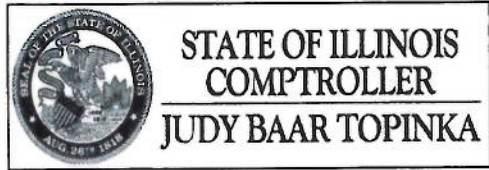


**FY 2012  
ANNUAL TAX INCREMENT FINANCE  
REPORT**



Name of Municipality: Village of Alsip Reporting Fiscal Year: 2012  
 County: Cook Fiscal Year End: 4/30/2012  
 Unit Code: 016/010/32

TIF Administrator Contact Information			
First Name:	<u>Greg</u>	Last Name:	<u>Palumbo</u>
Address:	<u>4500 W. 123rd St.</u>	Title:	<u>Finance Director</u>
Telephone:	<u>708-385-6902</u>	City:	<u>Alsip</u> Zip: <u>60803</u>
Mobile		E-mail	<u>Egonzalez@villageofalsip.org</u>
Mobile Provider		Best way to contact	<input checked="" type="checkbox"/> Email <input type="checkbox"/> Phone <input type="checkbox"/> Mobile <input type="checkbox"/> Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of \_\_\_\_\_ is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

[Signature] 10/31/12  
 Written signature of TIF Administrator Date

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

FILL OUT ONE FOR EACH TIF DISTRICT		
Name of Redevelopment Project Area	Date Designated	Date Terminated
123rd Street TIF <u>TIF #1</u>	<u>10/18/1993</u> 3/2/1993	
123rd Street and Cicero TIF	<u>5/1/2002</u> 7/2/2002	
Pulaski Road Corridor TIF	10/18/2010	

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

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

Name of Redevelopment Project Area:	Pulaski Road Corridor TIF
Primary Use of Redevelopment Project Area*:	Commercial
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	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
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <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 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 the Official Statement labeled Attachment I</b>	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If yes, please enclose the Analysis labeled Attachment J</b>	X	
Cumulatively, have deposits equal or greater than \$100,000 been made 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 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, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L</b>	X	
A list of all intergovernmental agreements in effect in FY 2010, 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 of the intergovernmental agreements labeled Attachment M</b>	X	

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

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

Fund Balance at Beginning of Reporting Period \$ -

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment			0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

\*must be completed where 'Reporting Year' is populated

**Total Amount Deposited in Special Tax Allocation Fund During Reporting Period** \$ -

**Cumulative Total Revenues/Cash Receipts** \$ - 0%

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

**Distribution of Surplus**

**Total Expenditures/Disbursements** \$ -

**NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS** \$ -

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

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

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND  
 (by category of permissible redevelopment cost, amounts expended during reporting period)

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

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
		\$ -
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		\$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

SECTION 3.2 A

PAGE 2

7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		\$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -

**SECTION 3.2 A**

**PAGE 3**

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ -</b>



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

FUND BALANCE, END OF REPORTING PERIOD \$ -

	Amount of Original Issuance	Amount Designated
<b>1. Description of Debt Obligations</b>		

Total Amount Designated for Obligations \$ - \$ -

<b>2. Description of Project Costs to be Paid</b>		

Total Amount Designated for Project Costs \$ -

**TOTAL AMOUNT DESIGNATED** \$ -

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

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



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

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

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

**Property Acquired by the Municipality Within the Redevelopment Project Area**

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

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

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

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

**SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)**

If **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area, indicate so in the space provided: \_\_\_\_\_

If Projects **WERE** undertaken by the Municipality Within the Redevelopment Project Area enter the **TOTAL** number of projects and list them in detail below. 1

**SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED IF PROJECTS ARE LISTED ON THESE PAGES**

<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)	\$ -	\$ 766,000	\$ 766,000
Public Investment Undertaken	\$ -	\$ 300,000	\$ 300,000
Ratio of Private/Public Investment	0		2 26/47

<b>Project 1:</b>			
Net 3 (Family Dollar)			
Private Investment Undertaken (See Instructions)		\$ 766,000	\$ 766,000
Public Investment Undertaken		\$ 300,000	\$ 300,000
Ratio of Private/Public Investment	0		2 26/47

<b>Project 2:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 3:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 4:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 5:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 6:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 7:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 8:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 9:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 10:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 11:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 12:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 13:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 14:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 15:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 16:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 17:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 18:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 19:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 20:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 21:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 22:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 23:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 24:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

<b>Project 25:</b>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Patrick E. Kitching  
*Mayor*  
Deborah L. Venhuizen  
*Clerk and Collector*



*Trustees*  
John R. Shapiro  
Sheila B. McGreal  
Steven A. Daddona  
James T. Quinn  
Richard S. Dalzell  
John D. Ryan

**ATTACHMENT B**

**Certificate of compliance with the Pulaski Avenue Tax Increment redevelopment**

I, Patrick E. Kitching, the Chief Executive Officer of the Village of Alsip, County of Cook, Illinois, do hereby certify that the Village of Alsip has complied with all provisions of the Tax Incremental Allocation Development Act (65 ILCS 5/11-74.4) during the preceding fiscal year ended April 30, 2012.

IN WITNESS THEREOF, I have placed my official signature this 30<sup>th</sup> day of October 2012.

  
Patrick E. Kitching  
Mayor

**PAUL L. STEPHANIDES**  
pstephanides@rsntl.com

October 5, 2012

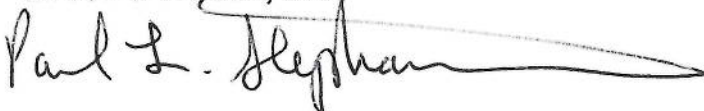
**Re: Attorney Review TIF Compliance Document  
Village of Alsip Tax Increment Financing District – Pulaski  
Road Corridor TIF District**

To whom it may concern:

Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd. has been the Village Attorney for the Village of Alsip, Illinois ("Village"), since May of 2005. I have reviewed all information provided to me by the Village, staff and consultants pertaining to the Village's Pulaski Road Corridor TIF District, and I find that the Village has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act, 65 ILCS 5/11-74.1-1 *et seq.*, for the fiscal year beginning May 1, 2011 and ending April 30, 2012, to the best of my knowledge and belief.

Very truly yours,

**ROBBINS, SCHWARTZ, NICHOLAS,  
LIFTON & TAYLOR, LTD.**



By: PAUL L. STEPHANIDES

PLS:mmm

cc: Mayor Patrick E. Kitching  
Gregory Palumbo, Finance Director



Doc#: 1207416076 Fee: \$106.00  
Eugene "Gene" Moore RHSP Fee:\$10.00  
Cook County Recorder of Deeds  
Date: 03/14/2012 03:23 PM Pg: 1 of 35

**PROPERTY ADDRESS:**

12299 South Pulaski Ave.  
Alsip, Illinois 60803

P.I.N. 24-26-109-020-0000

**ATTACHMENT D**

**RETURN TO:**

Village Clerk  
Village of Alsip  
4500 West 123<sup>rd</sup> Street  
Alsip, Illinois 60803

**REDEVELOPMENT AGREEMENT**

**THIS REDEVELOPMENT AGREEMENT** (hereinafter referred to as "Agreement") is entered into this 6<sup>th</sup> day of March, 2012, between the Village of Alsip, an Illinois home rule municipal corporation, with its principal office at 4500 West 123<sup>rd</sup> Street, Alsip, Illinois 60803 (hereinafter referred to as the "Village") and Net3 (Alsip), LLC, with its principal office at 2803 Butterfield Road, Suite 310, Oak Brook, Illinois 60523 (hereinafter referred to as the "Developer").

**RECITALS**

**WHEREAS**, the Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety and welfare of the Village and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base, to increase additional tax revenues realized by the Village, foster increased economic activity within the Village, to increase employment opportunity within the Village, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise take action in the best interests of the Village; and

**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 (the "Act"), to finance development in accordance with the conditions and requirements set forth in the Act; and

**WHEREAS**, to induce redevelopment pursuant to the Act, the Village adopted the following ordinances on October 18, 2010, collectively referred to as the “TIF Ordinances” herein: (1) “An Ordinance of the Village of Alsip, Cook County, Illinois, Designating the Pulaski Road Corridor TIF Redevelopment Project Area of Said Village a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act,” as Village Ordinance Number 2010-10-1; (2) “An Ordinance of the Village of Alsip, Cook County, Illinois, Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Pulaski Road Corridor TIF Redevelopment Project Area,” as Village Ordinance Number 2010-10-2; and (3) “An Ordinance of the Village of Alsip, Cook County, Illinois, Adopting Tax Increment Allocation Financing for the Pulaski Road Corridor TIF Redevelopment Project Area,” as Village Ordinance Number 2010-10-3; and

**WHEREAS**, the Redevelopment Project Area established by the TIF Ordinances is legally described in Exhibit A, attached hereto and made a part hereof; and

**WHEREAS**, this Agreement relates to the proposed redevelopment of approximately .706 acres, legally described in Exhibit B, attached hereto and made a part hereof (the “Property”), which is located within the Redevelopment Project Area; and

**WHEREAS**, the Developer is the owner of the Property described in Exhibit B and intends to develop the Property as a “Family Dollar” retail store to be located in the Redevelopment Project Area; and

**WHEREAS**, the Village strongly supports increased economic development to provide additional jobs for residents of the Village, to expand retail business and commercial activity within the Village and to develop a healthy economy and stronger tax base; and

**WHEREAS**, it is necessary for the successful completion of the Project, as defined in Section Two below, that the Village enter into this Agreement with the Developer to provide for the redevelopment of the Property, which is in accordance with the Redevelopment Plan for the Redevelopment Project Area; and

**WHEREAS**, the Developer has been and continues to be unable and unwilling to undertake the redevelopment of the Property but for certain tax increment financing (“TIF”) incentives to be provided by the Village in accordance with the Act and the home rule powers of the Village, which the Village is willing to provide under the terms and conditions contained herein; and

**WHEREAS**, the Parties acknowledge and agree that but for the TIF incentives, to be provided by the Village, the Developer cannot successfully and economically develop the Property in a manner satisfactory to the Village; and

**WHEREAS**, the Village has determined that it is desirable and in the Village’s best interests to assist the Developer in the manner set forth herein and as this Agreement may be supplemented and amended; and



**WHEREAS**, the Developer proposes to construct the Project in the Redevelopment Project Area and has demonstrated to the Village's satisfaction that the Developer has the experience and capacity to complete the Project as set forth in Section Two below; and

**WHEREAS**, the Village, in order to stimulate and induce development of the Property, the Village has agreed to finance certain Eligible Project Costs through Incremental Property Taxes, all in accordance with the terms and provisions of the Act and this Agreement; and

**WHEREAS**, this Agreement has been submitted to the Corporate Authorities of the Village for consideration and review, the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the Village according to the terms hereon, and any and all actions of the Corporate Authorities of the Village precedent to the execution of this Agreement have been undertaken and performed in the manner required by law; and

**WHEREAS**, this Agreement has been submitted to the Members of the Developer for consideration and review, the Members have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the Developer according to the terms hereof, and any and all action of the Developer's Members precedent to the execution of this Agreement have been undertaken and performed in the manner required by law.

