



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

**FY 2017**

**Name of Redevelopment Project Area (below):**  
 Irving Park Road East RPA (TIF #5)

**Primary Use of Redevelopment Project Area\*:** Mixed

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

**If "Combination/Mixed" List Component Types:** Commercial, Retail, Residential

**Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):**  
 Tax Increment Allocation Redevelopment Act   
 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)] <b>If yes, please enclose the amendment labeled Attachment A</b>	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)] <b>Please enclose the CEO Certification labeled Attachment B</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)] <b>Please enclose the Legal Counsel Opinion labeled Attachment C</b>		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan including any project implemented and a description of the redevelopment activities.? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement labeled Attachment D</b>		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)] <b>If yes, please enclose the Agreement(s) labeled Attachment E</b>		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)] <b>If yes, please enclose the Additional Information labeled Attachment F</b>	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] <b>If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G</b>	X	
Were there any reports or meeting minutes 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)] <b>If yes, please enclose the Joint Review Board Report labeled Attachment H</b>		X
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose any Official Statement labeled Attachment I and Attachment J MUST be Yes</b>	X	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If attachment I is yes, Analysis MUST be attached and labeled Attachment J</b>	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K</b>		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] <b>If yes, The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 labeled Attachment L</b>		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] <b>If yes, please enclose list only, not actual agreements labeled Attachment N</b>	X	

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

**Provide an analysis of the special tax allocation fund.**

**FY 2017**

**TIF NAME:**

Irving Park Road East RPA (TIF #5)

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ (68,617)

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 15,046	\$ 30,930	15%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 125	\$ 131	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)	\$ 159,000	\$ 180,000	85%

**All Amount Deposited in Special Tax Allocation by source**

\$ 174,171

**Cumulative Total Revenues/Cash Receipts**

\$ 211,061 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)**

\$ 175,506

**Distribution of Surplus**

**Total Expenditures/Disbursements**

\$ 175,506

**Net/Income/Cash Receipts Over/(Under) Cash Disbursements**

\$ (1,335)

**FUND BALANCE, END OF REPORTING PERIOD\***

\$ (69,952)

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

**SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c))**

**FY 2017**

**TIF NAME:** Irving Park Road East RPA (TIF #5)

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**  
(by category of permissible redevelopment project costs )

**PAGE 1**

<b>Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]</b>	<b>Amounts</b>	<b>Reporting Fiscal Year</b>
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Legal Services -Bernie Paul	85,632	
Professional Service - SB Friedman & Co	82,974	
Appraisal for 1311 Irving Park Road - V.A. Solano & Associates Inc.	1,100	
RDA Review - Ice Miller LLP	5,000	
Professional Service - SpaceCo Inc	800	
		\$ 175,506
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the consturctuion of public works or improvements.		
		\$ -



**SECTION 3.2 A**

**PAGE 3**

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -

<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 175,506</b>
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**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

**FY 2017**

**TIF NAME:**

Irving Park Road East RPA (TIF #5)

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

**Check here if no property was acquired by the Municipality within the  
X 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 - 20 ILCS 620/4.7 (7)(F)**

**FY 2017**

**TIF Name:**

TIF NAME: Irving Park Road East RPA (TIF #5)

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

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

<b>1. <u>NO</u></b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
<b>2.</b> The Municipality <b><u>DID</u></b> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	
<b>2a.</b> The number of projects undertaken by the municipality within the Redevelopment Project Area:	1

**LIST the projects undertaken by the Municipality Within the Redevelopment Project Area:**

<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ 1,000,000	\$ 1,000,000	\$ 44,000,000
Public Investment Undertaken	\$ -	\$ -	\$ -
Ratio of Private/Public Investment	0		0

\*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

**Project 1\*: Verandah Senior Housing, 900 Irving Park Rd.**

Private Investment Undertaken (See Instructions)	\$ 1,000,000	\$ 1,000,000	\$ 44,000,000
Public Investment Undertaken		\$ -	
Ratio of Private/Public Investment	0		0

**Project 2\*:**

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

**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





# Village of Hanover Park Administration

**Municipal Building**  
2121 West Lake Street, Hanover Park, IL 60133  
630-823-5600 tel 630-823-5786 fax

hpiil.org

**Village President**  
Rodney S. Craig

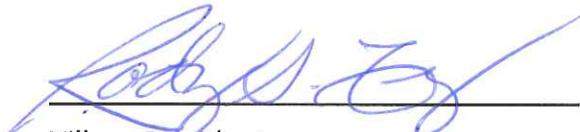
**Village Clerk**  
Eira Corral Sepúlveda

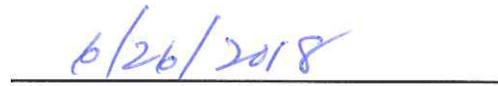
**Trustees**  
James Kemper  
Jon Kunkel  
Herb Porter  
Bob Prigge  
Rick Roberts  
Sharmin Shahjahan

**Village Manager**  
Juliana A. Maller

## ATTACHMENT B

I, Rodney S. Craig, the elected Chief Executive Officer of the Village of Hanover Park, County of Cook and County of DuPage, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied the Irving Park Road East RPA (TIF #5) Report with the requirements pertaining to the Illinois Tax Incremental Redevelopment Allocation Act during the fiscal year beginning January 1, 2017 and ending December 31, 2017.

  
\_\_\_\_\_  
Village President

  
\_\_\_\_\_  
Date

ATTACHMENT C

LAW OFFICES OF  
**BERNARD Z. PAUL**  
231 SOUTH FOURTH STREET  
DEKALB, ILLINOIS 60115-3732

BERNARD Z. PAUL  
bernardzpaul@gmail.com

TELEPHONE  
(815)756-1312  
(fax) (815)758-2863

**OPINION OF LEGAL COUNSEL**

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Re: Village of Hanover Park, Illinois (the "**Village**") Irving Park Road East Redevelopment Project Area - TIF #5 (the "**TIF #5**") / Annual Tax Increment Finance Report for the Fiscal Year ended December 31, 2017

In connection with the "Annual Tax Increment Finance Report" under 65 ILCS 5/11-74.4-5(d) (the "**Act**") for the fiscal year ending December 31, 2017 for the Irving Park Road East Redevelopment Project Area - TIF #5 (the "**Annual Report**"), I am acting as the Village Attorney for the Village of Hanover Park, and, based upon review of the Annual Report, in reliance on representations made by officers and employees of the Village in such Annual Report, and in reliance on the Village's officials and tax increment finance personnel, planners, consultants and the Village's management as to all proceedings preliminary to, in connection with and related to the adoption of tax increment finance, the approval of the redevelopment plan and redevelopment project and the designation of the Irving Park Road East Redevelopment Project Area - TIF #5, as such adoption, approval and designation have been supplemented and amended, but without making any independent investigation or inquiry in connection with any of the foregoing, as of December 31, 2017, nothing had come to my attention during said period to lead me to conclude other than that the Village as of such date was in compliance with the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*).

In connection herewith, I am assuming the accuracy, completeness and sufficiency of all documents, statements and representations by and on behalf of the Village and its officers and agents provided to me related to such TIF and in the Annual Report, and I express no opinion as to (i) the sufficiency or completeness of the Annual Report (or any Irving Park Road East Redevelopment Project Area - TIF #5 audit), (ii) the receipt and application of incremental taxes, or (iii) the payment of redevelopment project costs related to such TIF. This constitutes the "**opinion of legal counsel**" under the Act, and may not be cited or used in connection with anything other than submission with the Annual Report.

Dated as of: August 28, 2018

Very truly yours,

  
\_\_\_\_\_  
Bernard Z. Paul

## **Attachment D – Activities Statement**

### **TIF #5 –Irving Park Road East Corridor RPA**

**Statement setting forth all 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) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]**

*The Village of Hanover Park, Illinois Irving Park Road East Tax Increment  
Redevelopment Project and Plan (“TIF #5”) was adopted on January 10, 2013.*

During the fiscal year beginning January 1, 2017 and ending December 31, 2017 (FY2017), various activities and projects were undertaken in furtherance of the objectives of TIF #5, including the following:

- 1) Village approved a 215-unit Senior Housing development at 900 Irving Park Road. The previously vacant 11-acre parcel (old Menards site), has been approved for: 55 market-rate townhomes, 75 one-bedroom and two-bedrooms condominiums, 85 assisted living units, a 10,000 square foot club house, 200,000 square feet of new open space, natural walking paths, several amenities and a one-acre commercial retail pad. This development is estimated to have a construction cost of over \$42 million. A Redevelopment Agreement has been approved for \$6.3 million in TIF assistance after demonstration of financial gap. The reimbursement will occur in the form of developer note(s), and the financial assistance will be limited to the increment generated solely from this development. Mass grading and some detention work has begun. Phase-I is anticipated to begin in Spring 2018 for the construction of townhomes.
- 2) Long John Silvers located at 800 Irving Park Rd. invested about \$20,000 in interior improvements.

**RESOLUTION NO. R-17-32**

**A RESOLUTION AUTHORIZING THE EXECUTION OF A  
REDEVELOPMENT AGREEMENT WITH  
VERANDAH RETIREMENT COMMUNITY LLC FOR THE PROPERTY  
AT 900 IRVING PARK ROAD, HANOVER PARK, ILLINOIS**

**WHEREAS**, the Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the “Act”), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects, incurring redevelopment project costs, and enter into redevelopment agreements;

**WHEREAS**, to induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (the “Corporate Authorities”) introduced and adopted the following ordinances on January 10, 2013 (1) “ORDINANCE NO. O-13-03 AN ORDINANCE ADOPTING AND APPROVING THE TAX INCREMENT FINANCE, VILLAGE OF HANOVER PARK, REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5), REDEVELOPMENT PLAN AND PROJECT, OF THE VILLAGE OF HANOVER PARK, ILLINOIS, FOR THE PROPOSED REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5”); (2) “ORDINANCE NO. O-13-04 AN ORDINANCE DESIGNATING THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5) TAX INCREMENT FINANCE”;; and (3) “ORDINANCE NO. O-13-05 AN ORDINANCE ADOPTING TAX INCREMENT FINANCING FOR THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5)” (said ordinances hereinafter collectively referred to as the “TIF Ordinances”); and

**WHEREAS**, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the “State”), the Village has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals; now, therefore,

**BE IT RESOLVED** by the President and Board of Trustees of the Village of Hanover Park, Cook and DuPage Counties, Illinois, as follows:

**SECTION 1:** That the recitals contained in the preamble hereof are true in substance and in fact and are incorporated herein as fully set forth.

**SECTION 2:** That Rodney S. Craig, Village President, and Eira Corral Sepúlveda, Village Clerk, be and are hereby authorized and directed to execute a Redevelopment Agreement with The Chicago Trust Company, N.A., as Trustee under the provisions of a Trust Agreement dated September 23, 2016, and known as Trust Number SBL-4135 and Verandah Retirement Community, LLC, a copy of which is attached hereto and made a part hereof as Exhibit “A.”

**ADOPTED** this 25<sup>th</sup> day of September, 2017, pursuant to a roll call vote as follows:

AYES: Porter, Prigge, Shahjahan, Kunkel, Kemper

NAYS: None

ABSENT: Roberts

ABSTENTION: None

Approved:   
Rodney S. Craig, Village President

Attest:   
Eira L. Corral Sepúlveda, Village Clerk



**REDEVELOPMENT AGREEMENT**  
**(Verandah Retirement Community, LLC REDEVELOPMENT PROJECT)**

THIS REDEVELOPMENT AGREEMENT (the "Agreement") is entered into this 25<sup>th</sup> day of September, 2017, (the "Effective Date") by and between the Village of Hanover Park, Illinois, a home rule Illinois municipal corporation, located in Cook and DuPage Counties, Illinois (the "Village"), The Chicago Trust Company, N. A., as Trustee under the provisions of a Trust Agreement dated September 23, 2016 and known as Trust Number SBL-4135 (Owner) and Verandah Retirement Community LLC, and Aman Living, LLC, both Illinois Limited Liability Companies ("Collectively Developer" or "Developer").

**RECITALS**

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the Village has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects and to exercise the power of eminent domain and all other powers under the Act.

C. Village Authority: To induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (the "Corporate Authorities") introduced and adopted the following ordinances on January 10, 2013 (1) "ORDINANCE NO. O-13-03 AN ORDINANCE ADOPTING AND APPROVING THE TAX INCREMENT FINANCE, VILLAGE OF HANOVER PARK, REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5), REDEVELOPMENT PLAN AND PROJECT, OF THE VILLAGE OF HANOVER PARK, ILLINOIS, FOR THE PROPOSED REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5"; (2) "ORDINANCE NO. O-13-04 AN ORDINANCE DESIGNATING THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5) TAX INCREMENT FINANCE"; and (3) "ORDINANCE NO. O-13-05 AN ORDINANCE ADOPTING TAX INCREMENT FINANCING FOR THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5)" (said ordinances hereinafter collectively referred to as the "TIF Ordinances"). The redevelopment project area for all of TIF #5 (the "TIF #5 Redevelopment Project" or "TIF District #5") generally includes approximately 25.32 acres of property bordered on the west by Olde Salem Road; on the south by West Irving Park Road to Orchard Lane, south on Orchard Lane, then west along Countryside Drive extended to Keystone Place and north to West Irving Park and Wise Road; on the east by the commercial property line approximately 266 feet east of Farmstead Lane to an east-west line north along the commercial property approximately 150 feet south of Taylor Street and Wilson Street and north along Olde Salem Circle to Roosevelt Road; and on the north by an access road one lot width

south of Roosevelt Road (the "Redevelopment Area"). This Redevelopment Area is legally described in Exhibit A hereto.

D. Redevelopment Project: In anticipation of the adoption of this Redevelopment Agreement, the Developer purchased the property in the Redevelopment Area that is legally described and depicted on Exhibit A-1 hereto (the "Property"). The Developer has removed the existing parking lot pavement and will design, construct and operate the Property as a mixed use senior housing development consisting of (collectively, the "Redevelopment Project"): (i) a residential townhome development with up to 55 townhomes with two and three bedroom options along with a five story building containing up to 80 condominium units with one and two bedroom apartments (together, the "Phase I Project"); and (ii) a separate building containing up to 12 memory care units and up to 68 assisted living units with doctors' and physical therapy offices ancillary to the memory care with a lounge, dining and community rooms (together, the "Phase II Project"). The Redevelopment Project shall be located along the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle as depicted on Exhibits E and D. The Developer shall also prepare a retail pad and cause to be constructed 6,000 square feet or more of retail and/or restaurant uses in the future as further provided herein (the "Retail Parcel"). Failure to construct or cause to be constructed at least 6,000 square foot building on the Retail Parcel within five (5) years from the date of this Agreement shall entitle the Village to the payment by Developer of a liquidated damages sum of \$100,000. The Developer's estimate of the capital costs of the construction of the Redevelopment Project is contained in Exhibit B.

The specific objectives of the Developer in construction of the improvements on the Project Site include, without limitation:

Expansion of Developer's business in the area;

Access to a competent workforce; and

Access to tax increment financing to facilitate the construction of the Redevelopment Project.

The potential of the Redevelopment Project's contribution to the local economy is substantial and includes:

Increased ad valorem property taxes;

Related private investment in adjacent properties;

Strengthening the Village's commercial sector and providing senior housing and assisted living; and

Employment opportunities during construction and operation of the Redevelopment Project.

The completion of the Redevelopment Project would not reasonably be anticipated without the tax increment financing contemplated in this Agreement.

E. Redevelopment Plan: The Redevelopment Project will be carried out in accordance with this Agreement and the Redevelopment Plan for the Establishment of a Redevelopment Project Area in Hanover Park, Illinois (the “Redevelopment Plan”) attached hereto as Exhibit C. The parties acknowledge that the Redevelopment Project was proposed and authorized as a Planned Unit Development with Special Use and conforms in substance to the Redevelopment Plan and Zoning Ordinance and the Comprehensive Plan of the Village.

F. Village Financing: In order to achieve the objectives of the Redevelopment Plan, the Village agrees to use, in the amounts set forth in paragraph 13 hereof, Incremental Taxes generated by the Redevelopment Project within the Redevelopment Area to pay for or reimburse the Developer for the Redevelopment Project Costs pursuant to the terms and conditions of this Agreement.

G. Submittals – Exhibits: In furtherance of the development of the Property, the Developer has submitted to the Village the following attached hereto as exhibits:

- |           |   |
|-----------|---|
| Exhibit A | Redevelopment Area  |
| Exhibit B | TIF-Funded Redevelopment Project Costs  |
| Exhibit C | Redevelopment Plan  |
| Exhibit D | Preliminary Plat of Subdivision for Verandah – Hanover Park, prepared by Compass Surveying, Ltd., dated November 18, 2016, with a latest revised date of 9-18-17.   |
| Exhibit E | Preliminary Planned Unit Development Plan, prepared by HKM Architects, dated November 18, 2016.   |
| Exhibit F | Preliminary Engineering Plans, prepared by RWG Engineering, LLC dated November 18, 2016.  |
| Exhibit G | Verandah Aman Living, LLC, Rendering, Site Plan, Landscape Plan, prepared by HKM Architects dated November 18, 2016 (including front, side and rear elevations).  |
| Exhibit H | Photometric Plan, 1 Story Townhome Assembly Plans, 1 Story Townhome Unit Plans, 2 Story Townhome Assembly Plans, 2 Story Townhome Unit Plans, 2 Story Townhome Elevations (4 Unit Assembly).  |
| Exhibit I | 2 Story Townhome Elevations (4 Unit Assembly) Condo Building Plan, First Floor Multi-Story Building Plan, Second Floor Multi-Story Building Plans, Third – Fifth Floors Typical Condo Unit Plans, Elevations, Enlarged Partial Elevations and Building Signage (marked Exhibits 1 – 18) all prepared by HKM Architects and Planners, Inc., dated November 18, 2016. |

- Exhibit J Preliminary Grading and Drainage Plans, prepared by RWG Engineering, LLC dated November 18, 2016.
- Exhibit K Preliminary Utility Plan, Sanitary and Water Plan, prepared by RWG Engineering, LLC dated November 18, 2016.
- Exhibit L Verandah Market Analysis Summary and Conclusions prepared by Valerie S. Kretchmer Associates, Inc., and dated May 2016.
- Exhibit M Traffic Impact Study, including Traffic Count Summary Sheets, Site Plan, Level of Service Criteria, Capacity Analysis Summary Sheets, dated October 28, 2016.
- Exhibit N Declaration of Easements, Covenants, and Restrictions, and By-Laws of Verandah Owners' Association.
- Exhibit O Form of Note
- Exhibit P Permitted Mortgages
- Exhibit Q Deposit and Reimbursement Agreement
- Exhibit R Public/Private Improvements
- Exhibit S Financing Plan
- Exhibit T Opinion of Developer's Counsel

Developer is required to develop the Property and provide off-site improvements in accordance with the above exhibits as may be further refined in final documents approved by Village.

H. On May 12, 2016, the Village's Development Commission held a public hearing on Developer's petition for rezoning requests, a planned unit development with variations and subdivision in accordance with a Preliminary Planned Unit Development Plan (Exhibit E) and Preliminary Plat of Subdivision (Exhibit D) pursuant to public notice published in a newspaper of general circulation in the Village not less than 15 days nor more than 30 days prior to said public hearings, a copy of which is on file with the Village Clerk, and by written notice mailed by certified mail, return receipt requested, addressed to all owners of property located within 250 feet of the perimeter of the Property, excluding public right-of-way, as evidenced by the copy of said mailed notice and the return receipts filed by Developer with the Village Clerk; and

I. The Development Commission held another public hearing on December 8, 2016 to evaluate modifications made to the original Planned Unit Development Application as proposed on May 12, 2016.

J. The Development Commission has made its report to the Corporate Authorities regarding the petition for rezoning, a planned unit development in accordance with the Preliminary Planned Unit Development Plan, Exhibit E, and Preliminary Plat of Subdivision,

Exhibit D, and Developer's Exhibits as set forth in paragraph G, with certain variations contemplated herein and has recommended approval thereof to the Corporate Authorities.

K. On September 26, 2016, the Corporate Authorities rezoned the Property (except the Retail Parcel) to "R-4, Multi-Family Residence District;" now, therefore,

IN CONSIDERATION of the foregoing preambles and the mutual covenants and agreements set forth herein, the Village and Developer agree as follows:

1. **Incorporation of Preambles**

The representations and recitations set forth in the foregoing preambles are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though fully set forth herein.

2. **Acquisition of the Property**

The Developer acquired the Property on September 9, 2016 pursuant to a Trustee's Deed In Trust, recorded on October 3, 2016 in Cook County, IL as document number 1627719087.

3. **Right to Develop**

The Village agrees during the term of this Agreement that Developer shall have the sole and exclusive right to develop the Property, provided, however, that Developer shall have the right to sell all or a portion of the Property pursuant to paragraph 20 hereof.

4. **Approval of Preliminary Planned Unit Development Plan and Preliminary Plat of Subdivision**

A. At the same meeting at which the Village approves this Agreement, the Village shall approve ordinances: (i) approving the Preliminary Planned Unit Development Plan attached as Exhibit E; and (ii) approving the Preliminary Plat of Subdivision attached as Exhibit D. The Developer agrees that the Property shall be developed only in accordance with the preliminary plan, as approved or subsequently amended, and agrees to follow all of the procedures of the Planned Unit Development ordinance of the Village in connection with such development except as modified herein.

B. The final plats shall not be required to be filed with the Development Commission for review prior to their consideration for approval by the Village Board. In accordance with the Municipal Code of Hanover Park, the Village shall approve one or more final plats (but in no case more than three (3) with all of the remainder of the Property to be included in the last plat) which correspond to one or more components of the Redevelopment Project provided they substantially conform with the Preliminary Planned Unit Development Plan and Preliminary Subdivision Plat, respectively. The Property may be platted and developed in phases (or only one final plat for all of the Property). The final plat or plats shall

be submitted within one year of Village approval of the Preliminary Subdivision Plat. The Village shall have the right to require and approve one or more Declarations of Easement, Covenants, Restrictions and By-Laws (each, a "Declaration") relating to the construction and operation of the Property as a condition to the approval of the applicable final plat(s).

No final plat shall be approved until a complete Declaration of Covenants and Restrictions has been submitted by Developer and approved by the Corporate Authorities of the Village covering all of the Property and concerning maintenance, repairs, restoration, operation, and improvement of the private amenities.

- C. The Planned Unit Development Ordinance of the Village makes provision for variances or modifications from the requirements of the Zoning Ordinance for the underlying zoning district in order to promote and allow innovation and flexibility of design in keeping with the public interest and welfare. The Village finds that the strict application of certain provisions of the Zoning Ordinance would be unduly restrictive and would prevent Developer from developing the Property and effecting the Plan herein approved. Therefore, the Village agrees that the Planned Unit Development Plan shall govern with respect to the development of the Property in any case in which the standards now or hereafter provided in the Zoning Ordinance shall conflict or in any case in which there shall be no applicable standards provided therein, all being consistent with the intent and purpose of the Zoning Ordinance and in conformity with the general character of the Village, including without limitation the following:
1. Variance from Section 110-5.6.4.c. to exceed 50% lot coverage for the R-4 zoned portion of the property;
  2. Variance from Section 110-5.6.4.e. to exceed the maximum allowable density of 12 dwelling units per acre;
  3. Variance from Section 110-5.6.4.b(1) to reduce the 30 foot required front yard setback to 21 feet for select single family attached buildings;
  4. Variance from Section 110-5.6.4.b(3) to reduce the 30 foot required corner side yard to 9.24 feet for select single family attached buildings;
  5. Variance from Section 110-5.6.4.b(2)(c) to reduce the distance between single family attached buildings from 20 feet to 15 feet;
  6. Variance from Section 110-5.6.4.b(4) to reduce the 30 foot required rear yard setback to 16 feet for select single family attached buildings;
  7. Variance from Section 6-7(a)(2) to allow for three illuminated Subdivision Identification Sign to be mounted to the Multi-story building;
  8. Variance from Section 110-5.9.5.a(3) to reduce the side yard setback abutting a residential district from 30 feet to 8 feet for the commercial retail building;

9. Variance from Section 110-5.9.5.c. to exceed 75% lot coverage for the B-2 zoned portion of the property;
10. Variance from Section 110-5.6.4.b(1) to reduce the 30 foot required front yard setback to 8.4 feet for the multi-story building;
11. Variance from Section 110-5.6.4.b(2)(b) to reduce the 29.5 foot required side yard setback to 14 feet for the multi-story building;
12. Variance from Section 110-6.2.3. to reduce the parking requirement, if necessary, from 12 spaces per 1,000 gfa to 11 spaces per 1,000 gfa;
13. Variance from Section 110-6.3.9.a, to reduce the 10 foot landscape buffer from B-2 to R-4 to eight feet; and
14. Variance from Section 110-6.6.5.d(5)(c) to increase the height of a decorative fence from three feet to four feet, and
15. Variance from Section 110-5.6.4.b(2)(b) to reduce the 13.5 foot required side yard setback up to 9 feet for select single family attached buildings.

**5. Preliminary Engineering Plans and Engineering Standards**

A. At the same meeting at which the Village approves this Agreement, the Village shall also approve the Preliminary Engineering Plans attached with the Preliminary Plat as Exhibit D

B. Conveyance of Public Improvements to the Village

Following the completion of construction of all public improvements and approval of such construction by the Village Engineer, the Developer shall, as the case may be, convey and/or dedicate such public improvements and utility facilities to the Village by way of dedications, the granting of adequate easements and a customary form of bill of sale, and the Village Board shall accept same. Such approval and acceptance shall be effected not less than 45 days following approval of the Village Engineer. Such public improvements are depicted on Exhibit R

C. Right to Connect

The Property shall be permitted in accordance with Village ordinances to connect to Village sanitary sewer, water, and storm water facilities which are located within public rights-of-way, and Developer shall pay the connection fees of general applicability in effect on the date such permits are issued.

D. Developer shall in the future participate by paying on a pro rata basis (based on its frontage along Illinois Route 19) for the cost of burying electric lines and facilities but only to the extent others with frontage along said Illinois Route 19 participate; provided, however, that in the event the Village does not develop and implement a comprehensive plan for burying such lines along Illinois Route 19

within five (5) years of the date hereof there shall be no such obligation on the part of the Developer.

- E. Developer shall re-landscape the medians within the Olde Salem Road right-of-way as depicted on the Landscape Drawings prepared by HKM Architects and Planners dated November 18, 2016.

**6. Development Standards**

- A. The Village Manager shall be authorized to administratively approve the following changes in the Redevelopment Project; bedroom mix; product type; and reductions in unit count by not more than 10%. In addition, the Village Manager shall have the right to administratively authorize extensions in commencement dates for the phasing schedule outlined in Section 6D. The Village Manager may extend the applicable date by up to six months but may do so no more than twice.
- B. The Redevelopment Project shall be constructed in a manner consistent with the general design objectives and the additional goals and objectives of the Redevelopment Plan and in compliance with all Village codes and ordinances and this Agreement, including Exhibits D through K, and shall include such amenities, facilities, and landscaping as are both required by Village codes, regulations, and this Agreement.
- C. If any of the design plans are not complete and approved by the Village as of the date of execution of this Agreement, the Village shall retain the right to require same to be in accordance with the Village's design guidelines and to approve same.
- D. Phasing Schedule

Developer shall begin the various phases of development on or before the following dates:

<u>Product / Activity</u>	<u>Commencement Date</u>
Site Development	March 1, 2018
Townhomes	June 1, 2018
Condominiums	June 1, 2019
Assisted Living Units	June 1, 2020
Retail Parcel	In the future

The Developer shall submit for approval its First Final Plat consisting of not less than all of the townhome development not later than 180 days from the date of this Agreement; provided, however, that the foregoing date may be extended due to delays in obtaining permits from non-Village governmental authorities and for winter conditions. In the event of a delay beyond said 180 day period, Developer shall commence activity within 30 days of such condition abating.

E. Intentionally Omitted

F. Refuse and Weed Control

In addition to complying with the Village's Subdivision Ordinance:

- (1) During all phases of construction, Developer shall use best efforts to clear the Property of all wind-blown trash and debris.
- (2) During all phases of construction, Developer shall provide a sufficient number of construction-sized dumpsters to contain all trash and debris generated throughout the entire area of the project.
- (3) Developer shall use best efforts to prevent such containers from overflowing and shall prevent debris from blowing from the site by having the containers emptied as soon as reasonably possible once they are filled.
- (4) During all phases of construction, Developer shall regularly cut all weeds and grass on the site and on the right-of-way adjacent to the site.
- (5) All vacant portions of the Property not under construction within one (1) year of approval of final plat shall be maintained in accordance with Village codes, seeded and grassed.

G. Subdevelopers and Others

- (1) Developer will serve as the developer for the Phase I Project and Phase II Project. The design architect for all of the residential townhome condominium and assisted living components of the project will be a reputable architecture firm experienced in the design of senior residential housing.
- (2) Developer may partner with or employ a general contractor. Any such general contractor shall be a reputable construction firm experienced in the development, construction and delivery of the senior housing. The sales and marketing agent for the residential component will be Developer or an agent of Developer experienced in residential projects in the Chicago metropolitan area.

- (3) Before commencement of construction on the Property, the Developer shall provide to Village the identity of its contractors and evidence of satisfaction of all Village licensing and surety bond requirements.
- (4) The developer of the Retail Parcel (if not the Developer) shall be a development firm experienced in the development, ownership and management of retail projects in the Chicago metropolitan area. Developer shall provide its credentials to the Village.
- (5) The design architect for the Retail Parcel will be an architect with experience in retail development in the Chicago metropolitan area. Upon identifying said design architect, Developer shall provide its credentials to the Village.
- (6) Upon completion of each aspect of the Project, the operation and management shall be performed in accordance with the applicable Declaration(s).
- (7) The foregoing notwithstanding, the Developer is responsible for all development occurring on the Property.

## 7. **Development Issues**

- A. No building permits for any structure within a Phase on the Property shall be issued until the Final Plat of Subdivision has been approved and recorded as to that Phase in the office of the County Recorder and all applicable Hanover Park Municipal Code requirements have been satisfied.
- B. No building permits or temporary or permanent occupancy certificates shall be issued until the Village Engineer has reasonably determined that sufficient public improvements have been installed in accordance with applicable Village codes and are functioning to protect the health, safety, and welfare of the public.
- C. The Village may withhold issuing any building or occupancy permits for any units, lot(s) or parcel(s) within the Property if the owner of such lot(s) or parcel(s) has materially failed or refused to fulfill any of their respective obligations with respect to the Property under this Agreement or the Hanover Park Municipal Code.
- D. Rental of dwelling units (townhomes, condominiums, but not assisted living units or 15 condominium units retained by Developer) shall be prohibited. Such prohibition of rental of condominium and townhome units shall not contravene applicable fair housing laws including, without limitation, 42 U.S.C. 3601 et seq and 775 ILCS 5/3-101 et seq
- E. Developer shall retain ownership of the assisted living building for a period of at least one year following the date of the issuance of the Certificate of Occupancy for said building, Village shall have the right to approve the purchaser of the assisted

living building following the one year period, the approval of which shall not be unreasonably withheld.

**8. Donations**

A. The Developer shall comply with the provisions of the Village of Hanover Park's Subdivision Control Regulations, as amended from time to time, with respect to donations, and shall make such other donations as per Village Code.

B. In consideration of the mutual covenants contained in this Agreement, the Developer hereby waives any right to challenge the land or cash donations pursuant to this paragraph, or the application of the Hanover Park Municipal Code to the Property, and hereby releases and forever discharges the Village, the Schaumburg Park District, and all applicable School District and Library Districts from any and all claims and causes of action for damages or injuries that may arise out of or related to the land or cash donation pursuant to this paragraph.

**9. Legal and Planning Costs**

The Village and Developer acknowledge that Developer agrees and has entered into a Deposit and Reimbursement Agreement attached hereto as Exhibit Q to reimburse the Village for the reasonable costs and fees of certain financial, engineering, planning, legal and other consultants to be used by the Village to benefit the due diligence review of the Redevelopment Project from time to time.

**10. Roadway Improvements.**

Old Salem Road and Olde Salem Circle are currently two lane two way north south streets. The Village and Developer agree that the development of the Property as here in described shall have a major impact on both from their "T" intersection with Irving Park Road to the Northerly boundary of the Developers access drives into the Property. Recently, Olde Salem Road and Olde Salem Circle was ranked in good condition according to a Village commissioned Pavement Management Report with up to a 15 year remaining life with normal wear. Specifically, Olde Salem Road received a rating of 78, and Olde Salem Circle received a rating of 79. The development of this Property may result in the need to repair and/or improve either or both of the two roads. The Village will monitor the Construction Traffic impact on these roads. Village will, at Developer's cost, reengage the contractor who provided the Pavement Management Report or a similar contractor and retest and reevaluate the surface distress and augment said report with cracking, rutting, roughness and subgrade conditions. Village, shall make or cause to be made (unless Developer does so) roadway improvements to the road or roads in response to those traffic impacts, if any. Developer shall be obliged to pay for the cost thereof. \$150,000 to secure the Developer's obligations hereunder shall be added to its subdivision bond or letter of credit. Truck traffic routes shall be determined by the Village.

11. **Additional Development Issues.**

- A. Developer agrees to provide condominium building security.
- B. Developer and Village agree that the parking regulations imposed on private streets within the Property shall be the same as those imposed on public streets.
- C. Noncommercial use of commercial parking shall not be permitted.

12. **Property Owner's Associations**

The Developer agrees to provide for the maintenance of all private streets, paths along interior streets, private common open space, private recreational facilities, storm water and drainage systems, including retention ponds and detention areas, and private rights-of-way on the Property by creating one or more "Owners' Associations" or appropriate "not-for-profit corporations." The provisions of each association or corporate charter and bylaws and any covenants used in its enforcement, insofar as they relate to such maintenance and the means for providing funds therefor, shall be submitted to the Village with the final plat for each phase for Village's approval. It is understood that the Village has the right but not the obligation to enforce all the provisions of the association or not-for-profit corporation charters, bylaws, and covenants, and the Declarations shall so provide.

A. **Special Service Areas**

The Developer agrees to the imposition of a special service area on the Property to enable the Village to recover the Village's costs associated with curing an association's failure or inability to enforce its covenants or obligations, including without limitation the obligation to maintain, repair, replace, and improve the private streets, roads, sidewalk, walk paths, landscaping, detention and retention areas, storm water facilities, Surface Water Drainage Area, and other related improvements. Upon establishment of the Special Service Area, a special tax shall be levied upon the applicable portion of the Property, which special tax shall subsequently be abated in whole or in part to the extent the special tax revenues are not needed to recover the Village's costs as aforesaid. The Developer consents to the formation of one or more back-up special service areas to guarantee performance of the obligations set forth in the Declarations and in such event agrees to pay the Village its attorneys' fees up to \$7,500 plus the Village's other reasonable out-of-pocket expenses in establishing the initial special service area. The special service area shall continue indefinitely unless otherwise limited by law.

- B. Developer shall record an informational note on the Preliminary and Final Plats of Subdivision or Planned Unit Development, to provide notice to potential purchasers of any parcel within the Property, for which an association either has been or will be established to maintain common improvements and that a Special Service Area may be established to include the Property. In addition, the

Developer shall execute and record against the Property a Declaration of Consent setting forth the potential existence, terms and provisions of the Special Service Area.

C. It is the policy of this Redevelopment Project and the Developer, through fair, orderly, and lawful procedures, to promote the opportunity for each person to obtain housing in this development without regard to race, color, sex, religion, handicap, familial status, national origin, source of income, or because the purchasers or owner of a housing unit has financing guaranteed by the Federal Housing Authority. This policy is grounded upon a recognition of the right of every person to have access to adequate housing of the person's own choice, and the denial of this right because of race, color, sex, religion, handicap, familial status, national origin, source of income or because the purchasers or owner of a housing unit has financing guaranteed by the Federal Housing Authority, is detrimental to the health, safety, and welfare of the inhabitants of the Village of Hanover Park and this development, and constitutes an unjust deprivation of rights, which is within the power and proper responsibility of the Owners' Association and the government to prevent.

D. The following uses on the Retail Parcel are prohibited:

Retail Repair Shops, Excluding Motor Vehicle Repair Facilities, Body Shops and Carwashes

Auto Service Stations

Carwashes

Coin-operated amusement centers

Motor Vehicle Service Shops

Animal Day Care

Commercial Kennels

Pawn Shops,

Payday Loan Store

Title Loan Store

Packaged Liquor Stores

Off-Track Betting Facility

Alternative Finance Services (i.e. Payday or Title Loan Stores)

Cash for Gold type store

Sale of Marijuana or Paraphernalia

Tattoo & Body Piercing Shops

Massage Parlors

Gun Shops

Sexually Oriented Businesses/Adult Uses

Parking Structure

Funeral Home

13. **TIF Financing.**

A. For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

“Aman Account” shall mean the sub-account of the Special Tax Allocation Fund which has been created by the Village for the Irving Park Rd. East TIF #5 into which shall be deposited and segregated the Incremental Taxes from the Project as defined herein after.

“Assumable Obligations” shall mean those obligations which, except as otherwise set forth herein, shall be assigned to, and assumed by, a successor Developer upon a transfer of all or a portion of the Property by a Permitted Mortgagee subsequent to a foreclosure (or, following the initiation of a foreclosure action by a Permitted Mortgagee, a deed in lieu of foreclosure).

“Environmental Laws” shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called “Superfund” or “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U. S. C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Hanover Park, Illinois.

“First Disbursement” shall mean the first disbursement of Incremental Taxes for Redevelopment Project Costs.

“Hazardous Materials” shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

“Incremental Taxes” shall mean 90% of the ad valorem taxes generated by the Redevelopment Project on the Property which, pursuant to the TIF Ordinances and Section 5/11-74.4-8 (b) of the Act, are allocated to and when collected are paid to the Finance Director of the Village for deposit by the Finance Director into the Special Tax Allocation Fund, and will by said Finance Director be segregated in said Fund and designated as the Aman Account.

“Municipal Code” shall mean the Municipal Code of the Village of Hanover Park.

“Phase I Note” shall mean the Village of Hanover Park Tax Increment Note, intended to be issued as federally tax-exempt subject to bond counsel opinion, to be in the form attached hereto as Exhibit O, in the maximum principal amount required to yield net proceeds of \$4,000,000 (less any direct reimbursement amount to Developer from the Aman Account), issued by the Village to the Developer as provided herein. The Phase I Note shall have a first lien on Incremental Taxes generated by the Phase I Project and shall bear interest at a rate equal the 20-year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data (“MMD”) plus 275 basis points. Upon issuance, the Village will issue an amortization schedule for the Phase I Note. The term of the Phase I Note will be the lesser of 20-years or the Term of the Agreement. Upon issuance of the Phase II Note, the Phase I Note will have a parity lien on both Phase I and Phase II Incremental Taxes. The Phase I Note may not be pre-paid for a period of 5-years from the date of issuance, after which the remaining Phase I Note balance or any portion thereof may be prepaid at the Village’s discretion, without penalty or fees.

“Phase II Note” shall mean the Village of Hanover Park Tax Increment Note, intended to be issued as federally tax-exempt subject to bond counsel opinion, to be in the form attached hereto as Exhibit O, in the maximum principal amount required to yield net proceeds of \$2,300,000 (less any direct reimbursement amount to Developer from the Aman Account), issued by the Village to the Developer as provided herein. The Phase II Note shall have a parity lien on Incremental Taxes generated by the Phase I and Phase II Project and shall bear interest at a rate equal the 20-year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data (“MMD”) plus 275 basis points. Upon issuance, the Village will issue an amortization schedule for the Phase II Note. The term of the Phase II Note will be the lesser of 20-years or the Term of the Agreement. The Phase II Note may not be pre-paid for a period of 5-years from the date of issuance, after which the remaining Phase II Note balance or any portion thereof may be prepaid at the Village’s discretion, without penalty or fees.

“Project Site” shall mean the real estate described on Exhibit A-1.

“Redevelopment Project” or “Project” shall mean the redevelopment of the Project Site.

“Redevelopment Project Costs” shall mean the costs of those elements of the Redevelopment Project that are approved for payment from Incremental Taxes as redevelopment project costs under Section 5/11-74.4-3(q) of the Act and the provisions of this Agreement.

“Term of the Agreement” shall mean the period of time commencing on the date hereof and ending on the twenty-third anniversary of the adoption of the TIF Ordinances, i.e. December 31, 2037.

“TIF-Funded Redevelopment Project Costs” shall mean those Redevelopment Project Costs incurred by the Developer which are reimbursable from or paid with Incremental Taxes and which are identified in Exhibit B.

“Village Attorney” shall mean the Village Attorney of the Village of Hanover Park, Illinois.

B. The Redevelopment Project.

1. In order to accomplish in part the objectives of the Village to provide for the redevelopment of the Property in conformity with the Redevelopment Plan, the Village agrees to make Incremental Taxes available with respect to the Redevelopment Project as provided in paragraph 13C. below.
2. Redevelopment Project. Developer agrees to cause development of the Redevelopment Project to proceed substantially in accordance with the objectives of the Redevelopment Plan, as it may be modified or revised from time to time as mutually agreed to by the Parties. Developer shall construct, redevelop, and/or cause to be constructed the Redevelopment Project and be reimbursed for TIF-Funded Redevelopment Project Costs in substantial accordance with this Agreement and the Plans and Exhibits and Final Plans filed or to be filed with the Village and approved by the Village and any and all other governmental or regulatory agencies having jurisdiction over any portion of the Redevelopment Project, provided, upon issuance of all necessary permits, the Developer shall work diligently to complete the Redevelopment Project as expeditiously as possible. Developer shall proceed diligently and use best efforts to promptly secure all necessary permits to commence development of the Redevelopment Project following the execution of this Agreement.
3. Utilities, Fees and Assistance to Developer. The Village and Developer agree that Developer shall be obligated to pay in connection with the Redevelopment Project, those water, sanitary sewer, building permit, engineering inspection, and other fees generally applicable in the Village.

Developer hereby expressly acknowledges that the Village shall have no financing obligations in connection with the Redevelopment Project or the TIF-Funded Redevelopment Project Costs except as expressly provided herein.

4. Authorization to Construct. The information contained on Exhibit B concerning Developer's estimated cost to construct the Redevelopment Project may be mutually adjusted and refined as a result of the Plans to be approved by the Village and shall be confirmed by sworn owner's statements, as well as owner's licensed professional engineer, contractor's statements and such other documents and information as the Village may reasonably request all of which shall be completed in form and content to the Village's reasonable satisfaction. All records with respect to administration of the construction of the improvements contained herein shall be created and maintained in manner reasonably satisfactory to the Village and which will facilitate a ready determination as to whether or not a particular item of cost is eligible for reimbursement pursuant to the applicable law and this Agreement. In furtherance of the provisions contained herein, the Parties shall agree upon a methodology of record keeping adequate for the purposes stated herein. The Redevelopment Project shall be constructed in accordance with any and all applicable federal, state or local regulations, statutes and ordinances in order to be eligible for reimbursement.
5. No Liens. Developer agrees that the Redevelopment Project shall be free of all mechanics' and materialman's liens. Developer hereby agrees and covenants to indemnify and hold harmless the Village from all costs and expenses, including reasonable attorneys' fees and costs of litigation, in the event any mechanics or materialmans liens (other than liens securing the collateral interests of lenders) are filed against the Redevelopment Project as a result of the acts or omissions of the Developer, its agents or independent contractors.

C. Village Review of Plans and Specifications for the Redevelopment Project and Public Improvements.

1. The Plans. The parties agree that the drawings, plans and specifications initially submitted to the Village in connection with the Redevelopment Project conform to the Redevelopment Plan, as amended from time to time and this Agreement. The Developer represents that, to the best of its ability, the drawings, plans and specifications for the Redevelopment Project have been and will be designed and prepared to conform to all applicable federal, state and local laws, ordinances and regulations.
2. Public Improvements, if any. As a condition precedent to Developer's eligibility for Reimbursement for TIF-Funded Redevelopment Project Costs under this Agreement for works which are to become public, the

Village Engineer must certify and the Corporate Authorities must approve as to any such work that:

- (a) The contractor selected to the work is responsible;
- (b) The materials, plans and specifications meet all Village requirements and are otherwise suitable;
- (c) If a contract is awarded, it contains detailed unit prices for all portions of the contract;
- (d) If Developer undertakes the work without contracting with others, that the plans and specifications detail unit prices;
- (e) Whether under (c) or (d) above, the detail shall be within accepted Village practice and unit prices shall be within or below average amounts (price) that the Village or other public bodies within a reasonable geographical vicinity have experienced within a period of twelve (12) months preceding the scheduled commencement of work.
- (f) If Developer receives payments for TIF-Funded Redevelopment Project Costs that relate to public improvements then any contracts for such work shall include typical Village labor standards provisions and civil rights provisions.

3. Costs. The Village and Developer agree that Developer shall cause the construction of the Redevelopment Project indicated on Exhibit B in accordance with the Plans to be approved by the Village as preliminarily referenced in 13C. above. Developer shall advance all funds and all costs necessary to complete the construction of such improvements and to otherwise complete the Redevelopment Project. To be eligible for reimbursement for TIF-Funded Redevelopment Project Costs under this Agreement, Project Costs must be certified by the Village to the Developer in accordance with the provisions of this Agreement. The procedures to obtain Village Certificate of Eligibility for the Developer's costs to construct the Redevelopment Project are generally described in Paragraph 13E. below. Developer shall be responsible to complete the construction of all items referenced in the Plans which are approved by the Village, without regard to whether the actual cost of same exceeds the estimates therefore contained on Exhibit B. Developer shall have the right to re-allocate dollars between and among specific line items as may be necessary or desirable to implement the Redevelopment Project; provided that such re-allocation is consistent with the terms of the Redevelopment Plan and the Law, meets the necessary requirements of applicable law in the reasonable opinion of the Village Attorney, or other counsel the

Village may select are approved by the Village, which approval shall not be unreasonably withheld, delayed or qualified.

D. Evidence of Actual Expenditures.

1. Attached to this Agreement as Exhibit B is a listing of TIF-Funded Redevelopment Project Costs eligible for reimbursement under the Act and this Agreement. From time to time, the Developer shall submit evidence to the Village of its expenditures with respect to the Redevelopment Project identified on Exhibit B for which it intends to seek reimbursement of TIF-Funded Redevelopment Project Costs. Such evidence shall be in a form requested by the Village and in conformance with paragraph E. below of this Redevelopment Agreement that permits the Village to meet its reporting and audit obligations under the Act. With respect to the reimbursement of TIF-Funded Redevelopment Project Costs, the evidence shall include, upon request of the Village, a copy of the pricing provisions from the contract or contracts for that work and information that the costs of the TIF-Funded Redevelopment Project Costs are commercially reasonable. In addition to the requirements in paragraph 13F.4 below and in connection with each such submission, the Developer shall certify that:
  - a) The total amount of the expenditures represents the actual amount paid by the Developer with respect to the Redevelopment Project;
  - b) Each of the expenditures is a TIF-Funded Redevelopment Project Cost under the Act and this Agreement;
  - c) The Developer approved all services, work and materials and/or costs with respect to the expenditure, and such services, work and materials and/or costs substantially conform to the requirements of the Redevelopment Plan, this Agreement and the Act.

E. Village Approval.

The Village shall promptly review and take action with respect to each expenditure submission. The Village shall approve or disapprove those expenditure submissions that qualify under the Act and this Redevelopment Agreement for reimbursement of TIF-Funded Redevelopment Project Costs for reimbursement from Incremental Taxes under the provisions of paragraph 13F of this Agreement.

F. TIF-Funded Redevelopment Project Costs and Developer's Sources of Funds

1. Costs and Sources of Funds.

(a) The Developer shall use equity and/or borrowed funds to pay for the costs of design and construction of the improvements on the Project Site and shall seek and receive reimbursement of TIF-Funded Redevelopment Project Costs from Incremental Taxes as set forth herein.

(b) The parties acknowledge and agree that the obligation of the Village to provide any TIF assistance contemplated by the Agreement following its authorization by the Village's Corporate Authorities and its execution is expressly conditioned on performance by the Developer of the following conditions.

(1) Developer shall submit to Village for approval on or before September 1, 2018, its First Final Plat which shall contain all of the Townhome Property and Townhomes, all of the public improvements and Community Property in the Project (unless Village and Developer mutually agree to somewhat less than all of the Public Improvements or the Community Property needed to fully support the Townhome portion of Phase 1) which Plat shall be in compliance with Ordinances of the Village except as modified by this Agreement, together with the bonds and/or letter of credit required by Village's Ordinances and the law of the State of Illinois covering the public improvements and community property.

(2) Developer has deposited and shall maintain not less than one million (\$1,000,000) dollars consistently and invariably in a construction escrow account in a bank or Title Company located in Cook or DuPage Counties, Illinois, with Village having full and uninterrupted access to the banking records for said account, until completion of townhomes. The records of said account must be available within twenty-four (24) hours of any transaction therein. Failure to maintain said account in the minimum amount required, or failure to provide access to the records of said account, as provided above, shall constitute Developer default of this agreement and, in addition to any other remedy of Village, Village at its option, shall terminate its obligation to provide any TIF assistance except for the

payment from the Aman Account for any TIF note previously issued under this Agreement.

(3) The Developer shall deposit into the Escrow on or before June 1, 2019 and prior to the issuance of a building permit for the condominium building not less than the sums equal to the estimated cost to construct the condominium portion of Phase 1 (currently estimated to be sixteen million one hundred ten thousand (\$16,110,000) dollars). Village shall have full and uninterrupted access to the banking records for said account. The records of said account must be available within twenty-four (24) hours of any transaction therein. Failure to deposit the required amount into the Escrow by June 1, 2019, and thereafter maintain consistently and invariably said account in the minimum amount required (minus any payments to contractors from draws to fund construction of the condominium portion of Phase 1), or failure to provide access to the records of said account, as provided above, shall constitute Developer default of this agreement and, in addition to any other remedy of Village, Village at its option, shall terminate its obligation to provide any TIF assistance except for the payment from Aman Account for any TIF note previously issued under this Agreement.

(4) The Developer shall provide an executed operating agreement with Zyma or an alternate funding source committing to fund the Escrow as and when described above within sixty (60) days following approval of this Agreement by the Corporate Authorities or Village, at its option, shall terminate its obligation to provide any TIF assistance under this Agreement.

