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Cook County Recorder 109.00

This instrument was prepared by, and  
after recording return to:

William J. Mitchell, Esq.  
MELTZER, PURTILL & STELLE  
1515 East Woodfield Road  
Suite 250  
Schaumburg, Illinois 60173-5431



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Permanent Real Estate Tax Index Nos.:  
See Exhibit B

Street Address:  
Intersection of Campbell Street and  
Highland and Vail Avenues,  
Arlington Heights, Cook County, Illinois

**DEVELOPMENT AGREEMENT**

Re: Metropolis Performing Arts Centre

THIS DEVELOPMENT AGREEMENT is made as of the 2nd day of November, 1998, by and  
between THE VILLAGE OF ARLINGTON HEIGHTS, an Illinois municipal corporation ("Village")  
and BANBURY PROPERTIES, L.L.C., an Illinois limited liability company, its nominees, successors  
and/or assigns ("Developer").

WITNESSETH

Village and Developer have agreed to enter into this Development Agreement as follows:

**LEGAL DEPARTMENT**  
**VILLAGE OF ARLINGTON HEIGHTS**  
33 South Arlington Heights Rd.  
Arlington Heights, IL 60005

SY  
P-45  
N-  
M-No

A 98-036 / 98-066

**RETURN TO:**  
**BOX 111**

A98-036

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DEVELOPMENT AGREEMENT

RE: METROPOLIS PERFORMING ARTS CENTRE

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MADE BY AND BETWEEN:

VILLAGE OF ARLINGTON HEIGHTS,  
an Illinois municipal corporation

AND

BANBURY PROPERTIES, L.L.C.,  
an Illinois limited liability company

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## DEVELOPMENT AGREEMENT

Re: Metropolis Performing Arts Centre

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of November, 1998 ("Date Hereof") by and between the VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS, an Illinois municipal corporation ("Village") and BANBURY PROPERTIES, L.L.C., an Illinois limited liability company, its nominees, assignees and/or successors ("Developer").

## RECITALS

The Village has the authority to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et. seq. ("Act").

In accordance with the Act, and after giving all notices and conducting all public hearings required by law, the President and Board of Trustees of the Village ("Corporate Authorities") adopted Ordinance No. 83-101, on September 12, 1983, as amended by Ordinance No. 83-121, on November 7, 1983, approving a proposed redevelopment plan and project as set forth in that certain Tax Increment Redevelopment Plan and Project, Village of Arlington Heights, Illinois ("TIF Plan"), dated July 1, 1983, which contains a plan for the redevelopment of certain land within the Village located at and around the intersection of Vail Avenue and Campbell Street and adjacent land to the south and west, as depicted in Exhibit A hereto ("Redevelopment Project Area").

In accordance with the Act, the Corporate Authorities adopted (i) Ordinance No. 83-102, on September 12, 1983, by which the Redevelopment Project Area was designated a "redevelopment project area" (as that term is defined by the Act) and (ii) Ordinance No. 83-103, on September 12, 1983, by which tax increment financing was adopted for purposes of implementing the TIF Plan for the Redevelopment Project Area ("TIF"). After complying with all requirements imposed by law, including the Act, the Corporate Authorities have adopted (i) Ordinance No. 98-\_\_\_\_, on November 2, 1998, approving and authorizing the execution and delivery of this Agreement, and (ii) Ordinance No. 98-\_\_\_\_, on November 2, 1998, designating Developer as the exclusive developer of that portion of the Redevelopment Project Area comprising approximately 1.14 acres of real estate located along the south side of, and contiguous to, Campbell Street, bordered to the east by Vail Avenue, to the west by Highland Avenue and to the south by the Village Parking Garage (as hereinafter defined), as legally described and depicted in Exhibit B hereto ("Priority Area").

The Corporate Authorities are committed to the rehabilitation and re-development of the Project Area in accordance with the Redevelopment Plan in order to serve the needs of the Village, increase employment opportunities, arrest physical decay and decline now existing within the Redevelopment Project Area, stimulate commercial growth and stabilize the tax base of the Village. After due and careful consideration, the Corporate Authorities have concluded that the development of the Priority Area with the Project (as hereinafter defined) will further the growth of the Village, improve the environment of the Village, increase the assessed valuation of the real estate situated within the Village, increase sales tax revenues realized by the Village, increase employment opportunities within the Village, enable the Village to control the development of the Priority Area, and otherwise be in the best interests of the Village by furthering the health, safety, morals and welfare of its residents and taxpayers. The Village deems it necessary that the Village enter into this Agreement to accomplish the construction and completion of the Project.

On September 30, 1998, the Village Plan Commission recommended approval of Developer's Petition No. 98-013 for planned unit development for the Project on the Priority Area ("PUD") which included a preliminary resubdivision of the Priority Area into three (3) lots ("Plat") as depicted in the approved PUD ("Lot 1", "Lot 2" and "Lot 3", respectively). On October 19, 1998, the Corporate Authorities passed and adopted Ordinance No. 98-061, approving the PUD and preliminary Plat for the Project.

Developer is unwilling to undertake the development of the Priority Area without certain tax increment financing incentives, and the Village has agreed (i) to pay to the Developer the Village Contribution (as hereinafter defined) at the times and in the manner provided in this Agreement, (ii) to consider vacation and conveyance of the Alley (as hereinafter defined) to Developer and (iii) to perform the obligations of the Village set forth herein.

The Village is desirous of having the Priority Area developed for such uses in order to serve the needs of the Village and in order to produce the increased tax revenues for the various taxing districts authorized to levy taxes within the Priority



Area.

ACCORDINGLY, for and in consideration of the foregoing Recitals and the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. RECITALS/EFFECTIVE DATE:

The representations, covenants and recitations set forth in the foregoing Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though such Recitals were fully set forth in this Section 1, and this Agreement shall be construed in accordance therewith.

2. PROJECT/OBLIGATIONS:

2.01 Project: Developer has heretofore, or shall hereinafter, acquire fee simple title to all of the Priority Area, including (upon vacation by Village) a certain alley bisecting the block between Highland and Vail Avenues to the east and west and Campbell Street to the north, as depicted in Exhibit D hereto ("Alley"), and any real estate and/or easements or other real property rights in and to certain areas located outside the Priority Area which shall be required to complete the Project (all such area, together with the Priority Area, is hereinafter referred to as the "Project Area"). Developer intends to: (a) acquire all ownership and/or necessary right in and to the Project Area (and provide Village with evidence of such ownership); (b) subdivide the Priority Area pursuant to the Plat; and (c) construct a mixed-use project in accordance with, and as described in, the approved PUD, which will include, without limitation, the demolition, renovation and construction of improvements as follows:

(i) on-site and off-site improvements necessary for the construction and operation of the Project ("Improvement Work");

(ii) renovation of the existing building located at the southwest corner of the intersection of Vail Avenue and Campbell Street ("Renovation Work");

(iii) demolition of all other structures upon the Priority Area and certain public improvements located within the Project Area ("Demolition Work");

(iv) construction of a retail component ("Retail Component") consisting of approximately (a) 8,879 square feet (net) on the 1st floor of Lot 1, (b) 5,606 square feet (net) on the 1st floor of Lot 2 (restaurant) and (c) 12,021 square feet (net) on the 1st floor of Lot 3, for a total of 20,900 square feet (net);

(v) construction of an office component ("Office Component") consisting of approximately (a) 17,659 square feet (net) on the 3rd and 4th floors of Lot 2 and (b) 3,838 square feet (net) on the 2nd floor of Lot 3, for a total of 21,497 square feet (net);

(vi) construction of a theater and classroom/related component ("Theater Component") consisting of approximately (a) 24,570 on the 1st and 2nd floors of Lot 2 (16,698 theater [net] and 6,020 classroom [net]) and (b) 3,839 square feet (net) on the 2nd floor of Lot 2, for a total of 26,557 square feet (net); and

(vii) construction of a 90-unit residential market-rate apartment component ("Residential Component") consisting of approximately 93,355 square feet (gross - 73,000 +/- square feet leasable) on seven floors, with a unit mix as set forth in the attached approved PUD.

The Project Area, Improvement Work, Renovation Work, Demolition Work, Retail Component, Office Component, Theater Component and Residential Component, and the structures in which the same are located (collectively, the "Buildings"), are collectively referred to herein as the "Project", and all labor and materials necessary for the completion of the Project are collectively referred to herein as the "Work".

2.02 Developer Representations and Warranties. Developer hereby represents and warrants, to and for the benefit of Village, the following:

A. Existence/Authority. Developer is a limited liability company, duly organized and validly existing under the laws of the State of Illinois, fully qualified to do business in the State of Illinois, with power and authority to enter into this Agreement.

B. Conflict/Litigation. The execution, delivery and performance by Developer of this Agreement shall not, by the lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or breach of any provision contained in Developer's organizational documents, or any instrument or document to which Developer is now a party or by which it is bound; there are no actions at law or similar proceedings which are pending or, to Developer's knowledge, threatened against Developer which would result in any material and adverse change to Developer's financial condition, or which would materially and adversely affect the level of Developer's assets as of the date of this Agreement.

C. Solvency. Developer is now solvent and able to pay its debts as they mature.

2.03 Developer Obligations, Covenants and Agreements. Subject to the terms and provisions of this Agreement, Developer shall have the following obligations with respect to the Project:

A. Submission of Development Plan. Developer has submitted, or shall submit, within sixty (60) days after the Date Hereof, the following items for review and approval by Village as provided herein ("Development Plan"):

1. Approved Plan. Final plat, final engineering, design plans and material specifications in accordance with PUD, and appropriate applications for building permits pursuant to Village Ordinance.

2. Project Budget. A "Project Budget", setting forth all items of cost with respect to the acquisition and development of the Project ("Project Costs"), and including a schedule of sources and uses which incorporates the Village Contribution as a revenue source thereunder. The form of approved Project Budget is attached hereto as Exhibit E.

3. Project Schedule/Completion Guaranty. A schedule with respect to the completion of each material aspect of the Project ("Project Schedule"). The approved Project Schedule is attached hereto as Exhibit F. Developer shall commence and complete the Project as set forth in Section 2.03(D) below.

4. Financing Plan. A commitment for financing items of Project Cost not comprising a part of the Village Contribution or Developer equity in the Project ("Financing Plan") which Financing Plan shall include a full and unconditional guarantee of payment and Project completion, and may be exchanged by Developer for any other plan deemed by Developer, in its sole discretion, to be more advantageous so long as submitted to Village.

5. Proforma/Tax Revenue Estimates. A proforma schedule of Project revenues and expenses, including an estimate of the anticipated incremental tax revenue per square foot generated from the various aspects of the Project ("Proforma"). The approved Proforma is attached hereto as Exhibit G.

