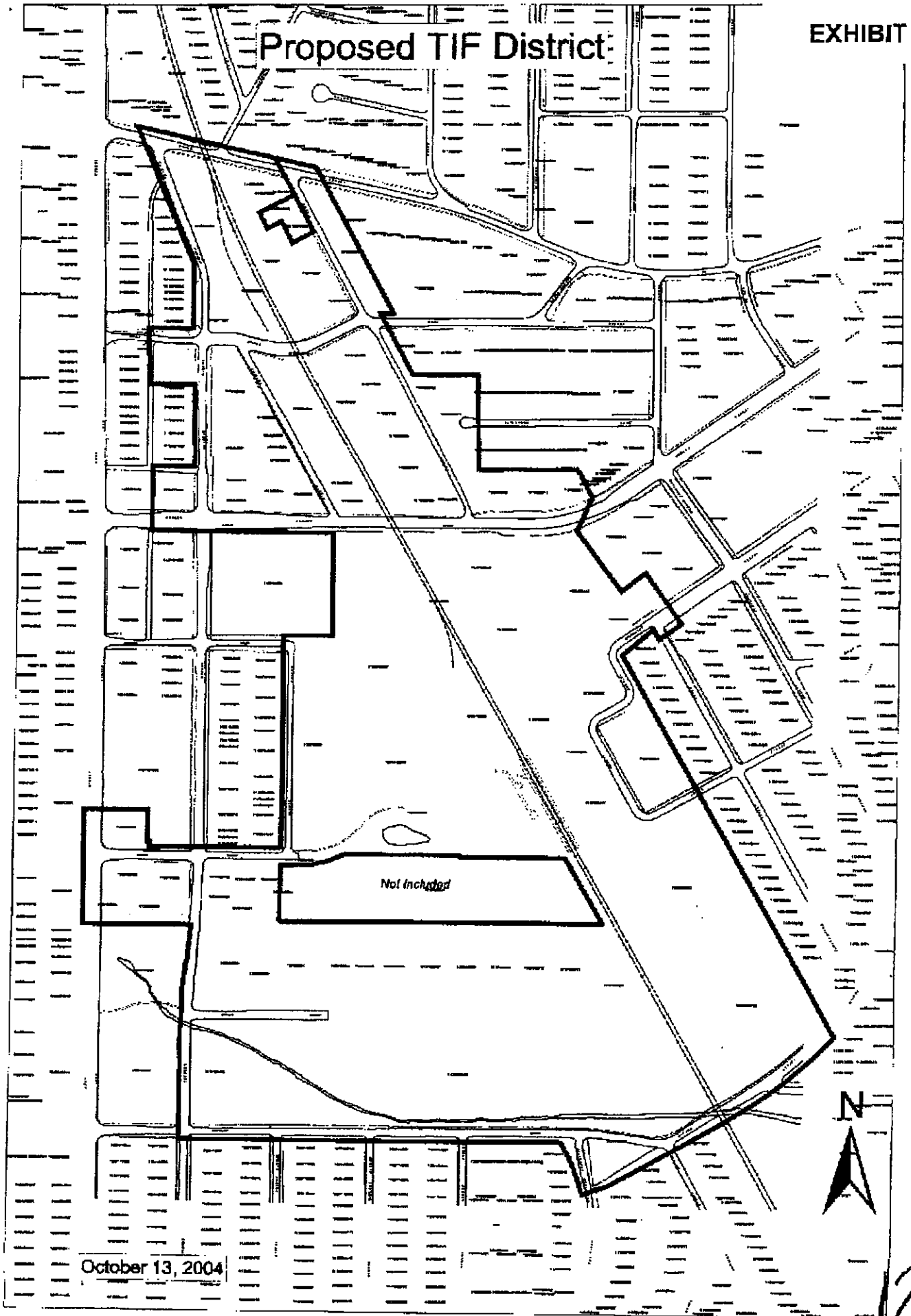
EXHIBIT C



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FILED FOR RECORD BY:
MARY ELLEN VANDERVENTER
LAKE COUNTY, IL RECORDER
01/28/2005 - 11:27:44 A.M.
RECEIPT #: 205795
DRAWER #: 29

STATE OF ILLINOIS)
)
COUNTY OF LAKE)

CERTIFICATE

I, Michael A. Flynn, certify that I am the duly appointed Acting Municipal Clerk for the Village of Mundelein, Lake County, Illinois.

I further certify that on January 10, 2005, the Corporate Authorities of such Village passed and approved

Ordinance No. 05-01-08

which is entitled

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, ADOPTING TAX INCREMENT ALLOCATION FINANCING FOR THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA

which provides by its terms that it should be published in pamphlet form.

The pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof was prepared and a copy of such Ordinance was posted in the Village Hall commencing on January 11, 2005 and was posted for at least ten days thereafter.

Copies of such Ordinance are available for public inspection upon request in the office of the Village Clerk.

Dated at Mundelein, Illinois this 12th day of January, 2005.

Acting Village Clerk

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ORDINANCE NO. 05-01-08

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, ADOPTING TAX INCREMENT ALLOCATION FINANCING FOR THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA

Published in pamphlet form by authority
of the President and Board of Trustees
of the Village of Mundelein, Illinois

Date of Publication: January 11, 2005

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ORDINANCE NO. 05-01-08

AN ORDINANCE OF THE VILLAGE OF MUNDELEIN, LAKE COUNTY, ILLINOIS, ADOPTING TAX INCREMENT ALLOCATION FINANCING FOR THE DOWNTOWN TIF REDEVELOPMENT PROJECT AREA

WHEREAS, it is desirable and in the best interest of the citizens of the Village of Mundelein, Lake County, Illinois (the "Village"), for the Village to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the "Act"); and

WHEREAS, the Village has heretofore approved a redevelopment plan and project (the "Plan and Project") as required by the Act by passage of an ordinance and has heretofore designated a redevelopment project area (the "Area") as required by the Act by the passage of an ordinance and has otherwise complied with all other conditions precedent required by the Act.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Mundelein, Lake County, Illinois, as follows:

Section 1. Tax Increment Financing Adopted. That tax increment allocation financing is hereby adopted to pay redevelopment project costs as defined in the Act and as set forth in the Plan and Project within the Area as legally described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference. The general street location for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted in Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

Section 2. Allocation of Ad Valorem Taxes. That pursuant to the Act, the ad valorem taxes, if any, arising from the levies upon taxable real property in the Area by taxing districts and tax rates determined in the manner provided in Section 11-74.4-9(c) of the Act each year after the effective date of this Ordinance until the Project costs and obligations issued in respect thereto have been paid shall be divided as follows:

a. That portion of taxes levied upon each taxable lot, block, tract, or parcel of real property that is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the

Area shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

b. That portion, if any, of such taxes that is attributable to the increase in the current equalized assessed valuation of each lot, block, tract, or parcel of real property in the Area shall be allocated to and when collected shall be paid to the municipal treasurer, who shall deposit said taxes into a special fund, hereby created, and designated the "Downtown TIF Redevelopment Project Area Special Tax Allocation Fund" of the Village and such taxes shall be used for the purpose of paying Project costs and obligations incurred in the payment thereof.

Section 3. Invalidity of Any Section. That if any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 4. Superseder and Effective Date. That all ordinances, resolutions, motions, or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effective immediately upon its passage by the Corporate Authorities and approval as provided by law.

The foregoing Ordinance was passed by a roll call vote as follows:

AYES	NAYS	ABSENT AND/OR NOT VOTING
Trustee Sullivan Nutschnig Campbell Cancelli Semple	None	None

ABSTAIN: Trustee Voss

President

PASSED: January 10, 2005

APPROVED: January 10, 2005

PUBLISHED in pamphlet form: January 11, 2005

ATTEST:

Acting Village Clerk

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EXHIBIT A

Downtown Mundelein TIF District
Legal Description
SEC Project No. MUND 040742-7
Prepared by: Donald G. Groesser, IPLS No. 3273
Dated: October 7, 2004, (Checked by Craig L. Duy, IPLS No. 3359)
Revised: October 15, 2004, (Checked by Thomas R. Krohn, IPLS No. 3000)

Part of the Southwest Quarter of Section 19 and part of the Northwest Quarter of Section 30, Township 44 North, Range 11 East of the Third Principal Meridian, together with part of the Northeast Quarter of Section 25, Township 44 North, Range 10 East of the Third Principal Meridian, described as follows: Commencing from the Northwest corner of said Section 30, according to the Plat of the Town of Holcomb, as recorded June 19, 1886 as Document No. 33999, of Book "A of Plats, Page 58, said point of commencement also being on the Westerly projection of the North right-of-way line of Hawley Street; thence East along said Westerly projection and North right-of-way line, a distance of 200 feet to the Southwest corner of Lot 23 in Block 2 of said Plat of the Town of Holcomb for the point of beginning of the parcel to be described; thence North along the West line of said Lot 23 and its Northerly projection, a distance of 170 feet to the Westerly projection of the Southerly line of Lot 17 in said Block 2; thence East along said Southerly line and Westerly projection, a distance of 160 feet to the Southeast corner of said Lot 17, said point also being on the West right-of-way of Seymour Avenue; thence North along said West right-of-way line, 315 feet to the Southeast corner of the North 35 feet of Lot 5 in said Block 2, said point also being the Northeast corner of Lot 1 in Poirier's Resubdivision, according to the plat thereof recorded October 30, 1992 as Document No. 3234665; thence West along the North line of said Lot 1 (also the South line of the North 35 feet of said Lot 5) and its Westerly projection, a distance of 170 feet to a point on the Easterly line of Lot 6 in said Block 2, also being the Westerly line of a 20 foot alley in said Block 2; thence North along said Westerly line of a 20 foot alley, a distance of 135 feet to the Northeast corner of Lot 2 in said Block 2, also being a point on the South right-of-way line of Park Street; thence North a distance of 80 feet to the Southeast corner of Lot 24 in Block 1 of aforesaid Plat of the Town of Holcomb, also being a point on the North right-of-way line of Park Street; thence East along said North right-of-way line, a distance of 170 feet to the Southeast corner of Lot 23 in said Block 1, also being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue; thence North along said West right-of-way line, a distance of 253.5 feet to a bend point in the East line of Lot 13 in said Block 1, said point also being the intersection of said West right-of-way line with the Southwest right-of-way of Chicago Avenue; thence Northwesterly along said Southwest right-of-way to the Northeast corner of Lot 1 in said Block 1, also being the intersection of said Southwest right-of-way line with the Southerly right-of-way line of Maple Avenue (also known as Maple Street); thence Northwesterly to the Southwest corner of Lot 27 in Killey's Subdivision, according to the plat thereof recorded March 28, 1927, as Document No. 296302, also being on the Northerly right-of-way line of Maple Avenue; thence Easterly, along said Northerly right-of-way line, a distance of 151.85 feet to the Southeast corner of Lot 30 in said Killey's Subdivion, also being the intersection of said Northerly right-of-way line with the Westerly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road); thence Easterly along said Northerly right-of-way line to the Southwest corner of Lot 66 in Mundelein Heights Subdivision, according to the plat thereof recorded March 26, 1925, as

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Document No. 254438, also being the intersection of said Northerly right-of-way line with the Easterly right-of-way line of said Wisconsin Central Ltd Railroad; thence continuing Easterly along said Northerly right-of-way line to a point of curvature in the South line of Lot 1 in First Addition to Forest Heights Addition to Mundelein Subdivision, according to the plat thereof recorded February 16, 1973, as Document No. 1600448, in Book 50 of Plats, Page 54; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the point of intersection of said Northerly right-of-way line with the Northwesterly projection of the Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along said Northwesterly projection to the Northeast corner of Lot 3 in Block 5 of the aforesaid Plat of the Town of Holcomb, also being the intersection of the South right-of-way line of Maple Avenue with said Southwesterly right-of-way line of Morris Avenue; thence Southeasterly along the Southwesterly Right-of-Way, a distance of 52 feet to the Northeast corner of the Southerly 50 feet of Lots 2 and 3 in said Block 5 (as measured perpendicular from the Southeasterly line of said Lot 3); thence along the Northerly line of said Southerly 50 feet to a point on the Southwesterly line of said Lot 2 in Block 5, also being a point on a line that lies parallel and/or concentric with and 106.50 feet normally distant Northeasterly from the center of the main tract of said Wisconsin Central Ltd., according to Deed Document No. 4577254; thence Southeasterly along said parallel line, being also the Southwesterly line of said Block 5, a distance of 66 feet to the Northwest corner of Lot 4 in said Block 5; thence Northeasterly along the Northwesterly line of said Lot 4 in Block 5, to a point that is 95 feet Southwesterly of the Northeast corner thereof, as measured along said Northwesterly line; thence Southeasterly parallel with the Southwesterly right-of-way line of Morris Avenue, a distance of 83 feet; thence Northeasterly a distance of 95.3 feet to the Southwesterly right-of-way line of Morris Avenue at a point 93 feet Southeasterly of the Northeast corner of said Lot 4 in Block 5; thence Northwesterly along said Southwesterly right-of-way line, and its Northwesterly projection to the aforesaid intersection of said Southwesterly right-of-way line with the Northerly right-of-way line of Maple Avenue; thence Easterly continuing along the aforesaid Northerly right-of-way line, to the Southeast corner of Lot 5 in said in First Addition to Forest Heights Addition; thence Southeasterly to the intersection of the Southerly line of Maple Avenue with a line drawn 50 feet Easterly of and parallel with the Easterly line of Morris Avenue, according to Quit Claim Deed recorded May 21, 1996 as Document No. 3827416, said point also being the Northwest corner of Lot 8 in Holcomb's Subdivision, according to the plat thereof recorded May 16, 1908 as Document No. 117105; thence Southeast along said parallel line to the intersection of said parallel line with the North right-of-way line of Park Street, said point also being the Southwest corner of Lot 9 in said Holcomb's Subdivision; thence West along said North right-of-way line to the intersection of said North right-of-way line with the Easterly line of the Easterly twenty feet of vacated Morris Avenue, vacated per Document No. 1322193, recorded November 14, 1966; thence Southeast to the intersection of the South right-of-way of Park Street with the Westerly right-of-way line of Morris Avenue, being the Northwest corner of a parcel of land described in Deed Document No. 4461974; thence continuing along said Easterly right-of-way line, to a point 170.0 feet South of the South right-of-way line of Park Street, being the Northwest corner of a parcel of land described as Parcel 2 in Deed recorded December 31, 1987 as Document No. 2645130; thence along the North line of said parcel, being a line that is 170.0 feet South of and parallel with the South right-of-way line of Park Street, a distance of 215.05 to the Northeast corner of a parcel of land described as Parcel 3 in said Deed Document No. 2645130, said point being on the West right-of-way line of Laurel Avenue; thence East, a distance of 33.0 feet to the Northwest corner

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of Lot 81 in Mundelein Station Subdivision, according to the plat thereof recorded April 22, 1926 as Document No. 277507 in Book "P" of Plats, Pages 24 to 28, said point also being on the East right-of-way line of Laurel Avenue; thence South along said East right-of-way line, a distance of 366 feet to the Southwest corner of Lot 86 in said Mundelein Station Subdivision, also being a point on the North line of a 20 foot alley; thence East along the North line of said 20 foot alley, a distance of 374.33 feet to a bend point on the South line of Lot 91 in said Mundelein Station Subdivision; thence Southeasterly to the Northeast corner of Lot 104 in said Mundelein Station Subdivision; thence Southeasterly along the Northeasterly line of said Lot 104, a distance of 102.35 feet to the Southeast corner of said Lot 104, said point also being on the Northerly right-of-way line of Hawley Street; thence Southwesterly to the Northeast corner of Lot 2 in Herbert's Addition to Mundelein, according to the plat thereof recorded August 5, 1974 as Document No. 1674550 in Plat Book 52, Page 31, said point also being on the Southerly right-of-way of Hawley Street; thence Southeasterly along the Northeasterly line of said Lot 2, a distance of 180.90 feet to the Northwest corner of Lot 1 in said Herbert's Addition; thence continuing Southeasterly along the Southwesterly line of said Lot 1, a distance of 108.68 feet to the Southwest corner thereof, also being a point on the Northwesterly line of Lot 1 in DeTomasi's Industrial Subdivision, according to the plat thereof recorded June 13, 1956, as Document No. 911850, in Book 33 of Plats, Page 98; thence Northeasterly along the Southerly line of Lot 1 in said Herbert's Addition, being a non-tangent curve to the right, having a radius of 775.52 feet, a length of 116.03 feet to a point of tangency; thence continuing Northeasterly along said Southerly line, a distance of 0.88 feet to the Northeast corner of Lot 1 in said DeTomasi's Industrial Subdivision; thence Southeasterly along the Northeasterly line of said Lot 1, a distance of 140.76 feet to the Southeast corner thereof; thence continuing Southeasterly to the Northeast corner of the West half of Lot 170 in the aforesaid Mundelein Station Subdivision, said point also being on the Southeasterly right-of-way line of McKinley Avenue; thence Southwesterly along said Southeasterly right-of-way and its Southwesterly projection, a distance of 104.77 feet to a point on Northeasterly line of Lot 1 in Block 1 of DeTomasi's First Addition to Mundelein, according to the plat thereof recorded June 11, 1954, as Document No. 827022, thence Northwesterly along said Northeasterly line of Lot 1 to the Northeast corner thereof, said point also being on the Southerly right-of-way line of McKinley Avenue; thence Southwesterly, along the Northwesterly line of said Lot 1, a distance of 150.02 to the Northwest corner thereof, said point also being on the Northeasterly boundary line of aforesaid DeTomasi's Industrial Subdivision; thence Southeasterly, along said Northeasterly boundary line, and the Southwesterly line of Lots 1 through 11 in Block 1 of said DeTomasi's First Addition to Mundelein Station, a distance of 580 feet to the Southwest corner of said Lot 11, said point also being on the Northwesterly right-of-way line of Lange Street; thence continuing Southeasterly, a distance of 60.00 feet to the Northwest corner of Lot 1 in Block 2 of said DeTomasi's First Addition to Mundelein, said point also being on the Southeasterly right-of-way line of Lange Street; thence continuing Southeasterly along the Southwesterly line of Lots 1 through 18 in said Block 2, a distance of 942.44 feet to the Southwest corner of said Lot 18, said point also being on the Northwesterly right-of-way line of Countryside Highway; thence continuing Southeasterly along the Southeasterly projection of the Southwesterly line of said Lot 18 in Block 2, to a point on the Northwesterly line of Lot 3 in Unit A of Countryside Terrace Subdivision, according to the plat thereof recorded March 8, 1956, as Document No. 900312, in Book 1425 of Records, Page 209, said point also being on the Southeasterly right-of-way line of Countryside Highway; thence Southwesterly along said Southeasterly right-of-way line, being a non-tangent curve to

the right, having a radius of 1294.58 feet, to the Southwest corner of Lot 1 in said Unit A, also being the intersection of said Southeasterly right-of-way line with the North right-of-way line of Noel Drive, per Unit B of Countryside Terrace Subdivision, according to the plat thereof recorded November 26, 1956, as Document No. 931747, in Book 33, Page 140; thence continuing Southwesterly, a distance of 117.8 feet along the aforesaid Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the South right-of-way line of said Noel Drive, also being the North most Northwest corner of the "Park" parcel in aforesaid Unit A of Countryside Terrace Subdivision; thence continuing Southwesterly, a distance of 120.0 feet, along said Southeasterly right-of-way line, being a curve to the right, with a radius of 1294.58 feet, to its intersection with the Northeasterly right-of-way line of the Wisconsin Central Ltd Railroad (formerly Soo Line Railroad, Minneapolis, St. Paul and Sault Sainte Marie Rail Road) thence continuing Southwesterly to the Northeast corner of Lot 460 in Lakewood Heights, according to the plat thereof recorded December 5, 1925 as Document No. 270298, said point being the intersection of the Southwesterly right-of-way of the Minneapolis, St. Paul and Sault Sainte Railway Company with the Southeasterly right-of-way line of Hawthorn Boulevard; thence Southwesterly along the Southeasterly right-of-way line of Hawthorn Boulevard, a distance of 446.05 to a point of curvature of Lot 365 in said Lakewood Heights; thence Southwesterly to the Southeast corner of Lot 104 in said Lakewood Heights, said point being on the Westerly right-of-way line of Crystal Street; thence Northerly along said Westerly right-of-way line, a distance of 208.25 feet to the Northeast corner of Lot 102, said point also being the intersection of said Westerly right-of-way line with the South right-of-way line of Courtland Street; thence West along said South right-of-way line, a distance of 1441.65 feet to the Northeast corner of Lot 24 in said Lakewood Heights, said point being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence North to the point of intersection of the North right-of-way line of Courtland Street with the West right-of-way line of Seymour Avenue, according to the plat of dedication thereof recorded as Document No. 806385 in Book 1209 of Records, Page 53; thence North along said West right-of-way line to a point of curvature (said point being 398.65 feet North of the North line of Courtland Street as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the East, having a radius of 1744.71 feet, to a point of returning curvature (said point being 228.2 feet North of the last described point of curvature, as measured along the East line of Seymour Avenue); thence Northerly along a curve concave to the West, having a radius of 1624.71 feet, to a point on the South line (or Easterly projection thereof) of Lot 3 in Aleckson's Subdivision, according to the plat thereof recorded August 30, 1977 as Document No. 1861434; thence West along the South line of said Lot 3 (or Easterly projection thereof) to the Southwest corner of said Lot 3, said point being on the East right-of-way line of Lake Street; thence Westerly to a point on the West line of Lake Street, according to the plat thereof recorded February 13, 1933 as Document No. 388786, and its intersection with the South line of Lot 177 in Western Slope Subdivision of Mundelein, according to the plat thereof recorded May 9, 1925 as Document No. 257151; thence North along the West right-of-way line of Lake Street to the point of intersection of said West right-of-way line with the Westerly projection of the South line of Mundelein Police Station Resubdivision, according to the plat thereof recorded August 25, 2000 as Document No. 4572977; thence East, along said Westerly projection, a distance of 80 feet to the West most Southwest corner of said Mundelein Police Station Resubdivision; thence East along the South line thereof, a distance of 148.40 feet to the Northwest corner of a portion of an alley heretofore vacated per Ordinance recorded December 23, 2002 as Document No.

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5080350; thence South along the West line thereof, a distance of 122.77 feet to the Southwest corner of said vacated portion; thence East along the South line thereof, a distance of 20.00 feet to the Southeast corner thereof, being a point on a West line of aforesaid Mundelein Police Station Resubdivision; thence South along said West line, a distance of 20.00 feet to the Southwest corner thereof, said point also being on the North right-of-way line of Division Street; thence East along said North right-of-way line, a distance of 150.31 feet to the Southeast corner of said Mundelein Police Station Resubdivision, said point being the intersection of said North right-of-way line with the West right-of-way line of Seymour Avenue (also known as Seymour Street); thence continuing East along said North right-of-way line, a distance of 80 feet to the Southwest corner of Lot 30 in West View Addition Subdivision, according to the plat thereof recorded June 9, 1922, as Document No. 212624 in Book L, Page 8, said point also being the intersection of said North right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing East along the aforesaid North right-of-way line, a distance of 266 feet to the Southeast corner of Lot 31 in said West View Addition Subdivision, also being the intersection of said North right-of-way line with the West right-of-way line of Archer Avenue; thence South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 33.2 feet to the centerline of Division Street; also being the Northwest corner of a parcel of land described in deed Document No. 5575804; thence continuing South along the Southerly projection of the West right-of-way line of Archer Avenue, a distance of 245 feet to the Southwest corner of said parcel per Document No. 5575804, also being a point on the North line of Lot 2 in Piggly Wiggly Subdivision, according to the plat thereof recorded June 16, 1959 as Document No. 103398; thence East, along the South line of said parcel per Document No. 5575804, (also being the North line and Easterly projection of said Piggly Wiggly Subdivision and also the Piggly Wiggly Subdivision First Addition, according to the plat thereof recorded December 16, 1961, as Document No. 1133412, and also property per Document No. 993563) a distance of a 1208.6 feet to the Southeast corner of said parcel per Document No. 5575804, being the intersection of said South line with the Southwesterly right-of-way line of the Wisconsin Central Ltd. Railroad (formerly Minneapolis, St. Paul and Saulte Ste. Marie Railroad); thence Northwesterly along said Southwesterly right-of-way line, a distance of 280.8 feet to the Northeast corner of said parcel per Document No. 5575804; thence along the North boundary of said Parcel per Document No. 5575804, the following six (6) courses; West, parallel with the North line of the Northwest Quarter of aforesaid Section 30, a distance of 392.18 feet; thence North, a distance of 9.00; thence West, a distance of 440.11 feet to a point on a 285.50 foot radius curve; thence Southwesterly along said non-tangent curve to the right, a distance of 21.46 feet; thence continuing Westerly, along said curve to the right, a distance of 112.83 feet; thence West 109.98 feet to the West line of Archer Avenue extended South, being the Northwest corner of said parcel of land per Document No. 5575804; thence North, along said West line of Archer Avenue extended South, to the Southeast corner of the aforesaid Lot 31 in said West View Addition Subdivision; thence North along said West right-of-way line, a distance of 750 feet to the Northeast corner of Lot 60 in said West View Addition Subdivision, also being the intersection of said West right-of-way line with the South right-of-way line of Hammond Street; thence continuing North along the Northerly projection of said West right-of-way line, a distance of 66 feet to the South line of Lot 1 in Hawley Commons, according to the plat thereof recorded October 8, 1999 as Document No. 4432301; thence East along the South line thereof to the South most Southeast corner of said Lot 1; thence Northeast along the Southeast line thereof, a distance of 16.89 feet to the East most Southeast corner thereof; thence North along the East line thereof,

a distance of 388.00 feet to the Northeast corner thereof, said point also being on the South right-of-way line of Hawley Street; thence West, along said South right-of-way line, a distance of 449.00 feet to the Northwest corner of said Lot 1, also being the intersection of said South right-of-way line with the East right-of-way line of Seymour Avenue; thence continuing West a distance of 80 feet to the Northeast corner of Lot 1 in Block 1 of Hammonds Addition to Rockefeller Subdivision, according to the plat thereof recorded April 2, 1895, as Document No. 61511, also being the intersection of said South right-of-way line with the West right-of-way line of Seymour Avenue; thence continuing West along said South right-of-way line, a distance of 160.00 feet to the intersection of said South right-of-way line with the center line of a 20 foot Alley, in said Block 1; thence North, a distance of 80 feet to the Point of Beginning, all in the Village of Mundelein, Lake County, Illinois.

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EXHIBIT B

The property proposed for designation as a Redevelopment Project Area is generally bounded by Maple Avenue on the north; Seymour Avenue on the west (north of Hawley Street) and Archer Avenue, Lake Street and Seymour Avenue on the west (south of Hawley Street); Morris Street on the east (north of Hawley Street) and the west property line, or its extension of properties located along rouse Avenue on the east (south of Hawley Street); and Courtland Street to the south. The property is more specifically described in the legal description attached as Exhibit A.

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EXHIBIT C

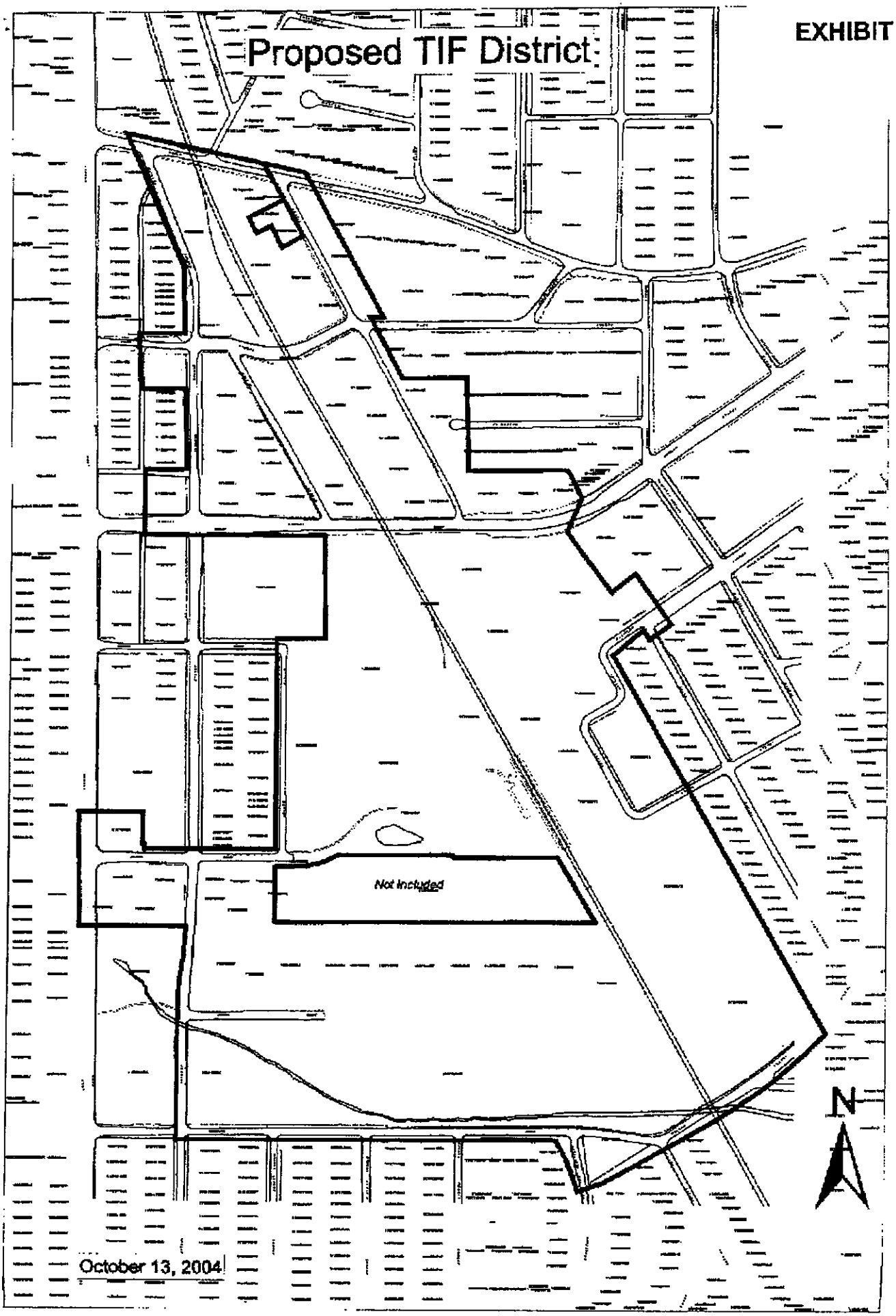

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EXHIBIT B

Exhibit B

Redevelopment Agreements

AFTER RECORDING
RETURN TO:

John A. Lobaito
Village of Mundelein
440 East Hawley Street
Mundelein, Illinois 60060

Image# 0402885500110 Type: AGR
Recorded: 09/26/2006 at 12:37:54 PM
Receipt#: 2006-00008393
Total Amt: $146.00 Page 1 of 110
IL Rental Housing Fund: $10.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder
File 6063172

THIS SPACE FOR RECORDER'S USE ONLY

REDEVELOPMENT AGREEMENT
by and between
THE VILLAGE OF MUNDELEIN
and
NEW URBAN MUNDELEIN, L.L.C.

(PARK STATION)

DATED AS OF July 10, 2006

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REDEVELOPMENT AGREEMENT
BY AND BETWEEN THE VILLAGE OF MUNDELEIN AND
NEW URBAN MUNDELEIN, L.L.C.

(PARK STATION)

THIS AGREEMENT is dated as of the ____ day of _____, 2006, and is between the VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation (*"Village"*) and NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company (*"Owner"*).

IN CONSIDERATION OF the recitals, mutual covenants, and agreements set forth in this Agreement, and pursuant to the Village's home rule powers, the parties agree as follows:

SECTION 1. RECITALS.[1]

A. The Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the Village and its inhabitants, to prevent the spread of blight, to encourage private development to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes.

B. The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, (*"TIF Act"*) as amended, to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act.

C. To stimulate and induce redevelopment pursuant to the TIF Act, the Village has, after giving all notices required by law and after conducting all public hearings required by law, adopted the TIF Ordinances.

D. The downtown redevelopment project area that is the subject of the TIF Ordinances includes the Property, which is the subject of this Agreement and consists of approximately 1.479 acres located within the Village's downtown area.

E. The Owner is, or will be, the sole owner of the Property and intends to hold the Property and subsequently sell the Property, or portions thereof, to one or more Developers, Approved Assignees, or Townhome purchasers.

F. The Property currently is zoned in the Village's M-1 Medium Light Industrial District.

G. The Owner and Village desire that the Property be improved and redeveloped by the Owner and one or more Developers or Approved Assignees for a

[1] All defined terms are defined in (i) Section 2; and/or (ii) within the body of this Agreement.

transit-oriented multi-family residential development consisting of three Buildings containing a total of 27 Townhome Units and other Improvements, all subject to the requirements and conditions of this Agreement ("*Redevelopment Project*").

H. To permit the development of the Redevelopment Project on the Property, the Owner seeks to rezone the Property into the Village's R-8 Multiple-Family Dwelling District and has filed an application for rezoning and for approval of a planned unit development ("*PUD*").

I. In connection with the PUD application, the Owner has filed with the Village a Development Concept Plan (as defined herein).

J. Pursuant to notice published in the *News-Sun* on August 9, 2005, as provided by Requirements of Law, a public hearing was held by the Village Plan Commission commencing on August 24, 2005.

K. On August 24, 2005, the Plan Commission recommended approval of (i) an amendment to the Village zoning map to classify the Property within the Village's R-8 Multiple-Family Dwelling District; (ii) the Development Concept Plan; and (iii) a special use permit for a PUD.

L. The Owner or one or more Developers or Approved Assignees have entered into contracts or will enter into contracts for the construction of the Public Improvements necessary to serve the Property.

M. The Village and the Owner propose to provide for the joint financing of certain Redevelopment Project Costs (as defined here and in the TIF Act, 65 ILCS 5/11-74.4-3(q)), namely, certain costs of property acquisition, site preparation, environmental remediation, demolition, and construction of certain Public Improvements, all of which will serve a public purpose and are necessary to foster redevelopment of the Property.

N. It is necessary for the successful completion of the Redevelopment Project that the Village enter into this Agreement with the Owner.

O. It is economically infeasible for the Owner or a Developer or Approved Assignee to undertake the Redevelopment Project or otherwise redevelop the Property without certain TIF assistance from the Village which the Village has been, and continues to be, willing to provide under the terms and conditions contained in this Agreement.

P. The Corporate Authorities have determined that it is desirable and in the Village's best interests to assist the Owner or a Developer or Approved Assignee in the manner set forth herein.

Q. The Village is desirous of having the Property developed for the uses described in this Agreement (i) to eliminate certain factors and characteristics found in the Property which, if unabated may cause the Property to be a blighted

area; (ii) to serve the needs of the Village; and (iii) to produce increased tax revenues for the various taxing districts authorized to levy taxes within the Property.

R. To stimulate and induce the development of the Property, the Village has agreed to finance certain Redevelopment Project Costs through TIF revenues and through the issuance of the Note, all in accordance with the terms and provisions of the TIF Act and this Agreement.

S. The Owner and the Village desire to establish by this Agreement terms for the redevelopment of the Property including, among other matters, the construction and installation of the required Improvements.

T. The Owner and the Village desire that the Property be developed and used only in compliance with this Agreement and in compliance with the Requirements of Law.

U. After due and careful consideration, the Corporate Authorities have concluded that the zoning, subdivision, and development of the Property in accordance with the terms and conditions set forth in this Agreement, will promote sound planning, increase the taxable value of property within the Village, better enable the Village to control the development of the area, and otherwise promote, enhance, and serve the best interests and general welfare of the Village and its citizens.

SECTION 2. DEFINITIONS; RULES OF CONSTRUCTION.

A. Definitions. Whenever used in this Agreement, the following terms shall have the following meanings:

"Adjacent Lots": Those two certain parcels of real property with common addresses of 403 North Chicago and 409 North Chicago, Mundelein, Illinois.

Appearance Review Commission": The Appearance Review Commission of the Village, established by Section 2.39.020 of the Village Code, as the same has been and may, from time to time hereafter, be amended.

"Appearance Review Plans": Building materials, and plans detailing the exterior appearance, and exterior building materials and landscaping, for all the Buildings, including the Townhome Units, and all other information required by the Village Code for Appearance Review Commission approval.

"Approved Documents": This Agreement and all of the following documents authorizing the development of the Redevelopment Project that have been, or will be, approved by the Village in accordance with the Village Code: (i) the Zoning And Special Use Ordinance; (ii) the Final Plat; (iii) the Final Plan; (iv) the Final Engineering Plans; (v) the Final Landscaping Plans; (vi) the Appearance Review

Plans; (vii) the Streetscape Improvement Plan; and (viii) any document or approval required by Requirements of Law.

"Bank": A bank, as defined in Section 3(a)(2) of the Federal Securities Act of 1933.

"Building Code": Chapter 16, entitled "Buildings and Construction," of the Village Code, as the same has been and may, from time to time hereafter, be amended.

"Change in Law": The occurrence, after the Effective Date, of an event described in Section (a) below, unless such event is excluded pursuant to Section (b) or Section (c) below:

(a) Change in Law means any of the following: (i) the enactment, adoption, or modification of any applicable federal, state, or local law, ordinance, code, rule, or regulation (other than by the Village); (ii) the order or judgment of any federal or state court, administrative agency, or other governmental body; (iii) the imposition by a governmental authority (other than the Village) 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, by a governmental authority (other than the Village)) necessary for the undertaking of the services to be performed under this Agreement; or (iv) the adoption, promulgation, modification, or interpretation in writing of a written guideline or policy statement by a governmental agency (other than the Village).

(b) An event described in Section (a) above shall not be a Change in Law unless the event materially changes the costs or ability of the party relying thereon to carry out its obligations under this Agreement.

(c) An event that would otherwise be a Change in Law pursuant to Section (a) and Section (b) above shall not be a Change in Law if the event is caused by the fault of the party relying thereon.

"Common Areas": Those certain portions of the Property owned in common by the owners, and any successive owners, of the Townhome Units, including, without limitation, (i) the private off-street parking area located east of the Buildings, (but not parking areas within any public right of way); (ii) ingress and egress driveways; (iii) pedestrian entrances to the Buildings, including sidewalks and porches (but not sidewalks located within any public right of way); and (iv) the landscaped areas at the north end of Building 1, between Buildings 1 and 2, between Buildings 2 and 3, at the south end of Building 3, within the parking islands in the off-street parking area, between the off-street parking area and the

right of way of the Wisconsin Central Limited Railroad, and in front of (on the east sides of) Buildings 1, 2, and 3, all as depicted in the Preliminary Landscaping Plan.

"Owners Association": The association created pursuant to a declaration conforming to the requirements of Section 8 of this Agreement.

"Buildings": The three residential buildings to be constructed on the Property, which are identified in the Development Concept Plan and will be identified in the Final Plan.

"Corporate Authorities": The President and Board of Trustees of the Village.

"Developer": An entity or person that (i) is formed for the purpose of developing the Property or one or more portions thereof and (ii) directly or indirectly (a) controls Owner; (b) is controlled by Owner; or (c) is controlled by the same entity that controls Owner.

"Development Concept Plan": Those certain plans and specifications for the Property copies of which are attached as ***Exhibit 1*** to this Agreement and comprised of the following documents:

1. ALTA/ACSM Land Title Survey prepared by R.E. Allen and Associates Ltd. consisting of one page dated September 20, 2004 ("*Survey*");

2. Site Analysis prepared by Spaceco Inc. consisting of one sheet dated August 4, 2005;

3. Preliminary PUD Site Plan prepared by Spaceco Inc. consisting of one sheet dated April 4, 2006 ("*Preliminary Site Plan*");

4. Preliminary Engineering Plan prepared by Spaceco Inc. consisting of one sheet dated April 4, 2006 ("*Preliminary Engineering Plan*");

5. Preliminary Landscaping Plan; and

6. Elevation plans and floor plans prepared by Sullivan Goulette Architects consisting of six sheets dated June 27, 2005 ("*Elevation Plans*").

"Effective Date": The date of execution of this Agreement by all parties hereto, which date shall be deemed to be the date set forth in the first paragraph of Page 1 of this Agreement.

"Final Engineering Plans": The final engineering plans for the Redevelopment Project that receive the approval of the Village Engineer pursuant to Section 3.B.5 of this Agreement and the Requirements of Law; which plans shall include without limitation civil utility plans, site utility plan, site utility studies, site drainage plans, site utility calculations, soil erosion and sedimentation control plans for areas under development, and any other documents that are required for

the issuance of a Watershed Development Permit under Village Laws. Upon such approval, the Final Engineering Plans shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement and the Final Plan.

"Final Landscaping Plans": The final landscaping plans for the Redevelopment Project that receive the approval of the Appearance Review Commission pursuant to Section 3.B.4 of this Agreement and the Requirements of Law, which plans shall include without limitation an overall landscape plan and parking plan. Upon such approval, (a) the Final Landscaping Plan shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement; and (b) the Final Landscaping Plan shall, for all purposes in this Agreement, supersede the Preliminary Landscaping Plan.

"Final Plan": The final PUD plan for the Redevelopment Project that complies with the PUD Chapter, including Section 20.49.050 thereof, and that receives the approval of the Corporate Authorities pursuant to Section 3.B.2 of this Agreement and the Requirements of Law. Upon such approval, (a) the Final Plan shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement; and (b) the Final Plan shall supersede the Development Concept Plan.

"Final Plat": The final plat providing for the consolidation and resubdivision of the entire Property that is approved by the Corporate Authorities pursuant to Section 3.B.1 of this Agreement and the Requirements of Law.

"Improvements": Public Improvement and Private Improvements.

"Incremental Property Taxes": The ad valorem taxes, if any, arising from the taxes levied upon the Property, which taxes are attributable to the increases in the then current equalized assessed valuation ("*EAV*") of each taxable lot, block, tract, or parcel in the Property over and above the total Initial EAV of each such lot, block, tract, or parcel of real property, all as determined by the County Clerk of Lake County, Illinois, pursuant to and in accordance with the TIF Act, the TIF Ordinances and this Agreement.

"Initial EAV": The "initial equalized assessed value" (as defined in Section 11-74.4-9 of the TIF Act) of the Property.

"Note": A promissory note to provide for the reimbursement to the Owner of approved Redevelopment Project Costs (as defined in Section 10) that Owner will pay or has paid, the terms of which shall be consistent with this Agreement and otherwise mutually agreed to by the Parties. The Note shall have an initial principal of $331,000.00, which principal may be increased as provided in Section 10.F.

"Note Ordinance": An ordinance to be enacted by the Village determining and authorizing the issuance of the Note for payment of approved Redevelopment Project Costs, in accordance with the terms of this Agreement, and such other terms as are acceptable to the Village and the Owner.

"Plan Commission": The Plan Commission of the Village, established by Section 18.04.010 of the Village of Mundelein Municipal Code, as the same has been and may, from time to time hereafter, be amended.

"Preliminary Landscaping Plan" Landscape Plan prepared by Gary R. Weber Associates, Inc. consisting of one sheet dated June 27, 2005;

"Preliminary Plat": The preliminary plat of subdivision, providing for the consolidation and resubdivision of the entire Property, which is attached hereto as *Exhibit 8*.

"Private Improvements": The privately owned improvements to be constructed within the Property, including without limitation all privately owned stormwater facilities that are not located in the public right of way, buildings, structures on the Property, landscaping on the Property, private parking areas, private parking area lighting, and other private parking area appurtenances within the Property, all as described or listed on one or all of the Approved Documents.

"Project Year": Each of the first three twelve-month periods following the Effective Date.

"Property": That certain tract of land consisting of approximately 1.479 acres and legally described in *Exhibit 2* to this Agreement.

"Public Improvements": The public improvements to be constructed within or outside of the Property, which are to be dedicated to and accepted by the Village pursuant to Section 6 of this Agreement, which improvements include those improvements identified in the Subdivision Improvement Agreement and the Hawley Street Main, in accordance with the Approved Documents.

"PUD Chapter": Chapter 20.49 of the Zoning Code.

"Redevelopment Plan": The Redevelopment Plan adopted in the TIF Ordinances.

"Redevelopment Project Costs": The qualifying redevelopment project costs authorized and defined by the TIF Act (65 ILCS 5/11-74.4-3(q)) that are enumerated on *Exhibit 3* to this Agreement.

"Requirements of Law": All applicable federal, and state laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations, and all Village Laws, as they may be adopted, amended, or changed from time to time.

314 *"Streetscape Improvements Plan"*: The plan attached as ***Exhibit 4*** attached
315 to this Agreement depicting all required sidewalks, landscaping, tree grates, street
316 lights, sitting benches, and brick pavers within those areas of Chicago Avenue and
317 Park Street described and depicted in ***Exhibit 4***, all in accordance with the
318 Approved Documents.

319 *"Subdivision Code"*: Chapter 19 of the Village Code.

320 *"Subdivision Security"*: A letter of credit substantially similar to ***Exhibit 6A***
321 in an amount equal to 110% of the estimated cost, as approved by the Village
322 Engineer, of constructing the Public Improvements (except for the Hawley Street
323 Main), as provided in Section 6.

324 *"TIF"*: Tax increment financing, as further defined and described in the TIF
325 Act.

326 *"TIF Act"*: The Tax Increment Allocation Redevelopment Act, as amended, 65
327 ILCS 5/11-74.4-1, *et seq.*

328 *"TIF Ordinances"*: Village of Mundelein Ordinance Nos. 05-01-06, 05-01-07,
329 and 05-01-08.

330 *"Townhome Unit"*: An individual dwelling unit located within a Building,
331 also defined as a "Dwelling, row" by Section 20.08.330 of the Zoning Code.

332 *"Uncontrollable Circumstance"*: Any event that is beyond the reasonable
333 control of and without the fault of the party relying thereon and includes, but is not
334 limited to, the following events:

335 (a) a Change in Law;
336 (b) insurrection, riot, civil disturbance, sabotage, act of public enemy,
337 explosion, nuclear incident, war, or naval blockade;
338 (c) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire,
339 windstorm, other extraordinary weather condition, or other similar act
340 of God;
341 (d) governmental condemnation or taking other than by the Village; or
342 (e) strikes or labor disputes, other than those caused by the unlawful acts
343 of the Owner or a Developer.

344 Uncontrollable Circumstance shall not include economic hardship, impracticability
345 of performance, commercial, economic, or market conditions, or a failure of
346 performance by a contractor (except as caused by events which are Uncontrollable
347 Circumstances as to the contractor).

348 *"Village Laws"*: The Zoning Code, the Subdivision Code, the 2000
349 International Building Code, as amended by the Village, the 1999 National Electric
350 Code, as amended by the Village, the 1998 State of Illinois Plumbing Code as
351 amended by the Village, the 2000 International Fire Prevention Code as amended

by the Village, the Village's Stormwater Watershed Development Ordinance, and all other applicable ordinances, codes, rules and regulations in effect from time to time; provided, however, that if a provision of such an ordinance, code, rule, or regulation conflicts with any provision of an Approved Document, then such provision of the Approved Documents shall supersede such inconsistent or conflicting provision of such ordinance, code, rule, or regulation, as it may relate to the Redevelopment Project.

"Zoning Code": The Mundelein Zoning Ordinance, as the same has been and may, from time to time hereafter, be amended.

B. Rules of Construction.

1. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

2. Calendar Days. Unless otherwise provided in this Agreement, any reference in this Agreement to "day" or "days" shall mean calendar days and not business days. If the date for giving of any notice required to be given, or the performance of any obligation, under this Agreement falls on a Saturday, Sunday, or federal holiday, then the notice or obligation may be given or performed on the next business day after that Saturday, Sunday, or federal holiday.

SECTION 3. ZONING AND DEVELOPMENT APPROVALS.

A. Current Approvals.

1. Approval of Zoning Map Amendment, Special Use Permit for PUD, and Development Concept Plan. Not later than the Corporate Authorities' first regular meeting after the Effective Date of this Agreement, the Village shall adopt more or more valid and binding ordinances, substantially in the form of *Exhibit 5* to this Agreement, (i) amending the Village's Zoning Map to classify the Property within the Village's R-8 Multiple-Family Dwelling District; (ii) approving a special use permit for a PUD; and (iii) approving the Development Concept Plan for the Property and for the Redevelopment Project (*"Zoning and Special Use Ordinance"*).

2. Preliminary Plat of Subdivision. Immediately after the adoption of the Zoning and Special Use Ordinance, the Village shall adopt a resolution approving the Preliminary Plat.

3. Effect of Current Approvals. The approvals set forth in Sections 3.A.1 and 3.A.2 do not, by themselves, authorize the development of the Property. The Owner acknowledges and agrees that, except to the extent permitted by Section 7 of this Agreement, no construction, improvement, or development of any kind shall be permitted on the Property unless and until the Village has approved all Approved Documents, which are discussed in detail in Section 3.B.

B. Future Approvals.

1. Final Plat of Subdivision. Not later than six months after the Effective Date (the *"Final Application Date"*), Owner shall prepare and submit to the Village applications for approval of a Final Plat for the entire Property. The Plan Commission and Corporate Authorities shall review such Final Plat and approve it if it complies with the Approved Documents and Requirements of Law.

2. Final Plan. Not later than the Final Application Date, the Owner shall prepare and submit to the Village an application for approval of a Final Plan that (i) includes all portions of the Property; (ii) is in substantial conformance with the Development Concept Plan; and (iii) complies with the PUD Chapter, this Agreement, and the other Approved Documents. The Plan Commission and Corporate Authorities shall review a Final Plan and the Corporate Authorities shall approve it if it complies with this Section 3.B.2.

3. Appearance Review Plans. Not later than the Final Application Date, the Owner shall prepare and submit to the Village an application for approval of Appearance Review Plans that (i) are consistent with the Development Concept Plan; and (ii) are substantially identical to the Elevation Plans. The Appearance Review Commission shall review such Appearance Review Plans and approve them, if they comply with this Section 3.B.3, the other Approved Documents, and Requirements of Law.

4. Final Landscaping Plans. Not later than the Final Application Date, the Owner shall prepare and submit to the Village an application for approval of the Final Landscaping Plans which shall be substantially similar to the Preliminary Landscaping Plan. The Appearance Review Commission shall review such Final Landscaping Plans and approve them, if they are consistent with the Development Concept Plan and comply with the other Approved Documents and Requirements of Law.

5. Final Engineering Plans. Not later than the Final Application Date, the Owner shall prepare and submit to the Village Engineer an application for Final Engineering Plans for the entire Property. The Village Engineer shall review such Final Engineering Plans and approve them, if they comply with the other Approved Documents and Requirements of Law.

6. Retention of Outside Engineering Firm. The Village may retain an outside engineering firm to review, at the Owner's cost (as provided in Section 9.E.1.), all or any part of the proposed Approved Documents.

SECTION 4. DEVELOPMENT OF THE PROPERTY.

A. Approved Documents Control Development. Notwithstanding any use or development right that may be otherwise applicable or available to the Property, including without limitation rights pursuant to the provisions of the R-8 Multiple Family Dwelling District of the Zoning Code, the Property shall, as of, and at all

times after, the Effective Date, be used and developed only pursuant to and in accordance with the terms and provisions of the Approved Documents, including, without limitation, this Agreement and the development restrictions set forth in Sections 4.B and 4.C.

B. Specific Use and Development Restrictions.

1. Townhome Units. Each Townhome Unit shall have its own exterior entry that is not shared with any other Townhome Unit. Owners shall construct a total of 27 Townhome Units, in three Buildings, with nine Townhome Units in each Building.

2. Locations and Setbacks; Maximum Building Height. The locations of the Buildings on the Property and the set-backs of the Buildings shall substantially comply with the Development Concept Plan. The height of the Buildings shall strictly comply with the Development Concept Plan. Further, no accessory appurtenance or structure on the roof of any Building shall be permitted unless (i) it is less than 35 feet; (ii) it is screened from view; and (iii) it is approved in the Final Plan.

3. Parking. Owner shall construct a total of 68 parking spaces on the Property, which shall include (i) one indoor garage parking space within each Townhome Unit; (ii) one tandem outdoor parking space located immediately behind each indoor garage parking space; and (iii) 14 parallel parking spaces located behind the Buildings. In addition, Owner shall construct 18 parallel parking spaces within the Chicago Avenue right-of-way. Owner acknowledges that such spaces within Chicago Avenue shall be owned by the Village and shall be generally available to the public on a first come first served basis. All such construction shall comply with the Preliminary Site Plan and all Approved Documents

C. Compliance with Laws. The Owner and the Redevelopment Project shall be subject to and comply with all Requirements of Law, including Village Laws and including without limitation requirements for the payment of all fees, charges, expenses, and costs provided for therein (except to the extent such Village Laws are varied in or pursuant to this Agreement).

SECTION 5. PROPERTY INDEX NUMBERS.

The Owner shall notify the Village of all revisions to the property index numbers for the Property promptly after such numbers are assigned and, for each new property index number assigned, shall identify the former property index number. The current Property Index Number for the Property is 11-19-300-032.

SECTION 6. IMPROVEMENTS.

A. Burial of Public Utility Lines. In connection with its construction of the Redevelopment Project, the Owner shall, at its sole expense, bury at the locations approved by the Village Engineer, all public utility lines that either (i)

exist within the Property as of the Effective Date and are located above ground; (ii) exist within the Adjacent Lots as of the Effective Date and are located above ground (provided that Owner obtains the necessary rights to do so); or (iii) are newly constructed and installed after the Effective Date within the Property or Adjacent Lots or to otherwise serve the Redevelopment Project.

B. Design and Construction of the Improvements.

1. General Standards. All Improvements shall be designed and constructed pursuant to and in accordance with the Subdivision Code, Approved Documents, Requirements of Law, and the Subdivision Improvement Agreement attached to this Agreement as *Exhibit 7*. All work performed on the Improvements shall be conducted in a good and workmanlike manner. The Owner shall complete the Public Improvements in accordance with the Construction Schedules approved by the Village as part of the Final Plan. The Owner shall be allowed extensions of time beyond the completion dates set forth in such schedules only for unavoidable delay caused by Uncontrollable Circumstances.

2. Water and Sewer Main Construction.

a. General Obligations. Water mains and sanitary sewer mains shall be constructed according to the latest edition, in effect from time to time, of the "Standard Specification for Water and Sewer Main Construction in Illinois" and as approved in writing by the Village Engineer. Water mains, water service lines, sanitary sewer mains and sanitary sewer service lines shall not be located in or under any private sidewalk or driveway within the Property (provided, however, that the foregoing shall not preclude the perpendicular crossing underground of a sidewalk or driveway). Water shut-offs (B-boxes) shall not be located in or under any private or public sidewalk or driveway within the Property.

b. Hawley Street Sewer Main. Owner shall enter into a contract (the *"Sewer Construction Contract"*) with a contractor requiring the contractor to construct a sanitary sewer main (with a diameter to determined by the Village Engineer) from the south terminus of the proposed sanitary sewer depicted on the Preliminary Engineering Plan south to Hawley Street, then east within the Hawley Street right of way to (or near) the Wisconsin Central/Canadian National railroad right of way, then south to tie into an existing 18-inch sanitary sewer main, in accordance with the Final Engineering Plans (the *"Hawley Street Main"*). The Sewer Construction Contract shall require Owner and such contractor to comply with all applicable laws, including without limitation the Prevailing Wage Act, 820 ILCS 130/1 *et seq.* Prior to entering into the Sewer Construction Contract, the Owner shall obtain the Village's approval of the price to be paid to the contractor for the construction of the Hawley Street Main (the *"Sewer Contract Price"*). The Sewer Contract Price may not be increased without the prior express approval of the Corporate Authorities. From time to time, the Village shall reimburse Owner for the amounts of the Sewer Contract Price paid by Owner to the contractor for that portion of the work on the Hawley Street Main that has been completed as of

the date to date within 30 days after Owner submits an invoice for the same to the Village, provided that (i) such invoice shall seek payment only for work on the Hawley Street Main (a) that has been completed as of the date the invoice is submitted to the Village; and (b) for which the contractor has been paid by Owner; (ii) such invoice shall include all necessary lien waivers and reasonable evidence establishing that the Hawley Street Main (or the portion thereof for which payment is being sought) has been constructed in accordance with the Sewer Construction Contract and that the contractor has been paid for such work; and (iii) Owner may submit no more than three such invoices to the village.