**NOW THEREFORE**, in consideration of the premises and mutual promises contained herein, the parties agree that:

**SECTION 1:            RECITALS INCORPORATED.**

1.1. The above-stated Recitals are a material part of this Agreement and are hereby incorporated in this Section 1.1 by reference.

**SECTION 2:            DEFINITIONS.**

**"Act"** means the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5-11-74.4-1, et seq., as amended.

**"Affiliate"** means any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

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

(a) Change in Law means any of the following: (i) the enactment, adoption, promulgation or modification of any federal, state or local law, ordinance, code, rule or regulation (other than by the Village or with respect to those made by the Village, only if they violate the terms of this Agreement); (ii) the order or judgment of any federal or state court, administrative agency or other governmental body; (iii) the imposition of any conditions on, or delays in, the issuance or renewal of any governmental license, approval or permit (or the

suspension, termination, interruption, revocation, modification, denial or failure of issuance or renewal thereof) necessary for the undertaking of the services to be performed under this Agreement; or (iv) the adoption, promulgation, modification or interpretation in written guideline or policy statement by a governmental agency (other than the Village or with respect to those made by the Village, only if they violate the terms of this Agreement).

**“Commencement Date”** shall mean the date the Developer commences construction of the foundations and footings for the Project.

**“Completion Date”** shall mean the date the Village issues a certificate of occupancy for the Project.

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

**“Developer”** means Net3 (Alsip), LLC, and its successors and assigns.

**“Development and/or Redevelopment”** means the redevelopment of the Property located at 12299 South Pulaski Avenue, Alsip, Illinois, P.I.N. 24-26-109-020-0000 and legally described in Exhibit B, pursuant to this Agreement and all related construction pertaining to the initial development and improvements to be constructed.

**“Effective Date”** means the later date that either the Developer or the Village executes this Agreement.

**“Eligible Project Costs”** means all facilities and improvement necessary to implement the Project, including, but not limited to, acquisition of real estate, environmental remediation, mass excavation, construction of sidewalks, utility extensions for water, storm and sanitary sewers, engineering and similar design costs provided in conjunction with constructing the Eligible Project Costs under the Act and all related construction pertaining to the development and improvements to be constructed in order to operate a “Family Dollar” retail establishment as set forth in Exhibit C, attached hereto and made a part hereof.

**“General Contractor”** means the general contractor hired by the Developer for the Project.

**“Incremental Property Taxes”** means that portion of the ad valorem taxes, if any, arising from the taxes levied upon the Property, which taxes are actually collected and which are attributable to the increases in the then current equalized assessed valuation (“EAV”) of the taxable lot, block, tract or parcel of all portions of the Property over and above the total Initial EAV of the Property, all as determined by the County Clerk of the County of Cook, Illinois, pursuant to and in accordance with the Act, the TIF Ordinances and this Agreement, which is attributable to the Property and includes any replacement, substitute or amended taxes.

**“Initial EAV”** means the equalized assessed value of the Property for the applicable tax year as certified by the County Clerk of Cook County for the purposes of establishing the base equalized assessed value for the TIF District.

**“Intergovernmental Agreement”** means that certain Intergovernmental Agreement Concerning Village of Alsip Pulaski Road Corridor TIF, dated October 18, 2010, between and among the Village and certain taxing districts.

**“Lender Financing”** means funds borrowed by the Developer from lenders, secured by the Property and used to pay for costs of the Project.

**“Mayor”** means the Village President of the Village of Alsip.

**“Net Incremental Property Taxes”** means that portion of the Incremental Property Taxes generated from the Property after deducting (a) payments required to be made pursuant to the Intergovernmental Agreement and (b) administrative expenses of the Village which amount shall not exceed ten percent (10%) of the Incremental Property Taxes in any given taxing year.

**“Party”** means the Village and/or the Developer and their successors and/or assigns as permitted herein, as the context requires.

**“Permitted Assignee”** means (i) any lender providing Lender Financing; (ii) any assignee, successor or nominee of any lender providing Lender Financing in the event of a foreclosure or acceptance of a deed in lieu; (iii) a Person who has, at the time of the assignment of the rights and obligations pursuant to this Agreement: (a) not been convicted of fraud or felonious criminal conduct, and (b) has significant positive experience and reputation owning or managing, directly or indirectly through a third party management company, comparable retail properties; and (c) is not in violation of any provision of the Village Municipal Code.

**“Person”** means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof, or any agency or entity created or existing under the compact clause of the United States Constitution.

**“Plans”** means any engineering plans, construction plans, building plans and/or site plans for the Project.

**“Project”** means the redevelopment and/or improvements to the Property located at 12299 South Pulaski Avenue, Alsip, Illinois, P.I.N. 24-26-109-020-0000 and legally described in Exhibit B, pursuant to this Agreement.

**“Property”** means the parcel legally described on Exhibit B upon which the Project will be implemented and constructed.

**“Redevelopment Project Area”** means the area legally described in Exhibit A.

**“Special Tax Allocation Fund”** means the separate Village account into which the Incremental Property Taxes and other incremental taxes generated within the TIF District are, from time to time, deposited.

**“State”** means the State of Illinois.

**“TIF District”** means the Village of Alsip Pulaski Road Corridor Redevelopment Project Area in the Village legally described in Exhibit A.

**“TIF Ordinances”** means those Ordinances referenced in the Recitals above.

**“Uncontrollable Circumstances”** means any event which:

(a) is beyond the reasonable control of and without the fault of the Party relying thereon: and

(b) is one or more of the following events:

- (i) a Change in Law;
- (ii) insurrection, riot, civil disturbance, sabotage, act of the public enemy, explosion, fire, nuclear incident, war or naval blockade;
- (iii) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary or ordinary weather conditions or other similar act of nature;
- (iv) governmental condemnation or taking other than by the Village;
- (v) strikes, labor disputes or work stoppages;
- (vi) unreasonable delay in the issuance of building or other permits or approvals by the Village or other governmental authority having jurisdiction;
- (vii) shortage or unavailability of essential materials, which materially change the ability of the Party relying thereon to carry out its obligations under this Agreement;
- (viii) unknown or unforeseeable geo-technical or environmental conditions;
- (ix) major environmental disturbances;
- (x) vandalism; or
- (xi) terrorist acts.

Uncontrollable Circumstances shall not include: economic hardship; unavailability of materials (except as described in b(vii) above); or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to the contractor).

For each day that the Village or the Developer is delayed by an Uncontrollable Circumstance, the dates set forth in this Agreement shall be extended by one (1) day.

Except for a strike or lockout by or against either party's own employees or suppliers, an act or omission shall not be deemed to be "beyond the Developer's control" if committed, omitted or caused by the Developer, or the Developer's employees, officers or agents or a subsidiary, affiliate or parent of the Developer, or by any corporation or other business entity that holds a controlling interest in the Developer, whether held directly or indirectly.

"**Village**" means the Village of Alsip, Illinois, an Illinois home rule municipal corporation.

**SECTION 3: CONSTRUCTION OF AGREEMENT.**

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

3.1.1. **Definitions.** Definitions include both singular and plural.

3.1.2. **Pronouns.** Pronouns include both singular and plural and cover all genders.

3.1.3. The word "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

3.1.4. **Headings.** Headings of Articles and Sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

3.1.5. **Exhibits.** All exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the context of use where mentioned and referenced in this Agreement. In the event of a conflict between any exhibit and the terms of this Agreement, the exhibits shall control. The following list of exhibits are attached to this Agreement and incorporated herein:

**Exhibit A:** Legal Description of Redevelopment Project Area

**Exhibit B:** Legal Description of Property

**Exhibit C:** Project Description/Request for Assistance

**Exhibit D:** Site Plan for the Project

3.1.6. Any certificate, letter or opinion required to be given pursuant to this Agreement means a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth. Reference herein to supplemental agreements, certificates, demands, requests, approvals, consents, notices and other documents means that such shall be in writing whether or not a written document is specifically mentioned in the context of use.

3.1.7. The Village's Mayor shall be deemed the Authorized Village Representative, unless applicable law requires action by the Corporate Authorities, shall have the power and authority to make or grant or do those things, certificates, request, demands, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by this Agreement. The Developer is entitled to rely on the full power and authority of the Persons executing this Agreement on behalf of the Village as having been properly and legally given by the Village. The Village shall have the right to change its Authorized Village Representative by providing the Developer with written notice of such change which notice shall be sent in accordance with Section 16.5 of this Agreement.

3.1.8. In connection with the foregoing and other actions to be taken under this Agreement, and unless applicable documents require action by the Developer in a different manner, the Developer hereby designates David Cunningham as its authority to make or grant or do all things, supplemental agreements, certificates, requests, demands, approvals, consents, notices and other actions required or described in this Agreement for and on behalf of the Developer and with the effect of binding the Developer in that connection (such individual being an "Authorized Developer Representative"). The Developer shall have the right to change its Authorized Developer Representative by providing the Village with written notice of such change which notice shall be sent in accordance with Section 16.5 of this Agreement.

#### **SECTION 4: VILLAGE AND DEVELOPER COOPERATION.**

4.1. **Cooperation.** The Village and the Developer agree to cooperate in implementing the Project in accordance with the parties' respective obligations set forth in this Agreement and specific approvals by the Village now or in the future of the Plans for the Property and Project and any applicable permits.

