



Village of Hanover Park Administration

Municipal Building
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Hanover Park, IL 60133-4398

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PRESIDENT
RODNEY S. CRAIG

VILLAGE CLERK
EIRA CORRAL

TRUSTEES
WILLIAM CANNON
JAMES KEMPER
JENNI KONSTANZER
JON KUNKEL
RICK ROBERTS
EDWARD J. ZIMEL, JR.

VILLAGE MANAGER
JULIANA A. MALLER

VILLAGE OF HANOVER PARK

VILLAGE BOARD SPECIAL MEETING

Municipal Building: 2121 Lake Street, Hanover Park, IL 60133

Thursday, April 23, 2015
7:00 p.m.

AGENDA

1. CALL TO ORDER – ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. Publicly open and read proposals for Purchase and Redevelopment of the Hanover Square Shopping Center site.
4. Act on any or all of the proposals including accepting bona-fide proposals or rejecting proposals or any of them, or extending the time to consider the proposals.
5. Motion to pass AN ORDINANCE AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT AND SALE OF PROPERTY- HANOVER SQUARE SHOPPING CENTER (TDHS MANAGER, LLC). (Requires a $\frac{3}{4}$ vote)
6. ADJOURNMENT



TO: Village President and Board of Trustees

FROM: Juliana Maller, Village Manager
Shubhra Govind, Community and Economic Development Director

SUBJECT: Review of Alternative Proposals for the Purchase and Redevelopment of the Hanover Square Shopping Center, 6602-6772 Barrington Road

ACTION

REQUESTED: Approval Concurrence Discussion Information

MEETING DATE: April 23, 2015 – Special Meeting

Executive Summary

Review of alternative proposals for the purchase and redevelopment of the Hanover Square Shopping Center. The Village Board may act to accept any proposal or reject any and all such proposals, or extend the time to consider the proposals.

Discussion

The Village of Hanover Park is seeking proposals for the redevelopment of the Hanover Square Shopping Center property, located at 6602-6772 Barrington Road. The site includes two (2) buildings of approximately 113,000 square feet on approximately nine (9) acres of land. The property owned by the Village will be sold to the selected developer. The site is located within the Village Center Tax Increment Financing District (TIF) No. 3 established by the Village in 2001. Proposals for the redevelopment of the site should address the TIF redevelopment objectives of promoting economic development with high standards of design and quality construction.

Tobin Development Corporation has filed a preliminary redevelopment proposal for the rehabilitation of the shopping center, with an emphasis on family-oriented uses. Included in the proposal is the Village’s participation as a member of a Limited Liability Company with TDHS Manager LLC, an affiliate of Tobin Development Corporation. The proposal includes a redevelopment agreement and an operating agreement for the improvement and management of the center.

On April 8, 2015, a public notice requesting alternative proposals for the purchase and redevelopment of the Hanover Square Shopping Center was posted and published. Sealed alternative proposals received within the specified time frame will be publicly opened and read aloud at the special meeting of the Village Board. The Board of Trustees may act at such meeting or within sixty (60) days hereafter to accept any bonafied proposal or to reject any and all such proposals. The Village further reserves the right to waive any informalities or irregularities in any proposal.

Agreement Name: _____

Executed By: _____ SPECIAL BOARD MEETING - April 23, 2015
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Recommended Action

Move to accept any proposal or reject any and all such proposals, or extend the time to consider the proposals.

Attachments

Attachment 1: Notice of Request for Proposals

**NOTICE OF REQUEST FOR PROPOSALS
FOR THE PURCHASE AND REDEVELOPMENT OF
6602 - 6772 BARRINGTON ROAD, HANOVER PARK, IL
HANOVER SQUARE SHOPPING CENTER**

Please take notice that the Village of Hanover Park, Illinois, is seeking proposals for the redevelopment of the property located along and on the west side of Barrington Road south of Walnut Avenue, north of Maple Avenue and east of Pine Street commonly known as 6602 - 6772 Barrington Road, Hanover Park, IL.

This site includes two (2) buildings of approximately 113,000 square feet comprising the Hanover Square Shopping Center. The site is approximately nine (9) acres of land. The property owned by the Village will be sold to the selected developer. The site is located within the Village Center Tax Increment Financing District No. 3 established by the Village in 2001.

Proposals for the redevelopment of the site should address the TIF redevelopment objectives of promoting economic development with high standards of design and quality construction. Tobin Development Corporation has filed a preliminary redevelopment proposal for the rehabilitation of the shopping center including emphasis on a family type center on this site. Including in said proposal is Village's participation as a member of a Limited Liability Company with TDHS Manager LLC, an affiliate of Tobin Development Corporation. The proposal includes a redevelopment agreement and an operating agreement for said company, all of which may be reviewed at the Village's Department of Community Development during normal office hours.

Sealed alternative proposals for the purchase and redevelopment of the above-described property will be received at the Hanover Park Municipal Building, 2121 West Lake Street, between the hours of 9:00 a.m. and 4:00 p.m. until 4:00 p.m. on the date below specified for the opening of such proposals. Such proposals shall be addressed to Eira Corral, Village Clerk, Hanover Park Municipal Building, 2121 West Lake Street, Hanover Park, IL 60133, and shall bear the legend "Proposals for the Purchase and Redevelopment of 6602 - 6772 Barrington Road", and the name and address of the parties submitting the proposal.

All proposals received will be publicly opened and read aloud at the special meeting of the Board of Trustees of the Village of Hanover Park at 7:00 p.m. on April 23, 2015 at the Hanover Park Municipal Building. The Board of Trustees may act at such meeting or within sixty (60) days hereafter to accept any bonafied proposal or to reject any and all such proposals. The Village further reserves the right to waive any informalities or irregularities in any proposal.

For further information, contact Shubhra Govind, Community Development Director, at 630-823-5780 or sgovind@hpil.org, 2121 Lake Street, Hanover Park, IL 60133.



TO: Village President and Board of Trustees

FROM: Juliana Maller, Village Manager
 Shubhra Govind, Community and Economic Development Director
 Katie Bowman, Village Planner

SUBJECT: Review of Proposal by Tobin Development Corporation for the
 Redevelopment of the Hanover Square Shopping Center, 6602-6772
 Barrington Road

ACTION

REQUESTED: Approval Concurrence Discussion Information

MEETING DATE: April 23, 2015 – Special Meeting

Executive Summary

Review of proposal from Tobin Development Corporation for the redevelopment of the Hanover Square Shopping Center, with an emphasis on family-oriented uses. Proposal includes a redevelopment agreement and an operating agreement for the improvement and management of the center.

Discussion

The Tobin Development Corporation has filed a redevelopment proposal for the rehabilitation of the Hanover Square Shopping Center with an emphasis on family-oriented uses. The proposal includes a redevelopment agreement and an operating agreement for the improvement and management of the center. Included in the proposal is the Village’s participation as a member of a Limited Liability Company with TDHS Manager LLC, an affiliate of Tobin Development Corporation.

Background

In December of 2011, the Village of Hanover Park purchased the Hanover Square Shopping Center with the goal of rejuvenating the center and returning it to being an attractive and successful private commercial building. Following purchase, the Village first focused on meeting tenant needs, stabilizing the building, and making basic improvements to utilities, equipment, and roofing.

Over the years, the Village has made a significant number of improvements to the center, including:

- Construction of tenant space for Education & Work Center
- Significant roof repairs and replacements
- Purchase of and demolition of vacant outlot building at Walnut and Barrington (former Shires Restaurant)
- Installation of new monument sign
- HVAC installation and repairs

Several new tenants have been obtained and a number of tenants have renewed their leases. The Village partnered with Elgin Community College, Harper College, and the Chicago Cook Workforce Partnership to establish the Hanover Park Education and Work Center, a first-of-its-kind outreach center. Additionally, a new lease was established with the El Patron Taqueria and Grill.

In 2013, the Village Board began to pro-actively plan for the next stage of development and leasing at the center. Working with a construction management firm, plans and cost estimates were developed for full renovation of the building façade. While the Village continued to manage and plan for redevelopment at the center, other means for achieving the long term goals for the site were also evaluated.

In January of 2014, a Request for Qualifications and Proposals (RFP) was released to solicit proposals for a developer to purchase and improve the property. In this RFP, the Village was looking for a qualified developer to revitalize the property, promote the goals of the Village Center Plan and bring long term public benefit.