6. Lease Commitments/Letters of Intent. Executed leases and performance agreements (as applicable) with The Second-City and AppleTree Theatre (collectively, the "AppleTree and Second City Leases"), for the Theater Component (exclusive of classroom space) each for not less than ninety (90) days during any calendar year over a term not less than the remaining life of the TIF. Leases of the Theater shall be at a gross rental per square foot equal to not less than six dollars (\$6.00). In addition, Developer shall provide executed letters of intent from prospective tenants of the (i) restaurant portion of the Retail Component referenced in Section 2.01(iv)(b) above and (ii) a portion of the Office Component referenced in Section 2.01(v)(b), in each case for a base annual rental of not less than (i) an average of \$23.00 per square foot with respect to the restaurant and (ii) an initial rent of not less than \$15.00 per square foot with respect to the portion of the Office Component, with annual escalation per market. In each case of (i) and (ii) above, the proposed leases shall be for a term of not less than sixty (60) months, with a renewal option through or beyond December 31, 2006.

7. Equity Commitment. Evidence that Developer has contributed, or shall contribute, the "Developer Equity" component set forth in the "sources" portion of the Project Budget.

B. Final Plans and Specifications. Final building plans and specifications for the construction of the Project ("Plans and Specifications") shall be prepared in substantial accord with the approved PUD and all applicable Ordinances and submitted to the Village building department for review and approval prior to construction and as a condition to the issuance of applicable building permits for the Project.

C. Construction Financing. Developer shall obtain a commitment for Construction Financing for the construction of the Project in accordance with the Redevelopment Plan and submit evidence of such commitment to the Village within ninety (90) days after the Date Hereof. Developer shall have the right to terminate this Agreement in the event that it cannot obtain acceptable construction loan financing, and upon termination, all rights of either party shall cease and all of the amounts deposited by the Developer with the Village, if any, shall be promptly returned to the Developer.

D. Construction of Project/Commencement and Guarantee of Completion. Developer shall construct the Project in substantial accord with the Plans and Specifications, within the time periods specified in the Project Schedule, subject to the issuance of permits, licenses and approvals for which timely application is made, and matters beyond the reasonable control of Developer ("Permitted Delays") and in compliance with all applicable laws, rules, regulations and ordinances. In accordance with the foregoing, Developer shall have commenced the Demolition Work as of the Date Hereof and shall commence excavation of the foundations for the Buildings on or prior to December 1, 1998. Developer shall substantially complete the Project on that date which is set forth in the Project Schedule, not later than December 31, 1999.

E. Developer Payment/Reduction of Village Contribution. Developer shall pay or cause to be paid each item of Project Cost when due in connection with the Project. The Theater Component shall be "open book" to specified agents of the Village, which shall require Developer and its general contractor(s) to permit and assure continuing access of such agents to the financial and construction records of the Theater Component for the purpose of reviewing and auditing the same. In the event that Project Costs attributable to the construction and equipping of the Theater Component ("Theater Cost") shall be less than (i) \$2,350,000.00 ("Initial Contribution"), then Developer shall accept a reduction in the Initial Contribution on a dollar-for-dollar basis for each dollar that the Theater Cost shall fall below the Initial Contribution or (ii) \$3,100,000, then Developer shall accept a reduction in the Post Completion Contribution (as defined herein), to the extent not already deducted from the Initial Contribution.

F. Leasing/Sales and Real Estate Taxes. Developer shall use its best efforts to lease the remaining square footage of the Retail and Office Portions of the Project to tenants calculated to produce optimum real estate tax revenues, and with regard to the Retail Component, sales tax revenues. Developer acknowledges that a portion of the tax increment expected to be used by the Village to pay for the performance of certain of its obligations pursuant to this Agreement is intended to be derived from incremental Retailers' Occupation Taxes, Municipal Retailers' Occupation Taxes and Service Occupation Taxes (collectively, "Sales Taxes") generated by retailers on the Project. Therefore, Developer agrees as follows:

1. Upon the completion of the Project, Developer shall, during the term of the TIF, use its good faith commercially reasonable efforts to keep the retail portions of the Project leased to the greatest extent reasonably possible, and to seek replacement tenants for businesses that vacate the retail portions of the Project upon the expiration of such businesses' leases or otherwise.

2. Developer shall include in all leases with prospective tenants/retailers, other than those leases already in existence as at the date of this Agreement, a clause substantially in the following form requiring the tenant/retailer to provide the Village with the information necessary to determine the amount of incremental Sales Taxes: "Tenant agrees to supply to the Landlord and the Village a report, not less than each quarter, listing the total amount of sales made by Tenant and the total amount of Retailers' Occupation Tax and Service Occupation Tax paid with respect to such sales. In addition, Tenant agrees to execute a letter consenting to and authorizing the Illinois Department of Revenue (or other appropriate governmental entity) to disclose to Landlord and to the Village, detailed information from tax returns filed with the State of Illinois as to the amount of Retailers' Occupation Tax, Municipal Retailers' Occupation Tax and Service Occupation Tax paid to the State of Illinois for sales at this location." To the extent permitted by law, the Village shall endeavor to maintain the confidentiality of the information provided to it pursuant to this Section..

G. Parking/Overhead Walkway/Village Walkway. Developer shall provide parking spaces as required by Ordinance and in accordance with the PUD (collectively, "Required Parking"). Developer intends to obtain the Required Parking through the purchase of parking permits from the Village for parking in the Vail Street public parking garage located on Vail Street, adjacent to the south of the Project Area ("Vail Parking Garage"). In addition to the foregoing, Developer may include an overhead walkway to and from the Residential Component and the Vail Parking Garage, connecting at the existing stair tower (subject to Village review) ("Overhead Walkway"); which Overhead Walkway, if constructed, shall be at the sole cost of Developer. The Developer shall own, maintain and be liable for the Overhead Walkway at its sole cost and expense. Developer shall construct, at its sole cost and expense, the Village Walkway (as defined herein) in accordance with the approved PUD.

H. Indemnity. Except with respect to matters that arise out of the willful misconduct or negligence of the Village, its trustees, agents, contractors and/or employees, Developer hereby agrees to indemnify, defend and hold the Village harmless from and against any costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Village arising from or in connection with (A) willful or negligent acts of the Developer, its trustees, agents, contractors and/or employees; or (B) material misrepresentations or omissions of Developer in the Development Plan, this Agreement or any of Developer's Financials; or (C) the failure of Developer to cure or otherwise correct any material misrepresentations or omissions in this Agreement; or (D) any violation, which occurred as a result of Developer's acts and/or the acts of Developer's agents, of any applicable law; or (E) as shall result from any Default of Developer hereunder. Developer shall further indemnify and hold Village harmless from and against liability arising out of portions of the Project which extend into public rights of way.

I. Prohibition Against Transfers. Except with regard to easements, licenses and other such grants which are reasonably necessary in connection with the construction and completion of the Project and/or as otherwise specifically provided herein, Developer shall not make, create or suffer to be made any sale, transfer, assignment, or conveyance with respect to this Agreement or the Priority Area or any part thereof or any interest therein, or contract or agree to do any of the same, to or with any person or entity not owned and/or controlled by Developer or its affiliates, except as may be made in favor of lenders as collateral security for the applicable loans relating to the Project until such time as the Project has been substantially completed.

J. Use and Operation of Theater Component. Developer shall lease and/or operate, or cause the operation of, the theater portion of the Theater Component ("Theater") as a live performance theater; provided, however, that in the event that Developer notifies Village that it does not intend to continue such operations as a live performance theater, Village shall have the right but not the obligation within one hundred twenty (120) days after Developer's written notification to either (i) enter into a lease with Developer on such terms and conditions prevailing in the market for a gross annual rental of not more than an amount equal to Developer's actual costs of operation on the Theater, or (ii) acquire the Theater at a pro rata portion of cost thereof, based upon the contributions between Developer and Village for the construction of the Theater Component, or (iii) elect a right of first refusal with respect to any sale of the Theater on substantially similar terms and conditions. Notwithstanding the foregoing, Developer covenants and agrees to operate the Theater as a live performance theater during the term of the TIF; provided, however, that after the earlier to occur of the expiration of the TIF or the repayment of all amounts of the Village Obligation, Developer shall have the right to operate the Theater on a not-for-profit basis. In addition to any other remedy afforded to Village hereunder, the Village shall have the right to operate and lease the Theater as a live performance theater in the event that Developer shall fail to operate the Theater as required in this Section 2.03(J), subject to reasonable compensation to Developer as provided above.

K. Conveyance of Property. Developer shall convey to Village any or all of the open area located between the west elevation of the Residential Component and the real estate owned by Village adjacent to Highland Avenue as shall be required by the Village for the publicright-of-way shown in the PUD, in consideration of the exchange of other Village owned property within the Project Area.

L. Demand Note/Guarantee. Developer has caused to be deposited with the Village a personal demand note from Mark R. Anderson in the amount of \$250,000.00 ("Demand Note"). The Demand Note is delivered to Village as a financial guarantee and specific inducement to disburse the full amount of the Village's Initial Contribution of \$2,350,000.00; which Initial Contribution is based upon nominal growth projections of net incremental tax revenues for the Project rather than zero growth projections, as set forth in the Proforma attached hereto as Exhibit G. Village and Developer acknowledge and agree that Village shall either (i) make demand for payment under the Demand Note on or prior to December 31, 2006 or (ii) release the Demand Note on such date or on any earlier date when the "Maker" thereunder shall

have no further obligation of payment. Village and Developer acknowledge and agree that the Demand Note shall stand as a guarantee for amounts of the Initial Contribution actually disbursed by the Village over and above \$2,100,000.00. In the event that through reduction as set forth in Section 2.03(E), or otherwise, the amount of the Village Contribution shall be less than \$2,350,000.00, then the guarantee and obligation of payment under the Demand Note shall be reduced from \$250,000.00 on a dollar-for-dollar reduction with such reduction in the Initial Contribution until equal to \$0 when the level of the Initial Contribution is equal to or less than \$2,100,000.00, regardless of whether Village has issued any acknowledgment of release of such Demand Note.

2.04 Village Representations and Warranties. Village hereby represents to and for the benefit of Developer, and its permitted successors and/or assigns, as follows:

A. Existence/Authority. Village is a municipal corporation, duly organized and validly existing under the constitution and laws of the State of Illinois, and the Village has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary Village proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the Village, is enforceable in accordance with its terms and provisions and does not require the consent of any other governmental authority.

B. Conflict. The execution of this Agreement and the consummation of the transactions contemplated hereby will not result in any breach of, or constitute a default under, any agreement, contract, lease, mortgage, indenture, deed of trust or other instrument to which the Village is a party.

C. Litigation/Proceedings. There are no actions, suits or proceedings pending, or to the knowledge of the Village threatened, against or affecting the Village, at law or in equity, or before any governmental authority, with the exception of potential eminent domain proceedings with regard to Unowned Land, which, if adversely determined, would impair the Village's ability to perform its obligations under this Agreement.

D. Village Action. Upon application of Developer, Village has taken or will take all such actions as may be required and necessary to carry out its obligations and the intent of this Agreement, to the extent permitted by law.