4.2. **Further Assistance and Corrective Instruments.** The Village and the Developer shall from time to time execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be reasonably required for carrying out the intention of or facilitating the performance of this Agreement to the extent legally permitted and with the Village's and the Developer's sound legal discretion.

4.3. **Governmental Approvals.** The Village agrees to cooperate with the Developer in the Developer's attempts to obtain all necessary approvals from any governmental or quasi-governmental entity other than the Village and upon request of the Developer, will promptly execute any applications or other documents which the Developer intends to file with such other governmental or quasi-governmental entities with respect to the Project. The Village shall further promptly process, and consider reasonable requests of the Developer for relief or variances from any Village ordinances; applicable demolition permits; building permits; driveway permits; curb cuts or other permits necessary for the construction of the Project. Approval of any building permit applications and/or engineering plans shall be contingent on the Developer providing all required and requested documentation including but not limited to

engineering reports, calculations and plans required to substantiate that said improvements fully conform with all applicable state statutes and also all Village ordinances and codes, as well as receipt of all required approvals from any federal, state, regional or county agencies having applicable jurisdiction. The Village agrees to perform any inspections necessary for a certificate of occupancy and take all other actions necessary for the issuance of such certificate within ten (10) business days of a request for such inspections. If the Village is not able to issue the certificate of occupancy, it shall provide the Developer of a detailed list of such actions that are necessary for issuance of the certificate of occupancy. After the Developer has taken such actions, the Village shall re-inspect the Project within three (3) business days after receiving a request for re-inspection from the Developer.

**SECTION 5: REDEVELOPMENT OF THE PROPERTY.**

5.1. **General Redevelopment.** The Developer agrees to apply for and diligently pursue all necessary permits and approvals from all governmental agencies having applicable jurisdiction over the Project as may be required to commence construction of the Project and related infrastructure and improvements within thirty (30) days of the Effective Date. Within thirty (30) days of receipt of all necessary permits and Lender Financing, the Developer shall commence construction of the Project and shall complete construction by the Completion Date which in no event shall be later than six (6) months after the Commencement Date; provided, however, that such six (6) month period shall be extended by the Village for an additional thirty (30) days for completion upon a request from the Developer for such extension. In the event of a failure by a the lender providing Lending Financing, the bankruptcy of the general contractor or the bankruptcy of a prime contractor during construction, the Developer shall be granted an additional sixty (60) days to replace such lender or contractor and then complete the Project. The Commencement Date shall be evidenced by written notice provided by the Developer to the Village. The Developer shall construct the Project in substantial conformance with the Site Plan, attached hereto and made a part hereof as Exhibit D, subject to supplements, amendments, and corrections submitted by the Developer and approved by the Village and engineering plans and other required plans for the Project to be approved by the Village. The Developer shall have no obligation to commence the Project unless and until it receives all necessary permits and closes on Lender Financing.

5.2. **Project Completion.** The Developer hereby certifies to the Village that Incremental Property Taxes to be pledged by the Village pursuant to Section 6.2 below, together with Lender Financing and equity, shall be sufficient to complete the Project.

5.3. **Failure to Complete.** If the Developer fails to complete the Project in accordance with Section 5.1 and the remaining terms of this Agreement, no certificate of occupancy permit will be issued, and the Village will have the right to terminate this Agreement, and no further Village funds will be paid to the Developer. In addition, the Village shall have the right, but not the obligation, to complete any public improvements associated with the Project that have been started by the Developer, and the Developer must immediately reimburse the Village for all reasonable costs and expenses incurred, as evidenced by invoices and payment vouchers, in completing such public improvements. For the purposes of this Agreement, public improvement shall be improvements that are dedicated to and accepted by the Village.

5.4. **Compliance with Applicable Laws.** The Developer shall at all times acquire, install, construct, operate and maintain the Project in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the Project shall conform to all applicable federal, state and local laws, regulations and ordinances, including, but not limited to, zoning, subdivision and planned development codes, building codes, environmental codes, life safety codes, property maintenance codes and any other applicable codes and ordinances of the Village in effect on the date that an application for a building permit and/or earth moving permit for such development or construction is filed, and from time to time during construction that are applicable, except as otherwise provided herein and to the extent all such codes and ordinances are of general applicability to property with the Village. The Developer has examined and is familiar with all the covenants, conditions, restrictions, building regulations, zoning ordinances, property maintenance regulations, environmental regulations and land use regulations, codes, ordinances, federal, state and local ordinances, and the like, and represents and warrants that the Project will be developed in accordance with same. All work performed at this property will be conducted in a professional manner with a contractor licensed by the Village or the State of Illinois, as required.

5.5. **Withholding of Permits.** The Village may withhold the issuance of any permits if the Developer has failed or refused to fulfill any of its respective obligations with respect to the Property pursuant to this Agreement and the applicable provisions of the Village Code. The Developer shall pay the Village's permit fees and customary inspection fees.

5.6. **Village Permits.** The Developer acknowledges and agrees that the Village shall require all necessary actions for the Developer to obtain applicable permits for the construction of the Project on the Property, and the Developer shall absorb all costs and risks related to such enforcement.

5.7. **Progress Meetings.** The Developer shall provide reports, on request, to the Corporate Authorities and Village staff and make written presentations to the Corporate Authorities and Village staff as reasonably requested by the Village in order to keep the Village apprised of the progress of the Project construction.

## **SECTION 6: VILLAGE COVENANTS AND AGREEMENTS.**

6.1. **Initial Payment Pledge.** The Village hereby pledges and agrees to apply One Hundred Thousand and no/100 dollars (\$100,000.00) from the Special Tax Allocation Fund for the Project. Said One Hundred Thousand and no/100 dollars (\$100,000.00) shall be paid to the Developer for the Project as follows: (1) the Village shall pay to the Developer Fifty Thousand and no/100 dollars (\$50,000.00) within fifteen (15) days of the Developer's delivery of notice to the Village that it has completed the footings and foundation for the Project (the "First TIF Payment"); and (2) the Village shall pay to the Developer Fifty Thousand and no/100 dollars (\$50,000.00) within fifteen (15) days of the Village's issuance of a certificate of occupancy for the Project (the "Second TIF Payment"). The Village represents and warrants that there are sufficient unencumbered funds in the Special Tax Allocation Fund to make the payments referenced in this Section 6.1 as and when required and that such funds shall not be pledged to any other Person or encumbered for any other purpose.



6.2. **Additional Pledge of Net Incremental Property Taxes.** The Village hereby pledges and agrees to pay an additional Two Hundred Thousand and no/100 dollars (\$200,000.00) of additional Net Incremental Property Taxes to the Developer for the Project in accordance with the following:

6.2.1. If the Office of the Cook County Clerk certifies the 2009 year as the base year for determining the total equalized assessed value of real property located in the TIF District, the Village shall pledge and agree to pay seventy percent (70%) of the Net Incremental Property Taxes paid for the Property to the Developer for each applicable property tax year up to Two Hundred Thousand and no/100 dollars (\$200,000.00) for the Project for the remaining life of the TIF District and thirty percent (30%) of the Net Incremental Property Taxes for the Property for each applicable property tax year shall be retained by the Village until such time as the Two Hundred Thousand and no/100 dollars (\$200,000.00) cap set forth in Section 6.2 above has been met. After the Two Hundred Thousand and no/100 dollars (\$200,000.00) limit set forth in this Section 6.2 has been met, the Village shall retain one hundred percent (100%) of the Net Incremental Property Taxes for the Property; or

6.2.2. If the Office of the Cook County Clerk certifies the 2008 year as the base year for determining the total equalized assessed value of real property located in the TIF District, the Village shall pledge and agree to pay one hundred percent (100%) of Net Incremental Property Taxes paid for the Property to the Developer for each applicable property tax year for the Project until such time as the Two Hundred Thousand and no/100 dollars (\$200,000.00) limit set forth in Section 6.3 above has been met. After the Two Hundred Thousand and no/100 dollars (\$200,000.00) limit set forth in this Section 6.2 has been met, the Village shall retain one hundred percent (100%) of the Net Incremental Property Taxes for the Property.

6.2.3. Regardless of the certification year, the Village shall make the applicable Net Incremental Property Taxes payment to the Developer on or before January 31<sup>st</sup> for each year that a payment is due. The Village shall only be required to make such payment once per tax year. The Village, however, may elect in its sole discretion to make multiple payments in any given tax year.

6.2.4. The Village agrees that during the term of this Agreement, it shall not declare any Incremental Property Taxes as surplus and it shall not disburse any surplus Incremental Property Taxes other than those that are required to be made pursuant to the Intergovernmental Agreement.

6.3. **Deposits into Special Tax Allocation Fund.** For the term of this Agreement, the Village shall deposit into the Special Tax Allocation Fund all Incremental Property Taxes within five (5) business days after receipt thereof. The Village agrees that the Developer shall at all times have first priority to, and first right to receive payment of, an amount equal to the Net Incremental Property Taxes until the Village has fully performed its payment obligations pursuant to this Section 6.

6.4. **Property Tax Reporting.** At the time of each annual payment of a Cook County Property Tax Bill for the Property by the Developer, the Developer shall file a copy of such bill and payment record with the Village's Finance Director. Within five (5) days of the Finance Director's receipt of the Property tax bill and payment record, the Finance Director shall calculate and certify to the Village the amount of Incremental Property Taxes due to the Developer in accordance with this Agreement.

6.5. **Annual Accounting and Adjustments.** Shortly after the close of each calendar year during the term of this Agreement, the Village shall cause its Finance Director or other financial officer charged with responsibility for the Special Tax Allocation Fund to provide to the Developer an account of the receipts and expenditures from the Special Tax Allocation Fund applicable to the Project at the close of the calendar year.