3. Location of Sales and Construction Trailer and Signs. With its application for Final Plan approval, Owner shall depict and describe the size, location, and design of any sales trailer or construction trailer on the Property, and any proposed sales, marketing, and construction signs. Owner shall be permitted not more than one construction trailer and not more than one sales trailer. All such trailers and signs shall comply with the Final Plan.

4. Contract Terms; Prosecution of the Work. The Owner shall include in every contract for work on the Improvements terms requiring the contractor to prosecute the work diligently and continuously, in full compliance with, and as required by or pursuant to the Approved Documents and Requirements of Law, until such work is properly completed, and providing that the Owner may take over and prosecute the work if the contractor fails to do so in a timely and proper manner.

5. Engineering Services. The Owner shall provide, at its sole expense, all engineering services for the design and construction of the Improvements, including services of a professional civil engineer licensed in Illinois who shall be reasonably available while work is being performed to inspect the construction of the Improvements and confer with the Village concerning the same. The Owner shall promptly provide the Village with the name, address, telephone and fax numbers, and e-mail address of such engineer at which such engineer can be reached at all times.

C. Subdivision Security and Subdivision Improvement Agreement. At the time the Village approves the Final Plat, the Owner shall provide, and the Village shall accept a letter of credit substantially similar to the form attached hereto as *Exhibit 6A* in an amount equal to 110% of the estimated cost, as approved by the Village Engineer, of constructing the Public Improvements (except the Hawley Street Main) ("*Subdivision Security*"). The Village may draw upon the Subdivision Security if Owner fails to comply with any of its obligations related to the construction of the Public Improvements that are set forth in this Agreement or the "Subdivision Improvement Agreement" (defined herein). Owner hereby waives any and all rights under the Public Construction Bond Act, 30 ILCS 550/1 *et seq.*, that are contrary to this Agreement or the Development Improvement Agreement, including without limitation the option of utilizing a surety bond, and instead agrees to comply with the provisions of this Agreement and the Development

Improvement Agreement related to the Subdivision Security. Owner and the Village agree that the Subdivision Security shall constitute the bond required under the Public Construction Bond Act for (i) the completion of the Public Improvements (including the Hawley Street Main) required to be constructed pursuant to this Agreement and the Development Improvement Agreement and for the completion of the Hawley Street Main pursuant to the Sewer Construction Contract; and (ii) the payment of material used and labor performed to complete the Public Improvements. Upon completion and acceptance by the Village of all the Public Improvements, the Owner may request that the Village release the Subdivision Security provided that the Owner shall have provided the Village the Warranty Security described in Section 6.H of this Agreement. In addition, prior to the approval of the Final Plat, the Owner agrees to enter into a subdivision improvement agreement relative to the construction of the Public Improvements in a final form approved by the Village President and the Owner, which shall be substantially in the form attached hereto as ***Exhibit 7*** (***"Subdivision Improvement Agreement"***).

D. Construction Traffic Plan. Owner shall cause all contractors and other entities performing any construction, making any deliveries, or conducting any other business on the Property to enter and leave the Property via Chicago Avenue, Hawley Street, and no other right of way.

E. Inspection and Approval. All work on the Improvements shall be subject to inspection and approval by Village representatives at all times. All Improvements shall be completed and made ready for inspection, approval and, if provided by the Approved Documents, acceptance by the Village pursuant to the Construction Schedule approved as part of the Final Plan.

F. Record Drawings. Upon completion of all Public Improvements, the Owner shall submit three full-size photocopies (no blueline copies), and one Mylar copy of the record drawings of the Public Improvements. The drawings must include the words "RECORD DRAWINGS" and must be signed and sealed by a State of Illinois licensed Professional Engineer (the "***Record Drawings***"). The record drawings are not considered submitted until they have been approved by the Village Engineer. Upon approval, the Owner shall submit a compact disk with State Plane East Coordinates (NAD83 datum). The record drawing must include, at a minimum, the following information:

1. As-built and proposed elevations for all structures:
   a. Rim
   b. Invert(s)
   c. Pipe size, pipe material, and slopes
   d. Top of pipe (Water main)
   e. Top of operating nut (Hydrants)

2. Grading:
   a. Proposed and as-built detention basin volumes

b. Proposed and as-built elevations of emergency overflow routes including cross-sections
c. As-built overflow route capacity calculations
d. Adjacent top of foundation elevations and available freeboard
e. Building foundation elevations and adjacent finished grade

3. Street Lighting:
a. As-built light pole location
b. Fixture height
c. Cable locations
d. Control cabinet location
e. Power supply location/route
f. Pavement crossing conduit size and location

G. Final Punch List. Upon receipt and approval by the Village Engineer of (i) the Record Drawings; and (ii) a written request from the Owner for acceptance of Public Improvements, the Village shall inspect or reinspect the Public Improvements and prepare a final punch list of items to be completed or corrected. Upon satisfactory completion of all punch list items, the Public Improvements shall be accepted by the Village as provided in Section 6.I.

H. Warranty Security. Concurrent with the Village acceptance of the Public Improvements, and the release by the Village of the Subdivision Security, the Owner shall deliver to the Village a letter of credit substantially similar to the form attached hereto as ***Exhibit 6B*** in an amount equal to five percent of the actual cost of constructing the Public Improvements ("***Warranty Security***"). The Village shall have the right to make demand upon and receive payment from the Warranty Security to correct defects in or repair the Public Improvements, provided that written notice of such defects or repairs are given to the Owner, within one year of the date of acceptance of the Public Improvements for which the Warranty Security has been posted. The Warranty Security shall be released in accordance with the Subdivision Improvement Agreement.

I. Transfer of Ownership of Public Improvements and Easements to Village (GASB 34).

1. All Public Improvements.

a. Transfer Free of Encumbrances. Upon the approval of, and prior to acceptance of, the Public Improvements, the Owner shall execute, or cause to be executed, such documents as the Village shall request to transfer ownership of the Public Improvements to, and to evidence ownership of such Public Improvements by, the Village, free and clear of all liens, claims, encumbrances, and restrictions, except for those restrictions that are otherwise accepted by the Village in writing. The Owner shall, at the same time of such transfer, grant, or cause to

be granted, to the Village all such insured easements or other property rights as the Village may require to install, operate, maintain, service, repair and replace the Public Improvements that have not previously been granted to the Village, free and clear of all liens, claims, encumbrances and restrictions, except for those restrictions that are otherwise accepted by the Village in writing.

b. GASB 34. Upon the approval of, and prior to acceptance of, the Public Improvements, Owner shall provide a detailed inventory to the Village of such Public Improvements, in a form acceptable to the Village's auditor, which shall include the Owner's engineer's as-built quantities of Public Improvements, their estimated fair market value, and their estimated approximate useful life in accordance with Governmental Accounting Standards Board Statement 34.

c. Timing, Form, and Effect of Acceptance. Neither the execution of this Agreement nor the approval or recordation of the Final Plat shall constitute an acceptance by the Village of any Public Improvements. The Village shall not be obligated to accept dedication of any Public Improvements constructed until (i) certificates of occupancy have been issued for 75% of the total number of Townhome Units; and (ii) the Owner has submitted all requests for reimbursement of Redevelopment Project Costs incurred by the Owner. The acceptance of all Public Improvements shall be made only in compliance with the requirements of this Agreement and the Subdivision Code. Except as provided in Section 6.H of this Agreement, after the Public Improvements have been accepted by the Village, the Owner shall have no further obligations to construct, maintain, or repair such Public Improvements.

2. Special Provisions Relating to Public Parking Improvements. Notwithstanding the use of any Public Parking Improvements required to be constructed and dedicated to the Village, no Public Parking Improvement shall be deemed to be accepted by the Village, and the Village shall have no obligation or liability with respect to such Public Parking Improvement, unless and until said Public Parking Improvement shall have been completed, approved, and accepted by the Village in accordance with this Agreement. The Owner acknowledges and agrees that (i) the Village shall not be obligated to accept any such Public Parking Improvement unless and until construction traffic, from the Project, on said Public Parking Improvement has substantially ceased and the Public Parking Improvement has been completed and, if necessary, restored and repaired as required herein; (ii) the Village shall not be obligated to keep any such Public Parking Improvement cleared, plowed, or otherwise maintained until such Public Parking Improvement has been completed, approved and accepted by the Village in accordance with this Agreement; and (iii) the Village may, but shall not be obliged to, clear, plow, or otherwise maintain a Public Parking Improvement that is to be dedicated to the Village, but has not yet been accepted by the Village, if the Owner fails, after written notice, to clear, plow, or maintain such Public Parking Improvement, and no such action by the Village shall be deemed to be an acceptance of the Public Parking Improvement and the Village shall be entitled to

repayment by Owner or, if Owner fails to do so, pursuant to the Subdivision Security.

J. Water and Sewer Availability. Owner acknowledges that the Village shall provide sanitary sewer and potable water services to the Property, capacity permitting, on a "first-come/first-served" basis with all other property located within or annexed into the Village's boundaries, subject to interruptions in service caused by Uncontrollable Circumstances.

K. Issuance of Certificates of Occupancy. The Village shall have no obligation to issue certificates of occupancy for any building or structure until (i) Owner has also completed (in accordance with this Agreement and the Final Engineering Plans) all Improvements that are required to be built; or (ii) in lieu of such completion, other arrangements that comply with Requirements of Law (which may include without limitation the posting of cash security or a letter of credit securing the completion of such Improvements) have been approved in writing by the Village Engineer, which approval may be granted or denied in his or her sole and absolute discretion. Without limiting the preceding sentence, prior to the issuance of any certificate of occupancy for any Townhome Unit constructed , the Owner shall pave or resurface (as required by this Agreement and Village Laws) (i) Chicago Avenue and Park Street; and (ii) all parking areas. The issuance of any building permit or certificate of occupancy by the Village at any time prior to completion of all the Improvements and approval and, where appropriate, acceptance thereof by the Village, shall not confer on the Owner any right or entitlement to any other building permit or certificate of occupancy. Issuance of temporary occupancy approvals may be made but only to the extent authorized by the Requirements of Law.

L. Damage to Public Property. The Owner shall maintain the Property and all streets, sidewalks, and other public property in and adjacent to the Property in a good and clean condition at all times during development of the Property and construction of the Improvements. Further, the Owner shall promptly clean all mud, dirt, or debris deposited on any street, sidewalk, or other public property in or adjacent to the Property by the Owner or any agent of or contractor hired by, or on behalf of, the Owner; and shall repair any damage that may be caused by the activities of the Owner or any agent of or contractor hired by, or on behalf of, the Owner by restoring such property to its condition prior to such damage.

SECTION 7. PERMITS AND APPROVALS FOR EARLY WORK.

A. Foundation-Only Permits. The Owner may obtain foundation-only permits after (i) the Final Plat has been approved by the Corporate Authorities; (ii) Final Engineering Plans have been approved by the Village Engineer; (iii) the Subdivision Improvement Agreement has been fully executed; (iv) the required Earth Change Approval has been approved; and (v) the Subdivision Security has been furnished to the Village, as required by this Agreement. The Owner

acknowledges, however, that building permits shall not be issued by the Village, and no framing or superstructure shall be started on buildings for which foundation-only permits have been issued, until watermains and fire hydrants necessary to provide fire protection to that portion of the Property then under development have been constructed, connected to, tested, and approved by the Village, and provision has been made for emergency vehicle access thereto on a gravel or other road, all in a manner acceptable to the Village Fire Chief. In addition, it shall be a requirement for foundation-only permits that the foundation cannot remain for more than six months without the building being constructed.

B. Earth Change Approval. The Owner may apply for Earth Change Approvals before the Final Plat has been approved. The Village Engineer may grant or deny such applications in his or her sole and absolute discretion, but in any event shall grant such application only if (i) the Subdivision Security has been furnished to the Village as required by this Agreement and includes an amount reasonably necessary to pay for any cost of completing any work or restoration related to the Earth Change Approval; (ii) the Owner has complied with the Earth Change Approval requirements of the Watershed Development Ordinance; (iii) a tree permit has been issued by the Village; and (iv) the Owner has paid the necessary fees for the Earth Change Approval. Any work pursuant to such Earth Change Approvals shall be at the sole risk of the Owner with respect to any changes that may be required to the Final Plat and Final Engineering Plans.

C. Demolition Permits. Owner shall demolish the "BLOCK BUILDING" identified on the Survey, in accordance with all Requirements of Law not later than September 1, 2006.

SECTION 8. DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS.

A Declaration of Covenants, Conditions, and Restrictions establishing one Owners Association for the Property, in form and substance acceptable to the Village Attorney, (*"Declaration"*) shall be prepared by Owner. The Declaration shall be recorded against the Property after the Village Attorney has given its written approval thereof. The Declaration shall be consistent with the Zoning Code and this Agreement and shall be recorded prior to becoming effective and prior to the closing of the sale of any Townhome Unit. Further, without limitation of the foregoing, the Declaration shall contain the following provisions:

A. The Declaration shall be binding on, and govern, the Property and shall provide that membership in the Association with respect to the Property shall be mandatory for each and every owner, and successive owner, of the Townhome Units. The Declaration shall be recorded against the entire Property.

B. Owner shall be responsible for the maintenance of each Private Improvement installed on the Property until such time as all of the following have occurred: (i) the Association has been formed (as described in paragraph 1 above);

765 (ii) the Association or an owner of an individual Townhome Unit is responsible for
766 the maintenance of the Private Improvement in question; and (iii) the Townhome
767 Unit owners have commenced paying assessments (as described in paragraph E
768 below). After the requirements of subsections (i) thru (iii) of this Paragraph B have
769 been satisfied, the Owner shall have no liability other than as a Townhome Unit
770 owner for any of the costs or expenses enumerated above.

771 C. The Association shall care for, conserve, maintain, and operate, in a
772 first rate condition, all Common Areas and all equipment, appurtenances, swales,
773 side and rear yard storm sewers, and perimeter fencing located therein, in
774 accordance with the terms of the Declaration.

775 D. The Association shall be responsible for keeping the access driveways
776 entering the Property, the private common off-street parking areas, and the
777 sidewalks and pedestrian pathways on the Property free and clear at all times of all
778 obstructions, including without limitation, snow, ice, debris, temporary or
779 permanent structures, and unauthorized vehicles.

780 E. The Townhome Unit owners shall pay their pro rata share of all costs
781 and expenses incurred by the Association by means of an assessment to be levied
782 by the Association that meets the requirements for becoming a lien on the Property
783 in accordance with applicable law.

784 F. Easements shall be created providing access over, on, and above the
785 exterior Common Areas for the exclusive benefit of the Townhome Unit owners, and
786 their employees, agents, licensees, invitees, and guests, and the Village, for ingress
787 and egress, storm water drainage and detention, emergency, utility, enforcement,
788 and government service purposes, and for the purpose of maintaining the Common
789 Areas.

790 G. Utility and enforcement easements shall be granted to the Village and
791 other governmental bodies and utility services over, under, on, and across the
792 exterior Common Areas for the purposes of enforcing Village Laws, making repairs
793 required by Requirements of Law which the Association has refused or failed to
794 make, installing, and servicing utilities, and providing public and emergency
795 services.

796 H. The Village shall have the right to enforce the rights granted to it by
797 the Declaration. The rights conferred on the Village by this Section 8 shall not in
798 any way be construed as obligations of the Village.

799 I. The Village shall have the right, but not the obligation, after 30 days
800 written notice to the Association, to perform any maintenance or repair work on the
801 exterior Common Areas of the Property that, in the opinion of the Village, the
802 Association has agreed to perform hereunder but has failed to perform. Provided
803 the Association has commenced the necessary work within the 30 day period, and is
804 diligently prosecuting same, the Association shall have such additional time as is
805 reasonably necessary to complete the maintenance or repair work. The Village

shall also have the right to record a lien against the Property, including but not limited to the Common Areas and the Townhome Units for all fees, costs, and expenses rightfully incurred by the Village for such work. Such lien shall be effective, and shall have priority, upon the recordation thereof in the Office of the Recorder of Deeds of Lake County, Illinois.

J. The Declaration shall: (i) run with and bind the Property in perpetuity; and (ii) be binding upon the Owner, and its successors in interest subject to the terms and conditions of this Agreement and the Declaration.

K. The Declaration shall include a provision prohibiting any amendment which would affect the rights of the Village thereto without the prior written consent of the Village. Further, the Declaration shall not be amended in any way that would conflict with the Zoning Code and this Agreement without the prior written approval of the Corporate Authorities

SECTION 9. IMPACT FEES AND DONATIONS; GENERAL VILLAGE FEES.

A. Village Impact Fees. In recognition of the impacts to Village services that will be caused by the Redevelopment Project, the Owner shall pay the following fees ("*Village Impact Fees*").

Type of Village Impact Fee	Amount of Village Impact Fee per Townhome Unit
Downtown Improvement	$1,000.00
Stormwater	$315.00
Capital Improvement	$1,745.00
Transportation	$1,800.00
Sewer Expansion	$3,440.00
Water Expansion	$415.00
Total Village Impact Fees/Townhome Unit	$8,715.00

The total Village Impact Fees for a Townhome Unit shall be due and payable upon the issuance of a building permit for such Unit; provided, however, that all Village Impact Fees for all 27 Townhome Units shall be paid no later than December 1, 2007. On the first day of January of each year, all due and unpaid Village Impact Fees shall be automatically increased by five percent (5%), except for the Sewer Expansion Fee and Water Expansion Fee, which shall be increased or decreased by ordinance. On or before January 15 of each year, the Owner shall perform a recalculation of unpaid Village Impact Fees, taking into account such five percent increase, and submit such recalculation to the Village.

B. Security. To secure its obligation to pay the Village Impact Fees when they are due, at the time the Village approves the Final Plan, the Owner shall

deliver an irrevocable letter of credit to the Village issued by a bank reasonably acceptable to the Village and which can be drawn upon in Lake County, Illinois, which letter of credit shall be substantially in the form attached hereto as ***Exhibit 9***. The face value of such letter of credit shall equal the maximum number of Townhome Units multiplied by the total Village Impact Fees due per Townhome Unit. Owner shall be permitted to reduce the face value of such letter of credit from time to time by an amount equal to the amount of such Village Impact Fees paid to the Village as provided herein, as reviewed and approved by the Village. Upon the Village's confirmation of the recalculation provided in Section 9.A, the Owner shall be required to increase the security accordingly.

C. General Village Fees. The Village Impact Fees shall be paid in addition to (i) all other fees payable under this Agreement and the Subdivision Improvement Agreement; and (ii) all other generally applicable fees payable under Village Laws (including, without limitation, tree replacement fees, building permit fees, sewer and water connection fees, building plan review and inspection fees, and engineering plan review and inspection fees) as established, modified, increased, or decreased from time to time by the Village ("***General Village Fees***").

D. School, Park, and Library Donations. The Owner shall make donations to School District 75, , Mundelein Consolidated High School District 120, the Mundelein Park and Recreation District, and the Fremont Public Library District in accordance with the agreements between the Owner and such Districts, copies of which are attached to this Agreement as ***Group Exhibit 10***. Such donations shall be made directly to such entities. The Village shall not be required to issue any occupancy permits for Townhome Units on the Property unless the Owner provides to the Village evidence that the donations required pursuant to this Agreement have been made.

E. Attorney, Planning, and Other Professional Consulting Fees.

1. Engineer's Fees. If the Village retains, or has retained, an outside engineering firm to review all or any part of the Preliminary Engineering Plans, Final Engineering Plans, Preliminary Plat, or the Final Plat, or other documents related to the Redevelopment Project, the Village shall provide the Owner a written estimate of the cost for conducting such a review, which shall include the outside engineering firm's hourly rates. Such hourly rates shall be reasonable and customary for engineering firms providing such services in the Chicago metropolitan area. Within five business days after receiving the written estimate, the Owner shall deposit with the Village a check for the initial amount of such estimated cost. After the Village has received invoices from such firm that equal at least 75% of such initial deposit, the Owner shall replenish the amount of the deposit up to the difference between the expected cost to complete such work and the amount remaining from Owner's initial deposit within five business days after receiving a written request from the Village. Within 20 business days after the completion of the Village's review of the plans and plats and receipt by the Owner of a written invoice therefor, the Owner shall pay the actual cost of all

reviews completed by the outside engineering firm, less the initial and supplemental deposits previously made, or otherwise the Village shall refund to the Owner any overpayment thereof.

2. Other Consultants' Fees. Upon receipt of a statement from the Village for the attorneys', planning, financial consultants', and any other professional consulting fees incurred by the Village related to the preparation of the Approved Documents, all drafts thereof, and other documents and information related thereto incurred by the Village, the Owner shall reimburse the Village for all such fees. In addition, if any third party files an action challenging or seeking to invalidate or enjoin this Agreement or any portion thereof, or any action taken or provided for herein, the Owner and the Village shall cooperate with each other in defending the validity of this Agreement and each party shall be responsible for any attorney's fees, costs, and expenses that it incurs in connection with such litigation, except as provided in Sections 11.D and 14.

F. No Other Fees Or Donations The fees and donations to be paid pursuant to this Section 9 shall be in addition to any Improvements that Owner has agreed to construct or pay for as provided herein. Except for those fees and donations it has agreed to pay in this Section 9, and except for the Improvements required by this Agreement, Owner shall not be required by the Village to pay any fees, donate any land or money, or make any other contributions to the Village or any other governmental agency that are intended to pay or provide for public facilities or property made necessary by the development of the Property ("*Impact Contributions*"). Further, no new Impact Contributions or increases in Impact Contributions (except for the five percent annual increases and the potential increases in Water and Sewer Expansion Fees, as provided in Section 9.A.) shall be applicable to the Property.

SECTION 10. TIF FINANCING.

A. Approval of Notes; Redevelopment Project Costs Eligible for Reimbursement. The parties acknowledge that the Owner has paid or will pay for certain Redevelopment Project Costs. To provide for the reimbursement to the Owner of certain Redevelopment Project Costs pursuant to this Agreement, the Corporate Authorities, not later than their first regularly scheduled meeting following their meeting at which this Agreement is approved, shall adopt an ordinance approving the Note ("*Note Ordinance*"). The Village shall thereafter execute and deliver to the Owner the Note. The Village shall reimburse the Owner for the types of Redevelopment Project Costs identified on *Exhibit 3* pursuant to the Note. The amount of the Redevelopment Project Costs listed on *Exhibit 3* is an estimate of the amount of such Cost for which Owner may seek reimbursement pursuant to this Agreement and the Note. However, if the actual amount incurred by Owner for a Redevelopment Project Cost listed on *Exhibit 3* is more or less than such estimate, Owner may seek reimbursement for such greater or lesser amount; provided, however, that in no event shall Owner be reimbursed for Redevelopment Project Costs totaling more than $331,000.00. Notwithstanding any other provision

of this Agreement, the Owner shall be entitled to be reimbursed for Redevelopment Project Costs only after (i) it actually incurs such Redevelopment Project Costs; (ii) such Redevelopment Project Costs qualify as "redevelopment project costs" in the TIF Act; (iii) such Redevelopment Project Costs are also "*Certified Redevelopment Project Costs*" (as defined in Section 10.E.2; and (iv) reimbursement is permitted pursuant to this Agreement, the Redevelopment Plan, and the TIF Act.

B. Deposit of Pledged Amount in Account. The Village shall establish a special tax allocation fund pursuant to the requirements of the TIF Act ("*Fund*"). The Village shall deposit into an account (the "*Note Account*") of the Fund 34% of the Incremental Property Taxes within 90 days after receipt thereof by the Village ("*Pledged Amount*"); provided, however, that if, after the Effective Date, the TIF Act is amended, or some other new Requirement of Law (other than a new Village Law) is imposed, to require the Village to pay any portion of the Incremental Taxes to any other governmental agency or any other recipient, then, for each year in which such amendment or new Requirement of Law is effective, the annual Pledged Amount may be reduced by an amount equal to the portion that must be paid to any other governmental agency or any other recipient as a result of such amendment or new Requirement of Law. The Pledged Amount shall be irrevocably pledged to the repayment of the amounts due under the Note, as provided herein. In the Village's sole discretion, the Note may also be paid from proceeds of any bonds or other obligations issued by the Village or any other sources available to the Village and permitted by law to be used to make payments under the Note. Any funds contained in the Fund in excess of the Pledged Amount may be used by the Village for any lawful purpose permitted under the TIF Act (including, but not limited to, calculation and distribution of "surplus" in accordance with Sections 11-74.4-7 and 11-74.4-8a of the TIF Act). Because the Fund is a special fund, the amounts deposited in the Account shall be disbursed in accordance with this Agreement, the Note Ordinance, and the Notes without further action by the Corporate Authorities.

C. Limited Obligation of the Village. The Owner hereby acknowledges that the Pledged Amount may be insufficient to cover the payment of all principal on the Note. If the Pledged Amount is insufficient to pay all the principal due under the Note, the Owner hereby acknowledges that it shall have no recourse against the Village provided that all Pledged Amounts required to be deposited in the Account from time to time pursuant to the TIF Act and this Agreement have been deposited into the Account and the amount equal to the Pledged Amount in each year has been used solely to pay amounts due under the Note.

D. Terms of Redevelopment Note. The Note shall (i) evidence the Village's obligation to reimburse the Owner for certain Redevelopment Project Costs, subject to and in accordance with this Agreement; (ii) bear no interest; (iii) have a maximum 10-year term, but in no event a term exceeding the maximum term permitted by the TIF Act; (iv) be secured by the Pledged Amount, as provided in this Agreement; (v) provide for payment of principal once per year on February 1, which annual payment shall be equal to the Pledged Amount in the Account, until such time as the Note is paid in full; and (vi) be transferable or assignable only (a)

to a Developer or Approved Assignee, (b) as a collateral assignment to a Bank; or (c) if otherwise approved by the Corporate Authorities in their sole discretion.

E. Procedure for Reimbursement Pursuant to Notes. For reimbursement of Redevelopment Project Costs in accordance with the Note, the Owner shall submit to the Village written invoices or other documentation evidencing Owner's expenditure of eligible Redevelopment Project Costs in the form attached hereto as *Exhibit 12* (*"Reimbursement Request"*). The Owner shall not submit (i) more than two Reimbursement Requests in any calendar year; (ii) a Reimbursement Request (other than the final Reimbursement Request) for less than $25,000; (iii) a Reimbursement Request more than six months after the last Redevelopment Project Costs have been incurred by Owner; or (iv) a Reimbursement Request after the second Project Year, unless a later submission is approved by the Corporate Authorities. Each Reimbursement Request shall be accompanied by (i) sworn statements and lien waivers for any material, fixtures, apparatus, machinery, services, or labor provided by any contractor, subcontractor, or other person included in the Redevelopment Project Costs for which reimbursement is sought; (ii) bills, contracts, and invoices relative to the Redevelopment Project Costs; and (iii) other documents or information that the Village shall reasonably require to evidence appropriate payment of Redevelopment Project Costs.

SECTION 11. LIABILITY AND INDEMNITY OF VILLAGE.

A. Village Review. The Owner acknowledges and agrees that the Village is not, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the Village's review and approval of any plans for the Property or the Improvements, or the issuance of any approvals, permits, certificates, or acceptances, for the development or use of the Property or the Improvements, and that the Village's review and approval of any such plans and the Improvements and issuance of any such approvals, permits, certificates, or acceptances does not, and shall not, in any way, be deemed to insure the Owner, or any of its heirs, successors, assigns, tenants, and licensees, or any third party, against damage or injury of any kind at any time.

B. Village Procedure. The parties acknowledge and agree that notices, meetings, and hearings have been properly given and held by the Village with respect to the approval of this Agreement and agree not to challenge such approval on the grounds of any procedural infirmity or of any denial of any procedural right.

C. Indemnity. The Owner agrees to, and does hereby, to the full extent permitted by law, hold harmless and indemnify the Village, the Corporate Authorities, the Plan Commission, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, and attorneys, from any and all claims that may be asserted at any time against any of such parties in connection with (i) the Village's review and approval of any plans for the Property or the Improvements; (ii) the issuance of any approval, permit, certificate or acceptance for the Property or the Improvements; or (iii) the development,

construction, maintenance, or use of any portion of the Property or the Improvements, except for the maintenance and use of the Public Improvements that have been accepted by the Village pursuant to Section 6.I. hereof; provided, however, that Owner shall not be obligated to hold harmless and indemnify the Village for any claims related to items (i), (ii), or (iii) above that arise out of the Village's negligence, reckless conduct, or intentional wrongdoing.

D. Defense Expense. The Owner shall, and does hereby agree to, pay all expenses, including reasonable legal fees and administrative expenses, incurred by the Village in defending itself with regard to any and all of the claims referenced in Subsection 11.C of this Agreement, except for those claims arising out of the Village's negligence, reckless conduct, or intentional wrongdoing.

SECTION 12. NATURE, SURVIVAL, AND TRANSFER OF OBLIGATIONS.

A. Assignment of Rights and Obligations. Owner may assign its rights and obligations under this Agreement only (i) to a Developer; or (ii) to such other person or entity that is approved in advance in writing by the Village (an "*Approved Assignee*"). The sale of a Townhouse Unit for which all Improvements have been completed and approved and, where appropriate, accepted pursuant to this Agreement shall not be deemed an assignment of Owner's rights and obligations under this Agreement. Upon a Developer or Approved Assignee becoming bound to the obligations created in this Agreement, including, where required, the execution by a Developer or Approved Assignee of a Transferee Assumption Agreement, the liability of Owner for such obligations shall be released to the extent of the Developer's or Approved Assignee's assumption of such liability.

B. Recordation. This Agreement shall be recorded against and run with the Property, and each portion thereof, provided that the Property, or such portion thereof, is owned by Owner, a Developer, or an Approved Assignee, and all obligations and rights of Owner under this Agreement shall be binding upon and benefit the Owner and any Developer or Approved Assignee that owns the Property or any portion thereof.

C. Notice; Transferee Assumption Agreement. To assure that all such Developers and Approved Assignees have notice of this Agreement and the obligations created by it, the Owner shall:

(i) notify the Village in writing at least 30 days prior to any date upon which the Owner transfers a legal or beneficial interest in any portion of the Property to any Developer or Approved Assignee; and

(ii) incorporate, by reference, this Agreement into any and all real estate sales contracts entered into for the sale of all or any portion of the Property to any Developer or Approved Assignee; and

1049 (iii) require, prior to the transfer of all or any portion of the Property
1050 or any legal or equitable interest therein to a Developer or
1051 Approved Assignee, the Developer or Approved Assignee to
1052 execute an enforceable written agreement, in substantially the
1053 form attached as ***Exhibit 11*** to this Agreement, agreeing to be
1054 bound by the provisions of this Agreement (***"Transferee***
1055 ***Assumption Agreement"***).

1056 The failure of the Owner, to provide the Village with a fully executed copy of a
1057 Transferee Assumption Agreement required above shall result in the Owner
1058 remaining fully liable for all of the Owner's obligations under this Agreement but
1059 shall not relieve the Developer or Approved Assignee of its liability for all such
1060 obligations as a successor to the Owner.

1061 SECTION 13. OWNER REPRESENTATIONS, COVENANTS, AND
1062 WARRANTIES.

1063 A. General. The Owner, and the person executing this Agreement on
1064 behalf of the Owner, represent, warrant, and covenant, as of the date of this
1065 Agreement, that:

1066 (i) the Owner is an Illinois limited liability company, duly
1067 organized, validly existing, qualified to do business in Illinois;

1068 (ii) the Owner has the right, power, and authority to enter into,
1069 execute, deliver and perform this Agreement;

1070 (iii) the execution, delivery and performance by the Owner of this
1071 Agreement has been duly authorized by all necessary limited liability company
1072 action, and does not and will not violate its Articles of Organization or operating
1073 agreement, as amended and supplemented, any of the applicable Requirements of
1074 Law, or constitute a breach of or default under, or require any consent under, any
1075 agreement, instrument, or document to which the Owner is now a party or by which
1076 the Owner is now or may become bound;

1077 (iv) there are no actions or proceedings by or before any court,
1078 governmental commission, board, bureau or any other administrative agency
1079 pending, threatened, or affecting the Owner which would impair its ability to
1080 perform under this Agreement; and

1081 (v) the Owner shall apply for and shall maintain all government
1082 permits, certificates, and consents (including, without limitation, appropriate
1083 environmental approvals) necessary to conduct its business and to construct and
1084 complete the Redevelopment Project as required by this Agreement.

1085 B. Amendment. The Owner shall, at the request of the Village, agree to
1086 any reasonable amendments to this Agreement that are necessary or desirable in
1087 order for the Village to issue the Notes or any other debt pursuant to the TIF Act.

C. Survival. All warranties, representations, covenants and agreements of the Owner contained in this Section 13 and elsewhere in this Agreement shall be true, accurate, and complete at the time of the Owner's execution of this Agreement, and shall survive the execution, delivery, and acceptance hereof by the parties hereto.

SECTION 14. ENFORCEMENT.

The parties hereto may, in law or in equity, by suit, action, mandamus, or any other proceeding, including without limitation specific performance, and injunctive or declaratory relief, enforce or compel the performance of this Agreement; provided, however, that the Owner agrees that it will not seek, and does not have the right to seek, to recover a judgment for monetary damages against the Village or any elected or appointed officials, officers, employees, agents, representatives, engineers or attorneys thereof, on account of the negotiation, execution, or breach of any of the terms and conditions of this Agreement. In addition to every other remedy permitted by law for the enforcement of the terms of this Agreement, the Village shall be entitled to withhold the issuance of building permits or certificates of occupancy for any and all buildings and structures within the Property if the Owner has failed or refused to meet fully any of its obligations under this Agreement more than 30 days after the Owner has received written notice of such failure or refusal. In the event of a judicial proceeding brought by one party to this Agreement against the other party to this Agreement, the prevailing party in such judicial proceeding shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including reasonable attorneys' fees, incurred in connection with such judicial proceeding.

SECTION 15. GENERAL PROVISIONS.

A. Notice. Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i), personally, (ii) by a reputable overnight courier, or (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. Unless otherwise expressly provided in this Agreement, notices shall be deemed received upon the earlier of (i) actual receipt; (ii) one business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (iii) three business days following deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party shall have the right to change the address or the addressee, or both, for all future notices and communications to such party, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to Village shall be addressed to, and delivered at, the following address:

Village of Mundelein
440 E. Hawley Street
Mundelein, IL 60060
Attention: Village Administrator

With a copy to:

Matthew E. Norton, Esq.
Holland & Knight LLP
131 South Dearborn Street
30th Floor
Chicago, IL 60603

Notices and communications to the Owner shall be addressed to, and delivered at, the following address:

Timothy L. Hernandez
Principal
New Urban Communities
398 NE 6th Avenue
Delray Beach, FL 33483

With a copy to:

William L. Goldbeck, Esq.
Gardner Carton & Douglas LLP
191 N. Wacker Drive
Suite 3700
Chicago, IL 60606-1698

B. Time of the Essence. Time is of the essence in the performance of all terms and provisions of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies, and benefits allowed by law.

D. Non-Waiver. The Village shall be under no obligation to exercise any of the rights granted to it in this Agreement. The failure of the Village to exercise at any time any such right shall not be deemed or construed to be a waiver thereof, nor shall such failure void or affect the Village's right to enforce such right or any other right.

E. Governing Law. This Agreement shall be governed by, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

F. Non-Severability. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the entire remainder of this Agreement shall, thereupon, be null and void and of no further force and effect, it being the intent of the parties that all of the provisions of this Agreement be treated as an individual whole.

G. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

H. Exhibits. Exhibits 1 through 12 attached to this Agreement are, by this reference, incorporated in and made a part of this Agreement. In the event of a conflict between an Exhibit and the text of this Agreement, the text of this Agreement shall control.

I. Amendments and Modifications. No amendment or modification to this Agreement shall be effective unless and until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.

J. No Third Party Beneficiaries. No claim as a third party beneficiary under this Agreement by any person, firm or corporation shall be made, or be valid, against the Village or the Owner.

K. Counterparts. This Agreement may be executed in counterpart, each of which shall constitute an original document, which together shall constitute one and the same instrument.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

ATTEST:

Village Clerk

VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation

By: _____

Village President

ATTEST:

_____

NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company

By: _____

Its: VP

3646484_v9

ACKNOWLEDGEMENTS

STATE OF ILLINOIS)
LAKE) SS.
COUNTY OF ~~COOK~~)

The foregoing instrument was acknowledged before me on AUG. 15TH, _____, 2006, by KENNETH H. KESSLER, the Village President of the VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation, and by ESMIE M. DAHLSTROM the Village Clerk of said municipal corporation.

Given under my hand and official seal this 15TH day of AUGUST, 2006.

Signature of Notary

SEAL

"OFFICIAL SEAL"
Myrna G. Negron
Notary Public, State of Illinois
My Commission Expires 9/2/2009

My Commission expires: 9/2/09

STATE OF ~~ILLINOIS~~) Florida
) SS.
COUNTY OF ~~COOK~~) Palm Beach

The foregoing instrument was acknowledged before me on July 14, 2006, by Timothy Hernandez the Vice President of NEW URBAN MUNDELEIN, L.L.C., and by _____, the _____ of said Company which individuals are known to me to be the identical persons who signed the foregoing instrument as such officers of the Company for and on behalf of said Company, and that they executed the same as their free and voluntary act and deed, and as the free and voluntary act and deed of the Company, for the uses and purposes therein mentioned.

Given under my hand and official seal this 14TH day of July, 2006.

Signature of Notary

SEAL

SANDRA A. LONGO
MY COMMISSION # DD 441805
EXPIRES: June 16, 2009
Bonded Thru Notary Public Underwriters

My Commission expires: 6/16/09

INDEX OF EXHIBITS

Exhibit 1	Development Concept Plan
Exhibit 2	Legal Description of Property
Exhibit 3	List of Redevelopment Project Costs
Exhibit 4	Streetscape Improvement Plan
Exhibit 5	Zoning and Special Use Ordinance
Exhibit 6A	Letter of Credit form for Subdivision Security
Exhibit 6B	Letter of Credit form for and Warranty Security
Exhibit 7	Subdivision Improvement Agreement
Exhibit 8	Preliminary Plat
Exhibit 9	Letter of Credit form for security for Village Impact Fees
Exhibit 10	Donation Agreements with School District 75, Mundelein Consolidated High School District 120, Mundelein Park and Recreation District, and Fremont Public Library District
Exhibit 11	Form of Transferee Assumption Agreement
Exhibit 12	Form of Reimbursement Request

EXHIBIT 1

ON FILE IN THE VILLAGE CLERK'S OFFICE AT THE VILLAGE OF MUNDELEIN

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE ORIGINAL 250 FEET WIDE STATION GROUND PROPERTY ACQUIRED BY THE FORMER CHICAGO AND WISCONSIN RAILROAD COMPANY, NOW WISCONSIN CENTRAL, LTD., FROM JOHN HOLCOMB, BY DEED GRANTED JANUARY 14, 1888 RECORDED IN DEED BOOK 87 ON PAGE 95 AS DOCUMENT 36899, WHICH CORNER IS ALSO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 4 IN THE TOWN OF HOLCOMB RECORDED IN BOOK ?A? OF PLATS PAGE 58 AS DOCUMENT 33999; THENCE NORTH 29 DEGREES 24 MINUTES 39 SECONDS WEST, PARALLEL WITH AND 143.50 FEET WESTERLY OF AS MEASURED PERPENDICULAR TO THE CENTERLINE OF THE MAIN TRACK OF SAID WISCONSIN CENTRAL LTD., 453.53 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 143.50 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID MAIN TRACK, 163.81 FEET; THENCE SOUTH 75 DEGREES 08 MINUTES 21 SECONDS EAST, 156.13 FEET TO A POINT WHICH IS 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK, 54.82 FEET TO A POINT OF TANGENT; THENCE SOUTH 29 DEGREES 24 MINUTES 39 SECONDS EAST, PARALLEL WITH AND 30.00 FEET WEST OF, AS MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 453.53 FEET TO THE INTERSECTION OF THE NORTHERLY LOT LINE OF LOT 17 IN BLOCK 4 OF SAID TOWN OF HOLCOMB EXTENDED EASTERLY; THENCE SOUTH 60 DEGREES 35 MINUTES 21 SECONDS WEST, PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 113.50 FEET ALONG THE NORTHERLY LINE OF LOT 17, TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

EXHIBIT 3

List of Redevelopment Project Costs

New Urban Communities

New Urban Mundelein LLC
Qualified Redevelopment Project Costs

Public Improvements	$500,000.00
Demolition Costs	$90,000.00
Village Impact Fees	$235,305.00
	$825,305.00

EXHIBIT 4

ON FILE IN THE VILLAGE CLERK'S OFFICE AT THE VILLAGE OF MUNDELEIN

EXHIBIT 5

Zoning and Special Use Ordinance

STATE OF ILLINOIS)
)
COUNTY OF LAKE)

CERTIFICATE

I, Esmie M. Dahlstrom, certify that I am the duly elected Municipal Clerk for the Village of Mundelein, Lake County, Illinois.

I further certify that on July 10, 2006, the Corporate Authorities of such Village passed and approved

Ordinance No. 06-07-52

which is entitled

ORDINANCE AMENDING ZONING MAP TO CLASSIFY PROPERTY IN R-8 ZONING DISTRICT/PARK STATION

which provides by its terms that it should be published in pamphlet form.

The pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof was prepared and a copy of such Ordinance was posted in the Village Hall commencing on July 11, 2006 and was posted for at least ten days thereafter.

Copies of such Ordinance are available for public inspection upon request in the Customer Service Office.

Dated at Mundelein, Illinois this 11th day of July 2006.

Esmie M. Dahlstrom
Village Clerk

ORDINANCE NO. 06-07-52

ORDINANCE AMENDING ZONING MAP TO CLASSIFY PROPERTY IN R-8 ZONING DISTRICT/PARK STATION

Published in pamphlet form by authority
of the President and Board of Trustees
of the Village of Mundelein, Illinois

Date of Publication: July 11, 2006

ORDINANCE NO. 06-07-52

ORDINANCE AMENDING ZONING MAP TO CLASSIFY PROPERTY IN R-8 ZONING DISTRICT/PARK STATION

WHEREAS, the Village of Mundelein (the "**Village**") has approved that certain redevelopment agreement (the "**Redevelopment Agreement**") with New Urban Mundelein, LLC (the "**Developer**"), concerning certain property owned by the Developer, consisting of approximately 1.479 acres, and legally described in **Exhibit A** hereto (the "**Property**"), pursuant to a resolution approved on the same date that this Ordinance was approved (the "**Redevelopment Agreement Resolution**"); and

WHEREAS, pursuant to notice as provided by law, a public hearing was held by the Village Plan Commission on Developer's request to classify the Property within the Village's R-8 Multiple-Family Dwelling Zoning District, and the Plan Commission has submitted its written findings of fact and recommendations to the President and Board of Trustees of the Village; and

WHEREAS, the President and Board of Trustees of the Village have determined that it would be in the best interests of the Village to approve an ordinance amending the Village's zoning map to classify the Property within the Village's R-8 Multiple-Family Dwelling Zoning District; and

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MUNDELEIN, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

Section 1: The official zoning map of the Village is hereby amended to classify the Property in the Village's R-8 Multiple Family Dwelling Zoning District.

Section 2: This Ordinance shall be in full force and effect from and after (i) its passage, approval, filing, and publication in pamphlet form, as by law provided; and (ii) the date upon which the Village's authority to execute the Redevelopment Agreement takes effect pursuant to the Development Agreement Resolution.

PASSED this 10th day of July 2006 by a roll call vote.

AYES	NAYS	ABSENT AND/OR NOT VOTING
Trustees:	None	Trustee:
Semple		Cancelli
Voss		
Nutschnig		
Schedler		
Sullivan		

President

PASSED: July 10, 2006

APPROVED: July 10, 2006

PUBLISHED in pamphlet form: July 11, 2006

ATTEST:

Village Clerk

EXHIBIT A

Legal Description of the Property

That part of the southwest quarter of the southwest quarter of Section 19, Township 44 North, Range 11, East of the Third Principal Meridian, bounded and described as follows: Beginning at the Southwest corner of the original 250 feet wide station ground property acquired by the former Chicago and Wisconsin Railroad Company, now Wisconsin Central, Ltd., from John Holcomb, by deed granted January 14, 1888 recorded in deed book 87 on page 95 as Document 36899, which corner is also the northwest corner of lot 17 in block 4 in the Town of Holcomb recorded in Book ?A? of Plats page 58 as Document 33999; thence north 29 degrees 24 minutes 39 seconds west, parallel with and 143.50 feet westerly of as measured perpendicular to the centerline of the main track of said Wisconsin Central Ltd., 453.53 feet to a point of curvature; thence northwesterly along a curved line concentric with and 143.50 feet, as measured of a radial line from the centerline of said main track, 163.81 feet; thence south 75 degrees 08 minutes 21 seconds east, 156.13 feet to a point which is 30.00 feet, as measured of a radial line from the centerline of said track; thence Southeasterly along a curved line concentric with and 30.00 feet, as measured of a radial line from the centerline of said track, 54.82 feet to a point of tangent; thence south 29 degrees 24 minutes 39 seconds east, parallel with and 30.00 feet west of, as measured perpendicular to the centerline of said track, 453.53 feet to the intersection of the northerly lot line of lot 17 in block 4 of said town of Holcomb extended easterly; thence south 60 degrees 35 minutes 21 seconds west, perpendicular to the centerline of said track, 113.50 feet along the northerly line of lot 17, to the point of beginning, in Lake County, Illinois.

STATE OF ILLINOIS)
)
COUNTY OF LAKE)

CERTIFICATE

I, Esmie M. Dahlstrom, certify that I am the duly elected Municipal Clerk for the Village of Mundelein, Lake County, Illinois.

I further certify that on July 10, 2006, the Corporate Authorities of such Village passed and approved

Ordinance No. 06-07-53

which is entitled

ORDINANCE APPROVING SPECIAL USE PERMIT FOR
PLANNED UNIT DEVELOPMENT/PARK STATION

which provides by its terms that it should be published in pamphlet form.

The pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof was prepared and a copy of such Ordinance was posted in the Village Hall commencing on July 11, 2006 and was posted for at least ten days thereafter.

Copies of such Ordinance are available for public inspection upon request in the Customer Service Office.

Dated at Mundelein, Illinois this 11th day of July 2006.

Esmie M. Dahlstrom
Village Clerk

ORDINANCE NO. 06-07-53

ORDINANCE APPROVING SPECIAL USE PERMIT FOR PLANNED UNIT DEVELOPMENT/PARK STATION

Published in pamphlet form by authority
of the President and Board of Trustees
of the Village of Mundelein, Illinois

Date of Publication: July 11, 2006

ORDINANCE NO. 06-07-53

ORDINANCE APPROVING SPECIAL USE PERMIT FOR PLANNED UNIT DEVELOPMENT/PARK STATION

WHEREAS, New Urban Mundelein, LLC, an Illinois limited liability company ("**Developer**") has filed with the Village of Mundelein (the "**Village**") an application for a special use permit authorizing the development of approximately 1.479 acres of land legally described on **Exhibit A** attached hereto (the "**Property**") as a planned unit development (the "**Application**"); and

WHEREAS, the Developer is also the owner of record of the Property; and

WHEREAS, on the same date upon which this Ordinance was approved, the Village approved a resolution (the "**Redevelopment Agreement Resolution**") approving a Redevelopment Agreement (the "**Redevelopment Agreement**") between the Village and Developer; and

WHEREAS, on the same date upon which this Ordinance was approved, the Village approved an ordinance (the "**Re-Zoning Ordinance**") re-zoning the Property from the Village's M-1 Medium Industrial District to the Village's R-8 Multiple Family Dwelling District; and

WHEREAS, pursuant to notice as provided by law, a public hearing was held by the Village Plan Commission on the Application; and

WHEREAS, the Plan Commission has submitted its written findings of fact and its recommendations to the President and the Board of Trustees of the Village; and

WHEREAS, pursuant to the requirements of Section 20.49.060 of the Zoning Ordinance, Developer has submitted a **"Development Concept Plan"** for the Property consisting of the following:

1. ALTA/ACSM Land Title Survey prepared by R.E. Allen and Associates Ltd. consisting of one page dated September 20, 2004;
2. Site Analysis prepared by Spaceco Inc. consisting of one sheet dated August 4, 2005;
3. Preliminary PUD Site Plan prepared by Spaceco Inc. consisting of one sheet dated August 11, 2005 with a revised date of April 4, 2006;
4. Preliminary Engineering Plan prepared by Spaceco Inc. consisting of one sheet dated August 11, 2005 with a revised date of April 4, 2006;
5. Preliminary Landscape Plan prepared by Gary R. Weber Associates, Inc., consisting of one sheet dated June 27, 2005;
6. Elevation plans and floor plans prepared by Sullivan Goulette Architects consisting of six sheets dated June 27, 2005; and

WHEREAS, Developer and the Village desire that the Property be developed as a planned unit development that will include three town home buildings (with a total of not more than 27 town home units), all in accordance with the Development Concept Plan, the Redevelopment Agreement, Chapter 20.49 of the Village Zoning Ordinance, and this Ordinance (the **"Development"**); and

WHEREAS, the Village President and Board of Trustees hereby find that the Development will meet (i) each of the standards made applicable to special use permits pursuant to Chapter 20.24 of the Zoning Ordinance; and (ii) each of the standards made applicable to planned unit developments pursuant to Section 20.49.060 of the Zoning Ordinance; and

WHEREAS, the Village President and Board of Trustees hereby further find that, despite any change, alteration, variation, modification, or waiver of any provisions of the Village Zoning Ordinance or of the Municipal Code of Mundelein that would otherwise apply to the Development, the Development (i) will achieve the purposes for which planned unit developments may be approved pursuant to Section 20.49.020 of the Zoning Code; (ii) will not violate the general purposes, goals, and objectives of the Zoning Ordinance and the comprehensive plan of the Village; and (iii) will provide compensating amenities to the Village; and

WHEREAS, the President and Board of Trustees of the Village have determined, based upon such written findings of fact and recommendations, that it would be in the best interests of the Village to adopt an ordinance approving the Development Concept Plan and approving a special use permit authorizing the Development as a planned unit development;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MUNDELEIN, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

Section 1: The Village hereby approves the Development Concept Plan for the Property.

Section 2: The Village hereby approves a special use permit authorizing the Development as a planned unit development in accordance with the Development Concept Plan, the Redevelopment Agreement, Chapter 20.49 of the Village Zoning Ordinance, and this Ordinance.

Section 3: If a development standard or requirement of the Development Concept Plan, this Ordinance, or the Redevelopment Agreement conflicts with any provision of the

Village Zoning Ordinance or the Municipal Code of Mundelein, the development standard or requirement shall control and such provision shall be deemed to be, and is hereby waived for purposes of the development, use, and operation of the Development; provided, however, that such waiver shall apply only if Developer is in full compliance with the conditions set forth in Section 4 below. If there is no such conflict, then the Development shall comply with all applicable provisions of the Village Zoning Ordinance and the Municipal Code of Mundelein.

Section 4: The approvals granted pursuant to Sections 1 through 3 of this Ordinance shall be, and they are hereby, conditioned upon and limited by the following conditions, the violation of any of which shall constitute grounds for revocation of such approvals:

A. No portion of the Property may be developed until after a Final Plan for such portion has been approved by the Village in accordance with Section 20.49.050 of the Village Zoning Ordinance.

B. Developer shall comply with, and the Property and the Development shall be developed, used, and operated only in accordance with, (i) the Redevelopment Agreement; (ii) this Ordinance; and (iii) all applicable provisions of the Village Zoning Ordinance, including Chapter 20.49.

Section 5: This Ordinance shall be in full force and effect only from and after (i) its passage, approval, filing, and publication in pamphlet form, as by law provided; and (ii) the date upon which both (a) the Village's authority to execute the Redevelopment Agreement takes effect pursuant to the Redevelopment Agreement Resolution; and (b) the Re-Zoning Ordinance becomes effective.

PASSED this 10th day of July 2006 by a roll call vote.

AYES	NAYS	ABSENT AND/OR NOT VOTING
Trustees:	None	Trustee:
Semple		Cancelli
Voss		
Nutschnig		
Schedler		
Sullivan		

President

PASSED: July 10th, 2006

APPROVED: July 10th, 2006

PUBLISHED in pamphlet form: July 11, 2006

ATTEST:

Village Clerk

EXHIBIT A

Legal Description of the Property

That part of the southwest quarter of the southwest quarter of Section 19, Township 44 North, Range 11, East of the Third Principal Meridian, bounded and described as follows: Beginning at the Southwest corner of the original 250 feet wide station ground property acquired by the former Chicago and Wisconsin Railroad Company, now Wisconsin Central, Ltd., from John Holcomb, by deed granted January 14, 1888 recorded in deed book 87 on page 95 as Document 36899, which corner is also the northwest corner of lot 17 in block 4 in the Town of Holcomb recorded in Book ?A? of Plats page 58 as Document 33999; thence north 29 degrees 24 minutes 39 seconds west, parallel with and 143.50 feet westerly of as measured perpendicular to the centerline of the main track of said Wisconsin Central Ltd., 453.53 feet to a point of curvature; thence northwesterly along a curved line concentric with and 143.50 feet, as measured of a radial line from the centerline of said main track, 163.81 feet; thence south 75 degrees 08 minutes 21 seconds east, 156.13 feet to a point which is 30.00 feet, as measured of a radial line from the centerline of said track; thence Southeasterly along a curved line concentric with and 30.00 feet, as measured of a radial line from the centerline of said track, 54.82 feet to a point of tangent; thence south 29 degrees 24 minutes 39 seconds east, parallel with and 30.00 feet west of, as measured perpendicular to the centerline of said track, 453.53 feet to the intersection of the northerly lot line of lot 17 in block 4 of said town of Holcomb extended easterly; thence south 60 degrees 35 minutes 21 seconds west, perpendicular to the centerline of said track, 113.50 feet along the northerly line of lot 17, to the point of beginning, in Lake County, Illinois.

EXHIBIT 6A

Letter of Credit Form for Subdivision Security

FORM OF LETTER OF CREDIT FOR SUBDIVISION IMPROVEMENTS
(FINANCIAL INSTITUTION LETTERHEAD)
IRREVOCABLE LETTER OF CREDIT

Irrevocable Letter of Credit No. _____
Amount: _____
Issue Date: _____
Expiration Date: _____

Beneficiary: Village of Mundelein
Attention: Esmie Dahlstrom, Village Clerk
Village Hall
440 East Hawley Street
Mundelein, Illinois 60060

Applicant: NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company

Ladies and Gentlemen:

The undersigned bank, BANK OF AMERICA, N.A., hereby issues to the Village of Mundelein this Irrevocable Documentary Letter of Credit in the amount of ($) U.S. Dollars, which is available by presentation of your draft(s) at sight drawn on us bearing the clause: "Drawn under BANK OF AMERICA, N.A. Documentary Letter of Credit No. [INSERT NUMBER], dated [INSERT DATE], and accompanied by the following document:

A statement purportedly signed by an authorized representative of the Village that
"The proceeds of the draft will be used to satisfy the obligations of NEW URBAN MUNDELEIN, L.L.C. to construct PUBLIC IMPROVEMENTS RELATED TO THE DEVELOPMENT OF THREE (3) 9-UNIT TOWNHOME BUILDINGS as provided in that certain Development Agreement dated _____, 2006 relating to the subdivision of the PARK STATION TOWNHOMES."

We understand that this Irrevocable Letter of Credit is to be used to complete the improvements described above.

The original of, and any amendments to, this Letter of Credit must accompany all draws. This Letter of Credit will expire at the close of the regular business day on [DATE], and such drafts must be presented for payment and received by us on or before such date. BANK OF AMERICA, N.A. will notify the Village by

certified mail, return receipt requested, at least sixty (60) days prior to said expiration date, of the impending expiration. In no event shall this Letter of Credit expire except upon said prior written notice, it being expressly agreed by us that the above expiration date shall be extended as required to comply with this notice provision. This Letter of Credit shall remain in effect until (and including) its expiration date without regard to any default in payments of sums owed to us by the Applicant and without regard to other claims which we may have against the Applicant.

We hereby engage with drawers and/or bona fide holders that drafts drawn and negotiated in conformity with the terms of this credit will be duly honored on presentation.

This Letter of Credit shall be governed by and construed in accordance with the laws of the State of Illinois, including the Uniform Commercial Code. Unless inconsistent with Illinois law, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits (1993 Revision) the International Chamber of Commerce Publication No. 500, as hereby expressly incorporated by reference.

BANK OF AMERICA, N.A.