E. Alley. Village owns good and marketable title to the Alley free and clear of any lien, claim or encumbrance that could prohibit in any way the location of a portion of the Project thereon subsequent to vacation. Village has the right, power and authority to vacate the Alley and convey the same to Developer as required herein upon adoption of appropriate resolutions and ordinances and after giving appropriate notices for, and conducting, any necessary public hearings. There exists no hazardous materials (as such term is defined under any law, statute, rule, regulation or ordinance) upon, in or beneath the Alley, including any petroleum products, in levels beyond those acceptable for the use of the Project as intended under the approved PUD.

F. Intentionally Omitted.

2.05 Village Obligations, Covenants and Agreements. Subject to the terms and provisions of this Agreement, Village shall have the following obligations with respect to the Project:

A. Redevelopment Incentives. In order to further the redevelopment of the Project Area, and as an inducement to Developer to develop the Project, the Village agrees to pay to Developer an amount not to exceed Three Million One Hundred Thousand Dollars (\$3,100,000.00) ("Village Contribution") as follows:

1. Construction. An amount not to exceed Two Million Three Hundred Fifty Thousand Dollars (\$2,350,000.00) for TIF eligible costs as follows ("Construction Contribution"):

a. Eight Hundred Fifty Thousand Dollars (\$850,000.00) paid upon presentation to Village of (i) a binding commitment for construction financing for the Project, (ii) fully executed AppleTree and Second City Leases, (iii) evidence of ownership as set forth in Section 2.01 above, (iv) evidence of equity contribution as provided in Section 2.03(A)(7) above, (v) issuance of a building permit for any of the Buildings located on either Lot 1 or Lot 2, and (vi) commencement of the pouring of

foundations for the Buildings;

b. Seven Hundred Fifty Thousand Dollars (\$750,000.00) paid to Developer at the time of completion of the roof on the Building located on Lot 2 and comprising the Theater Component; and

c. Seven Hundred Fifty Thousand Dollars (\$750,000.00) paid to Developer at the time occupancy is granted for the Residential Component.

2. Payment After Completion. Village agrees to pay to Developer the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) ("Post Completion Contribution"), payable solely from net incremental real estate and sales tax revenues emanating from the Project and available to Village prior to December 31, 2006 and after repayment of all principal, interest costs and expenses due on the source of the Construction Contribution portion of the Village Contribution ("Net Excess Tax Revenue"), and hereby pledges to and for the benefit of the Developer, and grants to Developer a security interest in, all amounts of such Net Excess Tax Revenue as security for repayment of the Post Completion Contribution. Notwithstanding the foregoing, Net Incremental Tax Revenue shall accrue to the benefit of Developer for each annual period prior to December 31, 2006, and paid at such time as all TIF Funds are repaid; subject, however, in all cases, to reduction for any deficiency in net incremental tax revenues during the terms of the TIF and as set forth in Section 2.03(E) above. Village shall have no obligation to accrue any amounts for the benefit of Developer hereunder after December 31, 2006.

B. Easement/Vacation of Alley.

1. Vacation of Alley. The Village shall consider vacation of the Alley by voting upon the same in accordance with Village Ordinance and applicable laws for the approval and recording of a plat of vacation in consideration of the reasonable exchange value of applicable portions of the Project Area between Village and Developer provided herein. Developer shall cause the preparation of the plat of vacation to effect the vacation of the Alley, which plat of vacation shall be submitted to and voted upon by the Village at the next regularly scheduled meeting of the Village Board of Trustees or as soon thereafter as is reasonably practicable in accordance with applicable ordinances of the Village relating to vacation of public ways. In the event that the Village shall not approve the vacation of the Alley as provided above, then Developer shall have the right to terminate this Agreement.

2. Developer Access/Development. Village shall close the Village Walkway and Alley to all vehicular and pedestrian traffic, other than traffic of Developer, and grant Developer and its agents and employees access to the Village Walkway and Alley prior to vacation and conveyance thereof, to complete the Improvement Work and Demolition Work. Developer agrees to indemnify the Village and hold the Village and its employees harmless from and against any and all damages incurred by the Village and arising out of Developer's activities on such portion of the Village Walkway and Alley except to the extent caused by the negligent or willful acts of the Village or its employees. In the event that the Project shall not be completed or this Agreement shall terminate, then Developer shall restore the Alley to a substantially equivalent condition existing prior to commencement of construction and reconvey the Alley.

3. Grant of Easements and Variances. Village shall grant to Developer such other easements, licenses, permits and variance as shall be required to construct and operate the Project (including the Overhead Walkway) in accordance with the PUD.

C. Village Improvements/Snow Removal. Village shall at its sole cost and expense (i) timely complete or cause to be completed (by Developer or otherwise) lighting located on the Vail Parking Garage along the Village Walkway, and (ii) timely perform snow removal and other items of ordinary maintenance upon the strip of land owned by Village and located adjacent and contiguous to the south boundary of the Priority Area and the north boundary of the Parking Garage ("Village Walkway").

D. Utility Connections. The Village hereby agrees to permit the connection of all water lines, sanitary and storm sewer lines constructed in the Project Area to Village utility lines existing at the perimeter of the Project

Area.

E. Permit Fees. Developer shall be obligated to pay only those building, permit, engineering, tap on, inspection and other fees that are assessed on a uniform basis throughout the Village, and Developer shall not be responsible for the payment of any such fees with respect to all portions of the Project which are the responsibility of the Village, even though such portions of the Project may be performed by Developer at the request and direction of the Village.

F. Campbell Street/Signs. Developer shall install, maintain and be liable for any signs, ballards or other fixtures approved by Village through appropriate processes. Developer shall install the pick up/drop off area along the Campbell Street frontage in a material to be agreed upon by Village and Developer. Village shall maintain and replace as necessary the pick up/drop off in Campbell Street.

G. Certificate of Completion/Occupancy. After completion of the construction by Developer of applicable portions of the Project in accordance with this Agreement and applicable Ordinances, Village shall, at Developer's request and in accordance with then generally applicable Village's Ordinances, furnish Developer with an appropriate instrument so certifying such completion (each a "Certificate of Completion"), as well as certificates of occupancy (or temporary certificate of occupancy, if appropriate) if such completion involves the Residential Component (each a "Certificate of Occupancy"). The Certificate of Completion and/or Certificate of Occupancy, as applicable, shall be a conclusive determination of satisfaction and termination of the covenants in this Agreement with respect to the obligations of Developer and its successors and assigns to construct or cause to be constructed the applicable portion of the Project. Each Certificate of Completion and/or Certificate of Occupancy shall be in such form as will enable it to be recorded with the Cook County Recorder's Office. The Village shall respond to Developer's written request for a Certificate of Completion and/or Certificate of Occupancy, as applicable, within fifteen (15) days after the Village's receipt thereof, either with the issuance of a Certificate of Completion and/or Certificate of Occupancy, or with a written statement indicating in adequate detail how Developer has failed to qualify for such certificate, and what measures or acts will be necessary, in the reasonable opinion of the Village, for Developer to take or perform in order to obtain the Certificate of Completion and/or Certificate of Occupancy. If the Village requires additional measures or acts of Developer to assure compliance, Developer shall resubmit a written request for a Certificate of Completion and/or Certificate of Occupancy upon compliance with the Village's response, given as provided above.

H. Intentionally Omitted.

I. Indemnity. The Village will indemnify and hold harmless the Developer from any and all costs, expenses, cause of action or judgments as may result from or arise out of the willful or negligent acts of the Village, its trustees, agents, contractors and employees, or as a result of any Default by the Village. Such indemnification shall include indemnifying the Developer for the cost of any required cleanup or remediation of any environmental conditions as well as any fines, penalties, costs, fees and expenses suffered or incurred in connection therewith.

## 2.06 Mutual Covenants/Assistance.

A. Cooperation/Assistance. Each of Village and Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications (and, in the Village's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out such terms, provisions and intent within Village authority. The Village agrees that it will not revoke or amend the Development Plan or the ordinances adopted by the Village relating to the Development Plan, the Project and this Agreement if such revocation or amendment would prevent the development of the Project by Developer in accordance with this Agreement, without the prior written consent of Developer, which consent may be withheld in Developer's sole discretion. The Parties shall cooperate fully with each other in seeking from any or all appropriate governmental bodies (whether federal, state, county or local) any financial or other aid and assistance (including any necessary permits, entitlements and approvals) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Project. The Village agrees that it will issue all permits and approvals necessary for Developer's development of the Project, including, without limitation, final approval of the Plat, provided that Developer submits all petitions and applications for such permits and approvals required under applicable Village ordinances, policies and regulations if such petitions and applications meet all applicable Ordinances. Developer and the Village each agree to execute all documents and other instruments reasonably required by Developer's lender in connection with the financing of the acquisition and development of the Project; provided

such documents and instruments are consistent with this Agreement and within lawful authority of the parties.

B. Authorized Parties. Whenever under the provisions of this Agreement and other related documents and instruments, or any supplemental agreements, any request, demand, approval, notice or consent, or agreement of the Village or Developer is required to agree to or to take some action at the request of any other Party to this Agreement, such request, demand, approval, notice or consent, or agreement shall be given for the Village, unless otherwise provided herein, by the Village Manager or his or her designee, and for Developer by any authorized manager or member (in any event, the manager/member(s) executing this Agreement are so authorized) and either Party shall be authorized to act on any such request, demand, approval, notice or consent or agreement; provided however, any action requiring formal Village approval shall be taken by the Village Board.

C. Insurance. The Developer agrees that during such periods that the Developer is constructing the Project, and the Village agrees that at all times it is required to construct any public improvements on the Project Area or designed to serve the Project Area, the Developer and the Village, as to their respective improvements, will cause the same to be insured, at no expense to the other party hereto, against loss or damage by fire, windstorm, hail, explosion, riot and civil commotion, damage from aircraft and vehicles and smoke damage, and such other risks as are from time to time included in "extended coverage" endorsements (including during construction thereof builder's risk insurance, and the Theater shall be so insured at all times, even subsequent to the termination of this Agreement) in an amount and form so that the proceeds are sufficient to provide for full and complete replacement of the respective improvements. Said insurance policies of the Developer and the Village shall provide, respectively, for waivers of subrogation against the other. Each of the parties agrees to waive all rights of recovery against the other party hereto arising from loss or damage caused by the perils enumerated above and agrees that any policies obtained under these provisions shall be endorsed accordingly. In addition, the Developer and the Village also will, at their own expense, maintain or cause to be maintained general public liability insurance (or, as to the Village, self-insurance) against claims for personal injury or death and property damage occurring upon, in or about their respective Improvements, such insurance in each case to afford protection to the limit of not less than \$5,000,000 in respect of injury or death to one or more persons arising out of any one occurrence, and such insurance against property damage to afford protection to the limit of not less than \$5,000,000 in respect of any instances of property damage. The Developer shall have the Village named as an additional insured on its general public liability insurance policy and shall deliver or cause to be delivered to the Village a current certificate of insurance in the required amounts, identifying the Village as an additional insured on the face of said certificate. The Developer shall provide the Village with notice and a new certificate of insurance immediately if any change in insurance or insurance coverage occurs during the term of this Agreement.