Paragraph 19.C. shall not apply to (2) or (3) above except (i) concerning the records of the escrow account or Escrow and as to said records, the curative period shall be considered for a monetary default and shall be reduced from thirty (30) days to five (5) days, and (ii) concerning the requirement of the initial deposit of the sums equal to the estimated cost to construct the condominium portion of Phase 1 which curative period shall be within the thirty (30) days provided in paragraph 19.C.

2. Financing of TIF-Funded Redevelopment Project Costs.

- (a) The Village shall deposit the Incremental Taxes generated by the Property into the Aman Account to or for the benefit of the Developer for the Redevelopment Project Costs with respect to the TIF-Funded Redevelopment Project Costs. The Village shall issue and make payments on the Phase I and Phase II Notes upon the

issuance of the Phase I and Phase II Certificates of Completion (as hereinafter defined).

That portion of monies available for the Redevelopment Project costs shall be generated solely from Incremental Taxes as follows:

- (1) During the term of this Agreement, all of the Incremental Taxes shall be annually deposited in the Aman Account and shall be allocated and disbursed in accordance with the Act but subject to the following in accordance with this Agreement.

The Aman Account shall be allocated and be the source of funds as follows:

- (i) The amounts allocated to and deposited in the Aman Account shall be held and accumulated therein. Upon the issuance of the applicable Certificate of Completion for the Phase I Project and the Phase II Project, and thereafter as provided for below, the Village shall provide solely from the Aman Account to the Developer or for the benefit of the Developer the funds required to reimburse Developer and make scheduled principal and interest payments on, as applicable, the Phase I Note and the Phase II Note; and
- (ii) The monies annually designated and deposited into the Aman Account shall be pledged to and applied and be the sole source of funding for paying reimbursement and the principal and interest (debt service) and any expenses related to, as applicable, the Phase I Note and the Phase II Note, and costs of issuance and ongoing expenses therefore, including as necessary, the replenishing of any debt service fund, all for TIF Funded Redevelopment Costs approved by Village under the Act and pursuant to this Agreement.
  - A. Should hard construction costs (defined in Exhibit B) decrease from the twenty six million three hundred twenty six thousand two hundred and forty eight dollars (\$26,326,248) with respect to Phase I and from nine million eighty three thousand seven hundred and sixty six dollars (\$9,083,766) with respect to Phase II, the Village's TIF Assistance for each of such

phases will decrease. The Developer will be permitted to retain in TIF Assistance 33% of the cost savings in each phase. The remaining cost savings as to the respective phase will constitute a direct reduction in the reimbursement and face value of the applicable Note for said phase. If the Phase I TIF Assistance is reduced due to this sub-paragraph A., the Village, will recalculate the Phase II TIF Assistance, by aggregating the Phase I and Phase II Village approved hard costs and then the total TIF Assistance will be reduced if, but only to the extent, the total hard costs in the aggregate of both phases decreases from thirty five million four hundred ten thousand and fourteen dollars (\$35,410,014) with respect to those phases as aggregated. The Developer will then be permitted to retain in TIF Assistance 33% of the total cost savings in both phases as aggregated. The remaining cost savings will constitute a direct reduction in reimbursement and face value of the two notes aggregated (but only affecting the second note issuance, as the first note will have been issued), provided that no reimbursement shall ever exceed the up to six million three hundred thousand dollars (\$6,300,000) in TIF Assistance to the Developer.

- B. Assignment of Notes. Either or both of the Phase I Note and Phase II Note may be (i) assigned or pledged as collateral to any lender providing construction financing and/or sold or assigned to an accredited investor. In addition, the Developer may transfer the either or both of the Phase I Note and the Phase II Notes at any time to (i) any entity controlling, controlled by or under common control with Developer or (ii) any entity in which the majority equity interest is owned by the parties that have a majority equity interest in the Developer.
- C. Notwithstanding the above, a discount upon the initial transfer of, as applicable, the Phase I Note and the Phase II Note, after original issuance greater than 5% from the face value will require

Village analysis that demonstrates that the discount is the result of market interest rate changes and will require the reasonable consent of the Village.

- (iii) Once principal and interest on the Phase I Note and Phase II Note have been re-paid in full, then 100% of all remaining Incremental Taxes deposited with the Village shall be distributed by the Village in accordance with the Act and the Aman Account shall be closed.

### 3. Use and Disbursement of TIF Funds

- a. Uses of Incremental Taxes. The Village's obligation to make payments for TIF Funded Redevelopment Project Costs under this Agreement is a special obligation of the Village limited to Incremental Taxes generated by the Project Site and deposited into the Aman Account and does not constitute a general obligation of the Village or a pledge of the taxing power of the Village. The Developer shall not have the right to compel the Village to exercise any taxing power to reimburse the Developer for TIF Funded Redevelopment Project Costs. Incremental Taxes generated by the Project Site and deposited into the Aman Account shall be used to pay for costs that constitute TIF-Funded Redevelopment Project Costs upon a determination by the Village that the Developer has submitted documentation satisfactory in form and substance to the Village evidencing such cost and its eligibility as a TIF-Funded Redevelopment Project Cost under the Act and this Agreement.
- b. The total amount of Incremental Taxes disbursed for the benefit of the Redevelopment Project and/or the Developer with respect to any year shall in no event ever exceed an amount greater than 90% of the Incremental Taxes received by the Village from the Property under this Redevelopment Agreement. Further, if an application for reduction of the Property's assessed valuation is filed with any office of Cook County or the Illinois Department of Revenue, or a complaint is filed in the Circuit Court contesting either the assessment or tax rates affecting the Property, the amount of any payment for the calendar year allegedly in dispute will immediately reflect no more than 90% of the resulting amount using the alleged reduced assessment amount or the reduced or eliminated tax rate or both. If payment for that tax year has already been made by the Village from the Aman Account, any excess payment for the payment year shall, at the Village's discretion, be deducted from subsequent years until repaid in full to the Village. Developer shall be obligated to serve the Village with a copy of any assessment application or complaint it files with any office at Cook County or with the Illinois Department of Revenue, and any complaint filed in the Circuit Court, within 45 days of filing.

c. Preconditions to First Disbursement and Issuance of Notes.

Upon the satisfaction of the following conditions the Village shall issue a certificate evidencing that, as applicable, the Phase I Project and the Phase II Project have been completed (the "Phase I Certificate of Completion" and the "Phase II Certificate of Completion" and, collectively, the "Certificates of Completion"):

- (1) Opinion of the Developer's Counsel. The Developer shall furnish the Village with an opinion of counsel for the Developer, substantially in the form attached hereto as Exhibit T.
- (2) Litigation. The Developer shall provide to the Village a description of all pending or threatened litigation or administrative proceedings involving the Developer which could have a material adverse effect on, as applicable, the Phase I Project and the Phase II Project.
- (3) Governmental Approvals. The Developer shall have secured all necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation applicable to the issuance of the applicable Phase I or Phase II Note and shall submit evidence thereof reasonably acceptable to the Village.
- (4) Title. The Developer shall have furnished the Village with evidence that the Developer or an entity controlled by the principals of the Developer owns fee simple title to the applicable portion of the Property.
- (5) Insurance. The Developer, at its own expense, shall have obtained, for the Phase I Project and the Phase II Project, as applicable, the insurance required by Section 16 hereof and shall have delivered certificates evidencing the required coverages to the Village.
- (6) With respect to the Phase I Project:
  - (i) Completion of construction of the shell and core of the condominium building;
  - (ii) Receipt of a Certificate of Occupancy for the condominium building;
  - (iii) Sales and closings on 68 units of the condominium units;
  - (iv) Construction, sales and closings for 42 of the townhome units;

- (v) Certificate from Developer that to the best of Developer's knowledge and belief, after due investigation, 42 or more townhomes and 68 or more condominium units are occupied.
- (vi) All public improvements and private improvements that serve the property and as are shown on Exhibit R shall be installed, operational, and the public improvements subject to acceptance by the Village.

Failure for any reason of Developer to satisfy all of the foregoing conditions (except the number for the sale, closing and Developer Certification shall be half (1/2) of the stated amounts of condo and townhome units for the purpose of this sentence) by December 1, 2022 shall cause the Village's obligation to provide TIF assistance under this Agreement to lapse and Village shall have no obligation to provide such assistance for the Project.

(7) With respect to Phase II of the Project:

- (i) Completion of construction of the shell and core of the assisted living building;
- (ii) Receipt of a Certificate of Occupancy for the assisted living building;
- (iii) Executed leases for 64 units of the assisted living units and a Certificate from the Developer that to the best of Developer's knowledge and belief, after due investigation, at least 64 units of the assisted living units are occupied.

Except for the payment from the Aman Account of principal and interest on the Phase One Note if issued, failure for any reason of Developer to satisfy all of the foregoing conditions by December 1, 2023 shall cause the Village's obligation to provide TIF assistance under this Agreement to lapse and Village shall have no further obligation to provide such assistance for this Project.

(8) With respect to each phase – Final Lien Waivers on labor and material for 100% of the labor and material for the work required to obtain the Certificate of Completion for said phase.

Until the last Certificate of Completion is issued by Village, the Developer may not, without the Village's reasonable consent: (i) merge, liquidate or consolidate, (ii) enter into any transaction

outside the ordinary course of business, (iii) assume or guarantee the obligations of any other person or entity, or (iv) enter into a transaction that would cause a material and detrimental change to the Developer's condition.

14. **Covenants / Representations / Warranties of the Developer**

- A. General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of Incremental Taxes hereunder, that:
1. The corporation or limited liability company constituting the Developer is a duly organized and validly existing Illinois corporation or company and is qualified to do business in Illinois;
  2. The Developer has the right, power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder;
  3. The execution, delivery and performance by the Developer of this Agreement have been duly authorized by all necessary action, and does not violate its bylaws and Articles, as amended and supplemented, of the Developer, or any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;
  4. The Developer is solvent and able to pay its debts as they mature;
  5. There are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, or, to the knowledge of Developer, threatened or affecting the Developer which would materially impair its ability to perform under this Agreement;
  6. The Developer has or will apply for all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to design, construct and operate the Redevelopment Project;
  7. The Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound, which default would have a material adverse effect on the design, construction or operation of the Redevelopment Project; and
  8. The Developer shall be liable and shall further indemnify the Village, its officers, agents, and representatives from any and all liability, damages,

costs, or penalties, including attorney's fees, if Developer does anything to jeopardize any tax-exempt status of any notes or bonds which may be issued on a tax-exempt basis or violate arbitrage regulations including payment of any penalties incurred by Village or its officers or agents.

B. Covenant to Redevelop.

Upon the Developer's receipt of all required permits, and governmental approvals, the Developer shall construct and operate the Redevelopment Project in accordance with this Agreement, and all Exhibits attached to this Agreement, the TIF Ordinances, and all applicable federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable thereto. The covenant set forth in this paragraph and the remedy for breach thereof provided in this paragraph shall run with the land and be binding on any successor, assignee or transferee. [The right of the Developer or any party other than Village to receive any disbursement of Incremental Taxes in any year shall be conditioned on its delivery to the Village of a certificate of compliance with respect to this covenant.]

C. Redevelopment Plan.

The Developer represents that the design, construction and operation of the Redevelopment Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

D. Use of Incremental Taxes.

Incremental Taxes disbursed or the proceeds of any indebtedness issued under paragraph 13 to the benefit of Developer shall be used by the Developer solely to reimburse the Developer for its payment of the TIF-Funded Redevelopment Project Costs as provided in this Agreement and detailed in Exhibit B, and for no other purposes.

E. Conflict of Interest.

The Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the Village or of any Village commission or committee exercising authority over the Redevelopment Project or Project Site, or any consultant hired by the Village in the planning and preparation of the Redevelopment Project or Project Site, owns or controls or has owned or controlled or will own or control any interest in the Developer, the Redevelopment Project or the Project Site.

F. Insurance.

The Developer, or Developer's contractors, at their own expense, shall comply with all provisions of paragraph 16 hereof.

G. Compliance with Laws.

To the best of the Developer's knowledge, after diligent inquiry, the Property and the Redevelopment Project are as of the date hereof and shall remain in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property and the Redevelopment Project and its operation.

To the extent required by law, the Developer shall comply with, and shall require its contractors to comply with, the Illinois Prevailing Wage Act, 820 ILCS 130/01 et seq. (the "PWA"). The Developer hereby agrees to indemnify and hold the Village harmless from all liability, loss, cost, fine, penalty, interest, or other expense, including court costs and attorneys' fees relating to any such judgements, awards, litigation, suits, demands or proceedings that may result from any failure by the Developer or its contractors or subcontractors to comply with the PWA.

H. Recording and Filing.

The Village shall cause this Agreement, certain exhibits (as specified by the Village Attorney), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois within fifteen (15) days after the date hereof following full execution. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Village shall transmit to the Developer an executed original of this Agreement showing the date and recording number of record.

I. Survival of Covenants.

All warranties, representations, covenants and agreements of the Developer contained in this paragraph and elsewhere in this Agreement shall be true, accurate and complete on the date of the Agreement and shall be in effect throughout the term of the Agreement.

15. **Environmental Matters**

The Developer hereby represents and warrants to the Village that the Redevelopment Project and Project Site will be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto and the Redevelopment Plan. Developer shall provide to Village any environmental audits or reports performed on or related to the Project Site. The Developer shall provide Village the NFR letter currently on file with the Illinois Environmental Protection Agency.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the Village harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising

under any Environmental Laws incurred, suffered by or asserted against the Village as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer following Developer's acquisition of the Property: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever, or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the Village or the Developer under any Environmental Laws relating to the Property.

## 16. Insurance

A. Coverage. During the period of construction of TIF-Funded Redevelopment Project Costs, the Developer shall provide and maintain, at the Developer's own expense, or cause its contractor to provide the insurance coverages and requirements specified below (or in such other types and amounts as the Village may otherwise consent to by written instrument).

### 1. Coverage.

- (a) Worker's Compensation and Employers Liability Insurance. Worker's Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service with respect to the TIF-Funded Redevelopment Project Costs and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness;
- (b) Commercial General Liability Insurance (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two years following completion), sudden and accidental pollution, independent contractors, separation of insured, defense, and contractual liability (with no limitation endorsement). The Village is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work;
- (c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the

contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The Village is to be named as an additional insured on a primary, non-contributory basis;

- (d) Builders Risk Insurance. When the contractor undertakes any construction, including improvements, betterments, and/or repairs, the contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Redevelopment Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery, if applicable; and
- (e) Professional Liability. When any architects, engineers, construction managers or other professional consultants perform work with respect to Redevelopment Project, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements. The Developer will furnish the Village original certificates of insurance evidencing the required coverage to be in force before beginning work, and renewal certificates of insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the work. The receipt of any certificate does not constitute agreement by the Village that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of the Agreement. The failure of the Village to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the Village. The Developer shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the Village retains the right to terminate this Agreement until proper evidence of insurance is provided. The insurance shall provide for 30 days prior written notice to be given to the Village in the event coverage is substantially changed, canceled, or non-renewed. Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Developer. The Developer agrees that insurers shall waive rights of subrogation

against the Village, its employees, elected officials, agents, or representatives. The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within this Agreement or by law. The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self-insurance programs maintained by the Village shall not contribute with insurance provided by the Developer under this Agreement. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

**17. Indemnification**

**A. Developer Indemnification.**

The Developer agrees to indemnify, defend and hold the Village, its officials, agents and employees harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Village, its officials, agents and employees and arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractors or subcontractors of any of its or their failure to pay its contractor, any subcontractors or any of its or their laborers or materialmen in connection with the Redevelopment Project undertaken by the Developer, or (iii) the existence of any material misrepresentation or omission in this Agreement or the Redevelopment Plan or any other document directly or indirectly related to this Agreement that is the result of information supplied or omitted to be supplied by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer, or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

**18. Maintaining Records / Right to Inspect**

**A. Books and Records.**

The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the TIF-Funded Redevelopment Project Costs. All such books, records and other documents, including but not limited to, contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices during normal business hours for inspection, copying, audit and examination by an authorized representative of the Village at the Village's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to any TIF-Funded Improvement.

B. Inspection Rights.

In addition to property inspections pursuant to Village building codes and ordinances, upon three (3) business days' notice, any authorized representative of the Village shall have reasonable access to all portions of the Project and the Property during normal business hours during the redevelopment of the Redevelopment Project.

19. **Default and Remedies**

A. Events of Default. The occurrence of any one or more of the following events, subject to the provisions of this paragraph shall constitute an "Event of Default" hereunder:

1. the failure of a party to perform, keep or observe any of the material covenants, conditions, promises, agreements or obligations under this Agreement, or any related agreement;
2. the making or furnishing by a party of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
3. the closure of the Redevelopment Project or any phase of it (for the purposes of this provision "closure" shall be deemed to have occurred if the entire Redevelopment Project or any phase of it is not open and operating for a period in excess of four consecutive weeks, unless such closure is due to 1) remodeling which results in a closure of not more than six (6) consecutive months or 2) an ongoing repair occasioned by a casualty which Developer is diligently pursuing).

B. Remedies.

Upon the occurrence of an Event of Default, the non-defaulting party may exercise such remedies as are available at law or in equity, including but not limited to injunctive relief or the specific performance of the agreements contained herein. Notwithstanding the foregoing, the Village agrees that, following issuance of, as applicable, the Phase I Note and the Phase II Note, it shall not at any time withhold or suspend payments due under, as applicable, the Phase I Note and the Phase II Note, unless there are insufficient funds in the Aman Account.

C. Curative Period.

In the event the defaulting party shall fail to perform a monetary or a non-monetary covenant, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the defaulting party shall have failed to cure such default within thirty (30) days of its

receipt of a written notice from the non-defaulting party specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the defaulting party shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

## **20. Assignment, Mortgaging and Sale of the Project**

The mortgages encumbering the Property or any portion thereof as of the date hereof are listed on Exhibit P, as the same may be amended, extended or otherwise modified, and are referred to herein as "Existing Mortgages". Any mortgage which the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof, as the same may be amended, extended or otherwise modified, is referred to herein as a "New Mortgage". The Existing Mortgages, as well as any New Mortgages which (a) are not made in favor of mortgagees who appear on any list of persons, entities and governments issued by the Office of Foreign Assets Control of the United States Department of Treasury pursuant to Executive Order 13224, (b) are made in favor of a mortgagee having at the time such mortgage is made total assets in excess of \$2,000,000,000 and (c) are made in favor of a mortgagee having a presence in the United States are referred to herein as "Permitted Mortgages." The holder of any such Permitted Mortgage, together with its successors and assigns, is referred to herein as a "Permitted Mortgagee." A Permitted Mortgagee may transfer its interest in a Permitted Mortgage without the consent of the Village and without affecting the status of such mortgage as a Permitted Mortgage. The Village's approval shall be required (and shall not be unreasonably withheld, conditioned or delayed) for any mortgage which is not a Permitted Mortgage and upon such approval such mortgage shall be considered a "Permitted Mortgage". A Permitted Mortgagee shall be permitted to exercise its remedies upon a default under such Permitted Mortgage, including acquiring title in the Property in its name or the name of an affiliate through foreclosure and by accepting a deed in lieu of foreclosure, without the consent of the Village. In the event that any Permitted Mortgagee or its affiliate succeeds to the Developer's fee simple interest in the Property or any portion thereof pursuant to the exercise of remedies under a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, it shall be deemed to have assumed the "Assumable Obligations" during the period of its ownership of such portion of the Property. The Village consents to the Developer's collateral assignment of its interest under this Agreement to any such Permitted Mortgagee.

The Village agrees to provide any Permitted Mortgagee notices sent pursuant to Paragraph 21 and to permit such Permitted Mortgagee an additional 15 days to cure any default for which a cure period is provided for herein and, if applicable, to provide the aforesaid written assurance and acceptance of assignment of Developer's interest.

## **21. Notice**

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the address set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the Village            Village of Hanover Park, Illinois  
2121 West Lake Street  
Hanover Park, IL 60133  
Attn: Village Manager

With a copy to:            Bernard Z. Paul, Attorney  
Village of Hanover Park, Illinois  
231 South Fourth Street  
DeKalb, IL 60115

If to the Developer:      Aman Living, LLC  
Attn: Dr. Anuja Gupta  
PO Box 853  
Frankfort, IL 60423

With a copy to:            Kenneth Carlson  
Tracy, Johnson and Wilson  
2801 Black Road, 2<sup>nd</sup> Floor  
Joliet, IL 60435

Such parties or addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

## 22. **Miscellaneous**

### A.     Amendment.

Except as provided herein, this Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the parties.

### B.     Entire Agreement.

This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

### C.     Limitation of Liability.

No member, official or employee of the Village shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to the Developer from the

Village or any successor in interest or on any obligation under the terms of this Agreement.

D. Further Assurances.

The Developer and the Village each agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

E. Waiver.

Waiver by the Village or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the Village or the Developer in writing.

F. Remedies Cumulative.

The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

G. Disclaimer.

Nothing contained in this Agreement nor shall any act of the Village be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the Village.

H. Headings.

The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

I. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

J. Severability.

If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held void or invalid by a court of competent jurisdiction, such holding shall not affect the other provisions

of this Agreement which, can be given effect without the invalid or void provision and to this effect the provisions of this Agreement are severable.

K. Conflict.

In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances such ordinance(s) shall prevail and control.

L. Illinois Law.

This Agreement shall be construed in accordance with the laws of the State of Illinois. The sole and exclusive jurisdiction and venue for any and all disputes arising out of or relating to this Redevelopment Agreement shall be the Circuit Court of Cook County, Illinois, and its reviewing courts.

M. Form of Documents.

All documents required by this Agreement to be submitted, delivered or furnished to the Village shall be in form and content reasonably satisfactory to the Village.

N. Approval.

Wherever this Agreement provides for the approval or consent of a party, or any matter is to be to the party's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the party, in writing and in the reasonable discretion thereof.

O. Binding Effect.

This Agreement shall be binding upon the Developer, the Village and their respective successors and assigns and shall inure to the benefit of the Developer, the Village and their respective successors and assigns, provided that the respective successor and assign certifies in writing its agreement to abide by the executory terms of this Agreement.

P. Delay (Force Majeure).

In the event Developer shall be wholly, partially or temporarily prevented from (1) constructing the redevelopment improvements that may be reimbursed under this Agreement, or any portion thereof, or (2) otherwise performing any provision of this Agreement (including the conditions to be fulfilled to "start" the Project described in Paragraph 6 D by reason of events that are beyond Developer's reasonable control, such as but not limited to any of the following to the extent they are beyond reasonable control of the Developer: strike; stoppage of labor; riots; lock outs; breakage, bursting, freezing of lines; fire; flood; invasion; insurrection; accident; explosions; epidemics; earthquakes; delay of carriers; or unforeseen changes in government regulation, other than the Village of Hanover

Park; then, and in such event, the Developer shall not be liable in any damage or loss or be in default or strict adherences to timetables resulting from such interruption provided (i) the Developer uses its best efforts to remedy its inability to satisfy its obligations and diligently pursues the commencement and completion of any such remedies that the Developer may satisfy its obligations, (ii) the Developer adopts such measures and expends such funds as are necessary to undertake and complete any such remedy, (iii) the Developer delivers written notice to Village within a reasonable time period specifying Developer's inability to satisfy such obligations and the nature of the events giving rise to such inability to perform, and (iv) the Developer's inability to satisfy such obligations was not attributable to the negligent, wrongful act of the Developer in connection with the aforesaid event(s). The failure to timely notify the Village in accordance with this provision shall of any right to rely upon the delay provisions contained herein.

Q. Exhibits.

All of the exhibits attached hereto are incorporated herein by reference.

R. Joint Venture Savings Clause.

Nothing contained in this Agreement or subsequent agreements between Village and Developer is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not provide for the joint exercise by the parties of any activity, function, or service, nor does it create a joint enterprise, nor does it constitute either party as an agent of the other for any purpose whatsoever. Neither party shall in anyway assume any of the liability of the other for acts of the other or obligations of the other. Village shall in no way assume any liability of Developer, if any, for the removal of Hazardous Substances, including petroleum products, from, on or under the Project Site, if any. Each party shall be responsible for any and all suits, demands, costs, or actions proximately resulting from its own individual acts or omissions.

WHEREFORE, the parties have signed this Redevelopment Agreement on the date first appearing on page one hereof.

Village of Hanover Park

By:   
its Village President

Owner: Chicago Trust Company, N.A.;  
as Trustee under the provisions of a  
Trust Agreement dated September 23, 2016  
and known as Trust Number SBL-4135

By: \_\_\_\_\_  
its Trust Officer \_\_\_\_\_ President

Attest

By:   
its Village Clerk

Developer: Verandah Retirement  
Community, LLC, a limited liability company

By: \_\_\_\_\_  
its Managing Member Luxury Condos  
Chicago LLC, an Illinois Limited Liability  
Company (Anuja Gupta is also the Managing  
Member of Luxury Condo's Chicago, LLC)

Developer: Aman Living, LLC, a limited liability Company

By: \_\_\_\_\_  
its Managing Member

Page 40 has been intentionally omitted.

WHEREFORE, the parties have signed this Redevelopment Agreement on the date first appearing on page one hereof.

Village of Hanover Park

By: \_\_\_\_\_  
its Village President

Attest

By: \_\_\_\_\_  
its Village Clerk

Owner: Chicago Trust Company, N.A.;  
as Trustee under the provisions of a  
Trust Agreement dated September 23, 2016  
and known as Trust Number SBL-4135

By: [Signature]  
its Trust Officer vice President

Developer: Verandah Retirement  
Community, LLC, a limited liability company

By: [Signature]  
its Managing Member Luxury Condos  
Chicago LLC, an Illinois Limited Liability  
Company (Anuja Gupta is also the Managing  
Member of Luxury Condo's Chicago, LLC)

Developer: Aman Living, LLC, a limited liability Company

By: [Signature]  
its Managing Member

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

RDA Exhibit A: TIF 5 Redevelopment Area

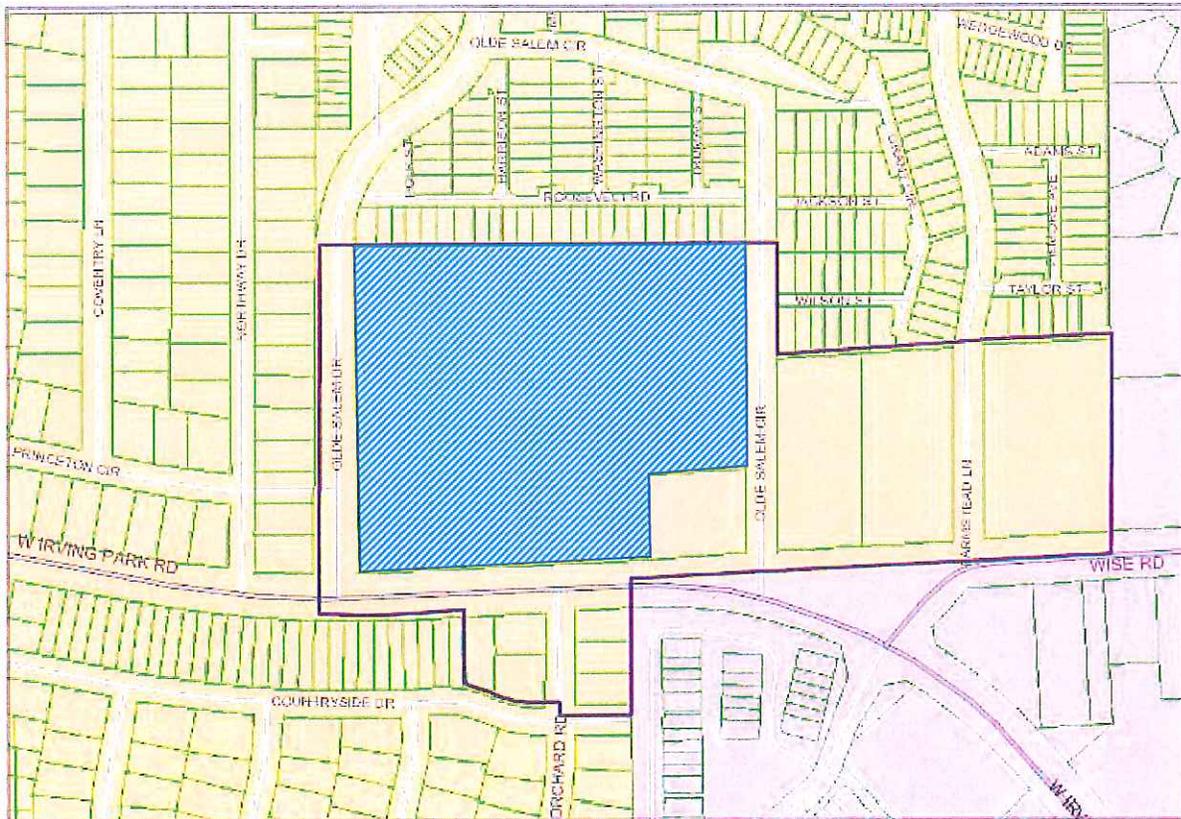


TIF DISTRICT # 5: IRVING PARK RD. EAST - BOUNDARIES

Exhibit A-1 - LEGAL DESCRIPTION

That part of the West 1/2 of the Southwest 1/4 of Section 29 (except the East 20 acres thereof) and the East 40 acres of the Southeast 1/4 of Section 30, Township 41 North, Range 10, East of the Third Principal Meridian, described as follows:

Commencing at the Southwest corner of the said East 40 acres of the Southeast 1/4 of Section 30; thence Northward along the West line of the said East 40 acres North, 1 Degrees 15 Minutes 36 Seconds East, a distance of 58.27 feet to a point on the North line of Chicago Elgin Road as dedicated on June 9, 1933 as Document 11245765; thence Eastward along the said North line, being a curved line, convexed to the South, of 2594.58 feet in radius, having a chord length of 80.00 feet on a bearing of South 87 Degrees 49 Minutes 20 Seconds East, for an arc length of 80.01 feet to the place of beginning; thence continuing Eastward along the said North line, being a continuation of the last described curved line, for an arc length of 126.54 feet to a point of tangency; thence North 88 Degrees 30 Minutes 00 Seconds East, a distance of 418.34 feet; thence North 88 Degrees 00 Minutes 05 Seconds East, a distance of 70.09 feet; thence North 1 Degrees 15 Minutes 36 Seconds East, a distance of 175.00 feet; thence North 88 Degrees 00 Minutes 05 Seconds East, a distance of 200.00 feet; thence North 1 Degrees 15 Minutes 36 Seconds East, a distance of 463.36 feet; thence North 88 Degrees 44 Minutes 24 Seconds West, a distance of 814.00 feet; thence South 1 Degrees 15 Minutes 36 Seconds West, a distance of 676.87 feet to the point of beginning, all in Cook County, Illinois



**Exhibit B**

**Verandah Expected TIF Eligible Costs**

Pursuant to the attached detail, reimbursement for TIF Eligible Costs shall be requested via a documented request for reimbursement in a form acceptable to the Village detailing the exact nature of the cost, the basis of its eligibility and documentation of the amounts incurred, and completion.

Verandah, LLC  
TIF Eligible Costs

	Total Cost	Percentage Eligible	Total TIF Eligible Cost
<b>Hard Cost Site Development</b>			
Total Site Preparation (See Attached Detail)	\$4,855,930	100%	\$ 4,855,930
<b>Hard Costs: Townhomes</b>			
Townhome Building #1	\$465,470	0%	\$0
Townhome Building #2	\$580,102	0%	\$0
Townhome Building #3	\$580,102	0%	\$0
Townhome Building #4	\$556,290	0%	\$0
Townhome Building #5	\$556,290	0%	\$0
Townhome Building #10	\$556,290	0%	\$0
Townhome Building #11	\$465,470	0%	\$0
Townhome Building #12	\$580,102	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$217,006	0%	\$0
<b>2-Story, 2 Car Garage Townhomes</b>			
Building #6: 2 Story / 2 Car @ \$85/S.F. w/ Basement	\$725,584	0%	\$0
Building #7: 2 Story / 2 Car	\$643,127	0%	\$0
Building #8: 2 Story / 2 Car	\$915,960	0%	\$0
Building #9: 2 Story / 2 Car	\$915,960	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$160,032	0%	\$0
<b>Hard Costs: Clubhouse</b>			
Clubhouse, based on 16,019 GSF @ \$167/GSF	\$2,675,173	0%	\$0
Add for Industrial Kitchen	\$195,500	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$143,509	0%	\$0
<b>Hard Costs: Memory Care &amp; A.L.</b>			
Memory Care, based on 8,945 GSF @ \$125.00/GSF	\$1,118,125	0%	\$0
Assisted Living, based on 36,675 GSF @ \$125.00/GSF	\$4,584,375	0%	\$0
Furniture, Fixtures and Equipment for Assisted Living (7.15.16 budget)	\$851,200	0%	\$0
Added basement to Assisted Living / Memory Care (Based on 7,850 S.F.)	\$536,715	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$354,521	0%	\$0
<b>Hard Costs: Residential Apartments</b>			
Independent Living, based on 74,304 @ \$103.87/GSF	\$7,718,060	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$385,903	0%	\$0
<b>General Contracting Soft Costs</b>			
General Conditions - 7%	\$2,193,541	0%	\$0
General Contracting Fee - 5%	\$1,566,815	0%	\$0
Builders Insurance - 1%	\$313,363	0%	\$0
<b>Developer Hard Costs</b>			
Land Acquisition and DD Studies	\$1,030,000	100%	\$1,030,000
<b>Developer Soft Costs</b>			
Architectural	\$500,000	100%	\$500,000
Engineering	\$150,000	100%	\$150,000
Legal	\$200,000	100%	\$200,000
Property Taxes During Construction	\$250,000	0%	\$0
Project Management	\$1,000,000	13.38%	\$133,782
Closing Costs	\$486,000	0%	\$0
Brokerage Fees	\$941,876	0%	\$0
Due Diligence - soil borings, traffic studies	\$20,000	100%	\$20,000
Consulting	\$40,000	0%	\$0
Sales person	\$150,000	0%	\$0
Village Fees & Permits	\$1,500,000	0%	\$0
Other fees	\$368,418	0%	\$0
Advertising	\$150,000	0%	\$0
Developer Fee	\$1,800,000	0%	\$0
<b>Total</b>	<b>\$43,996,308</b>		<b>\$ 6,889,712</b>

Verandah, LLC  
 Site Preparation Detail

	Total	TIF Eligible Percentage	Total TIF Eligible Cost
ON-SITE DEMOLITION / SITE PREPARATION - RESIDENTIAL	\$ 137,165	100%	\$ 137,165
EROSION CONTROL MEASURES - RESIDENTIAL	\$ 46,140	100%	\$ 46,140
ON-SITE EXCAVATION AND GRADING - RESIDENTIAL	\$ 586,952	100%	\$ 586,952
SANITARY SEWER IMPROVEMENTS - RESIDENTIAL	\$ 230,418	100%	\$ 230,418
WATER MAIN IMPROVEMENTS - RESIDENTIAL	\$ 296,346	100%	\$ 296,346
STORM SEWER IMPROVEMENTS - RESIDENTIAL	\$ 312,528	100%	\$ 312,528
ON-SITE PAVING - RESIDENTIAL	\$ 741,531	100%	\$ 741,531
ON-SITE DRY UTILITIES - RESIDENTIAL	\$ 173,215	100%	\$ 173,215
COMED & GAS - RESIDENTIAL	\$ 352,800	100%	\$ 352,800
ENGINEERING / SURVEYING - RESIDENTIAL	\$ 221,259	100%	\$ 221,259
DEMOLITION - COMMERCIAL	\$ -		
EROSION CONTROL MEASURES - COMMERCIAL	\$ 780	100%	\$ 780
ON-SITE EXCAVATION AND GRADING - COMMERCIAL	\$ 40,844	100%	\$ 40,844
SANITARY SEWER IMPROVEMENTS - COMMERCIAL	\$ 36,867	100%	\$ 36,867
WATER MAIN IMPROVEMENTS - COMMERCIAL	\$ 16,488	100%	\$ 16,488
STORM SEWER IMPROVEMENTS - COMMERCIAL	\$ 13,160	100%	\$ 13,160
ON-SITE PAVING - COMMERCIAL	\$ 136,654	100%	\$ 136,654
ON-SITE DRY UTILITIES - COMMERCIAL	\$ 31,782	100%	\$ 31,782
COMED & GAS - COMMERCIAL	\$ 9,000	100%	\$ 9,000
ENGINEERING / SURVEYING - COMMERCIAL	\$ 9,300	100%	\$ 9,300
LANDSCAPING (HARDSCAPE) - RESIDENTIAL	\$ 499,736	100%	\$ 499,736
LANDSCAPING (SOFTSCAPE) - RESIDENTIAL	\$ 415,789	100%	\$ 415,789
LANDSCAPING (HARDSCAPE) - COMMERCIAL	\$ 55,000	100%	\$ 55,000
LANDSCAPING (SOFTSCAPE) - COMMERCIAL	\$ 56,961	100%	\$ 56,961
PUNCH WORK/VILLAGE ACCEPTANCE - RESIDENTIAL	\$ 180,252	100%	\$ 180,252
PUNCH WORK/VILLAGE ACCEPTANCE - COMMERCIAL	\$ 23,728	100%	\$ 23,728
CONTINGENCY 5%	\$ 231,235	100%	\$ 231,235
<b>Total</b>	<b>\$ 4,855,930</b>		<b>\$ 4,855,930</b>

RDA EXHIBITS G-H-I

Exhibit 3



**VERANDAH**

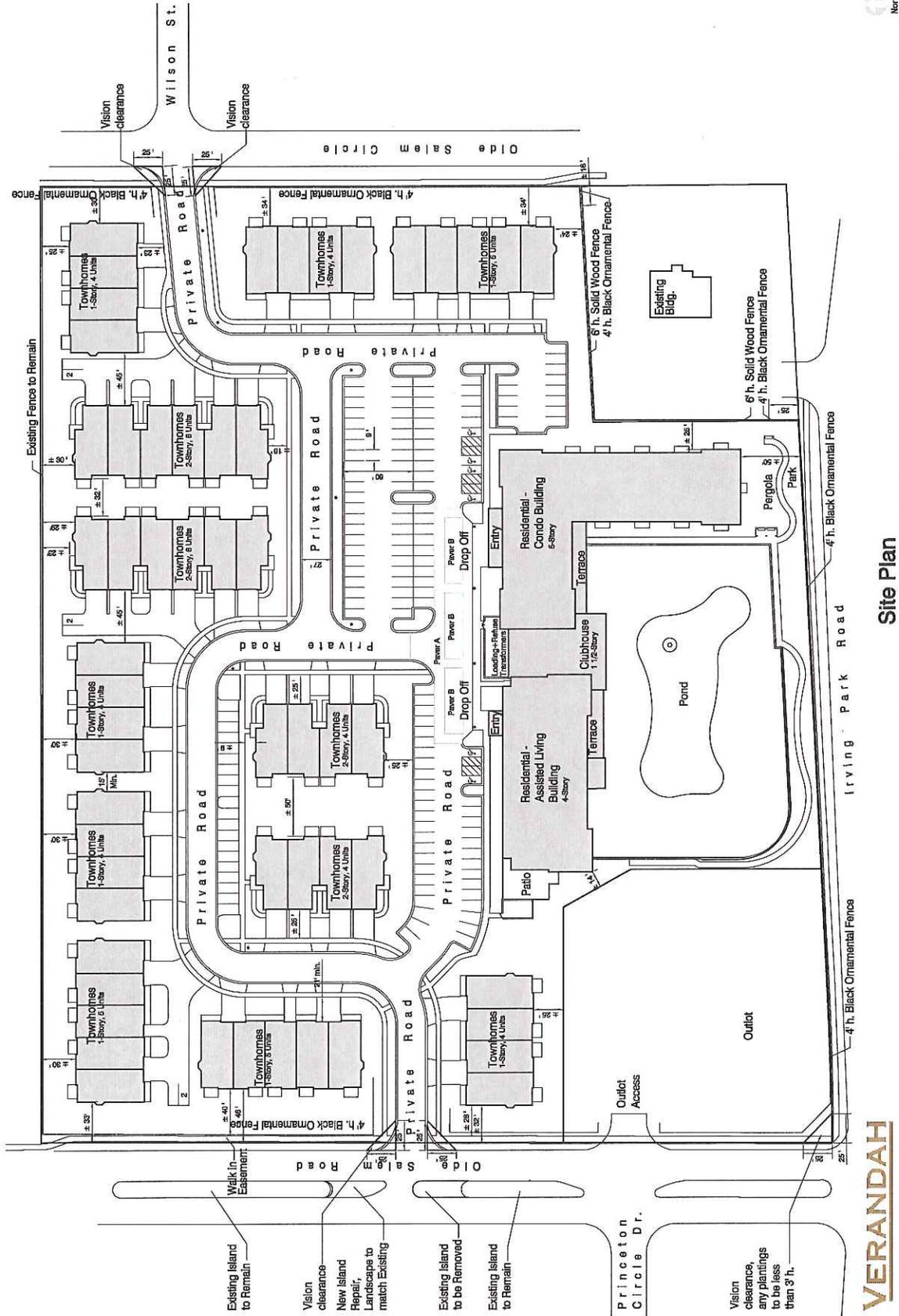
Aman Living, LLC Hanover Park, Illinois

Exhibit 1

42 South Val Avenue  
Arlington Heights, IL 60018  
Tel: 847.928.2200



November 18, 2016 ARCHITECTS + PLANNERS, INC.



**Project Data**

Site Area	± 502,254 sf
Outlot Site Area	± 52,000 sf
Residential Site Area	± 450,254 sf

**Residential Site Data**

Residential Units	215
Townhomes (in 12 buildings)	55
Multi-Family Building	160
Independent	80
Assisted Living Units	68
Memory Care	12

**Lot Area**

± 450,254 sf	
Lot Coverage (permeability)	28.70
% Lot Coverage	6.37
Gross Floor Area	240,593 sf
Net Townhomes & Condos w/ Clubhouse	
Floor Area Ratio (FAR)	0.53
Density, net units/acre	20.9

**Residential Parking - Provided**

Townhomes	156
1 8' x 2' car garages	75
1 8' x 6' car aprons	75
on-grade	6
Multi-Family Building (on-grade)	147

**Residential Parking - Required**

per unit	128
Elderly Housing @ 1 per 2 d.u.	108
Projected Staff	20

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Site Plan**

Exhibit 2

45 South Val Avenue  
Arlington, VA 22204  
Job No. 16226 © 2016  
November 18, 2016 ARCHITECTS & PLANNERS, INC.  
Revised November 30, 2016





**Typical Plant Palette**  
Trees

Botanic Name	Common Name	Size
Acer x freemantii 'Marmal'	Marmal Maple	2.5' BB
Betula nigra	River Birch	8' H, BB
Celtis occidentalis 'Windy City'	Windy City Hackberry	2.5' BB
Crataegus crus-galli 'Inermis'	Thornless Hawthorn	8' H, BB
Malus 'Red Jewel'	Red Jewel Crabapple	Multi-stem 2' BB
Malus 'Donald Wyman'	Donald Wyman Crab	Multi-stem 2' BB
Platanus x caroliniana 'Morton Circle'	Morton Platanus	6' H, BB
Quercus bicolor	Swamp White Oak	2.5' BB
Thuja occidentalis 'Teechny'	Mission Arborvitae	8' H, BB
Thuja occidentalis 'Mortoni'	Beacon Arborvitae	2.5' BB

**Shrubs**

Botanic Name	Common Name	Size
Bacopa x 'Glennco'	Glennco Snowwood	24" BB
Comus sericea 'row'	Swirl Hanging Dogwood	24" BB
Hamamelis virginiana	Winged Fraxin	3' BB
Hydrangea arborescens 'Annabelle'	Annabelle Hydrangea	24" BB
Hydrangea paniculata 'Tardive'	Tardiva Hydrangea	30" BB
Ilex virginica 'Morton'	Morton Sweetgale	24" BB
Juniperus x media 'Kaluys Compact'	Compact Juniper	18" BB
Rhus aromatica 'Eco Leaf'	Sto Low Sargol	18" BB
Spiraea x 'Gold Flame'	Gold Flame Spirea	3' BB
Spiraea x 'Bridalwreath Spirea'	Bridalwreath Spirea	3' BB
Taxus x media 'Taurinon'	Taurinon Yew	24" BB
Viburnum dentatum 'Ralph Senior'	Autumn Jazz Arrowwood	3' BB
Viburnum x 'Juddii'	Judd Viburnum	3' BB

**Perennials**

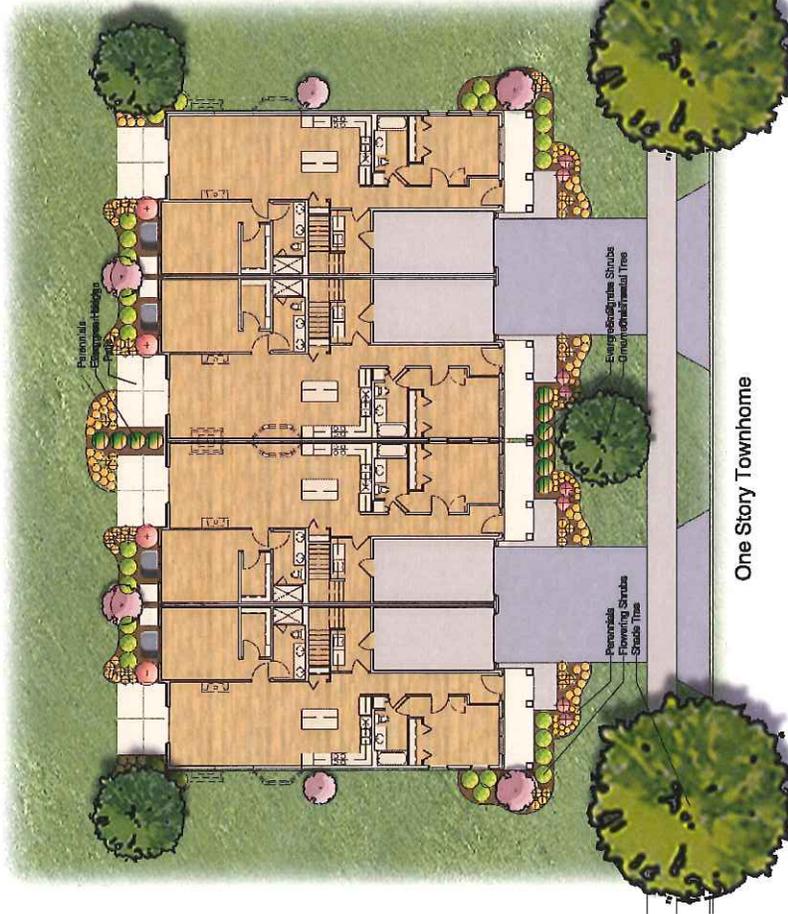
Botanic Name	Common Name	Size
Allium 'Summer Beauty'	Summer Beauty Onion	#1 Cont.
Augusta x 'Chocolate Chip'	Chocolate Chip Carpet Bugle	#1 Cont.
Coreopsis verticillata 'Zigzag'	Zigzag Tickseed	4" pots
Coreopsis 'Lulu Jane'	Lulu Jane Tickseed	#1 Cont.
Hebe 'Guacamole'	Guacamole Hebe	#1 Cont.
Hemerocallis 'Happy Returns'	Repeating Yellow Daylily	#2 Cont.
Pennisetum alopecuroides 'Cassara'	Cassara Fountain Grass	#1 Cont.
Metastachya arthropoda	Ornamental Grass	#1 Cont.
Psychotria terminalis 'Green Carpet'	Green Carpet Psychotria	#1 Cont.
Rubus coccineus 'Yuslow'	Sweet Black Eyed Susan	4" pots
Solidago nemoralis 'Yuslow'	Yellow Meadow Sage	4" pots
Solidago nemoralis 'Yuslow'	Yellow Meadow Sage	#2 Cont.
Sedum autumnalis	Autumn Morn Grass	#1 Cont.
Stachys officinalis 'Hummeo'	Hummeo Balm	#1 Cont.



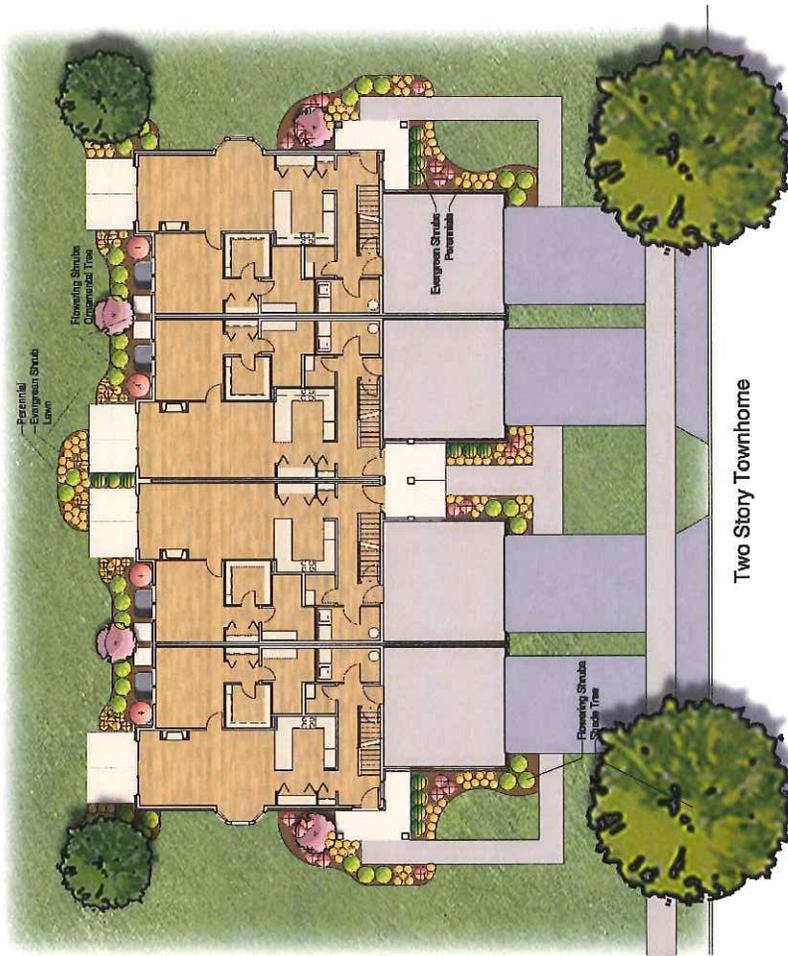
North

0 40' 80' 160'





One Story Townhome



Two Story Townhome



**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Condo Landscape**

Exhibit 3b

48 South Yale Avenue  
Arlington Heights, Illinois  
Job No. 16025 © 2016  
November 18, 2016 ARCHITECTS + PLANNERS, INC.