Following receipt of proposals, the Village Board directed Staff to begin negotiations with Tobin Development Corporation, the developer for the preferred proposal. As directed by the Board, Staff worked with Steven Friedman of S.B. Friedman Development Advisors to negotiate a term sheet. Following approval of the term sheet, staff worked with the Village Attorney, Steve Friedman, and Attorney Greg Hummel of Bryan Cave LLP to draft a redevelopment agreement and operating agreement for improvement and operation of the center. The services of Attorney Paul J. Riley were also utilized to appeal the property taxes and apply for a Cook County 7C property tax incentive.

Proposal

Under the proposed agreements, the Village and the developer will form a LLC to redevelop the Hanover Square Shopping Center in keeping with the goals of the Village Center Tax Increment Financing District, TIF 3. As outlined in the Redevelopment Agreement, the Village will transfer ownership of the center to the Hanover Square Limited Liability Company, of which the Village will hold a 90% share and Tobin Development Corporation's affiliate, TDHS Manager LLC, will hold a 10% share. The Village will approve plans for the redevelopment of the center, including the final drawings, budget, and construction contract, as well as any changes to such. The Village will contribute the value of the property, and the developer will secure financing for improvements to the center with the real estate securing the loan. The developer will secure a Letter of Credit to ensure that funds are available for completion of the project if the developer fails to complete the work.

The redevelopment plan includes over \$3 million in improvements to the center, including:

- Buildout of vacant space for new tenant, Gymkhana Gymnastics Club, to be located in approximately 24,000 square feet in the center of the building
- Installation of new façade on the main building and front outlot building
- Improvement of the entire parking lot and installation of additional landscape plantings
- Complete repair or replacement of remaining sections of the roof as needed
- Preparation of vacant spaces for leasing
- Marketing of north outlot (former Shires restaurant) for development

As outlined in the Limited Liability Agreement ("Operating Agreement"), the developer will manage the operations of the center, acquire financing, and redevelop the property within the specified time frame. They will acquire property managers and a leasing agent for the center. The Village will be a member of the LLC, approving of major activities, including the annual budget and large leases.

Redevelopment of the center will begin this spring and continue in two phases over the next year. The first phase will be general renovation of the property, including exterior, façade, roof, and parking renovation, as well as tenant improvements for the Gymkhana lease. The second phase will be tenant improvements and associated costs for the leasing of vacant spaces in the center.

Recommendation

Move to pass an Ordinance authorizing the execution of a Redevelopment Agreement and sale of property for the Hanover Square Shopping Center between the Village of Hanover Park and TDHS Manager LLC.

Attachments:

Attachment 1 – Ordinance

Attachment 2 – Redevelopment Agreement

Attachment 3 – Limited Liability Company Agreement (Operating Agreement)
(Exhibit F to Redevelopment Agreement)

Attachment 4 – Development Plan, including site plan, floor plan, and façade plan

ORDINANCE NO. O-15-

**AN ORDINANCE AUTHORIZING THE EXECUTION OF A
REDEVELOPMENT AGREEMENT AND SALE OF
PROPERTY - HANOVER SQUARE SHOPPING CENTER
(TDHS MANAGER, LLC)**

WHEREAS, the Village of Hanover Park is empowered pursuant to the Tax Increment Allocation Act (65 ILCS 5/11-74.4-1 et seq.) to undertake the redevelopment of blighted and conservation areas through tax increment financing, incurring redevelopment project costs, and entering into redevelopment agreements; and

WHEREAS, pursuant to the terms of a Redevelopment Plan entitled the "Hanover Park Village Center Tax Increment Financing Redevelopment Project and Plan" revised dated April 25, 2001, the Village adopted and approved said plan on May 3, 2001, pursuant to Ordinance No. O-01-17 entitled "An Ordinance Adopting and Approving a Tax Increment Financing Redevelopment Plan and Project for the Village of Hanover Park, Illinois (Village Center - TIF #3)", the ("Redevelopment Plan"); and

WHEREAS, the Village has designated a certain area within its corporate limits as a redevelopment project area (the "Redevelopment Area") pursuant to Ordinance No. O-01-16 entitled "An Ordinance Designating a Tax Increment Financing Redevelopment Project Area Within the Village of Hanover Park, Illinois (Village Center - TIF #3)" adopted and approved May 3, 2001 by the Village; and

WHEREAS, the Village adopted and approved Ordinance No. O-01-18 entitled "An Ordinance Adopting Tax Increment Financing for the Village of Hanover Park, Cook and DuPage Counties, Illinois, in Connection with the Designation of a Tax Increment Financing Redevelopment Project Area (Village Center - TIF #3)" adopting tax increment financing pursuant to the Tax Increment Financing Act; and

WHEREAS, the Village Clerk caused notice of request for alternative proposals to be posted on the Village's website and also published said notice in a local newspaper of general circulation on April 8, 2015, concerning the purchase from Village and redevelopment of certain property within the Redevelopment Area in accordance with the Redevelopment Plan, a copy of said notice is attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the Village has not received any alternative proposals in response to said notice (or has received alternative proposals which are not acceptable and are rejected) and has determined that the Redevelopment Agreement submitted by TDHS MANAGER, LLC is in the best interest of the Village of Hanover Park; and

WHEREAS, the Redevelopment Agreement involves the sale of municipally owned real estate to be redeveloped by a limited liability company of which the developer, TDHS MAMAGER, LLC, and Village will be members; and

WHEREAS, the work being authorized by the Redevelopment Agreement on the Hanover Square Shopping Center property is identified in the Redevelopment Agreement between TDHS MANAGER, LLC and the Village, and is to be paid for pursuant to said Redevelopment Agreement, and for continuity and economy of scale ought to be done by Hanover Square, LLC, as part of the redevelopment; and

WHEREAS, the price for the work as proposed in the Redevelopment Agreement will be competitive and equal to or less than might be obtained through competitive bid following advertisement therefore, warranting the waiver of bidding as may otherwise be required by law and Village policy; and

WHEREAS, the Village of Hanover Park is a home rule unit of local government pursuant to Article VII Section 6 of the 1970 Constitution of the State of Illinois and hereby also adopts this Ordinance pursuant to that home rule authority; now, therefore,

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

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

SECTION 2: That Rodney S. Craig, Village President, and Eira Corral, Village Clerk, be and are hereby authorized and directed to execute a Redevelopment Agreement with TDHS MANAGER, LLC, entitled “Redevelopment Agreement by and between the Village of Hanover Park, Illinois, and TDHS MANAGER, LLC, in the form which is attached hereto and made a part hereof by reference as Exhibit B (which agreement is hereby approved), as well as other agreements or documents (including the Operating Agreement) necessary to perform Village’s obligations under the Redevelopment Agreement.

SECTION 3: The President and Board of Trustees, to the extent that public bidding following advertisement therefore may be required by law or Village policy for the work of the redevelopment project, consents to the construction of the redevelopment work procured in the manner provided for in the Redevelopment Agreement, and therefore waives the requirement to bid said work through advertising as it may otherwise be required by law or Village policy.

SECTION 4: That following the execution of the Redevelopment Agreement approved in Section 1. of this Ordinance by all parties thereto, and in partial satisfaction of the terms of the aforesaid Redevelopment Agreement, but only in conformity with the terms and provisions of said Redevelopment Agreement, the President is hereby authorized and directed on behalf of the Village to convey and transfer the real estate described in Exhibit B to the Redevelopment Agreement to Hanover Square, LLC, the developing entity under the Redevelopment and Operating Agreements, by a proper deed of conveyance, and the Village Clerk is hereby authorized to acknowledge and attest to

the Village President's action in signing said deed, and also to affix thereto the seal of the Village.

SECTION 5: That the Village's President and/or Clerk are hereby authorized, respectively, to execute and attest such other closing documents as may be necessary to the conveyance herein authorized.

SECTION 6: That this ordinance shall be in full force and effect from and after its passage, by a vote of at least three-fourths of the corporate authorities now holding office, and approval in the manner provided by law.

ADOPTED this day of , 2015, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT

ABSTENTION:

Approved: _____
Rodney S. Craig, Village President

Attest: _____
Eira Corral, Village Clerk

**NOTICE OF REQUEST FOR PROPOSALS
FOR THE PURCHASE AND REDEVELOPMENT OF
6602 - 6772 BARRINGTON ROAD, HANOVER PARK, IL
HANOVER SQUARE SHOPPING CENTER**

Please take notice that the Village of Hanover Park, Illinois, is seeking proposals for the redevelopment of the property located along and on the west side of Barrington Road south of Walnut Avenue, north of Maple Avenue and east of Pine Street commonly known as 6602 - 6772 Barrington Road, Hanover Park, IL.