By: VINCENT F. DALEY
Its: Vice President

Attest: KEEGAN KOCH
Its: Assistant Vice President

EXHIBIT 6B

Letter of Credit Form for Warranty Security

FORM OF WARRANTY SECURITY
(FINANCIAL INSTITUTION LETTERHEAD)
IRREVOCABLE LETTER OF CREDIT

Irrevocable Letter of Credit No. _____
Amount: _____
Issue Date: _____
Expiration Date: _____

Beneficiary: Village of Mundelein
Attention: Esmie Dahlstrom, Village Clerk
Village Hall
440 East Hawley Street
Mundelein, Illinois 60060

Applicant: NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company

Gentlemen:

The undersigned bank, BANK OF AMERICA, N.A., hereby issues to the Village of Mundelein this Irrevocable Documentary Letter of Credit in the amount of ($) U.S. Dollars, which is available by presentation of your draft(s) at sight drawn on us bearing the clause: "Drawn under BANK OF AMERICA, N.A. Documentary Letter of Credit No. [INSERT NUMBER], dated [INSERT DATE], and accompanied by the following document:

A statement purportedly signed by an authorized representative of the Village that "The proceeds of the draft will be used to satisfy the obligations of NEW URBAN MUNDELEIN, L.L.C. to correct defects in materials or workmanship in REAL ESTATE DEVELOPMENT OF THREE (3) 9-UNIT TOWNHOME BUILDINGS as provided in that certain Development Agreement dated _____, 2006 relating to the subdivision of the PARK STATION TOWNHOMES."

We understand that this Irrevocable Letter of Credit is to be used to warrant and correct defects in material or workmanship in the improvements described above.

The original of, and any amendments to, this Letter of Credit must accompany all draws. This Letter of Credit will expire at the close of the regular business day on [DATE], and such drafts must be presented for payment and received by us on or before such date. BANK OF AMERICA, N.A. will notify the Village by certified mail, return receipt requested, at least sixty (60) days prior to said expiration date, of the impending expiration. In no event shall this Letter of Credit expire except upon said

prior written notice, it being expressly agreed by us that the above expiration date shall be extended as required to comply with this notice provision. This Letter of Credit shall remain in effect until (and including) its expiration date without regard to any default in payments of sums owed to us by the Applicant and without regard to other claims which we may have against the Applicant.

We hereby engage with drawers and/or bona fide holders that drafts drawn and negotiated in conformity with the terms of this credit will be duly honored on presentation.

This Letter of Credit shall be governed by and construed in accordance with the laws of the State of Illinois, including the Uniform Commercial Code. Unless inconsistent with Illinois law, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits (1993 Revision) the International Chamber of Commerce Publication No. 500, as hereby expressly incorporated by reference.

BANK OF AMERICA, N.A.

By: VINCENT F. DALEY
Its: Vice President

Attest: KEEGAN KOCH
Its: Assistant Vice President

EXHIBIT 7

Subdivision Improvement Agreement

FORM OF SUBDIVISION IMPROVEMENTS AGREEMENT

THIS AGREEMENT made and entered into _____, 2006 by and between the Village of Mundelein, an Illinois Municipal Corporation, 440 East Hawley Street, Mundelein, Illinois, hereinafter called "Village" and (NEW URBAN MUNDELEIN, L.L.C.) hereinafter called "Subdivider."

WITNESSETH:

WHEREAS, the Subdivider owns a certain tract of real estate which is legally described on **Exhibit A** attached hereto and made a part thereof and;

WHEREAS, the Subdivider desires to subdivide said real estate and has submitted to the Village a plat of subdivision designated as ( ) and;

WHEREAS, said subdivision plat has been approved by the Village Plan Commission and the Village Board of Trustees is willing to approve said subdivision plat provided that this agreement is executed to insure completion of certain subdivision improvements, as a condition precedent to the issuance of occupancy permits for any buildings to be constructed on said real estate.

NOW THEREFORE, the parties hereto agree as follows:

1. Reference is hereby made to that certain Development Agreement by and between the Village and Subdivider date _____, 2006 (the "Development Agreement"). Unless the context clearly requires otherwise, all capitalized terms not defined herein shall have the meanings ascribed to them in the Development Agreement. The Subdivider shall furnish, at his own cost and expense, all the necessary materials, labor and equipment to complete the following subdivision improvements as provided in the Development Agreement:

   (a) On-site storm sewers and appurtenant structures;
   (b) On-site sanitary sewers and appurtenant structures;
   (c) On-site watermains and appurtenant structures;
   (d) Paving for all streets, including sub-base, base, binder course and surface course;
   (e) Curbs and gutters on all streets;
   (f) Street lights;
   (g) Sidewalks;
   (h) Traffic signs and street name signs;
   (i) Parkway sod and parkway trees;
   (j) Mass grading and earth work within all rights-of-way and detention basins;
   (k) Erosion/sedimentation control;

(l) On-site retention/detention improvements;
(m) Driveway aprons;
(n) The Off-Site Public improvements; and
(o) Overhead utility lines to be buried pursuant to the Development Agreement.

all in accordance with the plans and specifications shown on **Exhibit B** attached hereto and made a part hereof, which have been prepared by SPACECO, who are registered professional engineers, such plans and specifications shall be subject to the review and written approval of the Village Engineer. All water, sanitary sewer and storm sewer mains and appurtenances, as well as service lines leading therefrom which go under the street, shall be installed prior to paving the street.

2. Prior to commencing work on said subdivision improvements, the Subdivider shall deliver to the Village Engineer (a) copies of all contracts entered into between it and any contractor for the installation of said subdivision improvements or a complete cost estimate therefore which shall be subject to review and written approval of the Village Engineer and (b) one of the following:

   (a) An irrevocable letter of credit guaranteeing payment of the cost of said subdivision improvements from a reputable bank in an amount equal to 110% of said contract price or cost estimate, as the case may be, and in a form as set forth as **Exhibit C** attached hereto and made a part thereof (The expiration date on said letter of credit shall be at least six months following the completion date of said subdivision improvements as provided in Paragraph 5 hereof; no requests for extensions of time on said completion date shall be considered by the Village unless the expiration date on said letter of credit is extended for a like period of time); or

   (b) A receipt showing that a sum of money guaranteeing payment of the cost of said subdivision improvements has been deposited in escrow in an amount equal to 110% of said contract price or cost estimate, as the case may be. The identity of the escrowee and the form of the escrow deposit agreement shall be subject to the written approval of the Village.

3. Also, prior to commencing work on said subdivision improvements, the Subdivider shall deliver to the Village Engineer a sworn statement from each contractor as contemplated under Section 5 of the Illinois Mechanics Lien Law (770 ILCS 60/5). Thereafter, the Subdivider shall deliver to the Village Engineer partial and final waivers of lien from the contractor(s) and any subcontractor(s) and materialmen as they are paid for labor and

materials furnished. All payments to the contractor(s) and any subcontractor(s) and materialmen by the Subdivider shall be subject to certification by the Village Engineer that the work for which such payments are being made has been properly completed. Ten (10%) percent shall be withheld from each partial payment made to the contractor(s) and any subcontractor(s) and material men until all of the subdivision improvements covered under its contract are completed, at which time one-half the sum withheld shall be disbursed provided that said subdivision improvements have been accepted by the Village and the requirements for certification and lien waivers have been complied with as herein set out. The remaining one-half of the sum shall be disbursed upon expiration of the one-year guaranty period provided in Paragraph 6 hereof. Neither the Village, the Village Engineer, nor any other employees or agents of the Village shall incur any liability to the Subdivider or any third party with respect to any certification or approval to be made or given hereunder or as required by said irrevocable letter of credit.

4. Further, prior to commencing work on said subdivision improvements, the Subdivider shall furnish the Village Engineer with certificates of insurance issued by companies satisfactory to the Village and providing for Workman's Compensation in the statutory amount and comprehensive liability insurance with limits of not less than $300,000.00 per person and $500,000.00 per occurrence covering bodily injury, death and property damage. Said insurance certificates shall show on their face that the Village of Mundelein is an additional insured with respect to the subdivision improvements to be installed as provided herein. Also, the Subdivider shall indemnify the Village and hold it harmless against all losses, damages and expenses which it may sustain or be liable for as a result of the installation of said subdivision improvements, except for negligent acts or omissions of the Village and its employees.

5. Said subdivision improvements shall be completed within ( ) months from the date of this agreement. Upon receiving a written request from the Subdivider, the Village shall extend the completion date by the time consumed by any delays caused by strikes, lockouts, acts of God or unavoidable casualties, unusual weather conditions or causes beyond the control of the Subdivider or its contractor(s). If said subdivision improvements are not completed within said period of time, the Village shall have the right to draw upon said letter of credit or escrow, sufficient funds to pay for the completion of said subdivision improvements. All work on said subdivision improvements shall be subject to inspection and approval of the Village Engineer from time to time as such work progresses and upon it being finished. Upon completion of said subdivision improvements as evidenced by the certificate of the Village Engineer, the Village shall be deemed to have accepted said subdivision improvements. The Subdivider shall cause its engineer to provide the

Village with Record Drawings as provided in the Development Agreement. Upon completion of all punch-list items to the satisfaction of the Village Engineer, presentment of a bill of sale from the subdivider in a form satisfactory to the Village and submittal of a letter of credit in an amount equal to five (5%) percent of the cost of the subdivision improvements from a bank and in a form satisfactory to the Village as required in Section 6 hereof, the Village Board shall take appropriate action to accept all public subdivision improvements. The expiration date on said letter of credit shall be at least six months following the expiration of the one-year warranty of said subdivision improvements. Upon completion of all punch-list items to the satisfaction of the Village Engineer, the Subdivider shall transfer by bill of sale all private subdivision improvements to a homeowner's association, condominium association, property owner's association or other entity acceptable to the Village for future operation, maintenance, repair and replacement under such conditions as may be approved by the Village or retained by the Subdivider (in the case of rental properties).

6. All work in the construction of said subdivision improvements shall be done in good, substantial and workmanlike manner and all materials used therein shall be new and of good quality. The Subdivider agrees to comply with all requirements in the Village's Subdivision Control Ordinance, including but not limited to guaranteeing the satisfactory correction of all defects of every kind and nature in said subdivision improvements which occur within one (1) year after their completion and acceptance by the Village or failure of nursery stock or plantings. An amount equal to five (5%) percent of the actual cost shall be retained to secure the correction of any such defects to the satisfaction of the Village. If any correction is not diligently and expeditiously made by the Subdivider or its contractor(s) or subcontractor(s), then the Village shall have the right to draw upon said letter of credit or said escrow, sufficient funds from said five (5%) percent balance to pay for the correction of such defects. The expiration date on said letter of credit shall be at least six months following the expiration of the one-year warranty of said subdivision improvements.

7. The Subdivider shall pay the Village a plan review fee, inspection fee and any other fees or charges provided by ordinance, code, rule or regulation with respect to the installation of said subdivision improvements; such fees shall be paid within ten (10) days from the date of this Agreement or at such time as may be otherwise agreed upon between the Village and the Subdivider.

8. It is agreed that no occupancy permits shall be requested or issued for any building or buildings constructed on said real estate until all of said subdivision improvements are completed.

9. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns and all subsequent owners of all or any part of said real estate.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Mundelein, Illinois.

VILLAGE OF MUNDELEIN, an Illinois Municipal Corporation

By: _____
Mayor

ATTEST:

_____
Village Clerk

_____
(NEW URBAN MUNDELEIN, L.L.C.)

By: _____
(KEVIN RICKARD)

EXHIBIT 8

ON FILE IN THE VILLAGE CLERK'S OFFICE AT THE VILLAGE OF MUNDELEIN

EXHIBIT 9

Letter of Credit Form for Security for Village Impact Fees

FORM OF LETTER OF CREDIT FOR FEES
(FINANCIAL INSTITUTION LETTERHEAD)
IRREVOCABLE LETTER OF CREDIT

Irrevocable Letter of Credit No. _____
Amount: _____
Issue Date: _____
Expiration Date: _____

Beneficiary: Village of Mundelein
Attention: Esmie Dahlstrom, Village Clerk
Village Hall
440 East Hawley Street
Mundelein, Illinois 60060

Applicant: NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company

Ladies and Gentlemen:

The undersigned bank, BANK OF AMERICA, N.A., hereby issues to the Village of Mundelein this Irrevocable Documentary Letter of Credit in the amount of TWO HUNDRED AND THIRTY-FIVE THOUSAND THREE HUNDRED AND FIVE ($ 235,305.00) U.S. Dollars, which is available by presentation of your draft(s) at sight drawn on us bearing the clause: "Drawn under BANK OF AMERICA, N.A. Documentary Letter of Credit No. [INSERT NUMBER], dated [INSERT DATE], and accompanied by the following document:

A statement purportedly signed by an authorized representative of the Village that
"The proceeds of the draft will be used to satisfy the obligations of NEW URBAN MUNDELEIN, L.L.C. to pay REAL ESTATE DEVELOPMENT OF THREE (3) 9-UNIT TOWNHOME BUILDINGS as provided in that certain Development Agreement dated _____, 2006 relating to the subdivision of the PARK STATION TOWNHOMES."

We understand that this Irrevocable Letter of Credit is to be used to pay the fees described above.

The original of, and any amendments to, this Letter of Credit must accompany all draws. This Letter of Credit will expire at the close of the regular business day on [DATE], and such drafts must be presented for payment and received by us on or before such date. BANK OF AMERICA, N.A. will notify the Village by

certified mail, return receipt requested, at least sixty (60) days prior to said expiration date, of the impending expiration. In no event shall this Letter of Credit expire except upon said prior written notice, it being expressly agreed by us that the above expiration date shall be extended as required to comply with this notice provision. This Letter of Credit shall remain in effect until (and including) its expiration date without regard to any default in payments of sums owed to us by the Applicant and without regard to other claims which we may have against the Applicant.

We hereby engage with drawers and/or bona fide holders that drafts drawn and negotiated in conformity with the terms of this credit will be duly honored on presentation.

This Letter of Credit shall be governed by and construed in accordance with the laws of the State of Illinois, including the Uniform Commercial Code. Unless inconsistent with Illinois law, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits (1993 Revision) the International Chamber of Commerce Publication No. 500, as hereby expressly incorporated by reference.

BANK OF AMERICA, N.A.

By: VINCENT F. DALEY
Its: Vice President

Attest: KEEGAN KOCH
Its: Assistant Vice President

EXHIBIT 10

Donation Agreements

A. Mundelein Elementary School District 75

B. Mundelein High School District 120

C. Mundelein Park and Recreation District

D. Fremont Public Library District

VOLUNTARY BUILDERS' IMPACT FEE

AGREEMENT

This Agreement made and entered into the date set forth below, by and between MUNDELEIN ELEMENTARY SCHOOL DISTRICT NO. 75, hereafter referred to as "DISTRICT," and NEW URBAN MUNDELEIN, L.L.C. hereafter referred to as "BUILDER."

WHEREAS:

1. BUILDER is the owner of record of the real estate described on Exhibit "A" attached hereto and specifically referenced herein.

2. BUILDER intends to develop said property with the following configuration:

   A. _____ Detached single family

   B. ____27____ Attached single family

   C. _____ Apartments

   And the following sizes:

   A. _____ One-bedroom units

   B. ____27____ Two-bedroom units

   C. _____ Three-bedroom units

   D. _____ Four or more bedroom units

3. BUILDER recognizes that the development of said property will result in a financial impact to the DISTRICT.

4. It is the intention of BUILDER and DISTRICT to provide for a cash contribution by BUILDER on terms hereafter fully set forth.

NOW THEREFORE, in consideration of the mutual covenants hereafter set forth and BUILDER'S desire to preserve quality education in the district, it is hereby agreed by and between BUILDER and DISTRICT as follows:

1. BUILDER agrees to a Builder's Impact Fee based upon the amount of the Student Tuition Charge identified for Mundelein Elementary School District No. 75 as described in Exhibit "B" attached hereto.

2. The Student Tuition Charge (Exhibit B) shall be multiplied by the estimated number of elementary/middle school students per unit as described in Exhibit "C" attached hereto. The resulting calculation shall be the per unit charge for the Builders' Impact Fee, which shall be adjusted annually.

3. BUILDER agrees to contribute a Builder's Impact Fee at the current rate for each and every dwelling developed on the real estate described in Exhibit A at such time as the BUILDER applies for the issuance of an occupancy permit for such dwelling or earlier.

4. The DISTRICT agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof, whether or not provided by statute or ordinance not in effect.

5. The DISTRICT agrees that all monies contributed as Builder's Impact Fees shall be used to offset any and all expenditures in the DISTRICT Building Fund or Education Fund.

6. The DISTRICT agrees to provide annual revisions to Exhibit B and Exhibit C as attached hereto until the BUILDER has completed the project as described in Exhibit A. The annual increase in rates will be based upon the change in Student Tuition Charge as identified in Exhibit B.

7. This Agreement shall be binding upon the parties hereto and their respective successors and assigns shall be deemed to be a covenant running with the land.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals upon the date indicated.

MUNDELEIN ELEMENTARY SCHOOL DISTRICT NO. 75 DATE: 11/9/2006

BY: _____

NEW URBAN MUNDELEIN, L.L.C. DATE: 12/6/06

BY: _____

Robert A. O'Neill – its authorized representative

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE ORIGINAL 250 FEET WIDE STATION GROUND PROPERTY ACQUIRED BY THE FORMER CHICAGO AND WISCONSIN RAILROAD COMPANY, NOW WISCONSIN CENTRAL, LTD., FROM JOHN HOLCOMB, BY DEED GRANTED JANUARY 14, 1888 RECORDED IN DEED BOOK 87 ON PAGE 95 AS DOCUMENT 36899, WHICH CORNER IS ALSO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 4 IN THE TOWN OF HOLCOMB RECORDED IN BOOK ?A? OF PLATS PAGE 58 AS DOCUMENT 33999; THENCE NORTH 29 DEGREES 24 MINUTES 39 SECONDS WEST, PARALLEL WITH AND 143.50 FEET WESTERLY OF AS MEASURED PERPENDICULAR TO THE CENTERLINE OF THE MAIN TRACK OF SAID WISCONSIN CENTRAL LTD., 453.53 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 143.50 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID MAIN TRACK, 163.81 FEET; THENCE SOUTH 75 DEGREES 08 MINUTES 21 SECONDS EAST, 156.13 FEET TO A POINT WHICH IS 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK, 54.82 FEET TO A POINT OF TANGENT; THENCE SOUTH 29 DEGREES 24 MINUTES 39 SECONDS EAST, PARALLEL WITH AND 30.00 FEET WEST OF, AS MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 453.53 FEET TO THE INTERSECTION OF THE NORTHERLY LOT LINE OF LOT 17 IN BLOCK 4 OF SAID TOWN OF HOLCOMB EXTENDED EASTERLY; THENCE SOUTH 60 DEGREES 35 MINUTES 21 SECONDS WEST, PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 113.50 FEET ALONG THE NORTHERLY LINE OF LOT 17, TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

MUNDELEIN High School

BOARD OF EDUCATION
1300 WEST HAWLEY STREET
MUNDELEIN, ILLINOIS 60060-1519

BUILDERS' IMPACT FEE

AGREEMENT

This Agreement made and entered into this _____ day of _____, 20 _____ by and between MUNDELEIN CONSOLIDATED HIGH SCHOOL DISTRICT NO. 120, hereafter referred to as "DISTRICT," and _____ NEW URBAN MUNDELEIN, LLC _____. hereafter referred to as "SUBDIVIDER." (In some cases, the individual may wish to insert Trust Agreement number, name or names of development, name of developer, or the builder's name.)

WHEREAS:

1. SUBDIVIDER is the owner of record of the real estate described on Exhibit "A" attached hereto and specifically referenced herein.

2. SUBDIVIDER intends to develop said property with the following configuration:

   A. _____ Detached single family
   B. 27 Attached single family
   C. _____ Apartments

   And the following sizes:

   A. _____ One-bedroom units
   B. 27 Two- bedroom units
   C. _____ Three- bedroom units
   D. _____ Four or more bedroom units

3. SUBDIVIDER recognizes that the development of said property will result in a financial impact to the DISTRICT.

4. It is the intention of SUBDIVIDER and DISTRICT to provide for a cash contribution by SUBDIVIDER on terms hereafter fully set forth.

NOW THEREFORE, in consideration of the mutual covenants hereafter set forth, it is hereby agreed by and between SUBDIVIDER and DISTRICT as follows:

1. SUBDIVIDER agrees to a Builder's Impact Fee based upon the amount of the Per Capita Tuition Charge identified for Mundelein Consolidated High School District # 120 from its most recent published audit as described in Exhibit "B" attached hereto.

2. The Per Capita Tuition Charge (Exhibit B) shall be multiplied by the estimated number of high school students per unit as described in Exhibit "C" attached hereto. The resulting calculation shall be the per unit charge for the Builders' Impact Fee, which shall be adjusted annually.

3. SUBDIVIDER agrees to contribute a Builder's Impact Fee for each and every dwelling developed on the real estate described in Exhibit A at such time as the SUBDIVIDER applies for the issuance of an occupancy permit for such dwelling.

4. The DISTRICT agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof, whether or not provided by statute or ordinance now in effect.

5. The DISTRICT agrees that all monies contributed as Builder's Impact Fees shall be used to offset any and all expenditures in the DISTRICT Building Fund or Education Fund.

6. The DISTRICT agrees to provide annual revisions to Exhibit B and Exhibit C as attached hereto until the SUBDIVIDER has completed the project as described in Exhibit A. The annual increase in rates will based upon the change in Per Capita Tuition Charge as identified in Exhibit B.

7. This Agreement shall be binding upon the parties hereto and their respective successors and assigns shall be deemed to be a covenant running with the land.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals upon the date indicated.

MUNDELEIN CONSOLIDATED HIGH SCHOOL DISTRICT NO. 120

BY: _____

DATE: 12/15/05

SUBDIVIDER

NEW URBAN MUNDELEIN LLC

BY: _____

ROBERT A. O'NEILL, AUTHORIZED REPRESENTATIVE

DATE: 12/6/05

COUNTY OF LAKE

STATE OF ILLINOIS

NOTARY: Brenda J. Brummel

DATE: 12/06/05

NOTARY PUBLIC SEAL

OFFICIAL SEAL
BRENDA J BRUMMEL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 07/05/08

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE ORIGINAL 250 FEET WIDE STATION GROUND PROPERTY ACQUIRED BY THE FORMER CHICAGO AND WISCONSIN RAILROAD COMPANY, NOW WISCONSIN CENTRAL, LTD., FROM JOHN HOLCOMB, BY DEED GRANTED JANUARY 14, 1888 RECORDED IN DEED BOOK 87 ON PAGE 95 AS DOCUMENT 36899, WHICH CORNER IS ALSO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 4 IN THE TOWN OF HOLCOMB RECORDED IN BOOK ?A? OF PLATS PAGE 58 AS DOCUMENT 33999; THENCE NORTH 29 DEGREES 24 MINUTES 39 SECONDS WEST, PARALLEL WITH AND 143.50 FEET WESTERLY OF AS MEASURED PERPENDICULAR TO THE CENTERLINE OF THE MAIN TRACK OF SAID WISCONSIN CENTRAL LTD., 453.53 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 143.50 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID MAIN TRACK, 163.81 FEET; THENCE SOUTH 75 DEGREES 08 MINUTES 21 SECONDS EAST, 156.13 FEET TO A POINT WHICH IS 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK, 54.82 FEET TO A POINT OF TANGENT; THENCE SOUTH 29 DEGREES 24 MINUTES 39 SECONDS EAST, PARALLEL WITH AND 30.00 FEET WEST OF, AS MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 453.53 FEET TO THE INTERSECTION OF THE NORTHERLY LOT LINE OF LOT 17 IN BLOCK 4 OF SAID TOWN OF HOLCOMB EXTENDED EASTERLY; THENCE SOUTH 60 DEGREES 35 MINUTES 21 SECONDS WEST, PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 113.50 FEET ALONG THE NORTHERLY LINE OF LOT 17, TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

Agmt - P

PARK STATION

MUNDELEIN, ILLINOIS

LANDSCAPE PLAN

1 OF 1

REPRESENTATIVE PLANT LIST

GENERAL NOTES

ECONOMIC IMPACT ON MUNDELEIN HIGH SCHOOL

EXHIBIT B

As part of developing the economic impact factor new students would have on Mundelein High School, the following revisions have been made to the Impact Fee since 1988.

revised 10/1/88

Total Net Expense Per Student (Oct. 1, 1988 - Sept. 30, 1989) (8.33% increase over 87-88) **$3,319.46**

revised 10/1/89

Total Net Expense Per Student (Oct. 1, 1989 - Sept. 30, 1990) (6.98% increase over 88-89) **$3,551.16**

revised 10/1/90

Total Net Expense Per Student (Oct. 1, 1990 - Sept. 30, 1991) (9.9% increase over 89-90) **$3,902.72**

revised 10/1/91

Total Net Expense Per Student (Oct. 1, 1991 - Sept. 30, 1992) (10.1% increase over 90-91) **$4,296.89**

revised 10/1/92

Total Net Expense Per Student (Oct. 1, 1992 - Sept. 30, 1993) (6.33% increase over 91-92) **$4,568.88**

revised 10/1/93

Total Net Expense Per Student (Oct. 1, 1993 - Sept. 30, 1994) (9.58% increase over 1992-93) **$5,006.58**

revised 10/1/94

Total Net Expense Per Student (Oct. 1, 1994 - Sep. 30, 1995) $5,446.16

revised 10-1-95

Total Net Expense Per Student (Oct. 1, 1995 - Sept. 30, 1996) $5,861.16
(7.62% increase over 1994-95)

revised 10-1-96

Total Net Expense Per Student (Oct. 1, 1996 - Sept. 30, 1997) $6,599.67
(12.60% increase over 1995-96)

revised 10-1-97

Total Net Expense Per Student (Oct. 1, 1997 - Sept. 1, 1998) $7,325.63
(11.00% increase over 1996-97)

revised 10-1-98

Total Net Expense Per Student (Oct. 1, 1998 - Sept. 1, 1999) $8,423.74
(14.99% increase over 1997-98)

revised 10-1-99

Total Net Expense Per Student (Oct. 1, 1999 - Sept. 1, 2000) $8,911.47
(5.79% increase over 1998-99)

revised 10-1-00

Total Net Expense Per Student (Oct. 1, 2000 - Sept. 1, 2001) $9,365.95
(5.1 % increase over 1999-2000)

revised 10-1-01

Total Net Expense Per Student (Oct. 1, 2001 - Sept. 1, 2002) $10,164.30
(8.42 % increase over 2000-2001)

revised 10-1-02

Per Capita Tuition Charge - See Attached $10,709.00
(5.4% increase over 2001-2002)

revised 11-1-03

Per Capita Tuition Charge - See Attached (2.3% increase over 2001-2002)	**$10,960.00**

Agmt - Park Station

11/13/2006

MUNDELEIN CONSOLIDATED HIGH SCHOOL DISTRICT NO. 120
COMPUTATION OF OPERATING EXPENSE PER PUPIL
AND PER CAPITA TUITION CHARGE
FOR THE YEAR ENDED JUNE 30, 2003

TOTAL EXPENDITURES		
Educational Fund	$ 19,102,694	
Operations and Maintenance Fund	2,189,070	
Bond and Interest Fund	2,082,741	
Transportation Fund	1,242,152	
Illinois Municipal Retirement/Social Security Fund	626,258	$ 25,222,913
LESS: NON-OPERATING DEDUCTIONS		
Tuition Paid	$ 2,255,479	
Capital Outlay	310,693	
Transfers	108,991	
Adult Education	343,888	
Bond Principal Retired	1,280,484	
Summer School	36,075	
Nonprogrammed Charges	90,633	
Community Services	65,312	4,522,515
OPERATING EXPENSES		$ 20,700,398
AVERAGE DAILY ATTENDANCE	1,709.25	
OPERATING EXPENSE PER PUPIL	$ 12,111	
LESS: OFFSETTING REVENUE		
Transportation	$ 393,995	
Food Service	501,619	
Driver Education	61,440	
Pupil Activities	518,613	
Textbooks	171,102	
Rentals	78,805	
Vocational Education	75,753	
Special Education	995,594	
Bilingual Education	37,111	
Gifted Education	17,354	
School Safety and Educational Improvement Block Grant	32,558	
State Library Grant	1,445	
Other Revenue from State Sources	10,090	
Title I	72,997	
Title IV	12,636	
Title V	9,369	
Medicaid Matching Funds - Administrative Outreach	24,103	
Medicaid Matching Funds - Fee-for-service Program	4,339	
Learn and Serve America	3,500	
State Free Lunch and Breakfast	6,010	
School Breakfast Initiative	218	
Title II - Eisenhower - Professional Development	3,511	
Title II - Teacher Quality	48,743	3,055,327
NET OPERATING EXPENSES		$ 17,614,071
DEPRECIATION		1,119,642
TOTAL COST FOR TUITION CHARGE		$ 18,733,713
AVERAGE DAILY ATTENDANCE	1,709.25	
PER CAPITA TUITION CHARGE	$ 10,960	

HIGH SCHOOL STUDENTS PER DWELLING

EXHIBIT C

The Board of Education of Mundelein Consolidated High School District 120 has established a high school student per dwelling table by using the Table of Estimated Ultimate School Population Per Dwelling Unit from the Associated Municipal Consultant - Illinois School Consulting Service (see attached).

The table is as follows:

DETACHED SINGLE FAMILY	HIGH SCHOOL	(NOV. 1, 2003 – OCT. 31, 2004) 2003-2004 BASE $10,960.00
2 BEDROOM	.020	$ 219.20
3 BEDROOM	.184	2,016.64
4 BEDROOM (or more)	.360	3,945.60
ATTACHED SINGLE FAMILY		
1 BEDROOM	.000	$ 0.00
2 BEDROOM	.038	416.48
3 BEDROOM	.059	646.64
4 BEDROOM	.173	1,896.08
APARTMENTS		
EFFICIENCY	.000	$ 0.00
1 BEDROOM	.001	10.96
2 BEDROOM	.046	504.16
3 BEDROOM	.118	1,293.28

adopted 8/88
last revision: 11/01/03

TABLE OF ESTIMATED ULTIMATE POPULATION PER DWELLING UNIT
CHILDREN PER UNIT

Type of Unit	Pre-School 0 - 4 Years	Elementary Grades K-5 5-10 Years	Junior High Grades 9-8 11-13 Years	Total Grades K-8 5-13 Years	High School Grades 9-12 14-17 Years	Adults 18 Years +	Total Per Dwelling Un
Detached Single Family							
2 Bedroom	0.113	0.135	0.048	0.194	0.026	1.760	2.017
3 Bedroom	0.292	0.369	0.173	0.542	0.184	1.861	2.889
4 Bedroom	0.419	0.530	0.298	0.829	0.368	2.158	3.784
5 Bedroom	0.283	0.345	0.248	0.593	0.300	2.594	3.770
Attached Single Family							
1 Bedroom	0.000	0.000	0.000	0.000	0.000	1.193	1.193
2 Bedroom	0.094	0.098	0.048	0.136	0.038	1.752	1.990
3 Bedroom	0.212	0.234	0.058	0.292	0.059	1.829	2.392
4 Bedroom	0.323	0.322	0.154	0.471	0.173	2.173	3.145
Apartments							
Efficiency	0.000	0.000	0.000	0.000	0.000	1.294	1.294
1 Bedroom	0.000	0.002	0.001	0.003	0.001	1.754	1.758
2 Bedroom	0.047	0.086	0.042	0.128	0.048	1.663	1.914
3 Bedroom	0.052	0.234	0.123	0.357	0.118	2.528	3.053

Note:
There are only three significant categories provided in this chart. Because of the similarity of yields of all types of attached single family dwelling units, only one category is provided. The same is true with apartments; thus, only one category. Because of the relatively short history of some newer types of detached and attached single family units, individual evaluations may be necessary.

Number 96-20

Copyright 1998
Illinois School Consulting Service/
Associated Municipal Consultants, Inc.
Naperville, Illinois

BUILDERS IMPACT FEE AGREEMENT
"New Urban Mundelein, L.L.C."

This Agreement made and entered into this 12th day of December, 2005 by and between Mundelein Park and Recreation District, hereafter referred to as "District" and "New Urban Mundelein, L.L.C." hereafter referred to as "Subdivider."

WITNESSETH:

WHEREAS, Subdivider is acquiring under contract, approximately 1.46 acres of property in the Village of Mundelein, described in Exhibit "A" attached hereto and as specifically incorporated be referenced herein; and

WHEREAS, Subdivider intends to develop said property with 27 two-bedroom attached single family units; and

WHEREAS, Subdivider recognizes that the development of said property will result in a financial impact on the District, and

WHEREAS, it is the intention of Subdivider and District to provide for a cash contribution by Subdivider on terms and as more hereinafter fully set forth.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, it is hereby agreed by and between Subdivider and District as follows:

1. Subdivider agrees to a Builder's Impact Fee, using the Impact Factors based on Illinois School Consulting Service, copyright 1996, and as calculated below:

   27 Two-bedroom attached single family units x 1.990 = 53.73

Total residents 53.73
53.73/1000 x 15 acre/thousand = .80595 acres x $100,000 = $80,595

2. Subdivider agrees to contribute 10% ($8,059.50) of the Builders Impact Fee upon filing of the Plat of Subdivision and the balance $72,535.50 upon the issuance of each building permit at $2,686.50 each. Should New Urban Communities sell any of its interests in this project, then all fees will be due immediately upon closing.

3. District agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof whether or not provided for by statute of ordinance now or hereafter in effect.

4. Subdivider agrees to and the District accepts responsibility for use of all monies contributed as Builder's Impact Fee to be used for capital development projects and expended from the Capital Improvements Fund.

5. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall be deemed to be a covenant running with the land.

In witness whereof, the parties hereto have hereunto set their hands and seals upon the date first above written.

Mundelein Park & Recreation District

By: _____

Date: 12/12/05

New Urban Mundelein, L.L.C.

By: _____
Robert A. O'Neill – Authorized Representative

Date: 12/6/05

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE ORIGINAL 250 FEET WIDE STATION GROUND PROPERTY ACQUIRED BY THE FORMER CHICAGO AND WISCONSIN RAILROAD COMPANY, NOW WISCONSIN CENTRAL, LTD., FROM JOHN HOLCOMB, BY DEED GRANTED JANUARY 14, 1888 RECORDED IN DEED BOOK 87 ON PAGE 95 AS DOCUMENT 36899, WHICH CORNER IS ALSO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 4 IN THE TOWN OF HOLCOMB RECORDED IN BOOK ?A? OF PLATS PAGE 58 AS DOCUMENT 33999; THENCE NORTH 29 DEGREES 24 MINUTES 39 SECONDS WEST, PARALLEL WITH AND 143.50 FEET WESTERLY OF AS MEASURED PERPENDICULAR TO THE CENTERLINE OF THE MAIN TRACK OF SAID WISCONSIN CENTRAL LTD., 453.53 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 143.50 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID MAIN TRACK, 163.81 FEET; THENCE SOUTH 75 DEGREES 08 MINUTES 21 SECONDS EAST, 156.13 FEET TO A POINT WHICH IS 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK, 54.82 FEET TO A POINT OF TANGENT; THENCE SOUTH 29 DEGREES 24 MINUTES 39 SECONDS EAST, PARALLEL WITH AND 30.00 FEET WEST OF, AS MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 453.53 FEET TO THE INTERSECTION OF THE NORTHERLY LOT LINE OF LOT 17 IN BLOCK 4 OF SAID TOWN OF HOLCOMB EXTENDED EASTERLY; THENCE SOUTH 60 DEGREES 35 MINUTES 21 SECONDS WEST, PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 113.50 FEET ALONG THE NORTHERLY LINE OF LOT 17, TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

This space reserved for Recorder's use only

FREMONT PUBLIC LIBRARY DISTRICT
DEVELOPER DONATION FEE DONATION AGREEMENT
("NEW URBAN MUNDELEIN, LLC.")

This DEVELOPER DONATION FEE AGREEMENT (The "Agreement") is entered into as of the Effective Date (as hereinafter defined) by and between the FREMONT PUBLIC LIBRARY DISTRICT, a unit of local government (the "Library District"), and NEW URBAN MUNDELEIN, LLC ("Owner"). The Library District, and Owner are hereinafter sometimes jointly referred to as the "Parties."

WITNESSETH:

WHEREAS, Owner is or will be the owners of a parcel of real estate containing approximately 27 town home units (the "Property") situated in the Village of Mundelein, Illinois ("Village").

WHEREAS, the Property is legally described on Exhibit A attached hereto and made a part hereof; and

WHEREAS, Owner has petitioned the Village for certain development approvals which, if granted, will result in the re-subdivision of the Property for residential development (such approvals, as the same may be subsequently amended upon the petition of Owner are collectively referred to herein as the "Village Approvals"). If the Village Approvals are obtained, Owner intends to cause the development of the Property to be undertaken in accordance with a development plan attached hereto as

Exhibit B (the "Development Plan") as may be amended at the time of approval by the village as is memorialized in a Development Agreement between the Village and the Owner (the "Development Agreement"); and

WHEREAS, the Library District believes, and Owner acknowledges, that the development of the Property with residential land uses pursuant to the Village Approvals will increase the demand for services in the Library District, which will accordingly increase the Library District's need for public lands and improvements; and

WHEREAS, in consideration of, and as an inducement for the Village approving the Development Agreement, Owner agrees to the terms of this Agreement and agrees further that the Donations (hereinafter defined) provided in this Agreement are specifically and uniquely attributable to the additional burdens that will be imposed upon the Library District by the development of the Property; and

WHEREAS, the Parties seek to enter into this Agreement to confirm the obligation of the Owner, its successors and assigns, or any future substitute developers of the Property to make developer donation fee payments to the Library District to offset that part of the burden of providing new public lands and improvements that will be specifically and uniquely attributable to the development of the Property with residential land uses pursuant to the Village Approvals; and

WHEREAS, the Library District will expend considerable funds in reliance upon the fulfillment of the obligations of Owner their successors and assigns, or any future

substitute developers of the Property to make Donations to the Library District as provided for in this Agreement.

NOW THEREFORE, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and legal sufficiency of which are hereby mutually acknowledged, the Parties agree as follows:

ARTICLE I
RECITALS

The foregoing Recitals are incorporated herein as part of this Agreement as if fully set forth in this Section I.

ARTICLE II

DONATIONS PAYABLE

A. Amounts Payable. The Parties agree that, upon receipt of a building permit ("Building Permit") for each residential dwelling unit ("Dwelling Unit") on the Property, Owner shall be obligated to make a cash donation ("Donation") to the Library District in accordance with the Library District Developer Donation Fee Schedule set forth in Exhibit C attached hereto (the "Fee Schedule"), as the same may be modified from time to time pursuant to Article VII hereof.

B. One-Time Payment Only. Once a Building Permit has been issued for a Dwelling Unit on a portion of the Property and a Donation has been paid to the Library District for such Dwelling Unit in accordance with the provisions of paragraph A above, all obligations to pay Donations established by this Agreement shall be deemed to have been satisfied for that Dwelling Unit.

C. Use of Donations Collected. The Library District shall utilize Donations collected by it solely to acquire additional equipment or furnishings, to construct, expand or acquire additional Library District Capital Facilities, to expand the collection of the Library District, or to pay principal and interest amounts coming due on bonds which have been issued to pay for additional equipment or to construct, expand or acquire additional Library District Capital Facilities. For purposes of this Agreement, "Library District Capital Facilities" shall mean new library facilities. The Library District shall not utilize Donations to pay for operational costs (including, without limitation, personnel salaries and utility costs) and any Donations which are utilized for such purposes shall be subject to being refunded to the party, including any successor parties, who has paid them.

ARTICLE III
PAYMENT/COLLECTION

A. Time of Payment. All Donations payable pursuant to the terms of this Agreement shall be due and payable upon the Village's issuance of the Building Permit for the Dwelling Unit for which the Donation is being made. However, Owner shall have the right but not the obligation to prepay (i.e., pay prior to issuance of a Building Permit) any Donation due for any one or more Dwelling Units.

B. Method of Payment. The payment of a Donation pursuant to this Agreement shall be by check payable to the Library District. The Library District shall issue a paid receipt to Owner confirming the Developer's payment of the required

Donation. The Owner shall deliver the receipt to the Village at the time application is made to the Village for issuance of the relevant Building Permit.

C. Costs of Collection. If Owner shall fail to pay a required Donation to the Library District at the time required, and the Library District is required to file an action against Owner in order to recover the Donation which has not then been paid, the Library District shall be entitled to recover from the non-paying party, in addition to such Donation, the costs and fees (including, without limitation, attorneys' fees) that it incurs in pursuing such action against any such non-paying party. If the Library District obtains a judgment against such party due to the failure to pay a required Donation, the Library District shall have the right to record a judgment lien against the portion of the Property for which the Donation should have been paid and the right to foreclose that lien in the manner provided by law.

ARTICLE IV
WAIVER OF RIGHT TO CHALLENGE/NO FURTHER DONATIONS

A. Waiver of Right to Challenge. Owner acknowledges that the Donations set forth on the Fee Schedule accurately reflect the burden on the Library District's equipment, materials, and Capital Facilities that will be specifically and uniquely attributable to the Property as a result of its development pursuant to the Village Approvals. Owner forever waives any right to challenge the Library District's authority to collect the Donations for purposes of addressing its need for additional equipment, collections and capital facilities, and any right to contest the amounts set forth herein as being legally excessive. Such waiver shall be binding on the

successors and assigns of Owner, including, without limitation, future Owner and developers of the Property applying for Building Permits and Certificates of Occupancy.

B. Waiver of Claims. The Parties understand and expressly agree that they are entering into this Agreement freely and voluntarily. Owner acknowledges and agrees that the Library District has the absolute right to receive the Donations set forth in this Agreement and the absolute right to exercise its discretion in utilizing those Donations, in accordance with the terms provided herein. Owner waives, releases, remises, and discharges the Village and its Village Council, the Library District and its Board of Trustees, and collectively their respective present and former officers, members (individually and collectively), agents, servants, administrators, employees, successors, representatives, attorneys, and assigns, and each and every one of them, of and from any and all claims, demands, liens, obligations, and actions or causes of actions of every kind or nature, at law or equity, which Owner may now have or claim to have, or which may hereafter accrue, whether known or unknown, anticipated or unanticipated, against the Village and the Library District emanating or resulting from this Agreement other than a claim or cause of action arising out of or related to a willful or wanton breach of this Agreement.

C. No Further Donations. The Library District acknowledges that no further payments or donations to the Library District (of land, cash or equipment) shall be required of Owner with respect to the Property, and the Library District specifically

waives any right to impose any further donation or developer fee obligation on such parties notwithstanding any subsequent change in law, circumstances or conditions.

ARTICLE V
LAND COVENANT

A. Covenants to Run with Land. The provisions of this Agreement shall run with the land until all Building Permits for Dwelling Units constructed on the Property have been issued and all Donations required to be paid as a result of the issuance of such Building Permits have been paid.

B. Release. The Library District shall execute and return Owner within 30 days from the date of receipt, a release, in recordable form, confirming that all required Donations have been paid and releasing the Property from the covenants and provisions of this Agreement once all Building Permits have been issued and all required Donations have been paid to the Library District. In addition, if necessary, the Library District shall promptly execute releases, prepared by Owner, for individual Dwelling Units once the Cash Donations for such Dwelling Units have been paid, releasing such Dwelling Units from the covenants and provisions of this Agreement.

ARTICLE VI
TERM

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect for a term (the "Term") of 20 years, provided, however, that the Term shall automatically end, and this Agreement shall become null and void, upon delivery of notice from Owner to the Library District confirming that Owner has failed

to secure the Village Approvals or that it has abandoned its efforts to secure the Village Approvals.

ARTICLE VII
INFLATION ADJUSTMENT

The amount of the cash donation, if all Cash Donations have not yet been paid to the Library District, shall be increased as provided in Exhibit "C" to account for inflation. Commencing on August 18, 2014, and on August 18 of each year thereafter, the Donation Amounts, if all have not been paid, shall be increased by a percentage increase in the Consumer Price Index for all urban consumers, Lake County, from the immediately preceding year. The Parties shall confirm, in writing, the amount of any increases that may become applicable.

ARTICLE VII
INDEMNIFICATION

In the event that litigation is commenced against the Village challenging the validity of this Developer Donation Fee Agreement or the Planned Unit Development Agreement as it related to the Developer Donation Fees or the Village's Ordinance relative to Developer Donation Fees as it relates to the Library District, then the Library District agrees to protect, defend, indemnify and save the Village and its present and former officers, members (individually and collectively), agents, servants, administrators, employees, successors, representatives, attorneys, and assigns, and each and every one of them, of and from any and all claims, demands, liens, obligations, and causes of action or actions of every kind or nature, at law or equity,

including all losses, damages, costs, claims, expenses or liabilities, including attorneys fees and costs arising out of or in connection with, payment, collection, receipt, refund, or expenditures of any developer donation agreements as they relate to the Library District. The Library District, at its option, may elect to appear and/or defend any such litigation or may tender the defense to the Village. If the Library District elects to appear and/or defend the litigation, the Village may also be represented by counsel. The Library District shall reimburse the Village for the cost of defense, including its reasonable attorney's fees and costs. In the event that the Library District tenders the defense of the litigation to the Village, then the Village shall have the right to select an attorney to represent it and the Library District in the litigation. The Village and the Library District shall cooperate in preparing the defense of any such litigation. The Village shall have the right to settle any litigation or claim on the terms which it deems best. In the event that the Library District deems it advisable to settle any such litigation or claim, it shall first obtain the written consent of the Village. If the Village does not provide its written consent, then the Library District shall be required to litigate the matter or reach a settlement on terms acceptable to the Village. The amount of the indemnification owed by the Library District to the Village shall be limited to the amount of the Developer Donation Fees received by the Library District.

ARTICLE IX
MISCELLANEOUS

A. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be delivered personally or sent to the Parties by certified or registered mail, return receipt requested, or by facsimile transmission with a copy of the notice and proof of transmission being sent by regular mail on the date of transmission to the following addresses:

LIBRARY DISTRICT:	FREMONT PUBLIC LIBRARY DISTRICT ATTN: SCOTT DAVIS, DIRECTOR 1170 N. MIDLOTHIAN ROAD MUNDELEIN, IL 60060 847-918-3240 847-918-3260 FAX
WITH A COPY TO:	ANCEL, GLINK, DIAMOND, BUSH, DICIANNI & ROLEK, P.C. ATTN: ADAM SIMON 415 W. WASHINGTON STREET SUITE 202 WAUKEGAN, ILLINOIS 60099 847-244-8682 847-244-8671 - FAX
OWNERS:	NEW URBAN MUNDELEIN, LLC ATTN: ROBERT O'NEILL 99 SOUTH VILLA AVENUE VILLA PARK, IL 60181 TELEPHONE: (630) 279-7850 FACSIMILE: (630) 279-7852
WITH A COPY TO:	GARDNER, CARTON, & DOUGLAS ATTN: WILLIAM GOLDBECK 191 N. WACKER DR. CHICAGO, IL 60606-1698 TELEPHONE: (312) 569-1225 FACSIMILE: (312) 569-3222

or to such other address or party as any Party may from time to time designate in a notice to the other Parties. A notice given by certified or registered mail shall be deemed given three (3) days after such notice is deposited in the United States mail whether or not such notice is actually received by the addressee.

B. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns (including, without limitation, successor members of the Library District's Board of Trustees).

C. Construction/Interpretation. The article and paragraph captions in this Agreement are for convenience only and shall not affect the interpretation of, and are not to be interpreted as part of, this Agreement. This Agreement shall not be construed more strictly against one Party than against any other Party merely by virtue of the fact that it may have been prepared primarily by counsel for one of the Parties. All of the Parties acknowledge that they have had the benefit of independent counsel with respect to each of the terms of this Agreement.

D. Integration. This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement and may not be modified except by an instrument in writing signed by all Parties (or their designated successors and assigns). All exhibits to this Agreement are expressly incorporated herein by this reference thereto.

E. **Severability**. The provisions of this Agreement shall be severable so that the unenforceability or invalidity of any provision of this Agreement shall not render any other provision unenforceable or invalid.

F. **Governing Law**. This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois.

G. **Time of Essence**. Time is of the essence with respect to each provision of this Agreement.

H. **Effective Date**. The "Effective Date" of this Agreement shall be the date of execution by the Library District.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date following their respective signatures to be effective as of the Effective Date.

NEW URBAN MUNDELEIN, LLC

By: _____
Robert A. O'Neill, Authorized Representative

Date of Execution: 12/6/05

FREMONT PUBLIC LIBRARY DISTRICT

By: _____
William C. O'Brien, President

ATTEST: Florence Patrick
Florence Patrick, Secretary

Date of Execution: 12/15/05

State of Illinois) S.S.
County of Lake)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that *William C. O'Brien, President* of the Board of Trustees of Fremont Public Library District and *Florence Patrick, Secretary* thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered said instruction as their own free and voluntary act, and as the free and voluntary act of said District, for the uses and purposes therein set forth; and said Secretary did also then and there acknowledge that she as custodian of the corporate seal of said District did affix said corporate seal of said District to said instrument as her own and free and voluntary act, and as the free and voluntary act of said Trustee for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 15th **day of** December**, 2005.**

Curt W. Tagtmeier**, Notary Public**

"OFFICIAL SEAL"
Curt W. Tagtmeier
Notary Public, State of Illinois
My Commission Expires 6/6/06

State of Illinois) S.S.
County of DuPage)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Robert A. O'Neill, Authorized Representative of New Urban Mundelein, LLC, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he signed and delivered said instruction as his own free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6TH **day of** DECEMBER**, 2005.**

Brenda J. Brummel**, Notary Public**

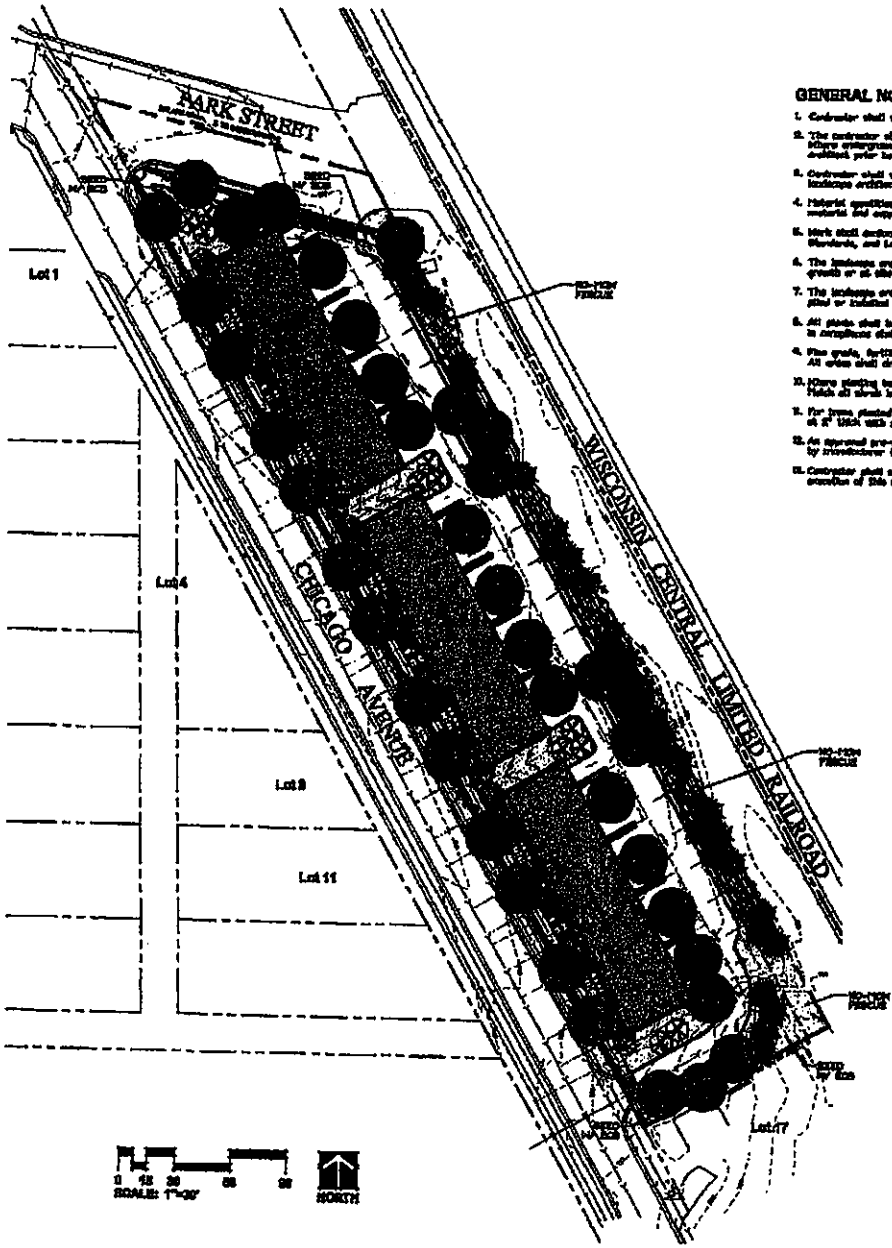
OFFICIAL SEAL
BRENDA J BRUMMEL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/05/08

EXHIBIT A

LEGAL DESCRIPTION

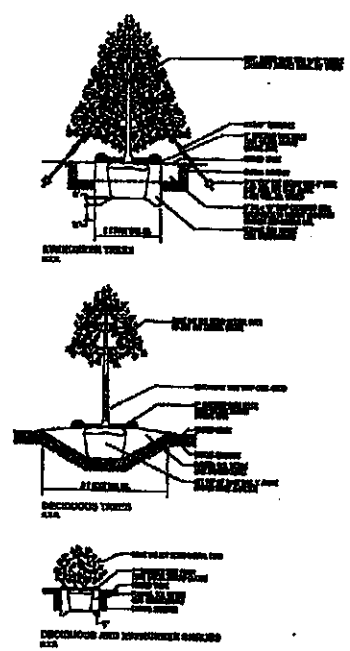
THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE ORIGINAL 250 FEET WIDE STATION GROUND PROPERTY ACQUIRED BY THE FORMER CHICAGO AND WISCONSIN RAILROAD COMPANY, NOW WISCONSIN CENTRAL, LTD., FROM JOHN HOLCOMB, BY DEED GRANTED JANUARY 14, 1888 RECORDED IN DEED BOOK 87 ON PAGE 95 AS DOCUMENT 36899, WHICH CORNER IS ALSO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 4 IN THE TOWN OF HOLCOMB RECORDED IN BOOK ?A? OF PLATS PAGE 58 AS DOCUMENT 33999; THENCE NORTH 29 DEGREES 24 MINUTES 39 SECONDS WEST, PARALLEL WITH AND 143.50 FEET WESTERLY OF AS MEASURED PERPENDICULAR TO THE CENTERLINE OF THE MAIN TRACK OF SAID WISCONSIN CENTRAL LTD., 453.53 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 143.50 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID MAIN TRACK, 163.81 FEET; THENCE SOUTH 75 DEGREES 08 MINUTES 21 SECONDS EAST, 156.13 FEET TO A POINT WHICH IS 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONCENTRIC WITH AND 30.00 FEET, AS MEASURED OF A RADIAL LINE FROM THE CENTERLINE OF SAID TRACK, 54.82 FEET TO A POINT OF TANGENT; THENCE SOUTH 29 DEGREES 24 MINUTES 39 SECONDS EAST, PARALLEL WITH AND 30.00 FEET WEST OF, AS MEASURED PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 453.53 FEET TO THE INTERSECTION OF THE NORTHERLY LOT LINE OF LOT 17 IN BLOCK 4 OF SAID TOWN OF HOLCOMB EXTENDED EASTERLY; THENCE SOUTH 60 DEGREES 35 MINUTES 21 SECONDS WEST, PERPENDICULAR TO THE CENTERLINE OF SAID TRACK, 113.50 FEET ALONG THE NORTHERLY LINE OF LOT 17, TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

EXHIBIT B



GENERAL NOTES

1. Contractor shall verify underground utility lines and is responsible for any damage.
2. The contractor shall mark all existing utilities underground and overhead where applicable. Where underground utilities exists, field adjustments must be approved by the landscape architect prior to installation.
3. Contractor shall verify all existing conditions in the field prior to construction and shall notify landscape architect of any variance.
4. Material specifications shown are for contractors convenience only. The Contractor must verify all material and supply sufficient materials to complete the job per plan.
5. Work shall conform to American Standard for Nursery Stock, State of Illinois Horticultural Standards, and Local Municipal requirements.
6. The landscape architect reserves the right to inspect trees and shrubs either at place of growth or at site before planting, for compliance with requirements of variety, size and quality.
7. The landscape architect reserves the right to reject landscape material on site whether stock plant or installed in place.
8. All plants shall be planted per the landscape plan and specifications. Plantings not found to be in compliance shall be replaced correctly at no additional expense to the owner.
9. Fine grade, fertilize and cut/seed all disturbed areas within the construction limits as shown. All areas shall drain completely and shall not pond nor puddle.
10. Where planting beds meet turf areas, the contractor shall provide a cultivated edge. Match all shrub beds to the line shown.
11. For trees planted in turf areas, provide a 3'-0" dia. mulch ring (remove existing turf) at 3" thick with a cultivated edge.
12. An approved pre-emergent herbicide shall be applied in all planting beds at a rate specified by manufacturer for each plant variety.
13. Contractor shall secure and pay for all permits, fees, and inspections necessary for the proper execution of this work and comply with all codes applicable to this work.