Site Bench (N.T.S.)



Black Ornamental Fence (N.T.S.)



Prefabricated Composite Pergola (N.T.S.)



Pergola Park Landscape Plan

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

Landscape Detail

Exhibit 3c



48 South Yale Avenue  
Arlington, VA 22204  
Job No. 85026 © 2018



November 18, 2018 ARCHITECTS + PLANNERS, INC.

**LUMINAIRE SCHEDULE**

Sym.	Label	City	Category #	Description	Lamp	Lumens	LIF	Watts
□	A	13		MRP LED AREA LIGHT 4000K CRI 90 5000LM 100W 100000 HOURS	HALLWAY DOWN	4000	80	11

**Statistics**

Description	Symbol	Avg	Max	Min	Max/Min	Avg/Min
Calc Zone #1	+	0.5 fc	6.3 fc	0.0 fc	N/A	N/A

**Luminaire Locations**

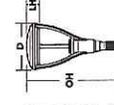
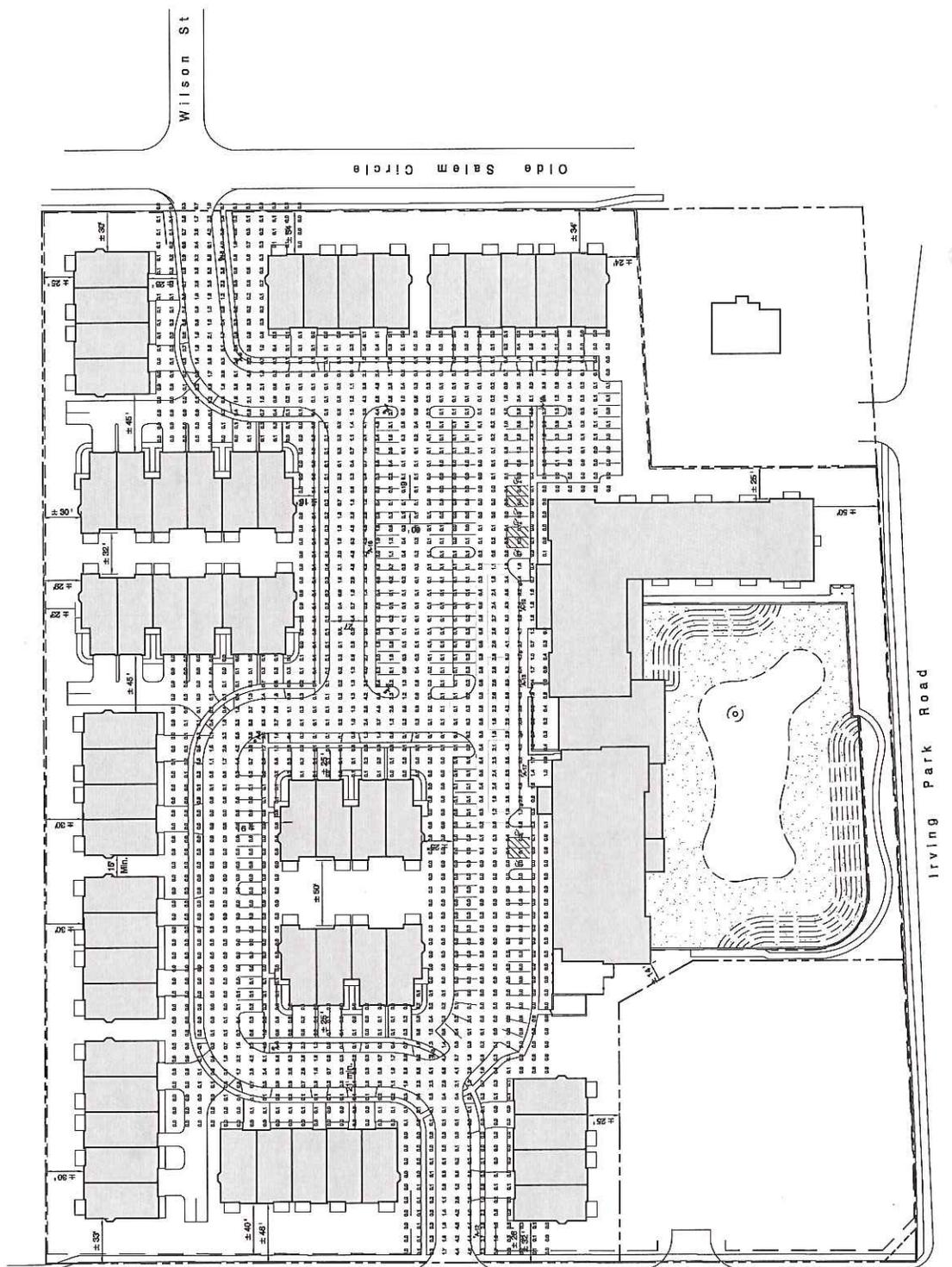
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3	A	345.07	652.01	16.00	270.00	0.00
4	A	355.53	625.01	16.00	270.00	0.00
5	A	393.26	637.70	16.00	45.00	0.00
6	A	630.61	536.03	16.00	0.00	0.00
7	A	847.13	536.02	16.00	0.00	0.00
8	A	865.10	653.45	16.00	0.00	0.00
9	A	867.59	653.35	16.00	315.00	0.00
10	A	692.25	430.12	16.00	0.00	0.00
12	A	205.33	467.60	16.00	0.00	0.00
13	A	634.69	430.03	16.00	0.00	0.00
17	A	662.23	428.70	16.00	0.00	0.00
18	A	736.53	549.20	16.00	0.00	0.00
19	A	849.55	444.52	16.00	0.00	0.00

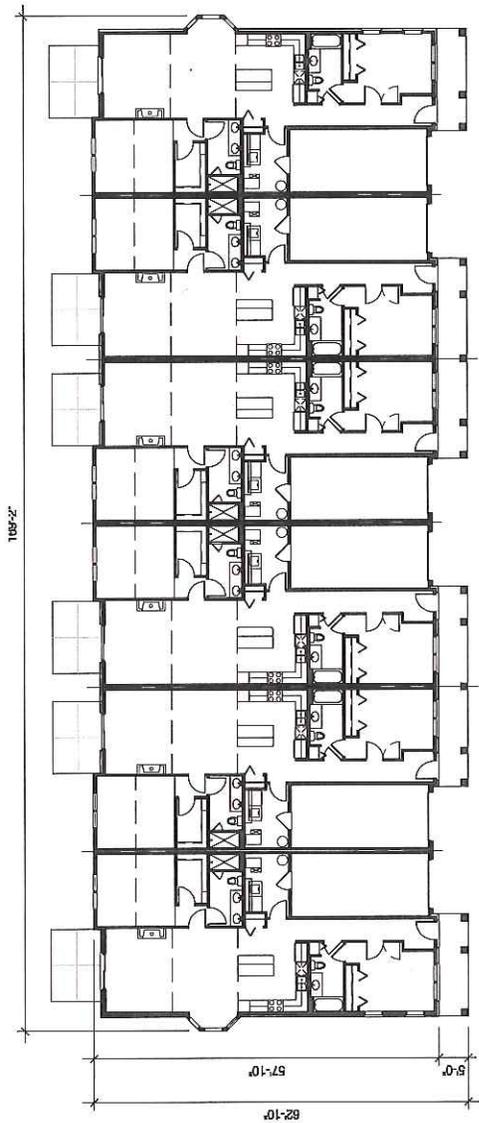
**MRP LED LED Area Luminaire**



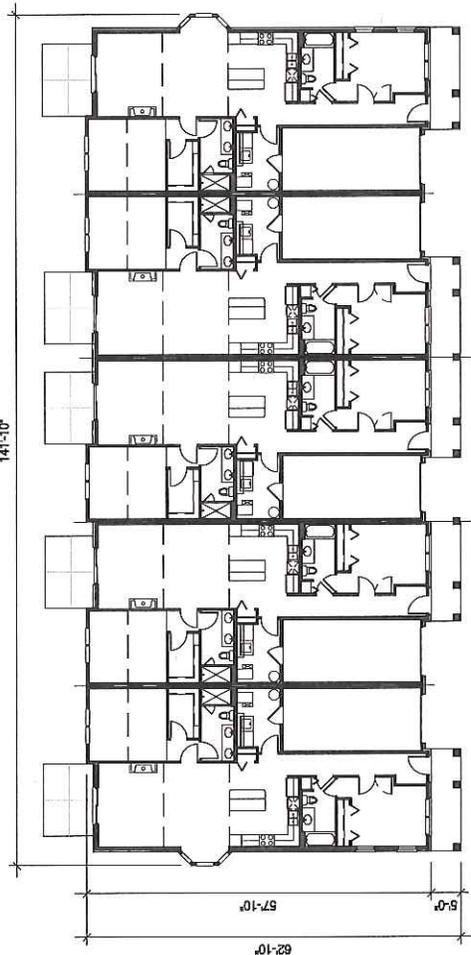
**Specifications**

Part	11221F
Manufacturer	VERANDAH
Height	16.00 in
Depth	16.00 in
Weight	27.00 lb
Beam	27.00 ft

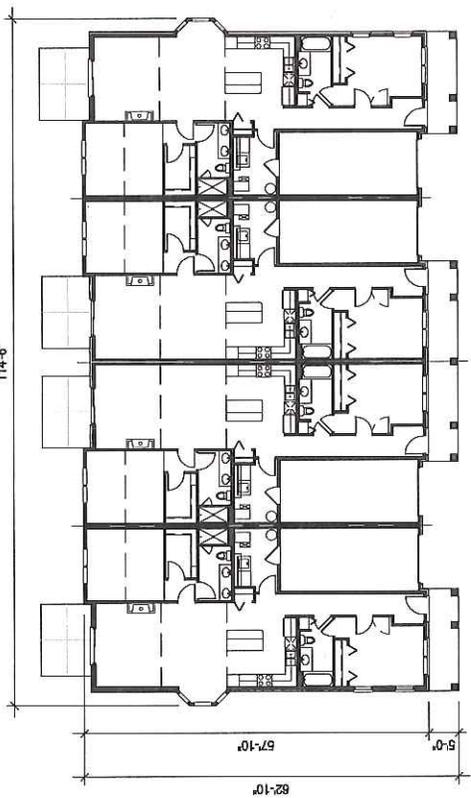





6 Unit Building Assembly Plan



5 Unit Building Assembly Plan



4 Unit Building Assembly Plan

**VERANDAH**

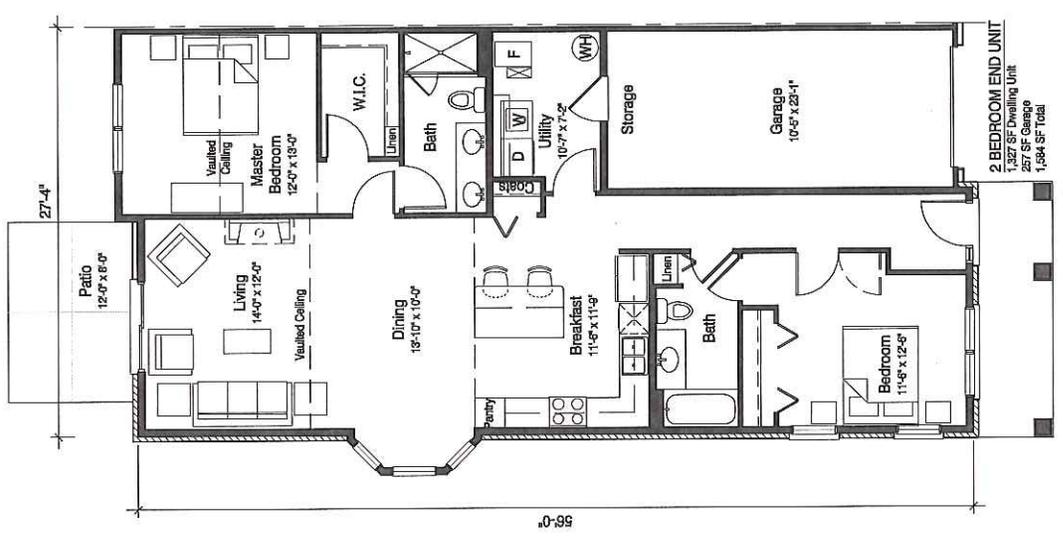
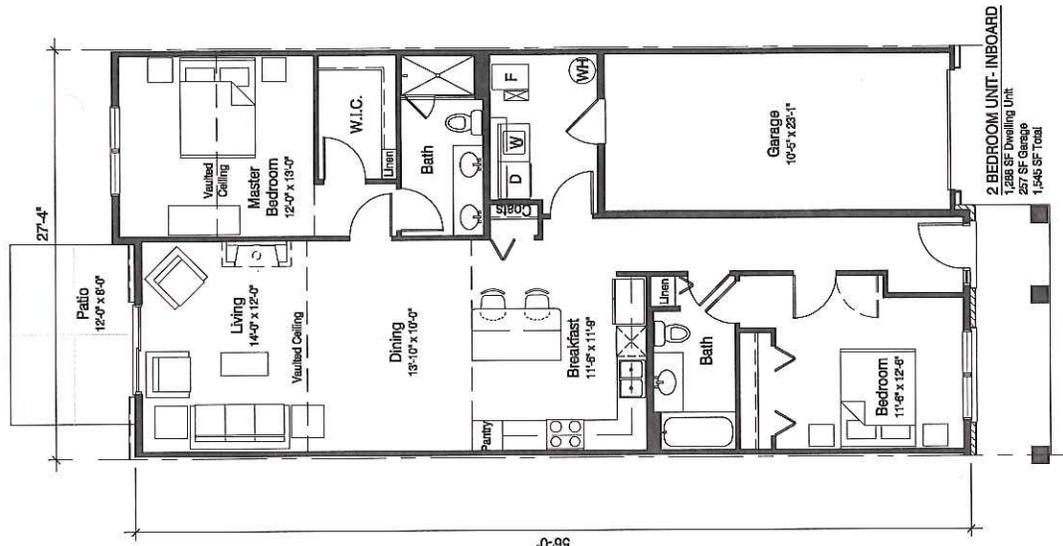
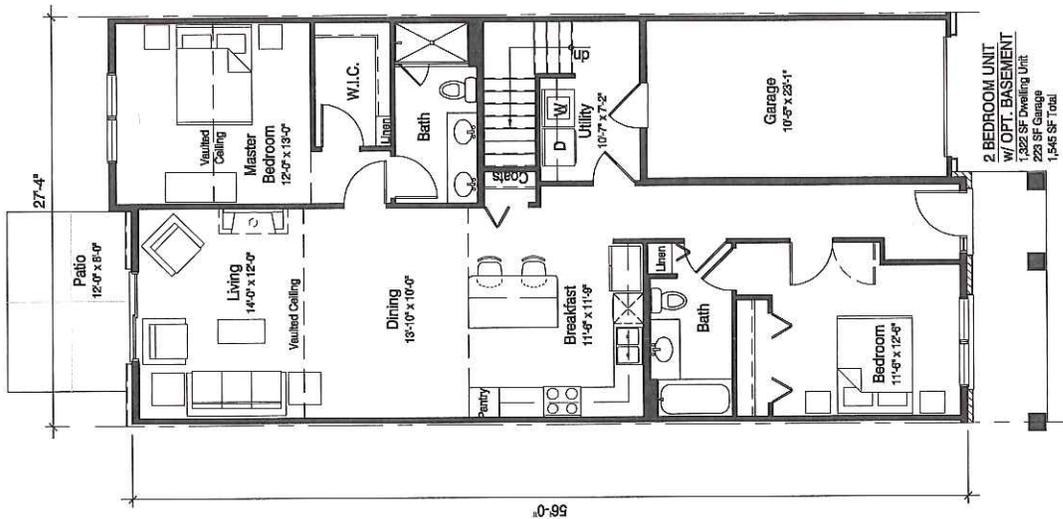
Aman Living, LLC Hanover Park, Illinois

1-Story Townhome Assembly Plans

Exhibit 5



43 South Vall Avenue  
Arlington Heights, IL 60005  
Job No. 180225 © 2018  
November 18, 2018 ARCHITECTS + PLANNERS, INC.



**VERANDAH**

**1-Story Townhome Unit Plans**

Exhibit 6

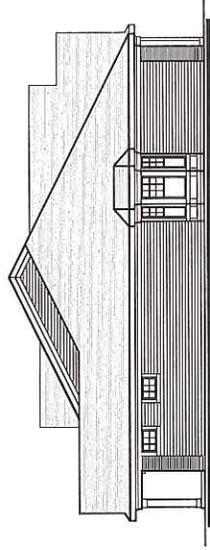
Aman Living, LLC Hanover Park, Illinois

43 South Vall Avenue  
Arlington, VA 22204  
Job No. 16026 © 2016  
November 18, 2016 ARCHITECTS + PLANNERS, INC.

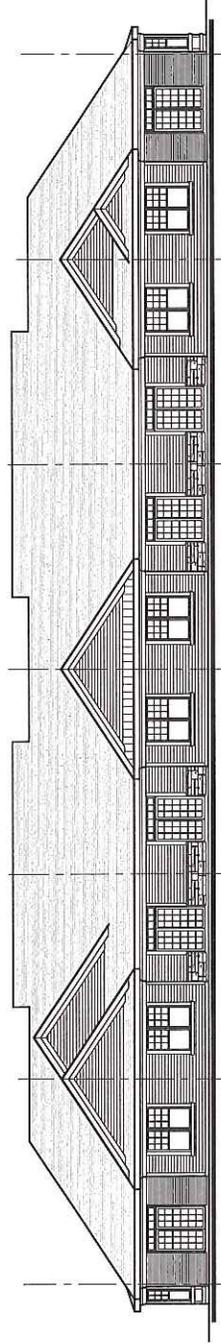




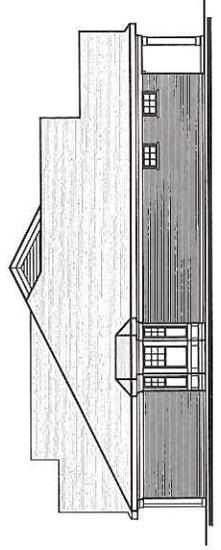
**Front Elevation**



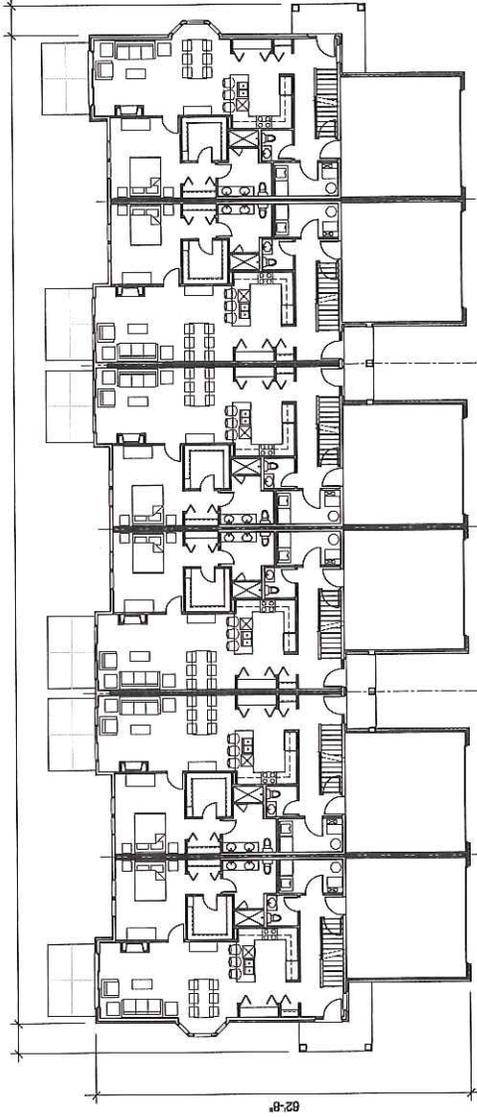
**Typ. Side Elevation  
w/ Siding @ Select Locations**



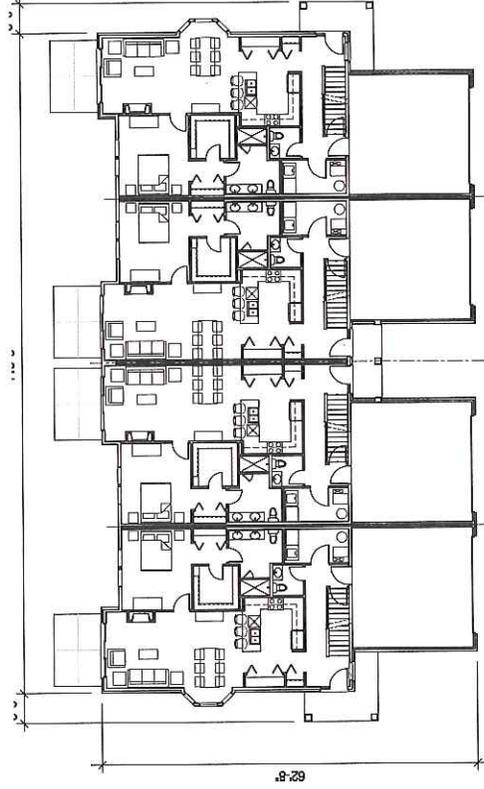
**Rear Elevation**



**Typ. Side Elevation  
w/ Brick @ Select Locations**



6 Unit Building Assembly Plan



4 Unit Building Assembly Plan

2 Story Townhome Assembly Plans

Exhibit 8

**VERANDAH**

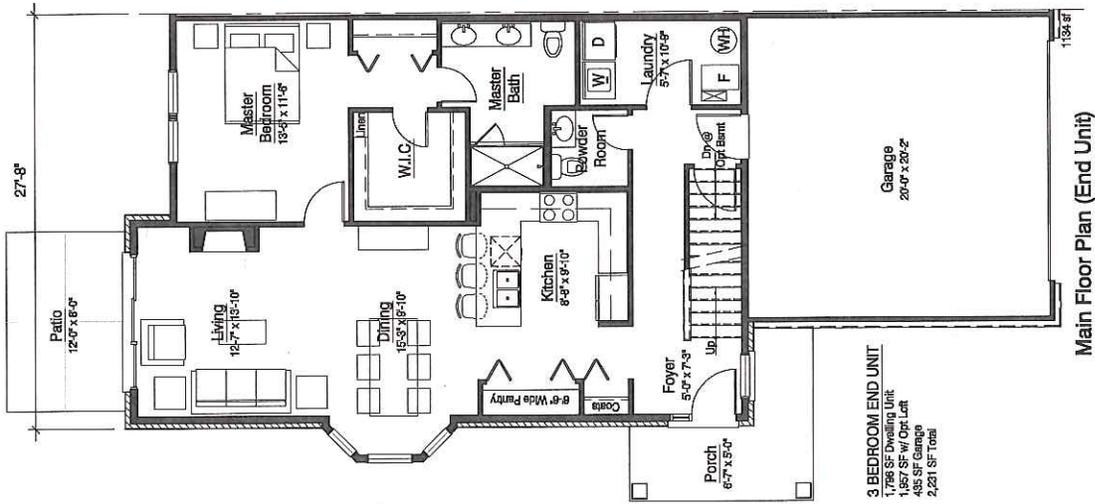
Aman Living, LLC Hanover Park, Illinois



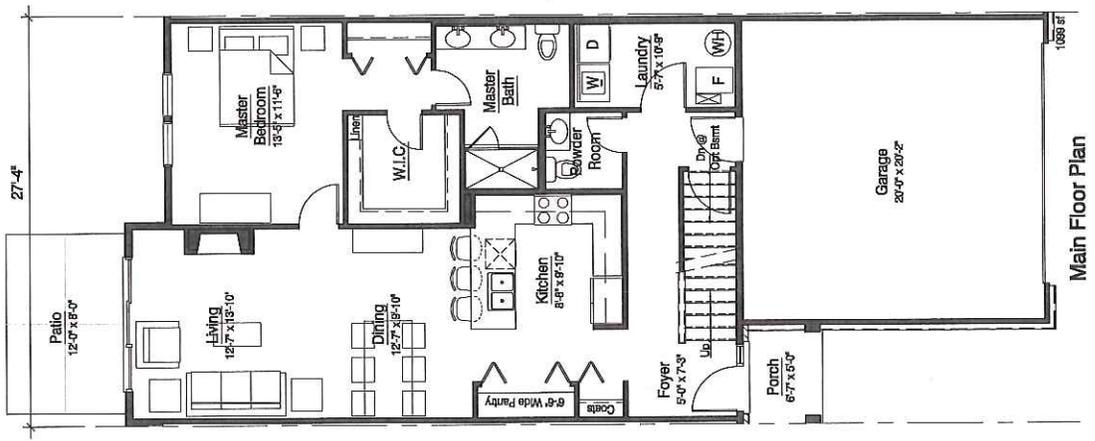
18 South Wolf Avenue  
Arlington Heights, Illinois 60005  
Job No. 16026 © 2016



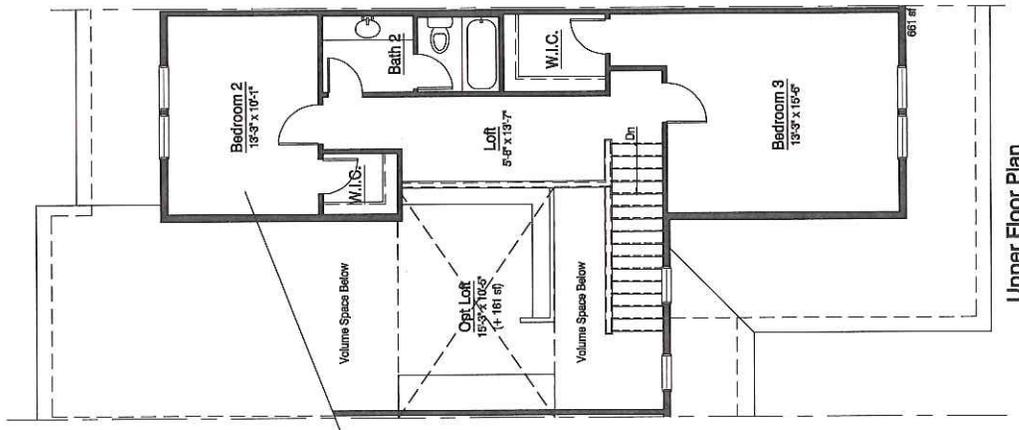
November 18, 2016 ARCHITECTS + PLANNERS, INC.



Main Floor Plan (End Unit)



Main Floor Plan



Upper Floor Plan

2 Story Townhome Unit Plans

Exhibit 9



Aman Living, LLC Hanover Park, Illinois



43 South Val Avenue  
 Algonquin, IL 60110  
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Max. Bldg. Ht  
EL. 32'-0"

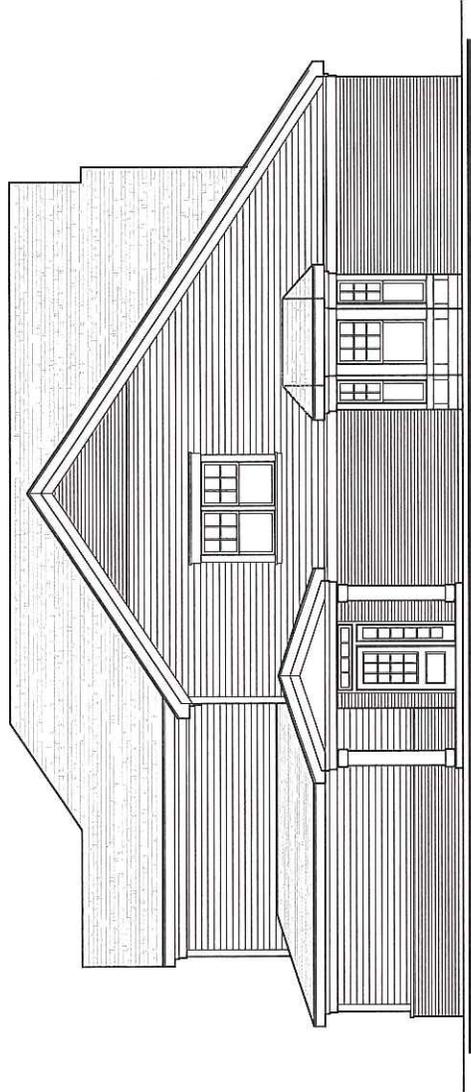
Raised Seam Mtl Roofing

Asphalt Shingles

Front Elevation

Typ. Siding

Brick Veneer, Typ.



Right Side Elevation

2 Story Townhome Elevations (4 Unit Assembly)

Exhibit 10

**VERANDAH**

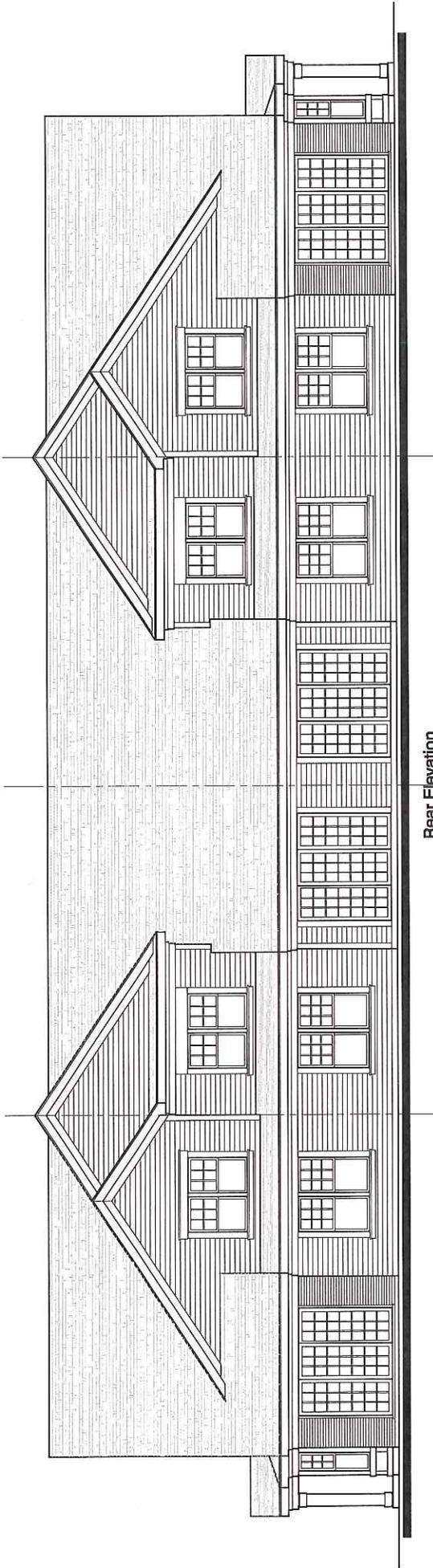
Aman Living, LLC Hanover Park, Illinois



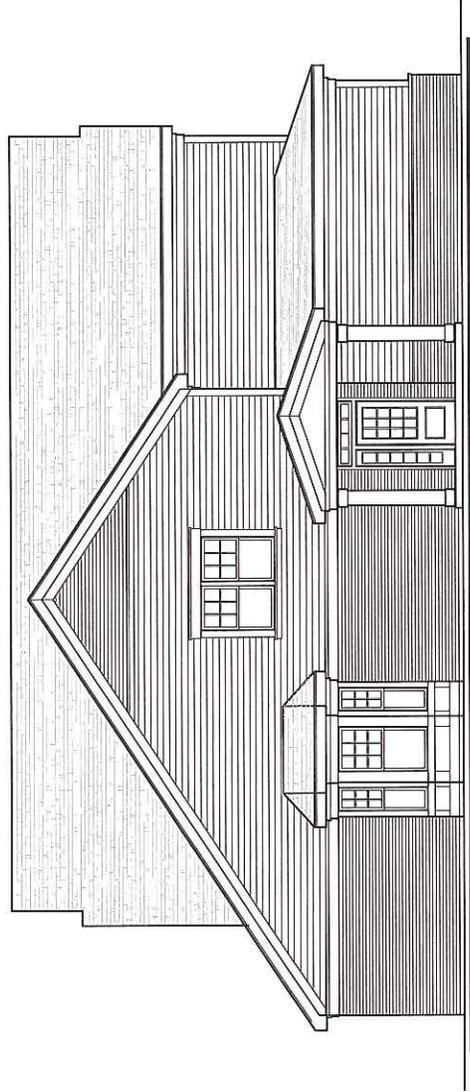
48 South, 10th Avenue  
Arlington Heights, IL 60005  
Job No. 150265 © 2016



November 18, 2016 ARCHITECTS + PLANNERS, INC.



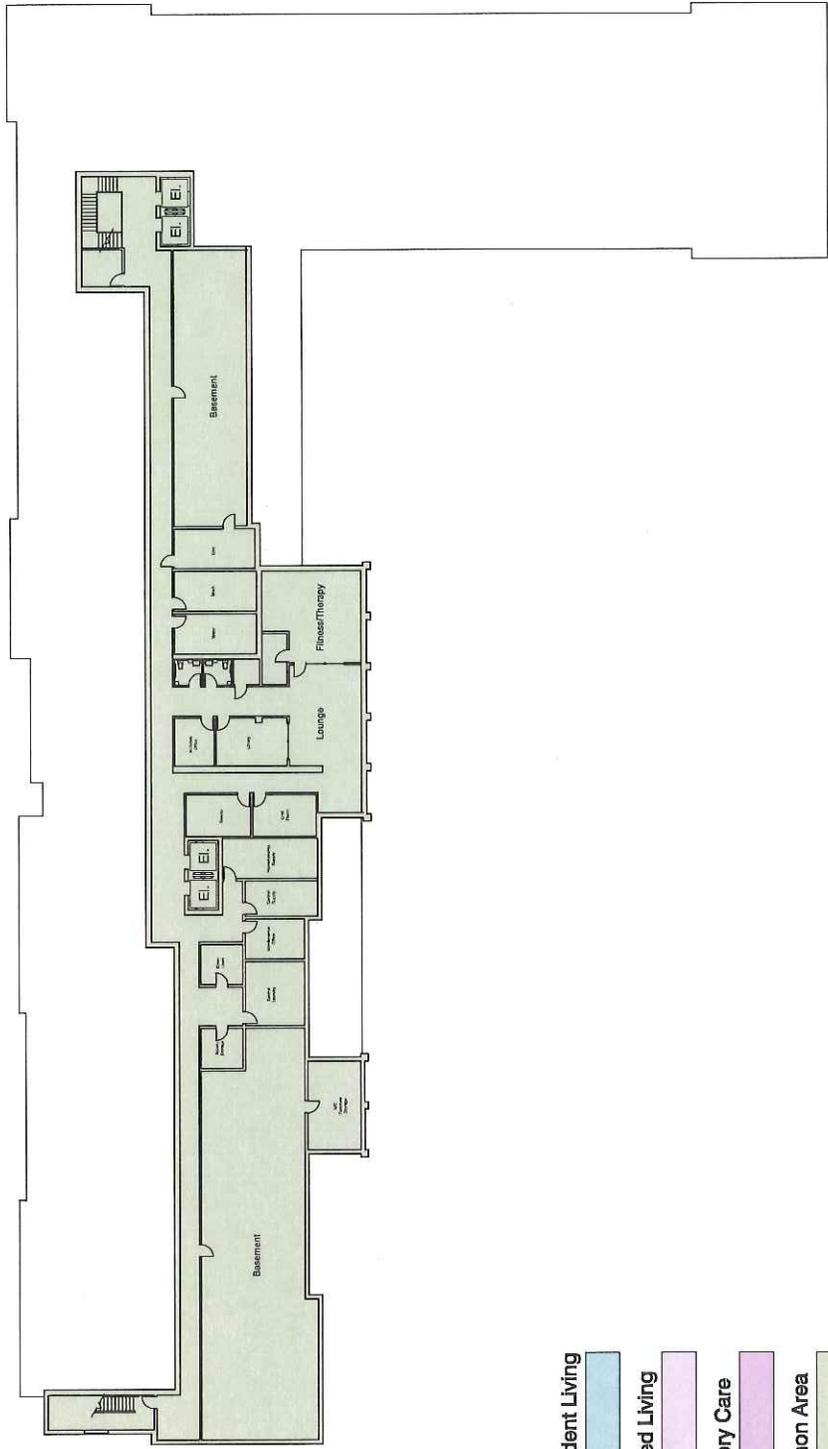
Rear Elevation



Left Side Elevation

2 Story Townhome Elevations (4 Unit Assembly)

Exhibit 11



- Independent Living
- Assisted Living
- Memory Care
- Common Area



Aman Living, LLC Hanover Park, Illinois

Basement Floor Plan

Exhibit 12



45 South Mill Avenue  
 Arlington Heights, Illinois 60005  
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 November 18, 2016 ARCHITECTS + PLANNERS, INC.





- Independent Living
- Assisted Living
- Memory Care
- Common Area



Aman Living, LLC Hanover Park, Illinois

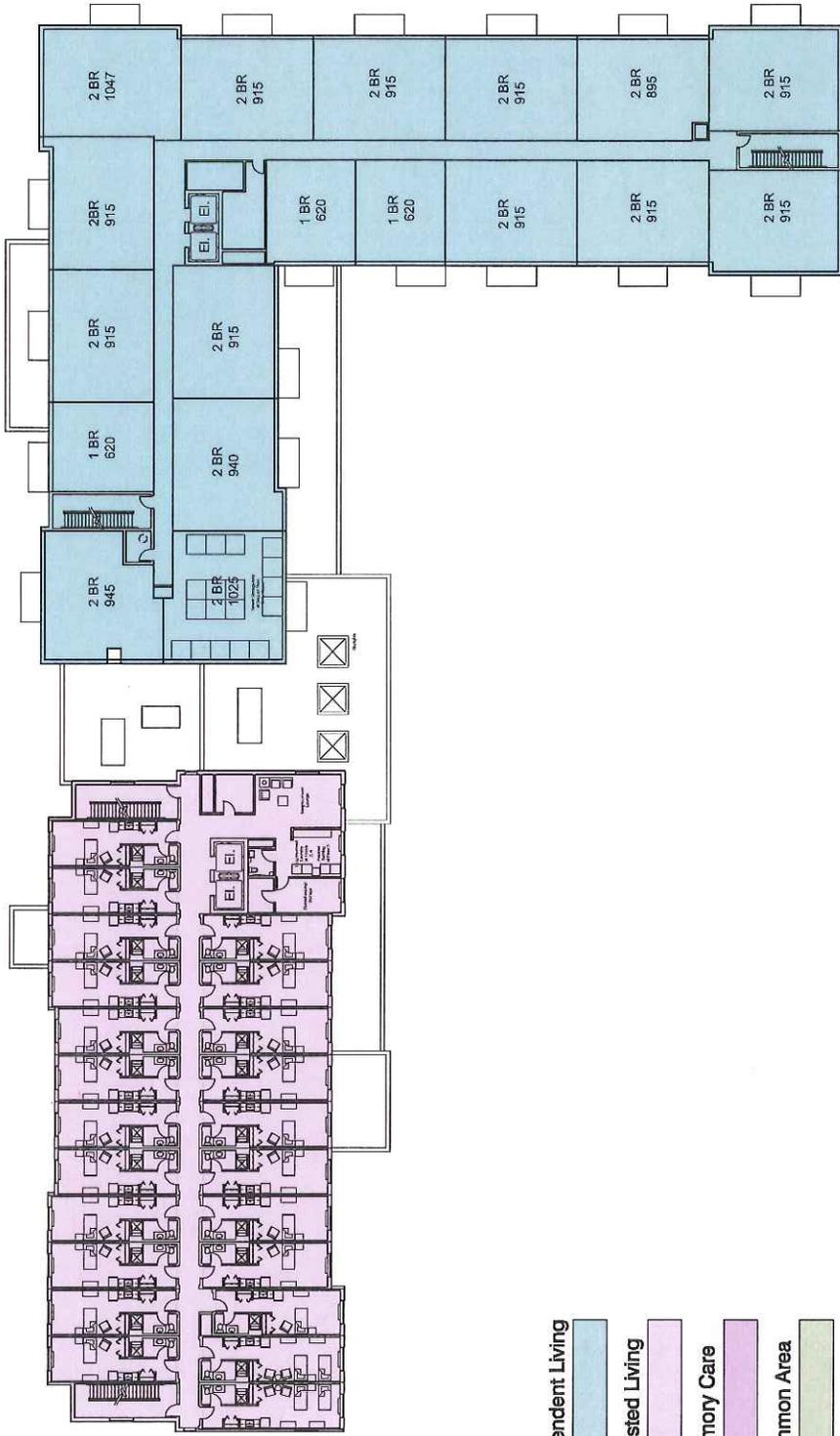
First Floor Plan

Exhibit 13



48 South Val Avenue  
 Arlington Heights, IL 60005  
 Job No. 180225 © 2018  
 November 18, 2018 ARCHITECTS + PLANNERS, INC.





- Independent Living
- Assisted Living
- Memory Care
- Common Area

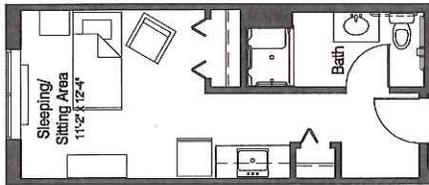
**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

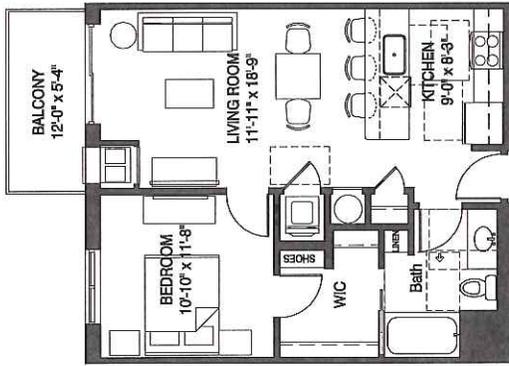
**Second - Fourth Floor Plan**

Exhibit 13a

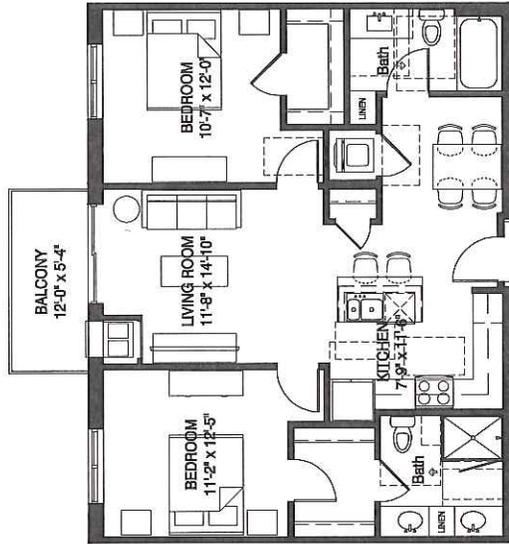




Typical Assisted Living



Typical 1 Bedroom



Typical 2 Bedroom



43 South Val Avenue  
 Arlington Heights, IL 60005  
 Job No. 150263 © 2016  
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West Elevation



South Elevation

**VERANDAH**

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**Elevations**

Exhibit 15



43 South Vall Avenue  
 Hanover Park, Illinois  
 Job No. 160226 © 2018  
 November 18, 2018  
**HKM**  
 ARCHITECTS & PLANNERS, INC.



East Elevation

T/I High Parapet  
El. +64'-0"  
T/I Low Parapet  
El. +62'-0"



North Elevation

T/I High Parapet  
El. +62'-8"  
T/I Low Parapet  
El. +50'-8"

Grade  
0'-0"

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

Elevations

Exhibit 16



43 South Vall Avenue  
Arlington Heights, IL 60004  
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November 18, 2016  
**HKM**  
ARCHITECTS + PLANNERS, INC.



**VERANDAH**

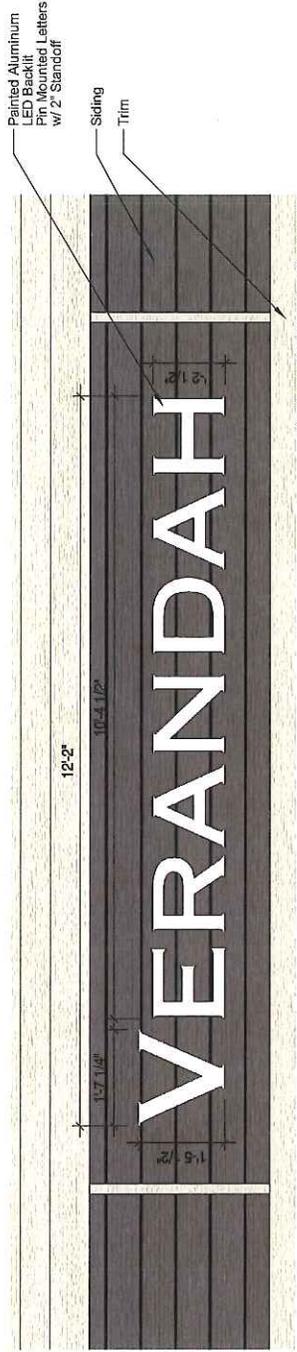
Aman Living, LLC Hanover Park, Illinois

**Enlarged Partial Elevation**

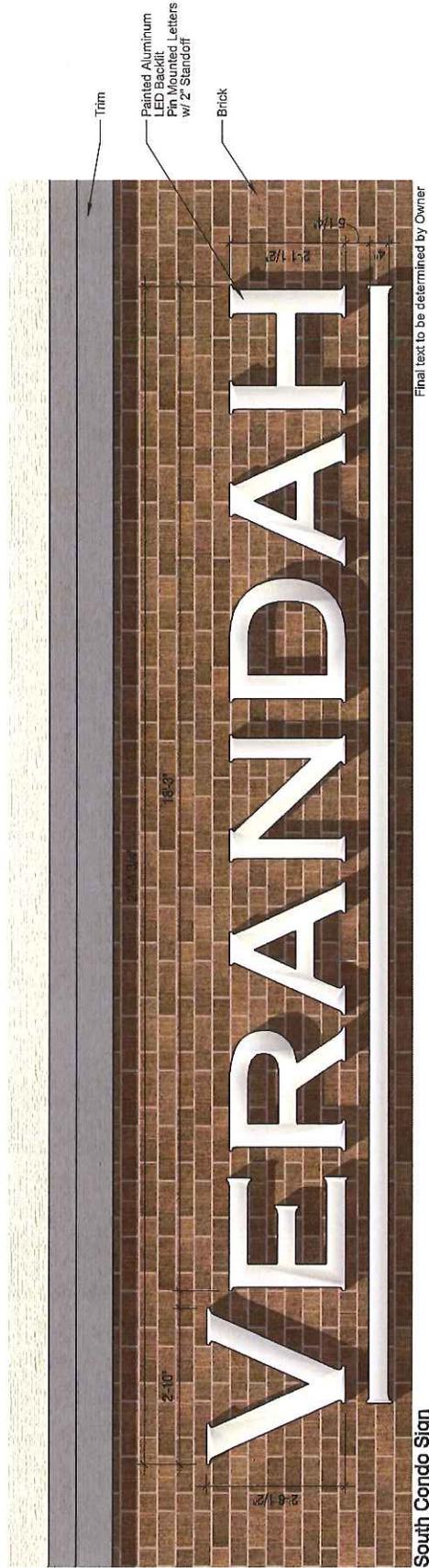
Exhibit 17



42 South Vall Avenue  
 Arlington Heights, IL 60005  
 Job No. 18026 © 2018  
 November 18, 2018 ARCHITECTS + PLANNERS, INC.



North Condo Sign



South Condo Sign

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

Building Signage

Exhibit 18



48 South Val Avenue  
Arlington, VA 22204  
Job No. 16228 © 2016



November 18, 2016 ARCHITECTS + PLANNERS, INC.



LARGE SHADE DECIDUOUS TREES - 68@2.5" = 170"  
 ORNAMENTAL DECIDUOUS TREES - 77@1.0" = 77"  
 TOTAL CALIPER 247"/55 UNITS = 4.5" PER UNIT  
 4.0" PER UNIT REQUIRED

38 EVERGREEN X 6FT = 228FT  
 228FT / 55 UNITS = 4.15FT PER UNIT  
 3FT PER UNIT REQUIRED

### Typical Plant Palette

Botanic Name	Common Name	Size
<i>Acer x freemanii</i> 'Winnifred'	Winnifred Maple	2.5' BB
<i>Betula nigra</i>	River Birch	8' HL BB
<i>Celtis occidentalis</i> 'Windy City'	Windy City Hackberry	2.5' BB
<i>Crataegus cuneata</i> 'Inermis'	Thornless Hawthorn	2.5' BB
<i>Malus 'Red Jewel'</i>	Red Jewel Crabapple	8' HL BB
<i>Malus 'Donald Wyman'</i>	Donald Wyman Crab	2.5' BB
<i>Picea canadensis</i>	White Pine	2.5' BB
<i>Pinus strobus</i>	Swamp White Pine	2.5' BB
<i>Quercus bicolor</i>	Swamp White Oak	2.5' BB
<i>Thuja occidentalis</i> 'Teeahy'	Mission Arborvitae	8' HL BB
<i>Thuja occidentalis</i> 'Teeahy'	Mission Arborvitae	8' HL BB
<i>Ulmus americana</i>	Winged Elm	2.5' BB
<i>Ulmus americana</i> 'Merlot'	Merlot Elm	2.5' BB

### Shrubs

Botanic Name	Common Name	Size
<i>Buxus x glaucocarpa</i>	Glennwood Boxwood	2.5' BB
<i>Comus stricta</i> 'Frodo'	Wheat Reed Dogwood	2.5' BB
<i>Hamamelis virginica</i>	Winged Tree Hamamelis	2.5' BB
<i>Hamamelis virginica</i>	Winged Tree Hamamelis	3' BB
<i>Hydrangea arborescens</i> 'Annabelle'	Annabelle Hydrangea	2.5' BB
<i>Hydrangea paniculata</i> 'Tardiva'	Tardiva Hydrangea	30" BB
<i>Ilex virginica</i> 'Moran'	Moran Sweetgum	2.5' BB
<i>Juniperus x media</i> 'Valley's Compact'	Compact Juniper	18" BB
<i>Rhus aromatica</i> 'Eco Low'	Eco Low Sumac	18" BB
<i>Spiraea japonica</i> 'Gold Flame'	Gold Flame Spirea	18" BB
<i>Spiraea japonica</i>	Japanese Spirea	3' BB
<i>Taxus x media</i> 'Tautouff'	Tautouff Yew	2.5' BB
<i>Viburnum dentatum</i> 'Ralph Sanfor'	Ralph Sanfor Viburnum	3' BB
<i>Viburnum x luddii</i>	Luddii Viburnum	3' BB

### Perennials

Botanic Name	Common Name	Size
<i>Allium 'Summer Beauty'</i>	Summer Beauty Onion	#1 Cont.
<i>Aliza x 'Chocolates Chip'</i>	Chocolates Chip Carpet Bugle	#1 Cont.
<i>Carexpa verticillata</i> 'Zigzag'	Zigzag Threaded	4" pots
<i>Coreopsis 'Lila Joe'</i>	Lila Joe Coreopsis	#1 Cont.
<i>Hebe 'Guacamole'</i>	Guacamole Hebe	#1 Cont.
<i>Hemerocallis 'Happy Returns'</i>	Happy Returns Daylily	#22 Cont.
<i>Pennisetum alopecuroides</i> 'Cassini'	Cassini Fountain Grass	#1 Cont.
<i>Mateuccia struthiopteris</i>	Carthagen Fern	#1 Cont.
<i>Phytolacca frutescens</i> 'Green Carpet'	Green Carpet Phytolacca	#1 Cont.
<i>Rudbeckia subtomentosa</i>	Sweet Black-eyed Susan	4" pots
<i>Salvia nemorosa</i> 'Vibrance'	Vibrance Salvia	#1 Cont.
<i>Stachys 'Hummel'</i>	Hummel Salvia	#2 Cont.
<i>Stachys annularis</i>	Annular Salvia	#1 Cont.
<i>Stachys officinalis</i> 'Hummel'	Hummel Salvia	#1 Cont.