6.6. **TIF Incentives.** Provided the Developer submits written documentation to the Village to support costs incurred by the Developer in a form satisfactory to the Village relative to the Project which qualify as "Eligible Project Costs" as defined by Section 5/11-74.4-3(q) of the Act, 65 ILCS 5/11-74.4-3(q), the Village shall reimburse the Developer for only certain "Eligible Project Costs," as defined by Section 5/11-74.4-3(q) of the Act, which are eligible for reimbursement under the Act ("Eligible Project Costs"). The Eligible Project Costs for which the Village will reimburse the Developer include acquisition of real estate, environmental remediation, mass excavation, construction of sidewalks, utility extensions for water, storm and sanitary sewers, engineering and similar design costs as set forth in Exhibit C, up to a maximum amount of Three Hundred Thousand and no/100 dollars (\$300,000.00) ("Funding Cap"). The Village agrees and acknowledges that the purchase price for the Property was Three Hundred Twenty Five Thousand and no/100 dollars (\$325,000.00). Provided that the Developer delivers evidence of payment of such amount in the form of a closing statement or similar documentation, such documentation shall be sufficient to establish that the Developer has expended an amount of Eligible Project Costs in excess of the Funding Cap and that no further documentation regarding the Developer's expenditure of other Eligible Project Costs shall be required by the Village in order to establish the Developer's entitlement to the payments required under this Section 6.

6.7. **Method of Reimbursement.** The Village agrees to reimburse the Developer for Eligible Project Costs during the term of this Agreement incurred by the Developer in accordance with the following schedule after the Completion Date (except for the First TIF Payment and Second TIF Payment which shall be paid as and when provided in Section 6.1) for the Project:

6.7.1. The Village shall pay the Developer for Eligible Project Costs pursuant to Section 6.6 above on or before January 31<sup>st</sup> of each year until the Village has fully performed its payment obligations, subject to the Village's receipt of Net Incremental Property Taxes from the Cook County Treasurer sufficient to pay the Developer for Eligible Project Costs or other agency that may remit such taxes to the Village, provided that nothing in this Agreement shall require the Village to pay an amount in excess of Net Incremental Property Taxes actually received from the Cook County Treasurer and deposited into the Special Tax Allocation Fund in accordance with this Agreement, less any costs of the Village to administer and monitor the Redevelopment Project Area. If there is insufficient Incremental Property Taxes to pay the Developer for Eligible Project

Costs, the Village shall pay the Developer for Eligible Project Costs within thirty (30) days of the Village's receipt of sufficient Net Incremental Property Taxes from the Cook County Treasurer or other agency that may remit such taxes to the Village.

6.7.2. The maximum aggregate amount of the Net Incremental Property Taxes payable to the Developer under this Agreement shall be Three Hundred Thousand and no/100 dollars (\$300,000.00).

6.7.3. In the event that the Family Dollar Store ceases to operate on the Property, the Village may suspend payments pursuant to this Section 6 until such time as a comparable or better retailer, which generates sales taxes substantially equal to or greater than Family Dollar Store, begins operating on the Property. Notwithstanding the foregoing, the Developer shall still be entitled to receive partial Net Incremental Property Tax payments based on the number of calendar days that a sales tax producing retailer operated on the property divided by three hundred sixty (360). By way of example, if a sales tax producing retailer operated on the Property for 180 of days of the year and Net Incremental Property Taxes for the same year were \$20,000, the Developer would be entitled to receive \$10,000 in Net Incremental Property Tax Payments for such year. If, however, the Property remains unoccupied for twelve (12) consecutive months by a comparable or better sales tax producing retailer, the Village may terminate this Agreement.

## **SECTION 7: DEVELOPER COVENANTS AND AGREEMENTS.**

7.1. **Real Estate Taxes.** With respect to the Property and the Project, neither the Developer, nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall during the term of this Agreement seek or authorize: (1) any real estate tax exemption, as the term "exemption" is used and defined in the Illinois Constitution, Article IX, Section 6 (1970) for any year that the Redevelopment Plan for the Redevelopment Project Area is in effect; (2) object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any underassessment complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the Village or any taxpayer; or (3) a challenge to the Cook County's Assessor's decision regarding the year for establishing the base equalized assessed value for the TIF District. The Parties agree that the restrictions contained in this Section are covenants running with the land during the term of this Agreement. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the Effective Date hereof, provided however, that the covenants shall be released upon expiration of the term of this Agreement without any further action by either Party.

7.2. **Prevailing Wage.** The Developer covenants and agrees to pay, and to contractually obligate and cause any general contractor, contractors and subcontractors to pay the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department") for the Project. If the Department revises such prevailing wage rates, the revised rates shall apply to all such requests. Upon the Village's request, the Developer shall provide the Village with copies of all such contracts entered into by the Developer or any applicable general contractor to evidence compliance with this Section.

7.3. **Property Acquisition.** The Developer shall provide the Village with sufficient documentation regarding the acquisition of the Property for the Project.

7.4. **Financial Statements.** The Developer must provide the Village with such Developer financial statements the Village may reasonably require; provided, however, the Developer may submit such financial statements as confidential business information not for disclosure under the Freedom of Information Act. In the event of a Freedom of Information Act request relating to the Project, the Village shall not disclose the financial statements unless consented to by the Developer or required by law.

## **SECTION 8: INDEMNIFICATION.**

8.1. **Liability.** The Developer hereby undertakes and assumes all potential liability for any injuries, deaths, losses, damages, claims or judgments of any nature whatsoever resulting from or in connection with its construction at the Property, and the Developer shall hold harmless, indemnify and defend the Village against any such losses according to the provisions of Section 8.3 below.

8.2. **No Liability for Village Review.** The Developer acknowledges and agrees that: (1) the Village is not, and shall not be, in any way liable for any violations of restrictive covenants applicable to the Property that may occur, or for any damages or injuries that may be sustained as the result of the Village's review and approval of any plans for the Property, or as a result of the issuance of any approvals, permits, certificates, or acceptances for the development or use of any portion of the Property; and (2) the Village's review and approval of any plans and the issuance of any approvals, permits, certificates, or acceptances does not, and shall not, in any way be deemed to insure the Developer, or any of its successors, assigns, tenants, or licensees, or any third party, against restrictive covenant violations or damage or injury of any kind at any time.

8.3. **Indemnification.** The Developer shall indemnify, hold harmless, and defend the Village, its agents, officials, and employees, against all injuries, deaths, losses, damages, claims, suits, liabilities, liens, including mechanic's liens, judgments, costs and expenses, including reasonable attorney's fees, which may in any way arise from or accrue against the Village as a consequence of this Agreement or which may in any way result therefrom, other than those indemnified matters which arise from or relate to the Village's negligence or willful misconduct. The provisions of this Section and any other indemnification obligations on the part of the Developer shall survive the termination or expiration of this Agreement for a period of two (2) years. In any such action against the Village, the Developer shall, at its own expense, appear, defend and pay all charges of reasonable attorney's fees and all reasonable costs and other reasonable expenses arising therefrom or incurred in connection therewith, and, if any judgment shall be rendered against the Village in any such action, the Developer shall at its own expense, satisfy and discharge such judgment.

8.4. **Costs and Attorney's Fees.** The prevailing party shall indemnify the other party for any costs, including reasonable attorney's fees, in enforcing the provisions of this Agreement.

8.5. **Enforcement of Agreement.** The provisions of this Agreement shall be enforceable in any action in law or in chancery. The Parties hereto agree that any legal action to enforce any right or obligation contained in or arising out of this Agreement shall be brought in the Circuit Court of Cook County, Illinois.

8.6. **Enforcement of Village Code.** Nothing contained in this Agreement shall be construed as a prohibition or limitation on the Village's right to enforce any and all applicable Village regulations, ordinances and Code provisions with respect to the Property and the construction permitted pursuant to this Agreement.

## **SECTION 9: REPRESENTATIONS AND WARRANTIES OF DEVELOPER.**

9.1. **Organization and Authorization.** The Developer is an Illinois limited liability corporation duly organized and existing under the laws of the State of Illinois, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform the Agreement. As of the Effective Date, the Developer is solvent, able to pay its debts as they mature and financially able to perform all the terms of this Agreement. To the Developer's knowledge as of the Effective Date, there are no actions at law or similar proceedings which are pending or threatened against Developer which would result in any material and adverse change to the Developer's financial condition, or which would materially and adversely affect the level of the Developer's assets as of the date of this Agreement or that would materially and adversely affect the ability of the Developer to proceed with the construction and development of the Project.

9.2. **Non-Conflict or Breach.** Neither the execution and delivery of this Agreement by Developer, the consummation of the transactions contemplated hereby by the Developer, nor the fulfillment of or compliance with the terms and conditions of this Agreement by the Developer conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of Developer (with the Developer's prior written approval), any organizational documents, any restriction, agreement or instrument to which the Developer or any of its partners or venturers is now a party or by which the Developer or any of its partners or its venturers is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the assets or rights of the Developer, any related party or any of its venturers under the terms of any instrument or agreement to which the Developer, any related party or any of its partners or venturers is now a party or by which the Developer, any related party or any of its venturers is bound.

9.3. **Financial Resources.** As of the Effective Date, the Developer has sufficient financial and economic resources to implement and complete the Developer's obligations contained in this Agreement, other than those future obligations as set forth herein.

9.4. **Developer Existence.** The Developer shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence and good standing in whatever states it may operate, so long as this Agreement is in effect or the Developer has any remaining obligation pursuant to the terms of this Agreement. In the event that the Developer

changes its state of organization, it shall provide notice of such change to the Village in accordance with the provisions of Section 16.5.

9.5. **Project Construction.** The Developer shall diligently pursue obtaining all required permits and the Developer shall cause construction of the Project on the Property to be prosecuted and completed pursuant to the terms hereof with due diligence, in good faith, and without delay, subject to Uncontrollable Circumstances and the other provisions of this Agreement.

9.6. **Environmental Matters.** The Developer represents and warrants to the Village that, prior to the Effective Date, the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all environmental laws and this Agreement.

9.7. **No Gifts.** The Developer covenants that no officer, member, manager, stockholder, employee or agent of Developer, or any other Person connected with the Developer, has made, offered or given, either directly or indirectly, to any member of the Corporate Authorities, or any officer, employee or agent of the Village, or any other Person connected with the Village, any money or anything of value as a gift or bribe or other means of influencing his or her action in his or her capacity with the Village.

9.8. **Disclosure.** Concurrently with the execution of this Agreement, the Developer shall disclose to the Village the names, addresses and ownership interests of all Persons that directly own the Developer. At the time of execution of this Agreement, no change shall be made in the Persons comprising such owners of the Developer without notice to the Village.