REPRESENTATIVE PLANT LIST

Key	Botanical/Common Name	Size	Remarks
	SPACE TREES (SP)		
AP	[illegible]	[illegible]	[illegible]
FA	[illegible]	[illegible]	[illegible]
GB	[illegible]	[illegible]	[illegible]
GT	[illegible]	[illegible]	[illegible]
HG	[illegible]	[illegible]	[illegible]
TS	[illegible]	[illegible]	[illegible]
	CONVENTIONAL TREES (CL)		
AG	[illegible]	[illegible]	[illegible]
BM	[illegible]	[illegible]	[illegible]
AL	[illegible]	[illegible]	[illegible]
CH	[illegible]	[illegible]	[illegible]
CB	[illegible]	[illegible]	[illegible]
PP	[illegible]	[illegible]	[illegible]
	EVERGREEN TREES (EL)		
AG	[illegible]	[illegible]	[illegible]
PP	[illegible]	[illegible]	[illegible]
TD	[illegible]	[illegible]	[illegible]
	DECIDUOUS SHRUBS (DS)		
CA	[illegible]	[illegible]	[illegible]
DA	[illegible]	[illegible]	[illegible]
RB	[illegible]	[illegible]	[illegible]
NH	[illegible]	[illegible]	[illegible]
VD	[illegible]	[illegible]	[illegible]
VL	[illegible]	[illegible]	[illegible]
	EVERGREEN SHRUBS (ES)		
JA	[illegible]	[illegible]	[illegible]
JB	[illegible]	[illegible]	[illegible]
YH	[illegible]	[illegible]	[illegible]
	PERENNIALS, GRASSES, and GROUNDCOVER (GR or)		
CL	[illegible]	[illegible]	[illegible]
CM	[illegible]	[illegible]	[illegible]
BP	[illegible]	[illegible]	[illegible]
BS	[illegible]	[illegible]	[illegible]
HP	[illegible]	[illegible]	[illegible]
LS	[illegible]	[illegible]	[illegible]
HS	[illegible]	[illegible]	[illegible]
RG	[illegible]	[illegible]	[illegible]
GA	[illegible]	[illegible]	[illegible]
JS	[illegible]	[illegible]	[illegible]

GARY E. WEBER ASSOCIATES, INC.

PARK STATION

MUNDELEIN, ILLINOIS

LANDSCAPE PLAN

1 OF 1

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EXHIBIT C

Developer Donation Fees
Fremont Public Library District

	Amount per Dwelling Unit
2005 to 8/16/08	$315.00
8/15/09	$325.00
8/15/10	$335.00
8/15/11	$345.00
8/15/12	$355.00
8/15/13	$365.00
8/15/14 & on	$365.00 + annual CPI increase

EXHIBIT 11

Form of Transferee Assumption Agreement

EXHIBIT 11

Transferee Assumption Agreement

THIS AGREEMENT, made as of this _____ day of _____, 20__, by, between and among NEW URBAN MUNDELEIN, L.L.C., an Illinois limited liability company ("***Owner***"), ("***Transferee***") and the Village of Mundelein, Illinois, an Illinois municipal corporation ("Village"),

WITNESSETH:

WHEREAS, pursuant to that certain real estate sale contract dated _____, 20__, the Transferee agreed to purchase from the Owner certain real property situated in Lake County, Illinois and legally described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof ("***Property***"); and

WHEREAS, following the conveyance of the Property by the Owner, the Transferee will be the legal owner of the Property; and

WHEREAS, as a condition to the conveyance of the Property by the Owner, the Owner and the Village require that the Transferee agree to comply with all the terms, requirements, and obligations set forth in that certain Development Agreement, dated _____, 2006 by and between the Village and Owner, and recorded in the Office of the Lake County Recorder on _____, 2006, as Document No. _____, as amended from time to time ("***Agreement***");

NOW, THEREFORE, in consideration of the agreement of the Owner to convey the Property to the Transferee and of the Village to accept the transfer of obligations as provided herein and to grant the releases granted herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by, between, and among the Village, the Owner, and the Transferee as follows:

1. **Recitals**. The foregoing recitals are by this reference incorporated herein and made a part hereof as substantive provisions of this Agreement.

2. **Assumption of Obligations**. The Transferee, on its behalf and on behalf of its successors, assigns, heirs, executors and managers, hereby agrees, at its sole cost and expense, to comply with all of the terms, requirements, and obligations of Agreement, including all exhibits and attachments thereto, regardless of whether such terms, requirements and obligations are to be performed and provided by, or are imposed upon, the Owner or the developer of the Property.

3. **Assurances of Financial Ability**. Contemporaneously with the Transferee's execution of this Agreement, the Transferee shall deposit with the Village the performance security required by the Agreement. Upon execution of this Agreement by the Village and deposit with the Village of the required performance security, the Village shall surrender the original performance security to the Owner. In addition, and not in limitation of the foregoing, the Transferee shall, upon the request of the Village, provide the Village with such

reasonable assurances of financial ability to meet the obligations assumed hereunder as the Village may, from time to time, require.

4. **Payment of Village Fees and Costs**. In addition to any other costs, payments, fees, charges, contributions, or dedications required by this Agreement, the Agreement or by applicable Village codes, ordinances, resolutions, rules, or regulations, the Transferee shall pay to the Village, immediately upon presentation of a written demand or demands therefore, all legal, engineering, and other consulting or administrative fees, costs and expenses incurred in connection with the negotiation, preparation, consideration, and review of this agreement.

5. **Acknowledgment and Release of Transferor**. The Village hereby acknowledges its agreement to the Transferee's assumption of the obligation to comply with the terms, requirements and obligations of the Agreement, including all exhibits and attachments thereto, and the Village hereby releases the Owner from any personal liability for failure to comply with the terms, requirements, and obligations of the Agreement.

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

ATTEST: **Village of Mundelein**

_____ By: _____
Village Clerk Mayor

New Urban Mundelein, L.L.C.

By: _____
Its: _____

ATTEST: **[TRANSFEREE]**

By: _____
_____ Its: _____

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

This instrument was acknowledged before me on _____, 20___, by _____, the Mayor of the Village of Mundelein, an Illinois municipal corporation, and by _____, the Village Clerk of said municipal corporation.

_____
Signature of Notary

SEAL

My Commission expires:

_____

_____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me on _____ 20___, by _____, President of **[TRANSFEREE]** and _____, Secretary of said _____.

_____
Signature of Notary

SEAL

My Commission expires:

_____

_____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

This instrument was acknowledged before me on _____, 20___, by BRENDA J. BRUMMEL, OFFICE MANAGER / ADMINISTRATIVE ASSISTANT of NEW URBAN MUNDELEIN, L.L.C.

_____
Signature of Notary

SEAL

My Commission expires:

_____

New Urban Communities

EXHIBIT 12

Form of Reimbursement Request

CERTIFICATE OF ELIGIBILITY

The undersigned representative of the Developer, _____ does hereby certify, swear and affirm under oath to the _____ as follows:

_____ has expended or has caused to be expended the sum of (the "Expenditures") on the following Project Costs for work which has been completed by the Developer on _____ at the Project Site through _____, as follows:

ITEM NO.	ITEM DESCRIPTION	QUANTITY AWARDED	COMPLETED	UNIT TOTAL

TOTAL VALUE OF WORK TO BE COMPLETED TO DATE	$
TOTAL TO BE RETAINED (IF ANY):	$
AMOUNT OF PREVIOUS PAYMENT:	$
TOTAL AMOUNT DUE:	$
2. Total for which certification is sought:	$

3. That all of the Expenditures have been made in accordance with the Redevelopment Agreement and the Act.

I certify that the above quantities and amounts are correct and are eligible for payment. I further certify that all funds expended or caused to be expended (the expenditures) as above described for project costs were solely private funds of Developer and no such funds had their origin directly or indirectly from government funds (federal, state or local grants or loans).

_____

Subscribed and sworn to before me this ___ day of _____, 2006.

_____
Notary Public

REDEVELOPMENT AGREEMENT
MUNDELEIN STATION
(TENG SUBDIVISION)
(CARDINAL SQUARE)

BETWEEN

MUNDELEIN DOWNTOWN PROPERTIES, LLC
AN ILLINOIS LIMITED LIABILITY COMPANY

AND

VILLAGE OF MUNDELEIN
AN ILLINOIS HOME RULE MUNICIPAL CORPORATION

EFFECTIVE DATE

AUGUST 26, 2005

Teng

Village of Mundelein

JOHN A. LOBATTO
Director

PETER J. SCHUBKEGEL
Building Commissioner

COMMUNITY DEVELOPMENT

440 East Hawley Street
Mundelein, Illinois 60060

www.mundelein.org

847-949-3283
fax 847-949-4278

MEMORANDUM

To: Michael A. Flynn, Acting Administrator
Bill Emmerich, Village Engineer
Mary Hatton, Finance Director
Randy Justus, Fire Chief
Ken Miller, Director of Public Works
Ray Rose, Police Chief
Esmie Dahlstrom, Village Clerk
Pete Schubkegel, Building Commissioner

From: John A. Lobatto, Director
Community Development

Date: October 13, 2005

Subject: Teng Redevelopment Agreement

Attached you will find a bound copy of the Teng Redevelopment Agreement, Document No. 5847663, for your records.

JAL/sd

Attachment

RECEIVED
OCT 18 2005
FINANCE DEPARTMENT

EXECUTION COPY

AFTER RECORDING RETURN TO:

John A. Lobaito
Village of Mundelein
440 East Hawley Street
Mundelein, Illinois 60060

5847663

FILED FOR RECORD BY:
MARY ELLEN VANDERVENTER
LAKE COUNTY, IL RECORDER
08/26/2005 - 01:43:52 P.M.
RECEIPT #: 241837
DRAWER #: 29

THIS SPACE FOR RECORDER'S USE ONLY

REDEVELOPMENT AGREEMENT
by and between
THE VILLAGE OF MUNDELEIN
and
MUNDELEIN DOWNTOWN PROPERTIES, LLC

(MUNDELEIN STATION)

DATED AS OF August 26, 2005

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REDEVELOPMENT AGREEMENT
BY AND BETWEEN THE VILLAGE OF MUNDELEIN AND MUNDELEIN DOWNTOWN PROPERTIES, LLC

(MUNDELEIN STATION)

THIS AGREEMENT is dated as of the ____ day of _____, 2005, and is between the VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation (*"Village"*) and MUNDELEIN DOWNTOWN PROPERTIES, LLC, an Illinois limited liability company (*"Owner"*).

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth in this Agreement, and pursuant to the Village's home rule powers, the parties agree as follows:

SECTION 1.RECITALS.[1]

A. The Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the Village and its inhabitants, to prevent the spread of blight, to encourage private development to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes.

B. The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, (*"TIF Act"*) as amended, to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act.

C. To stimulate and induce redevelopment pursuant to the TIF Act, the Village has, after giving all notices required by law and after conducting all public hearings required by law, adopted the TIF Ordinances (as defined herein).

D. The downtown redevelopment project area that is the subject of the TIF Ordinances includes the Property, which is the subject of this Agreement and consists of approximately 13 acres located within the Village's downtown area.

E. The Owner is, or will be, the sole owner of the Property and intends to hold the Property and subsequently sell the Property, or portions thereof, to one or more Developers or Approved Assignees.

F. The Property currently is zoned in the Village's M-1 Medium Light Industrial District.

G. The Owner and Village desire that the Property be improved and redeveloped, by one or more Developers or Approved Assignees, with a transit-

[1] All defined terms are defined in (i) Section 2; and/or (ii) within the body of this Agreement.

oriented multi-family residential development consisting of nine Condominium Buildings and not more than 541 Condominium Units and other Improvements, all subject to the requirements and conditions of this Agreement ("***Redevelopment Project***").

H. To permit the development of the Redevelopment Project on the Property, the Owner seeks to rezone the Property into the Village's R-8 Multiple-Family Dwelling District and has filed an application for rezoning and for approval of a planned unit development ("***PUD***").

I. In connection with the PUD application, the Owner has filed with the Village a Development Concept Plan (as defined herein).

J. Pursuant to notice published in the *News-Sun* on February 8, 2005, as provided by statute and the Zoning Code, a public hearing was held by the Village Plan Commission commencing on February 23, 2005 and continued to March 9, 2005.

K. On March 9, 2005, the Plan Commission recommended approval of (i) an amendment to the Village zoning map to classify the Property within the Village's R-8 Multiple-Family Dwelling District; (ii) the Development Concept Plan; and (iii) a special use permit for a PUD.

L. The Owner or one or more Developers or Approved Assignees have entered into contracts or will enter into contracts for the construction of the Public Improvements necessary to serve the Property.

M. The Village and the Owner propose to provide for the joint financing of certain Redevelopment Project Costs (as defined here and in the TIF Act, 65 ILCS 5/11-74.4-3(q), namely, certain costs of property acquisition, site preparation, environmental remediation, demolition, and construction of certain Public Improvements, all of which will serve a public purpose and are necessary to foster redevelopment of the Property.

N. It is necessary for the successful completion of the Redevelopment Project that the Village enter into this Agreement with the Owner.

O. It is economically infeasible for a Developer or Approved Assignee to undertake the Redevelopment Project, and a Developer or Approved Assignee thus is unable to undertake the redevelopment of the Property, without certain TIF (as defined herein) assistance from the Village, which the Village has been, and continues to be, willing to provide under the terms and conditions contained in this Agreement.

P. The Corporate Authorities (as defined herein) have determined that it is desirable and in the Village's best interests to assist a Developer or Approved Assignee in the manner set forth herein.

Q. The Village is desirous of having the Property developed for the uses described in this Agreement (i) to eliminate certain factors and characteristics found in the Property which, if unabated may cause the Property to be a blighted area; (ii) to serve the needs of the Village; and (iii) to produce increased tax revenues for the various taxing districts authorized to levy taxes within the Property.

S. To stimulate and induce the development of the Property, the Village has agreed to finance certain Redevelopment Project Costs through TIF revenues and through the issuance of the Notes, all in accordance with the terms and provisions of the TIF Act and this Agreement.

T. The Owner and the Village desire to establish by this Agreement terms for the redevelopment of the Property including, among other matters, the construction and installation of the required Improvements.

U. The Owner and the Village desire that the Property be developed and used only in compliance with this Agreement and in compliance with the Requirements of Law (as defined herein).

V. After due and careful consideration, the Corporate Authorities have concluded that the zoning, subdivision, and development of the Property in accordance with the terms and conditions set forth in this Agreement, will promote sound planning, increase the taxable value of property within the Village, better enable the Village to control the development of the area, and otherwise promote, enhance, and serve the best interests and general welfare of the Village and its citizens.

SECTION 2. DEFINITIONS; RULES OF CONSTRUCTION.

A. Definitions. Whenever used in this Agreement, the following terms shall have the following meanings:

"Accredited Investor": An accredited investor, as defined in Rule 501 of Regulation D of the Federal Securities Act of 1933.

"Anthony Avenue Extension Improvement": The proposed Public Improvement that consists of (i) the extension of the Anthony Avenue right-of-way northwesterly to East Hawley Street and (ii) the installation of curbs and gutters, new pavement, and public utilities, in accordance with either (i) Anthony Avenue Plan A, attached to this Agreement as ***Exhibit 1***, and the Approved Documents; (ii) or Anthony Avenue Plan B, attached to this Agreement as ***Exhibit 2***, and the Approved Documents.

"Anthony Avenue Alley Improvement": The proposed Public Improvement that consists of (i) the installation of curbs and gutters, new pavement or resurfacing of pavement (as required to comply with Village Laws), public utilities, street lights at the intersection of the alley with McKinley Avenue, at the

intersection of the alley with Anthony Avenue, and at the southeast corner of the alley (if requested by the Village), as depicted on the Public Improvement Diagram, attached to this Agreement as ***Exhibit 3***, all in accordance with the Approved Documents and (ii) the partial vacation of "Vacated Anthony Avenue" (as defined herein) in accordance with this Agreement.

"Anthony Avenue South Improvement": The proposed Public Improvement that consists of the installation of new pavement resurfacing, curbs and gutters, public utilities, streetlights and Streetscape Improvements of the existing portion of the Anthony Avenue right-of-way between the Anthony Avenue Extension Improvement and the Lange Street Improvement as depicted on the Public Improvement Diagram, attached to this Agreement as ***Exhibit 3***, all in accordance with the Approved Documents.

"Appearance Review Commission": The Appearance Review Commission of the Village, established by Section 2.39.020 of the Village Code, as the same has been and may, from time to time hereafter, be amended.

"Appearance Review Plans": Building materials, and plans detailing the exterior appearance, and exterior building materials and landscaping, for all the Condominium Buildings and all the Streetscape Improvements, and all other information required by the Village Code for Appearance Review Commission approval.

"Approved Documents": This Agreement and all of the following documents authorizing the development of the Redevelopment Project that have been, or will be, approved by the Village in accordance with the Village Code: (i) the Zoning And Special Use Ordinance; (ii) the Final Plat; (iii) all Final Plans for all Phases of the Redevelopment Project; (iv) the Final Engineering Plans; (v) the Final Landscaping Plans; and (vi) the Appearance Review Plans.

"Bank": A bank, as defined in Section 3(a)(2) of the Federal Securities Act of 1933.

"Building Code": Chapter 16, entitled "Buildings and Construction," of the Village Code, as the same has been and may, from time to time hereafter, be amended.

"Change in Law": The occurrence, after the Effective Date, of an event described in Section (a) below, unless such event is excluded pursuant to Section (b) or Section (c) below:

(a) Change in Law means any of the following: (i) the enactment, adoption, promulgation, or modification of any applicable federal, state, or local law, ordinance, code, rule, or regulation (other than by the Village); (ii) the order or judgment of any federal or state court, administrative agency, or other governmental body; (iii) the imposition by a governmental

authority (other than the Village) 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, by a governmental authority (other than the Village)) necessary for the undertaking of the services to be performed under this Agreement; or (iv) the adoption, promulgation, modification, or interpretation in writing of a written guideline or policy statement by a governmental agency (other than the Village).

(b) An event described in Section (a) above shall not be a Change in Law unless the event materially changes the costs or ability of the party relying thereon to carry out its obligations under this Agreement.

(c) An event that would otherwise be a Change in Law pursuant to Section (a) and Section (b) above shall not be a Change in Law if the event is caused by the fault of the party relying thereon.

"Common Elements": Those certain portions of the Property owned in common by the owners, and any successive owners, of the Condominium Units, including, without limitation, the off-street parking areas, landbanked parking areas, ingress and egress driveways, pedestrian sidewalks and pathways, landscaped areas, and all Common Elements interior to the Condominium Buildings.

"Condominium Association": The association created pursuant to a declaration conforming to the requirements of Section 8 of this Agreement.

"Condominium Buildings": The nine residential buildings to be constructed on the Property and identified on the Overall Site Plan, which is included in the Development Concept Plan, as A, B, C, D1, D2, E, F, G, H.

"Condominium Unit": An individual condominium dwelling unit located within a Condominium Building, including dwelling units located within Townhomes.

"Corporate Authorities": The President and Board of Trustees of the Village.

"Developer": An entity or person that (i) is formed for the purpose of developing the Property or one or more portions thereof; and (ii) directly or indirectly (a) controls Owner; (b) is controlled by Owner; or (c) is controlled by the same entity that controls Owner.

"Development Concept Plan": Those certain plans and specifications for the Property comprised of the following documents:

238	Existing Site Topography Plan, date-stamped received 02/18/05
239	Landscape Plan Enlargement (North), dated 02/11/05
240	Landscape Plan Enlargement (South), dated 02/11/05
241	Overall Landscape Plan, date-stamped received 02/18/05
242	Overall Site Plan, date-stamp received 02/18/05
243	Parking Plan, dated 05/25/05
244	Public Access Diagram, received 02/11/05
245	Site Analysis Map, received 02/11/05
246	Site Drainage Plan-North, date-stamp received 02/18/05
247	Site Drainage Plan-South, date-stamp received 02/18/05
248	Site Plan, last revised 06/01/05
249	Site Utility Plan-North, date-stamp received 02/18/05
250	Site Utility Plan-South, date-stamp received 02/18/05
251	Stormwater Management Concept Plan (subject to Section 3.B.5.a)
252	Tree Preservation and Removal Plan, dated 02/11/05
253	Building E Floor Plan A2.01 dated 2/8/05
254	Building E Floor Plan A2.02 dated 2/8/05
255	Building H Floor Plans A2.03 dated 2/8/05
256	Building D Elevations A3.01 dated 2/8/05
257	Building D Elevations A3.02 dated 2/8/05
258	Building D Elevations A3.03 dated 2/8/05
259	Building E Elevations A3.04 dated 2/8/05
260	Building E Elevations A3.05 dated 2/8/05
261	Building H Elevations A3.06 dated 2/8/05
262	Building H Elevations A3.07 dated 2/8/05
263	Building F Elevations A3.08 dated 2/8/05

Building F Elevations A3.09 dated 2/8/05

Perspective Study Looking Southeast at Buildings D1, D2, and F dated 1/28/05

Elevation B dated 1/28/05

all prepared by Teng & Associates, Inc., or its affiliates, copies of which are attached as ***Exhibit4*** to this Agreement.

"Effective Date": The date of execution of this Agreement by all parties hereto, which date shall be deemed to be the date set forth in the first paragraph of Page 1 of this Agreement.

"Final Engineering Plans": The final engineering plans for the Redevelopment Project that receive the approval of the Village Engineer pursuant to Section 3.B.5 of this Agreement and the Requirements of Law; which plans shall include without limitation civil utility plans, site utility plan, site utility studies, site drainage plans, site utility calculations, soil erosion and sedimentation control plans for areas under development, and any other documents that are required for the issuance of a Watershed Development Permit under Village Laws. Upon such approval, the Final Engineering Plans shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement and the Final Plan for that Phase.

"Final Landscaping Plans": The final landscaping plans for a Phase of the Redevelopment Project that receive the approval of the Appearance Review Commission pursuant to Section 3.B.4 of this Agreement and the Requirements of Law, which plan shall include without limitation an overall landscape plan, and parking plan. Upon such approval, (a) the Final Landscaping Plan shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement; and (b) the Final Landscaping Plan shall, for all purposes in this Agreement, supersede the Preliminary Landscaping Plan.

"Final Plan": The final PUD plan for a Phase of the Redevelopment Project that complies with the PUD Chapter, including Section 20.49.050 thereof, and that receives the approval of the Corporate Authorities pursuant to Section 3.B.2 of this Agreement and the Requirements of Law. Upon such approval, (a) the Final Plan shall, automatically, and without further action by the parties, be deemed to be incorporated in, and made a part of, this Agreement; and (b) the Final Plan for a Phase shall supersede the Development Concept Plan with respect to that Phase.

"Final Plat": The final plat providing for the consolidation and resubdivision of the entire Property that is approved by the Corporate Authorities pursuant to Section 3.B.1 of this Agreement and the Requirements of Law.

"Improvements": Public Improvement and Private Improvements.

"Incremental Property Taxes": The ad valorem taxes, if any, arising from the taxes levied upon the Property, which taxes are attributable to the increases in the then current equalized assessed valuation ("*EAV*") of each taxable lot, block, tract, or parcel in the Property over and above the total Initial EAV of each such lot, block, tract, or parcel of real property, all as determined by the County Clerk of Lake County, Illinois, pursuant to and in accordance with the TIF Act, the TIF Ordinances and this Agreement.

"Initial EAV": The "initial equalized assessed value" (as defined in Section 11-74.4-9 of the TIF Act) of the Property.

"Initial Parking Plan": *Exhibit 5* to this Agreement.

"Landbanked Parking Plan": *Exhibit 6* to this Agreement.

"Lange Street Improvement": The proposed Improvement that consists of the installation of new pavement resurfacing, curbs and gutters, public utilities, streetlights and Streetscape Improvements of the existing portion of the Lange Street right-of-way between of the east boundary of the Property and the Anthony Avenue South Improvement as depicted on the Public Improvement Diagram, attached to this Agreement as *Exhibit 3*, all in accordance with the Approved Documents.

"McKinley Avenue Extension/Kiss-n-Ride Improvement": The proposed Improvement that consists of (i) the extension of the McKinley Avenue right-of-way southwesterly to the Wisconsin Central Railroad; (ii) the installation of curbs and gutters, pavement, public utilities, and street lights; and (iii) the construction of a "Kiss-n-Ride" drop off area at the train station, as depicted on the Public Improvement Diagram, attached to this Agreement as *Exhibit 3*, all in accordance with the Approved Documents.

"Note Ordinance": An ordinance to be enacted by the Village determining and authorizing the issuance of the Notes for payment of approved Redevelopment Project Costs, in accordance with the terms of this Agreement, and such other terms as are acceptable to the Village and the Owner.

"Notes": The Tier 1 Note and the Tier 2 Note.

"Plan Commission": The Plan Commission of the Village, established by Section 18.04.010 of the Village of Mundelein Municipal Code, as the same has been and may, from time to time hereafter, be amended.

"Preliminary Landscaping Plan": Those certain landscaping plans and specifications of the Development Concept Plan comprised of the following documents: Landscape Plan Enlargement (North), dated 02/11/05; Landscape Plan Enlargement (South), dated 02/11/05; Overall Landscape Plan, dated 02/18/05 and the Tree Preservation and Tree Removal Plan, dated 02/11/05.

"Preliminary Plat": The preliminary plat providing for the consolidation and resubdivision of the entire Property that is to be approved by the Corporate Authorities pursuant to Subsection 3.B.1 of this Agreement and in accordance with the Requirements of Law.

"Project Year": Each of the first ten twelve-month periods following the Village's approval of a Final Plan for the North Phase.

"Property": That certain tract of land consisting of approximately 13 acres and legally described in ***Exhibit 7*** to this Agreement.

"Private Improvements": The privately owned improvements to be constructed within the Property, including without limitation all privately owned stormwater facilities that are not located in the public right of way, buildings, structures, landscaping, parking areas, parking area lighting, and other parking area appurtenances within the Property, all as described or listed on one or all of the Approved Documents.

"Public Improvements": The public on-site and off-site improvements to be constructed within the Property, which are to be dedicated to and accepted by the Village pursuant to Section 6 of this Agreement, which improvements are identified in the Subdivision Improvement Agreement, in accordance with the Approved Documents.

"PUD Chapter": Chapter 20.49 of the Zoning Code.

"Redevelopment Plan": The Redevelopment Plan as defined in Ordinance 05-01-06.

"Redevelopment Project Costs": All qualifying redevelopment project costs authorized and defined by the TIF Act (65 ILCS 5/11-74.4-3(q)) that are enumerated on ***Exhibit 8*** to this Agreement.

"Requirements of Law": All applicable federal, and state laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations, and all Village Laws, as they may be adopted, amended, or changed from time to time.

"Stormwater Management Concept Plan": The concept plan for stormwater management and watershed development, which is set forth under Tab G of the "Planned Unit Development Application to the Village of Mundelein," received by the Village's Director of Community Development, on February 18, 2005, as supplemented by Owner's submittal to the Village dated June 15, 2005.

"Street Improvements": Anthony Avenue Extension Improvement, Anthony Avenue Alley Improvement, Anthony Avenue South Improvement, Lange Street Improvement, and McKinley Avenue/Extension/Kiss-n-Ride Improvement.

377 ***"Streetscape Improvements"***: All required sidewalks, landscaping, tree
378 grates, street lights, sitting benches, and brick pavers within those areas of
379 Anthony Avenue Extension Improvement, the Anthony Avenue South
380 Improvement, the McKinley Avenue Extension/Kiss-n-Ride Improvement, and the
381 Lange Street Improvement depicted on the Streetscape Improvement Diagram,
382 attached to this Agreement as ***Exhibit 9***, all in accordance with the Approved
383 Documents.

384 ***"Subdivision Code"***: ***Exhibit 10*** to this Agreement, which shall apply to the
385 Redevelopment Project and the Property in lieu of Chapter 19 of the Village Code.

386 ***"Subdivision Security"***: A performance bond from a surety reasonably
387 acceptable to the Village in an amount equal to 110% of the estimated cost, as
388 approved by the Village Engineer, of constructing the Public Improvements that are
389 expected to be completed within a Phase, which bond shall be in a form mutually
390 agreed upon by the Parties.

391 ***"Tier 1 Note"***: A note to provide for the reimbursement to the Owner of Tier 1
392 Costs (as defined in Section 10) that Owner will pay or has paid, the terms of which
393 shall be consistent with this Agreement and otherwise mutually agreed to by the
394 Parties.

395 ***"Tier 2 Note"***: A note to provide for the reimbursement to the Owner of Tier 2
396 Costs (as defined in Section 10) that Owner will pay or has paid, the terms of which
397 shall be consistent with this Agreement and otherwise mutually agreed to by the
398 Parties.

399 ***"TIF"***: Tax increment financing, as further defined and described in the TIF
400 Act.

401 ***"TIF Fund"***: The special fund to be established and held in accordance with
402 the provisions of Section 10 of this Agreement.

403 ***"TIF Act"***: The Tax Increment Allocation Redevelopment Act, as amended, 65
404 ILCS 5/11-74.4-1, *et seq.*

405 ***"TIF Ordinances"***: Village of Mundelein Ordinance Nos. 05-01-06, 05-01-07,
406 and 05-01-08.

407 ***"Townhome"***: A "Dwelling, row" as defined by Section 20.08.330 of the Zoning
408 Code.

409 ***"Uncontrollable Circumstance"***: Any event that is beyond the reasonable
410 control of and without the fault of the party relying thereon and includes, but is not
411 limited to, the following events:

412 (a) a Change in Law;

(b) insurrection, riot, civil disturbance, sabotage, act of public enemy, explosion, nuclear incident, war, or naval blockade;

(c) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary weather condition, or other similar act of God;

(d) governmental condemnation or taking other than by the Village; or

(e) strikes or labor disputes, other than those caused by the unlawful acts of the Owner or a Developer.

Uncontrollable Circumstance shall not include economic hardship, impracticability of performance, commercial, economic, or market conditions, or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to the contractor).

"Village Laws": The Village's Zoning Ordinance, the Subdivision Code, the 2000 International Building Code, as amended by the Village, the 1999 National Electric Code, as amended by the Village, the 1998 State of Illinois Plumbing Code as amended by the Village, the 2000 International Fire Prevention Code as amended by the Village, the Village's Stormwater Watershed Development Ordinance, and all other applicable ordinances, codes, rules and regulations in effect from time to time; provided, however, that if a provision of such an ordinance, code, rule, or regulation conflicts with any provision of an Approved Document, then such provision of the Approved Documents shall be deemed to constitute a lawful and binding amendment to, and shall supersede such inconsistent or conflicting provision of such ordinance, code, rule, or regulation, as it may relate to the Redevelopment Project.

"Zoning Code": The Mundelein Zoning Ordinance, as the same has been and may, from time to time hereafter, be amended.

B. Rules of Construction.

1. Grammatical Usage and Construction. In construing this Agreement, pronouns include all genders, and the plural includes the singular and vice versa.

2. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

3. Calendar Days. Unless otherwise provided in this Agreement, any reference in this Agreement to "day" or "days" shall mean calendar days and not business days. If the date for giving of any notice required to be given, or the performance of any obligation, under this Agreement falls on a Saturday, Sunday, or federal holiday, then the notice or obligation may be given or performed on the next business day after that Saturday, Sunday, or federal holiday.

SECTION 3.ZONING AND DEVELOPMENT APPROVALS.

A. Current Approvals.

1. Approval of Zoning Map Amendment, Special Use Permit for PUD, and Development Concept Plan. Immediately after the Effective Date of this Agreement, the Village shall adopt a valid and binding ordinance, substantially in the form of ***Exhibit 12*** to this Agreement, (i) amending the Village's Zoning Map to place the Property within the Village's R-8 Multiple-Family Dwelling District; (ii) approving a Special Use Permit for a PUD; and (iii) approving the Development Concept Plan for the Property and the Redevelopment Project, which Ordinance shall become effective only after the acquisition by Owner of fee simple interest in all of the Property and submission by Owner to the Village of copies of recorded deeds and commitments for title insurance, evidencing Owner's ownership of the entire Property (***"Zoning and Special Use Ordinance"***).

2. Effect of Current Approvals. The approvals set forth in Sections 3.A.1 and 3.A.2 do not, by themselves, authorize the development of the Property. The Owner acknowledges and agrees that, except to the extent permitted by Section 7.A and 7.B of this Agreement, no construction, improvement, or development of any kind shall be permitted on the Property unless and until the following future approvals, which are discussed in detail in Section 3.B, have been granted by the Village:

(i) Approval of a Preliminary Plat, a Final Plat, and Final Engineering Plans for the entire Property;

(ii) For the Phase of the Redevelopment Project within which the proposed construction, improvement, or development is to be performed, the approval of a Final Plan, Final Landscaping Plans, and Appearance Review Plans and such other approvals as are required by Village Laws and Requirements of Law.

B. Future Approvals.

1. Plats of Subdivision. Not later than the earlier of (i) the sixtieth (60th) day after the Owner has received earnest money deposits on contracts for the sale of fifty percent (50%) of the Condominium Units in Condominium Building A; and (ii) one year after the Effective Date (the ***"First Application Date"***), Owner shall prepare and submit to the Village applications for approval of a Preliminary Plat and Final Plat for the entire Property. The Plan Commission and Corporate Authorities shall review such Preliminary Plat and Final Plat and approve them, if they comply with the Approved Documents and Requirements of Law.

2. Final Plans. For each phase or stage of the Redevelopment Project (a "*Phase*"), the Owner shall prepare and submit to the Village an application for approval of a Final Plan that (i) includes all portions of the Property within such Phase; (ii) is in substantial conformance with the Development Concept Plan; and (iii) complies with the PUD Chapter, this Agreement, including Section 5, and the other Approved Documents. The Plan Commission and Corporate Authorities shall review a Final Plan and approve it if it complies with this Section 3.B.2. The Application for the North Phase shall be submitted to the Village with the Proposed Final Plat on or before the First Application Date.

3. Appearance Review Plans. For each Phase, the Owner shall prepare and submit to the Village an application for approval of Appearance Review Plans for such Phase. All Appearance Review plans shall be prepared with consideration given to the Design Guidelines set forth in Section 4.B.4. The Appearance Review Commission shall review such Appearance Review Plans and approve them, if they are consistent with the Development Concept Plan and comply with the other Approved Documents and Requirements of Law.

4. Final Landscaping Plans. For each Phase, the Owner shall prepare and submit to the Village an application for approval of Final Landscaping Plans for such Phase. The Appearance Review Commission shall review such Final Landscaping Plans and approve them, if they are consistent with the Development Concept Plan and comply with the other Approved Documents and Requirements of Law.

5. Final Engineering Plans.

a. Submission, Review, and Approval. Not later than the First Application Date, the Owner shall prepare and submit to the Village Engineer an application for Final Engineering Plans for the entire Property. The Village Engineer shall review such Final Engineering Plans and approve them, if they comply with the other Approved Documents and Requirements of Law. The Village (i) agrees that the Stormwater Management Concept Plan indicates that the stormwater improvements described therein will result in a watershed benefit as defined in the Lake County Watershed Development Ordinance ("*WDO*"); (ii) acknowledges that Owner intends to base its design of the stormwater improvements in the Final Engineering Plans on the Stormwater Management Concept Plan; and (iii) agrees that if the analysis and calculations performed as part of the Village's review of such Final Engineering Plans confirms such benefit (and such Final Engineering Plans otherwise comply with this Agreement), then Owner may construct the stormwater improvements in accordance with the Final Engineering Plans that are based upon the Stormwater Management Concept Plan.

b. Retention of Outside Engineering Firm. The Village may retain an outside engineering firm to review, at the Owner's cost (as provided in

Section 9.E.1.), all or any part of the Final Engineering Plans, the Preliminary Plat, the Final Plat, or other documents related to the Redevelopment Project.

SECTION 4.DEVELOPMENT OF THE PROPERTY.

A. Approved Documents Control Development. Notwithstanding any use or development right that may be otherwise applicable or available to the Property, including without limitation rights pursuant to the provisions of the R-8 Multiple Family Dwelling District of the Zoning Code, the Property shall, as of, and at all times after, the Effective Date, be used and developed only pursuant to and in accordance with the terms and provisions of the Approved Documents, including, without limitation, this Agreement and the development restrictions set forth in Sections 4.B and 4.C.

B. Specific Use and Development Restrictions.

1. Condominium Buildings and Condominium Units. The Property shall be developed with not more than nine Condominium Buildings containing a total of not more than 541 Condominium Units, subject to the condition that the Condominium Buildings shall comply with Section 4.B.3 below.

2. Condominium Unit Mix.

a. Townhomes. Each Townhome shall be a Condominium Unit with its own exterior entry that is not shared with any other Condominium Unit and shall be located within a Condominium Building. Townhomes shall be permitted only within Condominium Buildings A, B, C, D1, D2, and E. No more than forty-one (41) total Townhomes shall be permitted. The aggregate total of Townhomes in Condominium Buildings B, C, D1, D2, and E shall not exceed thirty-one (31). The aggregate total of Townhomes in Condominium Building A shall not exceed ten (10).

b. One-Bedroom. At least ten percent, but not more than 35 percent, of the Condominium Units that are not Townhomes, shall be one bedroom units.

c. Two-Bedroom. At least 65 percent, but not more than 90 percent, of the Condominium Units that are not Townhomes shall have two or more bedrooms.

3. Locations and Setbacks; Maximum Building Height. The locations of the Condominium Buildings on the Property and the set-backs of the Condominium Buildings shall substantially comply with the Development Concept Plan. Further, the Condominium Buildings shall comply with the following height restrictions:

Condominium Buildings	Maximum Height
D-1 and D-2	7 stories above the floor level of the first residential floor
A and F	6 stories above the floor level of the first residential floor
G	5 stories above the floor level of the first residential floor; provided however that, with its application for Final Plan Approval for the South Phase, Owner may include proposed designs, in accordance with the Design Guidelines, for 2 additional stories and request approval thereof, which request shall not be unreasonably denied by the Corporate Authorities.
B, C, E, and H	4 stories above the floor level of the first residential floor

The Parties acknowledge that certain Elevation Plans included in the Development Concept Plan depict Condominium Buildings that may be shorter than the maximum heights permitted by this Section 4.B.3. The Parties agree that such Elevation Plans, along with the remainder of the Development Concept Plan and the Design Guidelines, shall govern the appearance of the exterior of the Condominium Buildings and this Section 4.B.3 shall govern the height of such Buildings. No structures or accessory roof appurtenance on the roof of any Condominium Building shall exceed the permitted height of such Condominium Building, unless the screening for such structures and appurtenances complies with the Design Guidelines.

4. Design Guidelines.

In designing the Condominium Buildings and other Private Improvements, Owner shall consider the following guidelines (the *"Design Guidelines"*):

(i) incorporate variation in the rooflines of the Condominium Buildings by the use of stepped parapet wall details and/or the mass of the Condominium Buildings;

(ii) arrange windows in groups to provide variety in the wall planes while respecting the floor plans of the Condominium Units;

(iii) give attention to the massing strategy of the west building elevations with respect to orientation of the buildings toward the proposed Village Green, provide façade articulation at the lower floor levels to give the appearance of a "front door";

(iv) screen roof appurtenances with complimentary materials in keeping with the character of the Condominium Building and overall architectural design;

(v) use brick, cast stone, or such other similar products as primary building materials;

(vi) use building color to compliment the architectural style and create visual interest and variety;

(vii) use brick, cast stone, or such other appropriate materials approved by the Village for the building cornice, windowsills, and window headers;

(viii) use of wood only if it is replaceable or removable without affecting the exterior building façade; and

(ix) design Private Improvements (including landscaping) to compliment the architecture style of the Condominium Buildings and to visually integrate the Property into the surrounding neighborhood.

5. Parking.

a. Initial Ratios. The Owner shall construct and maintain on the Property at least (i) 1.5 off-street parking spaces per Condominium Unit on the Property; and (ii) 1.63 off-street and on-street parking spaces per Condominium Unit on the Property in substantial compliance with the Initial Parking Plan; provided, however, that the parties acknowledge that the Initial Parking Plan assumes the construction of 491 Condominium Units and, therefore, if more than 491 Condominium Units are constructed, Owners shall still comply with the parking ratios set forth in this Section 4.B.5.a.

b. Landbanked Parking. The Village may, but shall not be required to, evaluate parking availability throughout the Property at anytime after certificates of occupancy for 197 Condominium Units have been issued, but before certificates of occupancy for 475 Condominium Units have been issued. Specifically, the Village may determine, in its reasonable discretion, whether portions of the Property, including without limitation, those portions identified on the Landbanked Parking Plan attached as ***Exhibit 6*** to this Agreement as the "Landbanked Areas," shall be developed as additional off-street and on-street parking areas. The Village shall notify the Owner in writing if it makes such a determination. If the Village provides such a notice, the Owner shall construct and maintain additional parking spaces within the Landbanked Areas and other areas designated by the Village so that the Redevelopment Project includes at least 1.75 off-street and on-street

parking spaces per Condominium Unit. Such parking spaces shall be constructed in accordance with the Landbanked Parking Plan. The Owner shall commence construction of parking spaces within the Landbanked Areas within 120 days after its receipt of such notice.

C. Compliance with Laws.

1. Owner's General Obligation. The Owner and the Redevelopment Project shall be subject to and comply with all Requirements of Law, including Village Laws and including without limitation requirements for the payment of all fees, charges, expenses, and costs provided for therein.

2. Anthony Avenue Extension Improvement Plan B. If the Anthony Avenue Extension Improvement is constructed in accordance with Anthony Avenue Extension Improvement Plan B and Village accepts dedication of Anthony Avenue Extension Improvement in accordance with Section 6.A.2.C of this Agreement, then, to the extent the Anthony Avenue Extension Improvement Plan B conflicts with the Subdivision Code, the Anthony Avenue Extension Improvement Plan B shall control and the conflicting Subdivision Code provisions shall be deemed to be waived or modified.

SECTION 5. PHASING OF DEVELOPMENT.

A. Phasing Allowed. The Property may be developed in not more than three phases (***"Phases"***), which shall be the "***North Phase,***" the "***East Phase,***" and the "***South Phase***" which are generally depicted on the Phasing Diagram attached as ***Exhibit 13***. The Owner shall submit its applications for approval of Landscaping Plans and Appearance Review Plans for a Phase at the same time that it submits its application for approval of a Final Plan for such Phase.

B. Specific Requirements for Phases.

1. North Phase. The North Phase shall be the first Phase of the Redevelopment Project. Not later than the First Application Date, the Owner shall submit to the Village an application for Final Plan approval for the North Phase. The following Improvements and work (collectively, the ***"North Phase Improvements"***) shall be constructed, installed, and performed as part of the North Phase:

(i) Condominium Buildings A, D-1, and D-2;

(ii) the McKinley Avenue Extension/Kiss-n-Ride Improvement Part 1; the location of which is generally depicted on ***Exhibit 3***;

(iii) the Anthony Avenue Extension Improvement, from the McKinley Avenue Extension to Point A, the location of which is generally depicted on ***Exhibit 3***;

(iv) the Anthony Avenue Extension Improvement from the McKinley Avenue Extension to Point B, the location of which is generally depicted on ***Exhibit 3***, provided that such Improvement shall be completed after the excavation for Condominium Buildings D-1 and D-2 is completed;

(v) the Anthony Avenue South Improvement, the location of which is generally depicted on ***Exhibit 3***, provided that such Improvement shall be completed after the excavation for Condominium Buildings D-1 and D-2 is completed;

(vi) all Streetscape Improvements adjacent to the Street Improvements identified in (ii) through (v) above, the locations of which are generally depicted on ***Exhibit 9***;

(vii) the parking areas designated "PKG A" (which shall be completed prior to the completion of Condominium Building A), "PKG D1" (which shall be completed prior to the completion of Condominium Building D-1), and "PKG D2" (which shall be completed prior to the completion of Condominium Building D-2), the locations of which are generally depicted on ***Exhibit 3***;

(viii) the "Courtyard for D-1 or D-2" (which shall be completed prior to the issuance of any occupancy permit for Condominium Building D-1 or D-2),the location of which is generally depicted on ***Exhibit 3***;

(ix) the demolition and removal of all buildings currently located on the Property as of the Effective Date; provided, however, that the building located at 491 Lange Street shall be required to be demolished only upon the earlier to occur of (a) the date that is 30 days after the date that such building ceases to be used for construction offices, equipment and material storage, or staging areas associated with the Redevelopment Project; and (b) the date that is two years after the date upon which the Corporate Authorities approved the Final Plan for the South Phase, unless the Corporate Authorities approve a longer period of time (***"Demolition Work"***); and

(x) all other Improvements that are approved as part of the Final Plan for the North Phase.

The Final Plan for the North Phase shall include a Schedule (a "***Construction Schedule***") for the commencement of work on, and completion of, the Public Improvements that are part of the North Phase Improvements, which completion shall not be later than two (2) years after the Final Plan for the North Phase is approved; provided, however, that the Anthony Avenue Extension Improvement from the McKinley Street Extension to Point B and the Anthony Avenue South Improvement shall be completed (i) within eighteen (18) months after the first certificate of occupancy is issued for Condominium Building A; or (ii) if excavation has commenced for Condominium Building D-1 and Condominium Building D-2 before the end of such eighteen (18) month period, then within eighteen (18) months after such excavation has commenced.

2. <u>East Phase</u>. The East Phase shall be the second or third Phase of the Redevelopment Project. The following Improvements and work (collectively, the "***East Phase Improvements***") shall be constructed, installed, and performed as part of the East Phase:

(i) the Anthony Avenue Alley Improvement, the location of which is generally depicted on ***Exhibit 3***;

(ii) the McKinley Avenue Extension/Kiss-n-Ride Improvement Part 2, the location of which is generally depicted on ***Exhibit 3***;

(iii) the parking areas designated "PKG C" (which shall be completed prior to the completion of Condominium Building C) and "PKG B" (which shall be completed prior to the completion of Condominium Building B), the locations of which are generally depicted on ***Exhibit 3***;

(iv) all Streetscape Improvements adjacent to the Street Improvements identified in (i) through (ii) above, the locations of which are generally depicted on ***Exhibit 9***; and

(v) all other Improvements that are approved as part of the Final Plan for the East Phase.

The Final Plan for the East Phase shall include a Construction Schedule for the commencement of work on, and completion of, the Public Improvements that are part of the East Phase Improvements, which completion shall not be later than two (2) years after the Final Plan for the East Phase is approved.

3. <u>South Phase</u>. The South Phase shall be the second or third Phase of the Redevelopment Project. The following Improvements and work (collectively, the "***South Phase Improvements***") shall be constructed, installed, and performed as part of the South Phase:

(i) the Lange Street Improvement and the Streetscape Improvements adjacent thereto, the locations of which are generally depicted on ***Exhibits 3 and 9***;

(ii) the parking areas designated "PKG F" (which shall be completed prior to the completion of Condominium Building F), "PKG G" (which shall be completed prior to the completion of Condominium Building G), and "PKG H" (which shall be completed prior to the completion of Condominium Building H), the locations of which are generally depicted on ***Exhibit 3***;

(iii) all other Improvements that are approved as part of the Final Plan for the South Phase.

The Final Plan for the South Phase shall include a Construction Schedule for the commencement of work on, and completion of, the Public Improvements that are part of the South Phase Improvements, which completion shall not be later than two (2) years after the Final Plan for the South Phase is approved.

C. Property Index Numbers. The Owner shall notify the Village of all revisions to the property index numbers for the Property promptly after such numbers are assigned and, for each new property index number assigned, shall identify the former property index number.

SECTION 6. IMPROVEMENTS.

A. Special Provisions Concerning Anthony Avenue Extension Improvement.

1. Land Acquisition Obligations. Commencing upon the Effective Date, Owner and the Village shall engage in commercially reasonable and good faith efforts to acquire all property and other rights necessary to construct the Anthony Avenue Extension Improvement from point A on ***Exhibit 3*** to Hawley Street in accordance with Anthony Avenue Plan A (the ***"Plan A Rights"***); provided, however, that to satisfy their obligations to engage in commercially reasonable and good faith efforts, neither the Owner nor the Village shall be obligated to pay any consideration for the value of the Plan A Rights. As depicted on Anthony Avenue Plan A, the Plan A Rights do not include any rights on land currently owned by the United States Post Office and identified as "Lot 2" on Anthony Avenue Plan A. Such efforts shall continue until the earlier of (i) the acquisition of the Plan A Rights; and (ii) the seventh (7th) anniversary of the Effective Date.

2. Construction of Anthony Avenue Extension Improvement.

a. Owner's General Right. Subject to the remainder of this Section 6.A.2, the Owner may construct the Anthony Avenue Extension Improvement in accordance with (i) Anthony Avenue Plan B, in which case such Improvement shall be completed no later than the eighth (8th) anniversary of the Effective Date; or (ii) Anthony Avenue Plan A, in which case such Improvement shall be completed within the later of (a) one (1) year after the Village or the Owner has acquired the Plan A Rights; or (b) the issuance of the first certificate of

occupancy for Condominium Building A, unless the Corporate Authorities approve a later date.

b. Continued Land Acquisition Obligations. If the Owner constructs the Anthony Avenue Extension Improvement in accordance with Anthony Avenue Plan B, neither the Owner nor the Village shall be relieved of their obligations to engage in commercially reasonable and good faith efforts to acquire the Plan A Rights during the time period required in Section 6.A.1.

c. Private Improvement. If the Owner constructs the Anthony Avenue Extension Improvement in accordance with Anthony Avenue Plan B, then the Anthony Avenue Extension Improvement shall be open to the public, but shall be a Private Improvement, owned and maintained by Owner. If neither the Village nor the Owner acquires the Plan A Rights on or before the seventh (7th) anniversary of the Effective Date, then, thereafter, the Village shall accept dedication of the Anthony Avenue Extension Improvement, as constructed in accordance with Anthony Avenue Plan B and as provided in Section 4.C.2.

d. Construction/Reconstruction. If, prior to the seventh (7th) anniversary of the Effective Date, the Village or the Owner acquires the Plan A Rights, then Owner shall, in accordance with Anthony Avenue Plan A, (i) construct the Anthony Avenue Extension Improvement; or (ii) reconstruct the Anthony Avenue Extension Improvement, if it has already been constructed in accordance with Anthony Avenue Plan B. Upon completion thereof, the Owner shall dedicate such Improvement to the Village, which shall accept such dedication in accordance with this Agreement.

3. Plat of Resubdivision. If Owner and the Village acquire the Plan A Rights prior to the seventh (7th) anniversary of the Effective Date and after the Final Plat has been recorded, the Owner shall submit a plat of resubdivision for the Property that accurately depicts the location of the Anthony Avenue Extension Improvement as depicted in Anthony Avenue Plan A. Thereafter, Owner shall complete construction of such Public Improvement as provided herein.

B. Special Provisions Concerning Anthony Avenue Alley Improvement. Within 30 days after (i) the Village issues a building permit for Condominium Building C; (ii) Owner submits to the Village a plat of vacation that complies with all Requirements of Law; and (iii) the Owner submits an appraisal stating the fair market value ("***Vacated Anthony Avenue FMV***") of that portion of Anthony Avenue generally depicted on ***Exhibit 14*** as the "Proposed Vacated Area from Anthony Avenue" ("***Vacated Anthony Avenue***") prepared by an appraiser selected by the Village, the Corporate Authorities shall adopt an ordinance vacating Vacated Anthony Avenue and conveying Vacated Anthony Avenue to the Owner. If the Owner fails to complete construction of the Anthony Avenue Alley Improvement within two years after such building permit is issued, then (i) the Village may, but shall not be required to, complete the Anthony Avenue Alley Improvement itself and shall be entitled to be reimbursed for any costs related thereto by the Owner or,

if Owner fails to do so, pursuant to the Subdivision Security; and (ii) the Village shall be paid the Vacated Anthony Avenue FMV by drawing down the Subdivision Security in an account equal to the Vacated Anthony Avenue FMV plus simple interest at 8% per annum accruing as of the date of the Vacation Ordinance.

C. Burial of Public Utility Lines. In connection with its construction of the Redevelopment Project, the Owner shall, at its expense, bury at the locations approved by the Village Engineer, all overhead public utility lines that either (i) exist within the Property as of the Effective Date of this Agreement; or (ii) are newly constructed and installed within the Property to serve the Redevelopment Project.

D. Design and Construction of the Improvements.

1. General Standards: All Improvements shall be designed and constructed pursuant to and in accordance with the Approved Documents, Requirements of Law, and the Subdivision Improvement Agreement attached to this Agreement as ***Exhibit 11***. All work performed on the Improvements shall be conducted in a good and workmanlike manner. The Owner shall complete the Public Improvements within a Phase in accordance with the Construction Schedules approved by the Village as part of the Final Plan for such Phase. The Owner shall be allowed extensions of time beyond the completion dates set forth in such schedules only for unavoidable delay caused by Uncontrollable Circumstances.

2. Location of Sales and Construction Trailer and Signs. Any sales and construction trailer and necessary parking, and any related sales and construction signs, shall be located in areas approved by the Village Director of Community Development, and shall be constructed only pursuant to a plan submitted by the Owner and approved by the Village Director of Community Development. Such plan shall also include ancillary parking and landscaping of the trailer. Relocation of the sales trailer, ancillary parking and landscaping to another area of the Property shall be allowed only following approval by the Village Director of Community Development pursuant to a plan submitted by the Owner and approved by the Village Director of Community Development.

3. Contract Terms; Prosecution of the Work. The Owner shall include in every contract for work on the Improvements terms requiring the contractor to prosecute the work diligently and continuously, in full compliance with, and as required by or pursuant to the Approved Documents and Requirements of Law, until such work is properly completed, and providing that the Owner may take over and prosecute the work if the contractor fails to do so in a timely and proper manner.

4. Engineering Services. The Owner shall provide, at its sole expense, all engineering services for the design and construction of the Improvements, including services of a professional civil engineer licensed in Illinois who shall be reasonably available while work is being performed to inspect the

construction of the Improvements and confer with the Village concerning the same. The Owner shall promptly provide the Village with the name, address, telephone and fax numbers, and e-mail address of such engineer at which such engineer can be reached at all times.

E. Subdivision Security and Subdivision Improvement Agreement. At the time the Village approves a Final Plan for a Phase, the Owner shall provide, and the Village shall accept a performance bond from a surety reasonably acceptable to the Village in an amount equal to 110% of the estimated cost, as approved by the Village Engineer, of constructing the Public Improvements that are expected to be completed during such Phase, which bond shall be in a form mutually agreed upon by the Parties (*"Subdivision Security"*). Upon completion of a portion of the Public Improvements within a Phase, the cost of which is equal to (i) one-third; (ii) two-thirds; or (iii) 100% of the total estimated cost of the Public Improvements to be completed during such Phase, the Owner may request that the amount of the Subdivision Security provided for a Phase be reduced by an amount proportionate to such cost. The Village shall not unreasonably delay or deny such a request. In addition, prior to the approval of a Final Plan for a Phase, the Owner agrees to enter into a subdivision improvement agreement relative to the construction of the Public Improvements during such Phase, in a final form approved by the Village President and the Owner, which shall be substantially in the form attached hereto as *Exhibit 11* (*"Subdivision Improvement Agreement"*).