### 3. PERFORMANCE/DEFAULT:

3.01 Time of the Essence. Time is of the essence of this Agreement.

3.02 Failure to Perform/Default. Upon a failure of either party in the performance of their respective obligation hereunder which rises to the level of a Default (as hereinafter defined), either of the parties in any court of competent jurisdiction by any action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained or may be awarded damages for failure of performance or both. Before any failure of any party to this Agreement to perform its obligations hereunder shall be deemed to be a "Default" hereunder, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform of such perceived failure and shall demand performance. No Default shall be deemed to have occurred hereunder if performance has commenced to the reasonable satisfaction of the complaining party within thirty (30) days of the receipt of such notice.

3.03 Defaults. The occurrence of any one of the following shall constitute "Default" under this Agreement:

A. Failure of either Party to comply with any material term, provision or condition of this Agreement within the times herein specified and which has not been cured within thirty (30) days after written notice from the other Party of each failure; and

B. With respect to Developer, if Developer shall (1) make a general assignment for the benefit of creditors or to an agent authorized to liquidate its or their property, or (2) be adjudicated a bankrupt.



Except as otherwise provided in this Agreement, upon an occurrence of a Default by either Party hereto, which is not cured within applicable cure periods as hereinabove set forth, the Party not in Default may take whatever action at law or in equity as it deems necessary or desirable to enforce performance and observance of any obligation, undertaking, covenant or agreement of the Party in Default set forth in this Agreement.

4. MISCELLANEOUS:

4.01 Term of Agreement/Recording/Covenants Running With Land. The term of this Agreement shall commence as of the Date Hereof and shall terminate, except with regard to: (a) reciprocal indemnity provisions; (b) provisions which by their terms extend beyond termination hereof; and (c) such obligations specified in Sections 2.03(G), 2.03(J) and 2.05(F) to survive such termination, once all the obligations of the Parties hereto (other than those specified above) have been fully performed, and either all amounts of the Village TIF Obligations have been fully paid or the TIF has expired, or upon an Event of Default of any material provision hereof by either party hereto, which is not cured in accordance herewith. The Parties agree to execute and deliver the original of this Agreement in proper form for recording, and the Parties hereto acknowledge that this Agreement, or a memorandum thereof, may be recorded with the Cook County Recorder to evidence the obligations and covenants contained herein, each of which shall, upon such recording, run with and bind the Project Area until such time as this Agreement has been terminated as provided above, or by written instrument executed by all Parties hereto.

4.02 Amendment. This Agreement and any Exhibits attached hereto, may be amended only by the written consent of the Parties and adoption of applicable Village Ordinances.

4.03 No Other Agreements: Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements and represents the full integration of the agreement of the Parties.

4.04 Conflict of Interest/Limitation of Liability: No member, official or employee of the Village shall have any personal interest, direct or indirect, in this Agreement; nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested. No member, official, or employee of the Village shall be personally liable to Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

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

4.06 Disclaimer. Nothing contained in this Agreement nor any act of the Village, shall be deemed or construed by any of the Parties, or by third persons, to create any relationship of third party beneficiary, or of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the Village and Developer.

4.07 Notices. All notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be in writing and shall be sufficiently given on (A) the third "business day" (defined as Monday through Friday, excluding Saturday, Sunday and all nationally recognized holidays) following the day on which the same shall have been mailed by registered or certified mail, postage and fees prepaid, return receipt requested, or (B) the next succeeding business day if sent by nationally recognized overnight courier, or (C) when received if received between 9:00 a.m. and 5:00 p.m. on a business day, otherwise on the first business day after receipt, if sent by direct messenger, or facsimile, and in all cases, addressed as follows:

If to Village: VILLAGE OF ARLINGTON HEIGHTS  
33 South Arlington Heights Road  
Arlington Heights, Illinois 60005-1499  
Attention: Village Manager

With copy to: ALTHEIMER & GRAY  
10 South Wacker Drive - Suite 4000  
Chicago, Illinois 60602  
Attention: Jack M. Siegel, Esq.

If to Developer: BANBURY PROPERTIES, L.L.C.  
7 West Davis Street  
Arlington Heights, Illinois 60005  
Attention: Mr. Mark R. Anderson

With copy to: MELTZER, PURTILL & STELLE  
1515 East Woodfield Road - Suite 250  
Schaumburg, IL 60173-5431  
Attention: William J. Mitchell, Esq.

The parties, by notice given hereunder, may designate any further or different address to which subsequent notices, certificates, approvals, consents or other communications shall be sent.

4.08 Governing Law: The provisions of this Agreement shall be governed by the laws of the State of Illinois.

4.09 Paragraph Headings: The paragraph headings and references are for the convenience of the parties and are not intended to limit, vary, define or expand the terms and provisions contained in this Agreement and shall not be used to interpret or construe the terms and provisions of this Agreement.

4.10 Successors and Assignees: The terms, conditions, covenants and restrictions of this Agreement shall extend and apply to and bind the respective successors and assignees of the Village and Developer.

4.11 Severability: If any provision of the Agreement is held invalid, the remainder of the Agreement shall be construed as if such invalid part were never included herein, and the Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

4.12 Provisions Not Merged with Deed: None of the provisions of this Agreement shall be merged, by reason of any deed transferring title to any portion of the Project Area from the Village to the Developer or any successor in interest, and said deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

THIS AGREEMENT is made and delivered as of the date first above written.

VILLAGE:

VILLAGE OF ARLINGTON HEIGHTS

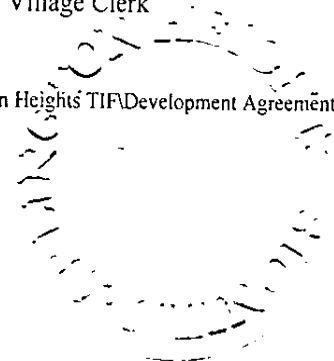
By: [Signature]  
Village President

DEVELOPER:

BANBURY PROPERTIES, L.L.C.

By: [Signature]  
Managing Member

ATTEST: [Signature]  
Village Clerk



STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

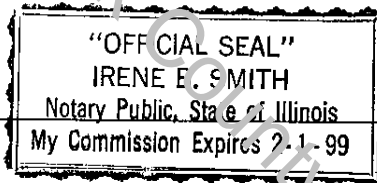
I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that ARLENE J. MULDER, the President and EDWINA CORSO, the Clerk of the VILLAGE OF ARLINGTON HEIGHTS, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as the President and Clerk respectively of such Village, appeared before me this day in person and acknowledged that (s)he signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Village, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 2ND day of November, 1998.

Irene B. Smith  
Notary Public

(SEAL)

My commission expires:



Property of Cook County Clerk's Office

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF Cook )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify Mark R. Anderson, the Managing Member of BANBURY PROPERTIES, L.L.C., an Illinois limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as the Managing Member of such limited liability company, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 2<sup>nd</sup> day of November, 1998.



(SEAL)

[Signature]  
Notary Public

My commission expires: 6-19-2000

Property of Cook County Clerk's Office

EXHIBIT A

Redevelopment Project Area

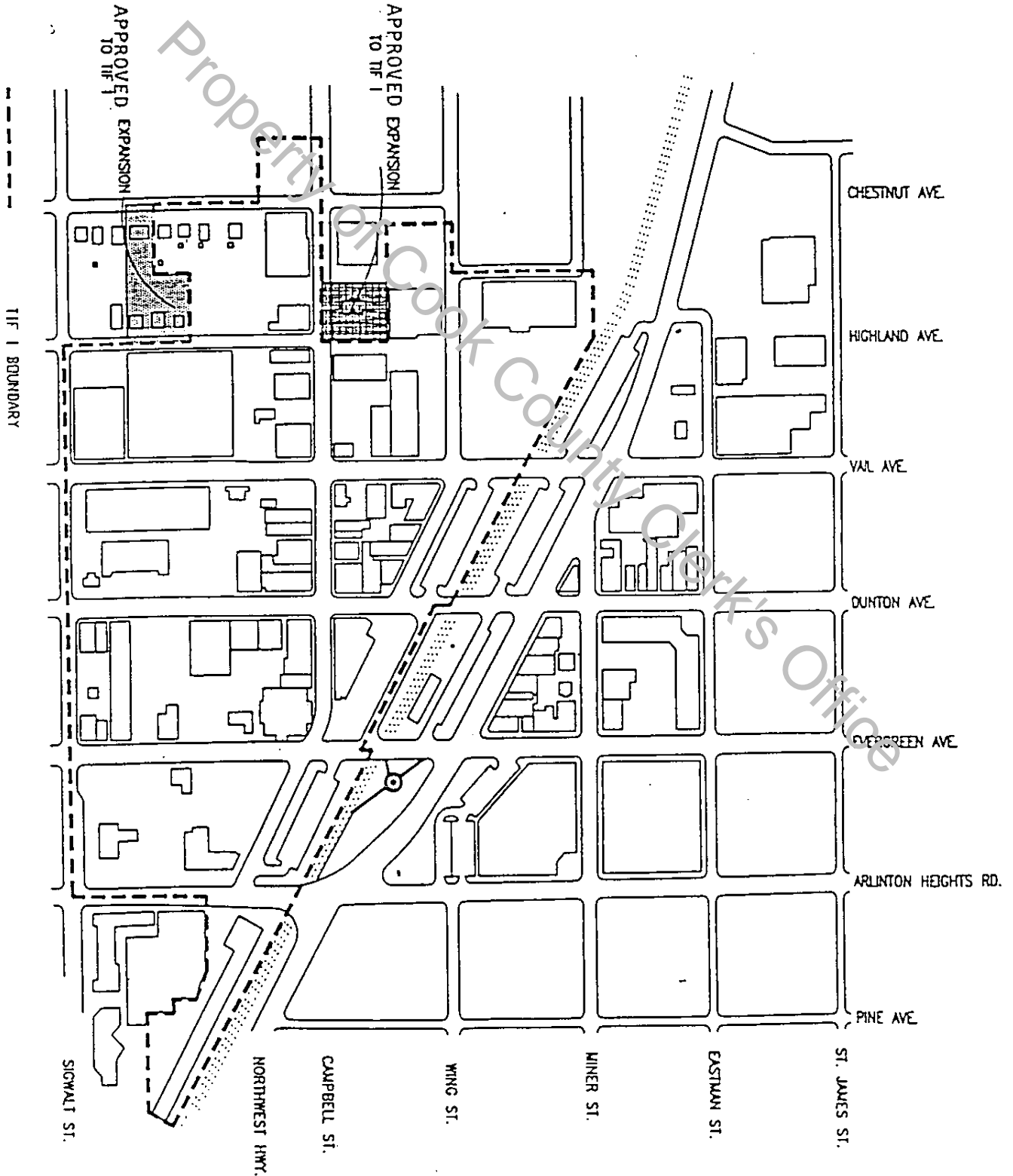


EXHIBIT B

Priority Area\*

PARCEL 1:

LOT 17 IN SIEBURG'S SUBDIVISION OF BLOCK 25 (EXCEPT THE EAST 1/2 LOTS 1 AND 2) ALSO OF THE NORTH 1/2 OF BLOCK 32 AND SO MUCH OF ROBINSON STREET AS LIES BETWEEN SAID BLOCKS 25 AND 32 IN THE TOWN OF DUNTON IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 1 IN SIEBURG'S SUBDIVISION OF BLOCK 25 (EXCEPT THE EAST 1/2 OF LOTS 1 AND 2) ALSO OF THE NORTH 1/2 OF BLOCK 32 AND SO MUCH OF ROBINSON STREET AS LIES BETWEEN SAID BLOCKS 25 AND 32 IN THE TOWN OF DUNTON IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE EAST HALF OF LOTS 1 AND 2 IN BLOCK 25 IN THE TOWN OF DUNTON, A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

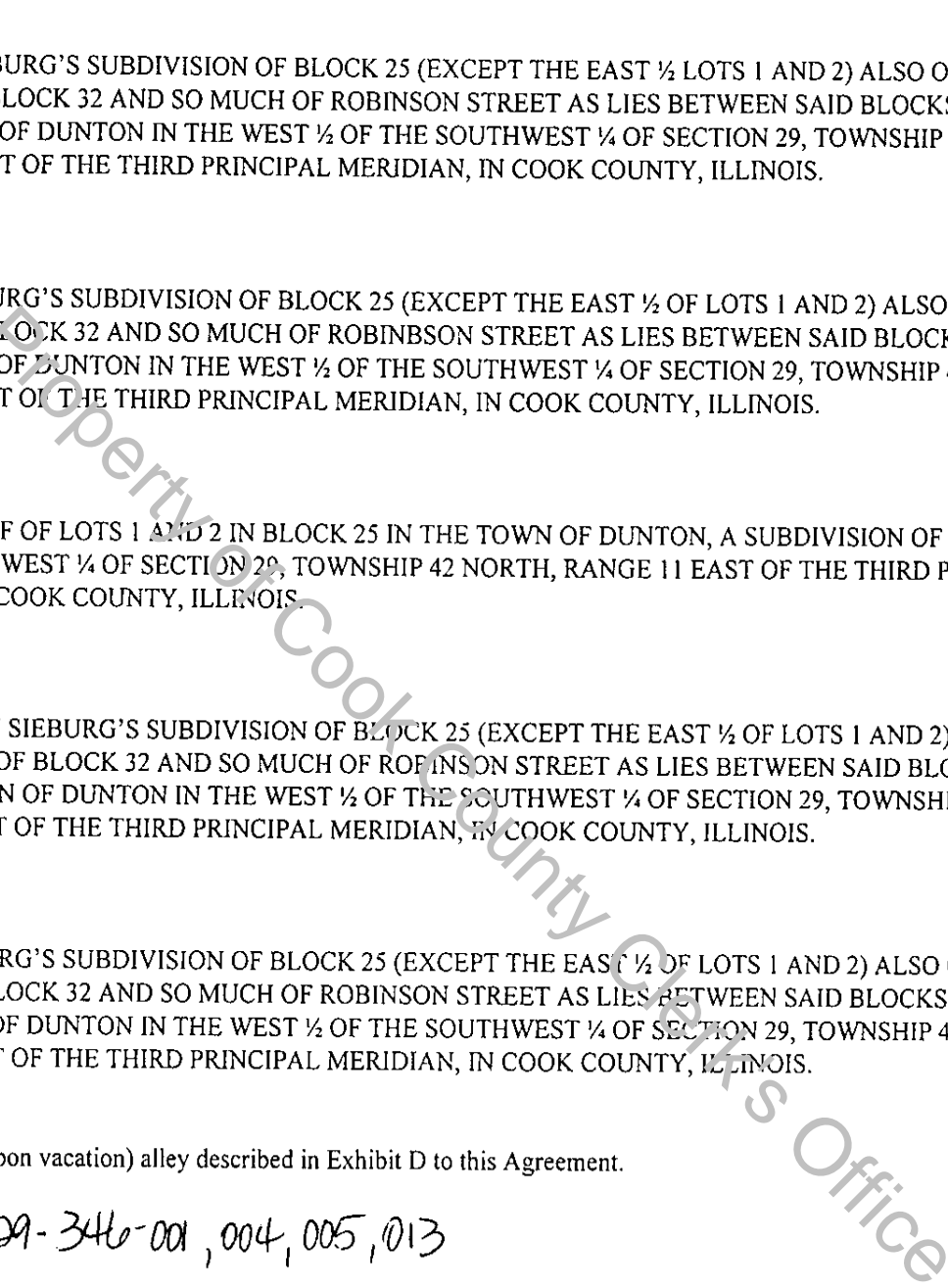
LOT 3 AND 4 IN SIEBURG'S SUBDIVISION OF BLOCK 25 (EXCEPT THE EAST 1/2 OF LOTS 1 AND 2) ALSO OF THE NORTH 1/2 OF BLOCK 32 AND SO MUCH OF ROBINSON STREET AS LIES BETWEEN SAID BLOCKS 25 AND 32 IN THE TOWN OF DUNTON IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOT 2 IN SIEBURG'S SUBDIVISION OF BLOCK 25 (EXCEPT THE EAST 1/2 OF LOTS 1 AND 2) ALSO OF THE NORTH 1/2 OF BLOCK 32 AND SO MUCH OF ROBINSON STREET AS LIES BETWEEN SAID BLOCKS 25 AND 32 IN THE TOWN OF DUNTON IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

\*Also includes (upon vacation) alley described in Exhibit D to this Agreement.

P.I.N. 03-29-346-001, 004, 005, 013



UNOFFICIAL COPY

99459344

EXHIBIT C

Intentionally Omitted

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EXHIBIT D

Alley\*

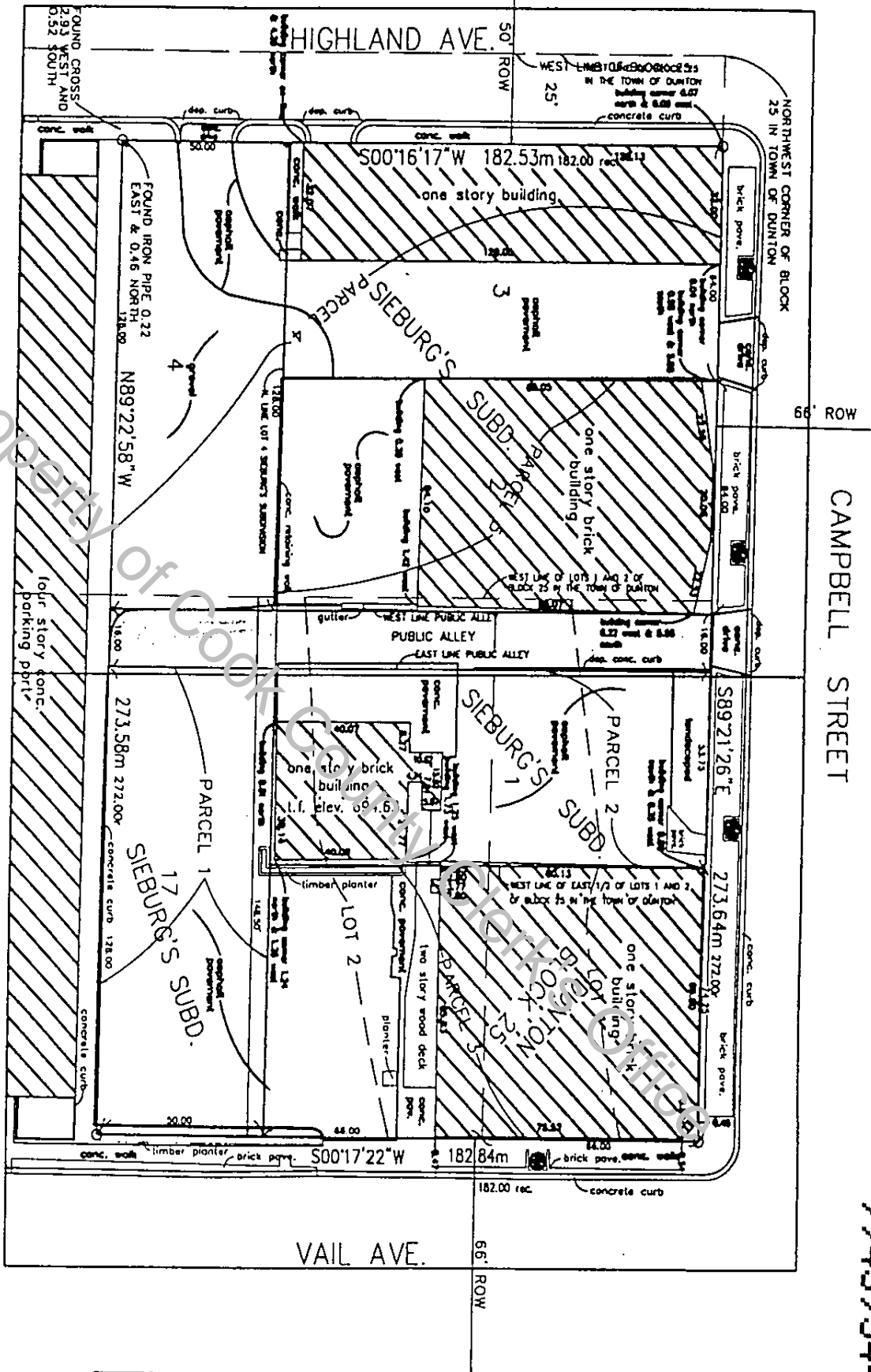
16 FOOT PUBLIC ALLEY LYING WEST OF AND ADJOINING THE WEST LINES OF LOTS 1 AND 17 AND EAST OF AND ADJOINING EAST LINES OF LOTS 2 AND 4 IN SIEBURG'S SUBDIVISION OF BLOCK 25 IN THE TOWN OF DUNTON IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

\*Depiction attached hereto

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# UNOFFICIAL COPY



CAMPBELL STREET

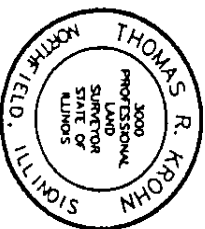
99459344

Page 25 of 45

Property of COOK COUNTY

**NOTE:** Only those Building Line Restrictions or Easements shown on a Recorded Subdivision Plat are shown hereon unless the descriptions ordered to be surveyed contains a proper description of the required building lines or easements.

Compare your description and site markings with this plat and AT ONCE report any discrepancies which you may find.