**VERANDAH**

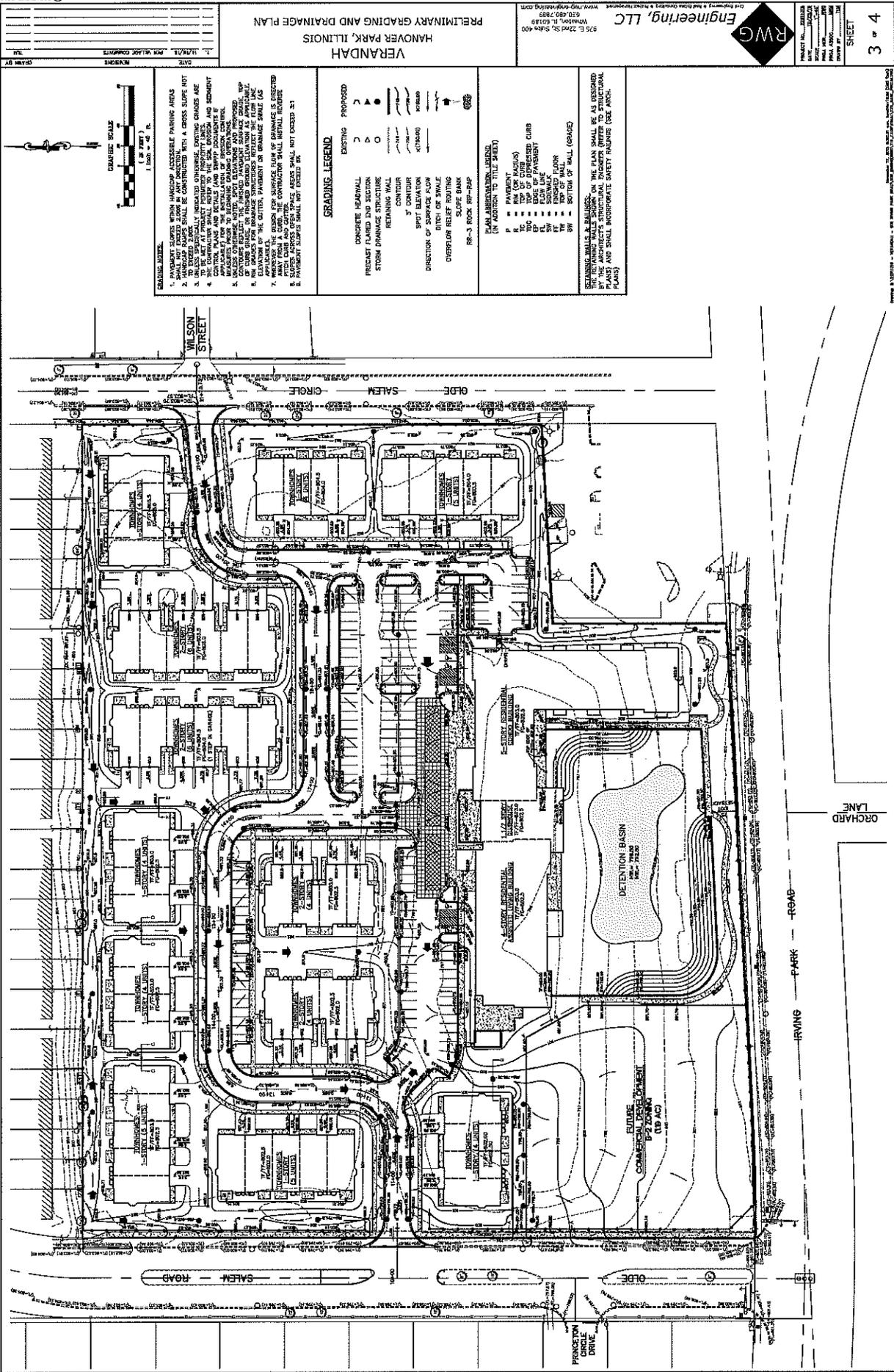
Aman Living, LLC Hanover Park, Illinois

TREE CODE COMPLIANCE



North 0 40' 80' 160'

43 South Vail Avenue  
 Hanover Park, IL 60139  
 Arlington Heights, IL 60005  
 848 W. 65th St. #2016  
**HKMI**  
 ARCHITECTS • PLANNERS, INC.





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**Valerie S. Kretchmer *Associates, Inc.***

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*Real Estate and Planning Consulting*

# **Verandah Market Analysis Summary and Conclusions**

**Hanover Park, Illinois**

*Prepared for*  
**AMAN LIVING, LLC**

**May 2016**

*Prepared by*  
**Valerie S. Kretchmer Associates, Inc.**  
807 Davis Street, #2004  
Evanston, IL 60201



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# Valerie S. Kretchmer Associates, Inc.

*Real Estate and Planning Consulting*

807 Davis Street • #2004  
Evanston, IL 60201-7103  
TEL 847-864-8895  
E-MAIL [vsk@kretchmerassociates.com](mailto:vsk@kretchmerassociates.com)

May 3, 2016

Dr. Anuja Gupta  
AMAN LIVING, LLC  
22538 Cobblestone Trail  
Frankfort, IL 60423

Dear Dr. Gupta:

Valerie S. Kretchmer Associates, Inc. (VSKA) is pleased to present the attached summary and conclusions relative to the market for the Verandah senior living facility on the north side of Irving Park Road between Olde Salem Circle and Olde Salem Road in Hanover Park.

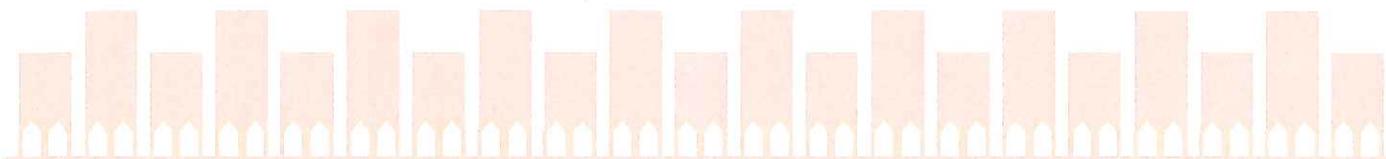
Based on our analysis of the project and the competitive properties in the market area, VSKA concludes that there is significant demand for a senior facility offering independent living, assisted living and memory care at this location.

Thank you for the opportunity to work on this interesting assignment.

Sincerely,

*Valerie Sandler Kretchmer*

Valerie Sandler Kretchmer  
President



## SUMMARY AND CONCLUSIONS

### A. Project Description

The proposed development will offer independent living, assisted living and memory care to create a full-service senior campus where residents can age in place. It will include a total of 214 units -- 129 for independent living, 55 for assisted living, and 30 for memory care. The proposed site is proximate to shopping and services and is appropriate for a senior living facility.

The independent living units will include 75 for-sale condominiums in an elevator building and 54 for-sale townhomes. Townhouses will have individual entrances and all will have first floor master bedrooms and baths. Assisted living and memory care will be rental not for-sale.

The development will include a large (10,000 square foot) clubhouse on the first floor of the condominium building that will include a dining facility, community room, fitness center, computer room/library, activity studio, offices for doctors and physical therapists, and outdoor covered seating. Other amenities will include a pond, park and walking path. An optional meal plan will be offered.

The development will allow residents to age in place and pay for the services they need, such as home health care and dining for independent living residents, and more extensive care for residents in assisted living and memory care.

In independent living, one bedroom units will have one bath, two bedroom units will have two baths and the three bedroom units will have 2.5 baths. The two bedroom townhouses will be ranch-style, while the three bedroom units will have two floors, with a first floor master bedroom and two bedrooms on the second floor.

As proposed, all of the independent living units will be sold on a fee simple basis with residents responsible for real estate taxes, utilities, interior maintenance and insurance. The proposed development will be different than most senior facilities in this respect. Most are either rental or entry fee communities in which residents do not own their units. Monthly fees at Verandah will cover common area maintenance and activities. Additional fees will be charged for an optional meal plan and other services.

The proposed unit mix, unit sizes and average sale prices are shown below.

**Table 1**

**VERANDAH PROPOSED UNIT MIX, UNIT SIZES AND PRICES**

<b>Unit Type</b>	<b># of Units</b>	<b>Average Unit Size</b>	<b>Average Price</b>
<b>Independent Living</b>			
1 Bedroom/1 Bath Condominium	18	700 SF	\$150,000
2 Bedroom/2 Bath Condominium	57	1,000 SF	\$200,000
Sub-Total	75		
2 Bedroom/2 Bath Townhouse	34	1,275 SF	\$275,000
3 Bedroom/2.5 Bath Townhouse	20	1,750 SF	\$335,000
Sub-Total	54		
<b>Assisted Living</b>	55	344-584 SF	Rental only
<b>Memory Care</b>	30	344-398 SF	Rental only
<b>TOTAL</b>	214		

Independent living facilities are generally for seniors who can take care of themselves but want to engage in a community of their peers. Most market rate facilities offer apartments with full kitchens, communal dining with one or more meals served each day, weekly housekeeping and recreational activities. The target age for this type of facility is 65 and older, though most residents are in their 70s and 80s. Some also offer home health services for an additional fee so that those needing more assistance can remain in their apartments.

Verandah may attract a younger senior demographic in its independent living units since it is a for-sale development and units are larger than what is typically found in senior independent living. In particular, the townhouses will be targeting more independent seniors who are downsizing from larger homes, but want a maintenance-free environment that enables them to age in place.

Residents of the independent living will be able to age in place and move into the assisted living and memory care sections as their health needs change. These units will also be open to those from the outside who are not residents of independent living already. Most of the assisted living and memory care units will be studios, with a few one bedroom units in the assisted living section.

## **B. Primary Market Area**

The Primary Market Area (PMA) for Verandah is generally bounded by I-90 on the north, Army Trail Road on the south, Meacham Road on the east and the railroad tracks west of Route 59 and east of the Kane County line on the west. It includes all or parts of Hanover Park, Schaumburg, Streamwood, Hoffman Estates, Bartlett, Roselle and Bloomingdale. A map of the PMA is on the following page.

The Primary Market Area has an estimated 35,400 people age 65+ as of 2015 and this number is projected to increase by 22% over the next five years. The Village of Hanover Park has an estimated 3,226 seniors age 65+ and their number is projected to increase by 30% by 2020. Thus there are a large number of potential residents for a new senior development.

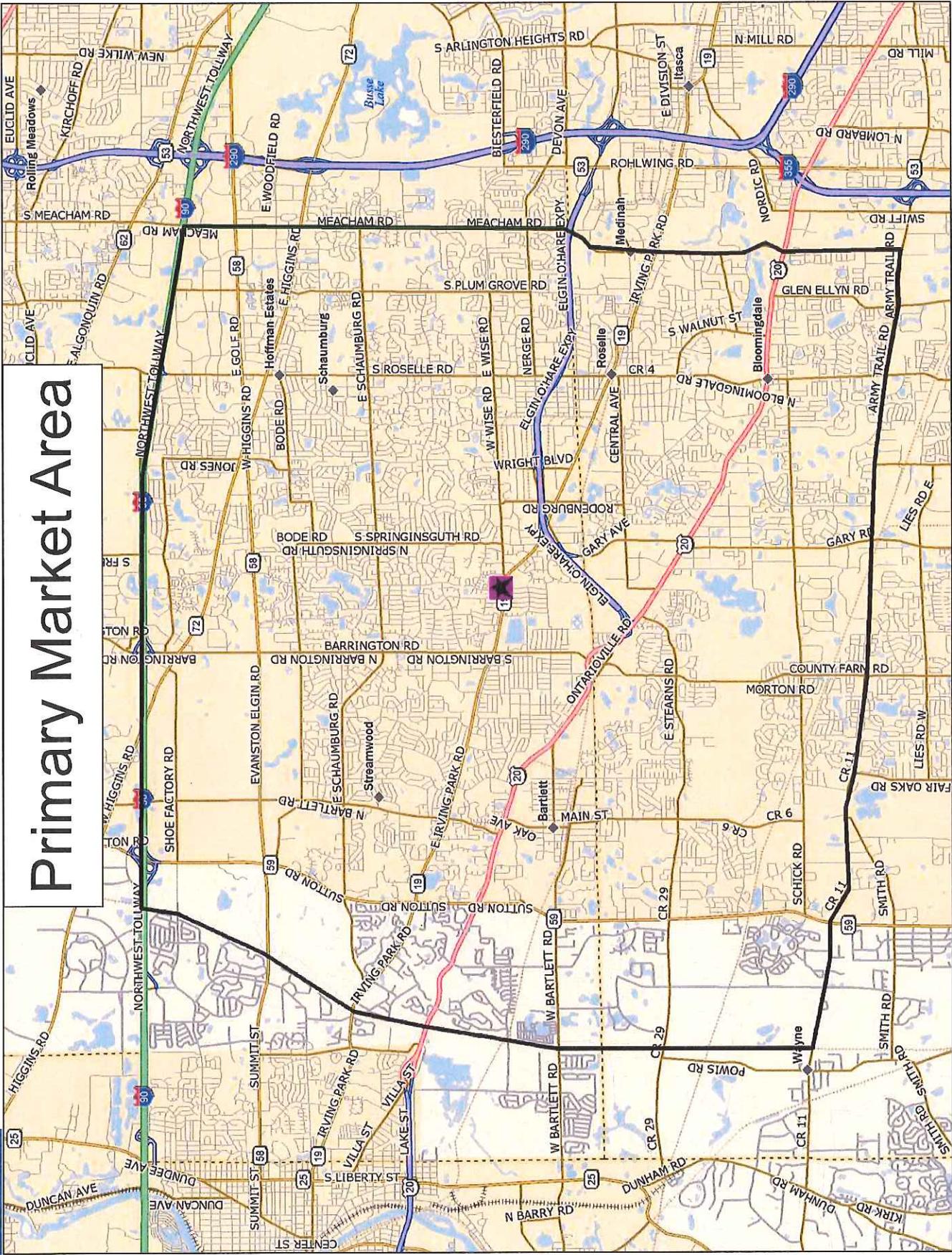
The PMA has an estimated 20,800 households headed by a person 65+ and of these, 71% have incomes over \$35,000 and 54% have incomes over \$50,000. These are the target residents of Verandah. The number of senior households with incomes over \$50,000 is projected to increase by 34% (3,239) over the next five years.

Seniors in the PMA also have reasonably high net worth. Just over three quarters of the households age 65+ have net worth over \$150,000 and 65% have net worth over \$250,000. The percentages are slightly higher for residents of Hanover Park. Thus there will be an increasing need for senior housing in the PMA in the next five years and there are an ample number of seniors who have both the net worth and income to afford the proposed units at Verandah.

Assisted living is typically targeted to those who have one or more disabilities and need assistance with activities of daily living. Most are over 75 years of age. The PMA has almost 16,400 people over 75 and slightly over half, 8,440, have some disability.

Data from the Alzheimer's Association and other studies show that 11% of seniors have Alzheimer's disease or other dementia. Of these, 48% have a mild case and typically are cared for at home by family members. Another 31% have moderate and 21% have severe cases. The latter are the target for a memory care facility. The PMA has an estimated 2,025 residents over 65 with moderate or severe memory care issues.

# Primary Market Area



Scale 1 : 100,000



1" = 1.58 mi Data Zoom 11-0



### C. Competitive Environment

The Primary Market Area has 3 market rate senior properties offering independent living with a total of 855 units. There are also 367 assisted living beds and 129 memory care beds in 9 facilities, some of which also offer independent living.

Two competitive facilities are lifecare properties in which residents pay a large upfront entry fee, but are guaranteed higher levels of care (assisted living, memory care and skilled nursing) as their needs change -- Friendship Village in Schaumburg and Clare Oaks in Bartlett. A third competitive facility is Brookdale Hoffman Estates, a rental property primarily for independent living, but also offering some assisted living units.

At the two lifecare communities, the entry fees range from \$165,000-256,500 for one bedroom and \$210,000-314,000 for two bedroom units, 90% of which is refundable when the person leaves. Monthly fees for independent living at these lifecare facilities range from \$2,120-\$3,066 for one bedroom and \$2,540-\$3,952 for two bedroom units. At Brookdale, the monthly fees range from \$2,515-\$3,215 for one bedroom and \$3,420-\$3,550 for two bedrooms.

The entry fees at lifecare communities are sometimes considered the same as the sales price of a condominium and most residents use the sales proceeds from a home to pay their entry fees (which don't usually allow financing). However, the entry fees provide higher levels of care (assisted living and skilled nursing) at discounted rates in the future and free care if the resident runs out of funds. This is not the case in a fee simple community such as proposed at Verandah.

Properties in the PMA specifically for assisted living and memory care include Brookdale Hoffman Estates (Golf Road), Sunrise of Schaumburg, Sunrise of Bloomingdale, and two supportive living facilities for low-income and market rate seniors in Bartlett and Bloomingdale. The latter two each have a small number of market rate residents, though most are covered by the state of Illinois Medicaid program. Rates for private pay assisted living in a private studio or one bedroom unit typically range from \$3,600 to \$6,300 and in memory care from \$4,800 to \$8,400 per month. These rates include at least some assistance with activities of daily living, though some facilities are more inclusive than others in what is included in the rate.

Occupancy is high for independent living at Brookdale Hoffman Estates and at the newer Friendship Village building that opened in 2007. While exact unit sizes were not available for all of the competitive facilities, the units at Brookdale and Friendship Village are smaller than the proposed unit sizes at Verandah. Monthly rents and fees at the competitive independent living facilities include a meal package, activities, utilities, transportation and housecleaning.

There is one new senior facility under construction in Streamwood, Westbrook Senior Living, a rental property with 69 units of independent living in addition to 59 units of assisted living and 24 units of memory care. There are no other plans at this time for senior independent and assisted living, but one memory care facility (Lakewood Memory Care) with 42 units is planned in Bloomingdale.

#### **D. For-Sale Condominiums and Townhouses**

VSKA focused on newer condominiums and townhouses in the PMA, particularly those that have attracted empty nesters and senior citizens. These prices are significantly higher than the median sales prices for all attached units in the PMA communities.

There are several elevator condominium buildings in Roselle and Bartlett in their respective downtowns. They were built prior to the recent recession and prices are generally lower today than they were when they initially sold. However, prices have been increasing since the depth of the recession. Over the past two years, one bedroom condos in these newer buildings sold from \$99,400 to \$136,000 and two bedroom units sold for \$138,000 to \$320,000. These units are generally larger than those proposed at Verandah, but they do not have the level of common area amenities that will be included at Verandah.

There are many townhouses in the PMA, though most are more than 20 years old and are not directly comparable with what is proposed at Verandah. The most recently completed townhouse development in Hanover Park, Church Street Station, has two bedroom units that sold for \$180,111 to \$269,990 and three bedroom units that sold for \$113,000 to \$240,000 in the past two years. (The lowest sale was a short sale.) However, few buyers were seniors since the townhouses are on three levels. The development has no common area amenities.

Several other developments in Streamwood (Sutton Ridge) and Hoffman Estates (Haverford Place) are more appropriate for seniors and empty nesters looking to downsize as many units have first floor master bedrooms. Haverford Place has a clubhouse; Sutton Ridge does not. 2014 and 2015 sales at these developments are higher overall than more traditional multi-level townhouses and range from \$238,900 to \$385,000 for two bedrooms and \$261,000 to \$370,000 for three bedrooms. These townhouses tend to be larger than the proposed townhouses at Verandah.

#### **E. Demand and Penetration**

VSKA estimates demand for additional independent living units for seniors at 289-474 units in 2015, increasing to 350-587 units in 2020. This is based on conservative penetration rates of 2%-3% of households age 65+ with incomes of \$35,000-74,999 and 1%-2% of senior households with incomes over \$75,000. In order to afford the purchase price and the monthly fees at Verandah, we estimate that a senior will need a minimum net worth of \$150,000 and/or income of \$35,000-50,000. The proposed 129 independent living units represent 27-45% of the independent senior demand in 2015 and 22-37% by 2020. Table 2 on the following page shows the independent living demand.

Table 2

HANOVER PARK MARKET AREA INDEPENDENT LIVING DEMAND

	2015		2020	
	<i>Penetration Rates</i>		<i>Penetration Rates</i>	
<b>Primary Market Area</b>				
<u>Income Level \$35,000-\$49,999</u>	2.0%	3.0%	2.0%	3.0%
Number of Households Age 65+	<u>3,588</u>	<u>3,588</u>	<u>3,903</u>	<u>3,903</u>
Demand at 2-3% Penetration	72	108	78	117
<u>Income Level \$50,000-74,999</u>	2.0%	3.0%	2.0%	3.0%
Number of Households Age 65+	<u>4,710</u>	<u>4,710</u>	<u>5,251</u>	<u>5,251</u>
Demand at 2-3% Penetration	94	141	105	158
<u>Income Level \$75,000+</u>	1.0%	2.0%	1.0%	2.0%
Number of Households Age 65+	<u>6,494</u>	<u>6,494</u>	<u>9,733</u>	<u>9,733</u>
Demand at 1-2% Penetration	65	130	97	195
<b>Total Demand from Primary Market Area</b>	231	379	280	470
Additional Demand Assuming that 20% of Residents come from Outside of Market Area	<u>58</u>	<u>95</u>	<u>70</u>	<u>117</u>
<b>TOTAL MARKET RATE DEMAND</b>	<b>289</b>	<b>474</b>	<b>350</b>	<b>587</b>

Note: Numbers may not total due to rounding.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates and projections from ESRI.

We also analyzed the overall independent living penetration rate in the PMA to determine the degree to which this market area is saturated or overbuilt with independent living for seniors. As of 2015, there are almost 14,800 households over age 65 with incomes over \$35,000. The existing inventory of senior independent living currently penetrates 5.8% of these households.

This is a very low overall rate for a market area. By 2020, with the addition of 69 units at Westbrook Senior Living and 129 units at Verandah, the penetration rate will decrease slightly to 5.6% due to the projected increase in the number of income-eligible seniors. This indicates that the market can support additional development.

Verandah’s proposed 129 independent living units will need to capture only 0.9% of the senior households with incomes over \$35,000 in 2015 and 0.7% in 2020. These are very low capture rates for a single property, indicating reasonable demand for Verandah. In addition, there is no other development that will be offering a for-sale product for independent seniors with the level of amenities and services planned at Verandah.

VSKA estimates demand for 196-279 assisted living beds in the PMA in 2015, increasing to 249-353 by 2020. Verandah’s proposed 55 assisted living beds represent 20-28% of this demand in 2015 and 16-22% in 2020. We also estimate demand for 66-94 memory care beds in 2015, increasing to 82-116 by 2020. The proposed 30 memory care beds at Verandah represent 32-45% of the demand in 2015 and 26-36% in 2020. Thus there is more than adequate demand for the proposed assisted living and memory care units proposed at Verandah. Tables 3 and 4 below show the demand analysis for assisted living and memory care.

Table 3

HANOVER PARK MARKET AREA ASSISTED LIVING DEMAND

	2015 Range		2020 Range	
Population 75+ with Disabilities	6,850	6,850	8,440	8,440
Target Population with Net Worth of \$150,000+ (Adequate Net Worth)*	4,862	4,862	5,990	5,990
Target Population with Income of \$50,000+ (Adequate Income)	2,395	2,395	3,561	3,561
Estimated Target Population with Income of \$50,000+ and Net Worth less than \$150,000**	<u>30%</u> 718	<u>30%</u> 718	<u>30%</u> 1,068	<u>30%</u> 1,068
Target Population with Adequate Net Worth <u>and/or</u> Income for Private Pay Assisted Living	5,581	5,581	7,059	7,059
Demand from Target Population for Private Pay Assisted Living Units (3-4%)	167	223	212	282
Additional Demand for Assisted Living Units from Seniors Age 65-74 and from Outside the Market Area (15-20%)	<u>29</u>	<u>56</u>	<u>37</u>	<u>71</u>
<b>Total Demand for Hanover Park Assisted Living Facility (Beds)</b>	<b>196</b>	<b>279</b>	<b>249</b>	<b>353</b>

\*In the Hanover Park Market Area, 71% of households with a person age 75+ have a net worth of \$150,000+, considered to be the minimum necessary to afford private pay assisted living and memory care. Alternatively, those with incomes of at least \$50,000 per year are assumed to be able to afford private pay assisted living and memory care.

\*\* Assumes that 70% of households with net worth of \$150,000+ have incomes over \$50,000. Therefore 30% of those with income of \$50,000+ are added to the number of potentially income-qualified seniors.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates & projections by ESRI

Table 4

HANOVER PARK MARKET AREA MEMORY CARE DEMAND

	2015 Range		2020 Range	
Population 65+ with Moderate or Severe Dementia	2,025	2,025	2,462	2,462
Target Population with Net Worth of \$150,000+ (Adequate Net Worth)*	1,548	1,548	1,882	1,882
Target Population with Income Over \$50,000 (Adequate Income)	1,092	1,092	1,504	1,504
Estimated Target Population with Income of \$50,000+ and Net Worth less than \$150,000**	<u>30%</u>	<u>30%</u>	<u>30%</u>	<u>30%</u>
	328	328	451	451
Target Population with Adequate Net Worth <u>and/or</u> Income for Private Pay Memory Care	1,875	1,875	2,333	2,333
Demand from Target Population for Private Pay Memory Care Beds (3-4%)	56	75	70	93
Additional Demand for Memory Care Beds from Outside Market Area (15-20%)	<u>10</u>	<u>19</u>	<u>12</u>	<u>23</u>
<b>Total Demand for Hanover Park Memory Care Facility (Beds)</b>	<b>66</b>	<b>94</b>	<b>82</b>	<b>116</b>

\*In the Hanover Park Market Area, 76.4% of households with a person age 65+ have a net worth of \$150,000+, considered to be the minimum necessary to afford private pay assisted living and memory care. Alternatively, those with incomes of at least \$50,000 per year are assumed to be able to afford private pay assisted living and memory care.

\*\* Assumes that 70% of households with net worth of \$150,000+ have incomes over \$50,000. Therefore 30% of those with income of \$50,000+ are added to the number of potentially income-qualified seniors.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates & projections by ESRI

**F. Pricing, Unit Sizes, Amenities and Services**

As indicated above, Verandah is not directly comparable to the existing market rate senior developments in the PMA. The units will be adequately sized and will be larger than those of conventional market rate senior apartments, but smaller than those of newer non-age restricted condominiums and townhouses in the PMA. However, most of the for-sale condominium buildings and townhouse communities don't have the range of common area amenities and type of senior activities and services proposed at Verandah.

The proposed sales prices at Verandah are within the range of newer condominiums, townhouses and lifecare communities in the PMA. The one bedroom condominium prices are more expensive than recent sales at the newer buildings, but there aren't many newer one bedroom units in the PMA, so Verandah will fill a void. Verandah's two bedroom condominiums are at the upper end of the price range, but the existing condominium buildings don't offer the senior-specific amenities and services proposed at Verandah.

Verandah's proposed townhome prices are generally comparable to or less expensive than the newer townhouses in the PMA that have first floor master bedrooms but are more expensive than those that do not. There are limited choices in the PMA when it comes to townhouses with first floor master bedrooms, so again, Verandah will fill a void here.

The proposed monthly fees for independent living (homeowners association and real estate taxes) at Verandah will be significantly lower than the monthly fees charged at the PMA's senior rental and lifecare facilities. Even factoring in the resident's additional expenses for mortgage payment (if applicable), utilities and optional meals and housekeeping (which are typically included in the monthly fee at competitive facilities), Verandah will be less expensive. This will be a strong selling point.

The developer intends to offer an optional meal plan and other services such as housekeeping and home health care on an a la carte basis, giving residents the ability to pay only for what they need and want. Typical meal charges at senior facilities range from \$13-16 for dinner, which is the most popular meal. Some facilities offer a free continental breakfast.

Verandah's units will have full kitchens with quality appliances including a refrigerator, stove, dishwasher, disposal, washer and dryer. Individual outdoor space in the form of balconies in the condominium building and patios in the townhouses should be included in each unit. All units should be handicapped accessible or adaptable and have grab bars in the bathrooms, easy-entry showers, emergency pull cords in the bedrooms and bathrooms, and/or an emergency pendant for each resident.

The proposed common area amenities will be sufficient. The large clubhouse will differentiate the property from the for-sale condominiums and townhouses in the PMA. The developer intends to offer activities and should also offer free scheduled transportation for shopping and trips. Special arrangements for transportation to medical and other appointments within a reasonable distance of the development should be possible for an additional charge.

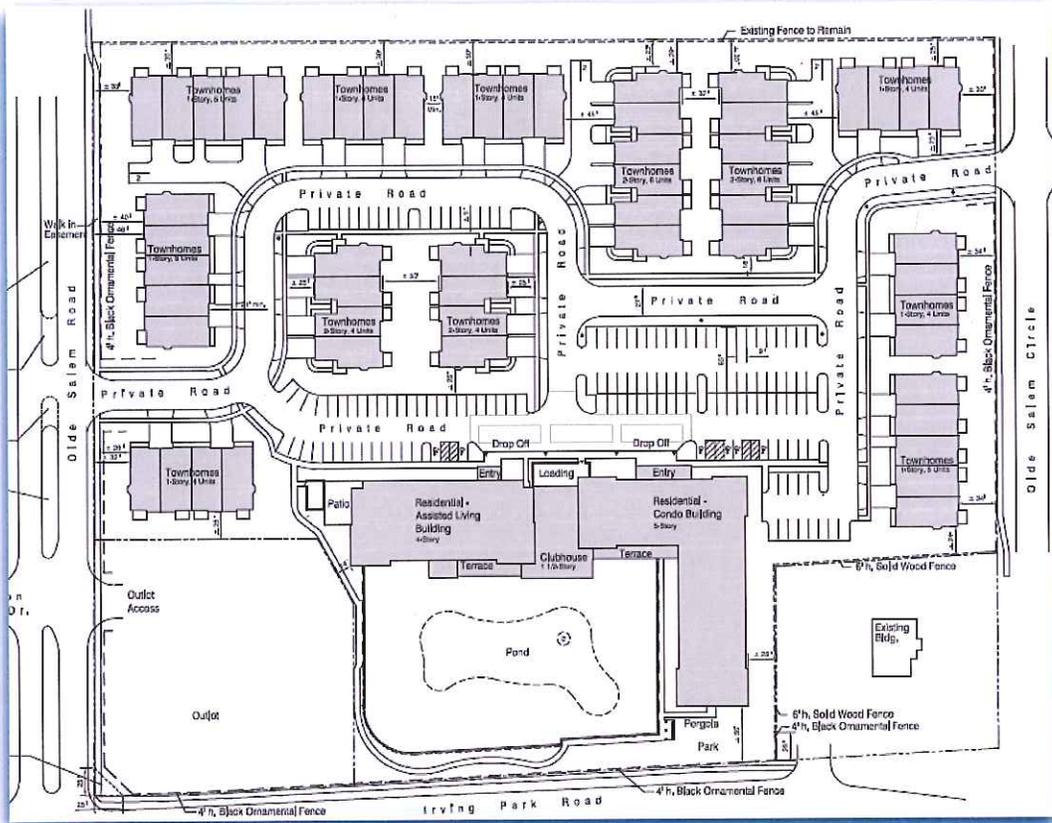
With the planned common area amenities, individual unit features including first floor master bedroom in the townhouses, and the activities and services that will be offered to residents, Verandah should be marketable at the proposed sales prices and monthly fees. Assuming the economy remains stable or improves over the next few years, absorption of the 129 independent living units is likely to take 18-26 months at the rate of approximately 5-7 units per month on average. This assumes a professional marketing effort targeting seniors and Realtors active in the PMA to get the word out about the development. The developer will most likely need to pre-sell a portion of the units prior to construction depending on the requirements of the lender.

The 85 assisted living and memory care units are projected to lease at the rate of 3-5 units per month for a lease-up of 17-28 months. Over time, as the residents of the independent living units age in place, the assisted living and memory care units will fill with those already living at Verandah. We also expect that some of the younger seniors in the independent living units will bring their frail relatives into the assisted living and memory care sections of Verandah.

# Traffic Impact Study

## Senior Housing Development

### Hanover Park, Illinois



Prepared By



October 28, 2016

# 1. Introduction

This report summarizes the methodologies, results and findings of a traffic impact study conducted by Kenig, Lindgren, O'Hara, Aboona, Inc. (KLOA, Inc.) for a proposed senior housing development to be located in Hanover Park, Illinois. The site is located on the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle. As proposed, the site will be developed with 55 townhome units, a building containing 80 senior condominium units and 80 assisted living units and an approximately 7,000 square-foot retail building on an outlot parcel within the site. Access to the proposed senior housing development will be provided via a full movement access drive off Olde Salem Road and via a full movement access drive off Olde Salem Circle. Access to the retail development will be provided via a full movement access drive off Olde Salem Road. No internal connection will be provided between the residential and retail parcels. Additionally, 303 parking spaces will be provided for the senior housing units and 77 parking spaces will be provided for the retail building.

The purpose of this study was to examine background traffic and parking conditions, assess the impact that the proposed development will have on traffic conditions in the area and determine if any roadway or access improvements are necessary to accommodate traffic generated by the proposed development.

**Figure 1** shows the location of the site in relation to the area roadway system. **Figure 2** shows an aerial view of the site area.

The sections of this report present the following.

- Existing roadway conditions
- A description of the proposed development
- Directional distribution of the development traffic
- Vehicle trip generation for the development
- Future traffic conditions including access to the development
- Traffic analyses for the weekday morning and evening peak hours
- Recommendations with respect to adequacy of the site access system and adjacent roadway system

Traffic capacity analyses were conducted for the weekday morning and evening peak hours for the following conditions.

1. Existing Condition - Analyzes the capacity of the existing roadway system using existing peak hour traffic volumes in the surrounding area.
2. Future Condition - The future projected traffic volumes include the existing traffic volumes, ambient area growth not attributable to any particular development and the traffic estimated to be generated by the proposed subject development.





Aerial View of Site Location

Figure 2

## 2.

### Existing Conditions

Existing transportation conditions in the vicinity of the site were documented based on a field visit conducted by KLOA, Inc. in order to obtain a database for projecting future conditions. The following provides a description of the geographical location of the site, physical characteristics of the area roadway system including lane usage and traffic control devices and existing peak hour traffic volumes.

#### Site Location

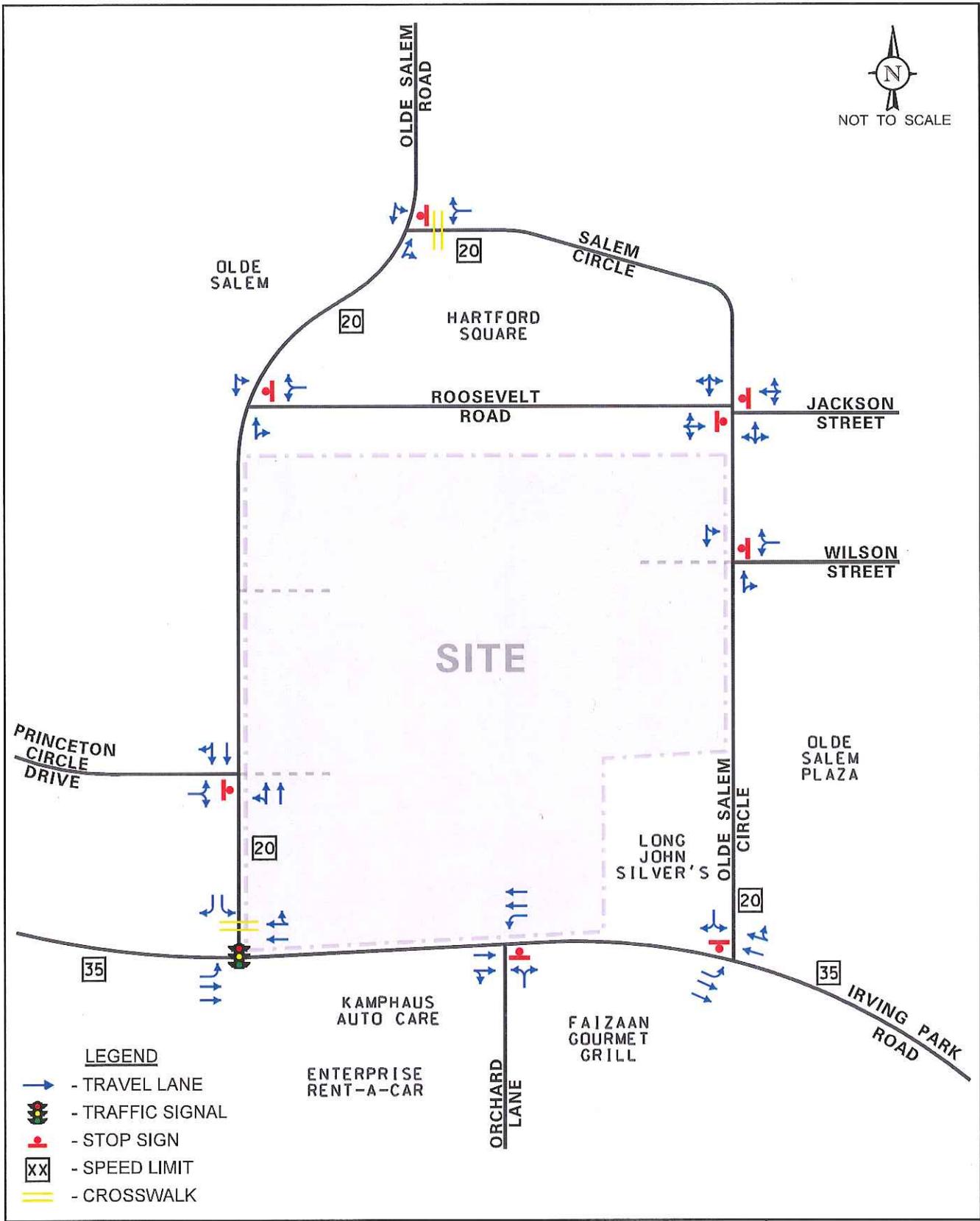
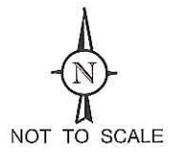
The site is located on the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle and is currently occupied by a surface parking lot and a razed building. Land uses in the vicinity of the site include the Olde Salem and Harford Square subdivisions to the north, the Olde Salem Plaza to the east and Faizaan Gourmet Grill, Kamphaus Auto Car and Enterprise Rent-a-car to the south. Additionally, Long John Silvers is located in the northwest corner of the intersection of Irving Park Road with Olde Salem Circle that is bordered to the north and west by the site.

#### Existing Roadway System Characteristics

The characteristics of the existing roadways near the development are described below. **Figure 3** illustrates the existing roadway characteristics.

*Irving Park Road (IL 19)* is an east-west arterial roadway that in the vicinity of the site provides two through lanes in each direction. At its signalized intersection with Olde Salem Road, Irving Park Road provides an exclusive left-turn lane and two exclusive through lanes on the eastbound approach and an exclusive through lane and a shared through/right-turn lane on the westbound approach. At its unsignalized intersection with Olde Salem Circle, Irving Park Road provides two exclusive through lanes on the eastbound approach and left-turns onto Olde Salem Circle can be completed from the striped median on Irving Park Road. The westbound approach provides an exclusive through lane and a shared through/right-turn lane on the westbound approach. Irving Park Road is under the jurisdiction of the Illinois Department of Transportation (IDOT) carries an annual average daily traffic (AADT) volume of 32,200 vehicles (IDOT AADT 2015) and has a posted speed limit of 35 miles per hour.

*Olde Salem Road* is a north-south local roadway that extends from Irving Park Road to its terminus approximately one-half mile to the north and provides one lane in each direction. At its signalized intersection with Irving Park Road, Olde Salem Road provides an exclusive left-turn lane, an exclusive right-turn lane and a standard style crosswalk. At its unsignalized intersection with Princeton Circle Drive, Olde Salem Road provides an exclusive through lane and a shared through/right-turn lane on the southbound approach and a shared through/left-turn lane and an exclusive through lane on the northbound approach. Parking is permitted on the west side of the roadway on odd days and is permitted on the east side of the roadway on even days. Olde Salem Road is under the jurisdiction of the Village of Hanover Park and has a posted speed limit of 20 miles per hour.



- LEGEND**
- TRAVEL LANE
  - TRAFFIC SIGNAL
  - STOP SIGN
  - SPEED LIMIT
  - CROSSWALK

PROJECT:  
 Senior Housing Development  
 Hanover Park, Illinois

TITLE:  
 Existing Roadway Characteristics

**KLOA**  
 Job No: 16-056  
 Figure: 3

*Olde Salem Circle* is a north-south local roadway that extends from Irving Park Road north to Olde Salem Road and provides one through lane in each direction. At its unsignalized intersection with Irving Park Road, Olde Salem Circle provides a shared left/right-turn lane that is under stop-sign control. At its unsignalized intersection with Wilson Street, Olde Salem Circle provides a shared through/right-turn lane on the northbound approach and a shared left-turn/through lane on the southbound approach. Olde Salem Circle is under the jurisdiction of the Village of Hanover Park and has a posted speed limit of 20 miles per hour.

*Princeton Circle Drive* is an east-west local roadway that provides one through lane in each direction and extends from Olde Salem Road approximately 800 feet west where it curves north and terminates at Whitebridge Lane. At its unsignalized intersection with Olde Salem Road, Princeton Circle Drive provides a shared left/right-turn lane under stop-sign control. Princeton Circle Drive is under the jurisdiction of the Village of Hanover Park.

*Wilson Street* is an east-west local roadway that provides one through lane in each direction and extends from Olde Salem Circle approximately 300 feet east to its terminus at Grant Circle. At its unsignalized intersection with Olde Salem Circle, Wilson Street provides a shared left/right-turn lane under stop-sign control. Wilson Street is under the jurisdiction of the Village of Hanover Park.

### **Existing Traffic Volumes**

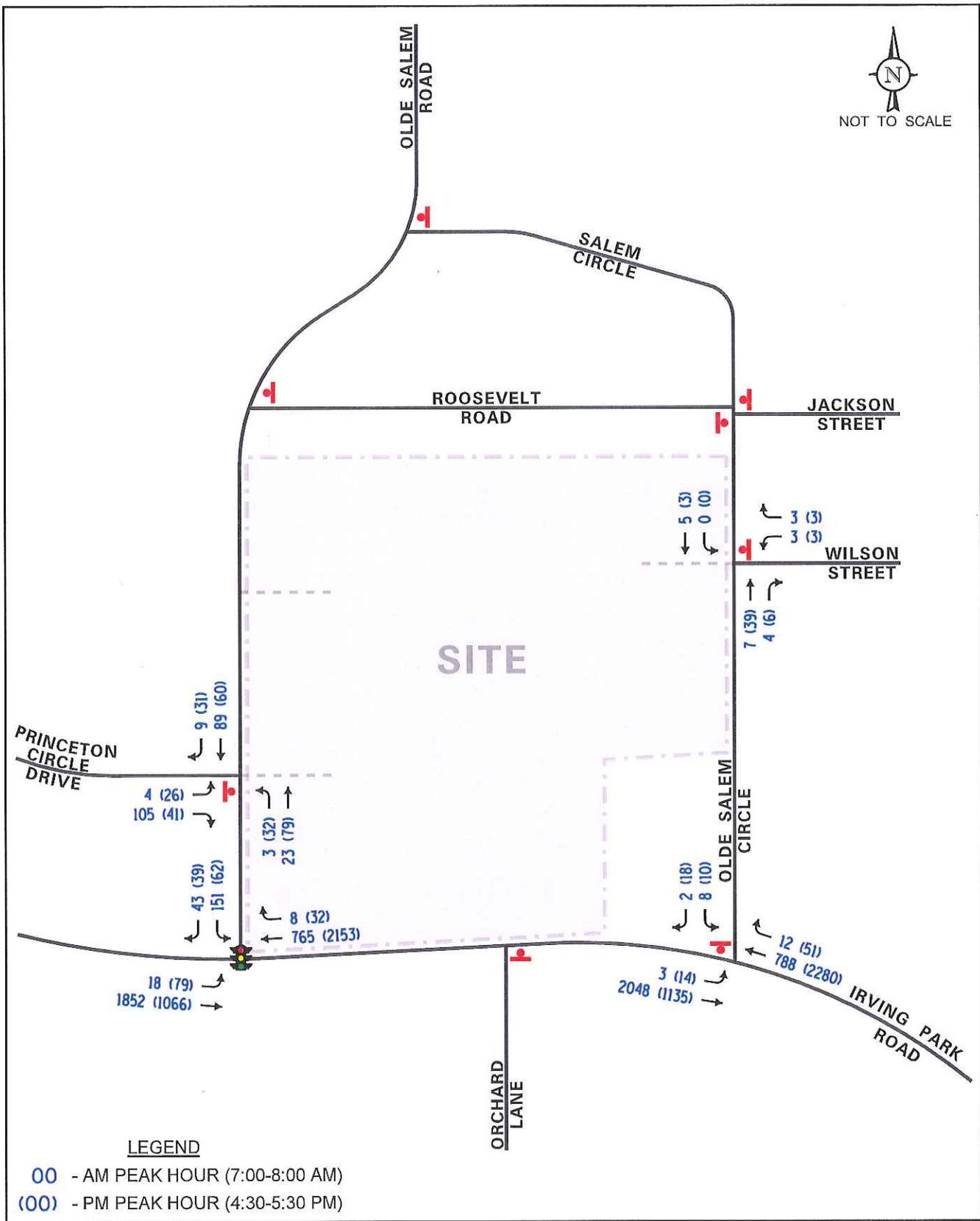
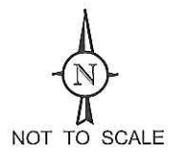
In order to determine current traffic conditions in the vicinity of the site, KLOA, Inc. conducted manual peak period traffic counts on Thursday, March 3, 2016 during the weekday morning (7:00 A.M. to 9:00 A.M.) and weekday evening (4:00 P.M. to 6:00 P.M.) peak periods at the following intersections:

- Irving Park Road with Olde Salem Road
- Olde Salem Road with Princeton Circle Drive
- Irving Park Road with Olde Salem Circle
- Olde Salem Circle with Wilson Street

The results of the traffic counts showed that the weekday morning peak hour of traffic occurs from 7:00 A.M. to 8:00 A.M. and the evening peak hour of traffic occurs from 4:30 P.M. to 5:30 P.M. **Figure 4** illustrates the existing peak hour traffic volumes. Copies of the traffic count summary sheets are included in the Appendix.

### **Accident Data**

KLOA, Inc. obtained accident data for the past five years (2010 to 2014) for the intersections of Irving Park Road with Olde Salem Road and Irving Park Road with Olde Salem Circle. The accident data for the intersections are summarized in **Tables 1** and **2**, respectively. A review of the accident data indicated that the frequency of accidents was low and that there was no fatalities reported. It should also be noted that the intersections and the roadway segment of Irving Park Road from 500 feet east of Barrington Road to Wise Road are listed in IDOT's 2015 Statewide or Local Five Percent Report which presents the five percent of state, county, township, and municipal roadway segments and intersections exhibiting the most pressing safety needs.



**LEGEND**

- 00 - AM PEAK HOUR (7:00-8:00 AM)
- (00) - PM PEAK HOUR (4:30-5:30 PM)

PROJECT:  
Senior Housing Development  
Hanover Park, Illinois

TITLE:  
Existing Traffic Volumes

**KLOA**  
Job No: 16-056  
Figure: 4

Table 1  
 IRVING PARK ROAD WITH OLDE SALEM ROAD

Year	Type of Accident Frequency						Total
	Angle	Object	Rear End	Sideswipe	Turning	Other	
2010	0	1	1	1	2	1	6
2011	0	0	2	0	2	0	4
2012	0	0	2	0	3	0	5
2013	0	0	2	0	3	0	5
2014	0	0	0	0	3	0	3
<b>Total</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>13</b>	<b>1</b>	<b>23</b>
<b>Average/Year</b>	<b>0</b>	<b>&lt;1</b>	<b>1.4</b>	<b>&lt;1</b>	<b>2.6</b>	<b>&lt;1</b>	<b>4.6</b>

Table 2  
 IRVING PARK ROAD WITH OLDE SALEM CIRCLE

Year	Type of Accident Frequency						Total
	Angle	Object	Rear End	Sideswipe	Turning	Other	
2010	0	0	0	0	0	0	0
2011	0	0	0	0	1	1	2
2012	0	0	1	1	2	0	4
2013	0	0	0	1	2	0	3
2014	0	0	2	1	2	0	5
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>7</b>	<b>1</b>	<b>14</b>
<b>Average/Year</b>	<b>0</b>	<b>0</b>	<b>&lt;1</b>	<b>&lt;1</b>	<b>1.4</b>	<b>&lt;1</b>	<b>2.8</b>

**DISCLAIMER:** The motor vehicle crash data referenced herein was provided by the Illinois Department of Transportation. The author is responsible for any data analyses and conclusions drawn.