9.9. **Conflicts of Interest.** Pursuant to Section 5/11-74.4-4(n) of the Act, 65 ILCS 5/11-74.4-4(n), the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the Village, or any consultant hired by the Village or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest in the Property or any other Property in the Redevelopment Project Area, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Project Area.

9.10. **Assignment.** The Developer may not assign or transfer some or all of its rights or obligations under this Agreement without the prior written consent of the Village, the granting or denial of which consent shall be in the sole discretion of the Village, except to an Affiliate, nominee of the Developer or a Permitted Assignee. In the event of an assignment to an Affiliate, nominee of the Developer or a Permitted Assignee, the Developer shall provide the Village with at least ten (10) days notice of such assignment, a summary of the scope of such assignment and the name and contact information for such assignee. No transfer or assignment by the Developer in violation of the provisions hereof shall be valid or enforceable. Subject to the foregoing, this Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the successors, nominees, affiliates and assigns of the Parties. Upon assignment of this Agreement, the assignor shall have no further rights or liability pursuant to this Agreement to the

extent so assigned and the assignee shall assume all rights and liabilities under this Agreement that have been assigned.

9.11. **Use of Village Funds.** Village funds shall be used by the Developer solely to reimburse the Developer for its payment for Eligible Project Costs.

**SECTION 10: REPRESENTATIONS AND WARRANTIES OF THE VILLAGE.**

10.1. **Organization and Authorization.** The Village is an Illinois municipal corporation duly incorporated and existing under the laws of the State of Illinois, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform the Agreement.

10.2. **Non-Conflict or Breach.** Neither the execution and delivery of this Agreement by the Village, the consummation of the transactions contemplated hereby by the Village, nor the fulfillment of or compliance with the terms and conditions of this Agreement by the Village conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of the Village.

**SECTION 11: BINDING EFFECT AND TERM.**

11.1. **Term.** This Agreement shall be effective on the Effective Date and shall terminate on the earlier of the following to occur: (1) the date on which the Redevelopment Project Area is no longer in effect; or (2) the date on which the final payment of Village funds are paid to the Developer pursuant to Section 6 of this Agreement. Upon the expiration of the term of this Agreement, the Village shall provide to the Developer at the Developer's written request, a written notice in recordable form providing that the term of this Agreement has expired.

11.2. **Covenant Running with the Land.** The parties intend that the Developer's obligation to commence and complete the Project and terms and conditions set forth in Sections 5.4, 7.1, 16.9 and 16.10 shall be covenants running with the land and shall constitute a lien against the Property enforceable by the Village and shall be binding upon and inure to the benefit of the parties hereto, their grantees, nominees, successors in interest, assignees, heirs, executors, or lessees provided. All other terms and conditions shall be personal to the Parties respectively and shall be enforceable in accordance with the terms of this Agreement. Upon termination of this Agreement, said covenant shall cease and be of no further force or effect without further action by the Parties.

11.3. **Recording of Agreement.** This Agreement shall be recorded with the office of the Cook County Recorder of Deeds at the Developer's expense.

**SECTION 12: EVENTS OF DEFAULT AND REMEDIES.**

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

12.1.1. If any representation made by the Developer in this Agreement, or in any certificate, notice, demand or request made by a party hereto, in writing and delivered to the Village pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if the Developer does not remedy the default, within thirty (30) days after written notice from the Village.

12.1.2. Default by the Developer for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant contained in this Agreement, or any other agreement, financing or otherwise, concerning the existence, structure or financial condition of the Developer and/or the Project and Property; provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and the Developer, within said thirty (30) days initiates and diligently pursues appropriate measures to remedy the default and in any event cures such default within ninety (90) days after such notice.

12.1.3. Default by the Developer for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant, warranty or obligation contained in this Agreement; provided, however, that such default shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days and the Developer, within said thirty (30) days initiates and diligently pursues appropriate measures to remedy the default and in any event cures such default within ninety (90) days after such notice.

12.1.4. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of the Developer in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Developer for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of one hundred and twenty (120) consecutive days.

12.1.5. The commencement by the Developer of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by the Developer to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Developer or of any substantial part of the Property, or the making by any such entity of any assignment for the benefit of creditors or the failure of the Developer generally to pay such entity's debts as such debts become due or the taking of action by the Developer in furtherance of any of the foregoing, or a petition is filed for bankruptcy by others and not dismissed within one hundred and twenty (120) consecutive days.

12.1.6. Failure to have funds to meet the Developer's obligations as and when needed; provided, however, that such default shall constitute an Event of Default only if the Developer does not remedy the default within thirty (30) days after written notice



from the Village. Opposing or contesting a bill in good faith shall not violate the foregoing.

12.1.7. The Developer abandons the Project on the Property. Abandonment shall be deemed to have occurred when work stops on the Property for more than sixty (60) days for any reason other than: (i) Uncontrollable Circumstances or (ii) if the Developer is ahead of its planned construction schedule to complete the Project as required by Section 5.1 of this Agreement.

12.1.8. The Developer materially fails to comply with applicable governmental codes and regulations in relation to the construction and maintenance of the buildings contemplated by this Agreement; provided, however, that such default shall constitute an Event of Default only if the Developer does not within thirty (30) days after written notice from the Village, remedy the default.

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

12.2.1. If any representation made by the Village in this Agreement, or in any certificate, notice, demand or request made by a Party hereto, in writing and delivered to the Developer pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if the Village does not remedy the default, within thirty (30) days after written notice from the Developer.

12.2.2. Default by the Village in the performance or breach of any material covenant contained in this Agreement concerning the existence, structure or financial condition of the Village; provided, however, that such default or breach shall constitute an Event of Default if the Village does not, within thirty (30) days after written notice from the Developer, initiate and diligently pursue appropriate measures to remedy the default.

12.2.3. Default by the Village in the performance or breach of any material covenant, warranty or obligation contained in this Agreement; provided, however, that such default shall not constitute an Event of Default if the Village, commences cure within thirty (30) days after written notice from the Developer and in any event cures such default within ninety (90) days after such notice, subject to Uncontrollable Circumstances.

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

12.3.1. The defaulting party shall, upon written notice from the non-defaulting party, pursuant to Section 16.1 of this Agreement, take immediate action to cure or remedy such Event of Default. If, in such case, any Event of Default is not cured within the applicable cure period, or if action is taken and diligently pursued but such Event of Default or breach shall not be cured or remedied within a reasonable time, but in no event more than ninety (90) additional days unless extended by mutual agreement, the non-defaulting party may institute such proceedings as may be necessary or desirable in its

opinion to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance of the defaulting party's obligations under this Agreement.

12.3.2. In case the Village shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, then, and in every such case, the Developer and the Village shall continue as though no such proceedings had been taken.

12.3.3. In the case of an Event of Default by the Developer, in addition to any other remedies at law or in equity, the Village shall be relieved of its obligations under this Agreement, and the Village may terminate this Agreement and may suspend disbursement of Village funds. The Village may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy.

12.3.4. In the event that either Party fails to timely perform a monetary obligation as and when required hereunder, the Party to whom funds are owed may demand payment within thirty (30) days. In the event that the Party with the monetary obligation fails to pay the amounts due within such 30-day period, such amount due shall accrue interest after the due date at a rate of one half percent (0.5%) per month. Any such accrued interest shall be added to such outstanding amounts due and owing until paid in full and shall be included in the calculation of such amounts due.

#### 12.4. **Lender Rights**

12.4.1. The Village shall cooperate with the Developer and any lender providing Lender Financing to provide such information as is reasonably requested by such lender regarding the Project.

12.4.2. Upon a Developer Event of Default, the Village shall promptly give any lender providing Lender Financing a notice of the Developer Event of Default (the "Default Notice"). Such lender shall have 180 days after receipt of the Default Notice to cure such default. However, with respect to any cure which requires such lender to possess and control the Property, if such lender undertakes such cure, by written notice to the Village within 30 days of receiving the Default Notice, the cure period shall continue for such additional time as may reasonably be required to obtain possession and control of the Property and thereafter cure the default, but in no event shall the period from the Default Notice to completion of such cure exceed 365 days. Such lender may, upon notice to Village, abandon exercise of its cure rights without liability to the Village or any other party. If a lender does abandon its exercise of its cure rights, the Village may suspend any payments due hereunder and/or terminate this Agreement. The Village shall accept cure by such lender in fulfillment of Developer's obligations, for the account of Developer and with the same force and effect as if performed by Developer.

12.4.3. If Developer collaterally assigns this Agreement to a lender, such Lender shall have the right to perform any term, covenant, condition or agreement and to remedy, in accordance with the terms of this Agreement, any default by Developer under

this Agreement, and the Village shall accept such performance by any such Lender with the same force and effect as if furnished by Developer. No lender shall be liable or obligated to perform the obligations of the Developer under the Agreement unless and until such lender takes possession of the Property as a mortgagee or by a receiver appointed at the request of mortgagee or becomes the owner of the fee estate, as applicable, under this Agreement by foreclosure, or deed in lieu of foreclosure or otherwise. Further, any such lender shall have no liability for any Developer Events of Default which accrued prior to the lender taking possession of the Property. Such lender, its successors or nominees shall, however, have all rights under this Agreement and shall be liable for any obligations which arise after possession of the Property is taken.

**SECTION 13: MAINTAINING RECORDS/RIGHT TO INSPECT**

13.1. **Books and Records.** The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the actual total cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including, but not limited to the Developer's loan statements, if any, general contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the Village, at the Developer'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 the Project.

13.2. **Inspection Rights.** Upon three (3) business days' notice, any authorized representative of the Village shall have access to all portions of the Project and the Property during normal business hours for the term of this Agreement; provided, however, such representative shall not interfere with any tenant's use and enjoyment of the Property and shall adhere to all Property safety rules and regulations.

**SECTION 14: EFFECT OF THIS AGREEMENT.**

14.1. If any pertinent prior agreement or interpretation thereof, between the parties, is inconsistent with or conflicts with any provision of this Agreement, then the provisions of this Agreement shall supersede the terms of said inconsistent prior agreement.

14.2. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements among the parties hereto respecting such matters, if any, there being no other oral or written promises, conditions, representations, understandings, warranties or terms of any kind as conditions or inducements to the execution hereof and none have been relied upon by either party, except to the matters set forth in the Purchase and Sale Agreement.