F. Construction Traffic Plan.

With every Final Plan application, the Owner shall submit, for review and approval by the Village Engineer, a plan for the management and safe control of construction traffic, and non-construction traffic, access roads, and rights-of-way during the Redevelopment Project. Owner shall comply with such plan, which shall (i) designate certain prescribed routes of access to the Property for construction traffic to provide for the protection of pedestrians and to minimize disruption of traffic and damage to paved street surfaces; provided, however, that such designated routes shall not be unreasonably or unduly circuitous nor unreasonably or unduly hinder or obstruct direct and efficient access to the Property for construction traffic; (ii) require Owner, at all times, to keep all routes used for construction traffic free and clear of mud, dirt, debris, obstructions, and hazards and to repair any damage caused by such construction traffic and to use a street sweeper or other equipment where necessary to comply with such requirements; and (iii) prohibit construction traffic from using any Street Improvement after installation of the final surface course thereon; provided, however, that if reasonably direct access to the Property cannot be made available by any other route, then the Owner shall be permitted to use such Street Improvement for construction traffic and shall, during the period of such use, keep such Street Improvement free and clear of mud, dirt, debris, obstructions, and hazards and shall, after such use is no longer necessary, restore and repair such Street Improvement to the standards established in the Final Engineering Plans.

G. Inspection and Approval. All work on the Improvements shall be subject to inspection and approval by Village representatives at all times. All Improvements within a Phase shall be completed and made ready for inspection, approval and, if provided by the Approved Documents, acceptance by the Village pursuant to the Construction Schedule approved as part of the Final Plan for that Phase.

H. Record Drawings. Upon completion of all Public Improvements, the Owner shall submit three full-size photocopies (no blueline copies), and one Mylar copy of the record drawings of the Public Improvements. The drawings must include the words "RECORD DRAWINGS" and must be signed and sealed by a State of Illinois licensed Professional Engineer (the "***Record Drawings***"). The record drawings are not considered submitted until they have been approved by the Village Engineer. Upon approval, the Owner shall submit a compact disk with State Plane East Coordinates (NAD83 datum). The record drawing must include, at a minimum, the following information:

1. As-built and proposed elevations for all structures:
   a. Rim
   b. Invert(s)
   c. Pipe size, pipe material, and slopes
   d. Top of pipe (Water main)
   e. Top of operating nut (Hydrants)

2. Grading:
   a. Proposed and as-built detention basin volumes
   b. Proposed and as-built elevations of emergency overflow routes including cross-sections
   c. As-built overflow route capacity calculations
   d. Adjacent top of foundation elevations and available freeboard
   e. Building foundation elevations and adjacent finished grade

3. Street Lighting:
   a. As-built light pole location
   b. Fixture height
   c. Cable locations
   d. Control cabinet location
   e. Power supply location/route
   f. Pavement crossing conduit size and location

I. Final Punch List. Upon receipt and approval by the Village Engineer of (i) the Record Drawings; and (ii) a written request from the Owner for acceptance of Public Improvements, the Village shall inspect or reinspect the Public Improvements and prepare a final punch list of items to be completed or corrected.

Upon satisfactory completion of all punch list items, the Public Improvements shall be accepted by the Village as provided in Section 6.K.

J. Warranty Security. Concurrent with the Village acceptance of the Public Improvements, and the release by the Village of the Subdivision Security (or a portion thereof), the Owner shall deliver to the Village a bond from a surety reasonably acceptable to the Village in an amount equal to five percent (5%) of the actual cost of constructing the Public Improvements then being accepted by the Village ("***Warranty Security***"). The Warranty Security shall be in the form provided for in the Subdivision Improvement Agreement. The Village shall have the right to make demand upon and receive payment from the Warranty Security to correct defects in or repair the Public Improvements, provided that written notice of such defects or repairs are given to the Owner, within one year of the date of acceptance of the Public Improvements for which the Warranty Security has been posted. The Warranty Security shall be released in accordance with the Subdivision Improvement Agreement.

K. Transfer of Ownership of Public Improvements and Easements to Village.

1. All Public Improvements.

a. Transfer Free of Encumbrances. Upon the approval of, and prior to acceptance of, the Public Improvements, the Owner shall execute, or cause to be executed, such documents as the Village shall request to transfer ownership of the Public Improvements to, and to evidence ownership of such Public Improvements by, the Village, free and clear of all liens, claims, encumbrances, and restrictions, except for those restrictions that are otherwise accepted by the Village in writing. The Owner shall, at the same time of such transfer (i) grant, or cause to be granted, to the Village all such insured easements or other property rights as the Village may require to install, operate, maintain, service, repair and replace the Public Improvements that have not previously been granted to the Village, free and clear of all liens, claims, encumbrances and restrictions, except for those restrictions that are otherwise accepted by the Village in writing; and (ii) provide a detailed inventory to the Village of such Public Improvements, which shall include Developer's engineer's as-built quantities of Public Improvements, their estimated fair market value, and their estimated approximate useful life in accordance with Governmental Accounting Standards Board Statement 34.

b. Timing, Form, and Effect of Acceptance. Neither the execution of this Agreement nor the approval or recordation of the Final Plat shall constitute an acceptance by the Village of any Public Improvements. The Village shall not be obligated to accept dedication of any Public Improvements constructed in any Phase until (i) the shell and core of each Condominium Building to be constructed during such Phase has been fully constructed; (ii) certificates of occupancy have been issued for the Common Elements of each such Condominium Building and for at least one Condominium Unit in each such Condominium

Building; (iii) all Common Elements in each such Condominium Building and all exterior Common Elements to be constructed during such Phase have been fully constructed and installed; (iv) all Improvements to be constructed during such Phase have been fully constructed; and (v) the Owner has submitted all Tier 1 Certification Requests for the Redevelopment Project Costs incurred by the Owner during such Phase. The acceptance of all Public Improvements shall be made only in compliance with the requirements of this Agreement and the Subdivision Code. Except as provided in Section 6.J of this Agreement, after the Public Improvements have been accepted by the Village, the Owner shall have no further obligations to construct, maintain, or repair such Public Improvements.

2. Special Provisions Relating to Streets. Notwithstanding the use of any Street Improvements required to be constructed and dedicated to the Village, no Street Improvement shall be deemed to be accepted by the Village, and the Village shall have no obligation or liability with respect to such Street Improvement, unless and until said Street Improvement shall have been completed, approved, and accepted by the Village in accordance with this Agreement. The Owner acknowledges and agrees that (i) the Village shall not be obligated to accept any such Street Improvement unless and until construction traffic, from the Project, on said Street Improvement has substantially ceased and the Street Improvement has been completed and, if necessary, restored and repaired as required herein; (ii) the Village shall not be obligated to keep any such Street Improvement cleared, plowed, or otherwise maintained until such Street Improvement has been completed, approved and accepted by the Village in accordance with this Agreement; and (iii) the Village may, but shall not be obliged to, clear, plow, or otherwise maintain a Street Improvement that is to be dedicated to the Village, but has not yet been accepted by the Village, if the Owner fails, after written notice, to clear, plow, or maintain such Street Improvement, and no such action by the Village shall be deemed to be an acceptance of the Street Improvement and the Village shall be entitled to repayment by Owner or, if Owner fails to do so, pursuant to the Subdivision Security.

L. Water and Sewer Availability. Owner acknowledges that the Village shall provide sanitary sewer and potable water services to the Property, capacity permitting, on a "first-come/first-served" basis with all other property located within or annexed into the Village's boundaries, subject to interruptions in service caused by Uncontrollable Circumstances. The Parties acknowledge that, based upon their assessment of the Village's potable water system and sanitary sewer system, it appears that both systems have current capacity to serve the Development, but further acknowledge that the final determination with respect to such capacity is made by the Illinois Environmental Protection Agency ("*IEPA*"). If, in the future, such systems do not have capacity to serve the Development, or any portion thereof, the Village will make good faith efforts to implement capital improvements or other actions necessary to increase capacity in such systems to adequately serve the Development or portion thereof, provided that funds necessary for such improvements and actions are or will be reasonably available.

M. Issuance of Certificates of Occupancy. The Village shall have no obligation to issue certificates of occupancy for any building or structure until (i) Owner has also completed (in accordance with this Agreement and the Final Engineering Plans) all Improvements that are required to be built in conjunction with such building or structure by the Final Plan for the Phase approving such building or structure; or (ii) in lieu of such completion, other arrangements that comply with Requirements of Law (which may include without limitation the posting of cash security or a letter of credit securing the completion of such Improvements) have been approved in writing by the Village Director of Community Development, which approval may be granted or denied in his or her sole and absolute discretion. Without limiting the preceding sentence, prior to the issuance of any certificate of occupancy for any Condominium Building constructed within a Phase, the Owner shall pave or resurface (as required by this Agreement and Village Laws) (i) all streets within the Street Improvements that are intended to serve the building or structure in question; and (ii) all parking areas intend to serve the building or structure in question. The issuance of any building permit or certificate of occupancy by the Village at any time prior to completion of all the Improvements and approval and, where appropriate, acceptance thereof by the Village, shall not confer on the Owner any right or entitlement to any other building permit or certificate of occupancy. Issuance of temporary occupancy approvals may be made but only to the extent authorized by the Requirements of Law.

N. Damage to Public Property. The Owner shall maintain the Property and all streets, sidewalks, and other public property in and adjacent to the Property in a good and clean condition at all times during development of the Property and construction of the Improvements. Further, the Owner shall promptly clean all mud, dirt, or debris deposited on any street, sidewalk, or other public property in or adjacent to the Property by the Owner or any agent of or contractor hired by, or on behalf of, the Owner; and shall repair any damage that may be caused by the activities of the Owner or any agent of or contractor hired by, or on behalf of, the Owner by restoring such property to its condition prior to such damage.

SECTION 7. PERMITS AND APPROVALS FOR EARLY WORK.

A. Foundation-Only Permits. The Owner may obtain foundation-only permits after (i) a Final Plat has been approved by the Corporate Authorities; (ii) Final Engineering Plans have been approved by the Village Engineer; (iii) the Subdivision Improvement Agreement has been fully executed; (iv) the required Earth Change Approval has been approved; and (v) the Subdivision Security for the Phase within which such work will occur has been furnished to the Village, as required by this Agreement. The Owner acknowledges, however, that building permits shall not be issued by the Village, and no framing or superstructure shall be started on buildings for which foundation-only permits have been issued, until watermains and fire hydrants necessary to provide fire protection to that portion of the Property then under development have been constructed, connected to, tested, and approved by the Village, and provision has been made for emergency vehicle

access thereto on a gravel or other road, all in a manner acceptable to the Village Fire Chief. In addition, it shall be a requirement for foundation-only permits that the foundation cannot remain for more than six months without the building being constructed.

B. Earth Change Approval. The Owner may apply for Earth Change Approvals before the Final Plat has been approved. The Village Engineer may grant or deny such applications in his or her sole and absolute discretion, but in any event shall grant such application only if (i) the Subdivision Security for the North Phase has been furnished to the Village as required by this Agreement and includes an amount reasonably necessary to pay for any cost of completing any work or restoration related to the Earth Change Approval; (ii) the Owner has complied with the Earth Change Approval requirements of the Watershed Development Ordinance; (iii) a tree permit for the North Phase has been issued by the Village; and (iv) the Owner has paid the necessary fees for the Earth Change Approval. Any work pursuant to such Earth Change Approvals shall be at the sole risk of the Owner with respect to any changes that may be required to the Final Plat and Final Engineering Plans.

C. Demolition Permits. Provided that Owner applies for demolition permits in accordance with Requirements of Law, the Village shall issue demolition permits for the demolition of the existing buildings and structures on the Property prior to the approval of a Final Plat or Final Plan.

SECTION 8. DECLARATION OF CONDOMINIUM.

A Declaration of Condominium establishing one Condominium Association for the Property, in form and substance acceptable to the Village Attorney, ("Condominium Declaration") shall be prepared by Owner. The Condominium Declaration shall be recorded against the Property, in stages, after the Village Attorney has given its written approval thereof. The Condominium Declaration shall be consistent with the Zoning Code and this Agreement and shall be recorded prior to becoming effective and prior to the closing of the sale of any Condominium Unit. Further, without limitation of the foregoing, the Condominium Declaration shall contain the following provisions:

1. The Condominium Declaration shall be binding on, and govern, the Property which shall be submitted to the provisions of the Act (as hereinafter defined) and shall provide that membership in the Condominium Association with respect to the Property shall be mandatory for each and every owner, and successive owner, of the Condominium Units. The Condominium Declaration shall initially be recorded against a portion of the Property. As new Phases of the Development are commenced, Owner shall (with the Village's written approval, as to form only) record "add on amendments" to subject additional portions of the Property to the Condominium Declaration. The association shall be a unit owners' association pursuant to the Illinois Condominium Act, 765 ILCS 605/1 *et seq.* (the "Act").

2. The Owner shall be responsible for the maintenance of all Private Improvements installed on the portions of the Property that are not subject to the Act and the Condominium Declaration. Owner shall be responsible for the maintenance of all Private Improvements installed on the portions of the Property that are subject to the Act and the Condominium Declaration until such time as all of the following have occurred: (i) the Condominium Association has been formed (as described in paragraph 1 above); (ii) the Condominium Association is responsible for the maintenance of the Private Improvements installed on the Property subject to the Condominium Declaration (as described in paragraph 3 below); (iii) the Unit Owners have commenced paying assessments (as described in paragraph 5 below); and (iv) the Condominium Association has retained a manager to manage and perform the Condominium Association's maintenance obligations with regard to the Property. After the requirements of subsections 2(i) thru (iv) have been satisfied, the Owner shall have no liability other than as a Unit Owner for any of the costs or expenses enumerated above.

3. The Condominium Declaration shall provide that the Condominium Association shall care for, conserve, maintain and operate the Common Elements, as defined in, and in accordance with the terms of, the Condominium Declaration. The Condominium Association shall be responsible for the care, conservation, maintenance and operation, in a first rate condition, of the Common Elements as defined in, and in accordance with the terms of the Condominium Declaration, including, without limitation, all equipment, appurtenances, ponds, swales, side and rear yard storm sewers, retention facilities, and perimeter fencing and landscaping located on or within the Common Elements, and the cost of power required for such equipment and appurtenances.

4. The Condominium Association shall be responsible for keeping the access driveways entering the Property, the off-street parking areas, garage parking areas and associated driveway areas and the sidewalks and pedestrian pathways on such portion of the Property free and clear at all times of all obstructions, including without limitation, snow, ice, debris, temporary or permanent structures, and unauthorized vehicles. The Condominium Declaration shall include such other covenants, conditions, and restrictions related to storage in parking areas and garage parking areas as the parties may agree to.

5. The Unit Owners shall pay their pro rata share of all costs and expenses incurred by the Condominium Association by means of an assessment to be levied by the Condominium Association that meets the requirements for becoming a lien on the Property in accordance with the Act.

6. Easements shall be created providing access over, on, and above the exterior Common Elements for the exclusive benefit of the Condominium Unit owners, and their employees, agents, licensees, invitees, and guests, and the Village, for ingress and egress, storm water drainage and detention, emergency, utility, enforcement, and government service purposes, and for the purpose of maintaining the Common Elements.

7. Utility and enforcement easements shall be granted to the Village and other governmental bodies and utility services over, under, on, and across the exterior Common Elements for the purposes of enforcing Village Laws, making repairs required by Requirements of Law which the Condominium Association has refused or failed to make, installing, and servicing utilities, and providing public and emergency services.

8. The Village shall have the right to enforce the rights granted to it by the Condominium Declaration. The rights conferred on the Village by this Section 8 shall not in any way be construed as obligations of the Village.

9. The Village shall have the right, but not the obligation, after thirty (30) days written notice to the Condominium Association to perform any maintenance or repair work on the exterior Common Elements of the Property that, in the opinion of the Village, the Condominium Association has agreed to perform hereunder and has neglected to perform. Provided the Condominium Association has commenced the necessary work within the thirty (30) day period, and is diligently prosecuting same, the Condominium Association shall have such additional time as reasonably necessary to complete the maintenance or repair work. The Village shall also have the right to record a lien against the Property, including but not limited to the Common Elements and the Condominium Units for all fees, costs and expenses rightfully incurred by the Village for such work. Such lien shall be effective and shall have priority, upon the recordation thereof in the Office of the Recorder of Deeds of Lake County, Illinois.

10. The Condominium Declaration shall: (i) run with and bind the Property for as long as the Property is subject to the Act; and (ii) be binding upon the Owner, and its successors in interest subject to the terms and conditions of this Agreement, the Condominium Declaration and the Act.

11. Responsibility for the cost of casualty and liability insurance and real estate taxes for the Property shall be paid by the Condominium Association in accordance with the Condominium Declaration and in compliance with the Act.

12. The Condominium Declaration shall include a provision prohibiting any amendment which would affect the rights of the Village thereto without the prior written consent of the Village. Further, the Condominium Declaration shall not be amended in any way that would conflict with the Zoning Code and this Agreement without the prior written approval of the Corporate Authorities

SECTION 9. IMPACT FEES AND DONATIONS; GENERAL VILLAGE FEES.

A. Village Impact Fees. In recognition of the impacts to Village services that will be caused by the Redevelopment Project, the Owner shall pay the following fees ("*Village Impact Fees*").

Type of Village Impact Fee	Amount of Village Impact Fee per Condominium Unit
Downtown Improvement	$1,000.00
Stormwater	$300.00
Capital Improvement	$1,660.00
Transportation	$1,715.00
Sewer Expansion	$3,440.00
Water Expansion	$415.00

Upon issuance of a certificate of occupancy for a Condominium Unit in a Condominium Building, all Village Impact Fees for all Condominium Units in such Condominium Building shall be due and payable and shall be paid by the Owner to the Village. On the first day of January of each year, all due and unpaid Village Impact Fees shall be automatically increased by five percent (5%), except for the Sewer Expansion Fee and Water Expansion Fee, which shall be increased or decreased by ordinance, but shall be increased only if such increase is needed to pay for capital improvements that are necessary to increase sewer or water capacity. On or before January 15 of each year, the Owner shall perform a recalculation of unpaid Village Impact Fees, taking into account such five percent (5%) increase, and submit such recalculation to the Village.

B. Security. To secure its obligation to pay the Village Impact Fees when they are due, at the time the Village approves the Final Plan for a Phase, the Owner shall deliver an irrevocable letter of credit to the Village issued by a bank reasonably acceptable to the Village and which can be drawn upon in Lake County, Illinois, which letter of credit shall be substantially in the form attached hereto as ***Exhibit 20***. The face value of each such letter of credit shall equal the maximum number of Condominium Units that Owner may construct during such Phase multiplied by the total Village Impact Fees due per Condominium Unit. Owner shall be permitted to reduce the face value of such letter of credit from time to time by an amount equal to the amount of such fees paid to the Village as provided herein, as reviewed and approved by the Village. Upon the Village's confirmation of the recalculation provided in Section 9.A, the security shall be increased accordingly.

C. General Village Fees. The Village Impact Fees shall be paid in addition to (i) all other fees payable under this Agreement and the Subdivision Improvement Agreement; and (ii) all other generally applicable fees payable under Village Laws (including, without limitation, tree replacement fees, building permit fees, sewer and water connection fees, building plan review and inspection fees, and engineering plan review and inspection fees) as established, modified, increased, or decreased from time to time by the Village ("***General Village Fees***").

D. School, Park, and Library Donations. The Owner shall make donations to School District 75, Diamond Lake School District 76, Mundelein Consolidated High School District 120, the Mundelein Park and Recreation District,

and the Fremont Public Library District in accordance with the agreements between the Owner and such Districts, copies of which are attached to this Agreement as ***Group Exhibit 15***. Such donations shall be made directly to such entities. The Village shall not be required to issue any occupancy permits for Condominium Units on the Property unless the Owner provides to the Village evidence that the donations required pursuant to this Agreement have been made.

E. Attorney, Planning, and Other Professional Consulting Fees.

1. Engineer's Fees. If the Village retains an outside engineering firm to review all or any part of the Final Engineering Plans, the Preliminary Plat, the Final Plat, or other documents related to the Redevelopment Project, the Village shall provide the Owner a written estimate of the cost for conducting such a review, which shall include the outside engineering firm's hourly rates. Such hourly rates shall be reasonable and customary for engineering firms providing such services in the Chicago metropolitan area. Within five business days after receiving the written estimate, the Owner shall deposit with the Village the initial amount of such estimated cost. After the Village has received invoices from such firm that equal at least 75% of such initial deposit, the Owner shall replenish the amount of the deposit up to the difference between the expected cost to complete such work and the 25% amount remaining in the Owner's deposit account within five business days after receiving a written request from the Village. Within 20 business days after the completion of the Village's review of the plans and plats and receipt by the Owner of a written invoice therefor, the Owner shall pay the actual cost of all reviews completed by the outside engineering firm, less the initial and supplemental deposits previously made, or otherwise the Village shall refund to the Owner any overpayment thereof.

2. Other Consultants' Fees. Upon receipt of a statement from the Village for the attorney's, planning, and any other professional consulting fees incurred by the Village related to the preparation of the Approved Documents, all drafts thereof, and other documents and information related thereto incurred by the Village through the date upon which this Agreement is approved by the Corporate Authorities, the Owner shall reimburse the Village for all such fees. In addition, if any third party files an action challenging or seeking to invalidate or enjoin this Agreement or any portion thereof, or any action taken or provided for herein, the Owner and the Village shall cooperate with each other in defending the validity of this Agreement and each party shall be responsible for any attorney's fees, costs, and expenses that it incurs in connection with such litigation.

F. No Other Fees Or Donations The fees and donations to be paid pursuant to this Section 9 shall be in addition to any Improvements that Owner has agreed to construct or pay for as provided herein. Except for those fees and donations it has agreed to pay in this Section 9, and except for the Improvements required by this Agreement, Owner shall not be required by the Village to pay any fees, donate any land or money, or make any other contributions to the Village or any other governmental agency that are intended to pay or provide for public

facilities or property made necessary by the development of the Property ("Impact Contributions"). Further, no new Impact Contributions or increases in Impact Contributions (except for the five percent (5%) annual increases and the potential increases in Water and Sewer Expansion Fees, as provided in Section 9.A.) shall be applicable to the Property.

SECTION 10. TIF FINANCING.

A. Approval of Notes; Redevelopment Project Costs Eligible for Reimbursement. The parties acknowledge that the Owner will pay, or has paid, for some or all of the Redevelopment Project Costs. To provide for the reimbursement to the Owner of certain Redevelopment Project Costs pursuant to this Agreement and the Notes, the Corporate Authorities, not later than their first regularly scheduled meeting following their meeting at which this Agreement is approved, shall adopt an ordinance approving the Notes ("***Note Ordinance***"). The Village shall thereafter execute and deliver to the Owner the Notes. The Village shall reimburse the Owner for the Redevelopment Project Costs identified as "***Tier 1 Costs***" on ***Exhibit 16*** pursuant to the Tier 1 Note and for the Redevelopment Project Costs identified as "***Tier 2 Costs***" on ***Exhibit 17*** pursuant to the Tier 2 Note. The amount for each Tier 1 Cost listed on Exhibit 16 is an estimate of the amount of such Tier 1 Cost for which Owner will seek reimbursement pursuant to this Agreement and the Tier 1 Note. However, if the actual amount incurred by Owner for a Tier 1 Cost is more or less than such estimate, Owner may seek reimbursement for such greater or lesser amount; provided, however, that in no event shall Owner be reimbursed for Tier 1 Costs totaling more than $4,500,000.00. Notwithstanding any other provision of this Agreement, the Owner shall be entitled to be reimbursed for Redevelopment Project Costs only if (i) it actually incurs such Redevelopment Project Costs; (ii) such Redevelopment Project Costs are also "redevelopment project costs" as defined in the TIF Act; (iii) such Redevelopment Project Costs are also "***Certified Tier 1 Costs***" or "Certified Tier 2 Costs," as the case may be (as defined in Section 10.E.1.b and 10.E.2.b); and (iv) reimbursement is permitted pursuant to this Agreement, the Redevelopment Plan, and the TIF Act.

B. Deposit of Pledged Amount in Account. The Village shall establish a special tax allocation fund pursuant to the requirements of the TIF Act ("***Fund***"). The Village shall deposit into an account (the "***Account***") of the Fund thirty-four percent (34%) of the Incremental Property Taxes within 90 days after receipt thereof by the Village ("***Pledged Amount***"); provided, however, that if, after the Effective Date, the TIF Act is amended, or some other new Requirement of Law (other than a new Village Law) is imposed, to require the Village to pay any portion of the Incremental Taxes to any other governmental agency or any other recipient, then, for each year in which such amendment or new Requirement of Law is effective, the annual Pledged Amount that is required to be deposited by the Village into the Account shall be reduced by an amount equal to fifty percent (50%) of the portion of Incremental Taxes that is required to be paid by the Village that year to such other governmental agency or recipient pursuant to such amendment or new Requirement of Law. The Pledged Amount shall be irrevocably pledged to the

repayment of the amounts due under the Notes, as provided herein. In the Village's sole discretion, the Notes may also be paid from proceeds of any bonds or other obligations issued by the Village or any other sources available to the Village and permitted by law to be used to make payments under the Notes; provided, however, that the Pledged Amount shall not be reduced by the amount of such payments from other bond proceeds or obligations or other sources and the entire Pledged Amount in the Account on February 1 of each year shall be used to pay principal and interest on the Notes, as provided herein. Any funds contained in the Fund in excess of the Pledged Amount may be used by the Village for any lawful purpose permitted under the TIF Act (including, but not limited to, calculation and distribution of "surplus" in accordance with Sections 11-74.4-7 and 11-74.4-8a of the TIF Act). Because the Fund is a special fund, the amounts deposited in the Account shall be disbursed in accordance with this Agreement, the Note Ordinance, and the Notes without further action by the Corporate Authorities.

C. Limited Obligation of the Village. The Owner hereby acknowledges that the Pledged Amount may be insufficient to cover the payment of all principal and interest on the Notes. If the Pledged Amount is insufficient to pay all the principal and interest due under the Notes, the Owner hereby acknowledges that it shall have no recourse against the Village provided that all Pledged Amounts required to be deposited in the Account from time to time pursuant to the TIF Act and this Agreement have been deposited into the Account and the amount equal to the Pledged Amount in each year has been used solely to pay amounts due under the Notes.

D. Terms of Redevelopment Notes.

1. Terms of Both Notes. Each Note shall (i) evidence the Village's obligation to reimburse the Owner for certain Redevelopment Project Costs, subject to and in accordance with this Agreement; (ii) bear simple, non-compounded interest, which shall not be tax exempt, at the rate of eight percent (8.0%) per annum; (iii) have a maximum 20-year term, but in no event a term exceeding the maximum term permitted by the TIF Act; (iv) be secured by the Pledged Amount, as provided in this Agreement; (v) provide for payment of principal and interest once per year on February 1, which annual payment shall be equal to the Pledged Amount in the Account, until such time as the Note is paid in full, provided that payment under the Tier 2 Note shall be subject to the first lien on the Pledged Amount as provided in Section 10.D.2.; (vi) provide that each annual payment shall be applied first to accrued but unpaid interest, second to current interest, and third to principal; and (vi) be transferable or assignable only (a) as a collateral assignment to an Accredited Investor or a Bank; (b) to an entity wholly owned and controlled by the same owners of the Owner; (c) to an Accredited Investor; or (d) if otherwise approved by the Corporate Authorities in their sole discretion.

2. Terms of Tier 1 Note. The principal amount of the Tier 1 Note shall be the total Certified Tier 1 Costs advanced by the Owner and approved by the Village pursuant to Section 10.E.1.b of this Agreement, up to a maximum of

$4,500,000.00, less any principal amount previously paid by the Village. The priority of payment under the Tier 1 Note shall be (i) accrued but unpaid interest on the Tier 1 Note; (ii) current interest on the Tier 1 Note; and (iii) principal on the Tier 1 Note. Until the Tier 1 Note is fully retired, the holder thereof shall have a first lien on the Pledged Amount equal to the sum of accrued but unpaid interest on the Tier 1 Note; current interest on the Tier 1 Note; and principal on the Tier 1 Note. Such first lien shall arise each year with respect to the Pledged Amount for such year.

3. Terms of Tier 2 Note. The principal amount of the Tier 2 Note shall be the total Certified Tier 2 Costs advanced by the Owner and approved by the Village pursuant to Section 10.E.2.b of this Agreement, up to a maximum of $2,500,000.00, less any principal amount previously paid by the Village. The priority of payment under the Tier 2 Note shall be (i) accrued but unpaid interest on the Tier 2 Note; (ii) current interest on the Tier 2 Note; and (iii) principal on the Tier 2 Note. Payments of interest and principal under the Tier 2 Note shall be made only if (i) the Tier 1 Note has been fully retired; or (ii) at the time of such payment, there is no interest or principal due and payable on the Tier 1 Note. The Owner shall be entitled to be reimbursed for Tier 2 Costs in (i) the amount of $150,000, for every thirty (30) Condominium Units in the Redevelopment Project conveyed by the Owner to persons or entities (other than the Owner or any of its affiliated companies or entities), who are the original purchasers of such Condominium Units (collectively, "***Qualified Entities***"); and (ii) the amount of $100,000, after the Owner has conveyed five hundred and forty one (541) Condominium Units in the Redevelopment Project to Qualified Entities. Until the Tier 1 Note is fully retired, the holder of the Tier 2 Note shall have a second lien on the Pledged Amount (which shall be subordinate to the first lien on the Pledged Amount held by the holder of the Tier 1 Note) equal to the sum of accrued but unpaid interest on the Tier 2 Note; current interest on the Tier 2 Note; and principal on the Tier 2 Note. Such second lien shall arise each year before the Tier 1 Note is retired with respect to the Pledged Amount for such year. After the Tier 1 Note is retired, the holder of the Tier 2 Note shall release its second lien and have a first lien on the Pledged Amount equal to the sum of accrued but unpaid interest on the Tier 2 Note; current interest on the Tier 2 Note; and principal on the Tier 2 Note. Such first lien shall arise each year after the Tier 1 Note is retired with respect to the Pledged Amount for such year.

E. Procedure for Reimbursement Pursuant to Notes.

1. Tier 1 Note.

a. Submission of Tier 1 Certification Requests. For reimbursement of Tier 1 Costs in accordance with the Tier 1 Note, the Owner shall submit to the Village a written request for certification of such Tier 1 Costs in the form attached hereto as ***Exhibit 18*** ("***Tier 1 Certification Request***"). The Owner shall not submit (i) more than two Tier 1 Certification Requests in any calendar year; (ii) a Tier 1 Certification Request for less than $250,000; (iii) a Tier 1

Certification Request more than six (6) months after the last Tier 1 Costs have been paid by Owner; or (iv) a Tier 1 Certification Request after the seventh Project Year, unless a later submission is approved by the Corporate Authorities, taking into consideration market and other economic conditions during the first seven Project Years, which approval shall not be unreasonably withheld. Each Tier 1 Certification Request shall be accompanied by (i) sworn statements and lien waivers for any material, fixtures, apparatus, machinery, services, or labor provided by any contractor, subcontractor, or other person or entity entitled to file a lien under the Mechanics Lien Act, 770 ILCS 60/1, included in the Tier 1 Costs for which reimbursement is sought; (ii) bills, contracts, and invoices relative to the Tier 1 Costs; and (iii) other documents or information that the Village shall reasonably require to evidence appropriate payment of Tier 1 Costs. To facilitate the certification of Tier 1 Costs as provided herein, the Owner shall (i) require its contractors, suppliers, and others with whom it enters into contracts for Tier 1 Costs to submit pay requests, invoices, and bills that include only amounts that are Tier 1 Costs; and (ii) take such other actions as are reasonably necessary or desirable to identify Tier 1 Costs separately from other costs. If the Owner does not fulfill its obligations as set forth in the preceding sentence, the Village shall have no obligation to certify or reimburse the Owner for Tier 1 Costs that have not been separately identified as required herein.

b. Village Review of Tier 1 Certification Requests; Accrual of Interest. The Village shall approve or disapprove a Tier 1 Certification Request within sixty (60) days after its submission. Within 21 days after approval of a Tier 1 Certification Request, the Village shall adopt a resolution approving such certification ("***Certification Resolution***") identifying which Tier 1 Costs identified in the Tier 1 Certification Request have been approved for payment ("***Certified Tier 1 Costs***"). If the Village finds an error or deficiency in any Tier 1 Certification Request, the Village shall specify such error or deficiency in reasonable detail within sixty (60) days after the date the Village receives the Tier 1 Certification Request. Interest on Certified Tier 1 Costs shall accrue beginning on the date of the Certification Resolution.

2. Tier 2 Note.

a. Submission of Tier 2 Certification Requests. For reimbursement of Tier 2 Costs in accordance with the Tier 2 Note, the Owner shall submit to the Village a written request for certification of such Tier 2 Costs in the form attached hereto as ***Exhibit 18*** ("***Tier 2 Certification Request***"). The Owner shall not submit (i) more than two Tier 2 Certification Requests in any calendar year; (ii) the first Tier 2 Certification Request, until it has sold thirty (30) Condominium Units to Qualified Entities; (iii) a Tier 2 Certification Request, subsequent to the first Tier 2 Certification Request, unless it has sold thirty (30) Condominium Units to Qualified Entities since the immediately prior Tier 2 Certification Request was submitted to the Village; or (iv) a Tier 2 Certification Request after the tenth (10th) Project Year, unless a later submission is approved by the Corporate Authorities. Each Tier 2 Certification Request shall be accompanied

by (i) a copy of a deed for each Condominium Unit sold by the Owner to a Qualified Entity since the previous Tier 2 Certification Request was submitted to the Village ("***Deed***"); and (ii) other documents or information that the Village shall reasonably require to evidence appropriate payment of Tier 2 Costs. The first Tier 2 Certification Request submitted by Owner shall be accompanied by: (i) copies of recorded deeds and commitments for title insurance, evidencing Owner's ownership of the entire Property; (ii) documents establishing the amount paid by Owner for the Property.

b. Village Review of Tier 2 Certification Requests; Accrual of Interest. The Village shall approve or disapprove a Tier 2 Certification Request within a sixty (60) days after its submission. Within 21 days after approval of a Tier 2 Certification Request, the Village shall adopt a Certification Resolution identifying which Tier 2 Costs identified in the Tier 2 Certification Request have been approved for payment ("***Certified Tier 2 Costs***"). If the Village finds an error or deficiency in any Tier 2 Certification Request, the Village shall specify such error or deficiency in reasonable detail within sixty (60) days after the date the Village receives the Tier 2 Certification Request. Interest on Certified Tier 2 Costs shall accrue beginning on the date of the Certification Resolution.

F. Consideration of Tax-Exempt Replacement Obligations.

1. Owner's Requests. Between January 1 and August 1 of the seventh (7th) Project Year, the Owner may request in writing that the Village consider issuing a new tax exempt obligation to replace the Tier 1 Note, the principal of which would equal the outstanding principal of the Tier 1 Note and accrued but unpaid interest thereon as of the date of such request (***"Tier 1 Replacement Obligation"***). Between January 1 and August 1 of the tenth (10th) Project Year, the Owner may request in writing that the Village consider issuing a new tax exempt obligation to replace the Tier 2 Note, the principal of which would equal the outstanding principal of the Tier 2 Note and accrued but unpaid interest thereon as of the date of such request (***"Tier 2 Replacement Obligation"***) (the Tier 1 Replacement Obligation and the Tier 2 Replacement Obligation shall be referred to herein collectively as the ***"Replacement Obligations"***). Any such request by the Owner shall address the factors identified in Section 10.F.2 below. The Owner shall be solely responsible for preparing, presenting, and pursuing such a request.

2. Village's Determination. The Village shall consider such requests and determine whether to issue one or more Replacement Obligations, which it may elect to issue or elect not to issue in its reasonable discretion. The Village shall exercise commercially reasonable efforts to make its determination within a time period that will allow the Replacement Obligation, if it is issued, to be sold on or before December 31 of the year in which the request was made. Without limiting the Village's reasonable discretion in making its determination, it shall issue a Replacement Obligation only if:

(i) the interest rate of the Replacement Obligation is consistent with market conditions;

(ii) issuing the Replacement Obligation will not interfere with or hinder the Village's ability to issue debt, including bank qualified debt, at the time of the Owner's request for issuance of the Replacement Obligation or at any other time in the future;

(iii) the Owner has obtained the written opinion, acceptable to the Village, of an attorney or a firm of attorneys, with standing as nationally recognized bond counsel, that (a) the interest paid and received on the Replacement Obligation is not includible in the gross income of the registered owners thereof under the Internal Revenue Code for federal income tax purposes, subject to customary qualifications and exceptions; and (b) the Replacement Obligation is valid and legally binding and the procedures by which it was issued were lawful;

(iv) the Replacement Obligation is being sold, pursuant to terms approved by the Village, to an Accredited Investor or a Bank that acknowledges that it is an Accredited Investor or a Bank pursuant to a letter to the Village in a form approved by the Village and Owner;

(v) the premium from the sale of the Replacement Obligation (net of original issue discount), if any, will be paid out of the proceeds of the sale of the Replacement Obligation to the Fund;

(vi) an independent certified public accountant or a feasibility analyst having a national reputation for expertise in such matters, has determined, based on assumptions that are acceptable to the Village, that the Incremental Taxes will provide in each year remaining in the term of the Replacement Obligation an amount not less than 1.35 times the annual debt service on the Replacement Obligation, which determination is supported by a written report from such accountant or analyst to the Village;

(vii) all costs of issuance, capitalized interest, reserve funds, or other requirements of the sale or placement of the Replacement Obligation shall be, at the Village's option, (a) paid directly by the Owner; (b) deducted from Pledged Amounts; or (c) deducted from the proceeds of the Replacement Obligation; provided however that Owner may, as part of the negotiations of the terms of the Replacement Obligation, seek the repayment or return of any capitalized interest or reserve funds paid or pledged;

(viii) the Owner agrees to indemnify and hold harmless the Village, its officers, directors, employees, and agents (each an "*Indemnified Party*")

from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever which an Indemnified Party may incur or be subject to (or which may be claimed against an Indemnified Party by any Person) by reason of or in connection with the Replacement Obligation or the other transactions or matters contemplated under this Section 10.E., including without limitation claims related to (a) any arbitrage rebate fees or costs of calculation resulting from the issuance of the Replacement Obligation; (b) any false, untrue, or misleading statements made by the Owner or its agents in the sale of such Replacement Obligation; or (c) the costs and expenses of any challenge to the validity or tax-exempt nature of the Replacement Obligation;

(ix) all Village Impact Fees for all Phases have been paid or are secured by letters of credit, as provided herein; provided that, if a Final Plan has not been approved for a Phase, the amount of the letter of credit to secure the Village Impact Fees that will be payable in such Phase shall be agreed to by the Parties based upon their reasonable estimates of the number of Condominium Units that will be constructed during such Phase;

(x) the sale of the Replacement Obligation will be completed on or before December 31 of the year in which the request for the Replacement Obligation was made; and

(xi) issuing the Replacement Obligation will not have a material negative impact on the Village.

SECTION 11. LIABILITY AND INDEMNITY OF VILLAGE.

A. Village Review. The Owner acknowledges and agrees that the Village is not, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the Village's review and approval of any plans for the Property or the Improvements, or the issuance of any approvals, permits, certificates, or acceptances, for the development or use of the Property or the Improvements, and that the Village's review and approval of any such plans and the Improvements and issuance of any such approvals, permits, certificates, or acceptances does not, and shall not, in any way, be deemed to insure the Owner, or any of its heirs, successors, assigns, tenants, and licensees, or any third party, against damage or injury of any kind at any time.

B. Village Procedure. The parties acknowledge and agree that notices, meetings, and hearings have been properly given and held by the Village with respect to the approval of this Agreement and agree not to challenge such approval on the grounds of any procedural infirmity or of any denial of any procedural right.

C. Indemnity. The Owner agrees to, and does hereby, to the full extent permitted by law, hold harmless and indemnify the Village, the Corporate Authorities, the Plan Commission, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, and attorneys, from any and all claims that may be asserted at any time against any of such parties in connection with (i) the Village's review and approval of any plans for the Property or the Improvements; (ii) the issuance of any approval, permit, certificate or acceptance for the Property or the Improvements; (iii) the development, construction, maintenance, or use of any portion of the Property or the Improvements, except for the maintenance and use of the Public Improvements that have been accepted by the Village pursuant to Section 6.K. hereof; or (iv) the Village's failure to require a labor and material payment bond related to any Public Improvement; provided, however, that Owner shall not be obligated to hold harmless and indemnify the Village for any claims related to items (i), (ii), or (iii) above that arise out of the Village's negligence, reckless conduct, or intentional wrongdoing.

D. Defense Expense. The Owner shall, and does hereby agree to, pay all expenses, including legal fees and administrative expenses, incurred by the Village in defending itself with regard to any and all of the claims referenced in Subsection 11.C of this Agreement, except for those claims arising out of the Village's negligence, reckless conduct, or intentional wrongdoing.

SECTION 12. NATURE, SURVIVAL, AND TRANSFER OF OBLIGATIONS.

A. Assignment of Rights and Obligations. Owner may assign its rights and obligations under this Agreement only (i) to a Developer; or (ii) to such other person or entity that is approved in advance in writing by the Village (an "*Approved Assignee*"). The sale of a Condominium Unit for which all Improvements have been completed and approved and, where appropriate, accepted pursuant to this Agreement shall not be deemed an assignment of Owner's rights and obligations under this Agreement. Upon a Developer or Approved Assignee becoming bound to the obligations created in this Agreement, including, where required, the execution by a Developer or Approved Assignee of a Transferee Assumption Agreement, the liability of Owner for such obligations shall be released to the extent of the Developer's or Approved Assignee's assumption of such liability.

B. Recordation. This Agreement shall be recorded against and run with the Property, and each portion thereof, provided that the Property, or such portion thereof, is owned by Owner, a Developer, or an Approved Assignee, and all obligations and rights of Owner under this Agreement shall be binding upon and benefit the Owner and any Developer or Approved Assignee that owns the Property or any portion thereof.

C. Notice; Transferee Assumption Agreement. To assure that all such Developers and Approved Assignees have notice of this Agreement and the obligations created by it, the Owner shall:

(i) notify the Village in writing at least 30 days prior to any date upon which the Owner transfers a legal or beneficial interest in any portion of the Property to any Developer or Approved Assignee; and

(ii) incorporate, by reference, this Agreement into any and all real estate sales contracts entered into for the sale of all or any portion of the Property to any Developer or Approved Assignee; and

(iii) require, prior to the transfer of all or any portion of the Property or any legal or equitable interest therein to a Developer or Approved Assignee, the Developer or Approved Assignee to execute an enforceable written agreement, in substantially the form attached as ***Exhibit 19*** to this Agreement, agreeing to be bound by the provisions of this Agreement (***"Transferee Assumption Agreement"***).

The failure of the Owner, to provide the Village with a fully executed copy of a Transferee Assumption Agreement required above shall result in the Owner remaining fully liable for all of the Owner's obligations under this Agreement but shall not relieve the Developer or Approved Assignee of its liability for all such obligations as a successor to the Owner.

SECTION 13. OWNER REPRESENTATIONS, COVENANTS, AND WARRANTIES.

A. The Owner, and the person executing this Agreement on behalf of the Owner, represent, warrant, and covenant, as of the date of this Agreement, that:

(i) the Owner is an Illinois limited liability company, duly organized, validly existing, qualified to do business in Illinois;

(ii) the Owner has the right, power, and authority to enter into, execute, deliver and perform this Agreement;

(iii) the execution, delivery and performance by the Owner of this Agreement has been duly authorized by all necessary limited liability company action, and does not and will not violate its Articles of Organization or operating agreement, as amended and supplemented, any of the applicable Requirements of Law, or constitute a breach of or default under, or require any consent under, any agreement, instrument, or document to which the Owner is now a party or by which the Owner is now or may become bound;

(iv) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened, or affecting the Owner which would impair its ability to perform under this Agreement; and

(v) the Owner shall apply for and shall maintain all government permits, certificates, and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct and complete the Redevelopment Project as required by this Agreement.

B. The Owner shall, at the request of the Village, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the Village to issue the Notes or any other debt pursuant to the TIF Act.

C. All warranties, representations, covenants and agreements of the Owner contained in this Section 13 and elsewhere in this Agreement shall be true, accurate, and complete at the time of the Owner's execution of this Agreement, and shall survive the execution, delivery, and acceptance hereof by the parties hereto.

SECTION 14. ENFORCEMENT.

The parties hereto may, in law or in equity, by suit, action, mandamus, or any other proceeding, including without limitation specific performance, enforce or compel the performance of this Agreement; provided, however, that the Owner agrees that it will not seek, and does not have the right to seek, to recover a judgment for monetary damages against the Village or any elected or appointed officials, officers, employees, agents, representatives, engineers or attorneys thereof, on account of the negotiation, execution, or breach of any of the terms and conditions of this Agreement. In addition to every other remedy permitted by law for the enforcement of the terms of this Agreement, the Village shall be entitled to withhold the issuance of building permits or certificates of occupancy for any and all buildings and structures within the Property if the Owner has failed or refused to meet fully any of its obligations under this Agreement more than 30 days after the Owner has received written notice of such failure or refusal. In the event of a judicial proceeding brought by one party to this Agreement against the other party to this Agreement, the prevailing party in such judicial proceeding shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including reasonable attorneys' fees, incurred in connection with such judicial proceeding.

SECTION 15. GENERAL PROVISIONS.

A. Notice. Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i), personally, (ii) by a reputable overnight courier, or (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. Unless otherwise expressly provided in this Agreement, notices shall be deemed received upon the earlier of (i) actual receipt; (ii) one business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (iii) three business days following deposit in the

U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party shall have the right to change the address or the addressee, or both, for all future notices and communications to such party, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to Village shall be addressed to, and delivered at, the following address:

Village of Mundelein
440 E. Hawley Street
Mundelein, IL 60060
Attention: Village Administrator

With a copy to:

Matthew E. Norton, Esq.
Holland & Knight LLP
131 South Dearborn Street
30th Floor
Chicago, IL 60603

Notices and communications to the Owner shall be addressed to, and delivered at, the following address:

Mundelein Downtown Properties, LLC
205 North Michigan Avenue
Suite 3600
Chicago, IL 60601
Attention: Ivan J. Dvorak and Ray R. Grinvalds

With a copy to:

Gerald P. Callaghan, Esq.
Freeborn & Peters
311 S. Wacker Drive
Suite 3000
Chicago, IL 60606

B. Time of the Essence. Time is of the essence in the performance of all terms and provisions of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies, and benefits allowed by law.

D. Non-Waiver. The Village shall be under no obligation to exercise any of the rights granted to it in this Agreement. The failure of the Village to exercise at any time any such right shall not be deemed or construed to be a waiver thereof, nor shall such failure void or affect the Village's right to enforce such right or any other right.

E. Governing Law. This Agreement shall be governed by, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

F. Non-Severability. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the entire remainder of this Agreement shall, thereupon, be null and void and of no further force and effect, it being the intent of the parties that all of the provisions of this Agreement be treated as an individual whole.

G. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

H. Exhibits. Exhibits 1 through 20 attached to this Agreement are, by this reference, incorporated in and made a part of this Agreement. In the event of a conflict between an Exhibit and the text of this Agreement, the text of this Agreement shall control.

I. Amendments and Modifications. No amendment or modification to this Agreement shall be effective unless and until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.

J. No Third Party Beneficiaries. No claim as a third party beneficiary under this Agreement by any person, firm or corporation shall be made, or be valid, against the Village or the Owner.

K. Counterparts. This Agreement may be executed in counterpart, each of which shall constitute an original document, which together shall constitute one and the same instrument.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

ATTEST:

Village Clerk

VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation

By: _____
Village President

ATTEST:

MUNDELEIN DOWNTOWN PROPERTIES, LLC, an Illinois limited liability company

By: _____

Its: Authorized Member

ACKNOWLEDGEMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

Aug. 26th The foregoing instrument was acknowledged before me on _____, 2005, by KEN KESSLER, the Village President of the **VILLAGE OF MUNDELEIN**, an Illinois home rule municipal corporation, and by ESMIE DAHLSTROM, the Village Clerk of said municipal corporation.

Given under my hand and official seal this 26th day of Aug., 2005.

Cathy A. Pickens
Signature of Notary

SEAL

"OFFICIAL SEAL"
Cathy A. Pickens
Notary Public, State of Illinois
My Commission Expires 9/06/2005

My Commission expires: 9/6/05

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me on August 17, 2005, by Ivan Dvorak, the Authorized Member of **MUNDELEIN DOWNTOWN PROPERTIES, LLC**, and by Donna Hoerchner, the Authorized Member of said Company which individuals are known to me to be the identical persons who signed the foregoing instrument as such officers of the Company for and on behalf of said Company, and that they executed the same as their free and voluntary act and deed, and as the free and voluntary act and deed of the Company, for the uses and purposes therein mentioned.

Given under my hand and official seal this 17th day of August, 2005.

Barbara J. Ott
Signature of Notary

SEAL

"OFFICIAL SEAL"
BARBARA J. OTT
Notary Public, State of Illinois
My Commission Expires 10/17/06

My Commission expires: _____

2863815_v19

INDEX OF EXHIBITS

Exhibit 1	Anthony Avenue Plan A
Exhibit 2	Anthony Avenue Plan B
Exhibit 3	Public Improvement Diagram
Exhibit 4	Development Concept Plan
Exhibit 5	Initial Parking Plan
Exhibit 6	Landbanked Parking Plan
Exhibit 7	Legal Description of Property
Exhibit 8	Redevelopment Project Costs
Exhibit 9	Streetscape Improvement Diagram
Exhibit 10	Subdivision Code
Exhibit 11	Subdivision Improvement Ordinance
Exhibit 12	Zoning and Special Use Ordinance
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Exhibit 14	Vacated Anthony Avenue
Exhibit 15	Donation Agreements
Exhibit 16	Tier 1 Costs
Exhibit 17	Tier 2 Costs
Exhibit 18	Tier 1 and 2 Certification Request
Exhibit 19	Transferee Assumption Agreement
Exhibit 20	Letter of Credit

Exhibit 1

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Anthony Ave.
Plan A

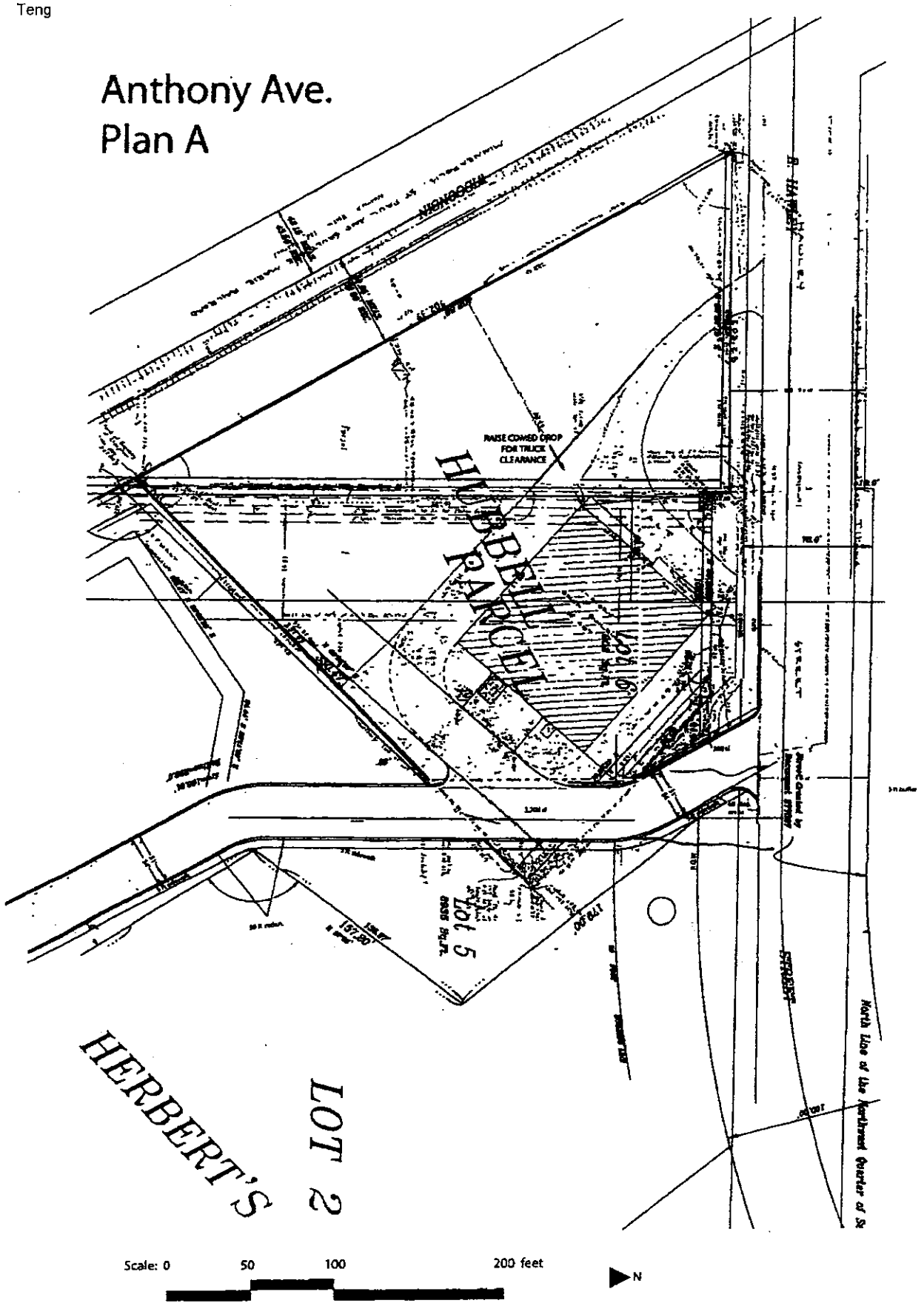

Exhibit 2

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Anthony Ave.
Plan B

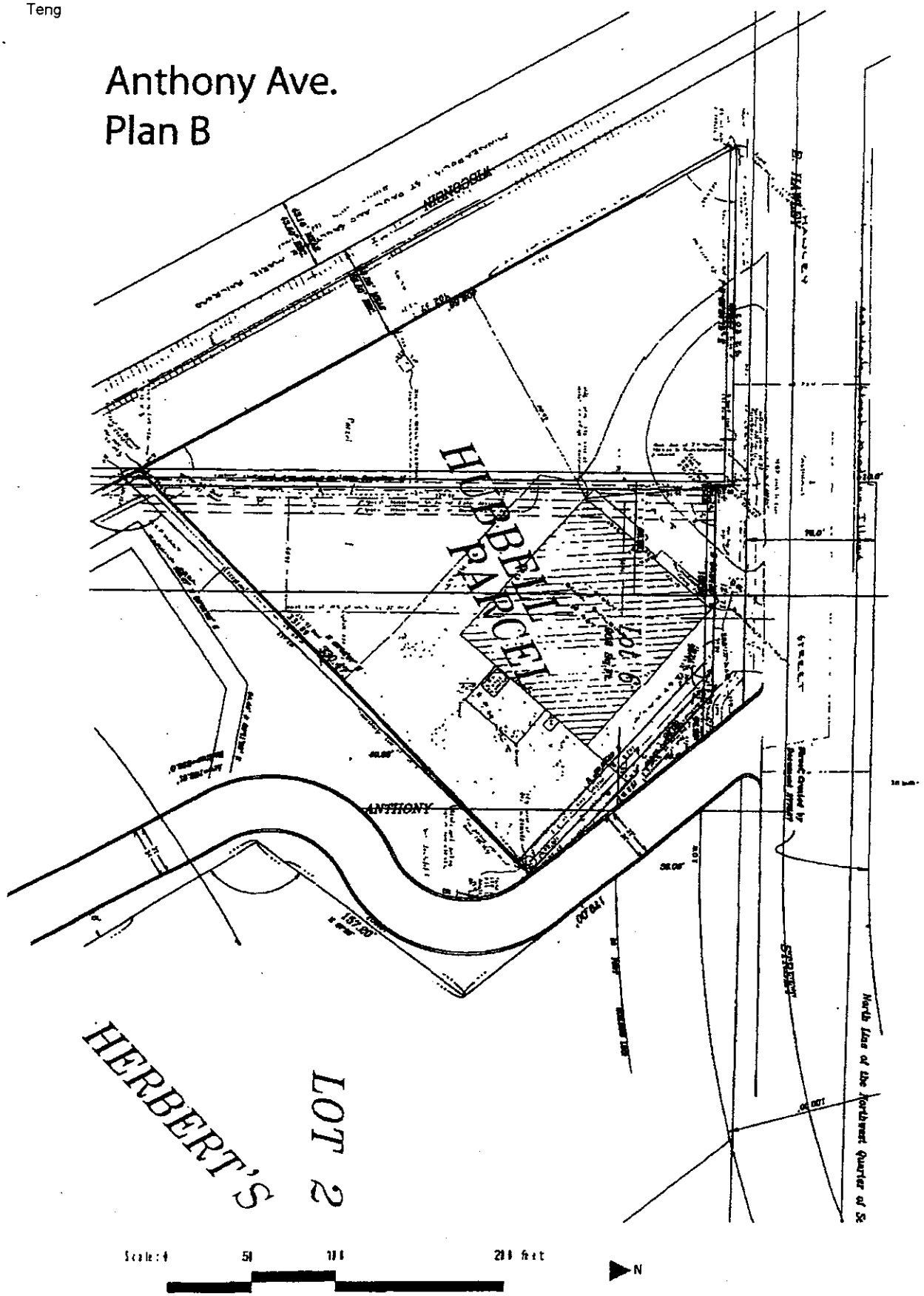

Exhibit 3

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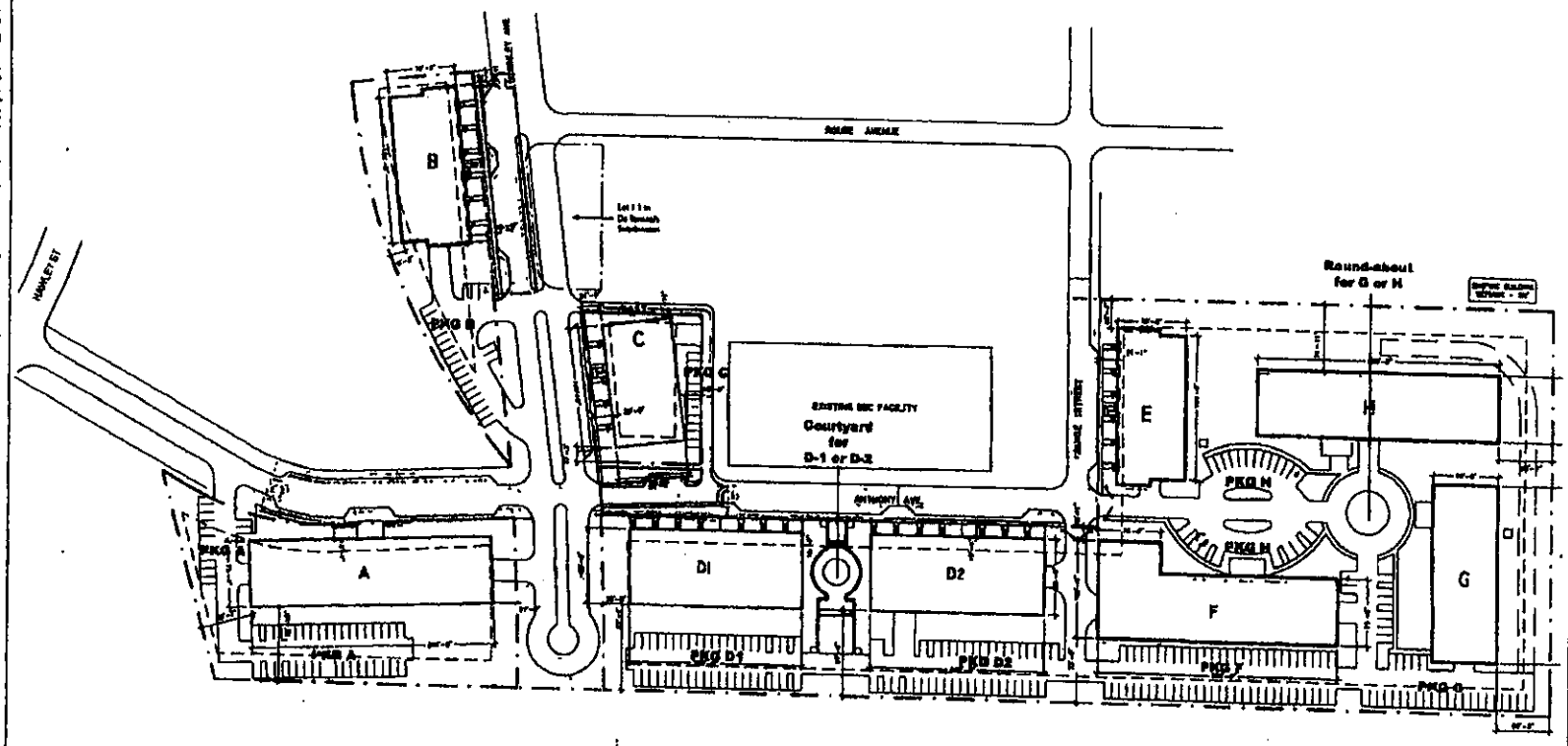
16/02/2006



Legend:

- McKinley Avenue Extension/Kiss-n-Ride Improvement Part 1
- Anthony Avenue Extension Improvement from the McKinley Street Extension to Point A
- AnthonyAvenue Extension Improvement from the McKinley Street Extension to Point B
- Anthony Avenue South Improvement
- McKinley Avenue Extension/Kiss-n-Ride Improvement Part 2
- Anthony Avenue Alley Improvement and Eastern McKinley Street
- Lange Street Improvement

Public Improvement Diagram

Public
Improvement Diagram

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Exhibit 4

On file in the Village Clerk's Office at the Village of Mundelein

Exhibit 5

On file in the Village Clerk's Office at the Village of Mundelein

Exhibit 6

On file in the Village Clerk's Office at the Village of Mundelein

Exhibit 7

Commonly known as: 200 ANTHONY AVENUE, MUNDELEIN, ILLINOIS.