**RESOLUTION NO. R-17-32**

**A RESOLUTION AUTHORIZING THE EXECUTION OF A  
REDEVELOPMENT AGREEMENT WITH  
VERANDAH RETIREMENT COMMUNITY LLC FOR THE PROPERTY  
AT 900 IRVING PARK ROAD, HANOVER PARK, ILLINOIS**

**WHEREAS**, the Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the “Act”), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects, incurring redevelopment project costs, and enter into redevelopment agreements;

**WHEREAS**, to induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (the “Corporate Authorities”) introduced and adopted the following ordinances on January 10, 2013 (1) “ORDINANCE NO. O-13-03 AN ORDINANCE ADOPTING AND APPROVING THE TAX INCREMENT FINANCE, VILLAGE OF HANOVER PARK, REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5), REDEVELOPMENT PLAN AND PROJECT, OF THE VILLAGE OF HANOVER PARK, ILLINOIS, FOR THE PROPOSED REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5”); (2) “ORDINANCE NO. O-13-04 AN ORDINANCE DESIGNATING THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5) TAX INCREMENT FINANCE”;; and (3) “ORDINANCE NO. O-13-05 AN ORDINANCE ADOPTING TAX INCREMENT FINANCING FOR THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5)” (said ordinances hereinafter collectively referred to as the “TIF Ordinances”); and

**WHEREAS**, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the “State”), the Village has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals; now, therefore,

**BE IT RESOLVED** by the President and Board of Trustees of the Village of Hanover Park, Cook and DuPage Counties, Illinois, as follows:

**SECTION 1:** That the recitals contained in the preamble hereof are true in substance and in fact and are incorporated herein as fully set forth.

**SECTION 2:** That Rodney S. Craig, Village President, and Eira Corral Sepúlveda, Village Clerk, be and are hereby authorized and directed to execute a Redevelopment Agreement with The Chicago Trust Company, N.A., as Trustee under the provisions of a Trust Agreement dated September 23, 2016, and known as Trust Number SBL-4135 and Verandah Retirement Community, LLC, a copy of which is attached hereto and made a part hereof as Exhibit “A.”

**ADOPTED** this 25<sup>th</sup> day of September, 2017, pursuant to a roll call vote as follows:

AYES: Porter, Prigge, Shahjahan, Kunkel, Kemper

NAYS: None

ABSENT: Roberts

ABSTENTION: None

Approved:   
Rodney S. Craig, Village President

Attest:   
Eira L. Corral Sepúlveda, Village Clerk



**REDEVELOPMENT AGREEMENT**  
**(Verandah Retirement Community, LLC REDEVELOPMENT PROJECT)**

THIS REDEVELOPMENT AGREEMENT (the "Agreement") is entered into this 25<sup>th</sup> day of September, 2017, (the "Effective Date") by and between the Village of Hanover Park, Illinois, a home rule Illinois municipal corporation, located in Cook and DuPage Counties, Illinois (the "Village"), The Chicago Trust Company, N. A., as Trustee under the provisions of a Trust Agreement dated September 23, 2016 and known as Trust Number SBL-4135 (Owner) and Verandah Retirement Community LLC, and Aman Living, LLC, both Illinois Limited Liability Companies ("Collectively Developer" or "Developer").

**RECITALS**

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the Village has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects and to exercise the power of eminent domain and all other powers under the Act.

C. Village Authority: To induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (the "Corporate Authorities") introduced and adopted the following ordinances on January 10, 2013 (1) "ORDINANCE NO. O-13-03 AN ORDINANCE ADOPTING AND APPROVING THE TAX INCREMENT FINANCE, VILLAGE OF HANOVER PARK, REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5), REDEVELOPMENT PLAN AND PROJECT, OF THE VILLAGE OF HANOVER PARK, ILLINOIS, FOR THE PROPOSED REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5"; (2) "ORDINANCE NO. O-13-04 AN ORDINANCE DESIGNATING THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5) TAX INCREMENT FINANCE"; and (3) "ORDINANCE NO. O-13-05 AN ORDINANCE ADOPTING TAX INCREMENT FINANCING FOR THE VILLAGE OF HANOVER PARK, ILLINOIS REDEVELOPMENT PROJECT AREA (IRVING PARK ROAD EAST – TIF #5)" (said ordinances hereinafter collectively referred to as the "TIF Ordinances"). The redevelopment project area for all of TIF #5 (the "TIF #5 Redevelopment Project" or "TIF District #5") generally includes approximately 25.32 acres of property bordered on the west by Olde Salem Road; on the south by West Irving Park Road to Orchard Lane, south on Orchard Lane, then west along Countryside Drive extended to Keystone Place and north to West Irving Park and Wise Road; on the east by the commercial property line approximately 266 feet east of Farmstead Lane to an east-west line north along the commercial property approximately 150 feet south of Taylor Street and Wilson Street and north along Olde Salem Circle to Roosevelt Road; and on the north by an access road one lot width

south of Roosevelt Road (the "Redevelopment Area"). This Redevelopment Area is legally described in Exhibit A hereto.

D. Redevelopment Project: In anticipation of the adoption of this Redevelopment Agreement, the Developer purchased the property in the Redevelopment Area that is legally described and depicted on Exhibit A-1 hereto (the "Property"). The Developer has removed the existing parking lot pavement and will design, construct and operate the Property as a mixed use senior housing development consisting of (collectively, the "Redevelopment Project"): (i) a residential townhome development with up to 55 townhomes with two and three bedroom options along with a five story building containing up to 80 condominium units with one and two bedroom apartments (together, the "Phase I Project"); and (ii) a separate building containing up to 12 memory care units and up to 68 assisted living units with doctors' and physical therapy offices ancillary to the memory care with a lounge, dining and community rooms (together, the "Phase II Project"). The Redevelopment Project shall be located along the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle as depicted on Exhibits E and D. The Developer shall also prepare a retail pad and cause to be constructed 6,000 square feet or more of retail and/or restaurant uses in the future as further provided herein (the "Retail Parcel"). Failure to construct or cause to be constructed at least 6,000 square foot building on the Retail Parcel within five (5) years from the date of this Agreement shall entitle the Village to the payment by Developer of a liquidated damages sum of \$100,000. The Developer's estimate of the capital costs of the construction of the Redevelopment Project is contained in Exhibit B.

The specific objectives of the Developer in construction of the improvements on the Project Site include, without limitation:

- Expansion of Developer's business in the area;

- Access to a competent workforce; and

- Access to tax increment financing to facilitate the construction of the Redevelopment Project.

The potential of the Redevelopment Project's contribution to the local economy is substantial and includes:

- Increased ad valorem property taxes;

- Related private investment in adjacent properties;

- Strengthening the Village's commercial sector and providing senior housing and assisted living; and

- Employment opportunities during construction and operation of the Redevelopment Project.

The completion of the Redevelopment Project would not reasonably be anticipated without the tax increment financing contemplated in this Agreement.

E. Redevelopment Plan: The Redevelopment Project will be carried out in accordance with this Agreement and the Redevelopment Plan for the Establishment of a Redevelopment Project Area in Hanover Park, Illinois (the “Redevelopment Plan”) attached hereto as Exhibit C. The parties acknowledge that the Redevelopment Project was proposed and authorized as a Planned Unit Development with Special Use and conforms in substance to the Redevelopment Plan and Zoning Ordinance and the Comprehensive Plan of the Village.

F. Village Financing: In order to achieve the objectives of the Redevelopment Plan, the Village agrees to use, in the amounts set forth in paragraph 13 hereof, Incremental Taxes generated by the Redevelopment Project within the Redevelopment Area to pay for or reimburse the Developer for the Redevelopment Project Costs pursuant to the terms and conditions of this Agreement.

G. Submittals – Exhibits: In furtherance of the development of the Property, the Developer has submitted to the Village the following attached hereto as exhibits:

- |           |   |
|-----------|---|
| Exhibit A | Redevelopment Area  |
| Exhibit B | TIF-Funded Redevelopment Project Costs  |
| Exhibit C | Redevelopment Plan  |
| Exhibit D | Preliminary Plat of Subdivision for Verandah – Hanover Park, prepared by Compass Surveying, Ltd., dated November 18, 2016, with a latest revised date of 9-18-17.   |
| Exhibit E | Preliminary Planned Unit Development Plan, prepared by HKM Architects, dated November 18, 2016.   |
| Exhibit F | Preliminary Engineering Plans, prepared by RWG Engineering, LLC dated November 18, 2016.  |
| Exhibit G | Verandah Aman Living, LLC, Rendering, Site Plan, Landscape Plan, prepared by HKM Architects dated November 18, 2016 (including front, side and rear elevations).  |
| Exhibit H | Photometric Plan, 1 Story Townhome Assembly Plans, 1 Story Townhome Unit Plans, 2 Story Townhome Assembly Plans, 2 Story Townhome Unit Plans, 2 Story Townhome Elevations (4 Unit Assembly).  |
| Exhibit I | 2 Story Townhome Elevations (4 Unit Assembly) Condo Building Plan, First Floor Multi-Story Building Plan, Second Floor Multi-Story Building Plans, Third – Fifth Floors Typical Condo Unit Plans, Elevations, Enlarged Partial Elevations and Building Signage (marked Exhibits 1 – 18) all prepared by HKM Architects and Planners, Inc., dated November 18, 2016. |

- Exhibit J Preliminary Grading and Drainage Plans, prepared by RWG Engineering, LLC dated November 18, 2016.
- Exhibit K Preliminary Utility Plan, Sanitary and Water Plan, prepared by RWG Engineering, LLC dated November 18, 2016.
- Exhibit L Verandah Market Analysis Summary and Conclusions prepared by Valerie S. Kretchmer Associates, Inc., and dated May 2016.
- Exhibit M Traffic Impact Study, including Traffic Count Summary Sheets, Site Plan, Level of Service Criteria, Capacity Analysis Summary Sheets, dated October 28, 2016.
- Exhibit N Declaration of Easements, Covenants, and Restrictions, and By-Laws of Verandah Owners' Association.
- Exhibit O Form of Note
- Exhibit P Permitted Mortgages
- Exhibit Q Deposit and Reimbursement Agreement
- Exhibit R Public/Private Improvements
- Exhibit S Financing Plan
- Exhibit T Opinion of Developer's Counsel

Developer is required to develop the Property and provide off-site improvements in accordance with the above exhibits as may be further refined in final documents approved by Village.

H. On May 12, 2016, the Village's Development Commission held a public hearing on Developer's petition for rezoning requests, a planned unit development with variations and subdivision in accordance with a Preliminary Planned Unit Development Plan (Exhibit E) and Preliminary Plat of Subdivision (Exhibit D) pursuant to public notice published in a newspaper of general circulation in the Village not less than 15 days nor more than 30 days prior to said public hearings, a copy of which is on file with the Village Clerk, and by written notice mailed by certified mail, return receipt requested, addressed to all owners of property located within 250 feet of the perimeter of the Property, excluding public right-of-way, as evidenced by the copy of said mailed notice and the return receipts filed by Developer with the Village Clerk; and

I. The Development Commission held another public hearing on December 8, 2016 to evaluate modifications made to the original Planned Unit Development Application as proposed on May 12, 2016.

J. The Development Commission has made its report to the Corporate Authorities regarding the petition for rezoning, a planned unit development in accordance with the Preliminary Planned Unit Development Plan, Exhibit E, and Preliminary Plat of Subdivision,

Exhibit D, and Developer's Exhibits as set forth in paragraph G, with certain variations contemplated herein and has recommended approval thereof to the Corporate Authorities.

K. On September 26, 2016, the Corporate Authorities rezoned the Property (except the Retail Parcel) to "R-4, Multi-Family Residence District;" now, therefore,

IN CONSIDERATION of the foregoing preambles and the mutual covenants and agreements set forth herein, the Village and Developer agree as follows:

1. **Incorporation of Preambles**

The representations and recitations set forth in the foregoing preambles are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though fully set forth herein.

2. **Acquisition of the Property**

The Developer acquired the Property on September 9, 2016 pursuant to a Trustee's Deed In Trust, recorded on October 3, 2016 in Cook County, IL as document number 1627719087.

3. **Right to Develop**

The Village agrees during the term of this Agreement that Developer shall have the sole and exclusive right to develop the Property, provided, however, that Developer shall have the right to sell all or a portion of the Property pursuant to paragraph 20 hereof.

4. **Approval of Preliminary Planned Unit Development Plan and Preliminary Plat of Subdivision**

A. At the same meeting at which the Village approves this Agreement, the Village shall approve ordinances: (i) approving the Preliminary Planned Unit Development Plan attached as Exhibit E; and (ii) approving the Preliminary Plat of Subdivision attached as Exhibit D. The Developer agrees that the Property shall be developed only in accordance with the preliminary plan, as approved or subsequently amended, and agrees to follow all of the procedures of the Planned Unit Development ordinance of the Village in connection with such development except as modified herein.

B. The final plats shall not be required to be filed with the Development Commission for review prior to their consideration for approval by the Village Board. In accordance with the Municipal Code of Hanover Park, the Village shall approve one or more final plats (but in no case more than three (3) with all of the remainder of the Property to be included in the last plat) which correspond to one or more components of the Redevelopment Project provided they substantially conform with the Preliminary Planned Unit Development Plan and Preliminary Subdivision Plat, respectively. The Property may be platted and developed in phases (or only one final plat for all of the Property). The final plat or plats shall

be submitted within one year of Village approval of the Preliminary Subdivision Plat. The Village shall have the right to require and approve one or more Declarations of Easement, Covenants, Restrictions and By-Laws (each, a "Declaration") relating to the construction and operation of the Property as a condition to the approval of the applicable final plat(s).

No final plat shall be approved until a complete Declaration of Covenants and Restrictions has been submitted by Developer and approved by the Corporate Authorities of the Village covering all of the Property and concerning maintenance, repairs, restoration, operation, and improvement of the private amenities.

- C. The Planned Unit Development Ordinance of the Village makes provision for variances or modifications from the requirements of the Zoning Ordinance for the underlying zoning district in order to promote and allow innovation and flexibility of design in keeping with the public interest and welfare. The Village finds that the strict application of certain provisions of the Zoning Ordinance would be unduly restrictive and would prevent Developer from developing the Property and effecting the Plan herein approved. Therefore, the Village agrees that the Planned Unit Development Plan shall govern with respect to the development of the Property in any case in which the standards now or hereafter provided in the Zoning Ordinance shall conflict or in any case in which there shall be no applicable standards provided therein, all being consistent with the intent and purpose of the Zoning Ordinance and in conformity with the general character of the Village, including without limitation the following:
1. Variance from Section 110-5.6.4.c. to exceed 50% lot coverage for the R-4 zoned portion of the property;
  2. Variance from Section 110-5.6.4.e. to exceed the maximum allowable density of 12 dwelling units per acre;
  3. Variance from Section 110-5.6.4.b(1) to reduce the 30 foot required front yard setback to 21 feet for select single family attached buildings;
  4. Variance from Section 110-5.6.4.b(3) to reduce the 30 foot required corner side yard to 9.24 feet for select single family attached buildings;
  5. Variance from Section 110-5.6.4.b(2)(c) to reduce the distance between single family attached buildings from 20 feet to 15 feet;
  6. Variance from Section 110-5.6.4.b(4) to reduce the 30 foot required rear yard setback to 16 feet for select single family attached buildings;
  7. Variance from Section 6-7(a)(2) to allow for three illuminated Subdivision Identification Sign to be mounted to the Multi-story building;
  8. Variance from Section 110-5.9.5.a(3) to reduce the side yard setback abutting a residential district from 30 feet to 8 feet for the commercial retail building;

9. Variance from Section 110-5.9.5.c. to exceed 75% lot coverage for the B-2 zoned portion of the property;
10. Variance from Section 110-5.6.4.b(1) to reduce the 30 foot required front yard setback to 8.4 feet for the multi-story building;
11. Variance from Section 110-5.6.4.b(2)(b) to reduce the 29.5 foot required side yard setback to 14 feet for the multi-story building;
12. Variance from Section 110-6.2.3. to reduce the parking requirement, if necessary, from 12 spaces per 1,000 gfa to 11 spaces per 1,000 gfa;
13. Variance from Section 110-6.3.9.a, to reduce the 10 foot landscape buffer from B-2 to R-4 to eight feet; and
14. Variance from Section 110-6.6.5.d(5)(c) to increase the height of a decorative fence from three feet to four feet, and
15. Variance from Section 110-5.6.4.b(2)(b) to reduce the 13.5 foot required side yard setback up to 9 feet for select single family attached buildings.

**5. Preliminary Engineering Plans and Engineering Standards**

A. At the same meeting at which the Village approves this Agreement, the Village shall also approve the Preliminary Engineering Plans attached with the Preliminary Plat as Exhibit D

B. Conveyance of Public Improvements to the Village

Following the completion of construction of all public improvements and approval of such construction by the Village Engineer, the Developer shall, as the case may be, convey and/or dedicate such public improvements and utility facilities to the Village by way of dedications, the granting of adequate easements and a customary form of bill of sale, and the Village Board shall accept same. Such approval and acceptance shall be effected not less than 45 days following approval of the Village Engineer. Such public improvements are depicted on Exhibit R

C. Right to Connect

The Property shall be permitted in accordance with Village ordinances to connect to Village sanitary sewer, water, and storm water facilities which are located within public rights-of-way, and Developer shall pay the connection fees of general applicability in effect on the date such permits are issued.

D. Developer shall in the future participate by paying on a pro rata basis (based on its frontage along Illinois Route 19) for the cost of burying electric lines and facilities but only to the extent others with frontage along said Illinois Route 19 participate; provided, however, that in the event the Village does not develop and implement a comprehensive plan for burying such lines along Illinois Route 19

within five (5) years of the date hereof there shall be no such obligation on the part of the Developer.

- E. Developer shall re-landscape the medians within the Olde Salem Road right-of-way as depicted on the Landscape Drawings prepared by HKM Architects and Planners dated November 18, 2016.

**6. Development Standards**

- A. The Village Manager shall be authorized to administratively approve the following changes in the Redevelopment Project; bedroom mix; product type; and reductions in unit count by not more than 10%. In addition, the Village Manager shall have the right to administratively authorize extensions in commencement dates for the phasing schedule outlined in Section 6D. The Village Manager may extend the applicable date by up to six months but may do so no more than twice.
- B. The Redevelopment Project shall be constructed in a manner consistent with the general design objectives and the additional goals and objectives of the Redevelopment Plan and in compliance with all Village codes and ordinances and this Agreement, including Exhibits D through K, and shall include such amenities, facilities, and landscaping as are both required by Village codes, regulations, and this Agreement.
- C. If any of the design plans are not complete and approved by the Village as of the date of execution of this Agreement, the Village shall retain the right to require same to be in accordance with the Village's design guidelines and to approve same.
- D. Phasing Schedule

Developer shall begin the various phases of development on or before the following dates:

<u>Product / Activity</u>	<u>Commencement Date</u>
Site Development	March 1, 2018
Townhomes	June 1, 2018
Condominiums	June 1, 2019
Assisted Living Units	June 1, 2020
Retail Parcel	In the future

The Developer shall submit for approval its First Final Plat consisting of not less than all of the townhome development not later than 180 days from the date of this Agreement; provided, however, that the foregoing date may be extended due to delays in obtaining permits from non-Village governmental authorities and for winter conditions. In the event of a delay beyond said 180 day period, Developer shall commence activity within 30 days of such condition abating.

E. Intentionally Omitted

F. Refuse and Weed Control

In addition to complying with the Village's Subdivision Ordinance:

- (1) During all phases of construction, Developer shall use best efforts to clear the Property of all wind-blown trash and debris.
- (2) During all phases of construction, Developer shall provide a sufficient number of construction-sized dumpsters to contain all trash and debris generated throughout the entire area of the project.
- (3) Developer shall use best efforts to prevent such containers from overflowing and shall prevent debris from blowing from the site by having the containers emptied as soon as reasonably possible once they are filled.
- (4) During all phases of construction, Developer shall regularly cut all weeds and grass on the site and on the right-of-way adjacent to the site.
- (5) All vacant portions of the Property not under construction within one (1) year of approval of final plat shall be maintained in accordance with Village codes, seeded and grassed.

G. Subdevelopers and Others

- (1) Developer will serve as the developer for the Phase I Project and Phase II Project. The design architect for all of the residential townhome condominium and assisted living components of the project will be a reputable architecture firm experienced in the design of senior residential housing.
- (2) Developer may partner with or employ a general contractor. Any such general contractor shall be a reputable construction firm experienced in the development, construction and delivery of the senior housing. The sales and marketing agent for the residential component will be Developer or an agent of Developer experienced in residential projects in the Chicago metropolitan area.

- (3) Before commencement of construction on the Property, the Developer shall provide to Village the identity of its contractors and evidence of satisfaction of all Village licensing and surety bond requirements.
- (4) The developer of the Retail Parcel (if not the Developer) shall be a development firm experienced in the development, ownership and management of retail projects in the Chicago metropolitan area. Developer shall provide its credentials to the Village.
- (5) The design architect for the Retail Parcel will be an architect with experience in retail development in the Chicago metropolitan area. Upon identifying said design architect, Developer shall provide its credentials to the Village.
- (6) Upon completion of each aspect of the Project, the operation and management shall be performed in accordance with the applicable Declaration(s).
- (7) The foregoing notwithstanding, the Developer is responsible for all development occurring on the Property.

## 7. **Development Issues**

- A. No building permits for any structure within a Phase on the Property shall be issued until the Final Plat of Subdivision has been approved and recorded as to that Phase in the office of the County Recorder and all applicable Hanover Park Municipal Code requirements have been satisfied.
- B. No building permits or temporary or permanent occupancy certificates shall be issued until the Village Engineer has reasonably determined that sufficient public improvements have been installed in accordance with applicable Village codes and are functioning to protect the health, safety, and welfare of the public.
- C. The Village may withhold issuing any building or occupancy permits for any units, lot(s) or parcel(s) within the Property if the owner of such lot(s) or parcel(s) has materially failed or refused to fulfill any of their respective obligations with respect to the Property under this Agreement or the Hanover Park Municipal Code.
- D. Rental of dwelling units (townhomes, condominiums, but not assisted living units or 15 condominium units retained by Developer) shall be prohibited. Such prohibition of rental of condominium and townhome units shall not contravene applicable fair housing laws including, without limitation, 42 U.S.C. 3601 et seq and 775 ILCS 5/3-101 et seq
- E. Developer shall retain ownership of the assisted living building for a period of at least one year following the date of the issuance of the Certificate of Occupancy for said building, Village shall have the right to approve the purchaser of the assisted

living building following the one year period, the approval of which shall not be unreasonably withheld.

**8. Donations**

A. The Developer shall comply with the provisions of the Village of Hanover Park's Subdivision Control Regulations, as amended from time to time, with respect to donations, and shall make such other donations as per Village Code.

B. In consideration of the mutual covenants contained in this Agreement, the Developer hereby waives any right to challenge the land or cash donations pursuant to this paragraph, or the application of the Hanover Park Municipal Code to the Property, and hereby releases and forever discharges the Village, the Schaumburg Park District, and all applicable School District and Library Districts from any and all claims and causes of action for damages or injuries that may arise out of or related to the land or cash donation pursuant to this paragraph.

**9. Legal and Planning Costs**

The Village and Developer acknowledge that Developer agrees and has entered into a Deposit and Reimbursement Agreement attached hereto as Exhibit Q to reimburse the Village for the reasonable costs and fees of certain financial, engineering, planning, legal and other consultants to be used by the Village to benefit the due diligence review of the Redevelopment Project from time to time.

**10. Roadway Improvements.**

Old Salem Road and Olde Salem Circle are currently two lane two way north south streets. The Village and Developer agree that the development of the Property as here in described shall have a major impact on both from their "T" intersection with Irving Park Road to the Northerly boundary of the Developers access drives into the Property. Recently, Olde Salem Road and Olde Salem Circle was ranked in good condition according to a Village commissioned Pavement Management Report with up to a 15 year remaining life with normal wear. Specifically, Olde Salem Road received a rating of 78, and Olde Salem Circle received a rating of 79. The development of this Property may result in the need to repair and/or improve either or both of the two roads. The Village will monitor the Construction Traffic impact on these roads. Village will, at Developer's cost, reengage the contractor who provided the Pavement Management Report or a similar contractor and retest and reevaluate the surface distress and augment said report with cracking, rutting, roughness and subgrade conditions. Village, shall make or cause to be made (unless Developer does so) roadway improvements to the road or roads in response to those traffic impacts, if any. Developer shall be obliged to pay for the cost thereof. \$150,000 to secure the Developer's obligations hereunder shall be added to its subdivision bond or letter of credit. Truck traffic routes shall be determined by the Village.

11. **Additional Development Issues.**

- A. Developer agrees to provide condominium building security.
- B. Developer and Village agree that the parking regulations imposed on private streets within the Property shall be the same as those imposed on public streets.
- C. Noncommercial use of commercial parking shall not be permitted.

12. **Property Owner's Associations**

The Developer agrees to provide for the maintenance of all private streets, paths along interior streets, private common open space, private recreational facilities, storm water and drainage systems, including retention ponds and detention areas, and private rights-of-way on the Property by creating one or more "Owners' Associations" or appropriate "not-for-profit corporations." The provisions of each association or corporate charter and bylaws and any covenants used in its enforcement, insofar as they relate to such maintenance and the means for providing funds therefor, shall be submitted to the Village with the final plat for each phase for Village's approval. It is understood that the Village has the right but not the obligation to enforce all the provisions of the association or not-for-profit corporation charters, bylaws, and covenants, and the Declarations shall so provide.

A. **Special Service Areas**

The Developer agrees to the imposition of a special service area on the Property to enable the Village to recover the Village's costs associated with curing an association's failure or inability to enforce its covenants or obligations, including without limitation the obligation to maintain, repair, replace, and improve the private streets, roads, sidewalk, walk paths, landscaping, detention and retention areas, storm water facilities, Surface Water Drainage Area, and other related improvements. Upon establishment of the Special Service Area, a special tax shall be levied upon the applicable portion of the Property, which special tax shall subsequently be abated in whole or in part to the extent the special tax revenues are not needed to recover the Village's costs as aforesaid. The Developer consents to the formation of one or more back-up special service areas to guarantee performance of the obligations set forth in the Declarations and in such event agrees to pay the Village its attorneys' fees up to \$7,500 plus the Village's other reasonable out-of-pocket expenses in establishing the initial special service area. The special service area shall continue indefinitely unless otherwise limited by law.

- B. Developer shall record an informational note on the Preliminary and Final Plats of Subdivision or Planned Unit Development, to provide notice to potential purchasers of any parcel within the Property, for which an association either has been or will be established to maintain common improvements and that a Special Service Area may be established to include the Property. In addition, the

Developer shall execute and record against the Property a Declaration of Consent setting forth the potential existence, terms and provisions of the Special Service Area.

C. It is the policy of this Redevelopment Project and the Developer, through fair, orderly, and lawful procedures, to promote the opportunity for each person to obtain housing in this development without regard to race, color, sex, religion, handicap, familial status, national origin, source of income, or because the purchasers or owner of a housing unit has financing guaranteed by the Federal Housing Authority. This policy is grounded upon a recognition of the right of every person to have access to adequate housing of the person's own choice, and the denial of this right because of race, color, sex, religion, handicap, familial status, national origin, source of income or because the purchasers or owner of a housing unit has financing guaranteed by the Federal Housing Authority, is detrimental to the health, safety, and welfare of the inhabitants of the Village of Hanover Park and this development, and constitutes an unjust deprivation of rights, which is within the power and proper responsibility of the Owners' Association and the government to prevent.

D. The following uses on the Retail Parcel are prohibited:

Retail Repair Shops, Excluding Motor Vehicle Repair Facilities, Body Shops and Carwashes

Auto Service Stations

Carwashes

Coin-operated amusement centers

Motor Vehicle Service Shops

Animal Day Care

Commercial Kennels

Pawn Shops,

Payday Loan Store

Title Loan Store

Packaged Liquor Stores

Off-Track Betting Facility

Alternative Finance Services (i.e. Payday or Title Loan Stores)

Cash for Gold type store

Sale of Marijuana or Paraphernalia

Tattoo & Body Piercing Shops

Massage Parlors

Gun Shops

Sexually Oriented Businesses/Adult Uses

Parking Structure

Funeral Home

13. **TIF Financing.**

A. For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

“Aman Account” shall mean the sub-account of the Special Tax Allocation Fund which has been created by the Village for the Irving Park Rd. East TIF #5 into which shall be deposited and segregated the Incremental Taxes from the Project as defined herein after.

“Assumable Obligations” shall mean those obligations which, except as otherwise set forth herein, shall be assigned to, and assumed by, a successor Developer upon a transfer of all or a portion of the Property by a Permitted Mortgagee subsequent to a foreclosure (or, following the initiation of a foreclosure action by a Permitted Mortgagee, a deed in lieu of foreclosure).

“Environmental Laws” shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called “Superfund” or “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U. S. C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Hanover Park, Illinois.

“First Disbursement” shall mean the first disbursement of Incremental Taxes for Redevelopment Project Costs.

“Hazardous Materials” shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

“Incremental Taxes” shall mean 90% of the ad valorem taxes generated by the Redevelopment Project on the Property which, pursuant to the TIF Ordinances and Section 5/11-74.4-8 (b) of the Act, are allocated to and when collected are paid to the Finance Director of the Village for deposit by the Finance Director into the Special Tax Allocation Fund, and will by said Finance Director be segregated in said Fund and designated as the Aman Account.

“Municipal Code” shall mean the Municipal Code of the Village of Hanover Park.

“Phase I Note” shall mean the Village of Hanover Park Tax Increment Note, intended to be issued as federally tax-exempt subject to bond counsel opinion, to be in the form attached hereto as Exhibit O, in the maximum principal amount required to yield net proceeds of \$4,000,000 (less any direct reimbursement amount to Developer from the Aman Account), issued by the Village to the Developer as provided herein. The Phase I Note shall have a first lien on Incremental Taxes generated by the Phase I Project and shall bear interest at a rate equal the 20-year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data (“MMD”) plus 275 basis points. Upon issuance, the Village will issue an amortization schedule for the Phase I Note. The term of the Phase I Note will be the lesser of 20-years or the Term of the Agreement. Upon issuance of the Phase II Note, the Phase I Note will have a parity lien on both Phase I and Phase II Incremental Taxes. The Phase I Note may not be pre-paid for a period of 5-years from the date of issuance, after which the remaining Phase I Note balance or any portion thereof may be prepaid at the Village’s discretion, without penalty or fees.

“Phase II Note” shall mean the Village of Hanover Park Tax Increment Note, intended to be issued as federally tax-exempt subject to bond counsel opinion, to be in the form attached hereto as Exhibit O, in the maximum principal amount required to yield net proceeds of \$2,300,000 (less any direct reimbursement amount to Developer from the Aman Account), issued by the Village to the Developer as provided herein. The Phase II Note shall have a parity lien on Incremental Taxes generated by the Phase I and Phase II Project and shall bear interest at a rate equal the 20-year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data (“MMD”) plus 275 basis points. Upon issuance, the Village will issue an amortization schedule for the Phase II Note. The term of the Phase II Note will be the lesser of 20-years or the Term of the Agreement. The Phase II Note may not be pre-paid for a period of 5-years from the date of issuance, after which the remaining Phase II Note balance or any portion thereof may be prepaid at the Village’s discretion, without penalty or fees.

“Project Site” shall mean the real estate described on Exhibit A-1.

“Redevelopment Project” or “Project” shall mean the redevelopment of the Project Site.

“Redevelopment Project Costs” shall mean the costs of those elements of the Redevelopment Project that are approved for payment from Incremental Taxes as redevelopment project costs under Section 5/11-74.4-3(q) of the Act and the provisions of this Agreement.

“Term of the Agreement” shall mean the period of time commencing on the date hereof and ending on the twenty-third anniversary of the adoption of the TIF Ordinances, i.e. December 31, 2037.

“TIF-Funded Redevelopment Project Costs” shall mean those Redevelopment Project Costs incurred by the Developer which are reimbursable from or paid with Incremental Taxes and which are identified in Exhibit B.

“Village Attorney” shall mean the Village Attorney of the Village of Hanover Park, Illinois.

B. The Redevelopment Project.

1. In order to accomplish in part the objectives of the Village to provide for the redevelopment of the Property in conformity with the Redevelopment Plan, the Village agrees to make Incremental Taxes available with respect to the Redevelopment Project as provided in paragraph 13C. below.
2. Redevelopment Project. Developer agrees to cause development of the Redevelopment Project to proceed substantially in accordance with the objectives of the Redevelopment Plan, as it may be modified or revised from time to time as mutually agreed to by the Parties. Developer shall construct, redevelop, and/or cause to be constructed the Redevelopment Project and be reimbursed for TIF-Funded Redevelopment Project Costs in substantial accordance with this Agreement and the Plans and Exhibits and Final Plans filed or to be filed with the Village and approved by the Village and any and all other governmental or regulatory agencies having jurisdiction over any portion of the Redevelopment Project, provided, upon issuance of all necessary permits, the Developer shall work diligently to complete the Redevelopment Project as expeditiously as possible. Developer shall proceed diligently and use best efforts to promptly secure all necessary permits to commence development of the Redevelopment Project following the execution of this Agreement.
3. Utilities, Fees and Assistance to Developer. The Village and Developer agree that Developer shall be obligated to pay in connection with the Redevelopment Project, those water, sanitary sewer, building permit, engineering inspection, and other fees generally applicable in the Village.

Developer hereby expressly acknowledges that the Village shall have no financing obligations in connection with the Redevelopment Project or the TIF-Funded Redevelopment Project Costs except as expressly provided herein.

4. Authorization to Construct. The information contained on Exhibit B concerning Developer's estimated cost to construct the Redevelopment Project may be mutually adjusted and refined as a result of the Plans to be approved by the Village and shall be confirmed by sworn owner's statements, as well as owner's licensed professional engineer, contractor's statements and such other documents and information as the Village may reasonably request all of which shall be completed in form and content to the Village's reasonable satisfaction. All records with respect to administration of the construction of the improvements contained herein shall be created and maintained in manner reasonably satisfactory to the Village and which will facilitate a ready determination as to whether or not a particular item of cost is eligible for reimbursement pursuant to the applicable law and this Agreement. In furtherance of the provisions contained herein, the Parties shall agree upon a methodology of record keeping adequate for the purposes stated herein. The Redevelopment Project shall be constructed in accordance with any and all applicable federal, state or local regulations, statutes and ordinances in order to be eligible for reimbursement.
5. No Liens. Developer agrees that the Redevelopment Project shall be free of all mechanics' and materialman's liens. Developer hereby agrees and covenants to indemnify and hold harmless the Village from all costs and expenses, including reasonable attorneys' fees and costs of litigation, in the event any mechanics or materialmans liens (other than liens securing the collateral interests of lenders) are filed against the Redevelopment Project as a result of the acts or omissions of the Developer, its agents or independent contractors.

C. Village Review of Plans and Specifications for the Redevelopment Project and Public Improvements.

1. The Plans. The parties agree that the drawings, plans and specifications initially submitted to the Village in connection with the Redevelopment Project conform to the Redevelopment Plan, as amended from time to time and this Agreement. The Developer represents that, to the best of its ability, the drawings, plans and specifications for the Redevelopment Project have been and will be designed and prepared to conform to all applicable federal, state and local laws, ordinances and regulations.
2. Public Improvements, if any. As a condition precedent to Developer's eligibility for Reimbursement for TIF-Funded Redevelopment Project Costs under this Agreement for works which are to become public, the

Village Engineer must certify and the Corporate Authorities must approve as to any such work that:

- (a) The contractor selected to the work is responsible;
- (b) The materials, plans and specifications meet all Village requirements and are otherwise suitable;
- (c) If a contract is awarded, it contains detailed unit prices for all portions of the contract;
- (d) If Developer undertakes the work without contracting with others, that the plans and specifications detail unit prices;
- (e) Whether under (c) or (d) above, the detail shall be within accepted Village practice and unit prices shall be within or below average amounts (price) that the Village or other public bodies within a reasonable geographical vicinity have experienced within a period of twelve (12) months preceding the scheduled commencement of work.
- (f) If Developer receives payments for TIF-Funded Redevelopment Project Costs that relate to public improvements then any contracts for such work shall include typical Village labor standards provisions and civil rights provisions.

3. Costs. The Village and Developer agree that Developer shall cause the construction of the Redevelopment Project indicated on Exhibit B in accordance with the Plans to be approved by the Village as preliminarily referenced in 13C. above. Developer shall advance all funds and all costs necessary to complete the construction of such improvements and to otherwise complete the Redevelopment Project. To be eligible for reimbursement for TIF-Funded Redevelopment Project Costs under this Agreement, Project Costs must be certified by the Village to the Developer in accordance with the provisions of this Agreement. The procedures to obtain Village Certificate of Eligibility for the Developer's costs to construct the Redevelopment Project are generally described in Paragraph 13E. below. Developer shall be responsible to complete the construction of all items referenced in the Plans which are approved by the Village, without regard to whether the actual cost of same exceeds the estimates therefore contained on Exhibit B. Developer shall have the right to re-allocate dollars between and among specific line items as may be necessary or desirable to implement the Redevelopment Project; provided that such re-allocation is consistent with the terms of the Redevelopment Plan and the Law, meets the necessary requirements of applicable law in the reasonable opinion of the Village Attorney, or other counsel the

Village may select are approved by the Village, which approval shall not be unreasonably withheld, delayed or qualified.

D. Evidence of Actual Expenditures.

1. Attached to this Agreement as Exhibit B is a listing of TIF-Funded Redevelopment Project Costs eligible for reimbursement under the Act and this Agreement. From time to time, the Developer shall submit evidence to the Village of its expenditures with respect to the Redevelopment Project identified on Exhibit B for which it intends to seek reimbursement of TIF-Funded Redevelopment Project Costs. Such evidence shall be in a form requested by the Village and in conformance with paragraph E. below of this Redevelopment Agreement that permits the Village to meet its reporting and audit obligations under the Act. With respect to the reimbursement of TIF-Funded Redevelopment Project Costs, the evidence shall include, upon request of the Village, a copy of the pricing provisions from the contract or contracts for that work and information that the costs of the TIF-Funded Redevelopment Project Costs are commercially reasonable. In addition to the requirements in paragraph 13F.4 below and in connection with each such submission, the Developer shall certify that:
  - a) The total amount of the expenditures represents the actual amount paid by the Developer with respect to the Redevelopment Project;
  - b) Each of the expenditures is a TIF-Funded Redevelopment Project Cost under the Act and this Agreement;
  - c) The Developer approved all services, work and materials and/or costs with respect to the expenditure, and such services, work and materials and/or costs substantially conform to the requirements of the Redevelopment Plan, this Agreement and the Act.

E. Village Approval.

The Village shall promptly review and take action with respect to each expenditure submission. The Village shall approve or disapprove those expenditure submissions that qualify under the Act and this Redevelopment Agreement for reimbursement of TIF-Funded Redevelopment Project Costs for reimbursement from Incremental Taxes under the provisions of paragraph 13F of this Agreement.

F. TIF-Funded Redevelopment Project Costs and Developer's Sources of Funds

1. Costs and Sources of Funds.

(a) The Developer shall use equity and/or borrowed funds to pay for the costs of design and construction of the improvements on the Project Site and shall seek and receive reimbursement of TIF-Funded Redevelopment Project Costs from Incremental Taxes as set forth herein.

(b) The parties acknowledge and agree that the obligation of the Village to provide any TIF assistance contemplated by the Agreement following its authorization by the Village's Corporate Authorities and its execution is expressly conditioned on performance by the Developer of the following conditions.

(1) Developer shall submit to Village for approval on or before September 1, 2018, its First Final Plat which shall contain all of the Townhome Property and Townhomes, all of the public improvements and Community Property in the Project (unless Village and Developer mutually agree to somewhat less than all of the Public Improvements or the Community Property needed to fully support the Townhome portion of Phase 1) which Plat shall be in compliance with Ordinances of the Village except as modified by this Agreement, together with the bonds and/or letter of credit required by Village's Ordinances and the law of the State of Illinois covering the public improvements and community property.

(2) Developer has deposited and shall maintain not less than one million (\$1,000,000) dollars consistently and invariably in a construction escrow account in a bank or Title Company located in Cook or DuPage Counties, Illinois, with Village having full and uninterrupted access to the banking records for said account, until completion of townhomes. The records of said account must be available within twenty-four (24) hours of any transaction therein. Failure to maintain said account in the minimum amount required, or failure to provide access to the records of said account, as provided above, shall constitute Developer default of this agreement and, in addition to any other remedy of Village, Village at its option, shall terminate its obligation to provide any TIF assistance except for the

payment from the Aman Account for any TIF note previously issued under this Agreement.

(3) The Developer shall deposit into the Escrow on or before June 1, 2019 and prior to the issuance of a building permit for the condominium building not less than the sums equal to the estimated cost to construct the condominium portion of Phase 1 (currently estimated to be sixteen million one hundred ten thousand (\$16,110,000) dollars). Village shall have full and uninterrupted access to the banking records for said account. The records of said account must be available within twenty-four (24) hours of any transaction therein. Failure to deposit the required amount into the Escrow by June 1, 2019, and thereafter maintain consistently and invariably said account in the minimum amount required (minus any payments to contractors from draws to fund construction of the condominium portion of Phase 1), or failure to provide access to the records of said account, as provided above, shall constitute Developer default of this agreement and, in addition to any other remedy of Village, Village at its option, shall terminate its obligation to provide any TIF assistance except for the payment from Aman Account for any TIF note previously issued under this Agreement.

(4) The Developer shall provide an executed operating agreement with Zyma or an alternate funding source committing to fund the Escrow as and when described above within sixty (60) days following approval of this Agreement by the Corporate Authorities or Village, at its option, shall terminate its obligation to provide any TIF assistance under this Agreement.

Paragraph 19.C. shall not apply to (2) or (3) above except (i) concerning the records of the escrow account or Escrow and as to said records, the curative period shall be considered for a monetary default and shall be reduced from thirty (30) days to five (5) days, and (ii) concerning the requirement of the initial deposit of the sums equal to the estimated cost to construct the condominium portion of Phase 1 which curative period shall be within the thirty (30) days provided in paragraph 19.C.

## 2. Financing of TIF-Funded Redevelopment Project Costs.

- (a) The Village shall deposit the Incremental Taxes generated by the Property into the Aman Account to or for the benefit of the Developer for the Redevelopment Project Costs with respect to the TIF-Funded Redevelopment Project Costs. The Village shall issue and make payments on the Phase I and Phase II Notes upon the

issuance of the Phase I and Phase II Certificates of Completion (as hereinafter defined).

That portion of monies available for the Redevelopment Project costs shall be generated solely from Incremental Taxes as follows:

- (1) During the term of this Agreement, all of the Incremental Taxes shall be annually deposited in the Aman Account and shall be allocated and disbursed in accordance with the Act but subject to the following in accordance with this Agreement.

The Aman Account shall be allocated and be the source of funds as follows:

- (i) The amounts allocated to and deposited in the Aman Account shall be held and accumulated therein. Upon the issuance of the applicable Certificate of Completion for the Phase I Project and the Phase II Project, and thereafter as provided for below, the Village shall provide solely from the Aman Account to the Developer or for the benefit of the Developer the funds required to reimburse Developer and make scheduled principal and interest payments on, as applicable, the Phase I Note and the Phase II Note; and
- (ii) The monies annually designated and deposited into the Aman Account shall be pledged to and applied and be the sole source of funding for paying reimbursement and the principal and interest (debt service) and any expenses related to, as applicable, the Phase I Note and the Phase II Note, and costs of issuance and ongoing expenses therefore, including as necessary, the replenishing of any debt service fund, all for TIF Funded Redevelopment Costs approved by Village under the Act and pursuant to this Agreement.
  - A. Should hard construction costs (defined in Exhibit B) decrease from the twenty six million three hundred twenty six thousand two hundred and forty eight dollars (\$26,326,248) with respect to Phase I and from nine million eighty three thousand seven hundred and sixty six dollars (\$9,083,766) with respect to Phase II, the Village's TIF Assistance for each of such

phases will decrease. The Developer will be permitted to retain in TIF Assistance 33% of the cost savings in each phase. The remaining cost savings as to the respective phase will constitute a direct reduction in the reimbursement and face value of the applicable Note for said phase. If the Phase I TIF Assistance is reduced due to this sub-paragraph A., the Village, will recalculate the Phase II TIF Assistance, by aggregating the Phase I and Phase II Village approved hard costs and then the total TIF Assistance will be reduced if, but only to the extent, the total hard costs in the aggregate of both phases decreases from thirty five million four hundred ten thousand and fourteen dollars (\$35,410,014) with respect to those phases as aggregated. The Developer will then be permitted to retain in TIF Assistance 33% of the total cost savings in both phases as aggregated. The remaining cost savings will constitute a direct reduction in reimbursement and face value of the two notes aggregated (but only affecting the second note issuance, as the first note will have been issued), provided that no reimbursement shall ever exceed the up to six million three hundred thousand dollars (\$6,300,000) in TIF Assistance to the Developer.

- B. Assignment of Notes. Either or both of the Phase I Note and Phase II Note may be (i) assigned or pledged as collateral to any lender providing construction financing and/or sold or assigned to an accredited investor. In addition, the Developer may transfer the either or both of the Phase I Note and the Phase II Notes at any time to (i) any entity controlling, controlled by or under common control with Developer or (ii) any entity in which the majority equity interest is owned by the parties that have a majority equity interest in the Developer.
- C. Notwithstanding the above, a discount upon the initial transfer of, as applicable, the Phase I Note and the Phase II Note, after original issuance greater than 5% from the face value will require

Village analysis that demonstrates that the discount is the result of market interest rate changes and will require the reasonable consent of the Village.

- (iii) Once principal and interest on the Phase I Note and Phase II Note have been re-paid in full, then 100% of all remaining Incremental Taxes deposited with the Village shall be distributed by the Village in accordance with the Act and the Aman Account shall be closed.

### 3. Use and Disbursement of TIF Funds

- a. Uses of Incremental Taxes. The Village's obligation to make payments for TIF Funded Redevelopment Project Costs under this Agreement is a special obligation of the Village limited to Incremental Taxes generated by the Project Site and deposited into the Aman Account and does not constitute a general obligation of the Village or a pledge of the taxing power of the Village. The Developer shall not have the right to compel the Village to exercise any taxing power to reimburse the Developer for TIF Funded Redevelopment Project Costs. Incremental Taxes generated by the Project Site and deposited into the Aman Account shall be used to pay for costs that constitute TIF-Funded Redevelopment Project Costs upon a determination by the Village that the Developer has submitted documentation satisfactory in form and substance to the Village evidencing such cost and its eligibility as a TIF-Funded Redevelopment Project Cost under the Act and this Agreement.
- b. The total amount of Incremental Taxes disbursed for the benefit of the Redevelopment Project and/or the Developer with respect to any year shall in no event ever exceed an amount greater than 90% of the Incremental Taxes received by the Village from the Property under this Redevelopment Agreement. Further, if an application for reduction of the Property's assessed valuation is filed with any office of Cook County or the Illinois Department of Revenue, or a complaint is filed in the Circuit Court contesting either the assessment or tax rates affecting the Property, the amount of any payment for the calendar year allegedly in dispute will immediately reflect no more than 90% of the resulting amount using the alleged reduced assessment amount or the reduced or eliminated tax rate or both. If payment for that tax year has already been made by the Village from the Aman Account, any excess payment for the payment year shall, at the Village's discretion, be deducted from subsequent years until repaid in full to the Village. Developer shall be obligated to serve the Village with a copy of any assessment application or complaint it files with any office at Cook County or with the Illinois Department of Revenue, and any complaint filed in the Circuit Court, within 45 days of filing.

c. Preconditions to First Disbursement and Issuance of Notes.

Upon the satisfaction of the following conditions the Village shall issue a certificate evidencing that, as applicable, the Phase I Project and the Phase II Project have been completed (the "Phase I Certificate of Completion" and the "Phase II Certificate of Completion" and, collectively, the "Certificates of Completion"):

- (1) Opinion of the Developer's Counsel. The Developer shall furnish the Village with an opinion of counsel for the Developer, substantially in the form attached hereto as Exhibit T.
- (2) Litigation. The Developer shall provide to the Village a description of all pending or threatened litigation or administrative proceedings involving the Developer which could have a material adverse effect on, as applicable, the Phase I Project and the Phase II Project.
- (3) Governmental Approvals. The Developer shall have secured all necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation applicable to the issuance of the applicable Phase I or Phase II Note and shall submit evidence thereof reasonably acceptable to the Village.
- (4) Title. The Developer shall have furnished the Village with evidence that the Developer or an entity controlled by the principals of the Developer owns fee simple title to the applicable portion of the Property.
- (5) Insurance. The Developer, at its own expense, shall have obtained, for the Phase I Project and the Phase II Project, as applicable, the insurance required by Section 16 hereof and shall have delivered certificates evidencing the required coverages to the Village.
- (6) With respect to the Phase I Project:
  - (i) Completion of construction of the shell and core of the condominium building;
  - (ii) Receipt of a Certificate of Occupancy for the condominium building;
  - (iii) Sales and closings on 68 units of the condominium units;
  - (iv) Construction, sales and closings for 42 of the townhome units;

- (v) Certificate from Developer that to the best of Developer's knowledge and belief, after due investigation, 42 or more townhomes and 68 or more condominium units are occupied.
- (vi) All public improvements and private improvements that serve the property and as are shown on Exhibit R shall be installed, operational, and the public improvements subject to acceptance by the Village.

Failure for any reason of Developer to satisfy all of the foregoing conditions (except the number for the sale, closing and Developer Certification shall be half (1/2) of the stated amounts of condo and townhome units for the purpose of this sentence) by December 1, 2022 shall cause the Village's obligation to provide TIF assistance under this Agreement to lapse and Village shall have no obligation to provide such assistance for the Project.