14.3. All negotiations between the parties are merged in this Agreement, and there are no understandings or agreements, verbal or written, other than those incorporated in this Agreement.

**SECTION 15: NON-WAIVER.**

15.1. Except as herein expressly provided, no waiver by a party of any breach of this Agreement by the other party shall be deemed to be a waiver of any other breach by such other party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a party after any breach by the other party shall be deemed to be a waiver of any breach of this Agreement or of any representation or warranty hereunder by such other party whether or not the first party knows of such breach at the time it accepts such payment or performance.

15.2. No failure or delay by a Party to exercise any right it may have by reason of the default of any other party shall operate as a waiver of default or as a modification of this Agreement or shall prevent the exercise of any right by the first party while the other party continues to be so in default.

**SECTION 16: MISCELLANEOUS**

16.1. **Cumulative Remedies.** The parties' rights and remedies hereunder shall be cumulative, and the exercise of any rights or remedies shall neither preclude enforcement of other rights and remedies nor waive other rights and remedies. The failure of either party to exercise any rights or remedies shall neither preclude enforcement of any rights or remedies nor constitute a waiver of any rights or remedies.

16.2. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance, and any legal proceeding of any kind arising from this Agreement shall be filed in the Circuit Court of Cook County, Illinois.

16.3. **Enforceability.** This Agreement shall be enforceable by any of the parties hereto by an appropriate action at law or in equity to secure the performance of the covenants and terms of this Agreement.

16.4. **Severability.** If any of the provisions of this Agreement are determined by a court of competent jurisdiction to be invalid, such provisions shall be deemed to be stricken, and such adjudication shall not affect the validity of the remainder of the terms of this Agreement as a whole or of any section, subsection, sentence or clause not adjudged to be invalid.

16.5. **Notices.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, by overnight air express service, signature required, or by registered or certified mail, postage prepaid, return receipt requested, addressed to the parties hereto at their respective addresses set forth below.

To the Village:

Patrick E. Kitching, Village President  
Village of Alsip  
4500 West 123<sup>rd</sup> Street  
Alsip, Illinois 60803  
Fax: (708) 385-4250  
[pkitching@villageofalsip.org](mailto:pkitching@villageofalsip.org)

With a copy to:

Paul L. Stephanides  
Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd.  
24 West Cass Street  
5<sup>th</sup> Floor  
Joliet, Illinois 60432-4126  
Fax: (815) 722-0450  
E-mail: [pstephanides@rsnlt.com](mailto:pstephanides@rsnlt.com)

To the Developer:

David Cunningham  
Net<sup>3</sup> Real Estate, LLC  
2803 Butterfield Road, Suite 310  
Oak Brook, IL 60523-1152  
E-mail: [dcunningham@net3re.com](mailto:dcunningham@net3re.com)

With a copy to:

Michele Kitch  
KPMG, LLP  
303 East Wacker Drive, Suite 1600  
Chicago, Illinois 60601  
E-mail: [mkitch@kpmg.com](mailto:mkitch@kpmg.com)

16.5.1. Except as otherwise provided herein, notice served by certified mail or overnight service shall be effective within two (2) business days of mailing.

16.6. **Counterparts.** This Agreement shall be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement.

16.7. **Waiver of Trial By Jury.** The respective parties hereto shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Agreement, or for the enforcement of any remedy under any statute, emergency or otherwise.

16.8. **Amendments and Modifications.** No agreement, amendment, modification, understanding or waiver of or with respect to this Agreement or any term, provision, covenant or condition hereof, nor any approval or consent given under or with respect to this Agreement, shall be effective for any purpose unless contained in writing signed by the party against which such agreement, amendment, modification, understanding, waiver, approval or consent is asserted.

16.9. **No Discrimination.** The Developer will comply with all federal, state and local laws relating to equal employment opportunity.

16.10. **Advertisements.** The Developer will in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applications will receive consideration for employment without regard to race, color, religion, sex or natural origin.

16.11. **Contractors.** Any contracts made by the Developer with any general contractor, agent, employee, independent contractor or any other Person in connection with the Project shall contain language similar to that recited in Section 16.9 and Section 16.10 above.

16.12. **Local Vendors and Contractors.** The Developer shall use good faith efforts to employ local vendors and contractors when economically feasible in the construction process and in the ongoing marketing and management of the Project. This includes advertising in local publications and media for available positions that are not filled by re-assignment of existing employees, notifying the Village when the Developer is seeking contractors or employees.

16.13. **Termination.** In the event Developer or the Village shall be prohibited in any material respect from performing covenants and agreements or enjoying the rights and privileges herein contained, including Developer's duty to construct the Project, by the order of any court of competent jurisdiction or in the event that all or any part of any ordinances adopted by the Village in connection with the Project shall be declared invalid or unconstitutional, in whole or in part, by a final decision of a court of competent jurisdiction and such declaration shall materially affect the Development, or the covenants and agreements or rights and privileges of Developer or the Village, then in any such event, the party materially affected may, at its election, cancel or terminate this Agreement with respect to that portion of the Project materially affected by giving written notice thereof to the other party within sixty (60) days after such final decision or amendment. If the Village terminates this Agreement, to the extent it is then appropriate, the Village may also terminate its duties, obligations and liability under all or any related documents and agreements.

16.14. **Time is of the Essence.** Time is of the essence for this Agreement.

16.15. **Third Parties.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other person other than the Village and the Developer, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the Village or Developer, nor shall any provision give any third parties any rights or subrogation or action over or against either the Village or the Developer. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

16.16. **No Joint Venture, Agency or Partnership Created.** Nothing in this Agreement, or any actions of the parties to this Agreement, shall be construed by the parties or any third person to create the relationship of a partnership, agency or joint venture between or among such parties.

16.17. **No Personal Liability of Village Officials.** No covenant or agreement contained in this Agreement shall be deemed to be the agreement of any official, agent, employee, consultant or attorney of the Village, in his or her individual capacity, and no official, employee or attorney of the Village shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out the execution, delivery, and performance of this Agreement, or any failure in connection therewith.

16.18. **Repealed.** To the extent that any ordinance, resolution, rule, order or provision of the Village Code, or any part thereof, is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling to the extent lawfully permitted.

16.19. **Presumptions and Interpretation.** This Agreement shall be deemed to have been negotiated by and between the parties such that no presumption of draftsmanship shall inure to the detriment or benefit to either party. Moreover, this Agreement is to be liberally construed in order to give force and effect of the interest of parties to effectuate the orderly and efficient construction, completion and maintenance of the Project contemplated herein.

16.20. **Estoppel Certificates.** Each of the Parties hereto agrees to provide the other upon not less than ten (10) business days prior request, a certificate (“Estoppel Certificate”) certifying that this Agreement is in full force and effect (unless such is not the case, in which such Party shall specify the basis for such claim), that the requesting Party is not in default of any term, provision or condition of this Agreement beyond any applicable notice and cure provision (or specifying each such claimed default) and certifying such other matters reasonably requested by the requesting Party. If either Party fails to comply with this provision within the time limit specified, it shall be deemed to have appointed the other as its attorney-in-fact for execution of same on its behalf as to that specific request only.

16.21. **Authority to Execute.** The Parties hereby acknowledge and agree that all required notices, meetings, and hearings have been properly given and held by the Village with respect to the approval of this Agreement and agree not to challenge this Agreement or any of the obligations created by it on the grounds of any procedural infirmity or any denial of any procedural right. The Village is a home-rule community under the law of the State of Illinois and enters into this Agreement pursuant to such authority and by exercise of its home-rule powers. The Village hereby warrants and represents to the Developer that the person executing this Agreement on its behalf has been properly authorized to do so by the Mayor and Board of Trustees of the Village. The Developer further represents that, (1) the Developer has the full and complete right, power, and authority to enter into this Agreement and to agree to the terms, provisions, and conditions set forth herein and to bind the Property as set forth herein, (2) all legal actions needed to authorize the execution, delivery, and performance of this Agreement have been taken, and (3) neither the execution of this Agreement nor the performance of the obligations assumed by, as applicable, the Developer hereunder will (i) result in a breach or default under any agreement to which the Developer is a party or to which the Developer or the Property is bound, or (ii) violate any statute, law, restriction, court order, or agreement to which the Developer, or the Property is subject.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK-SIGNATURE PAGE  
FOLLOWS]**

IN WITNESS WHEREOF, the parties set their hands and seals as of the date first written above.

VILLAGE OF ALSIP

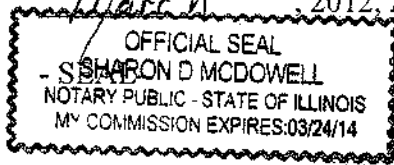
Attest:

By: Patrick E. Kitching  
Patrick E. Kitching  
Village President

By: Deborah Venhuizen  
Deborah Venhuizen  
Village Clerk

State of Illinois )  
County of Cook )

The foregoing instrument was acknowledged before me by Patrick E. Kitching, Village President, and Deborah Venhuizen, Village Clerk, this 5<sup>th</sup> day of March, 2012, A. D.



Sharon D. McDowell  
Notary Public

NET3 (ALSIP), LLC

Attest:

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by \_\_\_\_\_, its \_\_\_\_\_, and \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 2012 A. D.

- SEAL -

\_\_\_\_\_  
Notary Public



IN WITNESS WHEREOF, the parties set their hands and seals as of the date first written above.

VILLAGE OF ALSIP

Attest:

By: \_\_\_\_\_  
Patrick E. Kitching  
Village President

By: \_\_\_\_\_  
Deborah Venhuizen  
Village Clerk

State of Illinois )  
                              )  
County of Cook    )

The foregoing instrument was acknowledged before me by Patrick E. Kitching, Village President, and Deborah Venhuizen, Village Clerk, this \_\_\_\_\_ day of \_\_\_\_\_, 2012, A. D.