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Proposals for the redevelopment of the site should address the TIF redevelopment objectives of promoting economic development with high standards of design and quality construction. Tobin Development Corporation has filed a preliminary redevelopment proposal for the rehabilitation of the shopping center including emphasis on a family type center on this site. Including in said proposal is Village's participation as a member of a Limited Liability Company with TDHS Manager LLC, an affiliate of Tobin Development Corporation. The proposal includes a redevelopment agreement and an operating agreement for said company, all of which may be reviewed at the Village's Department of Community Development during normal office hours.

Sealed alternative proposals for the purchase and redevelopment of the above-described property will be received at the Hanover Park Municipal Building, 2121 West Lake Street, between the hours of 9:00 a.m. and 4:00 p.m. until 4:00 p.m. on the date below specified for the opening of such proposals. Such proposals shall be addressed to Eira Corral, Village Clerk, Hanover Park Municipal Building, 2121 West Lake Street, Hanover Park, IL 60133, and shall bear the legend "Proposals for the Purchase and Redevelopment of 6602 - 6772 Barrington Road", and the name and address of the parties submitting the proposal.

All proposals received will be publicly opened and read aloud at the special meeting of the Board of Trustees of the Village of Hanover Park at 7:00 p.m. on April 23, 2015 at the Hanover Park Municipal Building. The Board of Trustees may act at such meeting or within sixty (60) days hereafter to accept any bonafied proposal or to reject any and all such proposals. The Village further reserves the right to waive any informalities or irregularities in any proposal.

For further information, contact Shubhra Govind, Community Development Director, at 630-823-5780 or sgovind@hpil.org, 2121 Lake Street, Hanover Park, IL 60133.

REDEVELOPMENT AGREEMENT

BY AND BETWEEN

VILLAGE OF HANOVER PARK, ILLINOIS

AND

TDHS MANAGER LLC

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LIST OF EXHIBITS

Exhibit A	Legal Description of Redevelopment Area
Exhibit B	Legal Description of Property
Exhibit C	Project Budget
Exhibit C-1	Initial Project Budget
Exhibit C-2	Remaining Project Budget
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Operating Agreement
Exhibit G	Permitted Liens
Exhibit H-1	Assignment and Assumption of Leases
Exhibit H-2	Form of Deed
Exhibit I	Form of Payment and Performance Bonds

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (this “Agreement”) is made as of this ____ day of _____, 2015, by and between the Village of Hanover Park, an Illinois municipal corporation (the “Village”), and TDHS MANAGER, LLC, an Illinois limited liability company (the “Developer”).

RECITALS

A. Constitutional and Statutory Authority: As a home rule unit of government under Section 6, Article VII of the 1970 Constitution of the State of Illinois (the “State”), the Village is authorized pursuant to the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the “Act”), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects.

B. TIF Ordinances: To induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (“the Corporate Authorities”) introduced and adopted the following ordinances on May 3, 2001: (1) “An Ordinance Designating a Tax Increment Financing Redevelopment Project Area within the Village of Hanover Park, Illinois (Village Center – TIF #3)” (the “TIF Designating Ordinance”); (2) “An Ordinance Adopting and Approving a Redevelopment Plan and Project for the Village of Hanover Park, Illinois (Village Center – TIF #3)” (the “TIF Approving Ordinance”); and (3) “An Ordinance Adopting Tax Increment Financing for the Village of Hanover Park, Cook and DuPage Counties, Illinois in connection with the Designation of a TIF Redevelopment Project Area (Village Center – TIF #3)” (the “TIF Adoption Ordinance”; with the TIF Designating Ordinance and the TIF Approving Ordinance, collectively, the “TIF Ordinances”). The redevelopment project area (the “Redevelopment Area”) is commonly and legally described in Exhibit A attached hereto and made a part hereof.

C. The Project: The Village desires to foster the redevelopment of certain property located within the Redevelopment Area, as commonly known as the Hanover Square Shopping Center and legally described on Exhibit B attached hereto and made a part hereof (the “Property”). The Developer desires to redevelop the Property in the manner, and under the terms and conditions, set forth more fully below. In order to expedite redevelopment of the Property, the Village has previously acquired and now owns the Property. Developer has proposed that the Village convey the Property to a limited liability company of which the Developer would own ten (10%) of the membership interest and the Village would own ninety (90%) of the membership interest (the “Development Entity”). Upon completion of such transfer, the Developer shall, on behalf of the Development Entity, acquire financing to redevelop the Property, within the time frames set forth in Section 3.01 hereof, as follows (the “Project”):

The budget for the redevelopment, as presently contemplated, is set forth on Exhibit C attached hereto and made a part hereof (collectively, the “Project Budget”). The Project is comprised of two phases. The first phase comprises all of the Project other than tenant improvement and associated costs relating to future leases and shall specifically include general renovation of the Property (including exterior, façade, roof and parking renovations) as well as

tenant improvements for the Gymkhana Lease (as hereinafter defined) (all of the foregoing, the “Initial Project”). Those portions of the Project not comprising the Initial Project are referred to herein as the “Remaining Project”. The Project Budget for the Initial Project and the Remaining Project are set forth on Exhibits C-1 and C-2, respectively. The completion of the Project would not reasonably be anticipated without the Village’s contribution of the Property contemplated in this Agreement.

D. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the Village Center Tax Increment Financing Redevelopment Plan and Project (the “Redevelopment Plan”) attached hereto as Exhibit D and made a part hereof, as amended from time to time.

NOW, THEREFORE, in consideration of the mutual covenants and 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:

SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

SECTION 2. DEFINITIONS

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

“Affiliate” shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

“Certificate” or “Certificate of Completion” shall mean the Certificate of Completion described in Section 7.01 hereof.

“Change Order” shall mean any amendment or modification to the Final Drawings, Detailed Plans and Specifications or the Project Budget, as described in Section 3.02 and Section 3.03, respectively, as set forth in Section 3.04, which is executed or agreed upon after the Closing Date.

“Closing Date” shall mean the date of execution and delivery of this Agreement by all parties hereto.

“Construction Contract” shall mean that certain contract, attached hereto as Exhibit E and made a part hereof, which has been entered into between the Development Entity and the General Contractor providing for construction of the Project.

“Detailed Plans and Specifications” shall mean final construction documents containing a site plan and working drawings and specifications for any phase of the Project, including any amendments or modifications which are entered into or agreed upon prior to the Closing Date.

“Employer(s)” shall have the meaning set forth in Section 10 hereof.

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

“Equity” shall mean funds of the Developer or Village contributed to the Development Entity in connection with the Project. Initially the only Equity provided to the Project is the Village’s contribution of the Property which the parties agree has a value of \$2,360,000.

“Escrow Agreement” shall mean the Escrow Agreement establishing a construction escrow, by and among the Village, the Title Company (or an affiliate of the Title Company), the Development Entity and any lender providing Lender Financing, in form and substance acceptable to the Village.

“Event of Default” shall have the meaning set forth in Section 15 hereof.

“Final Drawings” shall mean final construction documents containing a site plan and detailed drawings and specifications for any phase of the Project, sufficient to construct the Project (or such phase) including any amendments or modifications which are entered into or agreed upon pursuant to the terms of this Agreement.

“General Contractor” shall mean the general contractor(s) hired by the Development Entity at the direction of the Developer pursuant to Section 6.01 or referenced therein.

“Initial Certificate” or “Initial Certificate of Completion” shall mean the Initial Certificate of Completion described in Section 7.01 hereof.

“Initial Project Budget” shall mean that portion of the Project Budget relating to the Initial Project, set forth on Exhibit C-1 hereof.

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

“Lender Financing” shall mean funds borrowed by the Development Entity from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof. The terms of such Lender Financing shall be approved by the Village and shall provide that copies of all notices sent by borrower, lender or any other party shall be sent to the Village. Any Lender Financing shall also include provisions acceptable to the Village providing for (a)

the provision by lender of notice to the Village of any default and allowing the Village additional time, beyond any cure period afforded to the Borrower, to cure any default and (b) the Village's (or its inspecting architect's) approval of any draws submitted under the Lender Financing.