(7) With respect to Phase II of the Project:

- (i) Completion of construction of the shell and core of the assisted living building;
- (ii) Receipt of a Certificate of Occupancy for the assisted living building;
- (iii) Executed leases for 64 units of the assisted living units and a Certificate from the Developer that to the best of Developer's knowledge and belief, after due investigation, at least 64 units of the assisted living units are occupied.

Except for the payment from the Aman Account of principal and interest on the Phase One Note if issued, failure for any reason of Developer to satisfy all of the foregoing conditions by December 1, 2023 shall cause the Village's obligation to provide TIF assistance under this Agreement to lapse and Village shall have no further obligation to provide such assistance for this Project.

(8) With respect to each phase – Final Lien Waivers on labor and material for 100% of the labor and material for the work required to obtain the Certificate of Completion for said phase.

Until the last Certificate of Completion is issued by Village, the Developer may not, without the Village's reasonable consent: (i) merge, liquidate or consolidate, (ii) enter into any transaction

outside the ordinary course of business, (iii) assume or guarantee the obligations of any other person or entity, or (iv) enter into a transaction that would cause a material and detrimental change to the Developer's condition.

14. **Covenants / Representations / Warranties of the Developer**

- A. General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of Incremental Taxes hereunder, that:
1. The corporation or limited liability company constituting the Developer is a duly organized and validly existing Illinois corporation or company and is qualified to do business in Illinois;
  2. The Developer has the right, power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder;
  3. The execution, delivery and performance by the Developer of this Agreement have been duly authorized by all necessary action, and does not violate its bylaws and Articles, as amended and supplemented, of the Developer, or any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;
  4. The Developer is solvent and able to pay its debts as they mature;
  5. There are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, or, to the knowledge of Developer, threatened or affecting the Developer which would materially impair its ability to perform under this Agreement;
  6. The Developer has or will apply for all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to design, construct and operate the Redevelopment Project;
  7. The Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound, which default would have a material adverse effect on the design, construction or operation of the Redevelopment Project; and
  8. The Developer shall be liable and shall further indemnify the Village, its officers, agents, and representatives from any and all liability, damages,

costs, or penalties, including attorney's fees, if Developer does anything to jeopardize any tax-exempt status of any notes or bonds which may be issued on a tax-exempt basis or violate arbitrage regulations including payment of any penalties incurred by Village or its officers or agents.

B. Covenant to Redevelop.

Upon the Developer's receipt of all required permits, and governmental approvals, the Developer shall construct and operate the Redevelopment Project in accordance with this Agreement, and all Exhibits attached to this Agreement, the TIF Ordinances, and all applicable federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable thereto. The covenant set forth in this paragraph and the remedy for breach thereof provided in this paragraph shall run with the land and be binding on any successor, assignee or transferee. [The right of the Developer or any party other than Village to receive any disbursement of Incremental Taxes in any year shall be conditioned on its delivery to the Village of a certificate of compliance with respect to this covenant.]

C. Redevelopment Plan.

The Developer represents that the design, construction and operation of the Redevelopment Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

D. Use of Incremental Taxes.

Incremental Taxes disbursed or the proceeds of any indebtedness issued under paragraph 13 to the benefit of Developer shall be used by the Developer solely to reimburse the Developer for its payment of the TIF-Funded Redevelopment Project Costs as provided in this Agreement and detailed in Exhibit B, and for no other purposes.

E. Conflict of Interest.

The Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the Village or of any Village commission or committee exercising authority over the Redevelopment Project or Project Site, or any consultant hired by the Village in the planning and preparation of the Redevelopment Project or Project Site, owns or controls or has owned or controlled or will own or control any interest in the Developer, the Redevelopment Project or the Project Site.

F. Insurance.

The Developer, or Developer's contractors, at their own expense, shall comply with all provisions of paragraph 16 hereof.

G. Compliance with Laws.

To the best of the Developer's knowledge, after diligent inquiry, the Property and the Redevelopment Project are as of the date hereof and shall remain in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property and the Redevelopment Project and its operation.

To the extent required by law, the Developer shall comply with, and shall require its contractors to comply with, the Illinois Prevailing Wage Act, 820 ILCS 130/01 et seq. (the "PWA"). The Developer hereby agrees to indemnify and hold the Village harmless from all liability, loss, cost, fine, penalty, interest, or other expense, including court costs and attorneys' fees relating to any such judgements, awards, litigation, suits, demands or proceedings that may result from any failure by the Developer or its contractors or subcontractors to comply with the PWA.

H. Recording and Filing.

The Village shall cause this Agreement, certain exhibits (as specified by the Village Attorney), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois within fifteen (15) days after the date hereof following full execution. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Village shall transmit to the Developer an executed original of this Agreement showing the date and recording number of record.

I. Survival of Covenants.

All warranties, representations, covenants and agreements of the Developer contained in this paragraph and elsewhere in this Agreement shall be true, accurate and complete on the date of the Agreement and shall be in effect throughout the term of the Agreement.

15. **Environmental Matters**

The Developer hereby represents and warrants to the Village that the Redevelopment Project and Project Site will be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto and the Redevelopment Plan. Developer shall provide to Village any environmental audits or reports performed on or related to the Project Site. The Developer shall provide Village the NFR letter currently on file with the Illinois Environmental Protection Agency.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the Village harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising

under any Environmental Laws incurred, suffered by or asserted against the Village as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer following Developer's acquisition of the Property: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever, or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the Village or the Developer under any Environmental Laws relating to the Property.

## 16. Insurance

A. Coverage. During the period of construction of TIF-Funded Redevelopment Project Costs, the Developer shall provide and maintain, at the Developer's own expense, or cause its contractor to provide the insurance coverages and requirements specified below (or in such other types and amounts as the Village may otherwise consent to by written instrument).

### 1. Coverage.

- (a) Worker's Compensation and Employers Liability Insurance. Worker's Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service with respect to the TIF-Funded Redevelopment Project Costs and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness;
- (b) Commercial General Liability Insurance (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two years following completion), sudden and accidental pollution, independent contractors, separation of insured, defense, and contractual liability (with no limitation endorsement). The Village is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work;
- (c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the

contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The Village is to be named as an additional insured on a primary, non-contributory basis;

- (d) Builders Risk Insurance. When the contractor undertakes any construction, including improvements, betterments, and/or repairs, the contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Redevelopment Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery, if applicable; and
- (e) Professional Liability. When any architects, engineers, construction managers or other professional consultants perform work with respect to Redevelopment Project, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements. The Developer will furnish the Village original certificates of insurance evidencing the required coverage to be in force before beginning work, and renewal certificates of insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the work. The receipt of any certificate does not constitute agreement by the Village that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of the Agreement. The failure of the Village to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the Village. The Developer shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the Village retains the right to terminate this Agreement until proper evidence of insurance is provided. The insurance shall provide for 30 days prior written notice to be given to the Village in the event coverage is substantially changed, canceled, or non-renewed. Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Developer. The Developer agrees that insurers shall waive rights of subrogation

against the Village, its employees, elected officials, agents, or representatives. The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within this Agreement or by law. The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self-insurance programs maintained by the Village shall not contribute with insurance provided by the Developer under this Agreement. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

**17. Indemnification**

**A. Developer Indemnification.**

The Developer agrees to indemnify, defend and hold the Village, its officials, agents and employees harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Village, its officials, agents and employees and arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractors or subcontractors of any of its or their failure to pay its contractor, any subcontractors or any of its or their laborers or materialmen in connection with the Redevelopment Project undertaken by the Developer, or (iii) the existence of any material misrepresentation or omission in this Agreement or the Redevelopment Plan or any other document directly or indirectly related to this Agreement that is the result of information supplied or omitted to be supplied by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer, or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

**18. Maintaining Records / Right to Inspect**

**A. Books and Records.**

The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the TIF-Funded Redevelopment Project Costs. All such books, records and other documents, including but not limited to, contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices during normal business hours for inspection, copying, audit and examination by an authorized representative of the Village at the Village's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to any TIF-Funded Improvement.

B. Inspection Rights.

In addition to property inspections pursuant to Village building codes and ordinances, upon three (3) business days' notice, any authorized representative of the Village shall have reasonable access to all portions of the Project and the Property during normal business hours during the redevelopment of the Redevelopment Project.

19. **Default and Remedies**

A. Events of Default. The occurrence of any one or more of the following events, subject to the provisions of this paragraph shall constitute an "Event of Default" hereunder:

1. the failure of a party to perform, keep or observe any of the material covenants, conditions, promises, agreements or obligations under this Agreement, or any related agreement;
2. the making or furnishing by a party of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
3. the closure of the Redevelopment Project or any phase of it (for the purposes of this provision "closure" shall be deemed to have occurred if the entire Redevelopment Project or any phase of it is not open and operating for a period in excess of four consecutive weeks, unless such closure is due to 1) remodeling which results in a closure of not more than six (6) consecutive months or 2) an ongoing repair occasioned by a casualty which Developer is diligently pursuing).

B. Remedies.

Upon the occurrence of an Event of Default, the non-defaulting party may exercise such remedies as are available at law or in equity, including but not limited to injunctive relief or the specific performance of the agreements contained herein. Notwithstanding the foregoing, the Village agrees that, following issuance of, as applicable, the Phase I Note and the Phase II Note, it shall not at any time withhold or suspend payments due under, as applicable, the Phase I Note and the Phase II Note, unless there are insufficient funds in the Aman Account.

C. Curative Period.

In the event the defaulting party shall fail to perform a monetary or a non-monetary covenant, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the defaulting party shall have failed to cure such default within thirty (30) days of its

receipt of a written notice from the non-defaulting party specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the defaulting party shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

## **20. Assignment, Mortgaging and Sale of the Project**

The mortgages encumbering the Property or any portion thereof as of the date hereof are listed on Exhibit P, as the same may be amended, extended or otherwise modified, and are referred to herein as "Existing Mortgages". Any mortgage which the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof, as the same may be amended, extended or otherwise modified, is referred to herein as a "New Mortgage". The Existing Mortgages, as well as any New Mortgages which (a) are not made in favor of mortgagees who appear on any list of persons, entities and governments issued by the Office of Foreign Assets Control of the United States Department of Treasury pursuant to Executive Order 13224, (b) are made in favor of a mortgagee having at the time such mortgage is made total assets in excess of \$2,000,000,000 and (c) are made in favor of a mortgagee having a presence in the United States are referred to herein as "Permitted Mortgages." The holder of any such Permitted Mortgage, together with its successors and assigns, is referred to herein as a "Permitted Mortgagee." A Permitted Mortgagee may transfer its interest in a Permitted Mortgage without the consent of the Village and without affecting the status of such mortgage as a Permitted Mortgage. The Village's approval shall be required (and shall not be unreasonably withheld, conditioned or delayed) for any mortgage which is not a Permitted Mortgage and upon such approval such mortgage shall be considered a "Permitted Mortgage". A Permitted Mortgagee shall be permitted to exercise its remedies upon a default under such Permitted Mortgage, including acquiring title in the Property in its name or the name of an affiliate through foreclosure and by accepting a deed in lieu of foreclosure, without the consent of the Village. In the event that any Permitted Mortgagee or its affiliate succeeds to the Developer's fee simple interest in the Property or any portion thereof pursuant to the exercise of remedies under a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, it shall be deemed to have assumed the "Assumable Obligations" during the period of its ownership of such portion of the Property. The Village consents to the Developer's collateral assignment of its interest under this Agreement to any such Permitted Mortgagee.

The Village agrees to provide any Permitted Mortgagee notices sent pursuant to Paragraph 21 and to permit such Permitted Mortgagee an additional 15 days to cure any default for which a cure period is provided for herein and, if applicable, to provide the aforesaid written assurance and acceptance of assignment of Developer's interest.

## **21. Notice**

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the address set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the Village           Village of Hanover Park, Illinois  
2121 West Lake Street  
Hanover Park, IL 60133  
Attn: Village Manager

With a copy to:           Bernard Z. Paul, Attorney  
Village of Hanover Park, Illinois  
231 South Fourth Street  
DeKalb, IL 60115

If to the Developer:      Aman Living, LLC  
Attn: Dr. Anuja Gupta  
PO Box 853  
Frankfort, IL 60423

With a copy to:           Kenneth Carlson  
Tracy, Johnson and Wilson  
2801 Black Road, 2<sup>nd</sup> Floor  
Joliet, IL 60435

Such parties or addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

## 22. **Miscellaneous**

### A.     Amendment.

Except as provided herein, this Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the parties.

### B.     Entire Agreement.

This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

### C.     Limitation of Liability.

No member, official or employee of the Village shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to the Developer from the

Village or any successor in interest or on any obligation under the terms of this Agreement.

D. Further Assurances.

The Developer and the Village each agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

E. Waiver.

Waiver by the Village or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the Village or the Developer in writing.

F. Remedies Cumulative.

The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

G. Disclaimer.

Nothing contained in this Agreement nor shall any act of the Village be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the Village.

H. Headings.

The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

I. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

J. Severability.

If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held void or invalid by a court of competent jurisdiction, such holding shall not affect the other provisions

of this Agreement which, can be given effect without the invalid or void provision and to this effect the provisions of this Agreement are severable.

K. Conflict.

In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances such ordinance(s) shall prevail and control.

L. Illinois Law.

This Agreement shall be construed in accordance with the laws of the State of Illinois. The sole and exclusive jurisdiction and venue for any and all disputes arising out of or relating to this Redevelopment Agreement shall be the Circuit Court of Cook County, Illinois, and its reviewing courts.

M. Form of Documents.

All documents required by this Agreement to be submitted, delivered or furnished to the Village shall be in form and content reasonably satisfactory to the Village.

N. Approval.

Wherever this Agreement provides for the approval or consent of a party, or any matter is to be to the party's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the party, in writing and in the reasonable discretion thereof.

O. Binding Effect.

This Agreement shall be binding upon the Developer, the Village and their respective successors and assigns and shall inure to the benefit of the Developer, the Village and their respective successors and assigns, provided that the respective successor and assign certifies in writing its agreement to abide by the executory terms of this Agreement.

P. Delay (Force Majeure).

In the event Developer shall be wholly, partially or temporarily prevented from (1) constructing the redevelopment improvements that may be reimbursed under this Agreement, or any portion thereof, or (2) otherwise performing any provision of this Agreement (including the conditions to be fulfilled to "start" the Project described in Paragraph 6 D by reason of events that are beyond Developer's reasonable control, such as but not limited to any of the following to the extent they are beyond reasonable control of the Developer: strike; stoppage of labor; riots; lock outs; breakage, bursting, freezing of lines; fire; flood; invasion; insurrection; accident; explosions; epidemics; earthquakes; delay of carriers; or unforeseen changes in government regulation, other than the Village of Hanover

Park; then, and in such event, the Developer shall not be liable in any damage or loss or be in default or strict adherences to timetables resulting from such interruption provided (i) the Developer uses its best efforts to remedy its inability to satisfy its obligations and diligently pursues the commencement and completion of any such remedies that the Developer may satisfy its obligations, (ii) the Developer adopts such measures and expends such funds as are necessary to undertake and complete any such remedy, (iii) the Developer delivers written notice to Village within a reasonable time period specifying Developer's inability to satisfy such obligations and the nature of the events giving rise to such inability to perform, and (iv) the Developer's inability to satisfy such obligations was not attributable to the negligent, wrongful act of the Developer in connection with the aforesaid event(s). The failure to timely notify the Village in accordance with this provision shall of any right to rely upon the delay provisions contained herein.

Q. Exhibits.

All of the exhibits attached hereto are incorporated herein by reference.

R. Joint Venture Savings Clause.

Nothing contained in this Agreement or subsequent agreements between Village and Developer is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not provide for the joint exercise by the parties of any activity, function, or service, nor does it create a joint enterprise, nor does it constitute either party as an agent of the other for any purpose whatsoever. Neither party shall in anyway assume any of the liability of the other for acts of the other or obligations of the other. Village shall in no way assume any liability of Developer, if any, for the removal of Hazardous Substances, including petroleum products, from, on or under the Project Site, if any. Each party shall be responsible for any and all suits, demands, costs, or actions proximately resulting from its own individual acts or omissions.

WHEREFORE, the parties have signed this Redevelopment Agreement on the date first appearing on page one hereof.

Village of Hanover Park

By:   
its Village President

Attest

By:   
its Village Clerk

Owner: Chicago Trust Company, N.A.;  
as Trustee under the provisions of a  
Trust Agreement dated September 23, 2016  
and known as Trust Number SBL-4135

By: \_\_\_\_\_  
its Trust Officer \_\_\_\_\_ President

Developer: Verandah Retirement  
Community, LLC, a limited liability company

By: \_\_\_\_\_  
its Managing Member Luxury Condos  
Chicago LLC, an Illinois Limited Liability  
Company (Anuja Gupta is also the Managing  
Member of Luxury Condo's Chicago, LLC)

Developer: Aman Living, LLC, a limited liability Company

By: \_\_\_\_\_  
its Managing Member

Page 40 has been intentionally omitted.

WHEREFORE, the parties have signed this Redevelopment Agreement on the date first appearing on page one hereof.

Village of Hanover Park

By: \_\_\_\_\_  
its Village President

Attest

By: \_\_\_\_\_  
its Village Clerk

Owner: Chicago Trust Company, N.A.;  
as Trustee under the provisions of a  
Trust Agreement dated September 23, 2016  
and known as Trust Number SBL-4135

By: [Signature]  
its Trust Officer vice President

Developer: Verandah Retirement  
Community, LLC, a limited liability company

By: [Signature]  
its Managing Member Luxury Condos  
Chicago LLC, an Illinois Limited Liability  
Company (Anuja Gupta is also the Managing  
Member of Luxury Condo's Chicago, LLC)

Developer: Aman Living, LLC, a limited liability Company

By: [Signature]  
its Managing Member

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

RDA Exhibit A: TIF 5 Redevelopment Area

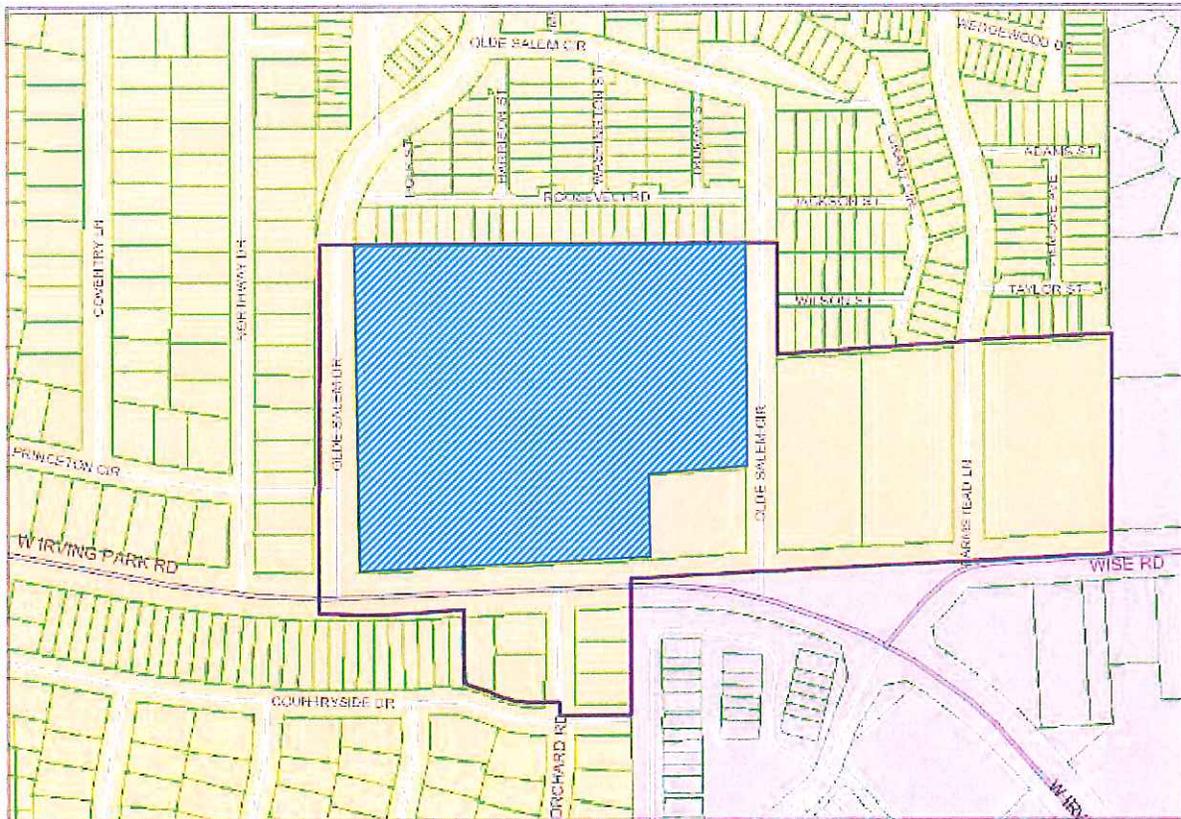


TIF DISTRICT # 5: IRVING PARK RD. EAST - BOUNDARIES

Exhibit A-1 - LEGAL DESCRIPTION

That part of the West 1/2 of the Southwest 1/4 of Section 29 (except the East 20 acres thereof) and the East 40 acres of the Southeast 1/4 of Section 30, Township 41 North, Range 10, East of the Third Principal Meridian, described as follows:

Commencing at the Southwest corner of the said East 40 acres of the Southeast 1/4 of Section 30; thence Northward along the West line of the said East 40 acres North, 1 Degrees 15 Minutes 36 Seconds East, a distance of 58.27 feet to a point on the North line of Chicago Elgin Road as dedicated on June 9, 1933 as Document 11245765; thence Eastward along the said North line, being a curved line, convexed to the South, of 2594.58 feet in radius, having a chord length of 80.00 feet on a bearing of South 87 Degrees 49 Minutes 20 Seconds East, for an arc length of 80.01 feet to the place of beginning; thence continuing Eastward along the said North line, being a continuation of the last described curved line, for an arc length of 126.54 feet to a point of tangency; thence North 88 Degrees 30 Minutes 00 Seconds East, a distance of 418.34 feet; thence North 88 Degrees 00 Minutes 05 Seconds East, a distance of 70.09 feet; thence North 1 Degrees 15 Minutes 36 Seconds East, a distance of 175.00 feet; thence North 88 Degrees 00 Minutes 05 Seconds East, a distance of 200.00 feet; thence North 1 Degrees 15 Minutes 36 Seconds East, a distance of 463.36 feet; thence North 88 Degrees 44 Minutes 24 Seconds West, a distance of 814.00 feet; thence South 1 Degrees 15 Minutes 36 Seconds West, a distance of 676.87 feet to the point of beginning, all in Cook County, Illinois



**Exhibit B**

**Verandah Expected TIF Eligible Costs**

Pursuant to the attached detail, reimbursement for TIF Eligible Costs shall be requested via a documented request for reimbursement in a form acceptable to the Village detailing the exact nature of the cost, the basis of its eligibility and documentation of the amounts incurred, and completion.

Verandah, LLC  
TIF Eligible Costs

	Total Cost	Percentage Eligible	Total TIF Eligible Cost
<b>Hard Cost Site Development</b>			
Total Site Preparation (See Attached Detail)	\$4,855,930	100%	\$ 4,855,930
<b>Hard Costs: Townhomes</b>			
Townhome Building #1	\$465,470	0%	\$0
Townhome Building #2	\$580,102	0%	\$0
Townhome Building #3	\$580,102	0%	\$0
Townhome Building #4	\$556,290	0%	\$0
Townhome Building #5	\$556,290	0%	\$0
Townhome Building #10	\$556,290	0%	\$0
Townhome Building #11	\$465,470	0%	\$0
Townhome Building #12	\$580,102	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$217,006	0%	\$0
<b>2-Story, 2 Car Garage Townhomes</b>			
Building #6: 2 Story / 2 Car @ \$85/S.F. w/ Basement	\$725,584	0%	\$0
Building #7: 2 Story / 2 Car	\$643,127	0%	\$0
Building #8: 2 Story / 2 Car	\$915,960	0%	\$0
Building #9: 2 Story / 2 Car	\$915,960	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$160,032	0%	\$0
<b>Hard Costs: Clubhouse</b>			
Clubhouse, based on 16,019 GSF @ \$167/GSF	\$2,675,173	0%	\$0
Add for Industrial Kitchen	\$195,500	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$143,509	0%	\$0
<b>Hard Costs: Memory Care &amp; A.L.</b>			
Memory Care, based on 8,945 GSF @ \$125.00/GSF	\$1,118,125	0%	\$0
Assisted Living, based on 36,675 GSF @ \$125.00/GSF	\$4,584,375	0%	\$0
Furniture, Fixtures and Equipment for Assisted Living (7.15.16 budget)	\$851,200	0%	\$0
Added basement to Assisted Living / Memory Care (Based on 7,850 S.F.)	\$536,715	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$354,521	0%	\$0
<b>Hard Costs: Residential Apartments</b>			
Independent Living, based on 74,304 @ \$103.87/GSF	\$7,718,060	0%	\$0
Kinzie Builder Contingency (5.0% E)	\$385,903	0%	\$0
<b>General Contracting Soft Costs</b>			
General Conditions - 7%	\$2,193,541	0%	\$0
General Contracting Fee - 5%	\$1,566,815	0%	\$0
Builders Insurance - 1%	\$313,363	0%	\$0
<b>Developer Hard Costs</b>			
Land Acquisition and DD Studies	\$1,030,000	100%	\$1,030,000
<b>Developer Soft Costs</b>			
Architectural	\$500,000	100%	\$500,000
Engineering	\$150,000	100%	\$150,000
Legal	\$200,000	100%	\$200,000
Property Taxes During Construction	\$250,000	0%	\$0
Project Management	\$1,000,000	13.38%	\$133,782
Closing Costs	\$486,000	0%	\$0
Brokerage Fees	\$941,876	0%	\$0
Due Diligence - soil borings, traffic studies	\$20,000	100%	\$20,000
Consulting	\$40,000	0%	\$0
Sales person	\$150,000	0%	\$0
Village Fees & Permits	\$1,500,000	0%	\$0
Other fees	\$368,418	0%	\$0
Advertising	\$150,000	0%	\$0
Developer Fee	\$1,800,000	0%	\$0
<b>Total</b>	<b>\$43,996,308</b>		<b>\$ 6,889,712</b>



RDA EXHIBITS G-H-I

Exhibit 3



**VERANDAH**

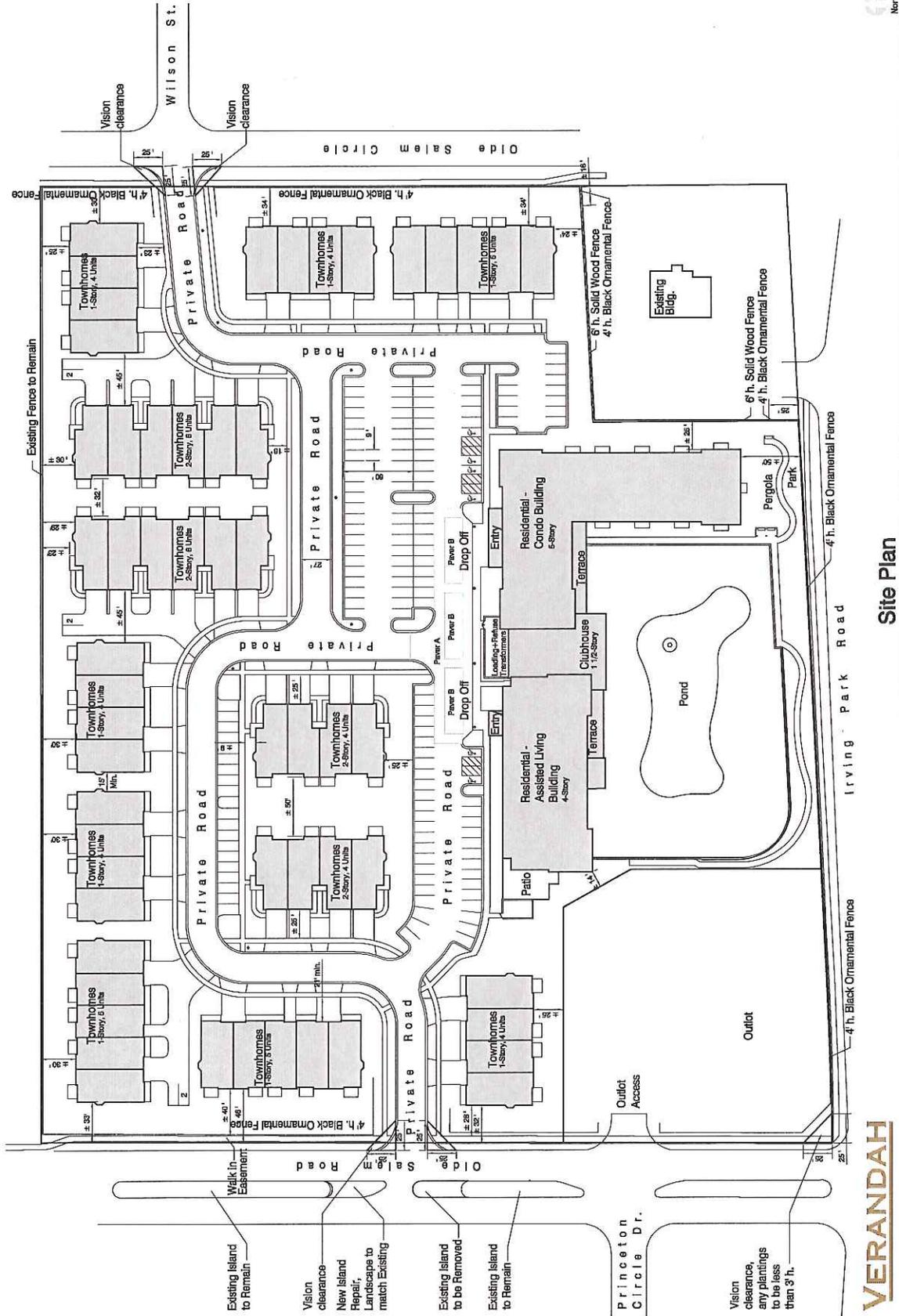
Aman Living, LLC Hanover Park, Illinois

Exhibit 1

42 South Val Avenue  
Arlington Heights, IL 60018  
Job No. 16228 © 2016



November 18, 2016 ARCHITECTS + PLANNERS, INC.



**Project Data**

Site Area	± 502,254 sf
Outlot Site Area	± 52,000 sf
Residential Site Area	± 450,254 sf

**Residential Site Data**

Residential Units	215
Townhomes (in 12 buildings)	55
Multi-Family Building	160
Independent	80
Assisted Living Units	68
Memory Care	12

**Lot Area**

Lot Area	± 450,254 sf
10' Coverage (impermeable)	28,570
% Coverage	6.3%
Loss Bldg Floor Area	240,583 sf
Gross Floor Area	240,583 sf
net Townhomes & Condos w/ Clubhouse	
Floor Area Ratio (FAR)	0.53
Density, net units/total acres	20.9

**Residential Parking - Provided**

Townhomes	156
1 & 2 car garages	75
1 & 2 car aprons	75
on-grade	6
Multi-Family Building (on-grade)	147

**Residential Parking - Required**

per unit	128
Elderly Housing @ 1 per 2 d.u.	108
Projected Staff	20

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Site Plan**

Exhibit 2

45 South Val Avenue  
Arlington, VA 22204  
Job No. 16226 © 2016  
November 18, 2016 ARCHITECTS & PLANNERS, INC.  
Revised November 30, 2016





**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Landscape Plan**

Exhibit 3

**Typical Plant Palette**  
Trees

Botanic Name	Common Name	Size
Acer x freemontii 'Marmot'	Marmot Maple	2.5' BB
Betula nigra	River Birch	8' H, BB
Celastris occidentalis 'Windy City'	Windy City Hackberry	2.5' BB
Crataegus crus-galli 'Inermis'	Thornless Hawthorn	8' H, BB
Malus 'Red Jewel'	Red Jewel Crabapple	Multi-stem 2' BB
Malus 'Donald Wyman'	Donald Wyman Crab	Multi-stem 2' BB
Platanus x caroliniana 'Morton Circle'	Morton Platanus	6' H, BB
Quercus bicolor	Swamp White Oak	2.5' BB
Thuja occidentalis 'Teechry'	Mission Arborvitae	8' H, BB
Thuja occidentalis 'Mortoni'	Beacon Arborvitae	2.5' BB

**Shrubs**

Botanic Name	Common Name	Size
Bacopa x 'Glennco'	Glennco Snowwood	24" BB
Comus sericea 'row'	Swirl Hanging Dogwood	24" BB
Hamamelis virginiana	Winged Fraxin	3' BB
Hydrangea arborescens 'Annabelle'	Annabelle Hydrangea	24" BB
Hydrangea paniculata 'Tardiva'	Tardiva Hydrangea	30" BB
Ilex virginica 'Morton'	Morton Sweetgale	24" BB
Juniperus x media 'Kaluysa Compact'	Compact Juniper	18" BB
Rhus aromatica 'Eco Leaf'	Sho Low Shrub	18" BB
Spiraea x 'Gold Flame'	Gold Flame Spirea	3' BB
Spiraea x 'Bridalwreath Spirea'	Bridalwreath Spirea	3' BB
Taxus x media 'Taurinon'	Taurinon Yew	24" BB
Viburnum dentatum 'Ralph Senior'	Autumn Jazz Arrowwood	3' BB
Viburnum x 'Juddii'	Judd Viburnum	3' BB

**Perennials**

Botanic Name	Common Name	Size
Allium 'Summer Beauty'	Summer Beauty Onion	#1 Cont.
Augusta x 'Chocolate Chip'	Chocolate Chip Carpet Bugle	#1 Cont.
Coreopsis verticillata 'Zigzag'	Zigzag Tickseed	4" pots
Coreopsis 'Lulu Jane'	Lulu Jane Tickseed	#1 Cont.
Hebe 'Guacamole'	Guacamole Hebe	#1 Cont.
Hemerocallis 'Happy Returns'	Repeating Yellow Daylily	#2 Cont.
Pennisetum alopecuroides 'Cassara'	Cassara Fountain Grass	#1 Cont.
Metastachya arthropoda	Ornamental Grass	#1 Cont.
Psychotria terminalis 'Green Carpet'	Green Carpet Psychotria	#1 Cont.
Rubus odoratus 'Yusouei'	Sweet Black-eyed Susan	4" pots
Solidago canadensis 'Yellow Top'	Yellow Top Salvia	#2 Cont.
Solidago canadensis 'Yellow Top'	Yellow Top Salvia	#2 Cont.
Sisyrinchium albidum	Autumn Moor Grass	#1 Cont.
Sisyrinchium albidum	Autumn Moor Grass	#1 Cont.
Sisyrinchium albidum	Autumn Moor Grass	#1 Cont.
Sisyrinchium albidum	Autumn Moor Grass	#1 Cont.

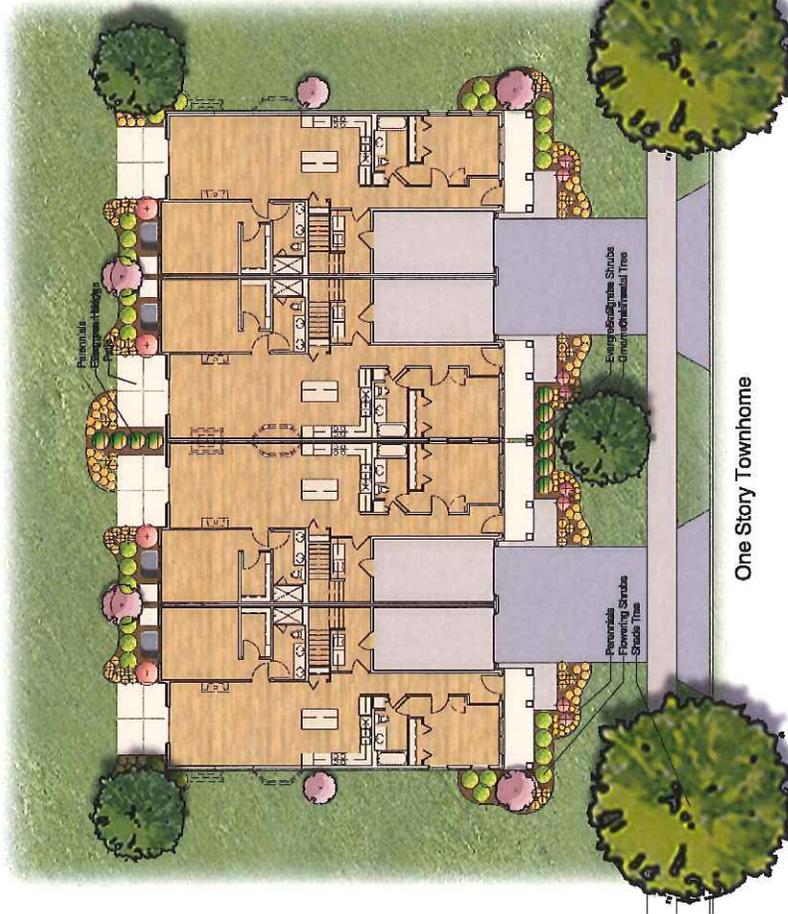


North

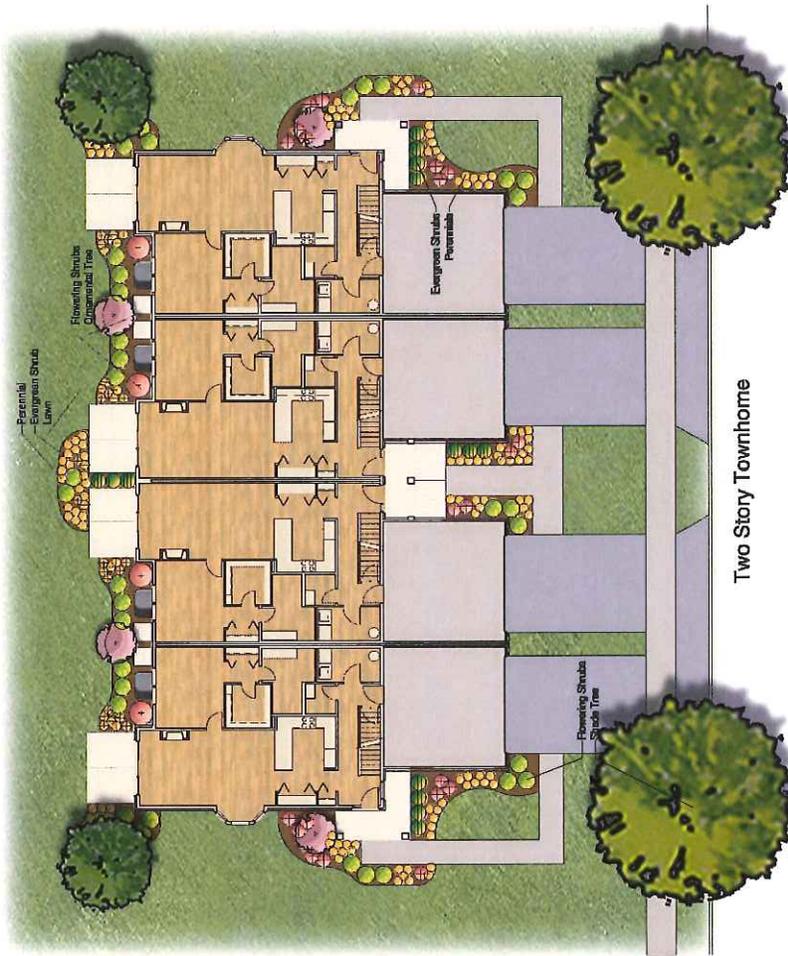
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43 South Val Avenue  
Arlington, VA 22206  
Job No. 16029 © 2016  
November 18, 2016 ARCHITECTS + FLORISTS, INC.

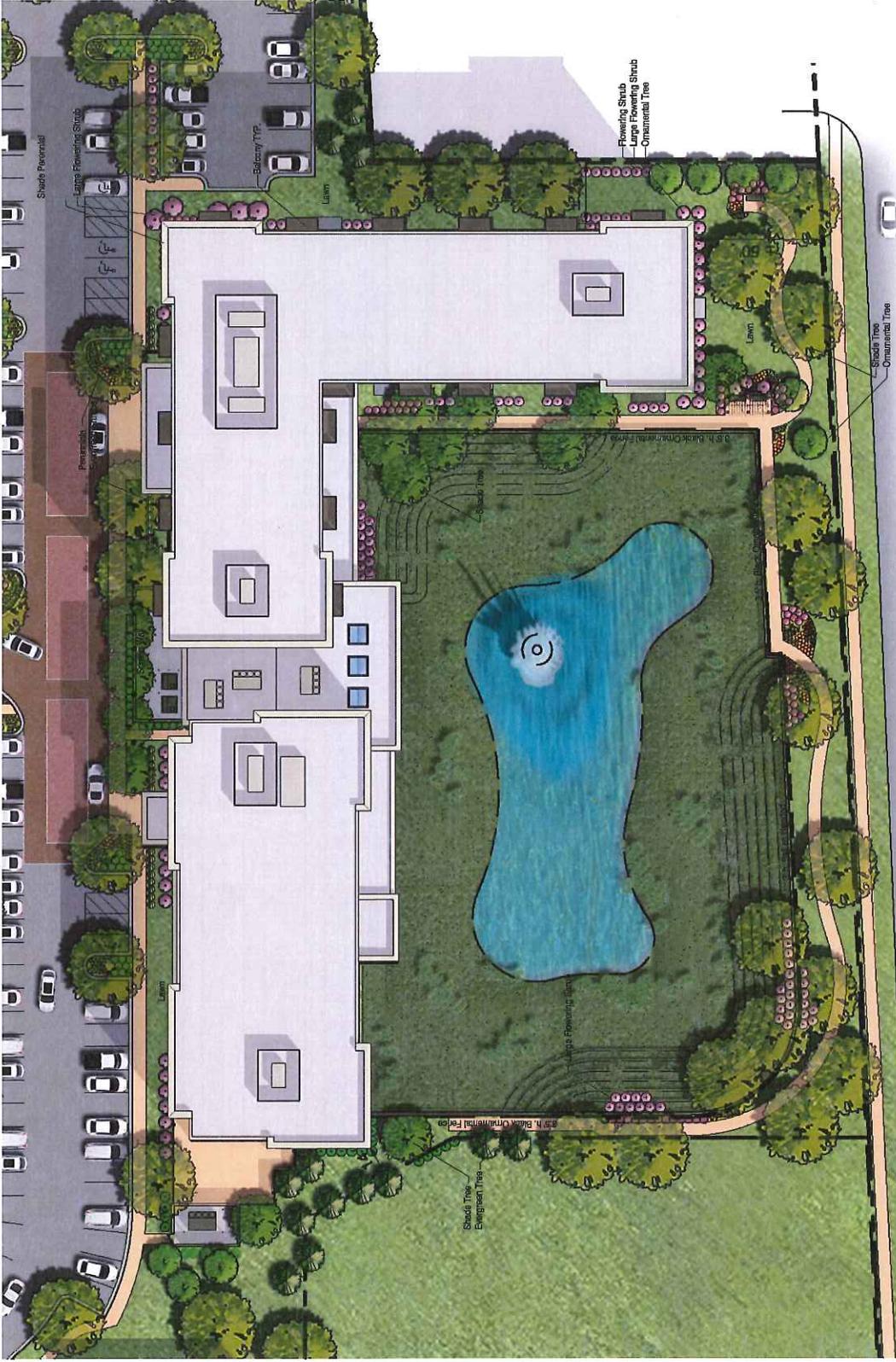




One Story Townhome



Two Story Townhome



**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Condo Landscape**

Exhibit 3b

45 South Yall Avenue  
Arlington Heights, Illinois  
Job No. 16025 © 2016  
November 18, 2016 ARCHITECTS + PLANNERS, INC.





Site Bench (N.T.S.)



Black Ornamental Fence (N.T.S.)



Prefabricated Composite Pergola (N.T.S.)