- SEAL-

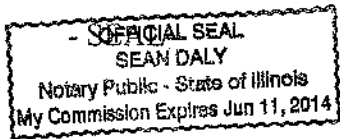
\_\_\_\_\_  
Notary Public

NET3 (ALSIP), LLC  
By: *Net3 Real Estate, LLC*  
*its: Manager*  
*David E. Cunningham*  
By: \_\_\_\_\_  
Its: *Manager*

Attest:  
~~\_\_\_\_\_~~  
By:  
Its:

State of \_\_\_\_\_ )  
                              )  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by *DAVID Cunningham* its *Manager* and \_\_\_\_\_, this *6<sup>th</sup>* day of *March*, 2012 A. D.



*Seán Daly*  
\_\_\_\_\_  
Notary Public

This instrument was prepared by Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd., 24 West Cass Street, 5<sup>th</sup> Floor, Joliet, Illinois 60432

## EXHIBIT A

### LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

That part of Sections 22, 23, 26 and 27 all in Township 37 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois bounded and described as follows:

Beginning at the northwest corner of the Southwest Quarter of said Section 23; thence easterly along the north line of said Southwest Quarter to the northerly extension of the east line of Lot 17 in Block 6 in Atwood's Addition to Washington Heights, being a subdivision of the north 100 acres of the Southwest Quarter and the north 50 acres of the west half of the Southeast Quarter of said Section 23; thence southerly along said northerly extension and along the east line of said Lot 17 to the southeast corner thereof; thence easterly along the south line of Lots 16 and 15 in said Block 6 in Atwood's Addition to Washington Heights subdivision to the southeast corner of said Lot 15; thence southerly on a straight line to the northeast corner of Lot 34 in said Block 6; thence southerly along the east line of said Lot 34 to the southeast corner thereof (said corner being on the north line of Washington Avenue, also known as 115th Place); thence southerly on a straight line to the northeast corner of Lot 15 in Block 7 in said Atwood's Addition to Washington Heights (said corner being on the south line of said Washington Avenue); thence westerly along the north line of said Lot 15 and along the westerly extension thereof to the west line of the east 20 feet of Lot 19 in said Block 7; thence southerly along said west line to the south line of said Lot 19; thence easterly along the south line of said Lot 19 to the southeast corner thereof; thence southerly on a straight line to the northeast corner of Lot 30 in said Block 7; thence southerly along the east line of said Lot 30 to the southeast corner thereof (said corner being on the north line of Oakwood Avenue, also known as 116th Street); thence southerly on the southerly extension of said east line of Lot 30 to the south line of said Oakwood Avenue (being also the north line of Block 18 in said Atwood's Addition to Washington Heights; thence westerly along the north line of said Block 18 to the northwest corner of Lot 24 in said Block (said corner being on the east line of Crawford Avenue, also known as Pulaski Road); thence southerly along the west line of said Lot 24 and along the southerly extension thereof to the southwest corner of Lot 25 in said Block 18 (said corner being on the north line of 116th Place); thence southerly on a straight line to the northwest corner of Lot 1 in Noordhoff's Subdivision of certain lots in Block 19 in Atwood's Addition to Washington Heights and certain lots in Isabella Sanderson's Subdivision in aforesaid Section 23; thence southerly along the west line of said Lot 1 and along the west line of Lot 8 in said subdivision to the southwest corner of said Lot 8 (said corner being on the north line of 117th Street); thence easterly along the south line of said Lot 8 to the northerly extension of the east line of Lot 12 in Block 8 in Arthur T. McIntosh & Co.'s Garden Homes, a subdivision of part of the Southwest Quarter of aforesaid Section 23; thence southerly along said northerly extension and along the east line of said Lot 12 and along the southerly extension thereof to the southeast corner of Lot 7 in said Block 8 (said corner being on the north line of 118th Street); thence southerly on a straight line to the northeast corner of Lot 13 in Block 9 in said Arthur T. McIntosh & Co.'s Garden Homes subdivision; thence southerly along the east line of said Lot 13 and along the southerly extension thereof to the northwest corner of Lot 5 in said Block 9 in Arthur T. McIntosh & Co.'s Garden Homes Subdivision; thence easterly along the north line of said Lot 5 to the northeast corner thereof (said corner being on the west line of Harding Avenue); thence southerly along the east line of said Lot 5 and along the east line of Lot 6 in said Block 9 to the southeast corner of said Lot 6 (said corner

being on the north line of 119th Street); thence southerly on a straight line to the northeast corner of Lot 12 in Block 1 in Bjork's Subdivision of Lot 11 in Brayton Farms No. 2 subdivision in the Northwest Quarter of aforesaid Section 26; thence westerly along the north line of said Lot 12 (being also the south line of 119th Street) to the northwest corner of said Lot; thence southerly along the west line of said Lot 12 and along the southerly extension thereof to the southwest corner of Lot 7 in said Bjork's Subdivision (said corner being on the north line of 120th Street); thence continuing southerly along said southerly extension of Lot 12 to the north line of Lot 1 in Albertson's Re-subdivision, recorded May 20, 2002 as document number 0020571946 (being also the south line of 120th Street (33 feet wide)); thence easterly along the north line said Lot 1 to the northeast corner thereof; thence southerly along the east line of said Lot 1 and along the east line of Lot 2 in Crawford Plaza Resubdivision, recorded June 10, 1983 as document number 26463741, to the southeast corner of Lot 2 in said Crawford Plaza Resubdivision; thence westerly along the south line of said Lot 2 to the northwest corner Lot 5 in Parkside Of Alsip Subdivision, recorded August 25, 1988 as document number 88387406; thence southerly along the west line of said Lot 5 and along the southerly extension thereof to the north line of Lot 71 in Alsip Gardens, a subdivision of part of the Northwest Quarter of aforesaid Section 26 recorded August 25, 1959 as document number 17639727 (said north line being also the south line of 122nd Street as heretofore dedicated in said Alsip Gardens subdivision); thence westerly along the north line of said Lot 71 to the northwest thereof; thence southerly along the west line of said Lot 71 and along the southerly extension thereof to the southwest corner of Lot 64 in said Alsip Gardens subdivision (said corner being also the northwest corner of Lot B in said subdivision; thence southwesterly along the northwesterly line of Outlot A in Resubdivision of Lot B in Alsip Gardens, recorded September 24, 1985 as document number 85203183 to the southwest corner of said Outlot A; thence southerly along the west line of Lot 63 in aforesaid Alsip Gardens subdivision to the northerly line of 123rd Street as widened and conveyed to the County of Cook by Warranty Deed recorded January 31, 2005 as document number 0503145071; thence easterly along the said northerly line of 123rd Street (as widened) to the east line of said Lot 63; thence continuing easterly along the northerly line of 123<sup>rd</sup> Street as widened and conveyed to the County of Cook by Warranty Deed recorded June 6, 2005 as document number 0515718043, to the southeast corner of Lot 62 in said Alsip Gardens subdivision; thence easterly along the south line of Lot 61 in said Alsip Gardens subdivision and along the easterly extension thereof, to the northerly extension of the east line of Lot 1 in Hartz's 123rd Street Subdivision, being a subdivision in the west half of the Southwest Quarter of aforesaid Section 26, recorded December 14, 1993 as document number 03022536; thence southerly along said northerly extension to the northeast corner of Lot 1 in said Hartz's 123rd Street Subdivision; thence westerly along the north line of said Lot 1 and along the westerly extension thereof to the northwest corner of Lot 2 in said subdivision (said corner being also on the east line of Block 1 in Schwartz & Ornoff's Addition to Alsip Woods South Subdivision, recorded October 7, 1966 as document number 19963368); thence southerly along the east line of said Block 1 to the southeast corner of said block; thence northwesterly along the southeasterly line of said Block 1 to the southwest corner thereof (said corner being on the east line of Springfield Avenue); thence northwesterly on a straight line to the southeast corner of Lot 3 in Ketelaar's Multiple Development Number One, recorded September 15, 1969 as document number 20958212; thence northwesterly along the southeasterly line of said Lot 3 and along the southeasterly line of Lot 1 in said subdivision to the northwest corner of said Lot 1 (said corner being on the south line of 123rd Street and on the east line of Crawford Avenue); thence westerly on a straight line

to a point on the east line of Lot 6 in First Addition To Alsip Industrial Highlands, being a subdivision in the Southeast Quarter of aforesaid Section 27, recorded September 1, 1966 as document number 19932981, (said point being on the west line of Crawford Avenue and on the south line 123rd Street as widened and conveyed to the County of Cook by Warranty Deed recorded January 31, 2005 as document number 0503119081); thence northerly parallel with the east line of said Southeast Quarter of Section 27 a distance of 43 feet more or less to the north line to said Southeast Quarter; thence northerly parallel with the east line of the Northeast Quarter of said Section 27, a distance of 33 feet to the south line of Lot 1 in Elissa Edidin Subdivision, recorded May 7, 2002 as document number 0020523388 (said south line of Lot 1 being also the north line of 123rd Street); thence easterly along said south line to the southeast corner of said Lot 1; thence northerly along the east line of said Lot 1 and along the northerly extension thereof (being also the west line of Crawford Avenue) to the northeast corner of Lot 2 in said subdivision; thence northerly along the east line of Lot 1 in Reliance Capital Subdivision, recorded July 28, 2006 as document number 0620931052, to the northeast corner of said lot; thence northerly along the east line of Lot 3 in Matas Subdivision, recorded March 11, 1988 as document number 88103542, and along the east line of Lot 2 in said subdivision to the southeast corner of Lot 1 in said subdivision; thence westerly along the south line of said Lot 1 to the southwest corner of said lot; thence northerly along the west line of said Lot 1 to the northwest corner said lot; thence easterly along the north line of said Lot 1 to the southwest corner of Lot 1 in Concordia's 120th Street and S. Pulaski Rd. Resubdivision, recorded September 22, 1982 as document number 26359308; thence northerly along the west line of Lot 1 in said resubdivision to the northwest corner thereof (said corner being on the south line of 120th Street as heretofore dedicated in said resubdivision); thence northerly along the northerly extension of the west line of said Lot 1, a distance of 66 feet to the north line of 120th Street; thence easterly along said north line of 120th Street to a line 50 feet west of and parallel with the east line of the Northeast quarter of aforesaid Section 27; thence northerly along said parallel line to the southeast corner of Lot 17 in Block 1 in 119th St. & Crawford Av. Subdivision, recorded July 7, 1926 as document number 9331875; thence westerly along the south line of said Lot 17 and along the westerly extension thereof to the southwest corner of Lot 16 in said Block 1 (said corner being on the east line of Komensky Avenue); thence northerly along the west line of said Lot 16 and along the northerly extension thereof to the northeast corner of Lot 10 in said Block 1 (said corner being on the south line of 119th Street); thence easterly along the north line of said Lot 10 and along the easterly extension thereof to the southerly extension of the west line of Lot 6 in Block 28 in Arthur T. McIntosh & Company's First Addition to Garden Homes Subdivision in aforesaid Section 22, recorded September 29, 1939 as document number 12375878; thence northerly along said southerly extension and along the west of said Lot 6 and along the northerly extension thereof to the northwest corner of Lot 1 in said Block 28 (said corner being on the south line of 118th Street); thence northerly on a straight line to the southwest corner of Lot 6 in Block 25 in said Arthur T. McIntosh & Company's First Addition to Garden Homes Subdivision; thence northerly along the west line of Lot 6 in said Block 25 and along the northerly extension thereof to the northwest corner of Lot 1 in said Block 25 (said corner being on the south line of 117th Street); thence northerly on a straight line to the southwest corner of Lot 6 in Block 24 in said Arthur T. McIntosh & Company's First Addition to Garden Homes Subdivision; thence northerly along the west line of Lot 6 in said Block 24 and along the northerly extension thereof to the northwest corner of Lot 1 in said Block 24 (said corner being on the south line of 116th Street); thence northerly on a straight line to the southwest corner of