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

“Non-Governmental Charges” shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

“Operating Agreement” shall mean the operating agreement of the Development Entity to be entered into between the Village and the Developer in the form attached hereto as Exhibit F.

“Permitted Liens” shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit G attached hereto and made a part hereof.

“Project Budget” shall mean the budget attached hereto as Exhibit C and made a part hereof, showing the total cost of the Project by line item, furnished by the Developer to the Village, in accordance with Section 3.03 hereof.

“Remaining Project Budget” shall mean that portion of the Project Budget relating to the Remaining Project, set forth on Exhibit C-2 hereof.

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the earlier of: (a) the date upon which all of the Property is sold and the Development Entity has disbursed all proceeds to its members; (b) the date on which the Redevelopment Area is no longer in effect (through and including May 7, 2024); or (c) the date on which the Developer has complied with all of its covenants and obligations under this Agreement.

“Title Company” shall mean Chicago Title Insurance Company.

SECTION 3. THE PROJECT

3.01 The Property and the Project.

(a) The Village and the Developer shall cooperate to effect the transfer of title to the Property from the Village to the Development Entity. The Development Entity shall bear the costs, if any, of transferring title to the Property from the Village to the Development Entity.

(b) Developer shall arrange for the Lender Financing such that the closing on the Lender Financing shall occur simultaneously with the transfer of the Property to the Development Entity.

(c) Additionally Developer shall arrange for issuance of the Letter of Credit such that the issuance of the Letter of Credit shall occur simultaneously with or prior to the transfer of the Property to the Development Entity.

3.02 Final Drawings and Detailed Plans and Specifications. The Developer has delivered drafts of the Final Drawings and Detailed Plans and Specifications for the Initial Project to the Village which the Village is reviewing. Upon approval thereof by the Village, subsequent proposed changes to the Final Drawings and Detailed Plans and Specifications shall be submitted to the Village as a Change Order pursuant to Section 3.04 hereof. The Final Drawings and Detailed Plans and Specifications shall at all times conform to the Redevelopment Plan as amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the Village and all governmental authorities as may be necessary to acquire building permits and other required approvals for the Project. With regard to drawings and plans and specifications for the Remaining Project which have not been approved by the Village, the Developer shall submit such drawings and plans and specifications to the Village for its approval consistent with the procedure used for the Final Drawings and Detailed Plans and Specifications for the Initial Project.

3.03 Project Budget. The Developer has furnished to the Village, and the Village has approved, a Project Budget showing total costs for the Project in an amount not less than \$6,909,617. The Developer hereby certifies to the Village that: (a) the Lender Financing and Equity described in Section 4.01 hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to the Village certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be delivered by the Developer to the Village concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Orders that would authorize or cause any of the following to occur must be submitted by the Developer to the Village for Village's prior written approval: (a) an increase any element of the construction and installation cost of the Project by more than two (2) percent; (b) any increase in the total construction and installation costs which renders the Lender Financing to be inadequate to complete the Project, Initial Project, Remaining Project or any portion thereof (as applicable); (c) the change of the proposed use of any portion of the Project; or (d) a delay in the completion of any portion of the Project of more than ninety (90) days. The Developer shall not authorize or permit the performance of any work relating to such Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of the Village's written approval as required herein. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect.

3.05 Village Approval. Any approval granted by the Village of the Final Drawings and Detailed Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by the Village, or pursuant to any Village ordinance, code, regulation or any other governmental approval, nor does any approval by the Village pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any Village approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with and/or obtain permitting and approval under any other state, federal, or local statute, ordinance or regulation. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to the Village's approval of the Final Drawings and Detailed Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding.

3.07 Progress Reports. The Developer shall provide the Village with written monthly progress reports detailing the status of the Project, including costs incurred to date, costs to complete and funds remaining to complete the Project as well as an estimated completion date, if necessary (with any change in the completion date being considered a Change Order, requiring the Village Manager's written approval pursuant to Section 3.04).

3.08 Barricades. Prior to commencing any construction requiring barricades, the Developer shall cause the Development Entity to install a construction barricade of a type and appearance satisfactory to the Village and constructed in compliance with all applicable federal, state or Village laws, ordinances and regulations. The Village retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.09 Signs and Public Relations. At the Village's request, the Developer shall cause the Development Entity to erect one or more signs of size and style approved by the Village in a conspicuous location on the Property during the Project, indicating that tax increment and other financing have been provided by the Village. The Village reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Development Entity, the Property and the Project in the Village's promotional literature and communications.

3.10 Permit Fees. In connection with the Project, the Development Entity shall be obligated to pay all such building, permit, engineering, tap-on and inspection fees that are assessed on a uniform basis throughout the Village or are of general applicability to other property within the Village.

SECTION 4. PLAN OF FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$6,909,617, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Village Land Contribution (Equity)	\$2,360,000
Lender Financing	\$4,549,617
ESTIMATED TOTAL	\$6,909,617

4.02 Cost Overruns. If the aggregate cost of the Project exceeds the Lender Financing and Equity set forth in Section 4.01, the Development Entity shall be solely responsible for such

excess costs, and shall hold the Village harmless from any and all costs and expenses of completing the Project.

4.03 Construction Escrow. The Village shall be a party to the Escrow Agreement. All disbursements of Project funds shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The Escrow Agreement shall allow for the Village's review and approval of any and all payment applications submitted by Developer on behalf of Development Entity and, in the event the Village exercises its remedies with regard to the Letter of Credit, shall allow the Village to submit and approve applications for payment of Project Costs without the Developer's involvement.

SECTION 5. CONDITIONS PRECEDENT AND CLOSING

The following conditions shall be complied with to the Village's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date:

5.01 Project Budget. The Developer shall have submitted to the Village, and the Village shall have approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Final Drawings and Detailed Plans and Specifications. The Developer shall have submitted to the Village, and the Village shall have approved, the Final Drawings and Detailed Plans and Specifications in accordance with the provisions of Section 3.02 hereof.

5.03 Financing. The Developer shall have procured, on behalf of the Development Entity, Lender Financing in the amounts set forth in Section 4.01 hereof to satisfy its obligations under this Agreement which financing shall be subject only to the Village's delivery of the Deed (as hereinafter defined) in order to close.

5.04 Insurance. The Developer shall cause the Development Entity to insure the Property in accordance with Section 12 hereof. At least five (5) business days prior to the Closing Date, certificates required pursuant to Section 12 hereof evidencing the required coverages shall have been delivered to the Village.

5.05 Delivery of Letter of Credit. The Developer shall have secured and delivered into escrow with the Village the Letter of Credit (as hereinafter defined).

5.06 Operating Agreement. The Developer shall have formed the Development Entity and delivered original executed copies of the Operating Agreement to the Village.

5.07 Property Management Agreement. Developer shall have deposited into escrow a property management agreement (in form and substance acceptable to the Village) with a property manager acceptable to the Village, executed by such property manager.

5.08 Leasing Agreement. Developer shall have deposited into escrow a leasing agreement (in form and substance acceptable to the Village) with a leasing broker acceptable in form and substance to the Village, executed by such leasing broker.

5.09 Gymkhana Agreement. Developer shall have deposited into escrow a lease agreement with Gymkhana Gymnastics Club, Inc. in form and substance acceptable to the Village, executed by Gymkhana (the “Gymkhana Lease”).

5.10 Construction Contract. Prior to the execution of the Agreement, the Developer shall deliver to the Village a certified copy of the Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 below for the Village’s written approval, together with any modifications, amendments or supplements thereto. The Construction Contract shall include separate payment and performance bonds, with sureties acceptable to the Village in favor of Development Entity and the Village, in the form attached hereto as Exhibit I (the “Payment and Performance Bonds”) The performance bond shall be in the amount of 100 percent of the full cost of completing all construction for the Project and to be conditioned for the faithful fulfillment of the Contract and to include the protection of the Development Entity from all liens and damages arising out of the work; the Payment Bond to be executed to the Development Entity shall be in the amount of 100 percent of the full cost of all construction to be performed as a part of the Project and shall be conditioned for the payment of all labor and materials used in the work and for the protection of the Development Entity from all liens and damages arising therefrom.

5.11 Assignment and Assumption of Leases. Developer shall have delivered into escrow an assignment and assumption of leases in the form attached hereto as Exhibit H-2 (the “Assignment of Leases”), executed by the Development Entity.