Pergola Park Landscape Plan

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

Landscape Detail

Exhibit 3c



48 South Yale Avenue  
Arlington, VA 22204  
Job No. 85026 © 2018



November 18, 2018

**LUMINAIRE SCHEDULE**

Sym.	Label	City	Category #	Description	Lamp	Lumens	LIF	Watts
□	A	13		MRP LED AREA LIGHT 4000K CRI 90 5000LM 100W 100000 HOURS	HALLWAY DOWN	4000	80	11

**Statistics**

Description	Symbol	Avg	Max	Min	Max/Min	Avg/Min
Calc Zone #1	+	0.5 fc	6.3 fc	0.0 fc	N/A	N/A

**Luminaire Locations**

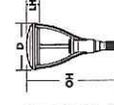
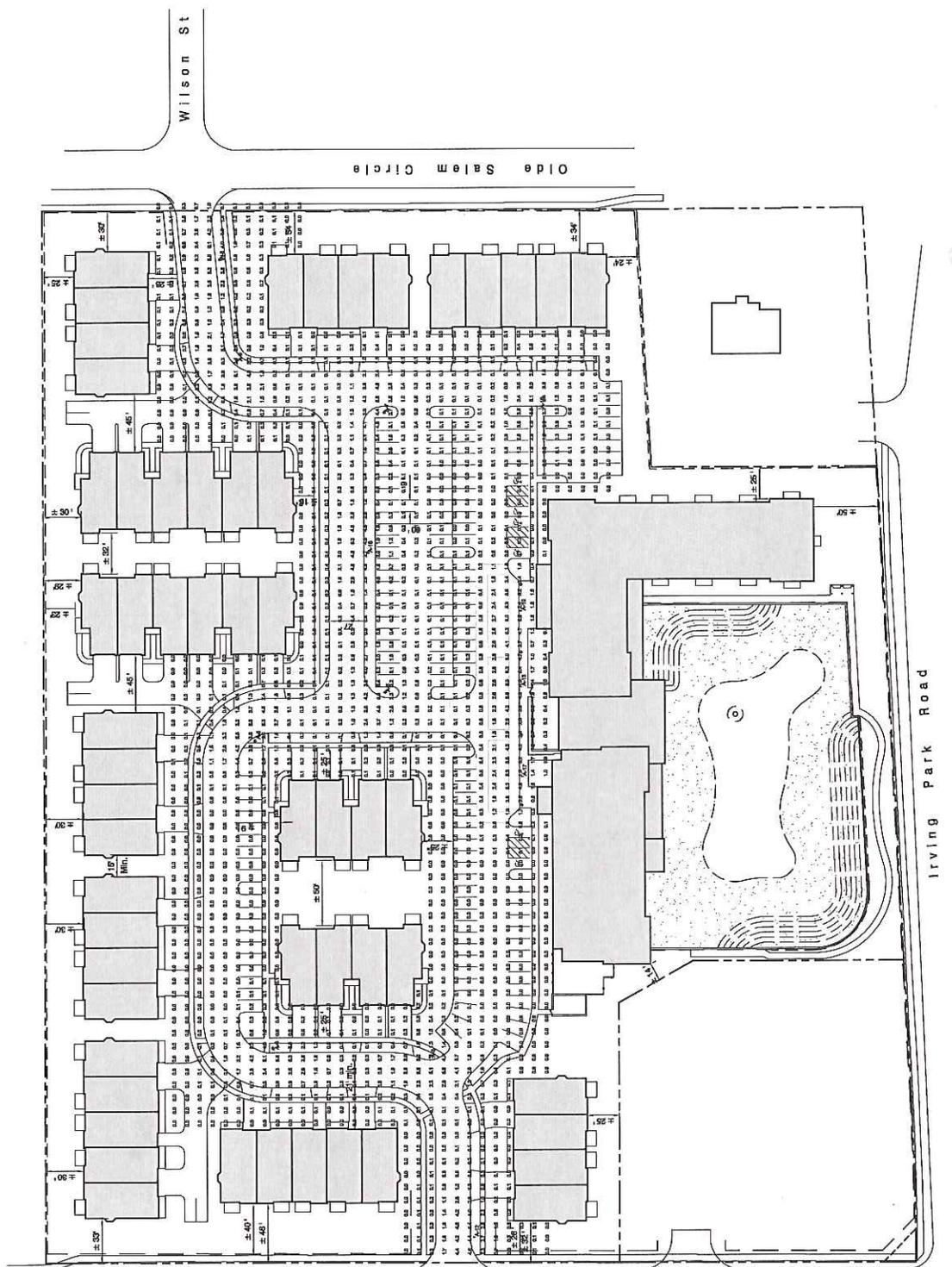
No.	Label	X	Y	MH	Orientation	Tilt
3	A	345.07	652.01	16.00	270.00	0.00
4	A	355.53	625.01	16.00	270.00	0.00
5	A	393.26	637.70	16.00	45.00	0.00
6	A	630.61	536.03	16.00	0.00	0.00
7	A	847.13	536.02	16.00	0.00	0.00
8	A	865.10	653.45	16.00	0.00	0.00
9	A	867.59	650.35	16.00	315.00	0.00
10	A	692.25	430.12	16.00	0.00	0.00
12	A	205.33	467.60	16.00	0.00	0.00
13	A	634.69	430.03	16.00	0.00	0.00
17	A	662.23	428.70	16.00	0.00	0.00
18	A	736.53	549.20	16.00	0.00	0.00
19	A	849.55	414.52	16.00	0.00	0.00

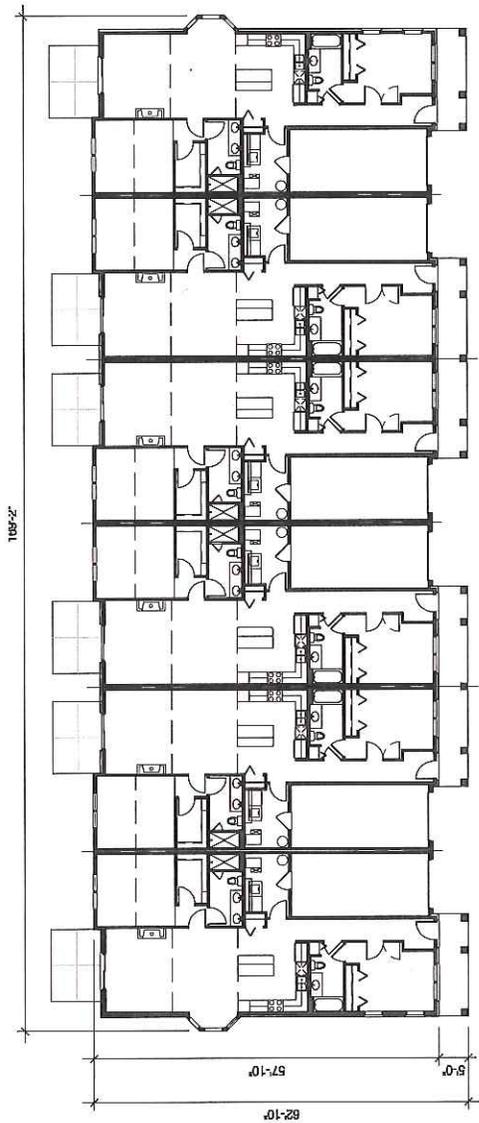
**MRP LED LED Area Luminaire**



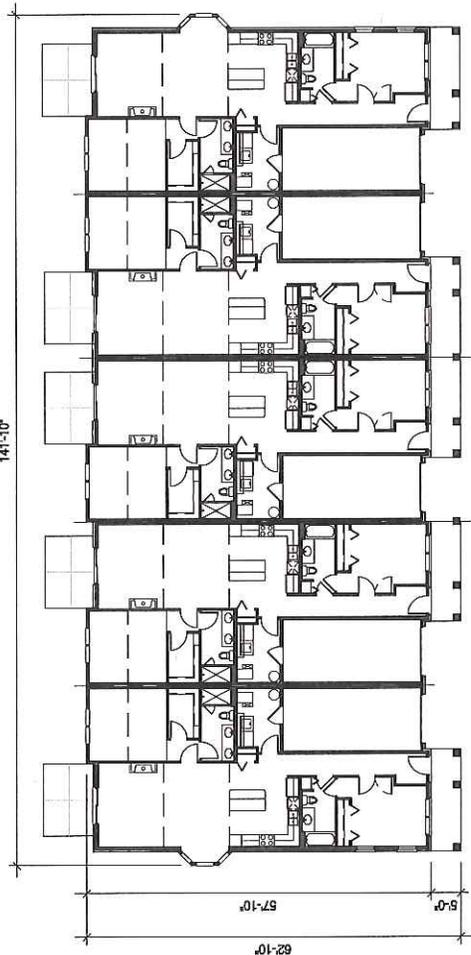
**Specifications**

Part	1-1321F
Light Color	4000K
Height	16.00
Beam Angle	60°
Output	5000lm
Weight	2.7 lbs
Mount	100mm

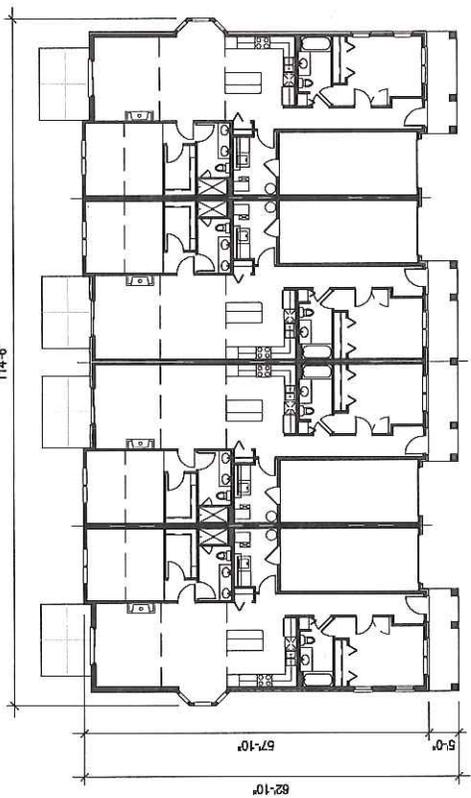





6 Unit Building Assembly Plan



5 Unit Building Assembly Plan



4 Unit Building Assembly Plan

**VERANDAH**

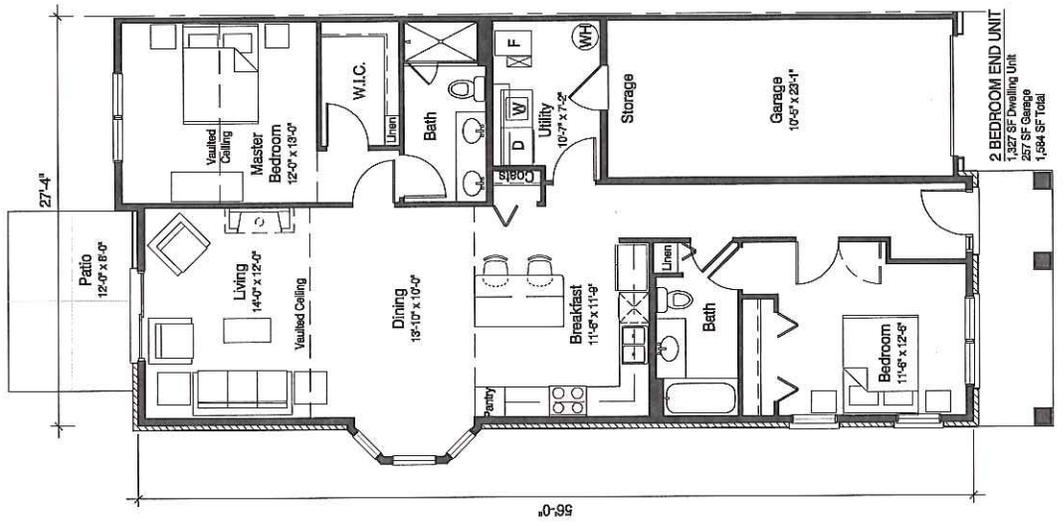
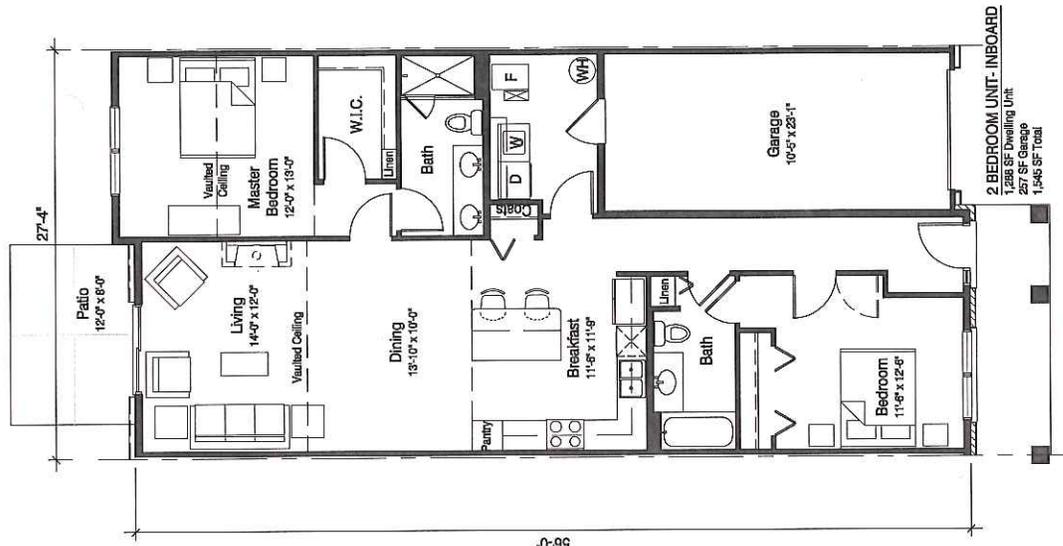
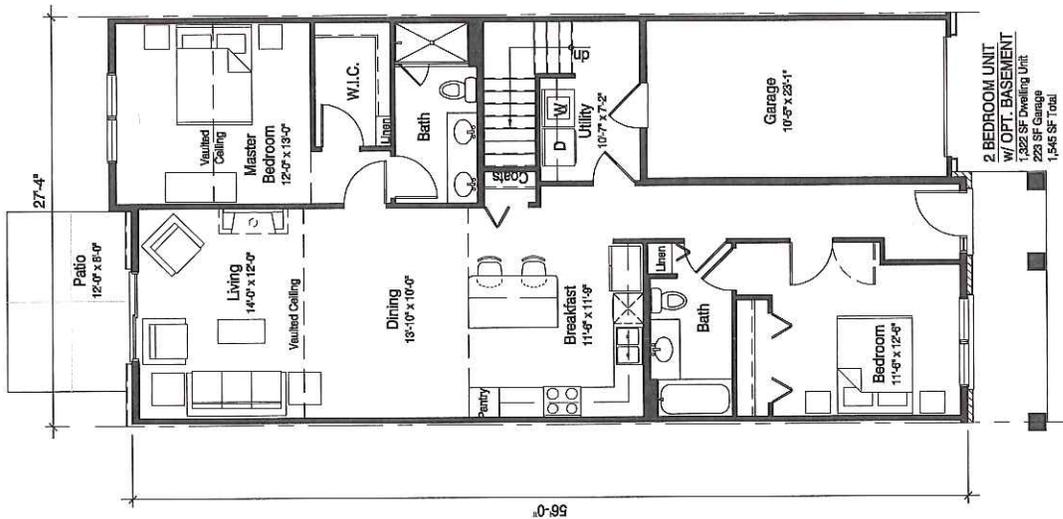
Aman Living, LLC Hanover Park, Illinois

1-Story Townhome Assembly Plans

Exhibit 5



43 South Vall Avenue  
Arlington Heights, IL 60005  
Job No. 180225 © 2018  
November 18, 2018 ARCHITECTS + PLANNERS, INC.



**VERANDAH**

**1-Story Townhome Unit Plans**

Exhibit 6

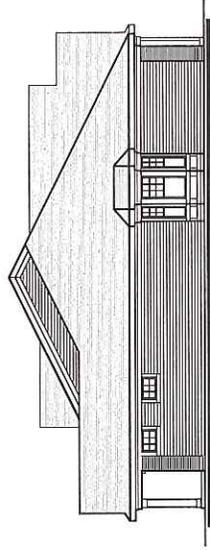
Aman Living, LLC Hanover Park, Illinois

43 South Vall Avenue  
Arlington, VA 22204  
Job No. 16026 © 2016  
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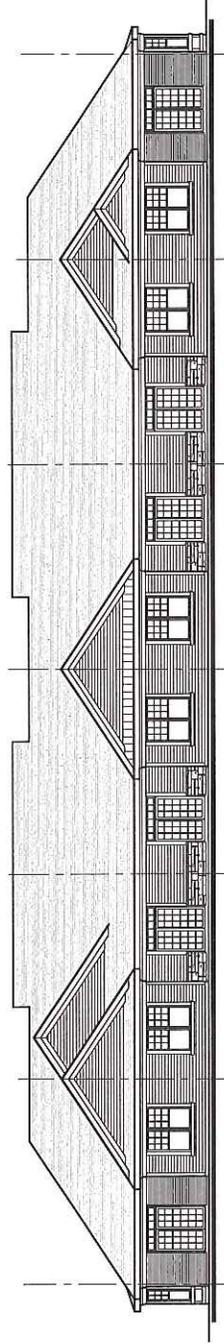




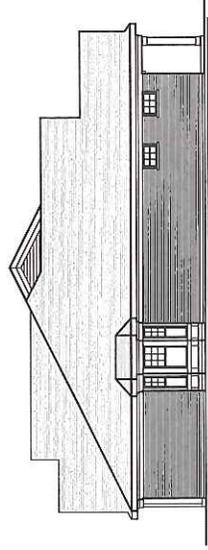
Front Elevation



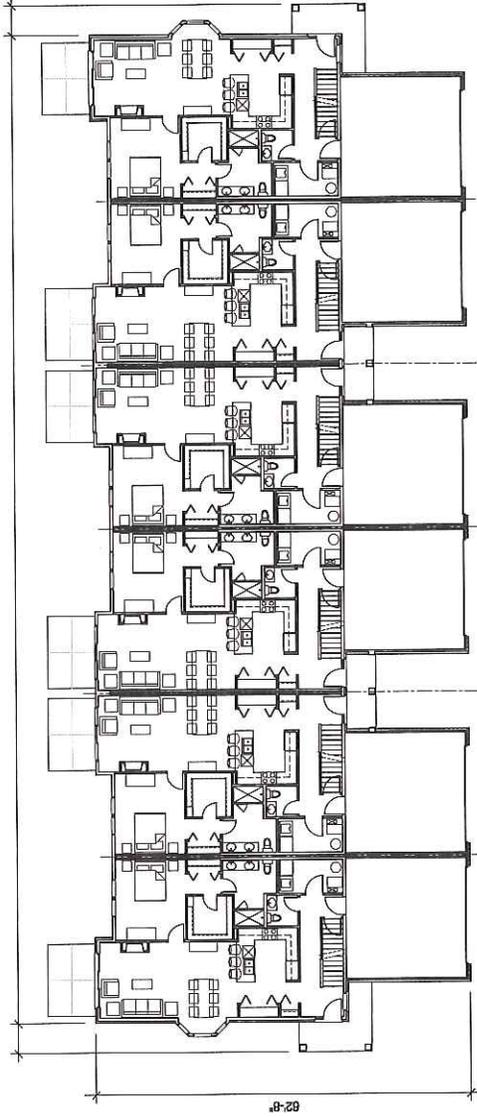
Typ. Side Elevation  
w/ Siding @ Select Locations



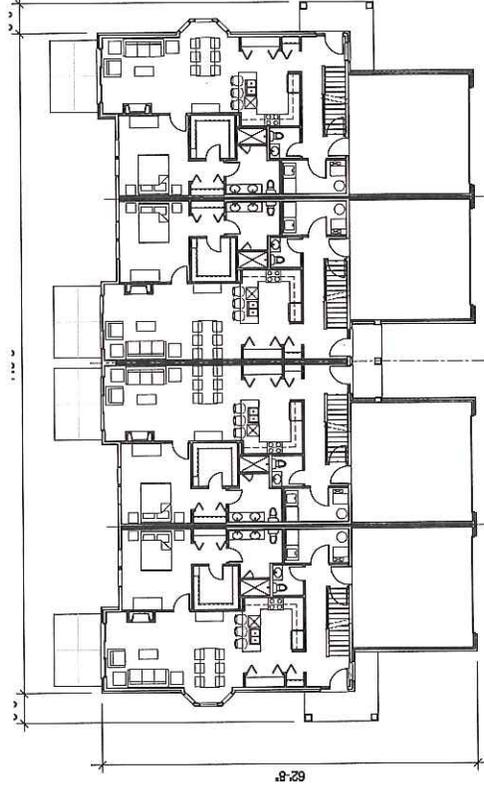
Rear Elevation



Typ. Side Elevation  
w/ Brick @ Select Locations



6 Unit Building Assembly Plan



4 Unit Building Assembly Plan

2 Story Townhome Assembly Plans

Exhibit 8

**VERANDAH**

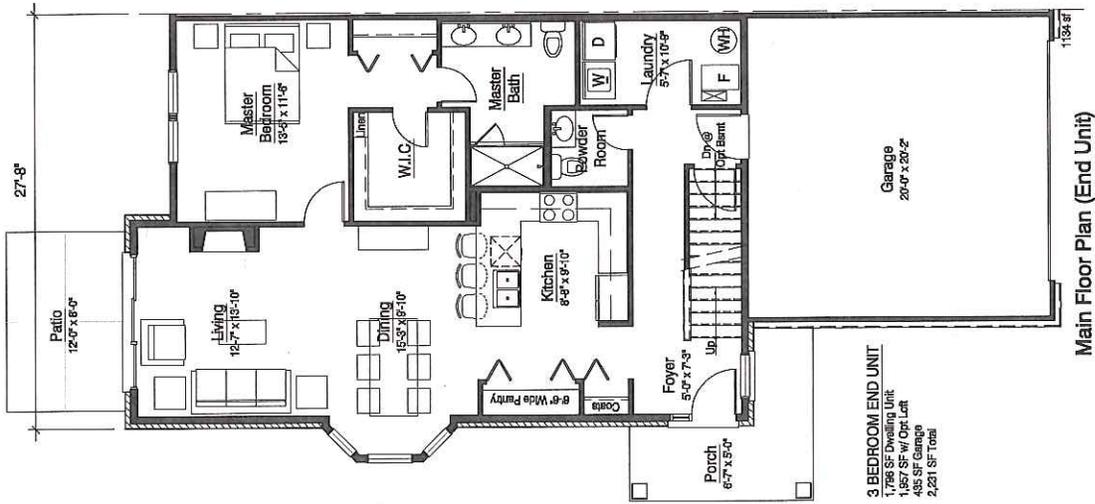
Aman Living, LLC Hanover Park, Illinois



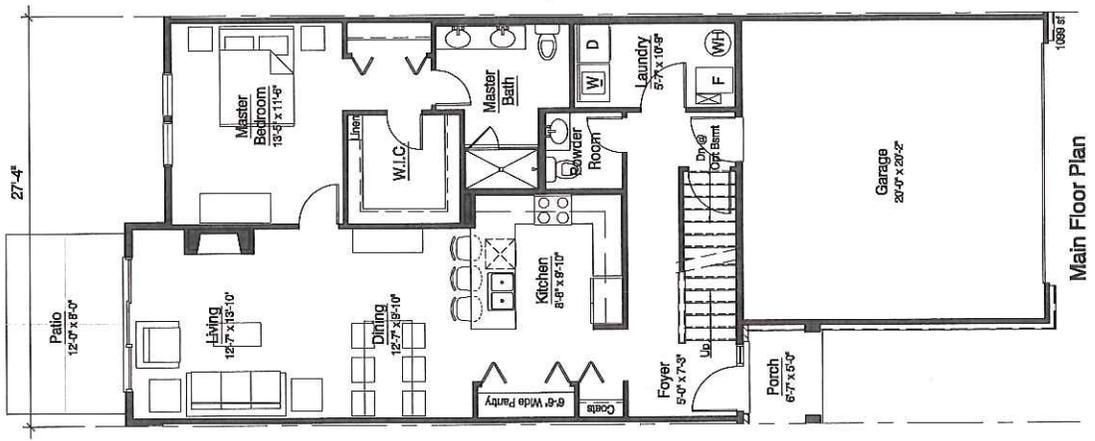
18 South York Avenue  
Arlington Heights, Illinois 60005  
Job No. 16026 © 2016



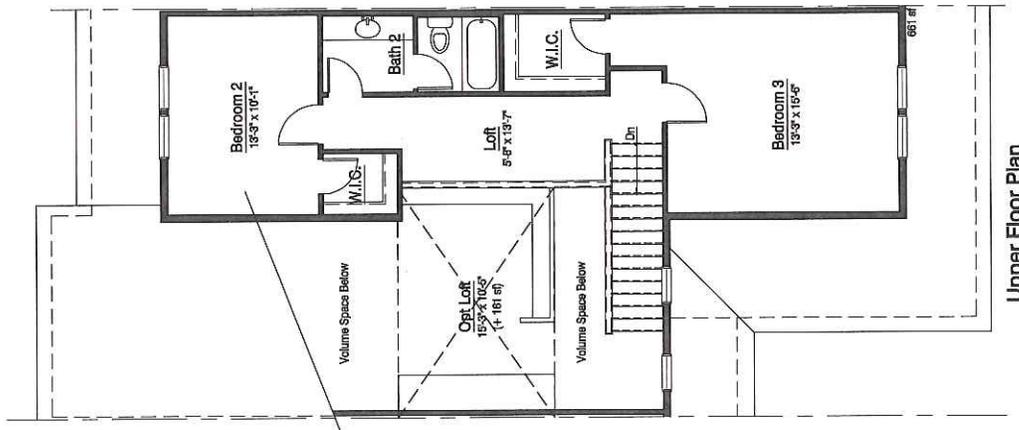
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Main Floor Plan (End Unit)



Main Floor Plan



Upper Floor Plan

2 Story Townhome Unit Plans

Exhibit 9



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43 South Val Avenue  
 Algonquin, IL 60105  
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Max. Bldg. Ht  
EL. 32'-0"

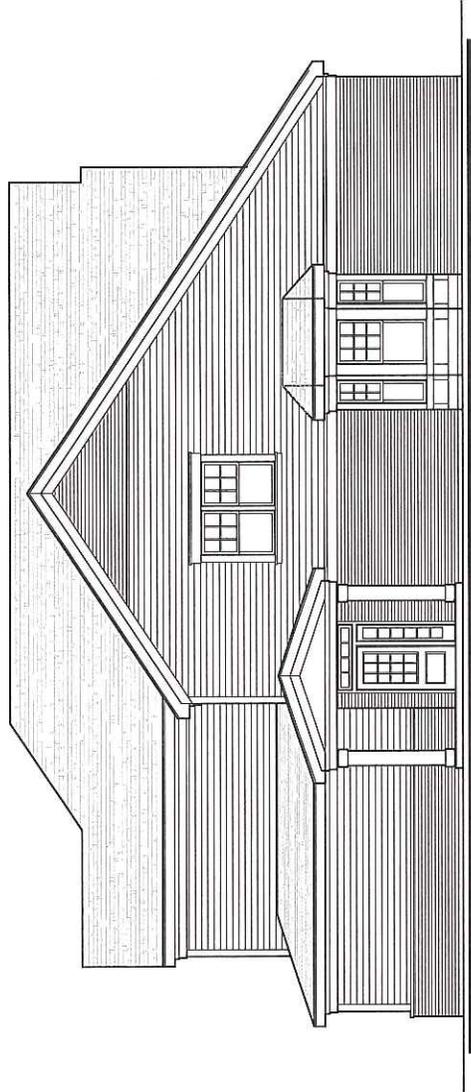
Raised Seam MIT Roofing

Asphalt Shingles

Typ. Siding

Front Elevation

Brick Veneer, Typ.



Right Side Elevation

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

2 Story Townhome Elevations (4 Unit Assembly)

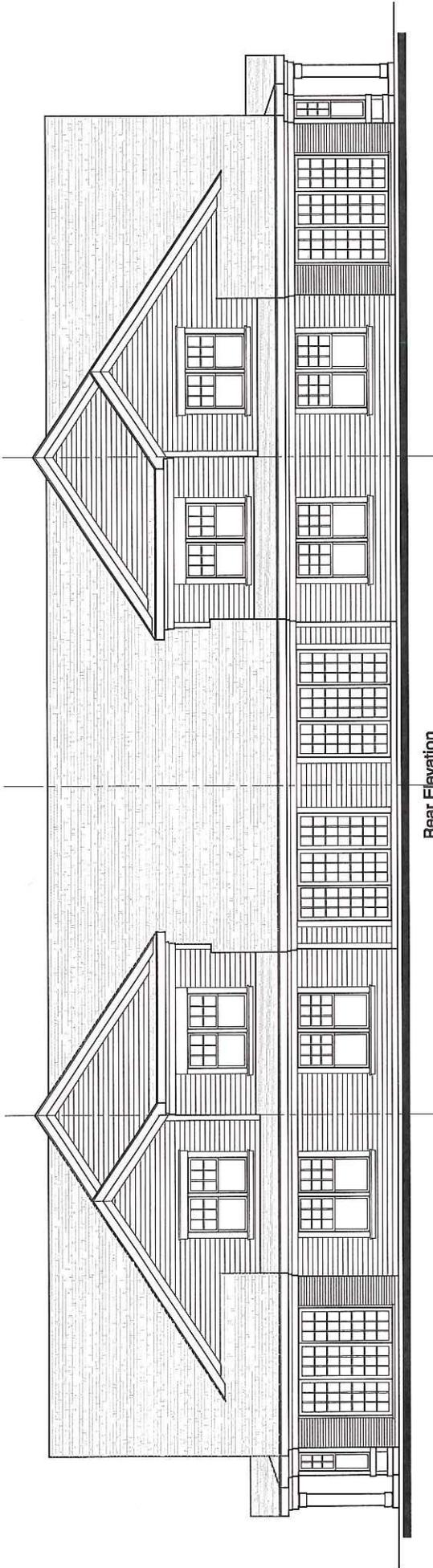
Exhibit 10



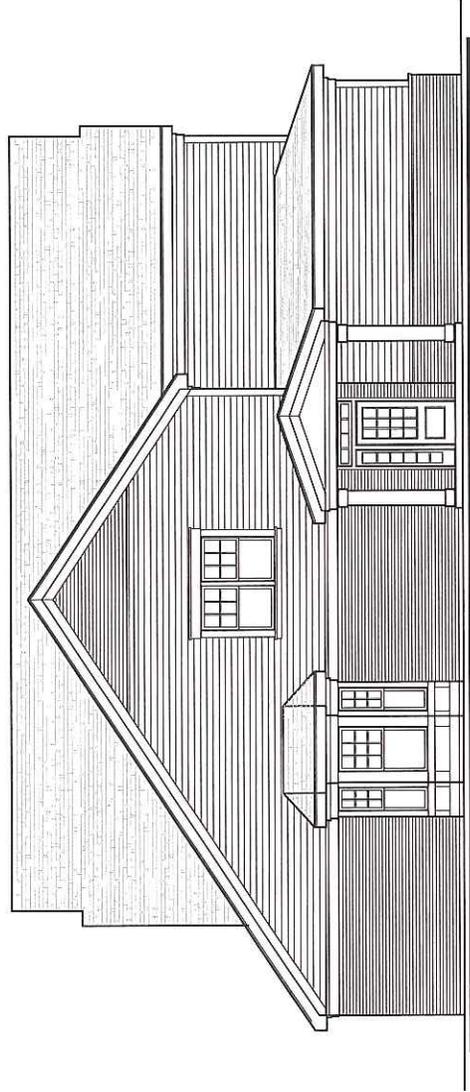
48 South, 10th Avenue  
Arlington Heights, IL 60005  
Job No. 15026 © 2016



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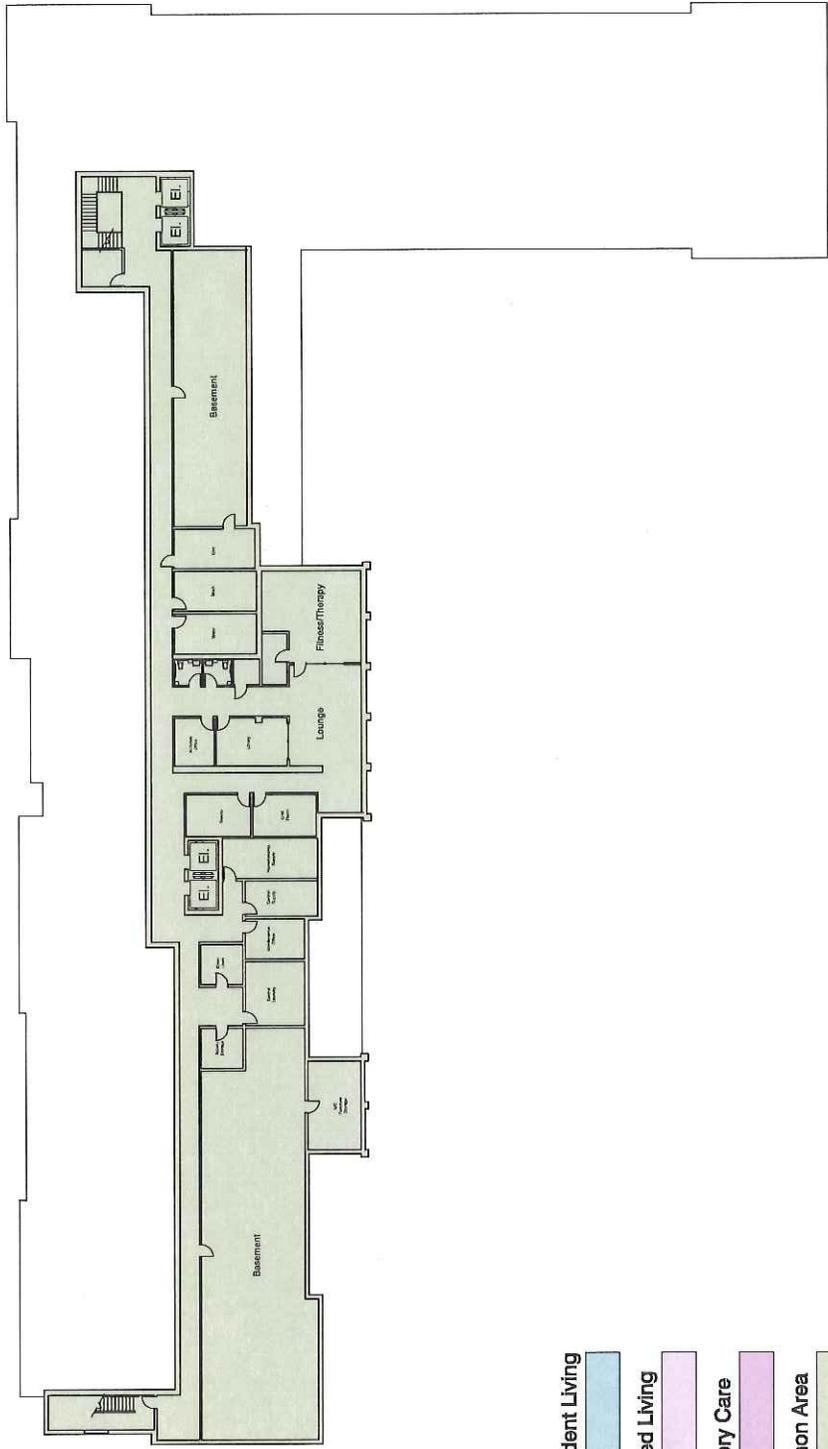
Rear Elevation



Left Side Elevation

2 Story Townhome Elevations (4 Unit Assembly)

Exhibit 11



- Independent Living
- Assisted Living
- Memory Care
- Common Area



Aman Living, LLC Hanover Park, Illinois

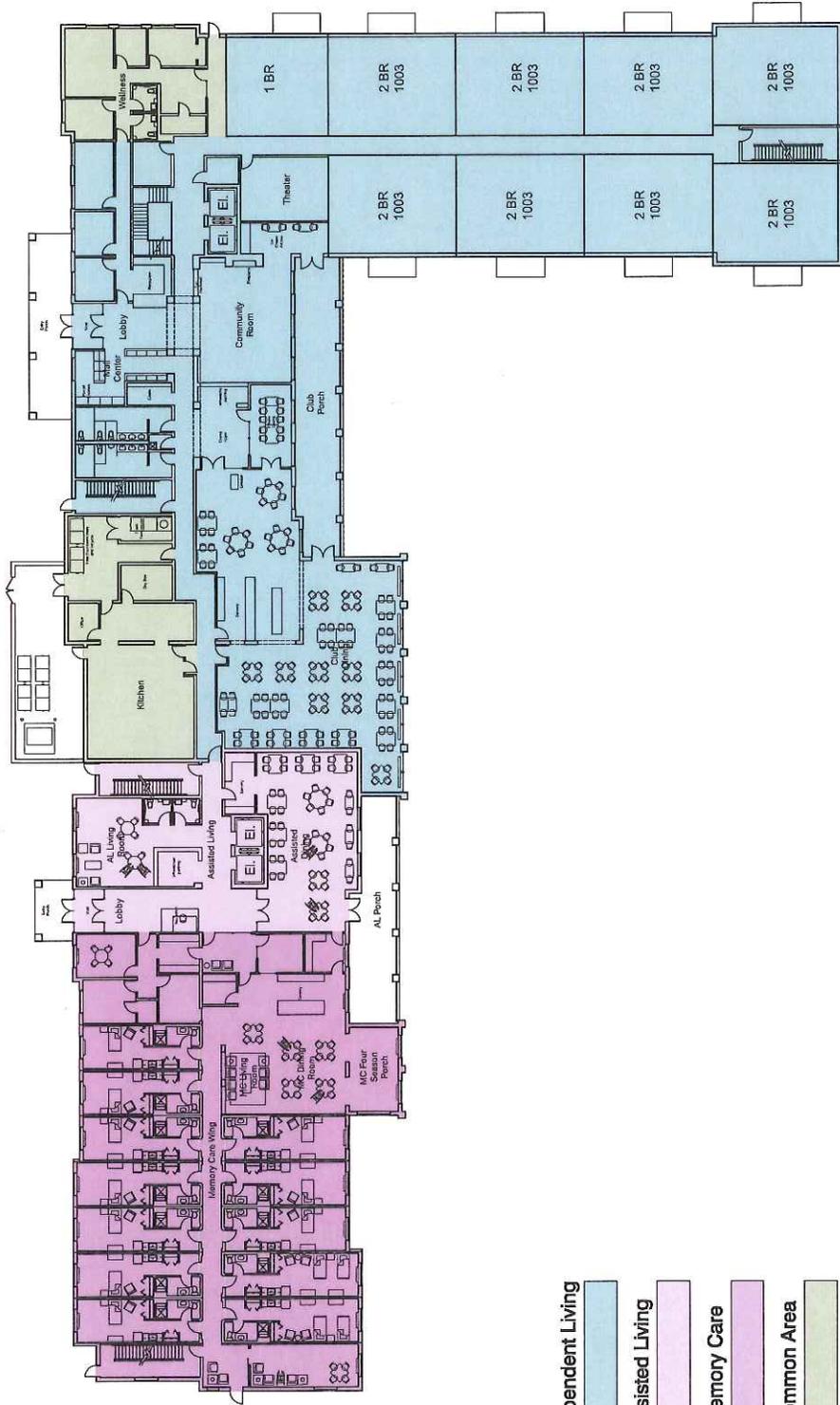
Basement Floor Plan

Exhibit 12



45 South Mill Avenue  
 Arlington Heights, Illinois 60005  
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- Independent Living
- Assisted Living
- Memory Care
- Common Area



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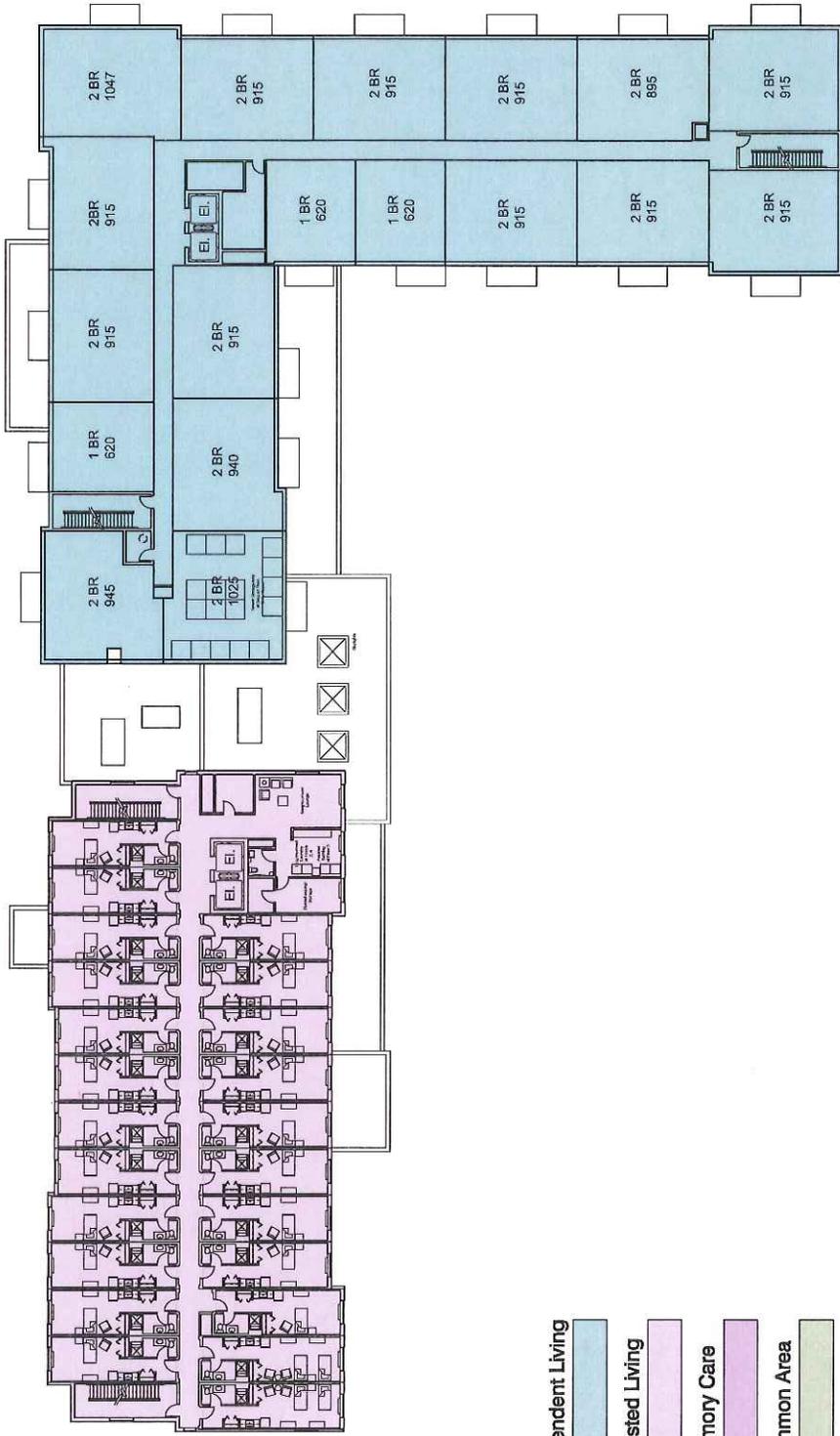
First Floor Plan

Exhibit 13



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Arlington Heights, IL 60015  
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- Independent Living
- Assisted Living
- Memory Care
- Common Area

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

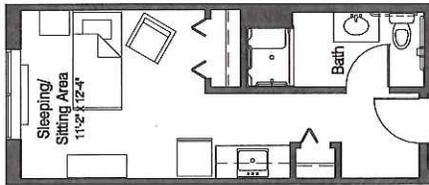
**Second - Fourth Floor Plan**

Exhibit 13a

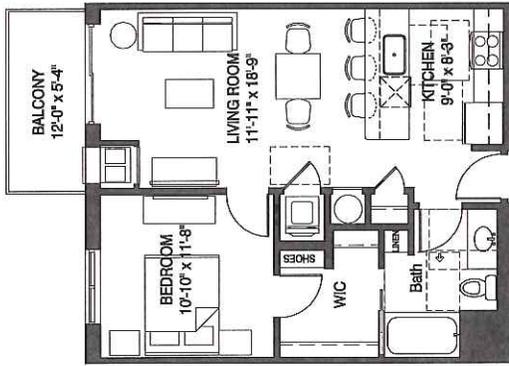
North 0 15' 30' 60'

42 South Vail Avenue  
Arlington Heights, Illinois 60015  
Job No. 18025 © 2016  
November 18, 2016 ARCHITECTS & PLANNERS, INC.

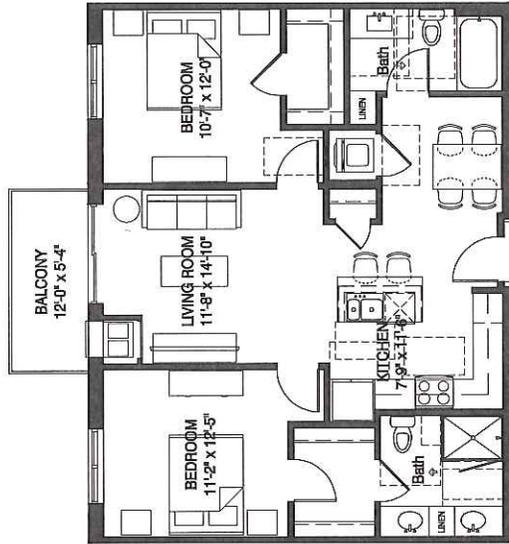




Typical Assisted Living



Typical 1 Bedroom



Typical 2 Bedroom



43 South Val Avenue  
 Arlington Heights, IL 60018  
 Job No. 150263 © 2016  
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West Elevation



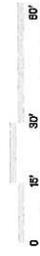
South Elevation

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Elevations**

Exhibit 15



43 South Vall Avenue  
 Hanover Park, Illinois 60139  
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**HKM**  
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East Elevation

T/I High Parapet  
El. +64'-0"  
T/I Low Parapet  
El. +62'-0"



North Elevation

T/I High Parapet  
El. +62'-8"  
T/I Low Parapet  
El. +50'-8"

Grade  
0'-0"

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

**Elevations**

Exhibit 16



43 South Vall Avenue  
Arlington Heights, IL 60004  
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**VERANDAH**

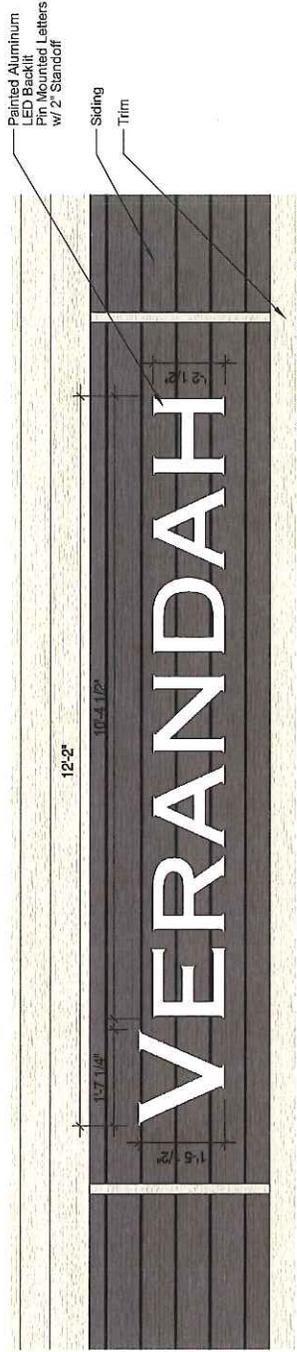
Aman Living, LLC Hanover Park, Illinois

Enlarged Partial Elevation

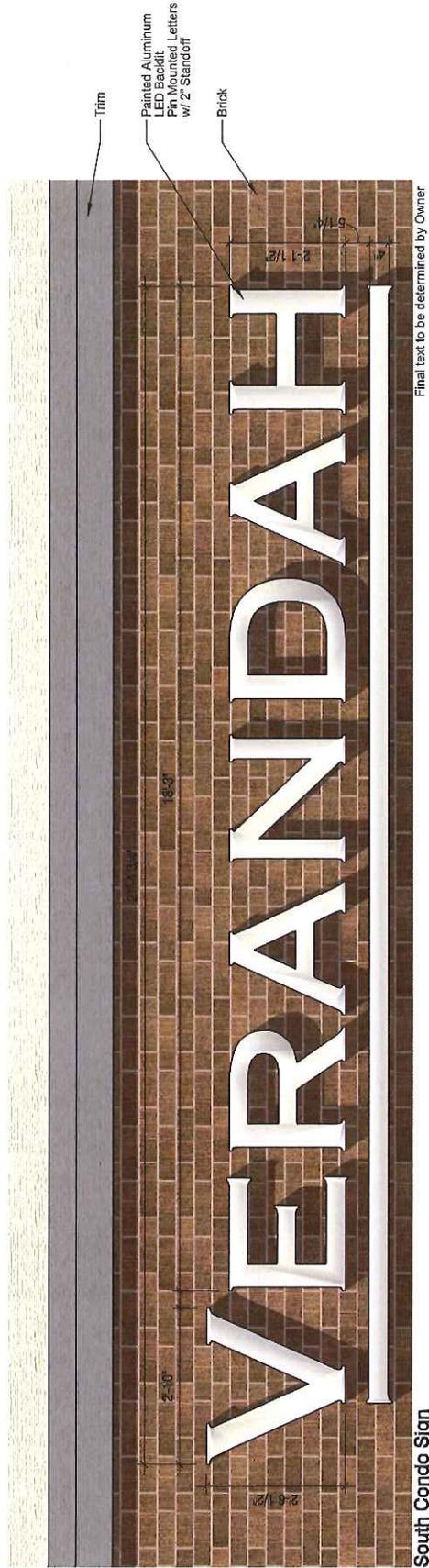
Exhibit 17



42 South Vall Avenue  
 Arlington Heights, IL 60005  
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North Condo Sign



South Condo Sign

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Building Signage

Exhibit 18



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Arlington, VA 22204  
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LARGE SHADE DECIDUOUS TREES - 68@2.5" = 170"  
 ORNAMENTAL DECIDUOUS TREES - 77@1.0" = 77"  
 TOTAL CALIPER 247"/55 UNITS = 4.5" PER UNIT  
 4.0" PER UNIT REQUIRED

38 EVERGREEN X 6FT = 228FT  
 228FT / 55 UNITS = 4.15FT PER UNIT  
 3FT PER UNIT REQUIRED

### Typical Plant Palette

Botanic Name	Common Name	Size
<i>Acer x freemanii</i> 'Winnifred'	Winnifred Maple	2.5' BB
<i>Betula nigra</i>	River Birch	8' HL BB
<i>Celtis occidentalis</i> 'Windy City'	Windy City Hackberry	2.5' BB
<i>Thuja occidentalis</i> 'Smaragd'	Emerald Green Arborvitae	2.5' BB
<i>Castanopsis coccinea</i> 'Inermis'	Red Jewel Castanopsis	8' HL BB
<i>Malus 'Red Jewel'</i>	Red Jewel Crabapple	2.5' BB
<i>Malus 'Donald Wyman'</i>	Donald Wyman Crab	2.5' BB
<i>Picea canadensis</i>	White Pine	2.5' BB
<i>Picea x canadensis</i> 'Norton Clever'	Norton Clever	2.5' BB
<i>Quercus bicolor</i>	Swamp White Oak	8' HL BB
<i>Thuja occidentalis</i> 'Teeahoy'	Mission Arborvitae	8' HL BB
<i>Thuja occidentalis</i> 'Teeahoy'	Mission Arborvitae	8' HL BB
<i>Ulmus americana</i>	American Elm	2.5' BB
<i>Ulmus americana</i> 'Merlot'	Merlot Elm	2.5' BB

### Shrubs

Botanic Name	Common Name	Size
<i>Buxus x glaucocarpa</i>	Glennwood Boxwood	2.5' BB
<i>Comus sibirica</i> 'Frodo'	Wheat Reed Dogwood	2.5' BB
<i>Hamamelis virginica</i>	Winged Spindle Tree	2.5' BB
<i>Hamamelis virginica</i>	Winged Spindle Tree	3' BB
<i>Hydrangea arborescens</i> 'Annabelle'	Annabelle Hydrangea	2.5' BB
<i>Hydrangea paniculata</i> 'Tardiva'	Tardiva Hydrangea	30" BB
<i>Ilex virginica</i> 'Moritani'	Moriton Sweetgum	2.5' BB
<i>Juniperus x media</i> 'Valley's Compact'	Compact Juniper	18" BB
<i>Rhus aromatica</i> 'Eco Low'	Low Spreading Sumac	18" BB
<i>Spiraea japonica</i> 'Gold Flame'	Gold Flame Spirea	18" BB
<i>Spiraea japonica</i>	Japanese Spirea	3' BB
<i>Taxus x media</i> 'Tauntoni'	Tauntoni Yew	2.5' BB
<i>Viburnum dentatum</i> 'Ralph Sailer'	Ralph Sailer Viburnum	3' BB
<i>Viburnum x luddii</i>	Luddii Viburnum	3' BB

### Perennials

Botanic Name	Common Name	Size
<i>Allium 'Summer Beauty'</i>	Summer Beauty Onion	#1 Cont.
<i>Alcea x 'Chocolates Chip'</i>	Chocolates Chip Carpet Bugle	#1 Cont.
<i>Carexpa verticillata</i> 'Zigzag'	Zigzag Threaded	4' Cont.
<i>Coreopsis 'Lila Joe'</i>	Lila Joe Coreopsis	#1 Cont.
<i>Hebe 'Guacamole'</i>	Guacamole Hebe	#1 Cont.
<i>Hemerocallis 'Happy Returns'</i>	Happy Returns Daylily	#2 Cont.
<i>Pennisetum alopecuroides</i> 'Cassini'	Cassini Fountain Grass	#1 Cont.
<i>Matthiola struthifera</i>	Cerch Farm	#1 Cont.
<i>Phytolacca frutescens</i> 'Green Carpet'	Green Carpet Phytolacca	#1 Cont.
<i>Rudbeckia subumbellata</i>	Sweet Black-eyed Susan	4' Cont.
<i>Salvia nemorosa</i> 'Vibrance'	Wisdom Meadow Sage	#1 Cont.
<i>Stachys 'Hummer'</i>	Hummer Salvia	#2 Cont.
<i>Stachys aurantiaca</i>	Autumn Meaz Grass	#1 Cont.
<i>Stachys officinalis</i> 'Hummel'	Hummel Salvia	#1 Cont.

**VERANDAH**

Aman Living, LLC Hanover Park, Illinois

TREE CODE COMPLIANCE



North 0 40' 80' 160'

43 South Vail Avenue  
 Hanover Park, IL 60139  
 Phone: 630.585.2515  
 Fax: 630.585.2516  
**HKMI**  
 ARCHITECTS • PLANNERS, INC.





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**Valerie S. Kretchmer *Associates, Inc.***

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*Real Estate and Planning Consulting*

# **Verandah Market Analysis Summary and Conclusions**

**Hanover Park, Illinois**

*Prepared for*  
**AMAN LIVING, LLC**

**May 2016**

*Prepared by*  
**Valerie S. Kretchmer Associates, Inc.**  
807 Davis Street, #2004  
Evanston, IL 60201



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# Valerie S. Kretchmer Associates, Inc.

*Real Estate and Planning Consulting*

807 Davis Street • #2004  
Evanston, IL 60201-7103  
TEL 847-864-8895  
E-MAIL [vsk@kretchmerassociates.com](mailto:vsk@kretchmerassociates.com)

May 3, 2016

Dr. Anuja Gupta  
AMAN LIVING, LLC  
22538 Cobblestone Trail  
Frankfort, IL 60423

Dear Dr. Gupta:

Valerie S. Kretchmer Associates, Inc. (VSKA) is pleased to present the attached summary and conclusions relative to the market for the Verandah senior living facility on the north side of Irving Park Road between Olde Salem Circle and Olde Salem Road in Hanover Park.