STATE OF ILLINOIS  
COUNTY OF COOK  
BY: \_\_\_\_\_  
THOMAS R. KROHN  
PROFESSIONAL ENGINEER  
2000  
STATE OF ILLINOIS  
NORTHFIELD, ILLINOIS

EXHIBIT E

Project Budget

[See Attached]

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## Village of Arlington Heights

### TIF District No.1 Redevelopment Project Metropolis Performing Arts Centre

**Sources and Uses of Funds**  
**PRELIMINARY**

02-Nov-98

**USES:**

Total Land Costs	Sub Total	2,432,000
------------------	-----------	-----------

**Site Development Costs (included in GC max below)**

		Sub Total	
<b>Building Costs</b>	<b>Gross</b>		<b>Component</b>
	<b>Sq. Feet</b>		<b>Cost</b>
Retail(incl. 7,082 s.f. classroom)	28,358		2,410,430
Theater *	17,488		2,789,000
Office (incl. 4,580 s.f. multi purpose)	37,762		2,265,720
Residential	93,355		6,534,850
	176,963		

\*will include classroom and multi purpose space

Construction Contingency		GC Max Contract
Sub-Total		Sub Total 14,000,000

<b>Tenant Allowance</b>			
Retail/Office	66,120		1,185,000
Theater	17,488		315,000
		Sub Total	1,500,000

<b>Soft Costs including Construction Interest</b>		
Architect and Engineering Fees		500,000
Development Fee		400,000
Leasing Fees		300,000
Legal		60,000
Marketing		60,000
Predevelopment costs		100,000
Interim Interest		1,000,000
Closing Costs		225,000
Relocation allowance		100,000
Contingency		500,000
		Sub Total 3,245,000

<b>TOTAL USES</b>	<b>21,177,000</b>
-------------------	-------------------

## Village of Arlington Heights

TIF District No.1 Redevelopment Project  
Metropolis Performing Arts CentreSources and Uses of Funds  
PRELIMINARY

02-Nov-98

SOURCES (WITH TIF):

Private Funds		18,827,000
Debt and Equity		
Debt	14,500,000	
Equity	4,327,000	
Public Funding TIF		2,250,000
Relocation allowance		100,000
TIF Pay as you go (750,000 over time after debt service)		
	<b>TOTAL SOURCES</b>	<b>21,177,000</b>

SOURCES (WITHOUT TIF):

Private Funds		
Debt and Equity		
Debt	14,500,000	
Equity	6,677,000	
	<b>TOTAL SOURCES</b>	<b>21,177,000</b>

Allocation by Component

EXHIBIT F

Project Schedule

[See Attached]

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Metropolis Project - Overall Construction Schedule

Task Name	Start Date	Duration	End Date	1998	1999	1999	1999	1999	1999	1999	1999	1999	1999	1999
				Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Design/Build Proposals - MEP Apartment	9/3/98	6.00w	9/11/98											
Site Demolition	10/28/98	3.00w	11/18/98											
Hagenbringe Remodel	10/28/98	4.00mon	3/4/99											
Village Approval	10/20/98	0d	10/20/98											
Permit Submittal - Foundation Only	10/21/98	2.00w	11/3/98											
Permit Submittal - Building	11/16/98	2.00w	11/30/98											
Final Bid Process	11/16/98	3.00w	12/7/98											
Structural Steel Order	11/25/98	2.00d	11/27/98											
Award Subcontract	11/25/99	4.00w	12/23/98											
Theatre Construction	12/1/98	10.76mon	11/1/99											
Theatre Fixturing	10/1/99	1.00mon	11/1/99											
Apartment Construction	12/1/98	12.00mon	12/1/09											
Hagenbrings Addition	12/1/98	7.00mon	7/8/99											

Property of Cook County Clerk's Office

Printed: 10/27/98  
Page 1  
Trapani Construction Company, Inc.

Milestone   
Fixed Delay   
Summary   
Slack

EXHIBIT G

Proforma\*

[See Attached]

\*Includes Schedule of "TIF Eligible Costs."

Property of Cook County Clerk's Office

Village of Arlington Heights TIF No.1  
 OCT. 9, 1998 COMMITMENT 02-Nov-98  
 Combined Residential/Retail/Theater Analysis  
 Proposed Metropolis Performing Arts Centre

Year

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Net Operating Income</b>										
Retail/Office/Theater and Related Space	0	238,272	981,683	1,011,133	1,041,467	1,072,711	1,104,893	1,138,039	1,172,180	1,207,346
Residential	0	79,227	652,829	672,414	692,587	713,851	734,765	756,808	779,512	802,898
<b>Total NOI</b>	0	317,499	1,634,512	1,683,547	1,734,054	1,786,562	1,839,658	1,894,847	1,951,693	2,010,244
<b>TIF Analysis</b>										
Debt Service Without TIF		472,226	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819
Principal: 14,500,000 Rate: 8.50%										
Amortization (years) 25										
Amount after Debt Service	(154,727)	217,693	266,728	266,728	317,234	369,256	422,838	478,028	534,873	593,424
<b>TIF Analysis</b>										
Debt Service TIF		472,226	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819
Principal: 14,500,000 Rate: 8.50%										
Amortization (years) 25										
Amount after Debt Service	(154,727)	217,693	266,728	266,728	317,234	369,256	422,838	478,028	534,873	593,424
Amount To Equity	(6,677,000)	(154,727)	217,693	266,728	317,234	369,256	422,838	478,028	534,873	593,424
Equity Required										
<b>IRR Without TIF</b>										
Amount To Equity	(4,327,000)	(154,727)	217,693	266,728	317,234	369,256	422,838	478,028	534,873	593,424
Equity Required										
<b>IRR With TIF</b>										
Amount To Equity										
Equity Required										
<b>IRR With TIF</b>										



Village of Arlington Heights TIF No.1  
 OCT. 9, 1998 COMMITMENT 02-Nov-98  
 Combined Residential/Retail/Theater Analysis  
 Proposed Metropolis Performing Arts Centre

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Net Operating Income</b>										
Retail/Office/Theater and Related Space	1,243,566	1,280,873	1,319,299	1,358,878	1,399,645	1,441,637	1,484,883	1,529,430	1,575,313	1,622,572
Residential	826,985	851,794	877,348	903,668	930,779	958,732	987,463	1,017,087	1,047,599	1,079,027
<b>Total NOI</b>	<b>2,070,551</b>	<b>2,132,667</b>	<b>2,196,647</b>	<b>2,262,547</b>	<b>2,330,423</b>	<b>2,400,369</b>	<b>2,472,346</b>	<b>2,546,516</b>	<b>2,622,912</b>	<b>2,701,599</b>
<b>TIF Analysis</b>										
<b>Debt Service Without TIF</b>										
Principal: 14,500,000 Rate: 8.50%	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819
Amortization (years) 25										
Amount after Debt Service	653,732	715,848	779,828	845,728	913,604	983,517	1,055,527	1,129,697	1,206,093	1,284,780
<b>TIF Analysis</b>										
<b>Debt Service TIF</b>										
Principal: 14,500,000 Rate: 8.50%	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819	1,416,819
Amortization (years) 25										
Amount after Debt Service	653,732	715,848	779,828	845,728	913,604	983,517	1,055,527	1,129,697	1,206,093	1,284,780
Amount To Equity Equity Required	653,732	715,848	779,828	845,728	913,604	983,517	1,055,527	1,129,697	1,206,093	1,284,780
<b>IRR Without TIF</b>										
5.23%										
Amount To Equity Equity Required	653,732	715,848	779,828	845,728	913,604	983,517	1,055,527	1,129,697	1,206,093	1,284,780
<b>IRR With TIF</b>										
9.28%										

11/02/98

Village of Arlington Heights TIF No.1  
PRELIMINARY 02-Nov-98  
Metropolis Performing Arts Centre Analysis  
Residential Apartment Component

Inflation Rate: 3.00%

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>1) Assumptions:</b>										
Total Units	90	90	90	90	90	90	90	90	90	90
Avg. Monthly Rent/ Sq. Ft.										
Avg. Sq. Ft. Avg. Annual Per Unit (1)										
	812									
<b>2) Apartment Absorption</b>										
Const.	45	90	90	90	90	90	90	90	90	90
3 Month Occup.										
<b>3) Revenue Estimates</b>										
Annual Apartment Rentals	137,025	1,129,086	1,162,959	1,157,847	1,233,783	1,270,796	1,308,920	1,348,188	1,388,633	
Misc. Inc. at: 5.50%										
Vacancy at: 3.00%										
Amount to Vacancy	7,536	62,100	63,961	65,882	67,858	69,894	71,991	74,150	76,375	
<b>Net Operating Income</b>										
	(4,337)	(35,736)	(20,803)	(37,912)	(39,049)	(40,221)	(41,427)	(42,670)	(43,950)	
<b>4) Operating Expense Estimates</b>										
Operating Exp. at % of Gross Income	140,225	1,155,450	1,130,114	1,225,817	1,262,592	1,300,469	1,339,483	1,379,668	1,421,058	
Management Fee										
Reserves at: 35.00%	49,079	40,418	416,540	429,036	441,907	455,164	468,819	482,884	497,370	
	4,908	40,441	41,654	42,904	44,191	45,516	46,882	48,288	49,737	
	7,011	57,773	59,506	61,291	63,130	65,023	66,974	68,983	71,053	
<b>Total Operating Expenses</b>										
	60,998	602,621	517,699	533,230	549,227	565,704	582,675	600,156	618,160	
<b>Income Before Debt Service</b>										
	79,227	652,829	672,414	692,587	713,384	734,785	756,808	779,512	802,898	

Notes: (1) Assumes net sq. ft. basis for rent.

11/02/98

Village of Arlington Heights TIF No.1  
 PRELIMINARY 02-Nov-98  
 Metropolis Performing Arts Centre Analysis  
 Residential Apartment Component

Inflation Rate: 3.00%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1) Assumptions:</b>										
Total Units	90	90	90	90	90	90	90	90	90	90
Avg. Monthly Rent/ Sq. Ft.										
Avg. Sq. Ft. Avg. Annual Rent/ Sq. Ft.										
Per Unit (1)										
812										
<b>2) Apartment Absorption</b>	90	90	90	90	90	90	90	90	90	90
<b>3) Revenue Estimates</b>										
Annual Apartment Rentals.	1,430,292	1,473,201	1,517,397	1,562,919	1,603,307	1,658,101	1,707,844	1,759,079	1,811,852	1,866,207
Misc. Inc. at: 5.50%	78,666	81,026	83,457	85,967	88,539	91,196	93,931	96,749	99,652	102,641
Vacancy at: 3.00%	(45,269)	(46,627)	(48,026)	(49,466)	(50,950)	(52,479)	(54,053)	(55,675)	(57,345)	(59,065)
Amount to Vacancy	1,483,690	1,507,600	1,552,828	1,559,413	1,647,396	1,696,818	1,747,722	1,800,154	1,854,158	1,909,783
<b>Net Operating Income</b>										
Avg. Annual Per Sq. Ft.										
<b>4) Operating Expense Estimates</b>										
Operating Exp. at % of Gross Income	512,291	527,660	543,450	559,795	576,588	593,886	611,703	630,054	648,955	668,424
Management Fee	51,229	52,766	54,349	55,979	57,659	59,389	61,170	63,005	64,896	66,842
Reserves at:	73,184	75,380	77,641	79,971	82,370	84,841	87,366	90,008	92,708	95,489
<b>Total Operating Expenses</b>	636,705	655,806	675,480	695,745	716,617	738,116	760,259	783,067	806,559	830,766
<b>Income Before Debt Service</b>	826,985	851,794	877,348	903,668	930,779	958,702	987,463	1,017,087	1,047,599	1,079,027