Parcel 1: Lot 4 in DeTomasi's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South 1/2 of Section 19 and a part of the North 1/2 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 2: Lot 2 in DeTomasi's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South 1/2 of Section 19 and a part of the North 1/2 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 3: Lot 3 in DeTomasi's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South 1/2 of Section 19 and a part of the North 1/2 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 4: Lot 1 in DeTomasi's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South 1/2 of Section 19 and a part of the North 1/2 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 5: Lot 6 in DeTomasi's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South 1/2 of Section 19 and a part of the North 1/2 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 6: Lot 3 in Herbert's Addition to Mundelein (except that part thereof described as follows: Beginning at a point on the South Right of Way line of Hawley Street and said point being the Northwesterly most corner of said Lot 3 in Herbert's Addition to Mundelein; thence Northeasterly along said Southerly Right of Way line 15.01; thence Southeasterly and parallel with the West line of said Lot 3, 152.22 feet to a point which is 10.00 feet Northeasterly of the North line of said Lot 3 as extended Northeasterly; thence Southwesterly along said line as extended, 10.00 feet to an angle point in said Lot 3; thence Northwesterly along the West line of said Lot 3, 163.00 feet to the Point of Beginning) being a Subdivision of parts of the Southwest 1/4 of Section 19 and the Northwest 1/4 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat thereof, recorded August 5, 1974 as Document 1674550, in Book 52 of Plats, Page 31, in Lake County, Illinois.

Parcel 7: A triangular strip of land described as follows: That part of the Northwest 1/4 of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, and beginning at a point on the Easterly Right of Way line of the Minneapolis, St. Paul and Sault St. Marie Railroad, 402.39 feet Southerly of the South line of 80 foot Hawley Street; thence Northeasterly along a line that forms an angle of 75 Degrees 16 Minutes 53 Seconds to the right with the last described line, 331.95 feet to an angle point in Lot 3 in Herbert's Addition to Mundelein, recorded as Document 1674550, in Lake County, Illinois; thence Southwesterly along the North line of said Lot 3, 334.60 feet to said Easterly Right of Way line of said railroad, and which point is also the Western most corner of said Lot 3; thence Northwesterly along said Right of Way line 10.00 feet to the Point of Beginning, in Lake County, Illinois.

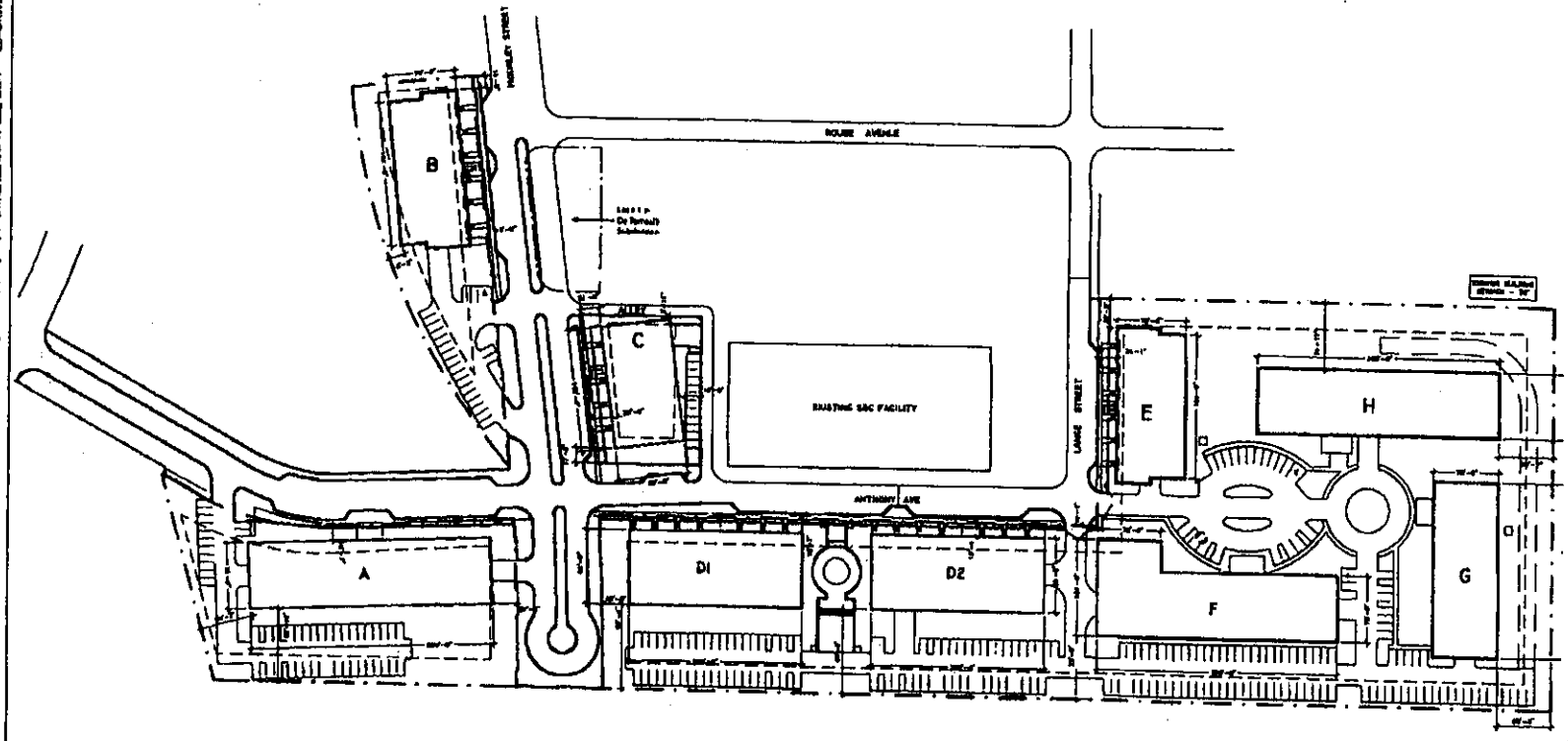
Exhibit 8

Exhibit 8

Mundelein Downtown Properties LLC
Qualified Redevelopment Project Costs

Land Acquisition Costs	$ 4,500,000
Site Infrastructure/Public Improvements	$ 5,000,000
Demolition Costs	$ 1,000,000
Design & Engineering	$ 3,000,000
Village Fees	$ 4,900,000
Marketing & Advertising	$ 1,300,000
Construction Loan Interest & Fees (30%)	$ 2,000,000
	$ 21,700,000

Exhibit 9



Streetscape Improvement Diagram

Streetscape Improvement Legend:

☐ - Areas Recieving Streetscape Treatment

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Streetscape & Roadway Improvement Diagram

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Exhibit 10

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TITLE 19

SUBDIVISION REGULATIONS

DRAFT

Purpose

The general purposes sought to be served by this ordinance are as follows:

A. To promote the public health, safety, morals, comfort, convenience, prosperity, and general welfare, to conserve, protect and enhance property values; to secure the most appropriate use of the land; and to facilitate the adequate and economical provision of public improvements

B. To provide for orderly growth and development; to afford adequate facilities for the safe, convenient, and efficient means for the traffic circulation of its population; and to safeguard the public against flood damage.

C. To prescribe reasonable rules and regulations governing the subdivision and platting of land; the preparation of plats; the location, width, and course of streets and highways; the installation of utilities, street pavements, and other essential improvements; and the necessary public grounds for schools, parks, playgrounds, and other public open spaces.

D. To establish procedures for the subdivision, approval, and recording with the Lake County Recorder of Deeds; and to provide the means for the enforcement, as well as provide penalties for violations.

Village of Mundelein
440 East Hawley Street
Mundelein, Illinois 60060
Phone: (847) 949-3200
Fax: (847) 949-0143

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19.0.00 GENERAL PROVISIONS

19.0.01 Jurisdiction

Wherever any subdivision of land shall hereafter be laid out within the incorporated limits of the Village of Mundelein or within contiguous unincorporated territory and not more than one and one-half miles beyond the incorporated boundary of the Village, the subdivider thereof or his agent shall submit both a preliminary and a final subdivision plan to the Mundelein Plan Commission. The plans, proposed improvements, and all procedures relating thereto, shall in all respects be in full compliance with the regulations hereinafter contained in this title.

All lands offered to the Village for use as streets, highways, alleys, parks, and other public use shall be referred to the commission for review and recommendation before being accepted by the Village Board of Trustees or any other governing authority.

The provisions of this chapter shall also apply to all Planned Unit Developments whether residential, commercial, or otherwise in nature, and to any and all other developments whether a subdivision is required or not under the laws, statutes, ordinances or regulations of the governmental body or agency having jurisdiction or control, and regardless of whether the same is labeled a subdivision or not, it being the intent of this chapter to apply to all types of development, both within the Village of Mundelein and to areas lying within one and one-half miles of the corporate limits of the Village of Mundelein.

19.0.02 Approvals, Interpretations, Exceptions

(A) No land shall, after adoption of these regulations, be subdivided and filed for record, nor any street laid out, nor any improvement made to the land, until the plan or plans of the subdivision or street improvements have been certified to and approved by the Mundelein Village Board. This approval must be in writing and placed on the original tracing of the final plans, according to the procedure outlined in Chapter 19.5 herein.

(B) No lot, tract or parcel of land within any such subdivision shall be offered for sale nor shall any sale, contract for sale, or option be made or given until such subdivision has been formally approved by the Mundelein Village Board.

(C) No improvements, such as sidewalks, water supply, stormwater drainage, sewerage facilities, gas service, electric service or lighting, grading, or paving/surfacing of streets, shall hereafter be made within any such subdivision by any owner or owners or his or their agency or by any public service

corporation at the request of such owner or owners or his or their agent until the plans for the subdivision and also the plans for improvements thereto have been formally approved by the Village Board.

(D) Subdivisions of land lying outside the Village in unincorporated areas and within one and one-half miles of the Village limits presented for approval in accordance with the revised Cities and Villages Act, shall also conform to the requirements of this title

(E) All administrative interpretations of these rules and regulations are reserved to the Village Board.

(F) The Village Board may vary and make exceptions from the dimensional standards and improvement requirements as set forth below in instances where there is sufficient evidence, in its opinion, of hardship, where topography indicates, or where any other reasonable determents prevail.

19.0.03 Definitions

Alley
The term "alley" means a strip of land, not less than 20' and not more than 40' in width, along the side of or in the rear of properties intended to provide access to those properties.

Arterial (Major)
The term "arterial" means those streets which serve major traffic flows between various activity centers and districts within the Village and can also connect directly to the system of existing Township, County, and State highways.

Building Line
The term "building line" means a line or lines on the horizontal surface of a lot, parallel or nearly parallel to the front, side and rear lot lines and located at a distance prescribed by the yard regulation of the Zoning Code beyond which no portion of a principal building may extend except as provided by the Zoning Code.

Collector Street (Secondary)
The term "collector street" means those streets which collect and distribute traffic between the arterial street system and local streets. Collector streets may occur in residential, industrial, or commercial areas and their design will vary depending upon which of these areas they are in.

Commercial Area
The term "commercial area" means an area predominately used or zoned for retail sales or services or office development. Retail sales development means any

building or property used for selling goods or merchandise to the general public for personal or household consumption and rendering services incidental to the sale of such goods. Retail services development means providing services or entertainment, as opposed to products, to the general public for personal or household use. This includes eating and drinking places, hotels and motels, finance, real estate and insurance, personal service, motion pictures, amusement and recreation services, health, education and social services, museums and galleries. Office development means a building used primarily for conducting the affairs of a business, professions, service, industry or government, or like activity, and may include ancillary services for office workers, such as a restaurant, coffee shop, newspaper or candy stand, and child care facility.

Concept Plan
The term "concept plan" refers to the initial plan submittal to the Village, intended to familiarize the Village staff and elected and appointed officials with the subdivider's intentions.

Contractor
The term "Contractor" refers to an individual, company, firm or other party or organization who contracts to physically construct all or a portion of a project for either a subdivider or the Village.

Cross-Walkway
The term "cross-walkway" means a strip of land dedicated to public use, which is reserved across a block to provide pedestrian access to adjacent areas.

Cul-De-Sac
The term "cul-de-sac" means a street having one open end and being permanently terminated by a vehicle turnaround.

Design Engineer
The term "Design Engineer" refers to the individual or firm retained by the subdivider who is responsible for the design and preparation of construction documents for a project.

Driveway

Easement
The term "easement" means a grant by a property owner for the use of a strip of land by the general public, a corporation, or a certain person or persons for a specific purpose or purposes.

Frontage Road
The term "frontage road" means a local street that is parallel and adjacent to an arterial or expressway and provides access to abutting properties and protection to local traffic from through traffic on the arterial or expressway.

Industrial Area
The term "industrial area" means an area predominately used or zoned for industrial development. Industrial development means any building or property used for the assembly, fabrication, or processing of goods and materials or lot where such activity takes place, or the indoor/outdoor storage of goods and materials, or research laboratories that are designed and equipped for basic or applied research or experimental study, testing, or analysis in the natural sciences or engineering, including any educational activities associated with and necessary to such research, and may include ancillary services for the conduct of the affairs of business such as offices and child care facilities.

Residential Street

Local Street
The term "local street" refers to those having limited continuity and are used primarily for access to abutting properties, or to meet the local traffic flow needs of a neighborhood or community.

Lot
The term "lot" means a portion of a subdivision or other parcel of land intended for transfer of ownership or for building development.

Non-Urbanized Area
The term "non-urbanized area" means any area zoned RE-1 or RE-2 where curbs and gutters are not present.

Off-Street Parking

Parkway
The term "parkway" refers to the area of a street right-of-way between the back of curb or pavement edge and the right-of-way line intended for use preliminary by pedestrian traffic and developed in a park-like character.

Plat, Final
The term "plat, final" refers to the final survey and engineering maps, drawings, and supporting material indicating the subdivider's plan of the subdivision, which, if approved, may be filed with the County Recorder of Deeds.

Plat, Preliminary
The term" plat, preliminary" refers to the preliminary survey and engineering maps, drawings, and supportive material indicating the proposed layout of a subdivision.

Public Street
The term "public street" means all local, collector, and industrial streets that are shown on the subdivision plat and are to be dedicated for public use.

Record Drawings
The term "record drawings" refers to the design drawings checked in the field and which are revised to show as-constructed location, elevation grading and specification of materials of improvements and utilities.

Release Rate
The term "release rate" means the controlled rate at which stormwater is released from a holding reservoir.

Residential Area
The term "residential area" refers to an area predominately used or zoned for residential development. Residential development means any detached single-family dwelling, townhouse, attached single-family dwelling or multiple family dwelling, or residential care facility.

Standards

Standard Specifications
The term "standard specifications" means the most current edition of the "Standard Specifications for Road and Bridge Construction," State of Illinois, Department of Transportation, which may be used in conjunction with the specifications of the Village.

Stormwater Detention Basin
The term "stormwater detention basin" means a reservoir for the temporary storage of stormwater.

Street
The term "street" means an area which serves or is intended to serve as a vehicular and pedestrian access to abutting lands or to other streets.

Street Right-Of-Way
The term "street right-of-way" means the shortest distance between lines of lots delineating the public street.

Street Width
The term "street width" means the shortest distance between lines of lots delineating the public street.

Subdivider
The term "subdivider" refers to the person or persons responsible for preparing and recording the plats of the subdivision and for carrying out these requirements. The terms "developer" may be used interchangeably with subdivider for the purposes of these standards.

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Subdivision
The term "subdivision" means the division of a lot, tract or parcel of land into two or more lots or other divisions of land, for the purpose, whether immediate or future, of transfer of ownership or building development, including all changes in street or lot lines, provided that the division of land for agricultural purposes in parcels or more than ten acres or the division of a lot or lots in an existing subdivision duly platted and recorded, not involving any new street or extension of access, shall be exempted, provided that the frontage of a corner lot or lots shall not be severed from that as platted without the proposal thereof being first submitted in writing to and approved by the corporate authorities of the Village.

This exemption of the division of a lot or lots in an existing subdivision is made primarily to enable a property owner of an undeveloped lot to acquire additional land or an owner of a corner lot platted so as to face on one intersecting street to readjust his property so as to face on the other intersecting street, without going through the procedure herein required for the platting and recording of a subdivision.

Property owners are warned, in making any such exempted division or readjustment, to give due consideration to the frontage, front yard, side yard and lot area requirements of the zoning ordinance, which must be adhered to if a building permit is to be obtained.

Swale
The term "swale" means a ditch or surface drainage channel meeting certain specific criteria as established herein for the movement of stormwater over a land surface.

Urbanized Area
The term "urbanized area" means an area within the Village other than those areas zoned RE-1 and RE-2 where curbs and gutters are present.

Village
The term "Village" refers to the Village of Mundelein and its area of jurisdiction.

Village Board
The term "Village Board" refers to the President and Board of Trustees of the Village of Mundelein.

Village Engineer
The term "Village Engineer" refers to the individual or firm appointed or contracted by the Village, who is licensed to practice professional engineering in the State of Illinois and is responsible for reviewing subdivision plans on behalf of the Village, recommends changes from time to time to these design standards and performs other duties as directed by Village Ordinance.

Village Plan
The term "Village Plan" is a reference to the "Comprehensive Plan" or "Village Plan" which refers to the Comprehensive Plan of the Village of Mundelein as approved by the Plan Commission and adopted by the President and Board of Trustees of the Village of Mundelein.

Water System, Looped
The term "water system, looped" means a system of water distribution mains whereby a water service and/or fire hydrant can receive water from the main from either direction.

Watershed
The term "watershed" means the land area from which all runoff from rainfall would eventually reach the point in question by flowing over the surface of the ground or through existing improvements

Wetlands
The term "wetlands" means those transitional lands between terrestrial and aquatic systems near where the water table is usually at or near the surface or the land is covered by shallow water. Classification of areas as wetlands shall follow the "Classification of Wetlands and Deepwater Habitats of the United States" as published by the U.S. Fish and Wildlife Service.

19.1.00 REQUIRED LAND IMPROVEMENTS

19.1.01 Authorization Required

No person, firm, or corporation shall construct, remove, change, reconstruct, damage or otherwise alter any pavement, sidewalk, curb, water main, sewer or any other improvement within the right-of-way of any public street or within the right-of-way of any land dedicated for public street or other public purposes and not duly vacated by proper public authority (whether such dedication has been duly accepted or not), within the corporate limits of the Village of Mundelein, or within any public park or any other property belonging to the Village, or make any excavation or disturbance of soil or land within any such right-of-way, public park or other Village property, with or without permission being given pursuant to some ordinance or other authorization provided for by the corporate authorities. No person, firm, or corporation shall maintain any installation made in violation of the provisions hereof in the absence of an acceptance or approval thereof by the corporate authorities, and such installation shall be removed promptly by the person, firm or corporation making same in the absence of such acceptance or approval

19.1.02 Minimum Requirements Established

All street, curb, sidewalk, water main, sanitary sewer and storm sewer improvements hereafter made within the corporate limits of the Village of Mundelein shall conform with the minimum requirements herein specified, except as otherwise expressly authorized by the corporate authorities of the Village.

19.1.03 Street Plan

The subdivision of land, including the arrangement, character, extent, width, grade and location of all streets, alleys, or other land to be dedicated for public use, shall conform to the Comprehensive Plan of the Village of Mundelein as approved and adopted by the Village Board and other responsible governmental bodies. It shall be considered in their relation to existing and planned streets, topographical conditions, public convenience and safety, and in their appropriate relation to the proposed uses of the land to be served by such streets.

19.1.04 Street Improvements

(A) Street improvements are required to be constructed in conformity with the Village of Mundelein Engineering Design Policies and Engineering Details.

(B) In subdivisions outside of the corporate areas, but within the 1½-mile area, street improvements shall conform to the same standard of improvements as required of subdivisions within the corporate area.

(C) Final surface for public streets may be delayed at the direction and/or approval of the Village Engineer to avoid premature damage of final surface course.

(D) Once the final surface course has been placed, "NO CONSTRUCTION TRAFFIC" signs shall be posted at the subdivision entrance. Further access to the subdivision by construction traffic shall be by means of a construction entrance. Said entrance shall be constructed in accordance with the Illinois Urban Manual and the Village of Mundelein Engineering Design Policies.

9.1.05 Minimum Street Standards

(A) All minimum standards established are intended to be construed solely as minimums. Additional standards may be required depending on the topography, soil, and overall geological or special conditions of each individual parcel being developed. The standards for streets shall be in conformance with the Village of Mundelein Engineering Design Policies and

Engineering Details. The Village Engineer may recommend and the Village Board may require standards beyond the minimums set forth when geological conditions dictate the necessity for additional standards.

(B) All right-of-way widths shall conform to the dimensions shown in engineering details adopted by the Village.

(C) Collector streets shall be so laid out that their use by non-local traffic will be discouraged, without impairing the overall traffic or utility efficiency.

(D) Alleys are not permitted, except where deemed necessary and at the recommendation of the Plan Commission and Village Board approval.

(E) Half streets shall be prohibited, except where essential to the reasonable development of this regulation, and where the Plan Commission and Village Board finds it will be practicable to require the dedication of the other half when the adjoining property is subdivided. Wherever a half street is adjacent to a tract to be subdivided, the other half of the street shall be platted within such tract.

(F) No street names may be used which will duplicate or be confused with the names of existing streets.

(G) Provisions shall be made for serving lots abutting arterials by either the use of:

(1) Frontage roads;

(2) Restriction of access to internal subdivision streets; and

(3) Shared driveway access (non-residential).

(H) Curbs shall be depressed where sidewalks intersect curblines for the full width of the sidewalk to provide for handicapped ramps, as provided in the Village Engineering Details adopted by the Village.

19.1.06 Easements

All required language and minimum widths for easements for items such as Village owned utilities, stormwater management, non-municipality owned utilities, landscaping, and sight distance are contained in the Village Engineering Details.

19.1.07 **Block Standards**

(A) The maximum length of blocks shall be 1,800'. All blocks over 800' will ordinarily require cross-walkways at the approximate center. The use of additional cross-walkways in any instance to provide safe and convenient access to schools, parks, or other similar destinations will be specified by the Plan Commission.

(B) No specific rule concerning the shape of blocks is made, but blocks must fit easily into the overall plan and their design must evidence consideration of lot planning, traffic flow, and public areas.

(C) Blocks intended for non-residential use must be designated as such and the plan must show adequate off-street areas to provide for parking, loading docks, and such other facilities, if any, that may be required in accordance with the zoning code, to accommodate motor vehicles

19.1.08 **Lot Standards**

(A) Corner lots shall be sufficiently larger than interior lots to allow maintenance of building lines or both streets.

(B) All lots shall abut on a public street.

(C) Sidelines of lots shall be approximately at right angles or radial to the street line.

(D) Double frontage lots are prohibited except where lots back up on a major thoroughfare and, in such instances, vehicular access between the lots and the thoroughfare is prohibited.

19.1.09 **Stormwater Management**

Stormwater management procedures shall conform to the Lake County Stormwater Management Commission (LCSMC) Requirements. The Village of Mundelein is a certified community with LCSMC and has on staff a Certified Enforcement Officer. Stormwater detention facilities and easements are required to be constructed in conformity with the Engineering Design Policies adopted by the Village.

19.1.10 **Sanitary Sewers**

Sanitary sewers shall be installed to comply with specifications established herein and shall be connected to the sanitary collection system of the Village of Mundelein if reasonably accessible; otherwise, to a specifically constructed sanitary treatment plant in accordance with the plans acceptable to the Village. Where public sanitary sewers are not reasonably accessible, individual septic systems may be permitted; however, a subdivision plat shall in no case be approved that shall be dependent upon individual septic systems and private wells, except where lots therein contain not less than 40,000 square feet each and said systems are approved by the appropriate County Department. All Village owned and maintained utilities shall be placed within dedicated rights-of-way and approved easements.

19.1.11 **Public Utilities**

(A) All existing and proposed utility lines, conduits or cable for telephone, electric and cable television services shall be placed a minimum of 24" underground within the easements or dedicated right-of-ways or as approved by the Village Engineer, in accordance with the Village Engineering Details, and as approved by the Village Board in conjunction with the approval of any final plat of subdivision. Further, all transformer boxes shall be located as to not be hazardous to the public.

(B) Permits shall be required for the installation of conduits, cable or piping for telephone, electricity, cable television and natural gas supply and distribution in accordance with utility franchise agreements.

(C) All service lines to buildings or structures shall be placed underground in an approved manner and shall follow lot lines or easements to the shortest point from lot line to building at a 90-degree angle from such lot line or easement. Services to buildings or structures shall not be placed diagonally across any lot to any building or structure.

19.1.12 **Sidewalks**

Sidewalks are required to be constructed in accordance with the Village of Mundelein Engineering Design Policies and Engineering Details.

19.1.13 **Landscaping**

All landscaping requirements are contained in Title 13 Landscape Improvements

19.1.13 **Street Lighting**

Each subdivider or subdivision owner shall provide for the adequate lighting of public streets within the proposed subdivision in accordance with Village of Mundelein Engineering Design Policies and Engineering Details and requirements established by the Village Engineer, Commonwealth Edison, or any subsequent power supplier, in accordance with the provisions of this chapter, and subject to the approval of the corporate authorities of the Village. It shall be the responsibility of the subdivider or subdivision owner to pay the installation cost of such lighting.

19.1.14 **Water Distribution System**

An adequate system of water mains sufficient to supply all present and future needs provided by a looped main no less than 8" in diameter that provides a minimum of two (2) separate sources of pressure and volume. Final design shall meet the approval of the Village Engineer in conformity with the Village of Mundelein Engineering Design Policies and Engineering Details.

19.1.15 **Cost Participation**

A subdivider of any project that involves the Village as a participant in certain defined costs by agreement shall include the Village in the notification process coincidental with the advertisement for bids. A representative of the Village shall be invited to the bid opening to consider the acceptance or rejection of the concerned bid items.

19.1.16 **Variations and Exceptions**

In the case where there are particular difficulties or peculiar hardships in carrying out the literal provisions of this chapter, the Plan Commission may recommend variations from these requirements in specific cases which, in its opinion, do not affect the general plan or the spirit of this section and recommendation shall be communicated to the Village Board for consideration and action. The Village Board may, upon receipt of recommendations of the Plan Commission, approve, deny, or refer back to Plan Commission for further consideration, variations from these requirements in specific cases which, in its opinion, do not affect the general plan or the spirit of this section.

19.1.17 **Building Permit**

No building permit shall be issued by any governing official for the construction of any building, structure, or improvements to the land or any lot within a

subdivision as defined herein, which has been approved for platting or re-platting, verification and approval has been obtained from the Village Engineer and Director of Community Development, will any permit for any temporary or permanent facilities or structures be issued until all fire hydrants are operational and all roadways are capable to support emergency equipment.

19.1.19 **Guarantee of Performance**

No approval of a final subdivision plat shall be made by the Village Board until all improvements specified herein are approved in contract form, or until proper guarantee of performance has been provided in the form of a letter of credit, performance bond, escrow agreement, or other method satisfactory to governing authorities.

19.1.20 **Occupancy Permit**

No occupancy permit shall be granted by any governing official for the use of any structure within a subdivision approved for platting and re-platting until required utility facilities have been installed and made ready to service the property and that the roadways providing access to the subject lot or lots have been constructed or are in the course of construction sufficiently completed to meet the approval of the Village Engineer, which in the case of corner lots shall include both streets upon which the property is located.

19.1.21 **Enforcement**

No plat of any subdivision shall be entitled to be recorded in the County Recorder's office or have any validity until it has been approved in the manner prescribed by this chapter.

19.2.00 **DESIGN PROCEDURES**

19.2.01 **Introduction**

The Engineering Design Policies and Design Details have been prepared to insure that the design and construction of subdivision improvements will meet the minimum requirements of the Village. The intent is to provide an overview of requirements and procedures required by the Village, which governs the design and construction of subdivision improvements. These Engineering Policies and Engineering Details are intended to provide uniform design criteria for facilities

designed for or directly by the Village, as well as provide specifications for private development within the Village.

19.2.02 **Scope**

In addition to the Village, the review and approval of contract documents for certain types of improvements may also fall within the jurisdiction of other public agencies. These referenced policies and details are not intended as a substitute for the requirements of other public agencies. It shall be the subdivider's sole responsibility to insure that the proposed contract documents meet the requirements of all other public agencies and that any and all permits and bonds required by such agencies are secured.

19.2.03 **Drawing Preparation Requirements**

All drawings submitted for approval shall bear the name of the Design Engineer, his/her signature, the reproducible imprint of the Professional Engineer seal, and his/her address and telephone number. Drawings shall consist of a maximum size of 24 inches x 36 inches sheets. Drawings shall be clear and legible and shall be drawn to a conventional, even scale, which will permit all necessary information to be plainly shown. All elevations shall be referenced to U.S.G.S. datum and benchmarks shall be noted. All materials proposed for use on the project shall be indicated on the drawings. All proposed improvements and all existing municipal and privately owned utilities shall be shown in both plan and profile views.

19.2.04 **Specification Requirements**

(A) Technical specifications shall be complete in themselves, except that appropriate specific sections of the most recent edition of the "Standard Specifications for Road and Bridge Construction," as published by the Department of Transportation, State of Illinois, and the various standard published material specifications prepared by associations such as the American Society for Testing and Materials (ASTM) and the American Water Works Association (AWWA), may be incorporated by reference.

(B) The specifications shall include, but not be limited to all information not shown on the drawings, which is necessary to establish in detail the quality of materials and work required in the project; allowable parameters for testing the various parts of the project; and instructions for testing material and equipment. Wherever there is conflict between the written specifications and the drawings, the more stringent requirements shall apply. The specifications shall include a clause that all work included shall be guaranteed by the contractor to be free from defects in construction and materials and in conformance with the approved drawings and specifications.

19.2.05 **Design Computation Requirements**

The Design Engineer shall make design computations for all phases of the project, when such computations are required to facilitate review by the Village Engineer. Said computations shall be neat and legible and in a form considered acceptable by the Village Engineer. Said computations shall include, but not necessarily be limited to, the following:

(1) Detention reservoir capacity design;

(2) Compensatory floodplain storage;

(3) Wetlands mitigation;

(4) Fire flow determination and water main sizing;

(5) Storm sewer system design, including inlet capacity and overflow routing;

(6) Sanitary sewer design; and

(7) Structural strength design for conduits more than 20' below finished grade.

19.2.06 **Opinion of Probable Cost**

The Design Engineer shall prepare an itemized opinion of the probable cost of the work and have it approved by the Village Engineer. The opinion shall be delineated public and private (on-site) improvements when applicable.

19.2.07 **Plan Review, Inspection and Administration Fees**

(A) All required land improvements proposed to be made under the provisions of this section shall be inspected during the course of construction by a duly designated representative of the Village. All fees and costs connected with the review of the drawings and specifications for the improvements and inspection of the construction of the improvements, including final approvals and project guarantee reductions, shall be paid by the developer or subdivider. All fees required by trained personnel to assist the Village in the review, administration and coordination of plan review, and construction observation, shall be paid for by the developer. The developer of a single lot residential property shall pay a non-refundable fee of $500 for a single-family dwelling and $750 for a multi-family dwelling to cover the costs of sight plan review, a site visit (if necessary), a letter of comments and recommendations, a follow-up review and a final letter of approval recommendation. The developer of a

single lot commercial property shall submit a non-refundable fee equal to the sum of 3% of the first 350,000 of the Design Engineer's opinion of probable cost for required land improvements; plus 2.5% of the amount of the Design Engineers opinion of probable cost for required land developments between 350,001 to 399,999; plus 1.5% of the amount of the Design Engineer's opinion of probable cost for required land improvements between $100,000 to $349,999; plus 0.75% for the amount of the Design Engineer's opinion of probable cost for required land improvements $350,000 to $499,999; plus 0.5% for the amount of the Design Engineer's opinion of probable cost for required land improvements over $500,000. The developer shall deposit with the Village the sum of $1,500 at the time it submits a preliminary plat for review. Said $1,500 shall be credited towards the actual calculated review fee computed hereunder. Any remaining amounts due hereunder shall be paid prior to the issuance of a final letter of approval recommendation or to the approval of the final plat of subdivision.

(B) The cost for inspection of the installation of required land improvements shall be billed to the subdivider or developer by the Village, based on the actual hours spent at the project site, plus travel and expenses, by Village retained personnel. Any additional administrative or legal costs, including updating Village plans and atlas' from required record drawings, the Village may incur shall be billed to the developer or subdivider by the Village.

19.2.08 **Other Permit Applications and Approvals**

Other governmental agencies may review and approve for construction all or certain parts of the work included in a project and may require a permit for such work. They may also require that the Village execute an application for a permit. When such a permit application is required, the Design Engineer shall prepare it and the Village Engineer shall approve it once completed correctly. The subdivider shall secure all required permits and necessary authorizations from other governmental agencies.

19.2.09 **Revisions to Approved Drawings and Specifications**

The Village Engineer shall approve any deviations from previously approved drawings or specifications affecting capacity, stability, or operations of the system in writing before such changes are made. Minor changes not affecting capacity, stability, or operation of the system will not require formal approval, but must be approved in writing by the Village Engineer.

19.2.10 **Construction Observation**

The Village Engineer shall conduct periodic visits to private project developments, but full-time inspection and performance certifications are the responsibility of the Design Engineer or other independent professional employed by the subdivider. Confirmation of approved grades and utility installation and preparation of record drawings are, likewise, the responsibility of the Design Engineer or other independent professional employed by the subdivider.

19.2.11 **Existing Facilities**

Drawing and specifications shall provide for the continuous operation of existing facilities without interruption during construction, unless other specifically authorized by the Village Engineer.

19.2.12 **Record Drawings**

Reproducible record drawings signed and sealed by the Design Engineer or other independent professional employed by the subdivider shall clearly show any and all changes from the approved drawings. Record drawings shall be submitted to the Village Engineer prior to the subdivider's request for final inspection of the required improvements. The record drawings shall be based on actual measurements of both horizontal and vertical dimensions made after the completion of the work. Record drawings shall include, but not be limited to the following information:

(1) Water service (b-box) locations;

(2) Sanitary service locations;

(3) Fire hydrant locations;

(4) Location of street light poles and cable run to power source;

(5) Location and elevation of structures (storm and sanitary sewer system);

(6) Gradient of utility mains;

(7) Drainage swale grades and capacity calculations; and

(8) Stormwater detention basin contours and volume calculations.

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One (1) mylar copy and three (3) reproducible copies shall be submitted to meet this requirement. A digital copy of the record drawing and the final recorded plat of subdivision shall also be submitted in electronic format (Microstation, Version J).

19.2.13 Final Processing and Acceptance

(A) Upon written request of the subdivider and after the required improvements have been completed and record drawings submitted, the Village Engineer shall make a final inspection of the completed work. The Village Engineer shall then prepare a final punchlist, itemizing all items not meeting the requirements of the approved drawings and specifications. Upon completion of all items listed in the final punchlist, the subdivider shall request (in writing) a final inspection. When all items are found to meet the requirements of the Village and the approved drawings and specifications, the Village Engineer shall make recommendation of approval and acceptance of the work to the Village Board.

(B) The Village Engineer shall schedule the acceptance for the next regular Village board meeting. Prior to final acceptance of the public improvements, the subdivider shall submit a 10% maintenance bond for the full value of the public improvements as estimated by the subdivider's engineer and verified by the Village. Said maintenance bond shall be the developer's guarantee against defects of the public improvements and shall terminate one (1) year after acceptance of maintenance of the public improvements of the Village Board. Upon acceptance by the Village Board, the balance of the public improvements construction guarantee, cash or letter of credit, shall be released to the subdivider.

19.2.14 Waiver of Design Standards

Where conditions so warrant, the Village Board may consider waiving any of the requirements found in these standards upon appeal by the subdivider.

19.3.00 ENGINEERING DESIGN POLICIES

The Engineering Design Policies are a stand alone document, which receives periodic updates from the Departments of Engineering and Public Works. Please call the Engineering Department at (847) 949-3220 to obtain the latest copy.

19.4.00 ENGINEERING DESIGN DETAILS

The Engineering Design Details are a stand alone document, which receives periodic updates from the Departments of Engineering and Public Works. Please call the Engineering Department at (847) 949-3220 to obtain the latest copy.

19.5.00 PROCEDURES FOR APPROVAL

19.5.10 Concept Plan

A. Filing

1. Any owner of land that is within the corporate limits of the Village, wishing to divide into building lots for the purpose of sale or assessment or both, or wishing to dedicate streets, alleys, or other lands for public use, shall first file with the Director of Community Development twenty-five (25) copies of a Concept Plan.

2. The Village Board shall, within 30 days of the Director of Community Development's determination that a complete petition for approval of the Concept Plan has been received by the Village, submit its written recommendation for approval or disapproval of said petition to the Village Board unless an extension of time is agreed to by the owner, subdivider, or agent.

3. The fee for filing a Concept Plan shall be an initial fee of [redacted]. Such fee shall be paid by the subdivider to the Village at the time of filing the Concept Plan with the Director of Community Development. An additional fee of [redacted] per lot shall be due upon approval of the Plan.

B. The Concept Plan shall contain the following information:

1. Proposed name of the subdivision.

2. Location of township, section, town and range, or by other legal description.

3. A location map showing subdivision, impacted schools, existing or adjacent park areas.

4. Names and addresses of developer.

5. Scale of Plat, 1 inch to 100 feet or larger. Tracts of 200 acres or more may be drawn at a scale of 1 inch to 200 feet.

6. Date.

7. Northpoint.

8. Floodplain designation.

9. Location, width, and names of all existing or prior platted streets or other public ways, railroad and utility rights-of-way, parks and other public open spaces, permanent buildings and structures, houses or permanent easements, and section and corporation lines within or adjacent to the tract.

10. Boundary lines of adjacent tracts of unsubdivided and subdivided lands.

11. Existing zoning of proposed subdivision and adjacent tracts in zoned areas.

12. Layout of streets, widths of rights-of-way and pavement, and also the widths of crosswalk ways and easements.

13. Parcels of land intended to be dedicated or temporarily reserved for public use or set aside for use of property owners in the subdivision.

C. The following qualifications shall govern approval of the Concept Plan.

1. The approval of the Concept Plan by the Village Board is tentative only, involving merely the general acceptability of the layout as submitted.

2. The Village Board may require such changes or revisions as are deemed necessary in the interest and needs of the community.

3. Subsequent approval will be required of the engineering proposals pertaining to water supply, storm drainage, sewerage and sewage disposal, gas and electric service, street lighting, fire hydrants, grading, gradients and roadway widths, and the surfacing of streets by the Village Engineer and the county officials, where concerned, prior to the approval of the Final Plat by the Village.

4. Concept Plan approval shall be effective for a maximum period of twelve (12) months following Village Board approval unless, upon application of the developer, the Village Board grants an extension. The Preliminary Plat must be approved by the Village Board and recorded within a one (1) year time limit. Should the Preliminary Plat not be approved by the Village Board and recorded within one (1) year of the Concept Plan submitted for approval, the Concept Plan must again be submitted for approval.

19.5.20 Preliminary Plat

A. Filing

1. Any owner of land which is within the corporate limits of the Village or within 1½ miles of such corporate limits on unincorporated land, wishing to divide into building lots for the purpose of sale or assessment or both, or wishing to dedicate streets, alleys, or other lands for public use, shall first file with the Director of Community Development twenty-five (25) copies of a Preliminary Plat and ten (10) copies of the Preliminary Engineering ([redacted]). Subdivider shall also file sufficient copies of the Preliminary Plat and Preliminary Engineering to the School District, Park District, Library District, and relevant highway authority. Said Preliminary Plat shall be filed for all the land held in ownership or controlled by the subdivider.

2. The Plan Commission shall, within 90 days of the Director of Community Development's determination that a complete petition for approval of Preliminary Plat of Subdivision has been received by the Village, submit its written recommendations for approval or disapproval of said petition to the Village Board unless an extension of time is agreed to by the owner, subdivider, or agent.

3. The fee for filing Preliminary Plats shall be an initial fee of $250.00. Such fee shall be paid by the subdivider to the Village at the time of filing the Preliminary Plat with the Director of Community Development. An additional fee of $10.00 per lot shall be due upon approval of the Final Plat.

B. The Preliminary Plat shall contain the following information:

1. Proposed name of the subdivision.

2. Location by township, section, town and range, or by other legal description.

3. A location map showing subdivision, impacted schools, existing or adjacent park areas.

4. Names and addresses of developer, surveyor, and design professional who prepared the Plat.

5. Scale of Plat, 1"to 100' or larger. Tracts of 200 acres or more may be drawn at a scale of 1" to 200'.

6. Date/Revision Date.

7. Northpoint.

8. Elevations. USGS datum shall be used.

9. Floodplain designation.

10. Boundary line by bearing and length of proposed subdivision shall be clearly indicated and the total approximate acreage encompassed thereby.

11. Location, widths, and names of all existing or prior platted streets or other public ways, railroad and utility rights-of-way, parks and other public open spaces, permanent buildings and structures, house or permanent easements, and section and corporation lines within or adjacent to the tract.

12. Existing and proposed off-site improvements appurtenant to the development including, but not limited to, sewers, water mains, culverts, or other underground facilities within the tract indicating pipe sizes, manholes, and locations.

13. Boundary lines of adjacent tracts of unsubdivided and subdivided lands.

14. Existing zoning of proposed subdivision and adjacent tracts in zoned areas.

15. Contours at 2' intervals except where the average slope is less than 5%, 1' contour intervals.

16. Layout of streets, widths of right-of-way and pavement, and also the widths of crosswalk ways and easements.

17. Layout, numbers, areas, and dimensions of lots.

18. Parcels of land (indicated as lots) intended to be dedicated or temporarily reserved for public use or set aside for use of property owners in the subdivision.

19. Building setback lines, showing dimensions.

20. Easements shall be provided for any and all public and municipal utilities. Proper continuity for the utilities from block to block shall be maintained. Drainage easements shall be indicated and declared on the Preliminary Plat. All easement language must conform to those contained in the Village Engineering Design Policies.

21. A Preliminary Stormwater Management Plan should be presented indicating an emergency overflow routing, detention areas showing preliminary size and depth, ownership, and maintenance responsibilities for the detention areas. Soil borings may be required when it is determined by the Village Engineer that questionable soils or groundwater levels exist. Designation of any wetland as defined by the U.S. Army Corps of Engineers shall also be verified and addressed.

22. A list of all endangered flora and fauna found on the proposed site as identified by the Illinois Department of Conservation pursuant to the "Endangered Species Protection Act."

C. The following qualifications shall govern approval of the Preliminary Plat.

1. The approval of the Preliminary Plat by the Plan Commission and the Village Board is tentative only, involving merely the general acceptability of the layout as submitted.

2. The Plan Commission or the Village Board may require such changes or revisions as are deemed necessary in the interest and needs of the community.

3. Subsequent approval will be required of the engineering proposals pertaining to water supply, storm drainage, sewerage and sewage

disposal, gas and electric service, street lighting, fire hydrants, grading, gradients and roadway widths, and the surfacing of streets by the Village Engineer and state and county officials, where concerned, prior to the approval of the Final Plat by the Village.

4. The applicant must prepare a Lake County Stormwater Management Commission (LCSMC) Watershed Development Ordinance (WDO) Application in accordance with LCSMC regulations and requirements and receive approval from the Village Engineer (and LCSMC if applicable). Note that no final plat can be considered approved without the issuance of a Watershed Development Permit by the Village Engineer. Therefore, consideration should be given to beginning this process during the preliminary plat process.

5. Preliminary Plat approval shall be effective for a maximum period of twelve (12) months following Village Board approval unless, upon application of the developer, the Village Board grants an extension. The Final Plat must be approved by the Village Board and recorded within the same one (1) year time limit. Should the Final Plat not be approved by the Village Board and recorded within one (1) year of the Preliminary Plat submitted for approval, the Preliminary Plat must again be submitted for approval.

19.5.10 FINAL PLAT

A. Filing

1. After approval of the Preliminary Plat by the Village Board and the fulfillment of the requirements of these regulations, plans may be submitted for Final Plat approval. Twenty-five (25) copies of the Final Plat of Subdivision and ten (10) copies of the Final Engineering Plans must be submitted to the Director of Community Development to initiate the Final Plat review process. The Final Plat must measure at least 8 ½" x 14" but no larger than 30" x 36" and the plat scale must be 1" to 100' or larger (i.e. 1" to 50'), unless otherwise approved by the Village Engineer. The Final Plat must conform to the approved Preliminary Plat.

2. The Director of Community Development shall initiate a review of the Final Plat by the Village Engineer and once approved by the Village Engineer, forward recommendations to the Plan Commission prior to their consideration.

3. The Plan Commission shall, within 90 days from initial consideration, submit its written recommendations for approval or disapproval to the Village Board, unless an extension is agreed upon by the owner or his agent.

4. Upon submission of a written recommendation and plat from the Plan Commission, the Village Board shall have 60 days in which to take action on the Final Plat.

5. Upon approval by the Village Board, the plat must be recorded with the Recorder of Lake County within 90 days. The plat shall be submitted for recording by the Professional Land Surveyor who prepared the plat, or he may provide a letter of authorization for another designated party to submit the plat for recording. If not recorded within this time, the approval shall be null and void.

6. The original plat must be provided on mylar for signatures prior to recording.

7. Three (3) prints and one (1) mylar of the Final Plat, after the Plat is recorded, and four (4) copies of Final Engineering drawings must be submitted prior to the issuance of any building permit within the subdivision and will be filed and retained in the offices of the Village.

8. After approval, the plat must be submitted to the Village Engineer in electronic format (Autocad). All coordinates shall be based upon Illinois State Plane Coordinates and shall tie to existing documents as available from National Geodetic Survey. http://www.ngs.noaa.gov/cgi-bin/datasheet.prl. In order to facilitate plats prepared utilizing a localized or assumed "ground" coordinate system, the surveyor may label the two (2) required concrete monuments with State Plane coordinate values (grid), along with the established datum (NAD83) and the applicable scale factor. This information is not required to be placed on the Final Plat for recording, but may be provided in the required electronic submittal.

B. The Final Plat shall contain the following information:

1. Name of subdivision.

2. A caption that includes the property location by township, section, town and range.

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3. An accurate legal description of the boundary of the subject property.

4. The name and address of the owner(s) and the developer. If an owner of all or any portion of the land is a corporation, the developer shall provide the names and all corporate officers to the Village of Mundelein under separate document. If the owner of all or any portion of the land is a trust, the names of all beneficiaries must be provided to the Village of Mundelein under separate document.

5. Scale: 1" to 100' unless a smaller scale is approved by the Village Engineer.

6. Preparation and revision dates

7. The field work completion date.

8. Northpoint, with the basis of bearing indicated

9. A legend for all abbreviations and symbols used on the plat must be shown.

10. Boundary of the property to be subdivided, with sufficient angles, bearings or azimuths and linear dimensions to provide a mathematically closed figure. Where angular or linear dimensions of the survey differ from record data, both are to be shown.

11. The following area values should be indicated on the plat: Total development, total residential, total right-of-way.

12. Exact location, width, and name of all streets within and adjoining the Plat, notation as to whether streets were previously dedicated (heretofore dedicated), or dedicated in this Plat (hereby dedicated), or private. Proposed street names shall be checked with proper Village Officials. Where street direction changes of more than 90 degrees are provided, names of such streets shall change.

13. Angles and distances to the nearest established street lines or official monuments (not less than two), which shall be accurately identified on the Plat.

14. The Corporate limits of the Village of Mundelein, as well as any township, county, and section lines, that cross or run adjacent to the subdivided property, must be accurately tied to the lines of the subdivision by distance and angles.

15. Adjacent subdivisions to be shown with record information. Adjacent property that is not subdivided must be indicated as "Unsubdivided".

16. All arcs shall be dimensioned showing radius, arc length, chord length and chord bearing.

17. Layout and width of all proposed easements must be added to the plat. This would include public utility easements, ingress/egress easements, Village utility easements, drainage easements, stormwater management easements, landscape easements, sign easements and sight triangle restriction easements. Easement provisions must be included for each easement indicated.

18. All lot numbers (numbered consecutively) and lines, with accurate dimension in feet and hundredths and area of each lot

19. Accurate location must be identified on the plat of at least two (2) monuments, which shall be concrete 6" x 6" x 30", with metal pipe or rod cast in center, which shall be set at two (2) opposing corners or angles on the outside boundary.

20. All U.S., state, county, or other official benchmarks, monuments, or triangulation stations in or adjacent to the property shall be preserved in precise position.

21. Any monuments located at section corners used in the preparation of the boundary survey must be indicated. If there is an existing monument record for any of the corners, the recording information must be indicated.

22. Monument records must be prepared and recorded for any section corners that do not have a previous monument record, have been reset, or require tie points to be replaced. Copies of recorded monument records must be supplied to the Village Engineer prior to approval of the Final Plat.

23. All other monuments used to establish the subject boundary must be shown and described as to size, shape and material, and their positions noted in relation to the survey corners.

24. All lot corners, block corners, points of curvature and points of tangent, must be monumented, with the locations of said monuments being shown and described as to size, shape and material. All monuments must be iron bars or rods a minimum of

½" in diameter by 24" in length; iron pipes a minimum of ½" in diameter by 24" in length, with a minimum wall thickness of 1/8", or monuments as otherwise specified in accordance with Illinois Statutes.

25. Accurate outlines of any areas to be dedicated or reserved for public use, with the purpose indicated thereon, and of any area to be reserved by deed covenant for common use of all property owners.

26. Building setback lines accurately shown by dimensions.

27. Protective covenants, which meet with the approval of the Plan Commission, shall be made a part of the Final Plat and filed on record with the County Recorder. Existence of other covenants of declarations pertaining to common responsibilities of individual owners shall be cited by reference on the Plat.

28. Certification by a Registered Surveyor to the effect that the Plat represents a survey made by him, in accordance with the current Illinois minimum standards for boundary survey, and that monuments and markers shown thereon exist as located and described, or are to be set in accordance with the Plat Act and that the plat is an accurate depiction of said survey and subdivision. Certificate must also include a statement regarding the flood zone of said subject property, including the FIRM Community Panel number and effective date and also a statement regarding the property's proximity or annexation to the Village of Mundelein.

29. The Surveyor's seal, license number and license expiration date.

30. The address of the firm who prepared the plat.

31. Unless practicing under the legal name of a Professional Land Surveyor, the firm that has prepared the plat must be registered with the Illinois Department of Regulation as a Professional Design Firm and affix its P.D.F. registration number on the plat.

32. Notarized certification, by owner or owners, beneficial interest or by any mortgage holder of record, of the adoption of the Plat and the dedication of streets and other public areas.

33. All required plat certificates, including certification showing that all taxes and special assessments due on the property to be subdivided have been paid in full.