5.12 Closing. Provided the foregoing conditions precedent have been met and Developer is not otherwise in default under this Agreement, the Closing shall occur on the date which is ___ days after the date of this Agreement. At the Closing:

- (a) The Village shall, subject to the closing of the Lender Financing and delivery of the Letter of Credit, deliver into escrow a special warranty in the form attached hereto as Exhibit H-2 (the “Deed”).
- (b) The Village shall execute and deliver into escrow an executed counterpart of the Assignment and Assumption of Leases.
- (c) The Village shall execute and deliver into escrow a fully-executed original Operating Agreement which shall be delivered to Developer upon Closing.
- (d) Developer shall cause the Development Entity to pay all costs associated with obtaining title insurance coverage for the Property, any transfer taxes (if applicable), as well as any closing costs associated with the closing of the Lender Financing.

SECTION 6. CONSTRUCTION COVENANTS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall cause the Development Entity or General Contractor to solicit, bids from qualified contractors eligible to do business in Cook County, and shall submit all bids received to Village for its inspection and written approval. The Developer shall cause the Development Entity to select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. In the event any contract receives less than 3 bids, the Village reserves the right to independently review such bids, at the cost of Development Entity. The requirements set forth herein may be waived by the Village in conformance with Illinois law.

6.02 Letter of Credit. Developer shall procure and deliver to the Village a letter of credit issued by Barrington Bank & Trust in the face amount of \$3,313,006 (the "Letter of Credit") in order to secure the completion of the Initial Project and to protect the Village's contribution of the Property hereunder from a failure of Developer to complete the Initial Project. The Letter of Credit shall not be secured by any assets of the Development Entity. Such Letter of Credit shall be in form and substance acceptable to the Village and specifically shall provide:

(a) for a term of not less than one (1) year;

(b) that the Village shall be entitled to draw upon the Letter of Credit upon presentation of a sight draft; and

(c) that the Letter of Credit shall be deemed automatically renewed, without amendment, for consecutive periods of one year, each year during the term of this Agreement, and for a sixty (60) day period thereafter unless the bank shall notify the Village by registered or certified mail, return receipt requested, not less than sixty (60) days preceding the then expiration date of the Letter of Credit, that the bank elects not to renew or to cancel such Letter of Credit, in which event the Village shall have the right, by sight draft presented to the bank, to receive the monies represented by the then existing Letter of Credit. In the event the Village issues an Initial Certificate of Completion, the Village shall surrender the Letter of Credit in compliance with Section 7.02. At the Village's request, Developer shall also provide a subsequent letter of credit in connection with the construction of the Remaining Project in an amount equal to the Remaining Project Budget or any phase thereof in substantially the same form as the Letter of Credit for the Initial Project.

6.03 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

6.04 Inspecting Architect. The Village shall have the right to select and appoint an independent agent or architect (other than the Development Entity's) to act as the inspecting agent or architect, at the Development Entity's expense, subject to budget approval by the parties, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to the Village including, without limitation, inspecting all draw requests submitted under the Lender Financing.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Executed originals of all contracts and copies of all subcontracts entered or to be entered into shall be provided to the Village within fifteen (15) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction. Initial Certificate of Completion. Upon completion of the Initial Project in accordance with the terms of this Agreement and upon the Developer's written request, the Village shall issue to the Developer an Initial Certificate of Completion certifying that the Developer has fulfilled its obligation to complete the Initial Project in accordance with the terms of this Agreement. The Village shall respond to the Developer's written request for an Initial Certificate of Completion within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Initial Certificate of Completion. The Developer may resubmit a written request for an Initial Certificate of Completion upon completion of such measures. For the purposes hereof, the Initial Project shall be deemed complete upon the latter to occur of the following: (1) the architect for the Development Entity shall certify that the Initial Project is complete; (2) the Village has issued a final Certificate of Occupancy with regard to the Initial Project; (3) Developer shall have provided the Village with sworn statements and final lien waivers in form and substance acceptable to the Village demonstrating that all contractors and suppliers for the Initial Project have been paid and have waived any rights of lien they may have (whether with respect to the Property or to any publicly-held funds); (4) Developer shall have provided the Village with a title policy showing ownership of the Project vested in the Development Entity providing for no liens against the Property in connection with the Project; and (5) Gymkhana shall have commenced its occupancy under the Gymkhana Lease.

Upon completion of the Project in accordance with the terms of this Agreement and upon the Developer's written request, the Village shall issue to the Developer a Certificate of Completion in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. The Village shall respond to the Developer's written request for a Certificate of Completion within thirty (30) days by issuing either a Certificate of Completion or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate of Completion. The Developer may resubmit a written request for a Certificate of Completion upon completion of such measures. For the purposes hereof, the Project shall be deemed complete upon the latter to occur of the following: (1) the architect for the Development Entity shall certify that the Project is complete; (2) the Village has issued a final Certificate of Occupancy with regard to the Project; (3) Developer shall have provided the Village with sworn statements and final lien

waivers in form and substance acceptable to the Village demonstrating that all contractors and suppliers for the Project have been paid and have waived any rights of lien they may have (whether with respect to the Property or to any publicly-held funds); (4) Developer shall have provided the Village with a title policy showing ownership of the Project vested in the Development Entity providing for no liens against the Property in connection with the Project; and (5) the Lender Financing shall have been converted or refinanced to a term loan.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the portion of the Project described therein, and upon its issuance, the Village will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. In addition, within ten (10) days after issuance of the Certificate of Completion, the Village shall surrender the Letter of Credit. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement, and the issuance of the Certificate shall not be construed as a waiver by the Village of any of its rights and remedies pursuant to such executory terms.

7.03 Failure to Complete. Development Entity's (a) default under any of the documents relating to the Lender Financing (as evidenced by a notice of default sent by the lender) beyond any applicable cure period; or (b) failure to complete the Project in accordance with the terms of this Agreement, shall constitute an immediate default under this Agreement.

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the Closing Date:

(a) the Developer is an Illinois limited liability company duly organized, validly existing, qualified and licensed to do business in Hanover Park, Illinois, and in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) the Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate the Articles of Organization, as amended and supplemented, of the Developer, applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) the Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

(e) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, or, to the knowledge of

Developer, threatened or affecting the Developer which would impair its ability to perform under this Agreement;

(f) the Developer will procure for the Development Entity and will cause the Development Entity to maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(g) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound;

(h) prior to the issuance of a Certificate of Completion, the Developer shall not do any of the following without the prior written consent of the Village: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or any portion of Developer's ownership of the Development Entity; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition; and

(j) the Developer has not incurred nor caused the Development Entity to incur, and, prior to the issuance of a Certificate of Completion, shall not, without the prior written consent of the Village, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget.

8.02 Covenant to Redevelop. Upon the Village's approval of the Project Budget, the Final Drawings and Detailed Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall cause the Development Entity to redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Final Drawings and Detailed Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.03 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

8.04 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the Village, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, 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, 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 Area.

8.05 Intentionally Omitted.

8.06 Insurance. The Developer shall cause the Development Entity to comply with all provisions of Section 12 hereof.

8.07 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. The Developer agrees to cause Development Entity to pay when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project.

(b) Right to Contest. The Developer shall have the right, before any delinquency occurs:

- (i) to cause the Development Entity to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.07); or
- (ii) at the Village's sole option, to furnish a good and sufficient bond or other security satisfactory to the Village in such form and amounts as the Village shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.08 Developer's Liabilities. The Developer shall not enter into any transaction, or cause Development Entity to enter into any transaction, that would materially and adversely affect its ability to perform its obligations hereunder, to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify the Village of any and all events or actions which may materially affect the Developer's or Development Entity's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.09 Compliance with Laws. To the best of the Developer's knowledge, as of the date of transfer of the subject property to the Development Entity and after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or

affecting the Project and the Property. Upon the Village's request, the Developer shall provide evidence satisfactory to the Village of such compliance.

8.10 Recording and Filing. The Developer shall cause the Development Entity to record this Agreement, certain exhibits (as specified by the Village), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of the county in which the Project is located. Upon recording, the Developer shall immediately transmit to the Village an executed original of this Agreement showing the date and recording number of record.

8.11 Project Budget. The Developer has approved the Project Budget and hereby represents that it believes the Project Budget is sufficient for the purpose of completing the Project.