11/02/98

Inflation Rate: 3.00%

Village of Arlington Heights  
 PRELIMINARY 02-Nov-98  
 Redevelopment Project Analysis  
 Proposed Metropolis Performing Arts Centre  
 Retail/Office/Theater and Related Space

Year	3 Months			Year											
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007					
<b>Rental Assumptions by Component</b>															
	Sq. Ft.	Avg. Rent Per Sq. Ft.													
Rental Revenues Retail Space (1)	20,900	\$20.00		456,760	470,463	484,571	499,114	514,087	529,510	545,395					
Rental Revenues Restaurant	5,606	\$23.00		140,894	145,121	149,474	153,959	158,577	163,335	168,235					
Rental Revenues Office	21,497	\$15.00		352,347	362,918	373,805	385,019	396,570	408,467	420,721					
Rental Revenues Theater and Related Space	26,557	\$3.00		87,059	89,670	92,361	95,131	97,985	100,925	103,953					
<b>Total Rental Income</b>				1,037,060	1,068,171	1,100,217	1,133,223	1,167,220	1,202,236	1,238,303					
<b>Recoveries:</b>															
Retail/Office CAM, Theater CAM (incl. mgmt.) (1)	74,560	\$5.00		407,366	419,587	432,174	445,140	458,494	472,249	486,416					
Retail Prop. Taxes (2)	48,003	\$7.00		337,175	378,191	389,536	401,222	413,259	425,657	438,427					
<b>Total Recoveries</b>				774,541	797,778	821,711	846,362	871,753	897,906	924,843					
<b>Total Gross Income</b>				1,811,601	1,865,949	1,921,927	1,979,585	2,038,973	2,100,142	2,163,146					
<b>Less: Operating Expenses (3)</b>															
Reserves At % of Rentals:		2.50%		25,926	26,704	27,505	28,331	29,180	30,056	30,958					
Retail/Office CAM, Theater CAM (incl. mgmt.) (1)	74,560	\$5.00		407,366	419,587	432,174	445,140	458,494	472,249	486,416					
Real Estate Taxes (2)	48,003	\$7.00		367,175	378,191	389,536	401,222	413,259	425,657	438,427					
<b>Total Operating Expenses</b>				800,468	824,482	849,216	874,693	900,934	927,962	955,800					
<b>Net Operating Income Non Residential</b>				1,011,133	1,041,467	1,072,711	1,104,893	1,138,039	1,172,180	1,207,346					

Notes:  
 (1) Net sq. ft. basis per industry convention  
 (2) Pass through on net sq. ft. basis

11/02/98

Village of Arlington Heights  
 PRELIMINARY 02-Nov-98  
 Redevelopment Project Analysis  
 Proposed Metropolis Performing Arts Centre  
 Retail/Office/Theater and Related Space

Inflation Rate: 3.00%

Rental Assumptions by Component		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Sq. Ft.										
	Avg. Rent Per Sq. Ft.										
Rental Revenues	20,900	\$20.00	578,610	595,968	613,847	632,263	651,230	670,767	690,890	711,617	732,966
Retail Space (1)	5,606	\$23.00	178,480	183,835	189,350	195,030	200,381	206,908	213,115	219,508	226,094
Restaurant	21,497	\$15.00	433,342	446,343	473,525	487,731	502,363	517,434	532,957	548,945	565,414
Office	26,557	\$3.00	107,071	110,283	117,000	120,510	124,125	127,849	131,684	135,635	139,704
Rental Revenues Theater and Related Space											
Total Rental Income			1,313,716	1,353,128	1,393,721	1,435,533	1,478,599	1,522,957	1,568,646	1,615,705	1,664,176
Recoveries:											
Retail/Office CAM, Theater CAM (incl. mngmt.) (1)	74,560	\$5.00	501,009	516,039	547,466	563,890	580,806	598,231	616,177	634,663	653,703
Retail Prop. Taxes (2)	48,003	\$7.00	451,579	465,127	479,081	508,257	523,504	539,209	555,386	572,047	589,209
Total Recoveries			952,588	981,166	1,040,919	1,072,146	1,104,311	1,137,440	1,171,563	1,206,710	1,242,911
Total Gross Income			2,228,041	2,294,882	2,363,728	2,434,640	2,507,679	2,582,910	2,740,209	2,822,415	2,907,088
Less: Operating Expenses (3)											
Reserves At % of Rentals:		2.50%	31,886	32,843	34,843	35,888	36,965	38,074	39,216	40,393	41,604
Retail/Office CAM, Theater CAM (incl. mngmt.) (1)	74,560	\$5.00	501,009	516,039	547,466	563,890	580,806	598,231	616,177	634,663	653,703
Real Estate Taxes (2)	48,003	\$7.00	451,579	465,127	479,081	508,257	523,504	539,209	555,386	572,047	589,209
Total Operating Expenses			984,474	1,014,009	1,044,429	1,108,035	1,141,276	1,175,514	1,210,779	1,247,103	1,284,516
Net Operating Income Non Residential			1,243,567	1,280,873	1,319,299	1,399,645	1,441,634	1,484,883	1,529,430	1,575,313	1,622,572

HAGENBRING BLOCK - Comparable Values

Zero Growth Projection 7-OCT-98

	EAV/Unit	1998	1998	2000	2001	2002	2003	2004	2006	2006
Residential	90									
Retail	20,900			0	1,229,310	2,335,689	2,335,689	2,335,689	2,335,689	2,335,689
Restaurant	5,606			0	658,350	833,910	833,910	833,910	833,910	833,910
Office	21,497			58,863	235,452	235,452	235,452	235,452	235,452	235,452
Theatre	26,557			225,719	857,730	857,730	857,730	857,730	857,730	857,730
Base Year EAV		243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001
Base Year RE Taxes		20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864
Estimated EAV		600,422	600,422	483,759	3,777,552	5,059,491	5,059,491	5,059,491	5,059,491	5,059,491
Estimated RE Taxes		59,274	59,274	47,757	372,920	499,473	499,473	499,473	499,473	499,473
Current Tax Rate		9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720
Incremental EAV		357,421	357,421	240,758	3,534,551	4,816,490	4,816,490	4,816,490	4,816,490	4,816,490
Incremental RE Taxes		35,285	35,285	23,768	348,931	475,484	475,484	475,484	475,484	475,484
Base Year Sales Taxes		18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135
Projected Sales Taxes (\$186/\$242s)		18,135	18,135	46,022	58,295	58,295	58,295	58,295	58,295	58,295
Incremental Sales Taxes		0	0	27,887	40,160	40,160	40,160	40,160	40,160	40,160
Total Incremental Revenues		35,285	17,150	51,655	397,91	515,644	515,644	515,644	515,644	515,644
Cumulative Gross Incremental Taxes		35,285	52,434	104,089	493,179	1,008,823	1,524,467	2,040,110	2,555,754	3,071,397
Incremental Revenues of Existing Uses		53,420	53,420	53,420	53,420	53,420	53,420	53,420	53,420	53,420
Net Incremental Revenues		0	(36,270)	(1,765)	335,671	462,224	462,224	462,224	462,224	462,224
Cumulative Net Incremental Taxes		0	(36,270)	(38,033)	297,636	1,222,084	1,684,308	2,146,532	2,608,756	3,071,397
Net Present Value @ 5% - Gross		2,250,543								
Net Present Value @ 5% - Net		1,888,117								

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HAGENBRING BLOCK - Comparable Values

Zero Growth Projection

7-OCT-98

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Residential									
Retail									
Restaurant									
Office									
Theatre									
Base Year EAV	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001
Base Year RE Taxes	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864
Estimated EAV	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422
Estimated RE Taxes	59,274	59,274	59,274	59,274	59,274	59,274	59,274	59,274	59,274
Current Tax Rate	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720	9.8720
Incremental EAV	357,421	357,421	294,964	3,868,177	3,868,177	5,183,556	5,183,556	5,183,556	5,183,556
Incremental RE Taxes	35,285	35,285	29,119	381,866	381,866	511,721	511,721	511,721	511,721
Base Year Sales Taxes	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135
Projected Sales Taxes (\$186/\$242sf)	18,135	0	46,022	58,295	58,295	58,295	58,295	58,295	58,295
Incremental Sales Taxes	0	(18,135)	27,887	40,160	40,160	40,160	40,160	40,160	40,160
Total Incremental Revenues	35,285	17,150	57,006	432,026	432,026	551,880	551,880	551,880	551,880
Cumulative Gross Incremental Taxes	35,285	52,434	109,440	531,466	1,083,346	1,635,227	2,187,107	2,738,987	3,290,867
Incremental Revenues of Existing Uses	53,420	53,420	53,420	53,420	53,420	53,420	53,420	53,420	53,420
Net Incremental Revenues	0	(36,270)	3,586	368,606	498,461	498,461	498,461	498,461	498,461
Cumulative Net Incremental Taxes	0	(36,270)	(32,784)	335,923	834,383	1,332,844	1,831,305	2,329,765	2,829,226
Net Present Value @ 5% - Gross									
Net Present Value @ 5% - Net									
	2,411,332								
	2,048,906								

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HAGENBRING BLOCK - Comparable Values  
 Nominal Growth Projection

7-OCT-98

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Residential									
Retail	27,318	0	0	1,352,241	2,335,689	2,335,689	2,569,258	2,569,258	2,569,258
Restaurant	42,000	0	0	724,185	833,910	833,910	917,301	917,301	917,301
Office	42,000	58,863	58,863	258,997	235,452	235,452	258,997	258,997	258,997
Theatre	42,000	225,719	225,719	943,503	857,730	857,730	943,503	943,503	943,503
Base Year EAV	30,000	199,178	199,178	876,381	796,710	796,710	876,381	876,381	876,381
Base Year RE Taxes	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001
Estimated EAV	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864
Estimated RE Taxes	606,426	612,490	483,759	4,155,308	5,059,131	5,059,491	5,565,440	5,565,440	5,565,440
Current Tax Rate	60,079	60,894	48,265	416,029	592,527	510,098	563,056	565,004	565,004
Incremental EAV	9,9070	9,9420	9,9770	10,0120	10,0470	10,0820	10,1170	10,1520	10,1870
Incremental RE Taxes	363,425	369,489	240,758	3,912,307	4,316,490	4,816,490	5,322,439	5,322,439	5,322,439
Base Year Sales Taxes	36,005	36,735	24,020	391,707	483,913	485,599	538,471	540,334	542,197
Projected Sales Taxes (\$186/\$242sf)	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135
Incremental Sales Taxes	18,135	0	46,022	60,335	62,447	64,632	66,894	69,236	71,659
Total Incremental Revenues	0	(18,135)	27,887	12,230	44,312	46,497	48,759	51,101	53,924
Cumulative Gross Incremental Taxes	36,005	18,600	51,908	413,900	528,224	532,096	587,231	591,435	595,721
Incremental Revenues of Existing Uses	36,005	54,604	106,512	540,412	1,068,636	1,600,732	2,187,963	2,779,398	3,375,718
Net Incremental Revenues	54,140	54,870	61,782	62,616	63,462	71,389	72,354	73,332	74,318
Cumulative Net Incremental Taxes	0	(36,270)	(9,874)	371,284	464,762	460,707	514,877	518,103	513,303
Net Present Value @ 5% - Gross	0	(36,270)	(46,144)	325,139	789,901	1,250,609	1,765,486	2,283,588	2,795,891
Net Present Value @ 5% - Net	2,465,554								
	2,019,434								