Lot 6 in Block 17 in said Arthur T. McIntosh & Company's First Addition to Garden Homes Subdivision; thence northerly along the west line of Lot 6 in said Block 17 and along the northerly extension thereof to the southeast corner of Lot 13 in said Block 17; thence westerly along the south line of said Lot 13 and along the south line of Lot 12 in said Block 17 to the southwest corner of said Lot 12 (said corner being on the east line of aforesaid Komensky Avenue); thence northerly along the west line of said Lot 12 and along the northerly extension thereof to the north line of the Southeast Quarter of aforesaid Section 22; thence easterly along said north line to the Point of Beginning, (excepting therefrom Lot 1 in aforesaid Crawford Plaza Resubdivision in the west half of the Northwest Quarter of Section 26), all in Cook County, Illinois.

**EXHIBIT B**

**LEGAL DESCRIPTION OF PROPERTY**

THE SOUTH 167 FEET OF LOT "A" IN ALSIP GARDENS, A SUBDIVISION OF PART OF LOT 17 IN BRAYTON FARMS NO. 2, A SUBDIVISION OF THE WEST 80 ACRES OF THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THE PART BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT A; THENCE EAST ALONG THE SOUTH LINE THEREOF 195.89 FEET; THENCE NORTH ALONG THE EAST LINE OF SAID LOT A TO ITS INTERSECTION WITH A LINE 9 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE OF LOT A; THENCE WEST ALONG SAID PARALLEL LINE 166.51 FEET TO A POINT 29.38 FEET EAST OF (AS MEASURED ALONG SAID PARALLEL LINE) ITS INTERSECTION WITH THE WEST LINE OF SAID LOT A; THENCE NORTHWESTERLY 36.28 FEET TO A POINT ON SAID WEST LINE THAT IS 21.29 FEET NORTH OF (AS MEASURED ALONG SAID WEST LINE) THE LAST DESCRIBED INTERSECTION; THENCE SOUTH ALONG SAID WEST LINE 30.29 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

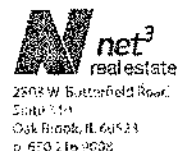
CONTAINING 30,736 SQUARE FEET OR 0.706 ACRES

P.I.N. 24-26-109-020-0000

PROPERTY ADDRESS: 12299 SOUTH PULASKI AVENUE  
ALSIP, ILLINOIS 60803

## EXHIBIT C

### PROJECT DESCRIPTION/REQUEST FOR ASSISTANCE



February 2, 2012

Mr. Patrick E. Kitching  
Mayor  
Village of Alsip  
4500 W 123rd Street  
Alsip, IL 60803

Dear Mayor Kitching:

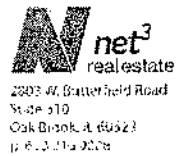
**RE: Request for Public Assistance for Proposed Retail Development – Pulaski Road Corridor TIF**

We are writing to you to request \$300,000 in public assistance for our proposed retail development of a Family Dollar store on land located within the Village of Alsip Pulaski Road Corridor Tax Increment Financing District.

The \$300,000 would provide assistance with approximately \$703,572 in TIF-eligible costs, which are presented below.

Type of Expenditure	Description	Estimated Cost
Land Acquisition Costs		\$325,000
Off-Site Improvements	Road Improvements – New/Closing Access Along Pulaski/123rd	\$45,000
	Engineering Fees	\$7,500
On-Site Improvements	Underground Obstructions	\$15,000
	Environmental Remediation – Special Waste Removal	\$31,500
	Mass Excavation/Site preparation/Detention Basin	\$87,925
	Drive/parking/Sidewalks/Trash Enclosure	\$60,160
	Utilities – Electric/Phone/Gas	\$15,426
	Utility Extensions (Interior Water, Storm & Sanitary Sewer)	\$37,021
Soft Costs	Architect and Engineering Fees	\$30,394
	Survey	\$6,000
	Environmental Survey	\$6,500
	Legal and Accounting	\$25,000
	Loan Points (30%)	\$3,450
	Interim Interest (30%)	\$7,696
<b>Total</b>		<b>\$703,572</b>





We appreciate your consideration to provide the public assistance, which will enable us to quickly move forward to put the land to productive use, create jobs within the community, generate local sales/use tax revenue, send favorable marketing signals and generate other economic activity within the community.

If you have any questions or would like to discuss the proposed project in further detail, please call me at 630-908-5692.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Cunningham', with a horizontal line extending to the right.

David Cunningham

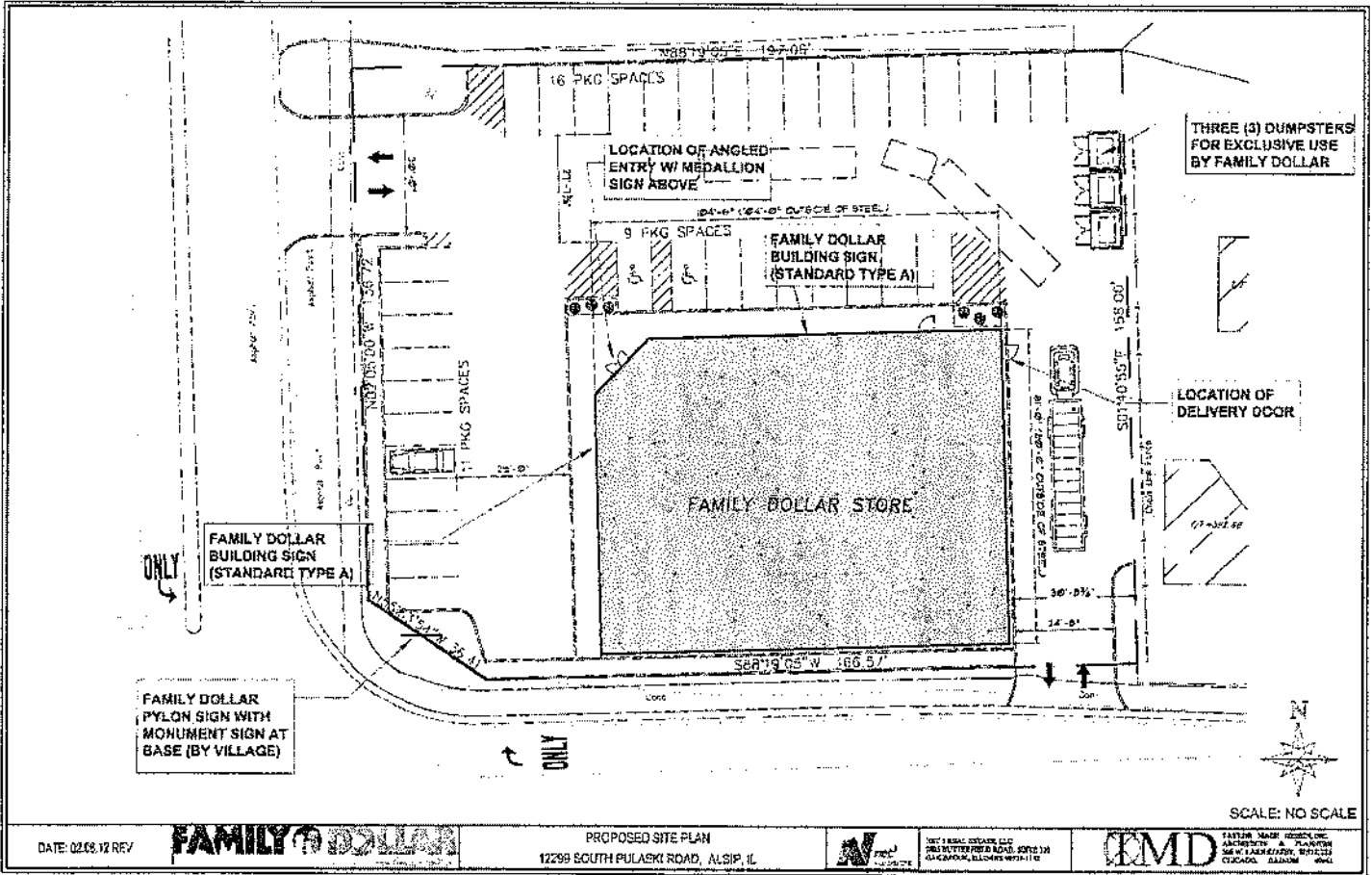
cc: Greg Palumbo – Village of Alsip





**EXHIBIT D**

**SITE PLAN FOR THE PROJECT**



DATE: 02.08.12 REV



PROPOSED SITE PLAN  
12299 SOUTH PULASKI ROAD, ALSIP, IL



12299 SOUTH PULASKI ROAD, SUITE 110  
ALSIP, ILLINOIS 60422-1102



EMD  
EARTH MANAGEMENT  
INCORPORATED A DIVISION  
OF WILSON/JENSEN  
CHICAGO, ILLINOIS