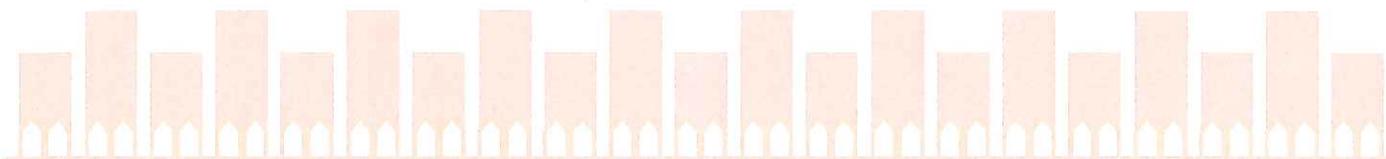
Based on our analysis of the project and the competitive properties in the market area, VSKA concludes that there is significant demand for a senior facility offering independent living, assisted living and memory care at this location.

Thank you for the opportunity to work on this interesting assignment.

Sincerely,

*Valerie Sandler Kretchmer*

Valerie Sandler Kretchmer  
President



## SUMMARY AND CONCLUSIONS

### A. Project Description

The proposed development will offer independent living, assisted living and memory care to create a full-service senior campus where residents can age in place. It will include a total of 214 units -- 129 for independent living, 55 for assisted living, and 30 for memory care. The proposed site is proximate to shopping and services and is appropriate for a senior living facility.

The independent living units will include 75 for-sale condominiums in an elevator building and 54 for-sale townhomes. Townhouses will have individual entrances and all will have first floor master bedrooms and baths. Assisted living and memory care will be rental not for-sale.

The development will include a large (10,000 square foot) clubhouse on the first floor of the condominium building that will include a dining facility, community room, fitness center, computer room/library, activity studio, offices for doctors and physical therapists, and outdoor covered seating. Other amenities will include a pond, park and walking path. An optional meal plan will be offered.

The development will allow residents to age in place and pay for the services they need, such as home health care and dining for independent living residents, and more extensive care for residents in assisted living and memory care.

In independent living, one bedroom units will have one bath, two bedroom units will have two baths and the three bedroom units will have 2.5 baths. The two bedroom townhouses will be ranch-style, while the three bedroom units will have two floors, with a first floor master bedroom and two bedrooms on the second floor.

As proposed, all of the independent living units will be sold on a fee simple basis with residents responsible for real estate taxes, utilities, interior maintenance and insurance. The proposed development will be different than most senior facilities in this respect. Most are either rental or entry fee communities in which residents do not own their units. Monthly fees at Verandah will cover common area maintenance and activities. Additional fees will be charged for an optional meal plan and other services.

The proposed unit mix, unit sizes and average sale prices are shown below.

**Table 1**

**VERANDAH PROPOSED UNIT MIX, UNIT SIZES AND PRICES**

<b>Unit Type</b>	<b># of Units</b>	<b>Average Unit Size</b>	<b>Average Price</b>
<b>Independent Living</b>			
1 Bedroom/1 Bath Condominium	18	700 SF	\$150,000
2 Bedroom/2 Bath Condominium	57	1,000 SF	\$200,000
Sub-Total	75		
2 Bedroom/2 Bath Townhouse	34	1,275 SF	\$275,000
3 Bedroom/2.5 Bath Townhouse	20	1,750 SF	\$335,000
Sub-Total	54		
<b>Assisted Living</b>	55	344-584 SF	Rental only
<b>Memory Care</b>	30	344-398 SF	Rental only
<b>TOTAL</b>	214		

Independent living facilities are generally for seniors who can take care of themselves but want to engage in a community of their peers. Most market rate facilities offer apartments with full kitchens, communal dining with one or more meals served each day, weekly housekeeping and recreational activities. The target age for this type of facility is 65 and older, though most residents are in their 70s and 80s. Some also offer home health services for an additional fee so that those needing more assistance can remain in their apartments.

Verandah may attract a younger senior demographic in its independent living units since it is a for-sale development and units are larger than what is typically found in senior independent living. In particular, the townhouses will be targeting more independent seniors who are downsizing from larger homes, but want a maintenance-free environment that enables them to age in place.

Residents of the independent living will be able to age in place and move into the assisted living and memory care sections as their health needs change. These units will also be open to those from the outside who are not residents of independent living already. Most of the assisted living and memory care units will be studios, with a few one bedroom units in the assisted living section.

## **B. Primary Market Area**

The Primary Market Area (PMA) for Verandah is generally bounded by I-90 on the north, Army Trail Road on the south, Meacham Road on the east and the railroad tracks west of Route 59 and east of the Kane County line on the west. It includes all or parts of Hanover Park, Schaumburg, Streamwood, Hoffman Estates, Bartlett, Roselle and Bloomingdale. A map of the PMA is on the following page.

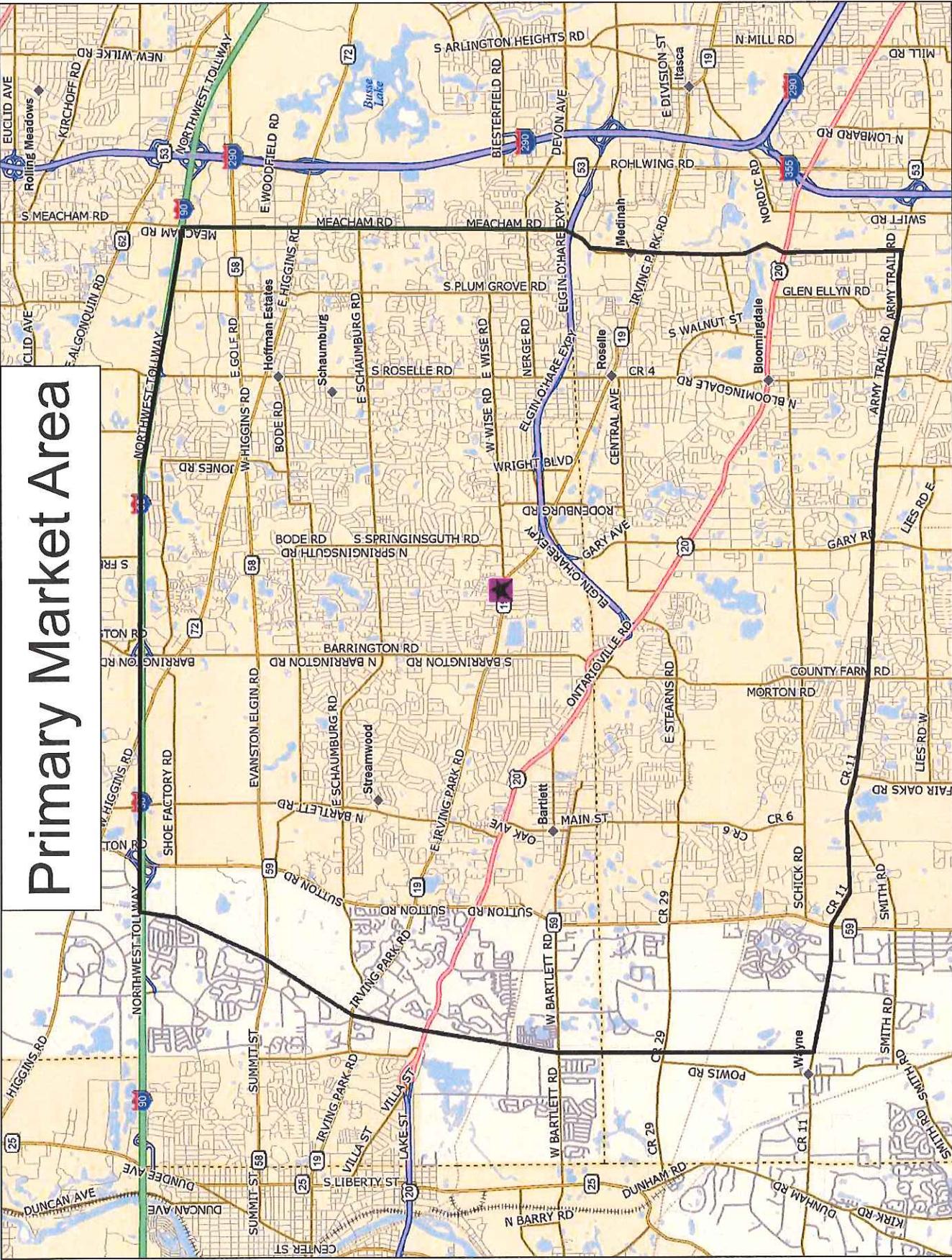
The Primary Market Area has an estimated 35,400 people age 65+ as of 2015 and this number is projected to increase by 22% over the next five years. The Village of Hanover Park has an estimated 3,226 seniors age 65+ and their number is projected to increase by 30% by 2020. Thus there are a large number of potential residents for a new senior development.

The PMA has an estimated 20,800 households headed by a person 65+ and of these, 71% have incomes over \$35,000 and 54% have incomes over \$50,000. These are the target residents of Verandah. The number of senior households with incomes over \$50,000 is projected to increase by 34% (3,239) over the next five years.

Seniors in the PMA also have reasonably high net worth. Just over three quarters of the households age 65+ have net worth over \$150,000 and 65% have net worth over \$250,000. The percentages are slightly higher for residents of Hanover Park. Thus there will be an increasing need for senior housing in the PMA in the next five years and there are an ample number of seniors who have both the net worth and income to afford the proposed units at Verandah.

Assisted living is typically targeted to those who have one or more disabilities and need assistance with activities of daily living. Most are over 75 years of age. The PMA has almost 16,400 people over 75 and slightly over half, 8,440, have some disability.

Data from the Alzheimer's Association and other studies show that 11% of seniors have Alzheimer's disease or other dementia. Of these, 48% have a mild case and typically are cared for at home by family members. Another 31% have moderate and 21% have severe cases. The latter are the target for a memory care facility. The PMA has an estimated 2,025 residents over 65 with moderate or severe memory care issues.



# Primary Market Area

Scale 1 : 100,000



1" = 1.58 mi Data Zoom 11-0



### C. Competitive Environment

The Primary Market Area has 3 market rate senior properties offering independent living with a total of 855 units. There are also 367 assisted living beds and 129 memory care beds in 9 facilities, some of which also offer independent living.

Two competitive facilities are lifecare properties in which residents pay a large upfront entry fee, but are guaranteed higher levels of care (assisted living, memory care and skilled nursing) as their needs change -- Friendship Village in Schaumburg and Clare Oaks in Bartlett. A third competitive facility is Brookdale Hoffman Estates, a rental property primarily for independent living, but also offering some assisted living units.

At the two lifecare communities, the entry fees range from \$165,000-256,500 for one bedroom and \$210,000-314,000 for two bedroom units, 90% of which is refundable when the person leaves. Monthly fees for independent living at these lifecare facilities range from \$2,120-\$3,066 for one bedroom and \$2,540-\$3,952 for two bedroom units. At Brookdale, the monthly fees range from \$2,515-\$3,215 for one bedroom and \$3,420-\$3,550 for two bedrooms.

The entry fees at lifecare communities are sometimes considered the same as the sales price of a condominium and most residents use the sales proceeds from a home to pay their entry fees (which don't usually allow financing). However, the entry fees provide higher levels of care (assisted living and skilled nursing) at discounted rates in the future and free care if the resident runs out of funds. This is not the case in a fee simple community such as proposed at Verandah.

Properties in the PMA specifically for assisted living and memory care include Brookdale Hoffman Estates (Golf Road), Sunrise of Schaumburg, Sunrise of Bloomingdale, and two supportive living facilities for low-income and market rate seniors in Bartlett and Bloomingdale. The latter two each have a small number of market rate residents, though most are covered by the state of Illinois Medicaid program. Rates for private pay assisted living in a private studio or one bedroom unit typically range from \$3,600 to \$6,300 and in memory care from \$4,800 to \$8,400 per month. These rates include at least some assistance with activities of daily living, though some facilities are more inclusive than others in what is included in the rate.

Occupancy is high for independent living at Brookdale Hoffman Estates and at the newer Friendship Village building that opened in 2007. While exact unit sizes were not available for all of the competitive facilities, the units at Brookdale and Friendship Village are smaller than the proposed unit sizes at Verandah. Monthly rents and fees at the competitive independent living facilities include a meal package, activities, utilities, transportation and housecleaning.

There is one new senior facility under construction in Streamwood, Westbrook Senior Living, a rental property with 69 units of independent living in addition to 59 units of assisted living and 24 units of memory care. There are no other plans at this time for senior independent and assisted living, but one memory care facility (Lakewood Memory Care) with 42 units is planned in Bloomingdale.

#### **D. For-Sale Condominiums and Townhouses**

VSKA focused on newer condominiums and townhouses in the PMA, particularly those that have attracted empty nesters and senior citizens. These prices are significantly higher than the median sales prices for all attached units in the PMA communities.

There are several elevator condominium buildings in Roselle and Bartlett in their respective downtowns. They were built prior to the recent recession and prices are generally lower today than they were when they initially sold. However, prices have been increasing since the depth of the recession. Over the past two years, one bedroom condos in these newer buildings sold from \$99,400 to \$136,000 and two bedroom units sold for \$138,000 to \$320,000. These units are generally larger than those proposed at Verandah, but they do not have the level of common area amenities that will be included at Verandah.

There are many townhouses in the PMA, though most are more than 20 years old and are not directly comparable with what is proposed at Verandah. The most recently completed townhouse development in Hanover Park, Church Street Station, has two bedroom units that sold for \$180,111 to \$269,990 and three bedroom units that sold for \$113,000 to \$240,000 in the past two years. (The lowest sale was a short sale.) However, few buyers were seniors since the townhouses are on three levels. The development has no common area amenities.

Several other developments in Streamwood (Sutton Ridge) and Hoffman Estates (Haverford Place) are more appropriate for seniors and empty nesters looking to downsize as many units have first floor master bedrooms. Haverford Place has a clubhouse; Sutton Ridge does not. 2014 and 2015 sales at these developments are higher overall than more traditional multi-level townhouses and range from \$238,900 to \$385,000 for two bedrooms and \$261,000 to \$370,000 for three bedrooms. These townhouses tend to be larger than the proposed townhouses at Verandah.

#### **E. Demand and Penetration**

VSKA estimates demand for additional independent living units for seniors at 289-474 units in 2015, increasing to 350-587 units in 2020. This is based on conservative penetration rates of 2%-3% of households age 65+ with incomes of \$35,000-74,999 and 1%-2% of senior households with incomes over \$75,000. In order to afford the purchase price and the monthly fees at Verandah, we estimate that a senior will need a minimum net worth of \$150,000 and/or income of \$35,000-50,000. The proposed 129 independent living units represent 27-45% of the independent senior demand in 2015 and 22-37% by 2020. Table 2 on the following page shows the independent living demand.

Table 2

HANOVER PARK MARKET AREA INDEPENDENT LIVING DEMAND

	2015		2020	
	<i>Penetration Rates</i>		<i>Penetration Rates</i>	
<b>Primary Market Area</b>				
<u>Income Level \$35,000-\$49,999</u>	2.0%	3.0%	2.0%	3.0%
Number of Households Age 65+	<u>3,588</u>	<u>3,588</u>	<u>3,903</u>	<u>3,903</u>
Demand at 2-3% Penetration	72	108	78	117
<u>Income Level \$50,000-74,999</u>	2.0%	3.0%	2.0%	3.0%
Number of Households Age 65+	<u>4,710</u>	<u>4,710</u>	<u>5,251</u>	<u>5,251</u>
Demand at 2-3% Penetration	94	141	105	158
<u>Income Level \$75,000+</u>	1.0%	2.0%	1.0%	2.0%
Number of Households Age 65+	<u>6,494</u>	<u>6,494</u>	<u>9,733</u>	<u>9,733</u>
Demand at 1-2% Penetration	65	130	97	195
<b>Total Demand from Primary Market Area</b>	231	379	280	470
Additional Demand Assuming that 20% of Residents come from Outside of Market Area	<u>58</u>	<u>95</u>	<u>70</u>	<u>117</u>
<b>TOTAL MARKET RATE DEMAND</b>	<b>289</b>	<b>474</b>	<b>350</b>	<b>587</b>

Note: Numbers may not total due to rounding.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates and projections from ESRI.

We also analyzed the overall independent living penetration rate in the PMA to determine the degree to which this market area is saturated or overbuilt with independent living for seniors. As of 2015, there are almost 14,800 households over age 65 with incomes over \$35,000. The existing inventory of senior independent living currently penetrates 5.8% of these households.

This is a very low overall rate for a market area. By 2020, with the addition of 69 units at Westbrook Senior Living and 129 units at Verandah, the penetration rate will decrease slightly to 5.6% due to the projected increase in the number of income-eligible seniors. This indicates that the market can support additional development.

Verandah’s proposed 129 independent living units will need to capture only 0.9% of the senior households with incomes over \$35,000 in 2015 and 0.7% in 2020. These are very low capture rates for a single property, indicating reasonable demand for Verandah. In addition, there is no other development that will be offering a for-sale product for independent seniors with the level of amenities and services planned at Verandah.

VSKA estimates demand for 196-279 assisted living beds in the PMA in 2015, increasing to 249-353 by 2020. Verandah’s proposed 55 assisted living beds represent 20-28% of this demand in 2015 and 16-22% in 2020. We also estimate demand for 66-94 memory care beds in 2015, increasing to 82-116 by 2020. The proposed 30 memory care beds at Verandah represent 32-45% of the demand in 2015 and 26-36% in 2020. Thus there is more than adequate demand for the proposed assisted living and memory care units proposed at Verandah. Tables 3 and 4 below show the demand analysis for assisted living and memory care.

Table 3

HANOVER PARK MARKET AREA ASSISTED LIVING DEMAND

	2015 Range		2020 Range	
Population 75+ with Disabilities	6,850	6,850	8,440	8,440
Target Population with Net Worth of \$150,000+ (Adequate Net Worth)*	4,862	4,862	5,990	5,990
Target Population with Income of \$50,000+ (Adequate Income)	2,395	2,395	3,561	3,561
Estimated Target Population with Income of \$50,000+ and Net Worth less than \$150,000**	<u>30%</u> 718	<u>30%</u> 718	<u>30%</u> 1,068	<u>30%</u> 1,068
Target Population with Adequate Net Worth <u>and/or</u> Income for Private Pay Assisted Living	5,581	5,581	7,059	7,059
Demand from Target Population for Private Pay Assisted Living Units (3-4%)	167	223	212	282
Additional Demand for Assisted Living Units from Seniors Age 65-74 and from Outside the Market Area (15-20%)	<u>29</u>	<u>56</u>	<u>37</u>	<u>71</u>
<b>Total Demand for Hanover Park Assisted Living Facility (Beds)</b>	<b>196</b>	<b>279</b>	<b>249</b>	<b>353</b>

\*In the Hanover Park Market Area, 71% of households with a person age 75+ have a net worth of \$150,000+, considered to be the minimum necessary to afford private pay assisted living and memory care. Alternatively, those with incomes of at least \$50,000 per year are assumed to be able to afford private pay assisted living and memory care.

\*\* Assumes that 70% of households with net worth of \$150,000+ have incomes over \$50,000. Therefore 30% of those with income of \$50,000+ are added to the number of potentially income-qualified seniors.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates & projections by ESRI

Table 4

HANOVER PARK MARKET AREA MEMORY CARE DEMAND

	2015 Range		2020 Range	
Population 65+ with Moderate or Severe Dementia	2,025	2,025	2,462	2,462
Target Population with Net Worth of \$150,000+ (Adequate Net Worth)*	1,548	1,548	1,882	1,882
Target Population with Income Over \$50,000 (Adequate Income)	1,092	1,092	1,504	1,504
Estimated Target Population with Income of \$50,000+ and Net Worth less than \$150,000**	<u>30%</u> 328	<u>30%</u> 328	<u>30%</u> 451	<u>30%</u> 451
Target Population with Adequate Net Worth <u>and/or</u> Income for Private Pay Memory Care	1,875	1,875	2,333	2,333
Demand from Target Population for Private Pay Memory Care Beds (3-4%)	56	75	70	93
Additional Demand for Memory Care Beds from Outside Market Area (15-20%)	<u>10</u>	<u>19</u>	<u>12</u>	<u>23</u>
<b>Total Demand for Hanover Park Memory Care Facility (Beds)</b>	<b>66</b>	<b>94</b>	<b>82</b>	<b>116</b>

\*In the Hanover Park Market Area, 76.4% of households with a person age 65+ have a net worth of \$150,000+, considered to be the minimum necessary to afford private pay assisted living and memory care. Alternatively, those with incomes of at least \$50,000 per year are assumed to be able to afford private pay assisted living and memory care.

\*\* Assumes that 70% of households with net worth of \$150,000+ have incomes over \$50,000. Therefore 30% of those with income of \$50,000+ are added to the number of potentially income-qualified seniors.

Source: Valerie S. Kretchmer Associates, Inc. based on estimates & projections by ESRI

**F. Pricing, Unit Sizes, Amenities and Services**

As indicated above, Verandah is not directly comparable to the existing market rate senior developments in the PMA. The units will be adequately sized and will be larger than those of conventional market rate senior apartments, but smaller than those of newer non-age restricted condominiums and townhouses in the PMA. However, most of the for-sale condominium buildings and townhouse communities don't have the range of common area amenities and type of senior activities and services proposed at Verandah.

The proposed sales prices at Verandah are within the range of newer condominiums, townhouses and lifecare communities in the PMA. The one bedroom condominium prices are more expensive than recent sales at the newer buildings, but there aren't many newer one bedroom units in the PMA, so Verandah will fill a void. Verandah's two bedroom condominiums are at the upper end of the price range, but the existing condominium buildings don't offer the senior-specific amenities and services proposed at Verandah.

Verandah's proposed townhome prices are generally comparable to or less expensive than the newer townhouses in the PMA that have first floor master bedrooms but are more expensive than those that do not. There are limited choices in the PMA when it comes to townhouses with first floor master bedrooms, so again, Verandah will fill a void here.

The proposed monthly fees for independent living (homeowners association and real estate taxes) at Verandah will be significantly lower than the monthly fees charged at the PMA's senior rental and lifecare facilities. Even factoring in the resident's additional expenses for mortgage payment (if applicable), utilities and optional meals and housekeeping (which are typically included in the monthly fee at competitive facilities), Verandah will be less expensive. This will be a strong selling point.

The developer intends to offer an optional meal plan and other services such as housekeeping and home health care on an a la carte basis, giving residents the ability to pay only for what they need and want. Typical meal charges at senior facilities range from \$13-16 for dinner, which is the most popular meal. Some facilities offer a free continental breakfast.

Verandah's units will have full kitchens with quality appliances including a refrigerator, stove, dishwasher, disposal, washer and dryer. Individual outdoor space in the form of balconies in the condominium building and patios in the townhouses should be included in each unit. All units should be handicapped accessible or adaptable and have grab bars in the bathrooms, easy-entry showers, emergency pull cords in the bedrooms and bathrooms, and/or an emergency pendant for each resident.

The proposed common area amenities will be sufficient. The large clubhouse will differentiate the property from the for-sale condominiums and townhouses in the PMA. The developer intends to offer activities and should also offer free scheduled transportation for shopping and trips. Special arrangements for transportation to medical and other appointments within a reasonable distance of the development should be possible for an additional charge.

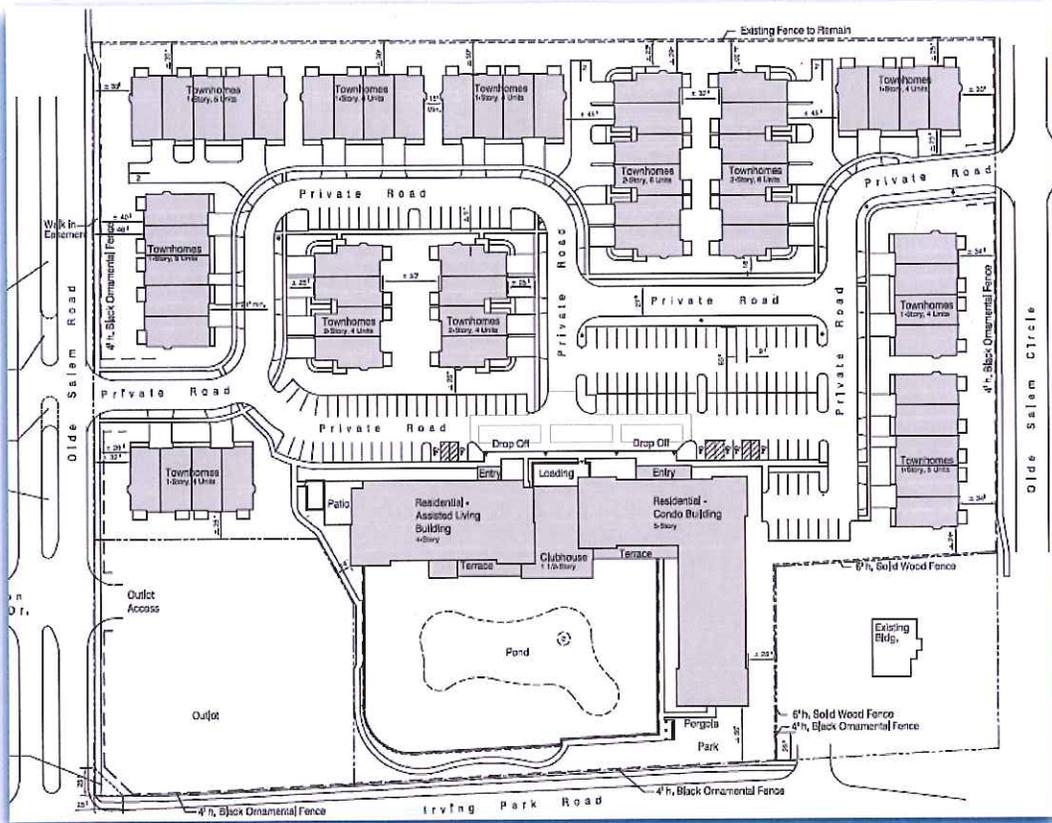
With the planned common area amenities, individual unit features including first floor master bedroom in the townhouses, and the activities and services that will be offered to residents, Verandah should be marketable at the proposed sales prices and monthly fees. Assuming the economy remains stable or improves over the next few years, absorption of the 129 independent living units is likely to take 18-26 months at the rate of approximately 5-7 units per month on average. This assumes a professional marketing effort targeting seniors and Realtors active in the PMA to get the word out about the development. The developer will most likely need to pre-sell a portion of the units prior to construction depending on the requirements of the lender.

The 85 assisted living and memory care units are projected to lease at the rate of 3-5 units per month for a lease-up of 17-28 months. Over time, as the residents of the independent living units age in place, the assisted living and memory care units will fill with those already living at Verandah. We also expect that some of the younger seniors in the independent living units will bring their frail relatives into the assisted living and memory care sections of Verandah.

# Traffic Impact Study

## Senior Housing Development

### Hanover Park, Illinois



Prepared By



October 28, 2016

# 1. Introduction

This report summarizes the methodologies, results and findings of a traffic impact study conducted by Kenig, Lindgren, O'Hara, Aboona, Inc. (KLOA, Inc.) for a proposed senior housing development to be located in Hanover Park, Illinois. The site is located on the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle. As proposed, the site will be developed with 55 townhome units, a building containing 80 senior condominium units and 80 assisted living units and an approximately 7,000 square-foot retail building on an outlot parcel within the site. Access to the proposed senior housing development will be provided via a full movement access drive off Olde Salem Road and via a full movement access drive off Olde Salem Circle. Access to the retail development will be provided via a full movement access drive off Olde Salem Road. No internal connection will be provided between the residential and retail parcels. Additionally, 303 parking spaces will be provided for the senior housing units and 77 parking spaces will be provided for the retail building.

The purpose of this study was to examine background traffic and parking conditions, assess the impact that the proposed development will have on traffic conditions in the area and determine if any roadway or access improvements are necessary to accommodate traffic generated by the proposed development.

**Figure 1** shows the location of the site in relation to the area roadway system. **Figure 2** shows an aerial view of the site area.

The sections of this report present the following.

- Existing roadway conditions
- A description of the proposed development
- Directional distribution of the development traffic
- Vehicle trip generation for the development
- Future traffic conditions including access to the development
- Traffic analyses for the weekday morning and evening peak hours
- Recommendations with respect to adequacy of the site access system and adjacent roadway system

Traffic capacity analyses were conducted for the weekday morning and evening peak hours for the following conditions.

1. Existing Condition - Analyzes the capacity of the existing roadway system using existing peak hour traffic volumes in the surrounding area.
2. Future Condition - The future projected traffic volumes include the existing traffic volumes, ambient area growth not attributable to any particular development and the traffic estimated to be generated by the proposed subject development.





Aerial View of Site Location

Figure 2

## 2.

### Existing Conditions

Existing transportation conditions in the vicinity of the site were documented based on a field visit conducted by KLOA, Inc. in order to obtain a database for projecting future conditions. The following provides a description of the geographical location of the site, physical characteristics of the area roadway system including lane usage and traffic control devices and existing peak hour traffic volumes.

#### Site Location

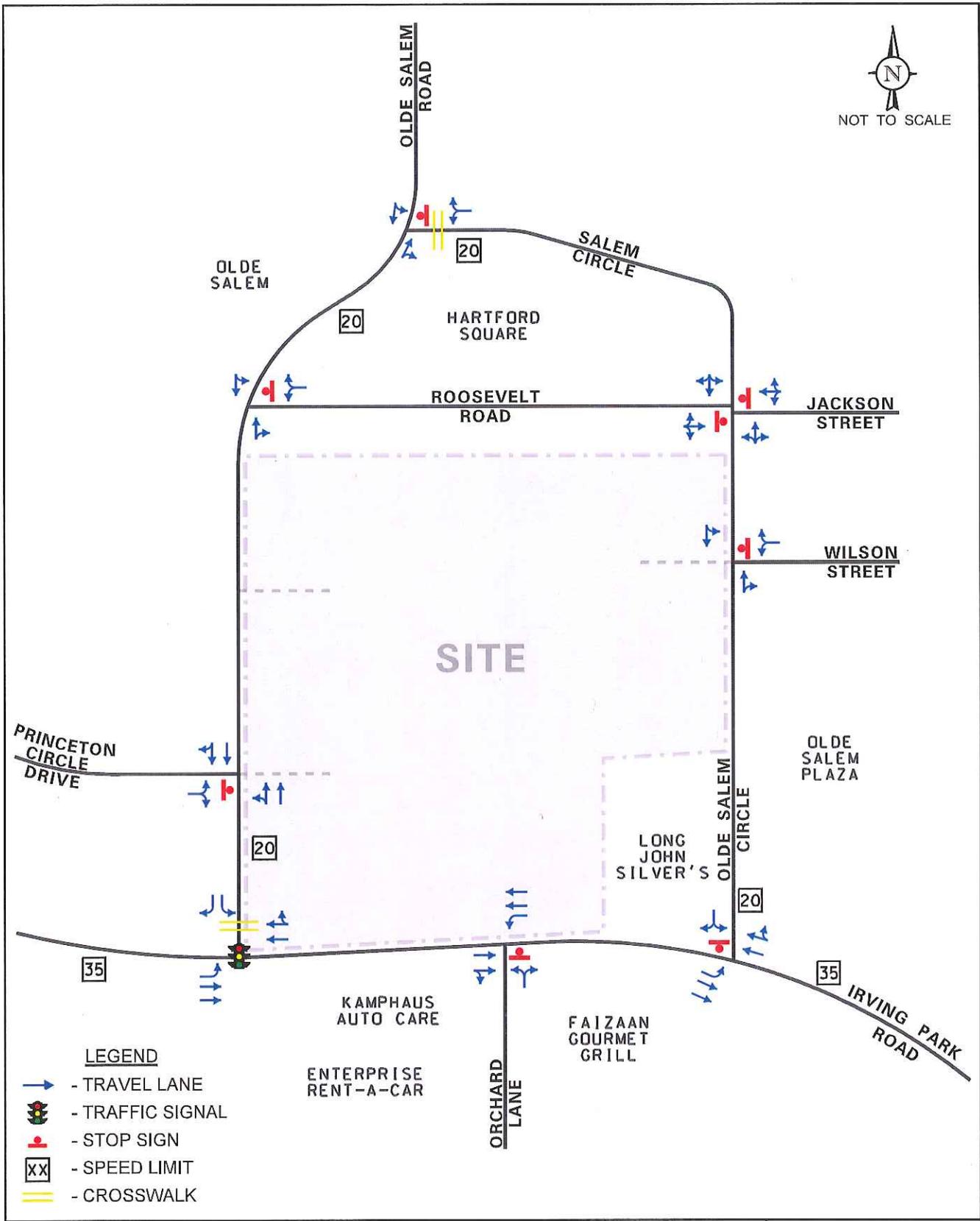
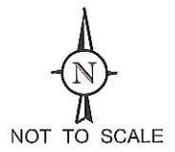
The site is located on the north side of Irving Park Road between Olde Salem Road and Olde Salem Circle and is currently occupied by a surface parking lot and a razed building. Land uses in the vicinity of the site include the Olde Salem and Harford Square subdivisions to the north, the Olde Salem Plaza to the east and Faizaan Gourmet Grill, Kamphaus Auto Car and Enterprise Rent-a-car to the south. Additionally, Long John Silvers is located in the northwest corner of the intersection of Irving Park Road with Olde Salem Circle that is bordered to the north and west by the site.

#### Existing Roadway System Characteristics

The characteristics of the existing roadways near the development are described below. **Figure 3** illustrates the existing roadway characteristics.

*Irving Park Road (IL 19)* is an east-west arterial roadway that in the vicinity of the site provides two through lanes in each direction. At its signalized intersection with Olde Salem Road, Irving Park Road provides an exclusive left-turn lane and two exclusive through lanes on the eastbound approach and an exclusive through lane and a shared through/right-turn lane on the westbound approach. At its unsignalized intersection with Olde Salem Circle, Irving Park Road provides two exclusive through lanes on the eastbound approach and left-turns onto Olde Salem Circle can be completed from the striped median on Irving Park Road. The westbound approach provides an exclusive through lane and a shared through/right-turn lane on the westbound approach. Irving Park Road is under the jurisdiction of the Illinois Department of Transportation (IDOT) carries an annual average daily traffic (AADT) volume of 32,200 vehicles (IDOT AADT 2015) and has a posted speed limit of 35 miles per hour.

*Olde Salem Road* is a north-south local roadway that extends from Irving Park Road to its terminus approximately one-half mile to the north and provides one lane in each direction. At its signalized intersection with Irving Park Road, Olde Salem Road provides an exclusive left-turn lane, an exclusive right-turn lane and a standard style crosswalk. At its unsignalized intersection with Princeton Circle Drive, Olde Salem Road provides an exclusive through lane and a shared through/right-turn lane on the southbound approach and a shared through/left-turn lane and an exclusive through lane on the northbound approach. Parking is permitted on the west side of the roadway on odd days and is permitted on the east side of the roadway on even days. Olde Salem Road is under the jurisdiction of the Village of Hanover Park and has a posted speed limit of 20 miles per hour.



- LEGEND**
- TRAVEL LANE
  - TRAFFIC SIGNAL
  - STOP SIGN
  - SPEED LIMIT
  - CROSSWALK

PROJECT:  
 Senior Housing Development  
 Hanover Park, Illinois

TITLE:  
 Existing Roadway Characteristics

**KLOA**  
 Job No: 16-056  
 Figure: 3

*Olde Salem Circle* is a north-south local roadway that extends from Irving Park Road north to Olde Salem Road and provides one through lane in each direction. At its unsignalized intersection with Irving Park Road, Olde Salem Circle provides a shared left/right-turn lane that is under stop-sign control. At its unsignalized intersection with Wilson Street, Olde Salem Circle provides a shared through/right-turn lane on the northbound approach and a shared left-turn/through lane on the southbound approach. Olde Salem Circle is under the jurisdiction of the Village of Hanover Park and has a posted speed limit of 20 miles per hour.

*Princeton Circle Drive* is an east-west local roadway that provides one through lane in each direction and extends from Olde Salem Road approximately 800 feet west where it curves north and terminates at Whitebridge Lane. At its unsignalized intersection with Olde Salem Road, Princeton Circle Drive provides a shared left/right-turn lane under stop-sign control. Princeton Circle Drive is under the jurisdiction of the Village of Hanover Park.

*Wilson Street* is an east-west local roadway that provides one through lane in each direction and extends from Olde Salem Circle approximately 300 feet east to its terminus at Grant Circle. At its unsignalized intersection with Olde Salem Circle, Wilson Street provides a shared left/right-turn lane under stop-sign control. Wilson Street is under the jurisdiction of the Village of Hanover Park.

### **Existing Traffic Volumes**

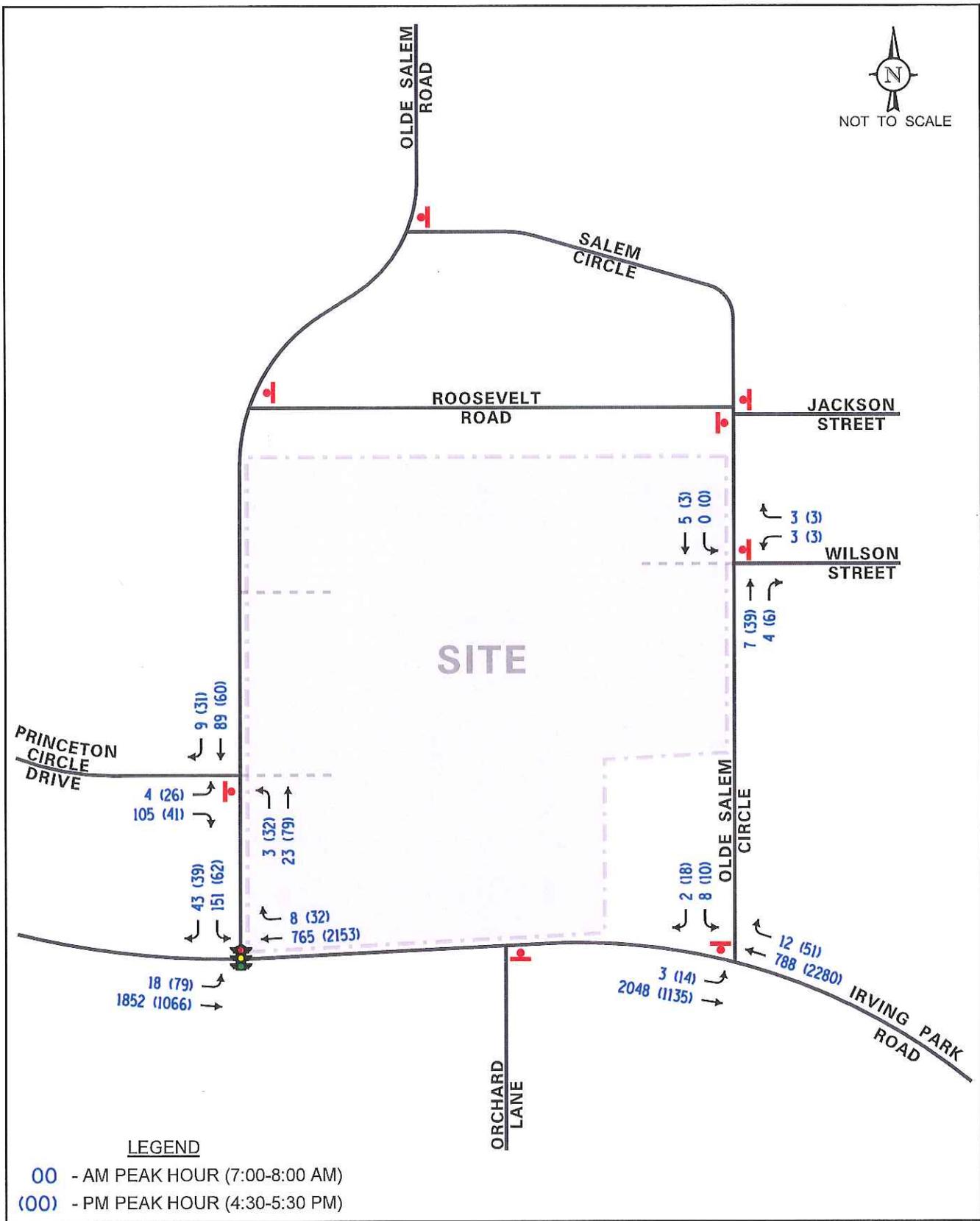
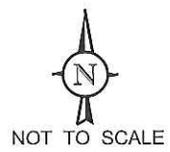
In order to determine current traffic conditions in the vicinity of the site, KLOA, Inc. conducted manual peak period traffic counts on Thursday, March 3, 2016 during the weekday morning (7:00 A.M. to 9:00 A.M.) and weekday evening (4:00 P.M. to 6:00 P.M.) peak periods at the following intersections:

- Irving Park Road with Olde Salem Road
- Olde Salem Road with Princeton Circle Drive
- Irving Park Road with Olde Salem Circle
- Olde Salem Circle with Wilson Street

The results of the traffic counts showed that the weekday morning peak hour of traffic occurs from 7:00 A.M. to 8:00 A.M. and the evening peak hour of traffic occurs from 4:30 P.M. to 5:30 P.M. **Figure 4** illustrates the existing peak hour traffic volumes. Copies of the traffic count summary sheets are included in the Appendix.

### **Accident Data**

KLOA, Inc. obtained accident data for the past five years (2010 to 2014) for the intersections of Irving Park Road with Olde Salem Road and Irving Park Road with Olde Salem Circle. The accident data for the intersections are summarized in **Tables 1** and **2**, respectively. A review of the accident data indicated that the frequency of accidents was low and that there was no fatalities reported. It should also be noted that the intersections and the roadway segment of Irving Park Road from 500 feet east of Barrington Road to Wise Road are listed in IDOT's 2015 Statewide or Local Five Percent Report which presents the five percent of state, county, township, and municipal roadway segments and intersections exhibiting the most pressing safety needs.



**LEGEND**

- 00 - AM PEAK HOUR (7:00-8:00 AM)
- (00) - PM PEAK HOUR (4:30-5:30 PM)

PROJECT:  
Senior Housing Development  
Hanover Park, Illinois

TITLE:  
Existing Traffic Volumes

**KLOA**  
Job No: 16-056  
Figure: 4

Table 1  
 IRVING PARK ROAD WITH OLDE SALEM ROAD

Year	Type of Accident Frequency						Total
	Angle	Object	Rear End	Sideswipe	Turning	Other	
2010	0	1	1	1	2	1	6
2011	0	0	2	0	2	0	4
2012	0	0	2	0	3	0	5
2013	0	0	2	0	3	0	5
2014	0	0	0	0	3	0	3
<b>Total</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>13</b>	<b>1</b>	<b>23</b>
<b>Average/Year</b>	<b>0</b>	<b>&lt;1</b>	<b>1.4</b>	<b>&lt;1</b>	<b>2.6</b>	<b>&lt;1</b>	<b>4.6</b>

Table 2  
 IRVING PARK ROAD WITH OLDE SALEM CIRCLE

Year	Type of Accident Frequency						Total
	Angle	Object	Rear End	Sideswipe	Turning	Other	
2010	0	0	0	0	0	0	0
2011	0	0	0	0	1	1	2
2012	0	0	1	1	2	0	4
2013	0	0	0	1	2	0	3
2014	0	0	2	1	2	0	5
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>7</b>	<b>1</b>	<b>14</b>
<b>Average/Year</b>	<b>0</b>	<b>0</b>	<b>&lt;1</b>	<b>&lt;1</b>	<b>1.4</b>	<b>&lt;1</b>	<b>2.8</b>

**DISCLAIMER:** The motor vehicle crash data referenced herein was provided by the Illinois Department of Transportation. The author is responsible for any data analyses and conclusions drawn.



# Village of Hanover Park Administration

Municipal Building  
2121 Lake Street  
Hanover Park, IL 60133-4398

630-823-5600  
FAX 630-823-5786  
www.hpil.org

**PRESIDENT**  
RODNEY S. CRAIG

**VILLAGE CLERK**  
EIRA CORRAL SEPÚLVEDA

**TRUSTEES**  
JAMES KEMPER  
JON KUNKEL  
HERB PORTER  
BOB PRIGGE  
RICK ROBERTS  
SHARMIN SHAHJAHAN

**VILLAGE MANAGER**  
JULIANA A. MALLER

## **VILLAGE OF HANOVER PARK JOINT REVIEW BOARD MEETING Tax Increment Financing District (TIF) # 5 Irving Park Road East TIF Redevelopment Area**

**Municipal Building  
2121 W. Lake Street, Hanover Park, IL 60133**

**Monday, December 11, 2017  
2:15 p.m.**

### **MINUTES**

#### **1. CALL TO ORDER: ROLL CALL**

Mayor Craig called the meeting to order at 2:20 pm.

#### **Present:**

Lauren Hummel	School District 211
Ric King	School District 54
Monica Harris	Schaumburg Township District Library

#### **Staff:**

Mayor, Village of Hanover Park Rodney Craig  
Village Manager, Village of Hanover Park Juliana Maller  
Community & Economic Development Director Shubhra Govind  
Finance Director Remy Navarrete  
Deputy Clerk Tish Clark  
Associate Planner Jonathan Stytz  
Administrative Assistant Kathleen Arnold

#### **2. ACCEPTANCE OF AGENDA:**

Motion by Lauren Hummel, seconded by Ric King to accept the Agenda.  
Voice Vote; All ayes.

#### **3. APPROVAL OF MINUTES December 21, 2016:**

Motion by Monica Harris, seconded by Ric King to approve the minutes of December 21, 2016.  
Voice Vote. All ayes.

#### **4. SELECTION OF PUBLIC MEMBER:**



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**VILLAGE MANAGER**  
JULIANA A. MALLER

Rich Kamphaus not present.

### 5. SELECTION OF CHAIR:

Motion by Ric King, seconded by Lauren Hummel to select Mayor Craig as Chair.  
Voice Vote: All ayes.

### 6. REVIEW OF TIF REPORTS

Community & Economic Development Director Shubhra Govind explained that the activities are for the fiscal year 2016.

Director Govind reviewed the TIF Financial Report and noted the following activities for TIF #5: During the fiscal year beginning January 1, 2016 and ending December 31, 2016 (FY 2016), various activities and projects were undertaken in furtherance of the objectives of TIF #5, including the following:

- 1) Olde Salem Café, an existing business in the Olde Salem Shopping Center tripled in sized during 2016 to become a full sit-down restaurant. The restaurant, located at 7213 Olde Salem Circle, conducted renovations to the new space and added more employees.
- 2) Village representatives worked with a developer of a senior housing community on the currently vacant 11-acre parcel (old Menards site). If approved, the development will feature: 55 market-rate townhomes, 75 one-bedroom and two-bedrooms condominiums, 85 assisted living units, a 10,000-square foot club house, 200,000 square feet of new open space, natural walking paths, several amenities and a one-acre commercial retail pad. The developer went through two Development Commission public hearings in 2016 and is now working with the Village to finalize a Redevelopment Agreement. The developer did take control of the property by purchasing the land. Additionally, the parking lot for the former Menards was removed in 2016. Construction on the developer is anticipated later in 2017. The developer is requesting \$6.3 million in TIF assistance after demonstrating a financial need. The Village is performing an analysis and is drafting the Redevelopment Agreement so as to ensure construction and substantial completion of the project before any funding is provided. It is anticipated that the financial reimbursement will occur in the form of developer note(s). The financial assistance will be limited to the increment generated solely from the development.

### 7. QUESTIONS/DISCUSSION:

Ric King asked if the proposed senior housing for 900 Irving Park Road is still seniors and no kids?

Director Govind responded yes, they have restricted covenants.

### 8. PUBLIC COMMENTS: None.



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**VILLAGE MANAGER**  
JULIANA A. MALLER

### 9. **ADJOURNMENT: 2:25 p.m.**

Motion by Ric King to adjourn, seconded by Lauren Hummel.  
Voice Vote: All ayes.

### **Recorded and Transcribed by:**

---

**Kathleen Arnold, Administrative Assistant**  
**this 11<sup>th</sup> day of December, 2017.**

ATTACHMENT K

# VILLAGE OF HANOVER PARK, ILLINOIS



*Hanover Park*<sup>USA</sup>

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Year Ended December 31, 2017

## **INDEPENDENT AUDITOR'S REPORT**

1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President  
Members of the Board of Trustees  
Village of Hanover Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Hanover Park, Illinois (the Village) as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Hanover Park, Illinois, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Matters*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Sikich LLP*

Naperville, Illinois

June 27, 2018

Except for the discretely presented component unit, Hanover Square, whose opinion date is

June 27, 2018

**VILLAGE OF HANOVER PARK, ILLINOIS**

**TAX INCREMENT FINANCING #3 FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended December 31, 2017

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 1,869,000	\$ 1,869,000	\$ 1,849,587	\$ (19,413)
Investment income	2,000	2,000	39,322	37,322
Total revenues	<u>1,871,000</u>	<u>1,871,000</u>	<u>1,888,909</u>	<u>17,909</u>
<b>EXPENDITURES</b>				
Current				
Community development				
Contractual services	890,560	890,560	320,724	(569,836)
Capital outlay	900,000	900,000	277,100	(622,900)
Total expenditures	<u>1,790,560</u>	<u>1,790,560</u>	<u>597,824</u>	<u>(1,192,736)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 80,440</u>	<u>\$ 80,440</u>	1,291,085	<u>\$ 1,210,645</u>
FUND BALANCE, JANUARY 1			<u>4,434,791</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 5,725,876</u>	

(See independent auditor's report.)

VILLAGE OF HANOVER PARK, ILLINOIS

TAX INCREMENT FINANCING #4 FUND

SCHEDULE OF REVENUES, EXPENDITURES AND  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
None	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current			
Community development			
Contractual services	<u>100,000</u>	<u>100,000</u>	<u>537</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>537</u>
NET CHANGE IN FUND BALANCE	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	(537)
FUND BALANCE (DEFICIT), JANUARY 1			<u>(25,210)</u>
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>			<u><u>\$ (25,747)</u></u>

(See independent auditor's report.)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**TAX INCREMENT FINANCING #5 FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended December 31, 2017

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property taxes	\$ 4,800	\$ 4,800	\$ 15,046
Investment income	-	-	125
Miscellaneous	-	159,000	159,000
			<hr/>
Total revenues	4,800	163,800	174,171
			<hr/>
<b>EXPENDITURES</b>			
Current			
Community development			
Contractual services	40,000	199,000	175,506
			<hr/>
Total expenditures	40,000	199,000	175,506
			<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (35,200)</u>	<u>\$ (35,200)</u>	(1,335)
FUND BALANCE (DEFICIT), JANUARY 1			<u>(68,617)</u>
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>			<u><u>\$ (69,952)</u></u>

(See independent auditor's report.)