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HAGENBRING BLOCK - Comparable Values  
Nominal Growth Projection 7-OCT-98

	EAV/Unit	1998	1999	2000	2001	2002	2003	2004	2005	2006
Residential	90									
Retail	20,900			0	1,352,241	2,335,689	2,335,689	2,569,258	2,569,258	2,569,258
Restaurant	5,606			0	862,125	992,750	992,750	1,092,025	1,092,025	1,092,025
Office	21,497			70,075	308,330	280,300	280,300	308,330	308,330	308,330
Theatre	26,557			268,713	1,123,218	1,021,108	1,121,108	1,123,218	1,123,218	1,123,218
Base Year EAV	30.00			199,178	876,381	796,710	796,710	876,381	876,381	876,381
Base Year RE Taxes		243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001	243,001
Estimated EAV		20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864	20,864
Estimated RE Taxes		606,426	612,490	537,965	4,522,295	5,426,557	5,426,557	5,969,212	5,969,212	5,969,212
Current Tax Rate		60,079	60,894	53,673	452,772	5,426,557	5,426,557	603,905	605,994	605,994
Incremental EAV		9,9070	9,9420	9,9770	10,0120	10,0470	10,0820	10,1170	10,1520	10,1870
Incremental RE Taxes		363,425	369,489	294,964	4,279,294	5,183,556	5,183,556	5,726,211	5,726,211	5,726,211
Base Year Sales Taxes		36,005	36,735	29,429	428,443	520,792	522,606	579,321	581,325	583,329
Projected Sales Taxes (\$186/\$242sf)		18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135	18,135
Incremental Sales Taxes		18,135	0	46,022	60,335	62,447	64,632	66,894	69,236	71,619
Total Incremental Revenues		0	(18,135)	27,887	42,210	44,312	46,497	48,759	51,101	53,514
Cumulative Gross Incremental Taxes		36,005	18,600	57,316	470,643	565,103	569,103	628,080	632,426	636,853
Incremental Revenues of Existing Uses		36,005	54,604	111,920	582,563	1,147,666	1,716,770	2,344,850	2,977,276	3,611,129
Net Incremental Revenues		54,140	54,870	61,782	62,616	63,462	71,389	72,354	73,332	74,418
Cumulative Net Incremental Taxes		0	(36,270)	(4,466)	408,027	501,641	497,715	555,727	559,094	554,435
Net Present Value @ 5% - Gross		0	(36,270)	(40,736)	367,290	868,931	1,366,646	1,922,373	2,481,466	3,039,001
Net Present Value @ 5% - Net										

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County Clerk's Office

11/02/98

Reassessment Rate: 3.00%  
 Compounded At Each Triennial Period (BOLD)  
 Sales Tax Inflation Rate: 3.00%

Village of Arlington Heights TIF No.1  
 Preliminary TIF Projections Village Assumptions  
 Metropolis Performing Arts Centre Project  
 Developer Assumptions

Components	Net Sq. Ft.	1996 Taxes Per Sq. Ft.	Year														
			1998	1999	2000	2001	2002	2003	2004	2005	2006						
Components																	
Retail	20,900	\$7.00															
Residential	73,080	\$27.318 (EAV/unit)															
Components																	
Restaurant	5,606	\$7.00															
Office	21,497	\$7.00															
Components																	
Theater and Related Space	26,557	\$4.25															
Equalized Assessed Value (EAV)																	
Base EAV 1995			600,422	1,487,430	7,179,007	7,105,210	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098	7,764,098
Incremental EAV			0	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422	600,422
Avg. Tax Rate Tax Code 38151 (5 Yr. Avg.)			9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%	9.5094%
Est. of Incremental Property Taxes			0	0	84,343	625,584	618,570	681,223	681,223	681,223	681,223	681,223	681,223	681,223	681,223	681,223	681,223
Sales Tax Estimates																	
Annual Retail Sales			0	1,243,728	5,124,157	5,277,882	5,436,218	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305
Est. Of Base Sales			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incremental Sales			0	1,243,728	5,124,157	5,277,882	5,436,218	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305	5,599,305
Village Sales Tax Rate			1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Annual Sales Taxes (includes 3 mo. lag)			0	13,652	62,311	78,592	80,950	83,378	83,378	83,378	83,378	83,378	83,378	83,378	83,378	83,378	83,378
Est. of Incremental Taxes			0	13,997	146,660	704,176	699,520	764,601	764,601	764,601	764,601	764,601	764,601	764,601	764,601	764,601	764,601
Annual Retail Sales																	
Est. Of Base Sales																	
Incremental Sales																	
Village Sales Tax Rate																	
Annual Sales Taxes (includes 3 mo. lag)																	
Est. of Incremental Taxes																	

Metropolis Mixed-Use Redevelopment Project  
 Net Present Value Analysis

Interest Rate: 5.00%

Est. Of Gross Financing	3,445,454
Est. Of Net Financing at 90%	3,100,909
Assumes 5% Costs of Issuance and 1 yr. Carry	

**Schedule Assuptions:**

Construction Start: Oct 1, 1998  
 Const. Completion: Oct 1, 1999  
 Occupancy: Oct 1, 1999 All tenants except 50% residential  
 Full Occupancy: January 1, 2000  
 Reassessment Rate: 3.00%

**Metropolis Performing Arts Centre Project  
Developer Assumptions****1999 Tax Assessment Year : Estimate  
of Equalized Assessed Valuation (EAV)**

	Sq. Ft.	Avg. Tax/EAV Per Sq. Ft./Unit	% Occupancy	% Occupied for Year	Tax Rate	Est. EAV
Retail (net)	20,900	\$7.00	100.00%	25.00%	9.5094%	384,619
Restaurant (net)	5,606	\$7.00	100.00%	25.00%	9.5094%	103,166
Office (net)	21,497	\$7.00	100.00%	25.00%	9.5094%	395,597
Theater and Related Space	26,557	\$4.25	100.00%	25.00%	9.5094%	296,725
Residential Units	90	\$27,318	50.00%	25.00%	9.5094%	307,322

**2000 Tax Assessment Year : Estimate  
of Equalized Assessed Valuation (EAV)**

	Sq. Ft.	Avg. Tax/EAV Per Sq. Ft./Unit	% Occupancy	% Occupied for Year	Tax Rate	Est. EAV
Retail (net)	20,900	\$7.00	100.00%	100.00%	9.5094%	1,538,478
Restaurant (net)	5,606	\$7.00	100.00%	100.00%	9.5094%	412,665
Office (net)	21,497	\$7.00	100.00%	100.00%	9.5094%	1,582,387
Theater and Related Space	26,557	\$4.25	100.00%	100.00%	9.5094%	1,186,902
Residential Units	90	\$27,317.50	100.00%	100.00%	9.5094%	2,458,575

**2001 Tax Assessment Year : Estimate  
of Equalized Assessed Valuation (EAV)**

	Sq. Ft.	Avg. Tax/EAV Per Sq. Ft./Unit	% Occupancy	% Occupied for Year	Tax Rate	Est. EAV
Retail (net)	20,900	\$7.00	100.00%	100.00%	9.5094%	1,538,478
Restaurant (net)	5,606	\$7.00	100.00%	100.00%	9.5094%	412,665
Office (net)	21,497	\$7.00	100.00%	100.00%	9.5094%	1,582,387
Theater and Related Space	26,557	\$4.25	100.00%	100.00%	9.5094%	1,186,902
Residential Units	90	\$27,317.50	97.00%	100.00%	9.5094%	2,384,818

Village of Arlington Heights TIF No. 1  
Sales Tax Estimates  
Metropolis Performing Arts Centre

Annual Sales Growth 3.00%

Building Component	Retail Sq. Ft.	Sales Per Sq. Ft.	% Occupied	% Occupied For The Year	1999 Sales
Retail	20,900	\$175	100.00%	25.00%	914,375
Restaurant	5,606	\$235	100.00%	25.00%	329,353
Office	0	\$0	100.00%	25.00%	0
				Total	1,243,728

Building Component	Retail Sq. Ft.	Sales Per Sq. Ft.	% Occupied	% Occupied For The Year	2000 Sales
Retail	20,900	\$180	100.00%	100.00%	3,767,225
Restaurant	5,606	\$242	100.00%	100.00%	1,356,932
Office	0	\$0	100.00%	100.00%	0
				Total	5,124,157

Building Component	Retail Sq. Ft.	Sales Per Sq. Ft.	% Occupied	% Occupied For The Year	2001 Sales
Retail	20,900	\$186	100.00%	100.00%	3,880,242
Restaurant	5,606	\$249	100.00%	100.00%	1,397,640
Office	0	\$0	100.00%	100.00%	0
				Total	5,277,882

Sources: Retail first floor per Village average sales data.  
Restuarant per Urban Land Institute midpoint

**Schedule of TIF Eligible Costs**  
**Metropolis Project Downtown TIF District**  
**Arlington Heights,IL**

<b>TIF Eligible Cost Item</b> (all items per Sources and Uses of Funds Schedule)	<b>Amount</b>
Property Acquisition	2,432,000
Closing Costs	225,000
Rehabilitation Costs (Hagenbring)	733,620
Legal (assume 11% to TIF portion, based upon pro rata of TIF to total project)	6,600
Architect/Engineering (% of rehab to GC cost total)	26,201
Relocation allowance	100,000
Interim Interest (30%)	300,000
Contingency (% of rehab to GC cost total)	26,201
<b>Total</b>	<b>3,849,621</b>

Property of Cook County Clerk's Office

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## AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT WITH BANBURY PROPERTIES, L.L.C. FOR THE METROPOLIS PERFORMING ARTS CENTRE

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That the redevelopment agreement by and between Banbury Properties, L.L.C., Inc. and the Village of Arlington Heights, dated November 2, 1998, concerning the development of the property located on the south side of Campbell Street between Vail and Highland, north of the Vail Avenue Parking Garage, Arlington Heights, Illinois, with the Metropolis Performing Arts Centre, attached hereto and made a part hereof, be and is hereby approved.

SECTION TWO: The Village President and Village Clerk are hereby authorized and directed to execute said agreement on behalf of the Village of Arlington Heights.

SECTION FOUR: This ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law.

AYES: DADAY, KUCERA, HAYES, WALTON, GUAGLIARDO, STENGREN, HETTINGER, MULDER

NAYS: NONE

PASSED AND APPROVED this 2nd day of November, 1998.

ATTEST:

Edwina Corso  
Village Clerk

Arden Mulder  
Village President

AGRES: METROPOLIS

**LEGAL DEPARTMENT  
VILLAGE OF ARLINGTON HEIGHTS  
33 South Arlington Heights Rd.  
Arlington Heights, IL**

**RETURN TO:  
BOX 111**

98-066 / A98-026

98-066