34. A school district statement.

35. A surface water drainage certificate

36. If adjacent to a State highway, an Illinois Department of Transportation certificate.

37. If adjacent to a County highway, a County Highway Department certificate.

38. If adjacent to a Township road, a Township Road Commissioner's certificate.

39. Unless direct access to adjacent roads is approved, a note restricting direct access of perimeter lots must be indicated.

40. If the subdivision will not be served by a public sanitary sewer system, a County Health Department certificate.

41. Proper form for the approval of the Village Board with space for signature.

AGREEMENTS

Prior to improving any property, a Final Plat must be filed for record and be accompanied by any negotiated agreements.

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19.3.08 ENGINEERING DESIGN POLICIES

19.3.10 Erosion Control and Restoration

19.3.11 Introduction

All erosion control facilities shall conform to the Lake County Stormwater Management Commission (LCSMC) Requirements. The Village of Mundelein is a Certified Community with LCSMC and has, on staff, a Certified Enforcement Officer. All erosion control measures shall be outlined in the LCSMC Watershed Development Permit Application, which must be submitted as part of any new subdivision or site plan

19.3.12 Interruption of Utilities and Damage to Surface Improvements

A. A minimum of 48 hours prior to commencement of work, J.U.L.I.E (1-800-892-0123) and the Village's Department of Public Works must be notified for location of any existing utilities. All reasonable precautions shall be taken against damage to existing utilities.

B. In the event of a break in an existing water main, gas main, sewer, or underground cable, the contractor shall immediately notify a responsible official from the organization operating the utility interrupted. The contractor shall lend all possible assistance in restoring service and shall assume all costs, charges, or claims connected with the interruption and repair of such services unless it is determined that the utility has not been properly located.

C. In the case of Village utilities, the cost of such work will be billed to the contractor.

19.3.13 Pavement Crossing

A. Unless otherwise specifically approved by the Village Engineer, all conduits crossing existing pavements shall be installed by tunneling, jacking, or augering. When the carrier pipe is a conduit intended to

operate under internal pressure, a casing pipe of adequate strength for all applied loads shall be used. The nearest face of pits or other open excavations on each side of a traveled pavement shall be at least 10 feet from the edge of the pavement.

19.3.15 Restoration of Existing Improved Surfaces

A Saw Cutting.

When necessary to remove sections of existing pavement, sidewalk, or curb and gutter, and prior to removal, the edges of the sections to be removed shall be cleanly cut with a concrete saw

B No grinding of driveways or curbs is permitted.

C. Concrete Pavement Surface.

Where the existing roadway pavement surface is Portland Cement concrete, the pavement replacement shall consist of 6-inch Portland Cement concrete pavement or existing concrete depth, whichever is greater. Portland Cement concrete and construction methods for Portland Cement concrete pavement shall conform to the current requirements of the "Standard Specifications for Road and Bridge Construction" of the Illinois Department of Transportation, for Portland Cement concrete pavement. Pavement joints and reinforcing in the replacement pavement shall conform to and match that in the adjacent pavement area.

D. Bituminous Concrete Pavement Surface.

1. Where the existing pavement surface is bituminous concrete and the base consists of a rigid material such as brick or Portland Cement concrete, the base replacement shall consist of 8-inch Portland Cement concrete base course. Portland Cement concrete shall be as noted in division (C) of this section

2. The surface replacement shall consist of a bituminous prime coat, a binder course, and a surface course conforming to the requirements of the Mundelein Details and the "Standard Specifications for Road and Bridge Construction" of the Illinois Department of Transportation for Bituminous Concrete Binder and Surface Course, Class I.

E. Concrete Sidewalks, Driveways, Curb, Curb and Gutter.

1. Where necessary to remove and replace concrete sidewalk, driveways, curb, and curb and gutter, replacements shall be made according to the Village's Details regulating the construction of driveways, approaches, and sidewalks.

2. Curb or curb and gutter dimensions and cross-sections shall conform, as nearly as practicable, with the existing installations except that at intersections with sidewalk that does not conform to State of Illinois Handicap Requirements, sufficient depressed curb and gutter along with sidewalk shall be replaced to meet said Handicap Specifications. One-half inch preformed expansion joints shall be placed at intervals not exceeding 50 feet and at the junction with existing work. Saw cut crack control contraction joints shall be made every 20 feet (minimum) and shall be a minimum of ¼ inch in depth. Sidewalks shall be finished to match existing adjacent sidewalk surfaces. Extra broom finish shall be required on all handicap sidewalk sections. Replacement of sidewalk at street curbs shall meet all current State and/or Federal Requirements for accessibility. Curing compound shall be applied to all concrete surfaces. No calcium chloride or other accelerants are allowed.

F. Cultivated Lawns.

Provide topsoil, seeding, sodding, and care of grass during establishment period for a complete surface restoration of lawns, parkways, and other areas disturbed as a result of the construction.

1. Topsoil.

a. Topsoil shall be furnished and properly placed, raked, and rolled to a minimum depth of 4 inches. The topsoil furnished shall consist of loose, friable, loamy, non-acid soil, having at least 90% passing a No. 10 sieve, free of large roots, brush, sticks, weeds, stones larger than ½ inch in diameter, and any other debris.

b. Before topsoil is placed, the area to be covered shall be brought to the proper grade. If the existing surface has become hardened or crusted, it shall be raked or otherwise loosened to provide a suitable bond with the topsoil.

c. Apply commercial grade fertilizer uniformly at a rate of 20 pounds per 1,000 square feet. Work fertilizer into soil prior to seeding or sodding.

2. Sodding.

a. Provide sod in developed areas that were grassed prior to construction and as indicated on the drawings. Sodding shall also be used in ditches and drainage swales and on all embankment slopes steeper than 4 to 1 unless protection is provided against erosion of seeding. At the contractor's option, sodding may be substituted for seeding.

b. The cut sod shall be not less than 2 inches thick. Sod, which has been cut more than 48 hours prior to installation, shall not be used without the approval of the Village Engineer.

c. Sod shall be placed according to IDOT Standard Specifications. Place sod with edges in close contact and alternate courses staggered. On slopes 2 to 1 or steeper, sod shall be staked with at least one stake for each piece of sod. Do not place sod when the ground surface is frozen or when air temperatures may exceed 90°F.

d. New sod shall be watered daily at the rate specified in the IDOT Specifications for a minimum of seven days after the specified initial watering. Village water used shall be approved by the Village prior to usage and shall be metered and paid for by the contractor. Any defective, dead, or dying sod shall be removed and replaced up to one year after completion of the sodding.

e. In ditches, the sod shall be placed with the longer dimension perpendicular to the flow of water in the ditch. On slopes, starting at the bottom of the slope, the sod shall be placed with the longer dimension parallel to the contours of the ground.

3. Seeding.

a. Seed all grassed areas disturbed by construction operations and not receiving sod in accordance with the IDOT Standard Specifications. Seed shall be sown between September 1 and November 1, or in spring from the time the ground can be worked until May 15. Do not seed in windy weather or when soil is very wet. Sow seed either mechanically or by broadcasting in two directions at right angles to each other to achieve an even distribution.

b. After seeding, rake seed lightly into ground and roll with a roller weighing between 100 and 200 pounds per foot of roller width.

c. Immediately after rolling seeded areas, apply vegetative mulch unless hydraulic seeding method is used. Apply mulch in accordance with the IDOT Standard Specifications. Place erosion control extension blanket or fiber mat on slopes steeper than 3 horizontal to 1 vertical. Unless otherwise indicated, also place erosion control material at sides and bottoms of ditches, swales, and all areas within 10 feet of catch basins in seeded areas

d. Immediately after placing erosion control matting or mulch, water seeded areas thoroughly. Keep soil thoroughly moist until seeds have sprouted and achieved a growth of 1 inch.

19.3.20 Sanitary Sewer Facilities

19.3.21 Introduction

Sanitary sewer design shall be in accordance with the Provisions of IEPA Title 35, Standard Specifications for Water and Sewer Main Construction in Illinois, latest edition, Village Details, and these Village Standards.

19.3.30 STORMWATER DRAINAGE

19.3.31 INTRODUCTION

A. All stormwater management facilities shall conform to the Lake County Stormwater Management Commission (LCSMC) Requirements. The Village of Mundelein is a Certified Community with LCSMC and has, on staff, a Certified Enforcement Officer. LCSMC requirements are outlined in the Lake County Watershed Development Ordinance (LCWDO). A LCSMC Watershed Development Permit Application must be submitted for all development activity.

B. All development site engineering plans shall have on the cover sheet a signed drainage statement of a licensed professional engineer, and the owner of the land or his duly authorized attorney, to the effect that to the best of their knowledge and belief, the drainage of surface water will not be changed by the construction of such subdivision or any part thereof, or, that if such surface water drainage will be changed, reasonable provision has been made for collection and diversion of such surface waters into public area, or drains which the subdivider has a right to use and that such surface waters will be planned for in accordance with generally accepted engineering practices so as to reduce the likelihood of damage to the adjoining property because of the construction of the subdivision/development.

19.3.32 LOT GRADING

Lot grading shall be completed on each lot such that overland water flow is directed away from all sides of the foundation. Unless otherwise approved by the Village Engineer, all grades on lot shall be a minimum of two percent (2%) and a maximum of fifteen percent (15%). If steeper slopes are approved, sodding, retaining walls, or other special treatments may be required to protect the slopes.

19.3.33 STORMWATER DETENTION DESIGN CRITERIA

A. Basin Design

1. Wet Basin

Wet-bottom detention basins shall be designed to be safe, aesthetically pleasing, and available for recreational use. Wet-bottom basins shall be 4 feet to 6 feet deep, excluding near-shore basins and safety ledges. If fish habitat is provided, at least 25% of the basin bottom shall be a minimum of 10 feet deep. Wet-bottom basins shall be designed to remove storm water pollutants and designed in such a manner to reduce nuisance problems such as embankment erosion and algae. Embankments above normal water levels shall be either terraced or sloped at a maximum of 6:1. A safety ledge is required on greater than 1 foot 6 inches below the normal water level. Such ledges shall be not less than 8 feet wide and shall back pitch toward the basin embankment. Slopes from the shelf to the bottom cannot exceed 2:1. Any berm constructed for the purpose of detaining water shall be compacted to 95% modified proctor.

2. Dry Basin

Dry-bottom detention basins shall be designed to be safe, aesthetically pleasing and available for multiple uses. Dry-bottom detention basins shall be designed and sized such that a minimum of 50% of the bottom area or that area required for water quality storage shall have standing water no longer than 72 hours for the 100-year frequency storm. The basin shall have a minimum slope of 2%, and a maximum embankment slope of 6:1.

3. Parking Lot Detention

Detention in parking lots is prohibited. However, in the event of a complete failure of detention facilities, the parking lot must be designed such that maximum depth of ponding in parking lots is 6 inches.

19.3.34 SURFACE SWALE AND STORM SEWER DESIGN CRITERIA

A. Storm Sewer

1. The rational method shall be utilized when computing storm runoff. A 10 year storm shall be used for design purposes. The storm system shall be designed with "positive street and swale drainage" such that in the event of a complete storm system failure, storm water runoff will be directed overland to the storm water

detention area in a manner to minimize property damage due to flooding (refer to Overland Flow Path Requirements in the LCWDO).

2. Storm sewers shall be designed for a ten-year storm event flowing full 10 feet per second. The storm sewer shall have a design velocity of between 3 feet per second and 10 feet per second.

3. In areas where curb and gutter and storm sewers are approved, inlets shall be installed so that the distance between each inlet shall not exceed 400 feet and each inlet shall drain a maximum street gutter length of 400 feet. Where the inlet is located at a low point, the Village Engineer may require additional inlets. Inlets shall be so located that stormwater runoff will not "pond" greater than half of the traveled lane width. Depressed street crowns to facilitate drainage will not be permitted. Storm sewer design shall follow the inlet to catch basin to manhole configuration.

4. 100-year flow depth in the streets shall not result in exceeding the curb height by more than 1 inch and the streets shall be generally passable to motorists by providing a 12 foot dry through lane centered along the roadway centerline at all times.

5. Public storm sewer on private property may only be placed along side yards perpendicular to the ROW. Yard inlets will be no farther than 400 feet from any storm sewer main located in the ROW. Yard inlets and associated sewers shall have no deflection in the piping and connect to either a catch basin or manhole located in the ROW.

6. The minimum size storm sewer shall be 12 inches in diameter.

7. Unless otherwise approved by the Village Engineer, storm sewers shall be reinforced concrete pipe conforming to ASTM C76 minimum Class III with O-ring joints conforming to ASTM C443. All inlet connections shall be concrete sewer pipe, ASTM C14 for extra strength pipe.

8. All manholes, inlet manholes, inlets and catch basins, and headwalls shall be designed in accordance with the Design Details of the Village.

B. Culverts

1. Only reinforced concrete pipe (RCP) shall be used and conform to ASTM C76, minimum Class III.

2. Minimum pipe diameter is 12 inches.

3. 50-year design frequency (the 50-year storm will be conveyed with less than a 0.1 foot increase in head from the natural (no culvert) condition).

19.3.35 WETLANDS

All wetland facilities shall conform to the Lake County Stormwater Watershed Development Ordinance (LCWDO) Requirements. All wetland measures shall be outlined in a separate Watershed Development Permit Application, which must be submitted for all development activity. A wetland specialist is required to enforce instead wetland provisions.

19.3.40 WATER DISTRIBUTION SYSTEMS

19.3.41 INTRODUCTION

Potable water facility design shall be in accordance with the Village of Mundelein Ordinance and the rules and regulations of the IEPA – Division of Public Water Supplies, Title 35, Subtitle F, Chapter II, and the Recommended Standards for Water Works, latest edition (commonly known as the Ten State Standards). All water system improvements shall meet the requirements of the latest editions of the Standard Specifications for Water and Sewer Main Construction in Illinois, the American Water Works Association (AWWA), as well as specific requirements of the Village.

Water main sizes shall be designed to adequately service the subdivision, including fire flow. All systems must be sized properly to allow for future expansion and may need to be oversized to provide sufficient regional flow. All existing water mains shall have a minimum inside diameter of 8 inches. The minimum service size shall be 1 inch diameter for single family residences and shall be sized accordingly for all other areas.

19.3.42 GENERAL DESIGN REQUIREMENTS

1. All water mains shall be located in the parkway, opposite that of the sanitary sewer, in accordance with Village Details.

2. It shall be required to construct dual water mains within a cul-de-sac to conform with the Village's requirement to provide a looped water main system.

3. Fire service mains shall be no less than 6 inches in diameter or the diameter of the smallest riser, whichever is greater. Fire service mains also shall be "looped," having two points of connection to the water distribution main when a single feed fire service main will exceed 300 feet in length.

19.3.43 MAIN CAPACITY

The feeders and distribution mains shall be sized to provide sufficient capacity to deliver the minimum required fire flow to all areas served by the proposed construction with consumption at the maximum daily rate:

A. REQUIRED FIRE FLOW

Type of Development	Minimum Required Fire Flow (gpm)
Single-family detached, two-family dwellings (with approved fire wall) not exceeding two stories in height *AND* distance between buildings > 31'	1000 gpm for minimum 2 hr. duration
Single-family and two-family dwellings (with approved fire wall) exceeding two stories in height *OR* distance between buildings < 31' and >10'	1500 gpm for minimum 2 hr. duration
Single-family and two-family dwelling units (with approved fire wall) with distance between buildings <10'	2500 gpm for minimum 2 hr. duration
Multiple-family residential building	2500 gpm for minimum 2 hr. duration
Office/research	2500 gpm for minimum 2 hr. duration
Commercial/business (general)	3000 gpm for minimum 3 hr. duration
General Manufacturing *High-Risk Manufacturing*	3000 gpm for minimum 3 hr. duration 3500 gpm for minimum 3 hr. duration
Institutional	3500 gpm (or minimum 3 hr. duration

Notes: The fire flow rates must be available while maintaining a minimum of 20 psi residual pressure throughout the existing distribution system and extension that serve the new service area.

The above table illustrates only the minimum required fire flows. The Village may require higher fire flows for longer durations based upon the size of the building and type of construction, which requirements shall generally be in accordance with Appendix III-A of the Uniform Fire Code, 1997 published by International Fire Code Institute. A copy of Appendix III-A is included at the end of this section.

A reduction in the required fire flow (not to exceed 50% of the above established minimum required fire flow) as approved by the Village Engineer in coordination with the Fire Department, may be allowed when the building is provided with an approved automatic fire sprinkler system.

B. MAXIMUM DAY CONSUMPTION

For purposes of water system design, maximum day consumption in residential areas shall be based on a minimum of 300 gallons per person per day. Alternately, the maximum day consumption may be based on the following values of flow rate per dwelling unit:

1. 1050 gallons per unit per day for single-family and two-family residences;
2. 900 gallons per unit per day for townhome buildings;
3. 750 gallons per unit per day for apartment buildings.

For purposes of water system design, maximum day consumption in non-residential areas shall be based on a calculation of expected maximum day water demand for each building in the area. For each building, a description of the building use, occupancy, and unit consumption value shall be included with the calculation. Unless the descriptions and calculations for each building in the area justify a lower value or when the details of the development are not known, the amount of maximum day consumption for non-residential areas shall be at least equal to 1,500 gallons per day for each acre included in the total area devoted to non-residential categories of land use, plus process water requirements. In all cases, the maximum day consumption value shall be approved by the Village Engineer. Such approval shall not relieve the owner/developer of the responsibility of providing adequate main capacity for any and all future developments within the development. In such cases, minimum main size shall be 12 inches.

C. STORAGE REQUIREMENTS

The total required storage is primarily based upon the distribution network system firm supply capacity (i.e. the ability of the well production and treatment capacity to supply the maximum day consumption demand with the largest well out of service); the required operating storage volume; and the fire reserve volume.

FIRM SUPPLY

New well production and treatment capacity shall be provided by the developer in an amount that at least equals the sum of expected maximum day consumption from residential and non-residential areas with the largest well out of service and as approved by the Village Engineer. Existing well(s) and treatment facilities with excess capacity, and/or planned well(s) and treatment facilities with excess capacity may be used to offset all or part of the total required well production and treatment capacity as verified and approved by the Village Engineer and as subject to the payment of any recapture amounts determined by the Village. If, in an event, the firm supply is not available, the difference in the maximum day consumption demand and supply shall be provided in storage.

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OPERATING STORAGE VOLUME

The required operating volume for the purposes of this section is defined as the volume in storage that is used as a daily basis during peak hour conditions. The peak hour rate of usage is generally utilized as 2 x maximum day rate of usage. The peak hour condition is expected to occur for a total of 4 hour on any given day. Therefore, for a single family residence:

Maximum daily usage - 1050 gpd
Maximum daily rate of usage = (1050 gpd)/(24hours/day) = 43.75 gph (gallons per hour)
Peak hourly rate of usage = 2 x 43.75 gph = 87.5 gph

Since the maximum day rate of usage is available via firm supply, the operating volume = (peak hour rate of usage – maximum day rate of usage) x 4 hours.

Therefore, the required operating volume for single family residence = (87.5-43.75) gph x 4 hour = 175 gallons. In other terms this can also be calculated by taking the maximum day consumption calculated in Section 19.3.03 B above divided by 6

Utilizing the above, the required operating volume associated with new demands shall not be less than an amount equal to the sum of the following:

1) For single-family residences, 175 gallons for each dwelling unit;
2) For townhome residential building, 150 gallons for each dwelling unit;
3) For apartment residential building,125 gallons for each dwelling unit; and
4) For non-residential units, an amount equal to the maximum day water consumption in gallons determined in Section 19.3.03 B above divided by 6

The increase in the required operating storage volume resulting from the new demands from new developments shall be the financial responsibility of the developer and is available from any combination of the following: (1) a new storage tank in the vicinity of the service area and operating zone, (2) existing storage tank(s) with excess capacity, and/or (3) planned storage tank(s) with excess capacity. The available volume from each contributing storage tank shall be a reserve volume only allocated for operating storage. The availability of this reserve operating volume shall be verified by the Village Engineer using a computer model of the Village's existing water system. The model shall be modified to include the new demands, the water system extension to provide service to the area of new demands, and any planned water system facilities not yet constructed.

FIRE RESERVE VOLUME

The largest fire flow volume indicated in any one of the categories of the development provided in Section 19.3.03 A and included in the new water service area shall be the financial responsibility of the developer and is available from any combination of the following: (1) a new storage tank in the vicinity of the service area and operating zone, (2) existing storage tank(s) with excess capacity, and/or (3) planned storage tank(s) with excess capacity. The available volume from each contributing storage tank shall be a reserve volume only allocated for fire protection. The availability of this reserve volume shall be verified by the Village Engineer using a computer model of the Village's existing water system. The model shall be modified to include the new demands, the water system extension to provide service to the area of new demands, and any planned water system facilities not yet constructed.

Sufficient storage shall be provided by the developer to equal the sum of the deficient firm supply, required operating and fire reserve volumes described above and as approved by the Village Engineer. Existing storage tank(s) with excess capacity, and/or planned storage tank(s) with excess capacity may be used to offset all or part of the total required storage volume as verified and approved by the Village Engineer and as subject to the payment of recapture amounts determined by the Village

19.3.44 **FIRE HYDRANTS**

A. Spacing

Fire hydrants shall be installed along all mains constructed in public rights-of-way at a maximum spacing of 300 feet with the most remote part of any building no further than 300 feet from a hydrant.

1. Fire hydrants are required to be located a minimum of 3 feet clear distance from the closest point to any paved vehicular traffic surface and a minimum of 2 feet from any paved pedestrian traffic surface.

2. Fire hydrants shall be no closer than 8 feet from any street light installations.

3. Hydrants shall be installed no closer than 3 feet to the face of the hydrant, steamer port (pumper nozzle), nor further than 8 feet from the back curb. No hydrant shall be installed within 48 inches of any obstruction, nor shall any obstruction be placed within 48 inches of an existing hydrant.

B. Distance

Distance between hydrants on building sites shall not exceed 300 feet, and the maximum distance from a hydrant to a fire department connection shall not exceed 150 feet.

C. Hydrant Flags

The developer will be responsible for supplying the Village of Mundelein Public Works, one hydrant flag for each hydrant installed in the Village of Mundelein. Each flag will be "spring type," 4" x 3/8 inches and applicable to a 2.5 inches hydrant port.

D. Painting

All hydrants shall be "Safety Red" and shall be color coded according to the National Fire Protection Association (NFPA) Publication 291, "Fire Flow Testing and Marking of Hydrants."

19.3.45 **VALVES**

A. Spacing and Location

Water main valves shall be spaced at a minimum of 400 feet, or at a distance such that in the event of a required shut down of the public main, no more than 24 units shall be out of water service, whichever results in the shortest valve spacing. Vaults and boxes shall not be allowed under driveways or sidewalks

19.3.46 **CONNECTION TO EXISTING MAINS**

All connections to the Village water distribution system shall be made under full water service pressure in accordance with Village Engineering Design Details.

19.3.47 **WATER SERVICE LINES**

A water service line is designed to deliver water from a public water distribution main and extended from the main to a single building, and includes corporation stop, curb stop, and service box. Service lines shall be approximately at a right angle to the centerline of the right-of-way. Service lines shall be continuous with no splices between either the corporation and the curb stop or the curb stop and the house meter.

19.3.50 **ROADWAYS AND SIDEWALKS**

19.3.51 **INTRODUCTION**

A. Due to the impact of the subject development, improvements to adjacent roadways shall be made in accordance with the approved Traffic Impact Study or at the direction of the Village Engineer.

19.3.52 **STREET CLASSIFICATION AND REQUIRED GEOMETRY**

A. Street classification of the roadway network for any new subdivision shall be determined by the Village Engineer.

B. The roadway geometry required for each classification of street shall be designed in accordance with all Village Details.

19.3.53 **COMBINATION CONCRETE CURB AND GUTTER**

A. Combination concrete curb and gutter shall be constructed along the edge of all pavements except as otherwise approved by the Village Engineer. Cross-section, details, materials, and construction shall conform to the requirements of the "Standard Specifications for Road & Bridge Construction" of the Illinois Department of Transportation for Combination Concrete Curb and Gutter for Barrier Curb, Type B6.12 and Village Details unless otherwise approved by the Village Engineer.

B. The curb and gutter shall be stamped with a "w" indicating the location of a water service, and a "s" indicating the location of a sanitary sewer service.

19.3.54 **DRIVEWAYS/APPROACHES**

A. All driveways and approaches shall be designed in accordance with Village Ordinances 20.18 Engineering Design Details.

B. No manholes, inlets, valve vaults, or other types of structures shall be allowed to be constructed in a driveway.

C. All residential driveway apron shall be bituminous concrete pavement in accordance with Engineering Design Details.

D. In areas where vehicular access is needed by the Village, Mundelein Fire Department, or other emergency services for the purpose of maintenance or emergency response, but said access will be infrequent as determined by these entities, alternative paving methods may be considered. The paving material shall be cellular "Geoblock" type or approved equal. The Geoblock installation shall be capable of supporting a 75,000 load and be in accordance with manufacturer specifications.

19.3.55 BITUMINOUS PAVEMENT

A. Bituminous pavement structure for roadways and driveways shall conform to Engineering Design Details.

B. No construction required by this subchapter shall be permitted after November 1 without written authorization from the Village Engineer.

C. In new construction, surface course shall be placed no earlier than twelve months from the placement of the binder course, unless otherwise approved by the Village Engineer in writing.

19.3.56 CONCRETE PAVEMENT

A. Concrete pavement structure for roadways and commercial/industrial driveways shall conform to Village Details.

B. All roadway medians shall have tapered approaches at both ends of the median so as not to create an obstruction to snowplowing operations. The taper shall be constructed in accordance with the IDOT Standard for PC Concrete Islands and Medians.

C. No calcium chloride or chemical additive to accelerate the curing process shall be added to the mix that is being applied to public property or public improvements.

19.3.57 SIDEWALKS

A. Excavation

If, in the opinion of the Village Engineer, organic material is present at the proposed subgrade, the organic material shall be removed to a minimum of 3 inches below the subgrade or in accordance with geotechnical representative directions and replaced with compacted CA-6 compacted crushed stone or recommended removal method.

B. Embankment

When necessary to construct sidewalk on fill, fill shall be placed in 6 inch lifts and thoroughly compacted. Embankment shall extend 1 foot beyond edge of walk. Sideslopes shall not be steeper than 4 to 1, except as approved by the Village Engineer.

C. Subgrade Preparation

When the subgrade has been prepared and no sooner than 24 hours prior to placing concrete, the contractor shall notify the Village Engineer that forms are in place and the subgrade is ready for inspection. Subgrade compaction tests, at the subdivider's expense, may be required where deemed appropriate by the Village Engineer. No concrete shall be placed until the subgrade has been inspected and approved.

D. No manholes, inlets, valve vaults, h-boxes, or other types of structures shall be allowed to be constructed in a sidewalk.

E. Expansion Joints/Control Joints

Preformed bituminous joint filler, ½ inch thick, shall be placed every 50 feet maximum and ½ inch thick between the sidewalk and all structures such as Light Standards, Traffic Light Standards, and traffic poles which extend through the sidewalk. Control joints shall be on 5 foot centers.

F. Protection and Curing

1. All exposed surfaces of concrete shall be protected against precipitation.

2. The concrete shall be cured for a minimum period of three days after placing using a membrane curing compound.

19.3.60 STREET LIGHTING

19.3.61 INTRODUCTION

A. General

All developments shall include the design and construction of street lighting facilities for the illumination of all roadways which lie in or border the development. Street lighting shall be in conformance with these Village Design Policies and the Engineering Design Details. It shall be the responsibility of the developer or subdivider to pay the installation cost of all such lighting.

B. Submittal

Prior to installation of any street lighting system, the following submittals are required for review and approval by the Village:

1. Layout of proposed street lighting system showing pole locations, right-of-way and any easements, cable/conduit routing, controller location, mast arm orientation, mast arm length, and source of power.

2. Manufacturer's information on poles, luminaire, mast arms, cable, conduit, controller, and appurtenances.

19.3.62 STREET LIGHT LOCATIONS

A. Spacing

1. Street lights shall be spaced at a distance not to exceed 300 feet from one another for mid-block locations.

B. Location

1. A street light shall be located at every intersection. At "T" intersections, the light shall be provided on the centerline extended from the terminating street.

2. A street light shall be located at curves as directed by the Village Engineer.

3. A street light shall be located at the end of every cul-de-sac.

4. Street lights shall be no closer than 2 feet from back of curb.

5. Street lights shall be no closer than 8 feet from any fire hydrant or 3 feet from any driveway

Exhibit 11

VILLAGE OF MUNDELEIN
SUBDIVISION IMPROVEMENT AGREEMENT

THIS AGREEMENT made and entered into [redacted], 20[redacted] by and between the Village of Mundelein, an Illinois Municipal Corporation, 440 East Hawley Street, Mundelein, Illinois, hereinafter called "Village" and Mundelein Downtown Properties, LLC hereinafter called "Owner"

WITNESSETH:

WHEREAS, the Owner owns a certain tract of real estate which is legally described on **Exhibit A** attached hereto and made a part thereof and;

WHEREAS, the Owner desires to subdivide said real estate and has submitted to the Village a plat of subdivision designated as [redacted] and;

WHEREAS, said subdivision plat Plan has been approved by the Village Plan Commission and the Village Board of Trustees is willing to approve said subdivision plat provided that this agreement is executed to insure completion of certain subdivision improvements, as a condition precedent to the issuance of occupancy permits for any buildings to be constructed on said real estate.

NOW THEREFORE, the parties hereto agree as follows:

1. The Subdivider shall furnish, at his own cost and expense, all the necessary materials, labor and equipment to complete the following subdivision improvements (check the following items which are covered hereby):

   (a) Mass grading and earthwork in all rights-of-way; (√)

   (b) Erosion and sedimentation control; (√)

(c)	Detention/retention basin improvements;	(√)
(d)	Water mains and appurtenances;	(√)
(e)	Sanitary sewer mains and appurtenances;	(√)
(f)	Storm sewer mains and appurtenances;	(√)
(g)	Subbase, base, binder course and surface course of streets/parking lots;	(√)
(h)	Curbs and gutters;	(√)
(i)	Street and parking lot lighting;	(√)
(j)	Sidewalks and bikepaths;	(√)
(k)	Driveway aprons	(√)
(l)	Signs including traffic control and street names;	(√)
(m)	Parkway trees and sod and other applicable subdivision landscaping;	(√)
(n)	Replacement trees	(√)
(o)	Other:	( )

all in accordance with the plans and specifications shown on **Exhibit B** attached hereto and made a part hereof, which have been prepared by [Insert Name of Engineer(s)] who are registered professional engineers, such plans and specifications shall be subject to the review and written approval of the Village Engineer. All water, sanitary sewer and storm sewer mains and appurtenances, as well as service lines leading therefrom which go under the street, shall be installed prior to paving the street.

2. Prior to commencing work on said subdivision improvements, the Owner shall deliver to the Village Engineer (a) copies of all contracts entered into between it and any contractor for the installation of said subdivision improvements or a complete cost estimate therefore which shall be subject to review and written approval of the Village Engineer and (b) one of the following:

   (a) A performance bond from a surety reasonably acceptable to the Village guaranteeing payment of the cost of said subdivision improvements equal to 110% of estimated costs and substantially in a form as set forth as **Exhibit C** attached hereto and made a part thereof or

   (b) A receipt showing that a sum of money guaranteeing payment of the cost of said subdivision improvements has been deposited in escrow in an amount equal to 110% of said contract price or cost estimate, as the case may be. The identity of the escrowee and the form of the escrow deposit agreement shall be subject to the written approval of the Village.

3. Also, prior to commencing work on said subdivision improvements, the Owner shall deliver to the Village Engineer a sworn statement from each contractor as contemplated under Section 5 of the Illinois Mechanics Lien Law (770 ILCS 60/5). Thereafter, the Owner shall deliver to the Village Engineer partial and final waivers of lien from the contractor(s) and any subcontractor(s) and materialmen as they are paid for labor and materials furnished. All payments to the contractor(s) and any subcontractor(s) and materialmen by the Owner shall be subject to certification by the Village Engineer that the work for which such payments are being made has been properly completed. Ten (10%) percent shall be withheld from each partial payment made to the contractor(s) and

any subcontractor(s) and material men until all of the subdivision improvements covered under its contract are completed, at which time one-half the sum withheld shall be disbursed provided that said subdivision improvements have been accepted by the Village and the requirements for certification and lien waivers have been compiled with as herein set out. The remaining one-half of the sum shall be disbursed upon expiration of the one-year guaranty period provided in Paragraph 6 hereof. Neither the Village, the Village Engineer, nor any other employees or agents of the Village shall incur any liability to the Owner or any third party with respect to any certification or approval to be made or given hereunder or as required by said performance bond.

4. Further, prior to commencing work on said subdivision improvements, the Owner shall furnish the Village Engineer with certificates of insurance issued by companies satisfactory to the Village and providing for Workman's Compensation in the statutory amount and comprehensive liability insurance with limits of not less than $300,000.00 per person and $500,000.00 per occurrence covering bodily injury, death and property damage. Said insurance certificates shall show on their face that the Village of Mundelein is an additional insured with respect to the subdivision improvements to be installed as provided herein. Also, the Owner shall indemnify the Village and hold it harmless against all losses, damages and expenses which it may sustain or be liable for as a result of the installation of said subdivision improvements, except for negligent acts or omissions of the Village and its employees.

5. Said subdivision improvements with respect to each phase of development shall be completed within 24 months from the date that the Final Plan for such phase is approved. Upon receiving a written request from the Owner, the Village shall extend the

completion date by the time consumed by any delays caused by strikes, lockouts, acts of God or unavoidable casualties, unusual weather conditions or causes beyond the control of the Owner or its contractor(s). If said subdivision improvements are not completed within said period of time, the Village shall have the right to draw upon said surety bond or escrow, sufficient funds to pay for the completion of said subdivision improvements. All work on said subdivision improvements shall be subject to inspection and approval of the Village Engineer from time to time as such work progresses and upon it being finished. Upon completion of said subdivision improvements as evidenced by the certificate of the Village Engineer, the Village shall be deemed to have accepted said subdivision improvements. The Owner shall cause its engineer to provide the Village with a complete set of "as-built" drawings, in CAD, Mylar and print formats, for said subdivision improvements. Upon completion of all punch-list items to the satisfaction of the Village Engineer, presentment of a bill of sale from the Owner in a form satisfactory to the Village and submittal of a surety bond in an amount equal to five (5%) percent of the cost of the subdivision improvements in a form satisfactory to the Village, the Village Board shall take appropriate action to accept all public subdivision improvements. Upon completion of all punch-list items to the satisfaction of the Village Engineer, the Subdivider shall transfer by bill of sale all private subdivision improvements to a homeowner's association, condominium association, property owner's association or other entity acceptable to the Village for future operation, maintenance, repair and replacement under such conditions as may be approved by the Village. or retained by the Owner (in the case of rental properties).

6. All work in the construction of said subdivision improvements shall be done in good, substantial and workmanlike manner and all materials used therein shall be new and of good quality. The Owner agrees to comply with all requirements in the Village's Subdivision Control Ordinance, including but not limited to guaranteeing the satisfactory correction of all defects of every kind and nature in said subdivision improvements or failure of nursery stock or plantings which occur within one (1) year after their completion and acceptance by the Village. An amount equal to five (5%) percent of the actual cost shall be retained to secure the correction of any such defects to the satisfaction of the Village. If any correction is not diligently and expeditiously made by the Owner or its contractor(s) or subcontractor(s), then the Village shall have the right to draw upon said surety bond or said escrow, sufficient funds from said five (5%) percent balance to pay for the correction of such defects.

7. The Owner shall pay the Village a plan review fee, inspection fee and any other fees or charges provided by ordinance, code, rule or regulation with respect to the installation of said subdivision improvements; such fees shall be paid within ten (10) days from the date of this Agreement or at such time as may be otherwise agreed upon between the Village and the Owner.

8. It is agreed that no occupancy permits shall be requested or issued for any building or buildings constructed on said real estate until all of said subdivision improvements are completed.

9. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns and all subsequent owners of all or any part of said real estate.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Mundelein, Illinois.

VILLAGE OF MUNDELEIN, an
Illinois Municipal Corporation

By: _____
Mayor

ATTEST:

_____
Village Clerk

_____
(Name of Owner)

By: _____
(Name of Principal)

ATTEST:

_____
Name

_____
Title

Exhibit 12

ORDINANCE NO. _____

ORDINANCE AMENDING ZONING MAP TO CLASSIFY PROPERTY IN R-8 ZONING DISTRICT AND APPROVING SPECIAL USE PERMIT AND DEVELOPMENT CONCEPT PLAN FOR PLANNED UNIT DEVELOPMENT (MUNDELEIN STATION)

WHEREAS, the Village of Mundelein (the "Village") has approved a resolution approving a "Redevelopment Agreement by and between the Village of Mundelein and Mundelein Downtown Properties, LLC (Mundelein Station)" (the "Agreement") with Mundelein Properties, LLC ("Developer") regarding certain property legally described in Exhibit A to the Agreement and in Exhibit A to this Ordinance (the "Property"); and

WHEREAS, the Developer is the contract purchaser of the Property, which consists of approximately 13 acres, and is located within the Village's Downtown TIF Redevelopment Project Area; and

WHEREAS, pursuant to notice as provided by law, a public hearing was held by the Village Plan Commission on an application filed by the owner(s) of record of the Property and Developer requesting that the Property be classified within the Village's R-8 Multiple-Family Dwelling Zoning District and requesting approval of a special use permit for the Property authorizing it to be developed as a planned unit development in accordance with, among other things, the Development Concept Plan (as defined in the Agreement) (the "Development"); and

WHEREAS, the Plan Commission has submitted its written findings of fact and recommendations to the President and Board of Trustees of the Village; and

WHEREAS, the Village President and Board of Trustees hereby find that the Development will meet (i) each of the standards made applicable to special use permits pursuant

to Chapter 20.24 of the Zoning Code; and (ii) each of the standards made applicable to planned unit developments pursuant to Section 20.49.060; and

WHEREAS, the President and Board of Trustees hereby further find that, despite any change, alteration, variation, modification, or waiver of any provisions of the Village Zoning Code or of the Municipal Code of Mundelein that would otherwise apply to the Development, the Development (i) will achieve the purposes for which planned unit developments may be approved pursuant to Section 20.49.020 of the Zoning Code; (i) will not violate the general purposes, goals, and objectives of the Zoning Code and the comprehensive plan of the Village; and (iii) will provide compensating amenities to the Village; and

WHEREAS, the President and Board of Trustees of the Village have determined, based upon such written findings of fact and recommendations, that it would be in the best interests of the Village to approve an ordinance amending the Village's zoning map to classify the Subject Property within the Village's R-8 Multiple-Family Dwelling Zoning District and approving a special use permit authorizing the Development to be developed as a planned unit development;

WHEREAS, pursuant to the Agreement, which was approved by the Village after such pubic hearing, the Village agreed to classify the Property within the Village's R-8 Multiple-Family Dwelling Zoning District and approve a special use permit authorizing the Development to be developed as a planned unit development;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MUNDELEIN, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

Section 1: The Village hereby classifies the Property in the Village's R-8 Multiple-Family Dwelling Zoning District.

Section 2: The Village hereby approves a special use permit authorizing the Development as a planned unit development.

Section 3: The Village hereby approves the Development Concept Plan.

Section 4: The approvals granted pursuant to Sections 1, 2, and 3 of this Ordinance shall be, and they are hereby, conditioned upon and limited by the following conditions, the violation of any of which shall constitute grounds for revocation of such approvals: (i) no portion of the Property may be developed until after a Final Plan (as defined in the Agreement) has been approved for such portion in accordance with Section 20.49.050 of the Village Zoning Code; (ii) Developer shall comply with all applicable provisions of the Village Zoning Code and this Ordinance; (iii) the Property and the Development shall be developed only in accordance with the Agreement; (ii) the Property and the Development shall be developed only in accordance with, and the Developer shall comply with, Chapter 20.49 of the Village Zoning Code; provided, however, that notwithstanding the requirements of Sections 20.49.040(b)(6), 20.49.050(b)(1)(A), and 20.49.040(b)(1) of the Village Zoning Code, (a) the Developer shall have until August 8, 2012, to file applications for approvals of final plans for all three Phases (as defined in the Agreement) of the Development; and (b) Developer shall file its application for preliminary plat of subdivision approval at the time provided for in the Agreement.

Section 5: This Ordinance shall be in full force and effect only from and after (i) its passage, approval, filing, and publication in pamphlet form, as by law provided; (ii) the date that the Agreement is fully executed by the Village and Developer; and (iii) the acquisition by Developer of fee simple interest in all of the Property and submission by Developer to the Village of copies of recorded deeds and commitments for title insurance, evidencing Developer's ownership of the entire Property.

PASSED this 8th day of August, 2005, by a roll call vote.

AYES	NAYS	ABSENT AND/OR NOT VOTING

_____
President

PASSED:_____

APPROVED:_____

PUBLISHED in pamphlet form:_____

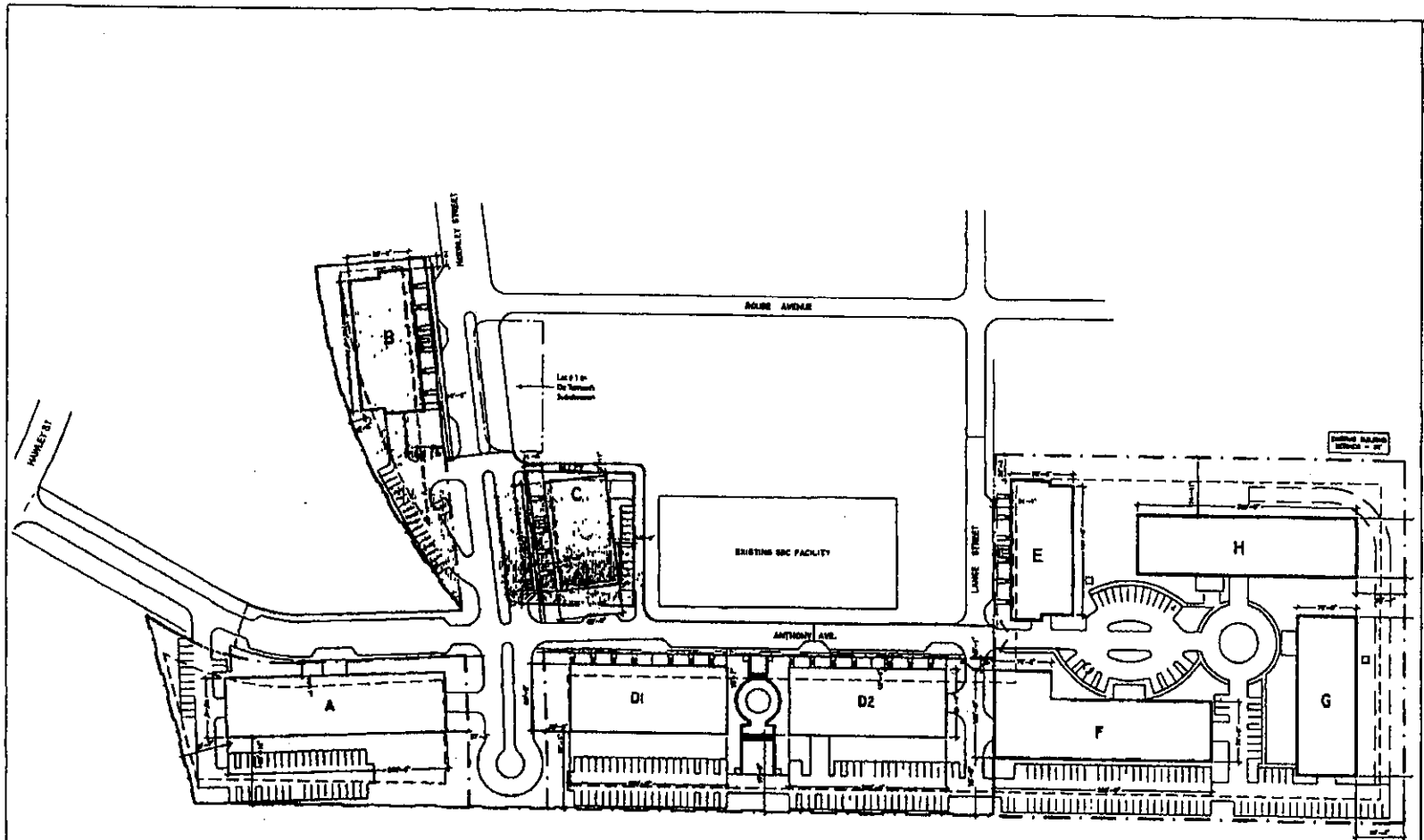
ATTEST:_____
Village Clerk

3109888_v2

Exhibit A

Legal Description of the Property

Exhibit 13



Phasing Diagram

Legend:

- North Phase
- South Phase
- East Phase
- Anthony Avenue Extension to Hawley Street

TENG

16/02/2006

Phasing Diagram

Teng

Exhibit 14

Teng

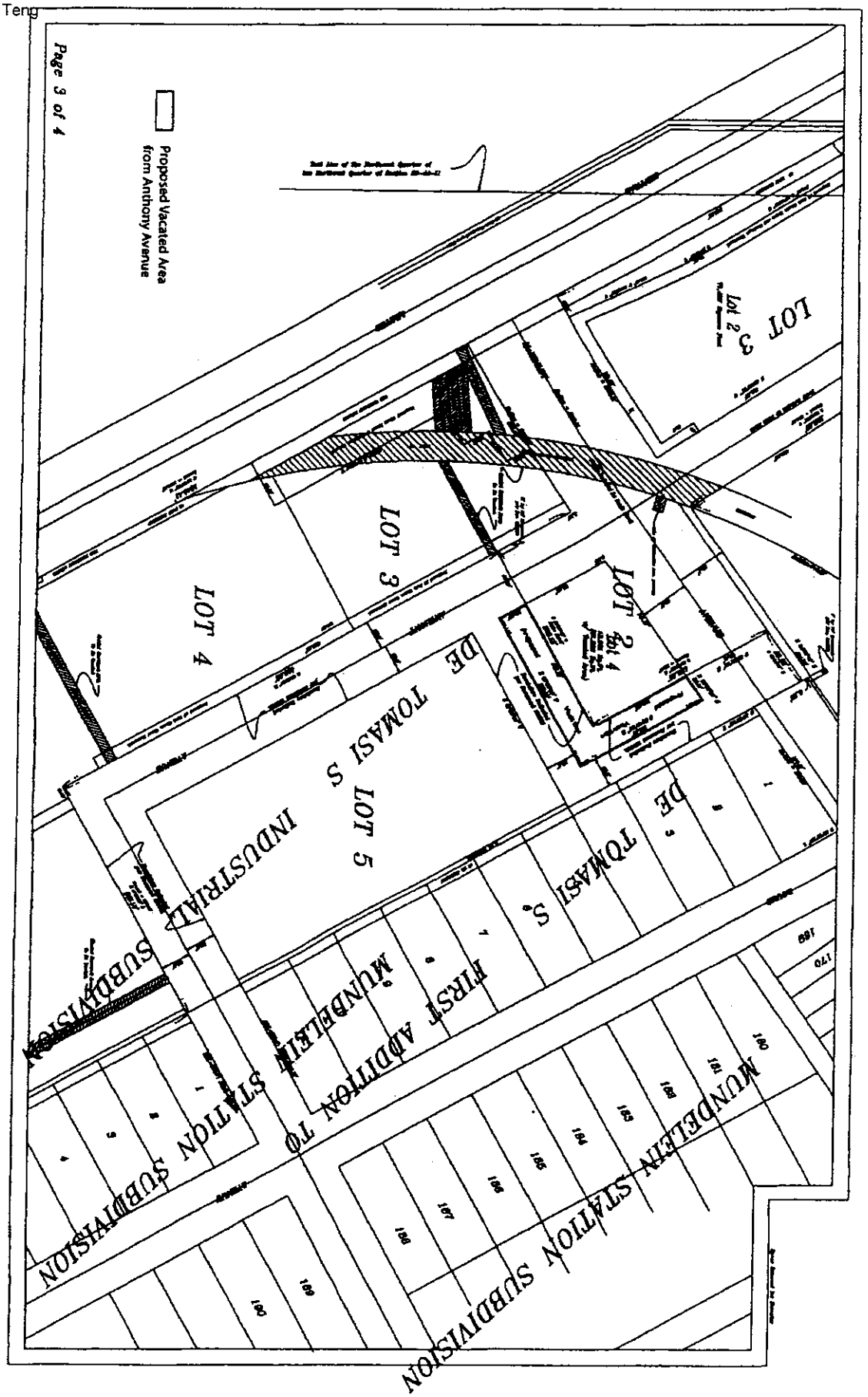

Page 3 of 4
Proposed Vacated Area from Anthony Avenue
LOT 3
Lot 2
LOT 3
LOT 4
LOT 2
Lot 4
DE TOMASI S
LOT 5
INDUSTRIAL SUBDIVISION
DE TOMASI S
FIRST ADDITION TO MUNDELEIN STATION SUBDIVISION
MUNDELEIN STATION SUBDIVISION

Exhibit 15

BUILDERS' IMPACT FEE

AGREEMENT

This Agreement made and entered into this _____ day of _____, 20 _____ by and between MUNDELEIN CONSOLIDATED HIGH SCHOOL DISTRICT NO. 120, hereafter referred to as "DISTRICT," and _____ Mundelein Downtown Properties, LLC _____, hereafter referred to as "SUBDIVIDER." (In some cases, the individual may wish to insert Trust Agreement number, name or names of development, name of developer, or the builder's name.)

WHEREAS:

1. SUBDIVIDER is the owner of record of the real estate described on Exhibit "A" attached hereto and specifically referenced herein.

2. SUBDIVIDER intends to develop said property with the following configuration:

   A. _____ Detached single family
   B. __X__ Attached single family
   C. _____ Apartments

   And the following sizes:

   A. __X__ One-bedroom units
   B. __X__ Two- bedroom units
   C. _____ Three- bedroom units
   D. _____ Four or more bedroom units

3. SUBDIVIDER recognizes that the development of said property will result in a financial impact to the DISTRICT.

4. It is the intention of SUBDIVIDER and DISTRICT to provide for a cash contribution by SUBDIVIDER on terms hereafter fully set forth.

NOW THEREFORE, in consideration of the mutual covenants hereafter set forth, it is hereby agreed by and between SUBDIVIDER and DISTRICT as follows:

1. SUBDIVIDER agrees to a Builder's Impact Fee based upon the amount of the Per Capita Tuition Charge identified for Mundelein Consolidated high School District # 120 from its most recent published audit as described in Exhibit "B" attached hereto.

2. The Per Capita Tuition Charge (Exhibit B) shall be multiplied by the estimated number of high school students per unit as described in Exhibit "C" attached hereto. The resulting calculation shall be the per unit charge for the Builders' Impact Fee, which shall be adjusted annually.

3. SUBDIVIDER agrees to contribute a Builder's Impact Fee for each and every dwelling developed on the real estate described in Exhibit A at such time as the SUBDIVIDER applies for the issuance of an occupancy permit for such dwelling.

4. The DISTRICT agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof, whether or not provided by statute or ordinance now in effect.

5. The DISTRICT agrees that all monies contributed as Builder's Impact Fees shall be used to offset any and all expenditures in the DISTRICT Building Fund or Education Fund.

6. The DISTRICT agrees to provide annual revisions to Exhibit B and Exhibit C as attached hereto until the SUBDIVIDER has completed the project as described in Exhibit A. The annual increase in rates will based upon the change in Per Capita Tuition Charge as identified in Exhibit B.

7. This Agreement shall be binding upon the parties hereto and their respective successors and assigns shall be deemed to be a covenant running with the land. ADDENDUM 1 IS A PART OF THIS PARAGRAPH OF THE AGREEMENT

IN WITNESS WHEREOF, the parties hereto have set their hands and seals upon the date indicated.

MUNDELEIN CONSOLIDATED HIGH SCHOOL DISTRICT NO. 120

BY: _____

DATE: 7/27/05

SUBDIVIDER

BY: _____

DATE: 7/26/05

COUNTY OF ~~LAKE~~ Cook

STATE OF ILLINOIS

NOTARY: Barbara J. Ott

DATE: 7/26/05

NOTARY PUBLIC SEAL

"OFFICIAL SEAL"
BARBARA J. OTT
Notary Public, State of Illinois
My Commission Expires 10/17/08

LEGAL DESCRIPTION OF PROPOSED DEVELOPMENT

EXHIBIT A

As provided for in the Builders' Impact Fee Agreement, it shall be the responsibility of the owner/developer to provide a legal description of said property. Included shall be the projected number of dwellings and plot map as approved by the Village or County of Lake.

ECONOMIC IMPACT ON MUNDELEIN HIGH SCHOOL

EXHIBIT B

As part of developing the economic impact factor new students would have on Mundelein High School, the following revisions have been made to the Impact Fee since 1988.

revised 10/1/88

Total Net Expense Per Student (Oct. 1, 1988 - Sept. 30, 1989) (8.33% increase over 87-88)	$3,319.46

revised 10/1/89

Total Net Expense Per Student (Oct. 1, 1989 - Sept. 30, 1990) (6.98% increase over 88-89)	$3,551.16

revised 10/1/90

Total Net Expense Per Student (Oct. 1, 1990 - Sept. 30, 1991) (9.9% increase over 89-90)	$3,902.72

revised 10/1/91

Total Net Expense Per Student (Oct. 1, 1991 - Sept. 30, 1992) (10.1% increase over 90-91)	$4,296.89

revised 10/1/92

Total Net Expense Per Student (Oct. 1, 1992 - Sept. 30, 1993) (6.33% increase over 91-92)	$4,568.88

revised 10/1/93

Total Net Expense Per Student (Oct. 1, 1993 - Sept. 30, 1994) (9.58% increase over 1992-93)	$5,006.58

revised 10/1/94

Total Net Expense Per Student (Oct. 1, 1994 - Sep. 30, 1995)	$5,446.16
revised 10-1-95	
Total Net Expense Per Student (Oct. 1, 1995 - Sept. 30, 1996) (7.62% increase over 1994-95)	$5,861.16
revised 10-1-96	
Total Net Expense Per Student (Oct. 1, 1996 - Sept. 30, 1997) (12.60% increase over 1995-96)	$6,599.67
revised 10-1-97	
Total Net Expense Per Student (Oct. 1, 1997 - Sept. 1, 1998) (11.00% increase over 1996-97)	$7,325.63
revised 10-1-98	
Total Net Expense Per Student (Oct. 1, 1998 - Sept. 1, 1999) (14.99% increase over 1997-98)	$8,423.74
revised 10-1-99	
Total Net Expense Per Student (Oct. 1, 1999 - Sept. 1, 2000) (5.79% increase over 1998-99)	$8,911.47
revised 10-1-00	
Total Net Expense Per Student (Oct. 1, 2000 - Sept. 1, 2001) (5.1 % increase over 1999-2000)	$9,365.95
revised 10-1-01	
Total Net Expense Per Student (Oct. 1, 2001 - Sept. 1, 2002) (8.42 % increase over 2000-2001)	$10,154.30
revised 10-1-02	
Per Capita Tuition Charge - See Attached (5.4% increase over 2001-2002)	$10,709.00

HIGH SCHOOL STUDENTS PER DWELLING

EXHIBIT C

The Board of Education of Mundelein Consolidated High School District 120 has established a high school student per dwelling table by using the **Table of Estimated Ultimate School Population Per Dwelling Unit** from the Associated Municipal Consultant - Illinois School Consulting Service (see attached).

The table is as follows:

DETACHED SINGLE FAMILY	HIGH SCHOOL	(NOV. 1, 2003 – OCT. 31, 2004) 2003-2004 BASE $10,960.00
2 BEDROOM	.020	$ 219.20
3 BEDROOM	.184	2,016.64
4 BEDROOM (or more)	.360	3,945.60
ATTACHED SINGLE FAMILY		
1 BEDROOM	.000	$ 0.00
2 BEDROOM	.038	416.48
3 BEDROOM	.059	646.64
4 BEDROOM	.173	1,896.08
APARTMENTS		
EFFICIENCY	.000	$ 0.00
1 BEDROOM	.001	10.96
2 BEDROOM	.046	504.16
3 BEDROOM	.118	1,293.28

adopted 8/88
last revision: 11/01/03

revised 11-1-03 (A)

Per Capita Tuition Charge - See Attached (2.3% increase over 2001-2002)	$10,960.00

(A) As of the date hereof, for purposes of calculating the Builder's Impact Fee under this agreement the per capita tuition charge remains unchanged at $10,960.00.