8.12 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate of Completion) shall be in effect throughout the Term of the Agreement.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF VILLAGE

9.01 General Covenants. The Village represents that it has the authority to execute and deliver this Agreement and to perform its obligations hereunder.

9.02 Survival of Covenants. All warranties, representations, and covenants of the Village contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the Village's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself, the Development Entity and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability. Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or

transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Developer setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability.

(b) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(c) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the Village, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(d) Each Employer shall include the foregoing provisions of subparagraphs (a) through (c) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(e) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the Village to pursue remedies under the provisions of Section 15.02 hereof.

10.02 Prevailing Wage. Developer shall cause the Development Entity to comply, in all respects with the terms and provisions of the Illinois Prevailing Wage Act (820 ILCS 130/1, et seq.) including, without limitation, selecting contractors and subcontractors that will comply in all ways with the Illinois Prevailing Wage Act. Developer hereby indemnifies and holds the Village harmless for any and all damages, fees or other costs arising from the Developer's or Development Entity's failure to comply with the Illinois Prevailing Wage Act.

SECTION 11. ENVIRONMENTAL MATTERS

The Development Entity hereby represents and warrants to the Village that the Development Entity 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 and all Exhibits attached hereto, the Final Drawings and Detailed Plans and Specifications and all amendments thereto, the Bond Ordinance and the Redevelopment Plan.

As of the date of execution of this Redevelopment Agreement, without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the Village harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or

asserted against the Village as a direct or indirect result of any of the following, caused by, or within the control of the Developer or Development Entity: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, Development Entity, or any person directly or indirectly controlling, controlled by or under common control with the Developer or Development Entity holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer or Development Entity), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the Village, the Development Entity or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer shall cause Development Entity to provide and maintain, or cause to be provided, during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, to the extent prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$4,000,000 per occurrence for bodily injury, personal injury, and property damage liability, coverages shall include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The Village is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, to the extent prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$2,000,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The Village is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage. The Village is to be named as an additional insured on a primary, noncontributory bases.

(iv) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The Village shall be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$2,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$2,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The Village is to be named as an additional insured on a primary, non-contributory basis.

(c) Other Requirements

The Developer, through the Development Entity, will furnish the Village original Certificates of Insurance evidencing the required coverages to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer shall submit evidence of insurance at the time of closing and upon the execution of this Agreement. The receipt of any certificate does not constitute agreement by the Village that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the Village to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the Village. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the Village retains the right to terminate this Agreement until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the Village in the event coverage is substantially changed, cancelled, or non-renewed.

The Developer agrees that insurers shall waive rights of subrogation against the Village, their employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

The Developer expressly understands and agrees that the Development Entity's insurance is primary and any insurance or self insurance programs maintained by the Village shall not contribute with insurance provided by the Developer under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the contractor, and all subcontractors, to provide the insurance required herein or Developer may provide the coverages for the Contractor, or

subcontractors. All Contractors and subcontractors shall be subject to the same requirements imposed upon Developer by subsection (b) hereof unless otherwise specified herein.

If the Developer, Contractor or subcontractor desires additional coverages, the Developer, Contractor and each subcontractor shall be responsible for the acquisition and cost of such additional protection.

SECTION 13. INDEMNIFICATION

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

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall cause the Development Entity to keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual 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, 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 during normal business hours for inspection, copying, audit and examination by an authorized representative of the Village. 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.

14.02 Inspection Rights. 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 the Agreement.

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure directly results in a material adverse effect on the Developer's ability to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the developer under this Agreement and any related agreement;

(c) the making or furnishing by the Developer to the Village of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution, the effect of which would materially adversely affect the ability of the Developer to perform its obligations under this Agreement;

(h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period or the suspension of the ability of the Development Entity to draw upon the Lender Financing;

(i) the dissolution of the Developer or the death of any natural person who owns a material interest in the Developer, provided however that the death of Kevin Tobin shall not constitute a default so long as either David Cornes and/or Thomas Godfrey can thereafter demonstrate that they own a material interest in Developer and manage or otherwise are in the day-to-day control of Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor).

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten percent (10%) of the Developer.

15.02 Remedies. Upon the occurrence of an Event of Default, the Village may terminate this Agreement and all related agreements. 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, including but not limited to injunctive relief or the specific performance of the agreements contained herein. In addition, with respect to any default under Section 15.01(h) hereof or in the event Developer requests a Change Order which would cause the Lender Financing to be insufficient to complete the Initial Project, Remaining Project or Project (as applicable) or which would cause that portion of the Lender Financing allocated to such component of the Initial Project, Remaining Project or Project (as applicable) to be inadequate therefore, or if the Village reasonably believes such a Change Order is necessary, the Village shall also have the right to draw upon the Letter of Credit at the Village's option to either pay off any Lender Financing and/or to complete the Project.

The Village agrees that, with regard to the Letter of Credit issued in connection with the Initial Project, the amount the Village may draw from the Letter of Credit shall be limited based upon the status of completion of the Initial Project as follows:

- (a) Upon the completion of those portions of the Initial Project relating to the Gymkhana Lease set forth on the Initial Project Budget attached as Exhibit C-1 (Gymkhana Interior Build, Gymkhana Exterior), the amount of the Letter of Credit the Village will be allowed to draw upon will be reduced by 1/3 (\$828,251.50);
- (b) Upon the completion of those portions of the Initial Project relating to the Building set forth on the Initial Project Budget attached as Exhibit C-1 (Remaining Interior, Remaining Exterior and Roofing), the amount of the Letter of Credit the Village will be allowed to draw upon will be reduced by 1/3 (\$828,251.50); and
- (c) Any remaining amount of the Letter of Credit shall remain open until the Village has delivered an Initial Certificate of Completion and surrendered the Letter of Credit pursuant to Sections 6.02 and 7.01 hereof.

The foregoing rights of the Village shall in no way limit the rights the Village has against Developer under the Operating Agreement.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer shall have failed to perform such monetary covenant within

thirty (30) days of its receipt of a written notice from the Village specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer shall have failed to cure such default within thirty (30) days of its receipt of a written notice from the Village specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured. Notwithstanding the foregoing, if an Event of Default occurs due to a default occurring under the Lender Financing, Developer's cure period shall be equal to the cure period allowed under the Lender Financing documents, excluding any additional cure period afforded to the Village.

SECTION 16. NOTICE

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

If to the Village:

Village of Hanover Park
2121 Lake Ave.
Hanover Park, Illinois 60103
Attention: Village Manager
Phone: 630-823-5610
Facsimile: 630-823-5607

If to the Developer:

TDHS MANAGER, LLC
500 N. Michigan Avenue
Suite 600
Chicago, IL 60611
Attention: Kevin Tobin, David Cornes, Thomas Godfrey
Phone: (312) 615-5200
Facsimile: (866) 956-0194

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the business day immediately

following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 17. MISCELLANEOUS

17.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the Village.

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

17.03 Limitation of Liability. No member, official or employee of the Village shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to the Developer from the Village or any successor in interest or on any obligation under the terms of this Agreement.

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

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

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

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

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

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

17.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

17.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the Bond Ordinance, such ordinance(s) shall prevail and control.

17.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

17.13 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the Village and/or shall be in form and content satisfactory to the Village.

17.14 Approval. Wherever this Agreement provides for the approval or consent of the Village, or any matter is to be to the Village's, satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the Village in writing and in the reasonable discretion thereof. The Village Manager (or her designee, so designated by the Village Manager in writing) shall act for the Village in providing all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the Village.

17.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the Village. Any successor in interest to the Developer under this Agreement shall certify in writing to the Village its agreement to abide by all remaining executory terms of this Agreement for the Term of the Agreement. The Developer consents to the Village's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

17.16 Binding Effect. This Agreement shall be binding upon the Developer, the Village and its respective permitted successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the Village and their respective permitted successors and permitted assigns (as provided herein).

17.17 Force Majeure. Neither the Village, nor the Developer, nor any successor in interest to either of them, shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

VILLAGE OF HANOVER PARK

By: _____

Its: _____

Attest:

By: _____

Its: _____

TDHS MANAGER, LLC

By: _____

Its: _____

Attest:

By: _____

Its: _____

STATE OF ILLINOIS)
) ss
COUNTY OF _____)

I, the undersigned, a notary public in and for the said County, in the State aforesaid, DO
HEREBY CERTIFY that _____ and
_____, personally known to me to be the
_____ and _____ of _____ (the
“Developer”), and personally known to me to be the same persons whose names are subscribed
to the foregoing instrument, appeared before me this day in person and acknowledged that they
signed, sealed, and delivered said instrument, pursuant to the authority given to them by the
_____ of the Company, as their free and voluntary act and as the free and
voluntary act of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ____ day of _____, 20____.

Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT AREA

Village Center Tax Increment Financing Redevelopment Project Area

That part of DuPage and Cook Counties, Illinois, legally described as follows:

Commencing at the northeast corner of the west half of the northwest quarter of Section 1 in Township 40 North, Range 9 East of the Third Principal Meridian as the point of beginning, said point also being northeast corner of Columbo's Subdivision; thence 50.00 ft. southerly along the west line of the east half of the northwest quarter of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the south right-of-way line of Devon Avenue; thence 960.48 ft. easterly along the south right-of-way line of Devon Avenue; thence south 00°43'59" west 135.11 ft.; thence north 88°22'50" east 369.31 ft.; thence south 00°43'59" west 150.10 ft.; thence south 88°26'45" west 181.63 ft.; thence south 00°43'59" west 2275.62 ft.; thence 1923.44 ft. easterly along the south line of the northeast quarter of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the northeast corner of Lot 47 in the Greenbrook Unit 2 Subdivision; thence north 64°33'46" east 112.47 ft. along the north lines of lots 70 and 71 of Larwin's 2nd Resubdivision; thence north 89°58'16" east 438.24 ft. along the north lines of Larwin's 2nd Resubdivision and Larwin's 1st Addition to Greenbrook Unit 3 Subdivision to the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence 500.00 ft. northerly along the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence north 89°35'56" west 125.62; thence 923.72 ft. northerly along a line parallel to and 125.62 ft. west of the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the north right-of-way line of Ontarioville Road; thence 293.86 ft. northwesterly along said north right-of-way line; thence 265.37 ft. south along the east property line of Lot 5 of the Vavrus Addition to Hanover Park to the southeast corner of said Lot 5; thence 171.48 ft. south along the east property lines of Lots 11 and 12 of Block 2 of the Argyle Addition to Ontarioville to the southeast corner of said Lot 12; thence 315.00 ft. west along the south property line of said Lot 12 to the southwest corner of said Lot 12; thence 200.00 ft. north along the west property line of said Lots 11 and 12 to the northwest corner of said Lot 11; thence north 89°41'21" west 33.00 ft. to the center of County Farm Road (Merwin Avenue); thence south 00°14'06" west 10.55 ft.; thence north 89°55'54" west 33.00 ft. to the southeast corner of Lot 3 of the Vavrus Addition to Hanover Park; thence 631.89 ft. westerly along the south property line of Lot 3 of the Vavrus Addition to Hanover Park to the southwest corner of said Lot 3; thence 823.70 ft. northerly along the west property lines of Lots 1, 2 and 3 of the Vavrus Addition to Hanover Park, that line also being the east right-of-way line of Church Road to the northwest corner of said Lot 1; thence 168.99 ft. (7/8) northwesterly to the southeast corner of Lot 10 of the Ontario Subdivision; thence 158.15 ft. northerly along the east line of said Lot 10 to the northeast corner of said Lot 10; thence 1316.99 ft. (7/8) easterly along the north line of said Ontario Subdivision, that line also being the south right-of-way line of the METRA Railroad, to the northwest corner of Lot 1 of said Ontario Subdivision; thence 136.10 ft. (7/8) due east to a line parallel to and 50.00 ft. east of the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence 65.71 ft. (7/8) north along said parallel line to a point 50.00 ft. due east of the northeast corner of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian, that corner also being the southeast corner of Section 36, Township 41

North, Range 9 East of the Third Principal Meridian; thence 2641.26 ft. ($\frac{1}{4}$) north along a line parallel to and 50.00 ft. east of the east line of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian, that line also being the east right-of-way line of Barrington Road, to the southwest corner of Lot 1, Block 2, of the Hanover Highlands Subdivision; thence 499.80 ft. westerly along the north right-of-way line of Walnut Avenue to the southeast corner of Lot 8, Block 21, of the Hanover Park Estates Subdivision; thence 1281.42 ft. south along the west right-of-way line of Pine Tree Street to the southeast corner of Lot 21, Block 23, of the Hanover Park Estates Subdivision; thence 900.48 ft. westerly along the north right-of-way line of Maple Avenue to the intersection of the north right-of-way line of Maple Avenue and the west right-of-way line of Church Street; thence 711.68 ft. south along the west right-of-way line of Church Street to the southeast corner of Lot 19 of the Oakwood Landings North Subdivision; thence westerly 508.00 ft. along the south property lines of Lots 15, 16, 17, 18 and 19 of the Oakwood Landings North Subdivision; thence westerly 554.74 ft. along the south property lines of Lots 14, 13, 12, and 11 of the Oakwood Landings North Subdivision; thence westerly 110.58 ft. along the south property lines of the Lots 11 and 10 of the Oakwood Landings North Subdivision to the southwest corner of said Lot 10; thence northerly 663.32 ft. along the west property lines of Lots 10, 9, 8, 7, 6, 5, 4, 3, 2, and 1 of the Oakwood Landings North Subdivision to the northwest corner of said Lot 1; thence 121.80 ft. due west to the west line of the southeast quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian; thence 132.00 ft. north along the west line of the southeast quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian to the north right-of-way line of Maple Avenue; thence 190.57 ft. westerly along said north right-of-way line to the southwest corner of Lot 19, Block 19, of the Grant Highway Subdivision; thence 68.04 ft. southwesterly to the northeast corner of Lot 1, Block 22, of the Grant Highway Subdivision; thence 344.14 ft. southerly along the east lines of Lots 1 and 13 of Block 22 of the Grant Highway Subdivision to the southeast corner of Lot 13, Block 22, of the Grant Highway Subdivision; thence 503.50 ft. northwesterly along the north right-of-way line of Elm Avenue to the southwest corner of Lot 7, Block 22, of the Grant Highway Subdivision; thence continuing northwesterly 66.14 ft. to the southeast corner of Lot 20, Block 21, of the Grant Highway Subdivision; thence 596.98 ft. northwesterly along the north right-of-way line of Elm Avenue to the southwest corner of Lot 11, Block 21, of the Grant Highway Subdivision; thence 430.55 ft. southwesterly along the west property lines of Lots 10 and 11, Block 24, of the Grant Highway Subdivision to the south right-of-way line of U.S. Rte. 20, Lake Street; thence 113.31 ft. southeasterly along said south right-of-way line; thence 519.41 ft. southeasterly along said south right-of-way line, which is an arc convex to the southwest with a radius of 5759.58 ft.; thence 1306.09 ft. ($\frac{1}{4}$) southeasterly along the south right-of-way line of Lake Street to the intersection of the south right-of-way line of Lake Street and the southwest right-of-way line of Ontarioville Road; thence 165.52 ft. southeasterly along the southwest right-of-way line of Ontarioville Road to the north right-of-way line of the METRA Railroad; thence 1740.81 ft. westerly along the north right-of-way line of the METRA Railroad to the west line of the east half of the southwest quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian; thence 497.79 ft. south along the west line of the east half of the southwest quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian to the point of beginning.