Addendum 1

The following language is a part of paragraph 7 of the Agreement:

This Agreement will not be recorded against title to the land unless and until a Builder's Impact Fee required hereunder has not been paid as a result of the issuance of certificates of occupancy. Upon payment of a Builder's Impact Fee and a request by the SUBDIVIDER, the District will provide a release, in recordable form, confirming that the required Builder's Impact Fees hereunder have been paid and releasing the land from any corresponding covenants which may have been recorded pursuant to this paragraph.

VOLUNTARY BUILDERS' IMPACT FEE

AGREEMENT

This Agreement made and entered into the date set forth below, by and between MUNDELEIN ELEMENTARY SCHOOL DISTRICT 75, hereafter referred to as "DISTRICT," and Mundelein Downtown Properties LLC, hereafter referred to as "BUILDER." (In some cases, the individual may wish to insert Trust Agreement number, name or names of development, name of developer, or builder's name.)

WHEREAS:

1. BUILDER is the owner of record of the real estate described on Exhibit "A" attached hereto and specifically referenced herein.

2. BUILDER intends to develop said property with the following configuration:

   A. _____ Detached single family

   B. ____X_____ Attached single family (includes only Builder's 2-story town home units)

   C. ____X_____ Apartments (includes Builder's for sale apartment (condominium) units

   And the following sizes:

   A. ____X_____ One-bedroom units

   B. ___X_____ Two-bedroom units

   C. _____ Three-bedroom units

   D. _____ Four or more bedroom units

3. BUILDER recognizes that the development of said property will result in a financial impact to the DISTRICT.

4. It is the intention of BUILDER and DISTRICT to provide for a cash contribution by BUILDER on terms hereafter fully set forth.

NOW THEREFORE, in consideration of the mutual covenants hereafter set forth and BUILDER'S desire to preserve quality education in the DISTRICT, it is hereby agreed by and between BUILDER and DISTRICT as follows:

1. BUILDER agrees to Builder's Impact Fee based upon the amount of the Student Tuition Charge identified for Mundelein Elementary School District 75 as described in Exhibit "B" attached hereto.

2. The Student Tuition Charge (Exhibit B) shall be multiplied by the estimated number of elementary/middle school students per unit as described in Exhibit "C" attached hereto. The resulting calculation shall be the per unit charge for the Builders' Impact Fee, which shall be adjusted annually.

3. BUILDER agrees to contribute a Builder's Impact Fee at the current rate for each and every dwelling developed on the real estate described in Exhibit A at such time as the BUILDER applies for the issuance of an occupancy permit for such dwelling or earlier.

4. The DISTRICT agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof, whether or not provided by statute or ordinance not in effect.

5. The DISTRICT agrees that all monies contributed as Builder's Impact Fees shall be used to offset any and all expenditures in the DISTRICT Building Fund or Education Fund.

6. The DISTRICT agrees to provide annual revisions to Exhibit B and Exhibit C as attached hereto until the BUILDER has completed the project as described in Exhibit A. The annual increase in rates will be based upon the change in the Student Tuition Charge as identified in Exhibit B.

7. This agreement shall be binding upon the parties hereto and their respective successors and assigns and shall be deemed to be a covenant running with the land. This Agreement will not be recorded against title to the land unless and until a Builder's Impact Fee required hereunder has not been paid as a result of an application for the issuance of certificates of occupancy. Upon payment of a Builder's Impact Fee and a request by the Builder, the District will provide a release, in recordable form, confirming that the required Builder's Impact Fees hereunder have been paid and releasing the land from any corresponding covenants which may have been recorded pursuant to this paragraph.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals upon the date indicated.

MUNDELEIN ELEMENTARY SCHOOL DISTRICT 75 DATE: 7/28/05

BY: Cyprian L Heide
To be ratified by the Board of Education on 8/15/05

BUILDER DATE:

BY: [signature] 7/27/05

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LEGAL DESCRIPTION OF PROPOSED DEVELOPMENT

EXHIBIT A

As provided for in the Builders' Impact Fee Agreement, it shall be the responsibility of the owner/developer to provide a legal description of said property. Included shall be the projected number of dwellings and plot map as approved by the Village or County of Lake.

EXHIBIT B

STUDENT TUITION
(130% of per capita)

Year	Amount		
2003-04	$7,150	Represents fiscal year ended 6/30/03	(applied no sooner than 9/1/03)
2004-05	$7,774	Represents fiscal year ended 6/30/04	(applied no sooner than 9/1/04)
2005-06		Represents fiscal year ended 6/30/05	(applied no sooner than 9/1/05)
2006-07		Represents fiscal year ended 6/30/06	(applied no sooner than 9/1/06)
2007-08		Represents fiscal year ended 6/30/07	(applied no sooner than 9/1/07)
2008-09		Represents fiscal year ended 6/30/08	(applied no sooner than 9/1/08)
2009-10		Represents fiscal year ended 6/30/09	(applied no sooner than 9/1/09)
2010-11		Represents fiscal year ended 6/30/10	(applied no sooner than 9/1/10)
2011-12		Represents fiscal year ended 6/30/11	(applied no sooner than 9/1/11)
2012-13		Represents fiscal year ended 6/30/12	(applied no sooner than 9/1/12)

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EXHIBIT C

Type of Unit	Expected # of Students per Home	Student Tuition for 2004-05 School Year	Impact Fee Total Student Tuition Cost
Detached Single Family			
2 Bedrooms	0.136	$7,774	$1,057.26
3 Bedrooms	0.369	$7,774	$2,868.61
4 or More Bedrooms	0.53	$7,774	$4,120.22
Attached Single Family (townhouse, row house, quadriplex, etc.)			
2 Bedrooms	0.088	$7,774	$684.11
3 Bedrooms	0.234	$7,774	$1,819.12
4 Bedrooms	0.322	$7,774	$2,503.23
Apartments			
1 Bedroom	0.002	$7,774	$15.55
2 Bedrooms	0.086	$7,774	$668.56
3 Bedrooms	0.234	$7,774	$1,819.12

VOLUNTARY DEVELOPERS' IMPACT FEE AGREEMENT

This Agreement made and entered into the date set forth below, by and between Board of Education of Diamond Lake Elementary School District 76, Lake County, Illinois, hereinafter referred to as "District," and Mundelein Downtown Properties LLC, hereafter referred to as "Developer." (In some cases, the individual may wish to insert Trust Agreement number, name or names of development, name of developer, or developer's name.)

WHEREAS:

1. Developer is the owner of record of the real estate described on Exhibit "A" attached hereto and specifically referenced herein.

2. Developer intends to develop said property with the following configuration:

   A. _____ Detached single family

   B. _____X_____ Attached single family (includes only Developer's two-story town home units)

   C. _____X_____ Apartments (includes Developer's for sale apartment (condominium) units

   And the following sizes:

   A. ____ X_____ One-bedroom units

   B. ___ X_____ Two-bedroom units

   C. _____ Three-bedroom units

   D. _____ Four or more bedroom units

3. Said Property is located within the Village of Mundelein ("Village").

4. The Village has, by agreement, required that Developer reach agreement with each affected school district regarding the donation of an appropriate amount of land for school sites, or cash in lieu of such land.

5. The parties agree that, given the size and location of the proposed development and the District's current school site needs, a cash contribution would be more suitable.

6. Developer recognizes that the development of said property will result in a financial impact to the District.

7. It is the intention of Developer and District to provide for a cash contribution by Developer on terms hereafter fully set forth.

NOW THEREFORE, in consideration of the mutual covenants hereafter set forth and Developer's desire to preserve quality education in the District, it is hereby agreed by and between Developer and District as follows:

1. Developer agrees to Developer's Impact Fee based upon the per unit charge as described in Exhibit "B" attached hereto.

2. Developer agrees to contribute a Developer's Impact Fee for each and every dwelling developed on the real estate described in Exhibit A at such time as the Developer applies for the issuance of an occupancy permit for such dwelling. The estimate of units referenced herein is solely for purposes of planning. The Developer's Impact Fee will be paid solely on actual units developed which may vary significantly from the estimate provided herein.

3. The District agrees to accept the foregoing voluntary Developer's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof, whether or not provided by statute or ordinance not in effect.

4. The District agrees that all monies contributed as Developer's Impact Fees shall be used to offset any and all expenditures in the District Operations and Maintenance Fund, Site and Construction Fund or Education Fund.

5. Developer releases the District, the Village, and any of their respective agents from any claim that the Impact Fees provided for herein exceed the legal authority of the District or Village. Developer expressly waives any right to bring such a claim.

6. This Agreement will not be recorded against title to the land unless and until a Developer's Impact Fee required hereunder has not been paid as a result of the issuance of certificates of occupancy. Upon payment of a Developer's Impact Fee and a request by the Developer, the District will provide a release, in recordable form, confirming that the required Developer's Impact Fees hereunder have been paid and releasing the land from any corresponding covenants which may have been recorded pursuant to this paragraph.

   This Agreement shall be binding upon the parties hereto and their respective successors and assigns shall be deemed to be a covenant running with the land.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals upon the date indicated.

BOARD OF EDUCATION
DIAMOND LAKE SCHOOL DISTRICT 76,
LAKE COUNTY, ILLINOIS

DATE: 7/22/05

BY: Cheryl M. Longfellow

MUNDELEIN DOWNTOWN PROPERTIES, LLC

DATE: 7/26/05

BY: [illegible]

LEGAL DESCRIPTION OF PROPOSED DEVELOPMENT

EXHIBIT A

As provided for in the Developer's Impact Fee Agreement, it shall be the responsibility of the owner/developer to provide a legal description of said property. Included shall be the projected number of dwellings and plot map as approved by the Village or County of Lake.

Estimated number of Dwelling Units : 377 as follows:

One-Bedroom	113
Two-Bedroom	264
	377

EXHIBIT B

Attached Single Family	Expected Students per Home	Acreage Required Per Student	Market Value per Acre	Impact Fee	Total Impact Fee
2 Bedroom Elem	0.094	0.018333	$239,580	$413	$1,007
2 Bedrooms Jr High	0.077	0.032222222	$239,580	$594	
3 Bedroom Elem	0.212	0.018333	$239,580	$931	$1,417
3 Bedrooms Jr High	0.063	0.032222222	$239,580	$486	
4 Bedrooms	0.321	0.018333	$239,580	$1,410	$2,715
4 Bedrooms	0.117	0.032222222	$239,580	$1,305	
Apartments					
1 Bedroom Elem	0.002	0.018333	$239,580	$9	$17
1 Bedroom Jr High	0.001	0.032222222	$239,580	$8	
2 Bedrooms Elem	0.080	0.018333	$239,580	$351	$652
2 Bedrooms Jr High	0.039	0.032222222	$239,580	$301	
3 Bedrooms Elem	0.203	0.018333	$239,580	$892	$1,795
3 Bedrooms Jr High	0.117	0.032222222	$239,580	$903	

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BUILDERS IMPACT FEE AGREEMENT

This Agreement made and entered into this 25th day of July, 2005 by and between Mundelein Park and Recreation District, hereafter referred to as "District" and "Mundelein Downtown Properties, LLC" hereafter referred to as "Builder."

WITNESSETH:

WHEREAS, Builder is acquiring under contract, approximately 13 acres of property in the Village of Mundelein, described in Exhibit "A" attached hereto and as specifically incorporated be referenced herein; and

WHEREAS, Builder expects to develop said property with 344 two-bedroom and 147 one-bedroom attached single family units (the actual amount of total units, two-bedroom units and one-bedroom attached single-family units may vary substantially from Builder's current expectations)in nine (9) separate multi-story buildings; and

WHEREAS, Builder recognizes that the development of said property will result in a financial impact on the District, and

WHEREAS, it is the intention of Builder and District to provide for a cash contribution by Builder on terms and as more hereinafter fully set forth.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, it is hereby agreed by and between Builder and District as follows:

1. Builder agrees to a Builder's Impact Fee, using a) the Impact Factors based on Illinois School Consulting Service, copyright 1996, attached hereto as Exhibit "B", b) 15 acres for every 1,000 residents pursuant to said impact Factors, and c) a land cost of $100,000 per acre. The following is an example of the Builder's Impact Fee calculation assuming the Builder's estimated unit mix (Builder's unit mix may vary substantially from its current estimate):

   344 Two-bedroom attached single-family units x 1.990 = 684.56
   147 One-bedroom attached single-family units x 1.193 = 175.37
   859.93

   859.93/1000 x 15 acres/thousand = 12.89 acres x $100,000 = $ 1,289,895 or $2,627 per unit estimate

   The Builder's Impact fee per actual unit receiving a certificate of occupancy will be equal to the following:

   Two-bedroom units = 1.990 / 1000 x 15 acres x $100,000 = $2,985 per two-bedroom unit
   One-bedroom units = 1.193 / 1000 x 15 acres x $100,000 = $1,790 per one-bedroom unit

2. The Builder shall pay 10% of the estimated fee ($2,627 per unit) for each building at the time that a building permit is issued for such building. Builder will pay the balance of Builders Impact Fee upon the Builder's receipt of a certificate of occupancy from the Village of Mundelein for each attached single-family unit for such building based upon the actual per unit fee described in paragraph 1 above ($2,985 per two-bedroom unit and $1,790 per one-bedroom unit).

3. District agrees to accept the foregoing voluntary Builder's Impact Fee in full settlement and satisfaction of any and all contributions and/or donations of land or cash in lieu thereof whether or not provided for by statute of ordinance now or hereafter in effect.

4. Builder agrees to and the District accepts responsibility for use of all monies contributed as Builder's Impact Fee to be used for capital development projects and expended from the Capital Improvements Fund.

5. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall be deemed to be a covenant running with the land. This Agreement will not be recorded against title to the land unless and until a Builder's Impact Fee required hereunder has not been paid as a result of the issuance of certificates of occupancy. Upon payment of a Builder's Impact Fee and a request by the Builder, the District will provide a release, in recordable form, confirming that the required Builder's Impact Fees hereunder have been paid and releasing the land from any corresponding covenants which may have been recorded pursuant to this paragraph.

6. This Agreement is subject to amendment should the units vary in size as measured by the amount of bedrooms per unit.

In witness whereof, the parties hereto have hereunto set their hands and seals upon the date first above written.

Mundelein Park & Recreation District

By: _____

Date: July 25, 2005

Mundelein Downtown Properties, LLC

By: _____

Date: 7/28/05

This document prepared by:
and after recording, this document
should be returned to:

Adam Simon
Ancel, Glink, Diamond,
Bush, DiCianni & Rolek, P.C.
415 W. Washington Street
Suite 202
Waukegan, Illinois 60085

This space reserved for Recorder's use only

FREMONT PUBLIC LIBRARY DISTRICT
DEVELOPER DONATION FEE DONATION AGREEMENT
("MUNDELEIN DOWNTOWN PROPERTIES, LLC")

This DEVELOPER DONATION FEE AGREEMENT (The "Agreement") is entered into as of the Effective Date (as hereinafter defined) by and between the FREMONT PUBLIC LIBRARY DISTRICT, a unit of local government (the "Library District"), and MUNDELEIN DOWNTOWN PROPERTIES, LLC, an Illinois limited liability company ("Owner"). The Library District, and Owner are hereinafter sometimes jointly referred to as the "Parties."

WITNESSETH:

WHEREAS, Owner is or will be the owners of a parcel of real estate containing approximately 13 acres (the "Property") situated in the Village of Mundelein, Illinois ("Village"); and

WHEREAS, the Property is legally described on Exhibit A attached hereto and made a part hereof; and

WHEREAS, Owner has petitioned the Village for certain development approvals which, if granted, will result in the re-subdivision of the Property for residential development (such approvals, as the same may be subsequently amended upon the petition of Owner are collectively referred to herein as the "Village Approvals"). If the Village Approvals are obtained, Owner intends to cause the development of the Property to be undertaken in accordance with a development plan attached hereto as Exhibit B (the "Development Plan"), to be included upon completion, and as may be amended at the time of approval by the village as is memorialized in a Development Agreement between the Village and the Owner (the "Development Agreement"); and

WHEREAS, the Library District believes, and Owner acknowledges, that the development of the Property with residential land uses pursuant to the Village Approvals will increase the demand for services in the Library District, which will accordingly increase the Library District's need for public lands and improvements; and

WHEREAS, in consideration of, and as an inducement for the Village approving the Development Agreement, Owner agrees to the terms of this Agreement and agrees further that the Donations (hereinafter defined) provided in this Agreement are specifically and uniquely attributable to the additional burdens that will be imposed upon the Library District by the development of the Property; and

WHEREAS, the Parties seek to enter into this Agreement to confirm the obligation of the Owner, its successors and assigns, or any future substitute

developers of the Property to make developer donation fee payments to the Library District to offset that part of the burden of providing new public lands and improvements that will be specifically and uniquely attributable to the development of the Property with residential land uses pursuant to the Village Approvals; and

WHEREAS, the Library District will expend considerable funds in reliance upon the fulfillment of the obligations of Owner their successors and assigns, or any future substitute developers of the Property to make Donations to the Library District as provided for in this Agreement.

NOW THEREFORE, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and legal sufficiency of which are hereby mutually acknowledged, the Parties agree as follows:

ARTICLE I
RECITALS

The foregoing Recitals are incorporated herein as part of this Agreement as if fully set forth in this Section I.

ARTICLE II

DONATIONS PAYABLE

A. Amounts Payable. The Parties agree that, upon receipt of a temporary certificate of occupancy ("Certificate of Occupancy") for each residential dwelling unit ("Dwelling Unit") on the Property, Owner shall be obligated to make a cash donation ("Donation") to the Library District in accordance with the Library

District Developer Donation Fee Schedule set forth in Exhibit C attached hereto (the "Fee Schedule"), as the same may be modified from time to time pursuant to Article VII hereof.

B. One-Time Payment Only. Once a Certificate of Occupancy has been issued for a Dwelling Unit on a portion of the Property and a Donation has been paid to the Library District for such Dwelling Unit in accordance with the provisions of paragraph A above, all obligations to pay Donations established by this Agreement shall be deemed to have been satisfied for that Dwelling Unit.

C. Use of Donations Collected. The Library District shall utilize Donations collected by it solely to acquire additional equipment, to construct, expand or acquire additional Library District Capital Facilities, to expand the collection of the Library District, or to pay principal and interest amounts coming due on bonds which have been issued to pay for additional equipment or to construct, expand or acquire additional Library District Capital Facilities. For purposes of this Agreement, "Library District Capital Facilities" shall mean new library facilities. The Library District shall not utilize Donations to pay for operational costs (including, without limitation, personnel salaries and utility costs) and any Donations which are utilized for such purposes shall be subject to being refunded to the party, including any successor parties, who has paid them.

ARTICLE III
PAYMENT/COLLECTION

A. Time of Payment. All Donations payable pursuant to the terms of this Agreement shall be due and payable upon the Village's issuance of the Certificate of Occupancy for the Dwelling Unit for which the Donation is being made. However, Owner shall have the right but not the obligation to prepay (i.e., pay prior to issuance of a Certificate of Occupancy) any Donation due for any one or more Dwelling Units.

B. Method of Payment. The payment of a Donation pursuant to this Agreement shall be by check payable to the Library District. The Library District shall issue a paid receipt to Owner confirming the Developer's payment of the required Donation. The Owner shall deliver the receipt to the Village at the time application is made to the Village for issuance of the relevant Certificate of Occupancy.

C. Costs of Collection. If Owner shall fail to pay a required Donation to the Library District at the time required, and the Library District is required to file an action against Owner in order to recover the Donation which has not then been paid, the Library District shall be entitled to recover from the non-paying party, in addition to such Donation, the costs and fees (including, without limitation, attorneys' fees) that it incurs in pursuing such action against any such non-paying party. If the Library District obtains a judgment against such party due to the failure to pay a required Donation, the Library District shall have the right to record a judgment lien against the portion of the Property for which the Donation should have been paid and the right to foreclose that lien in the manner provided by law.

ARTICLE IV
WAIVER OF RIGHT TO CHALLENGE/NO FURTHER DONATIONS

A. Waiver of Right to Challenge. Owner acknowledges that the Donations set forth on the Fee Schedule accurately reflect the burden on the Library District's equipment, materials, and Capital Facilities that will be specifically and uniquely attributable to the Property as a result of its development pursuant to the Village Approvals. Owner forever waives any right to challenge the Library District's authority to collect the Donations for purposes of addressing its need for additional equipment, collections and capital facilities, and any right to contest the amounts set forth herein as being legally excessive. Such waiver shall be binding on the successors and assigns of Owner, including, without limitation, future Owner and developers of the Property applying for Building Permits and Certificates of Occupancy.

B. Waiver of Claims. The Parties understand and expressly agree that they are entering into this Agreement freely and voluntarily. Owner acknowledges and agrees that the Library District has the absolute right to receive the Donations set forth in this Agreement and the absolute right to exercise its discretion in utilizing those Donations, in accordance with the terms provided herein. Owner waives, releases, remises, and discharges the Village and its Village Council, the Library District and its Board of Trustees, and collectively their respective present and former officers, members (individually and collectively), agents, servants, administrators, employees, successors, representatives, attorneys, and assigns, and each and every one of them, of and from any and all claims, demands, liens, obligations, and actions

or causes of actions of every kind or nature, at law or equity, which Owner may now have or claim to have, or which may hereafter accrue, whether known or unknown, anticipated or unanticipated, against the Village and the Library District emanating or resulting from this Agreement other than a claim or cause of action arising out of or related to a willful or wanton breach of this Agreement.

C. No Further Donations. The Library District acknowledges that no further payments or donations to the Library District (of land, cash or equipment) shall be required of Owner with respect to the Property, and the Library District specifically waives any right to impose any further donation or developer fee obligation on such parties notwithstanding any subsequent change in law, circumstances or conditions.

ARTICLE V
LAND COVENANT

A. Covenants to Run with Land. The provisions of this Agreement shall run with the land until all Certificates of Occupancy for Dwelling Units constructed on the Property have been issued and all Donations required to be paid as a result of the issuance of such Certificates of Occupancy have been paid.

B. Release. The Library District shall execute and return Owner within 30 days from the date of receipt, a release, in recordable form, confirming that all required Donations have been paid and releasing the Property from the covenants and provisions of this Agreement once all Certificates of Occupancy have been issued and all required Donations have been paid to the Library District. In addition, if

necessary, the Library District shall promptly execute releases, prepared by Owner, for individual Dwelling Units once the Cash Donations for such Dwelling Units have been paid, releasing such Dwelling Units from the covenants and provisions of this Agreement.

ARTICLE VI
TERM

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect for a term (the "Term") of 20 years, provided, however, that the Term shall automatically end, and this Agreement shall become null and void, upon delivery of notice from Owner to the Library District confirming that Owner has failed to secure the Village Approvals or that it has abandoned its efforts to secure the Village Approvals.

ARTICLE VII
INFLATION ADJUSTMENT

The amount of the cash donation, if all Cash Donations have not yet been paid to the Library District, shall be increased as provided in Exhibit "C" to account for inflation. Commencing on June 15, 2014, and on June 15 of each year thereafter, the Donation Amounts, if all have not been paid, shall be increased by a percentage increase in the Consumer Price Index for all urban consumers, Chicago, Lake County, Kenosha, from the immediately preceding year. The Parties shall confirm, in writing, the amount of any increases that may become applicable.

ARTICLE VIII
INDEMNIFICATION

In the event that litigation is commenced against the Village challenging the validity of this Developer Donation Fee Agreement or the Planned Unit Development Agreement as it related to the Developer Donation Fees or the Village's Ordinance relative to Developer Donation Fees as it relates to the Library District, then the Library District agrees to protect, defend, indemnify and save the Village and its present and former officers, members (individually and collectively), agents, servants, administrators, employees, successors, representatives, attorneys, and assigns, and each and every one of them, of and from any and all claims, demands, liens, obligations, and causes of action or actions of every kind or nature, at law or equity, including all losses, damages, costs, claims, expenses or liabilities, including attorneys fees and costs arising out of or in connection with, payment, collection, receipt, refund, or expenditures of any developer donation agreements as they relate to the Library District. The Library District, at its option, may elect to appear and/or defend any such litigation or may tender the defense to the Village. If the Library District elects to appear and/or defend the litigation, the Village may also be represented by counsel. The Library District shall reimburse the Village for the cost of defense, including its reasonable attorneys fees and costs. In the event that the Library District tenders the defense of the litigation to the Village, then the Village shall have the right to select an attorney to represent it and the Library District in the litigation. The Village and the Library District shall cooperate in preparing the defense of any such litigation. The Village shall have the right to settle any litigation or claim

on the terms which it deems best. In the event that the Library District deems it advisable to settle any such litigation or claim, it shall first obtain the written consent of the Village. If the Village does not provide its written consent, then the Library District shall be required to litigate the matter or reach a settlement on terms acceptable to the Village. The amount of the indemnification owed by the Library District to the Village shall be limited to the amount of the Developer Donation Fees received by the Library District.

ARTICLE IX
MISCELLANEOUS

A. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be delivered personally or sent to the Parties by certified or registered mail, return receipt requested, or by facsimile transmission with a copy of the notice and proof of transmission being sent by regular mail on the date of transmission to the following addresses:

LIBRARY DISTRICT:

FREMONT PUBLIC LIBRARY DISTRICT
ATTN: SCOTT DAVIS, DIRECTOR
1170 N. MIDLOTHIAN ROAD
MUNDELEIN, IL 60060
847-918-3240
847-918-3260 FAX

WITH A COPY TO:

ANCEL, GLINK, DIAMOND,
BUSH, DiCIANNI & ROLEK, P.C.
ATTN: ADAM SIMON
415 W. WASHINGTON STREET
SUITE 202
WAUKEGAN, ILLINOIS 60099
847-244-8682
847-244-8671 - FAX

OWNER:

MUNDELEIN DOWNTOWN
PROPERTIES, LLC
ATTN: RAY GRINVALDS &
DONNA FLOERCHINGER
205 N. MICHIGAN AVENUE
SUITE 3600
CHICAGO, ILLINOIS 60601
312-616-3123
312-606-6067 - FAX

AND TO:

FREEBORN & PETERS
ATTN: RICHARD TRAUB
311 S. WACKER DRIVE
SUITE 3000
CHICAGO, IL 60606
312-360-6000

or to such other address or party as any Party may from time to time designate in a notice to the other Parties. A notice given by certified or registered mail shall be deemed given three (3) days after such notice is deposited in the United States mail whether or not such notice is actually received by the addressee.

B. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns (including, without limitation, successor members of the Library District's Board of Trustees).

C. Construction/Interpretation. The article and paragraph captions in this Agreement are for convenience only and shall not affect the interpretation of, and are not to be interpreted as part of, this Agreement. This Agreement shall not be construed more strictly against one Party than against any other Party merely by

virtue of the fact that it may have been prepared primarily by counsel for one of the Parties. All of the Parties acknowledge that they have had the benefit of independent counsel with respect to each of the terms of this Agreement.

D. Integration. This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement and may not be modified except by an instrument in writing signed by all Parties (or their designated successors and assigns). All exhibits to this Agreement are expressly incorporated herein by this reference thereto.

E. Severability. The provisions of this Agreement shall be severable so that the unenforceability or invalidity of any provision of this Agreement shall not render any other provision unenforceable or invalid.

F. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois.

G. Time of Essence. Time is of the essence with respect to each provision of this Agreement.

H. Effective Date. The "Effective Date" of this Agreement shall be the date of execution by the Library District.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date following their respective signatures to be effective as of the Effective Date.

MUNDELEIN DOWNTOWN PROPERTIES, LLC
an Illinois limited liability company

By: _____
Ivan J. Dvorak, General Manager

Date of Execution: 7/27/05

FREMONT PUBLIC LIBRARY DISTRICT
By: _____
William C. O'Brien, President

ATTEST: _____
Florence Patrick, Secretary

Date of Execution: _____

State of Illinois) S.S.
County of Lake)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that *William C. O'Brien, President* of the Board of Trustees of Fremont Public Library District and *Florence Patrick, Secretary* thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered said instruction as their own free and voluntary act, and as the free and voluntary act of said District, for the uses and purposes therein set forth; and said Secretary did also then and there acknowledge that she as custodian of the corporate seal of said District did affix said corporate seal of said District to said instrument as her own and free and voluntary act, and as the free and voluntary act of said Trustee for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 16 day of June, 2005.

Marta A. Rose, Notary Public

"OFFICIAL SEAL"
Marta A. Rose
Notary Public, State of Illinois
My Commission Expires 02/26/2009

State of Illinois) S.S.
County of Lake)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that *Ivan J. Dvorak, General Manager*, of Mundelein Downtown Properties, LLC, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he signed and delivered said instruction as his own free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 28th day of July, 2005.

Barbara J. Ott, Notary Public

"OFFICIAL SEAL"
BARBARA J. OTT
Notary Public, State of Illinois
My Commission Expires 10/17/08

BOOK 99 PAGE 912 ORDER NO. 99-912 LIBERTYVILLE, September 15th, 1999

ORDERED BY Mr. Howard Greene FOR Greenhill Corporation

Parcel 1: Lot 4 in DeTomasi 's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South ½ of Section 19 and a part of the North ½ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi 's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 2: Lot 2 in DeTomasi 's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South ½ of Section 19 and a part of the North ½ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi 's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 3: Lot 3 in DeTomasi 's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South ½ of Section 19 and a part of the North ½ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi 's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 4: Lot 1 in DeTomasi 's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South ½ of Section 19 and a part of the North ½ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi 's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 5: Lot 5 in DeTomasi 's Industrial Subdivision of part of Lot G in Mundelein Station Subdivision, being a Subdivision of part of the South ½ of Section 19 and a part of the North ½ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat of said DeTomasi 's Industrial Subdivision, recorded June 13, 1956 as Document 911850 in Book 33 of Plats, Page 98, in Lake County, Illinois.

Parcel 6: Lot 3 in Herbert 's Addition to Mundelein (except that part thereof described as follows: Beginning at a point on the South Right of Way line of Hawley Street and said point being the Northwesterly most corner of said Lot 3 in Herbert's Addition to Mundelein; thence Northeasterly along said Southerly Right of Way line 15.01; thence Southeasterly and parallel with the West line of said Lot 3, 152.22 feet to a point which is 10.00 feet Northeasterly of the North line of said Lot 3 as extended Northeasterly; thence Southwesterly along said line as extended, 10.00 feet to an angle point in said Lot 3; thence Northwesterly along the West line of said Lot 3, 163.00 feet to the Point of Beginning) being a Subdivision of parts of the Southwest ¼ of Section 19 and the Northwest ¼ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, according to the Plat thereof, recorded August 5, 1974 as Document 1674550, in Book 52 of Plats, Page 31, in Lake County, Illinois.

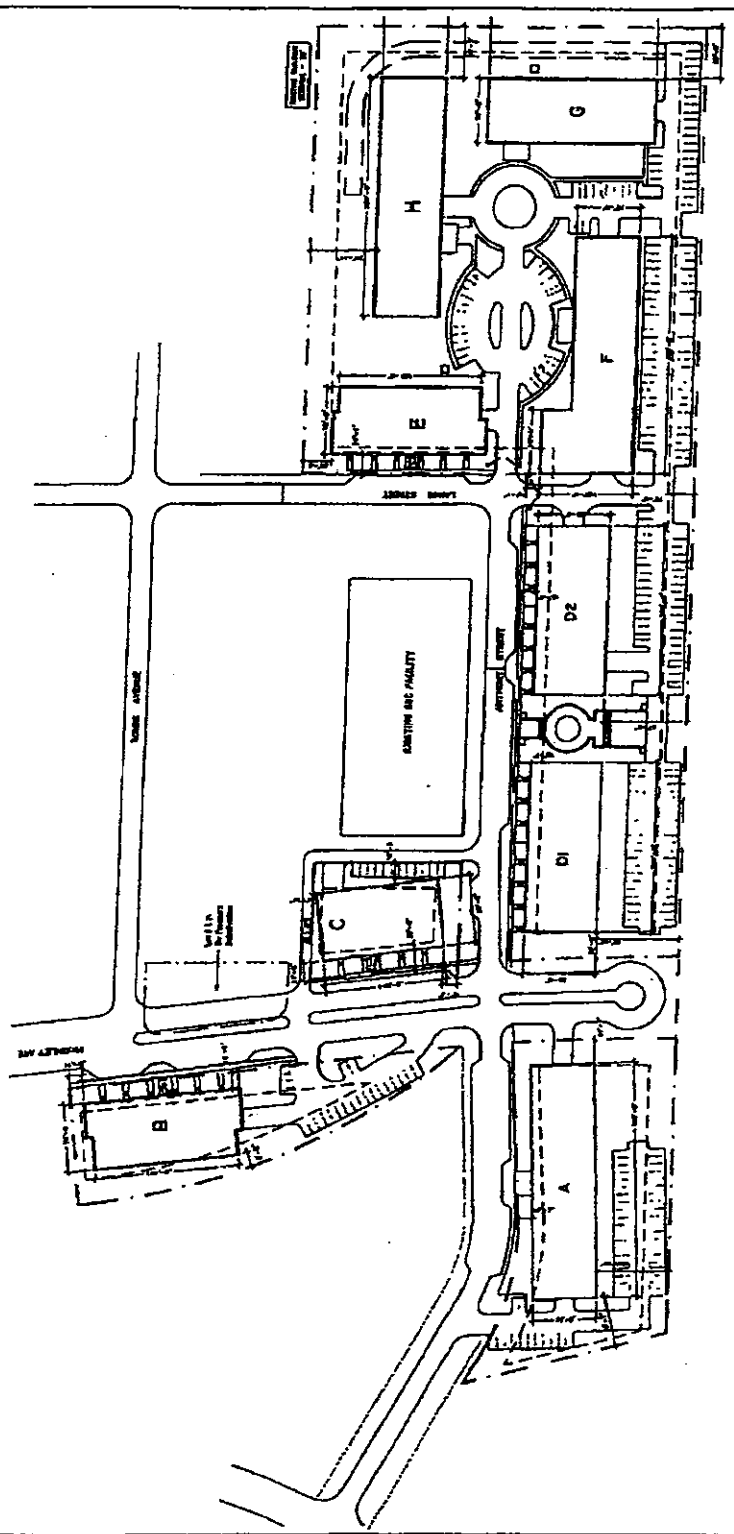
Parcel 7: A triangular strip of land described as follows: That part of the Northwest ¼ of Section 30, Township 44 North, Range 11, East of the Third Principal Meridian, and beginning at a point on the Easterly Right of Way line of the Minneapolis, St. Paul and Sault St. Marie Railroad, 402.39 feet Southerly of the South line of 80 foot Hawley Street; thence Northeasterly along a line that forms an angle of 75 Degrees 10 Minutes 58 Seconds to the right with the last described line, 331.95 feet to an angle point in Lot 3 in Herbert 's Addition to Mundelein, recorded as Document 1674550, in Lake County, Illinois; thence Southwesterly along the North line of said Lot 3, 334.60 feet to said Easterly Right of Way line of said railroad, and which point is also the Western most corner of said Lot 3; thence Northwesterly along said Right of Way line 10.00 feet to the Point of Beginning, in Lake County, Illinois.

EXHIBIT A
LEGAL DESCRIPTION

TENG

EXHIBIT B
DEVELOPMENT PLAN

L-102



1 SITE PLAN

Parking Ratio:
1.45 parking spaces per Dwelling Unit (PUD plan not pending)

EXHIBIT C

Developer Donation Fees
Fremont Public Library District

	Amount per Dwelling Unit
6/2005 to 6/15/08	$275.00
6/15/09	$283.00
6/15/10	$292.00
6/15/11	$300.00
6/15/12	$310.00
6/15/13	$320.00
6/15/14 & on	$320 + annual CPI increase

Exhibit 16

Teng

Mundelein Downtown Properties LLC
Tier 1 Costs

Land Acquisition Cost	$	1,150,000
Building Demolition	$	1,000,000
Burial of Overhead Regional Power lines	$	200,000
McKinley Street Extension/Kiss & Ride Improvement	$	1,500,000
Environmental/Soil Remediation	$	100,000
On-Site Storm Water Management Facilities	$	300,000
Anthony Street Improvements	$	250,000
Total	$	4,500,000

Exhibit 17

Teng

Mundelein Downtown Properties LLC
Tier 2 Costs

Land Acquisition Costs		$ 2,500,000
	Total	$ 2,500,000

Exhibit 18

CERTIFICATE OF ELIGIBILITY

The undersigned representative of the Developer, does hereby certify, swear and affirm under oath to the as follows:

has expended or has caused to be expended the sum of (the "Expenditures") on the following Project Costs for work which (has been completed by the Developer on at the Project Site through , as follows:

ITEM NO.	ITEM DESCRIPTION	QUANTITY AWARDED	COMPLETED	UNIT TOTAL

TOTAL VALUE OF WORK COMPLETED TO DATE	$
TOTAL TO BE RETAINED (IF ANY)	$
AMOUNT OF PREVIOUS PAYMENT	$
TOTAL AMOUNT DUE	$
2. Total for which certification is sought:	$

3. That all of the Expenditures have been made in accordance with the Redevelopment Agreement and the Act.

I certify that the above quantities and amounts are correct and are eligible for payment. I further certify that all funds expended or caused to be expended (the expenditures) as above described for project costs were solely private funds of Developer and no such funds had their origin directly or indirectly from government funds (federal, state or local grants or loans).

_____

Subscribed and sworn to before me this ___ day of _____, 2005.

_____
Notary Public

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Exhibit 19

EXHIBIT ____

Form of Transferee Assumption Agreement

THIS AGREEMENT, made as of this _____ day of _____, 20__, by, between and among **[OWNER/DEVELOPER]** ("***Owner***"), **[TRANSFEREE]** ("***Transferee***") and the Village of Mundelein, Illinois("***Village***").

WITNESSETH:

WHEREAS, pursuant to that certain real estate sale contract dated _____, 20__, the Transferee agreed to purchase from the Owner certain real property situated in the Village and legally described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof ("***Property***"); and

WHEREAS, following the conveyance of the Property by the Owner, the Transferee will be the legal owner of the Property; and

WHEREAS, as a condition to the conveyance of the Property by the Owner, the Owner and the Village require that the Transferee agree to comply with all the terms, requirements and obligations set forth in that certain Redevelopment Agreement, dated as of _____, 2005, and recorded in the Office of the Lake County Recorder on _____, 2005, as Document No. _____, by and between the Village and Owner as amended from time to time (***"Development Agreement"***);

NOW, THEREFORE, in consideration of the agreement of the Owner to convey the Property to the Transferee and of the Village to accept the transfer of obligations as provided herein and to grant the releases granted herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by, between and among the Village, the Owner and the Transferee as follows:

1. **Recitals**. The foregoing recitals are incorporated in and made a part of this Agreement as substantive provisions by this reference.

2. **Assumption of Obligations**. The Transferee, on its behalf and on behalf of its successors, assigns, heirs, executors and administrators, hereby agrees, at its sole cost and expense, to comply with all of the terms, requirements and obligations of the Development Agreement, including all exhibits and attachments thereto, regardless of whether such terms, requirements and obligations are to be performed and provided by, or are imposed upon, the Owner or the Developer (as defined in the Development Agreement) of the Property.

3. **Assurances of Financial Ability**. Contemporaneously with the Transferee's execution of this Agreement, the Transferee shall deposit with the Village the Subdivision Security and any other financial security required by the Development Agreement, to the extent that the Public Improvements or other obligations secured thereby have not been fully completed, accepted, and performed as required in the Development Agreement. Upon execution of this Agreement by the Village and deposit with the Village of the required Subdivision Security and financial security, the Village shall surrender the original Subdivision Security, and any other financial security, to the Owner. In addition, and not in limitation of the foregoing, any Transferee that is an Approved Assignee (as defined in the Development

Agreement) shall, upon the request of the Village, provide the Village with such reasonable assurances of financial ability to meet the obligations assumed hereunder as the Village may require.

4. **Payment of Village Fees and Costs**. In addition to any other costs, payments, fees, charges, contributions or dedications required by this Agreement, the Development Agreement or by applicable Village Laws (as defined in the Development Agreement), the Transferee shall pay to the Village, immediately upon presentation of a written demand or demands therefor, all legal, engineering and other consulting or administrative fees, costs and expenses incurred in connection with the negotiation, preparation, consideration and review of this Agreement.

5. **Acknowledgment and Release of Transferor**. The Village hereby acknowledges its agreement to the Transferee's assumption of the obligation to comply with the terms, requirements and obligations of the Development Agreement, including all exhibits and attachments thereto, as such terms, requirements, and obligations apply to the Property, and the Village hereby releases the Owner from any personal liability for failure to comply with such terms, requirements and obligations of the Development Agreement, as they apply to the Property, but not from any personal liability for failure to comply with terms, obligations, or requirements that apply to any other property that is the subject of the Development Agreement.

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

ATTEST: **VILLAGE OF MUNDELEIN**

_____ By: _____
_____ Village President

ATTEST: **[OWNER]**

_____ By: _____
_____ Its: _____

ATTEST: **[TRANSFEREE]**

_____ By: _____
_____ Its: _____

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Exhibit 20

SAMPLE

(FINANCIAL INSTITUTION LETTERHEAD)

IRREVOCABLE LETTER OF CREDIT

Irrevocable Letter of Credit No. _____

Amount: _____

Issue Date: _____

Expiration Date: _____

Beneficiary: Village of Mundelein
Attention: Esmie Dahlstrom, Village Clerk
Village Hall
440 East Hawley Street
Mundelein, Illinois 60060

Applicant: _____

Gentlemen:

The undersigned bank, (BANK NAME), hereby issues to the Village of Mundelein this Irrevocable Documentary Letter of Credit in the amount of [SPELL OUT AMOUNT][NUMERIC FIGURES IN PARENTHESES] U.S. Dollars, which is available by presentation of your draft(s) at sight drawn on us bearing the clause: "Drawn under [BANK NAME] Documentary Letter of Credit No. [INSERT NUMBER], dated [INSERT DATE], and accompanied by the following document:

A statement purportedly signed by an authorized representative of the Village that "The proceeds of the draft will be used to satisfy the obligations of [OWNER'S NAME] to install [DESCRIBE IMPROVEMENTS COVERED BY LOC] in the [SUBDIVISION NAME] Subdivision."

We understand that this Irrevocable Letter of Credit is to be used to complete the improvements described above.

Irrevocable Letter of Credit No. _____
Applicant: _____

SAMPLE

The original of, and any amendments to, this Letter of Credit must accompany all draws. This Letter of Credit will expire at the close of the regular business day on [DATE], and such drafts must be presented for payment and received by us on or before such date. [BANK NAME] will notify the Village by certified mail, return receipt requested, at least sixty (60) days prior to said expiration date, of the impending expiration. In no event shall this Letter of Credit expire except upon said prior written notice, it being expressly agreed by us that the above expiration date shall be extended as required to comply with this notice provision. This Letter of Credit shall remain in effect until (and including) its expiration date without regard to any default in payments of sums owed to us by the Applicant and without regard to other claims which we may have against the Applicant.

We hereby engage with drawers and/or bona fide holders that drafts drawn and negotiated in conformity with the terms of this credit will be duly honored on presentation.

This Letter of Credit shall be governed by and construed in accordance with the laws of the State of Illinois, including the Uniform Commercial Code. Unless inconsistent with Illinois law, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits (1993 Revision) the International Chamber of Commerce Publication No. 500, as hereby expressly incorporated by reference.

[NAME OF BANK]

_____
By:
Its: Vice President

_____
Attest:
Its: Assistant Vice President

09/13/04
sd

SAMPLE

C

Exhibit C

Joint Review Board Minutes

Joint Review Board – Tax Increment Finance (TIF) District

January 23, 2006

Joint Review Board Meeting Called to Order

A Joint Review Board meeting was held Monday January 23, 2006 at 1000 North Midlothian Road, Mundelein. Mayor Kessler called the meeting to order at 7:20 pm.

Attendance

Clerk Dahlstrom took the roll. It indicated these members present: Doug Egan, District 75; Alex Marx, Mundelein Park District; Bill O'Brien, Fremont Library District; Betty-Ann Moore, Libertyville Township; Bill Morgan, Libertyville Township Highway; absent: College of Lake County, District 76, District 120, Lake County, and Public member. Village attendance: Trustees Cancelli, Nutschnig, Semple, Sullivan, Voss, Administrator Lobaito and Assistant Administrator Flynn.

Motion to Appoint Mayor Kessler as Chairman of the Joint Review Board Meeting

Motion by Marx, seconded by Moore to appoint Mayor Kessler as Chairman for the Joint Review Board. Upon roll call vote, the vote was as follows: Ayes: Marx, Moore, Egan, O'Brien, Morgan, and Kessler; nays: none; absent and not voting: College of Lake County, District 76, District 120, Lake County. Motion carried.

Purpose of Meeting

Chairman Kessler introduced Mr. Phil McKenna, Kane McKenna and Associates. Mr. McKenna stated this was an annual meeting of the Joint Review Board regarding the Tax Increment Finance (TIF) District. A quorum is two or more Board members, which is present. The Annual TIF Report (ATR) is a State mandated report and is required when $100,000 is accumulated. The ATR revolves around the Village's fiscal year. There is no report, because to date, that amount has not been collected. Once the ATR is created, a full audit would accompany the report.

TIF Project Review

Chairman Kessler introduced Administrator Lobaito to discuss the TIF summary. Administrator Lobaito stated only one project has been approved in the TIF District, Cardinal Square; a 13 acre property across from the Metra Station. There is Park Street Station currently under negotiations, a row home project on Chicago Avenue. Lastly, the Village has partnered with a downtown property owner, Sigma Services to redefine the 24 acre property on the west side of the Metra Station.

TIF Budget Review

Chairman Kessler introduced Assistant Administrator Flynn stated the Financial Audit for FYE 05 has been distributed. It is recorded as TIF Area 2. Area 1 was an old TIF area and has been since changed. Currently, Area 2 is the only TIF District the Village has. There have been two tax appeals in the TIF District. The two appeals have been forwarded to the Lake County Tax Assessor.

Questions from Joint Review Board and Village Board

Chairman Kessler opened the floor for questions from the Review Board and then the public.

Questions from Review Board and Village Board (continued)

Commissioner Moore asked how many housing units in Cardinal Square. Administrator Lobaito stated approximately 641 units; 37 town homes and the remainder will be condominiums.

Commissioner O'Brien asked what percentage of commercial and residential property and non-taxable property would be. Administrator Lobaito stated in was defined in the TOD Plan as approximately 150,000-200,000 square feet of commercial, 1,500 residential units. The TIF District is 99 acres and the Study area is less than the TIF District. The non-taxable is a small portion of that, Village Hall, the Post Office, and possible some other civic building.

Commissioner Morgan asked about the two businesses that requested the reassessment of their taxes. Mr. McKenna stated taxes are the product of the Equalized Assessed Valuation times the Tax Rate. If the Taxing District is below the base, that would create a temporary shortfall. If it were above the base, it would not have an effect on the TIF District.

Floor Opened and Closed to the Public

Chairman Kessler opened the floor to the public. No questions or comments were made. The floor was closed to the public.

Adjournment

Motion by Marx, seconded by O'Brien to adjourn the meeting. Upon unanimous voice vote, the meeting was adjourned at 7:40 pm.

Minutes taken by Esmie M. Dahlstrom, Village Clerk.

Minutes approved by Chairman signature: _____

Minutes filed with Village Clerk on: _____
Initials: _____

EXHIBIT 2

VILLAGE OF MUNDELEIN
OFFICE OF THE VILLAGE ADMINISTRATOR

MEMORANDUM

To: TIF Joint Review Board Members

From: Michael Flynn, Assistant Village Administrator MMF

Date: January 16, 2007

Re: Mundelein TIF Financial Review

The boundaries of the Mundelein Tax Increment Financing District are shown on Exhibit A attached hereto.

The Illinois TIF Act requires the preparation of an Annual TIF Report (ATR) when $100,000 has been accumulated in the TIF account. The Mundelein TIF District received $10,317 in tax revenues, and incurred expenditures of $113,575. The ending fund balance in Fiscal Year End April 30, 2006 was -$147,785, as indicated on Exhibit B (page 87 of the 2006 Mundelein Comprehensive Annual Financial Report) attached hereto. Because there was no money in the TIF fund, these expenditures were charged to other Village funds. These funds will be repaid from the TIF fund when money is available. Therefore, because the TIF fund balance has not yet accumulated $100,000, a TIF ATR has not been prepared.

Expenditures charged to the TIF fund are presented in Exhibit C and include $4,376.90 in legal costs and $109,198.62 in planning services.

The following financial resolutions related to the TIF have been adopted.

1) Resolution 05-12-35, *Resolution Approving Tier 1 Certification Request for Cardinal Square.*

The development agreement for Cardinal Square provided TIF reimbursement for up to $4,500,000 in land acquisition costs. This resolution certified $1,150,000 in land acquisition costs repayable from TIF revenues generated from the Cardinal Square project when available. Interest on the certified costs began on the date this resolution was adopted.

2) Resolution 06-10-36, *Resolution Approving the Second Tier 1 Certification Request for Cardinal Square.*

The Cardinal Square development agreement also provided for repayment of certain other approved expenditures from TIF revenues generated from the Cardinal Square project when available. This resolution approved $572,519.30 in eligible costs for demolition, burying power lines, and soil remediation. Interest on these certified costs began on the date this resolution was adopted.

3) Resolution 06-06-17, *Resolution Identifying the Eligible Redevelopment Project Costs to April 30, 2006 with Respect to the Downtown TIF District and Further Identifying Those Redevelopment Project Costs for Which Third Parties Have Agreed to Reimburse the Village.*

This Resolution identifies TIF District expenditures eligible for reimbursement from the TIF Fund and from various Third Parties under separate agreements. Total eligible redevelopment costs identified in the Resolution are $791,753.81, of which $380,125.72 is reimbursable from the TIF fund, and $411,628.09 is reimbursable from third parties.

The following actions are requested at the Village Board meeting on January 22, 2007.

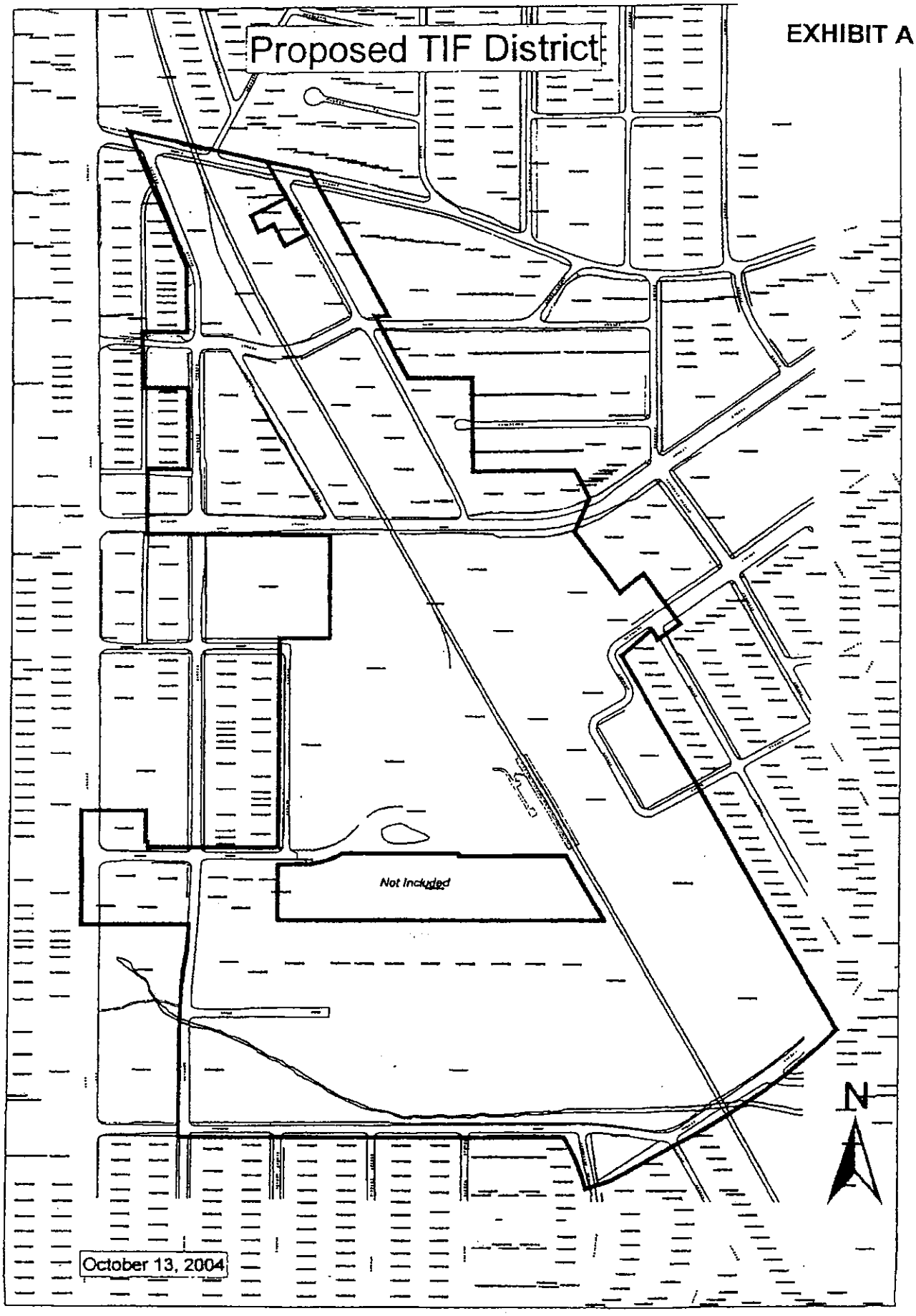
1) Approval of a *Resolution Approving the Balance of the Second Tier One Certification Request for Cardinal Square.*

This resolution approves an additional $109,068 in certified costs for the Cardinal Square development for contracted work, which were left out of the first approval pending further review and approval by the Village Engineer.

2) Motion to authorize payment on the Tier 1 Tax Increment Allocation Note in the amount of $22,637.79

In accordance with the Cardinal Square redevelopment agreement the Village issued two tax increment allocation revenue notes with annual payment dates of February 1st. Principal and interest on the notes are payable from pledged taxes available.

EXHIBIT A



Village of Mundelein, Illinois

Tax Increment Finance Area #2
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2006

	Original Budget	Final Budget	Actual
Revenues			
Taxes	$ 22,200	$ 22,200	$ 10,317
Expenditures			
General government			
Professional services	200,000	200,000	113,575
Net change in fund balance	$ (177,800)	$ (177,800)	(103,258)
Fund balance - beginning			(44,527)
Fund balance - ending			$ (147,785)

D

Exhibit D

McGladrey & Pullen
Certified Public Accountants

Village of Mundelein, Illinois

Tax Increment Finance Area #2 Report
April 30, 2007

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Independent Auditor's Report

McGladrey & Pullen
Certified Public Accountants

Independent Auditor's Report

To the Honorable Village President
Members of the Board of Trustees
Village of Mundelein, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Mundelein, Illinois, as of and for the year ended April 30, 2007, which collectively comprise the Village's basic financial statements and have issued our report thereon dated September 28, 2007. These financial statements are the responsibility of the Village of Mundelein, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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 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 opinion.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying schedule of revenues, expenditures and changes in fund balance is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Schaumburg, Illinois
September 28, 2007

McGladrey & Pullen, LLP is a member firm of RSM International –
an affiliation of separate and independent legal entities.

Village of Mundelein, Illinois

Tax Increment Finance Area #2

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended April 30, 2007

Revenues		
Property taxes	$	182,843
Interest		243
Total revenues		183,086
Expenditures		
General government		22,638
Excess (deficiency) of revenues over expenditures		160,448
Other financing sources		
Transfers in		-
Net change in fund balance		160,448
Fund Balance		
Beginning of year		(147,785)
End of year	$	12,663

Independent Auditor's Report on Compliance

McGladrey & Pullen
Certified Public Accountants

Independent Auditor's Report on Compliance

To the Honorable Village President
Members of the Board of Trustees
Village of Mundelein, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Mundelein, Illinois, as of and for the year ended April 30, 2007, which collectively comprise the Village's basic financial statements and have issued our report thereon dated September 28, 2007.

We have also audited the Village's compliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142). The management of the Village of Mundelein, 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 Buffalo Grove, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of Mundelein, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142).

McGladrey & Pullen, LLP

Schaumburg, Illinois
September 28, 2007

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an affiliation of separate and independent legal entities.