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1:

LOT 'A' AND THAT PART OF VACATED PARK AVENUE LYING SOUTH OF THE SOUTH LINE OF WALNUT STREET AND NORTH OF THE NORTH LINE OF MAPLE AVENUE TAKEN AS A TRACT, ALL IN HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING FROM SAID TRACT THE EAST 110 FEET OF THE NORTH 128 FEET ALSO EXCEPTING THE EAST 150 FEET OF THE SOUTH 400 FEET), IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE EAST 150 FEET OF THE NORTH 250 FEET OF THE SOUTH 400 FEET OF LOT 'A' AND THAT PART OF VACATED PARK AVENUE LYING SOUTH OF THE SOUTH LINE OF WALNUT STREET AND NORTH OF THE NORTH LINE OF MAPLE AVENUE WHICH LIES EAST OF AND ADJOINING SAID LAND TAKEN AS A TRACT, ALL IN HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE NORTH 128 FEET OF THE EAST 70 FEET OF LOT 'A'; AND THE NORTH 128 FEET OF VACATED PARK AVENUE, SOUTH OF THE SOUTH LINE OF WALNUT AVENUE, OF HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

EXHIBIT C

PROJECT BUDGET

CONSTRUCTION LOAN	
	TOTAL
Hard Costs	COSTS
Roof Rebuilding	\$322,000
Façade Replacement	\$1,225,000
Gymkhana Buildout (Net of façade)	\$735,900
Gymkhana Contribution	(\$50,000)
Vacant Space Demo/Clean up	\$54,000
Vacant Space HVAC	\$50,000
Parking Lot Restoration	\$328,395
Tenant Improvements	\$550,000
Landscaping	\$24,000
Contingency	\$615,466
Hard Costs – Subtotal	\$3,854,761
Soft Costs	
Architectural & Engineering	\$30,000
A & E Revisions and Tenant Improvements	\$25,000
Permitting	\$38,548
Bonding	\$115,643
Leasing Commissions	\$141,000
Legal for Leases and Miscellaneous	\$125,000
Project Management Fee	\$97,179
Contingency	\$122,487
Soft Costs – Subtotal	\$694,856
Total Project Renovation Costs	\$4,549,617
Total Construction Loan	\$4,549,617
EQUITY	
Property Contribution	\$2,360,000
Developer Fee	\$0
Total Equity	\$2,360,000
TOTAL Project Budget	\$6,909,617

EXHIBIT C-1
INITIAL PROJECT BUDGET

EXHIBIT C-2

REMAINING PROJECT BUDGET

EXHIBIT D

REDEVELOPMENT PLAN

Hanover Park Village Center Tax Increment Financing Redevelopment Project and Plan, Village of Hanover Park dated April 25, 2001.

As on file with the Village of Hanover Park

EXHIBIT E
CONSTRUCTION CONTRACT

EXHIBIT F
OPERATING AGREEMENT

EXHIBIT G

PERMITTED LIENS

1. Covenants, conditions, easements and restrictions of record.
2. Taxes for the year 2014 and subsequent years, not yet due and payable.

EXHIBIT H-1

FORM OF ASSIGNMENT AND ASSUMPTION OF LEASES

This ASSIGNMENT AND ASSUMPTION OF LEASES (this “Assignment”) is made this ____ day of _____, 201█, by and between _____, a _____ (“Assignor”), and _____, a _____ (“Assignee”).

RECITALS

WHEREAS, Assignee and Assignor entered into that certain Redevelopment Agreement dated as of _____, 201█ (the “Agreement”), for the purchase and sale of that certain property located at [█], Illinois as more particularly described in Exhibit A attached hereto and incorporated herein (the “Property”); and

RECITALS

WHEREAS, under the terms and conditions of the Agreement, it is contemplated that Assignor and Assignee enter into this Assignment.

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

1. Effective as of the date hereof, Assignor hereby assigns to Assignee all of its right, title and interest under the Leases as set forth on Exhibit B attached hereto and incorporated herein and the current outstanding balance of all security deposits and prepaid rents, together with all interest accrued thereon if payable under the Lease and Licenses or applicable laws, as more fully described on Exhibit C attached hereto but excluding any non-refundable deposits. Assignor agrees to indemnify Assignee against and hold Assignee harmless from any and all cost, liability, loss, damage or expense, including, without limitation, reasonable attorneys’ fees, arising as a result of Assignor’s breach of the terms of the Lease and Licenses prior to the date hereof.

2. Effective as of the date hereof, Assignee hereby assumes all of the Assignor’s obligations under the Leases. Assignee agrees to indemnify Assignor against and hold Assignor harmless from any and all cost, liability, loss, damage or expense, including, without limitation, reasonable attorneys’ fees, arising as a result of Assignee’s breach of the terms of the Leases from and after the date hereof.

3. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

4. All capitalized terms used herein, but not defined, shall have the meanings given to such terms in the Agreement.

Exhibit F-1-1

5. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

[Signatures Appear on the Following Page]

Exhibit F-1-2

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first above written.

ASSIGNOR:

_____,
a _____

By: _____
Name: _____
Title: _____

ASSIGNEE:

_____,
a _____

By: _____
Name: _____
Title: _____

**EXHIBIT A TO ASSIGNMENT AND ASSUMPTION
OF LEASES**

LEGAL DESCRIPTION OF THE PROPERTY

**EXHIBIT B TO ASSIGNMENT AND ASSUMPTION
OF LEASES**

LEASES

**EXHIBIT C TO ASSIGNMENT AND ASSUMPTION
OF LEASES**

SECURITY DEPOSITS

EXHIBIT H-2

FORM OF DEED

This instrument prepared by
and after recording return to:

SPECIAL WARRANTY DEED

THE GRANTOR, Village of Hanover Park, Illinois, a municipal corporation, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt of which is hereby acknowledged hereby does remise, release, alien and convey to _____, an Illinois limited liability company having its principal office in the Village of _____, County of _____ and State of Illinois, whose address is _____, all interest in that certain real estate, situated in _____ County, Illinois, as more particularly described on Exhibit A attached hereto.

Tax Parcel Identification Number: _____.

Address of Real Estate: _____.

SUBJECT, HOWEVER, to the matters set forth on Exhibit B to this Deed and by this reference made a part hereof (collectively, the "**Permitted Exceptions**"), Grantee hereby accepting such Permitted Exceptions by recordation of this Deed.

TO HAVE AND TO HOLD the Property, together with all rights and appurtenances thereto belonging or in anywise appertaining unto Grantee and unto its successors and assigns forever. Grantor hereby covenants that it and its successors and assigns will WARRANT AND DEFEND the title to the Property, subject to the Permitted Exceptions, unto Grantee, its successors and assigns forever, against the lawful claims of all persons claiming by, through or under Grantor, but not otherwise.

EXHIBIT A

EXHIBIT I

FORM OF PAYMENT AND PERFORMANCE BONDS

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That _____

(hereinafter called the "Principal"), as Principal and _____
_____, a corporation, duly authorized to do business in
_____(project state) (hereinafter called the "Surety"), are held and
firmly bound unto [Development Entity] and the Village of Hanover Park,
Illinois _____ (hereinafter, collectively and singly, called the "Obligee"), and its
representatives, successors and assigns, in the sum of
_____ Dollars (\$ _____) for the
payment of which sum well and truly to be made the said Principal and Surety bind themselves,
and their respective heirs, administrators, executors, successors and assigns, jointly and
severally, firmly by these presents.

WHEREAS, the Principal has been awarded a contract with Obligee for _____
_____ (hereinafter called the "Contract") and
which Contract is hereby referred to and incorporated by express reference as if fully set forth
herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above
bound Principal shall well and truly perform all the work, undertakings, covenants, terms,
conditions, and agreements of said Contract within the time provided therein and any extensions
thereof that may be granted by Obligee, and during the life of any maintenance obligation,
guaranty or warranty required under said Contract, and shall also well and truly perform all the
undertakings, covenants, terms, conditions, and agreements of any and all modifications of said
Contract that may hereafter be made, and shall indemnify and save harmless said Obligee of and
from any and all loss, damage, and expense, including costs and attorneys' fees, which said
Obligee may sustain by reason of Principal's failure to do so, then this obligation shall be null
and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, waiver,
or other modification of the terms of either the said Contract or in the said work to be performed,
or in the specifications, or in the plans, or in the Contract documents, or any forbearance on the
part of either the Obligee or Surety to the other, shall in any way affect said Surety's obligation
on this Bond, and said Surety does hereby waive notice of any such changes, extensions of time,
alterations, additions, omissions, waivers, or other modifications.

The parties executing this Bond on behalf of Principal and Surety represent and warrant that they
are duly authorized to bind the Principal and Surety, respectively.

IN WITNESS WHEREOF, the above bound parties have executed this instrument under their several seals this _____ day of _____, 20____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

PRINCIPAL: _____

By: _____

Title: _____

(Principal's Address)

Witness:

Or Secretary's Attest

[SEAL]

SURETY: _____

By: _____

Title: _____

(Surety's Address)

Witness:

Or Secretary's Attest

[SEAL]

Attach Power of Attorney if executed by attorney-in-fact on behalf of Surety

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, That _____ (hereinafter called the "Principal"), as Principal and _____, a corporation, duly authorized to do business in _____ (project state), (hereinafter called the "Surety"), are held and firmly bound unto [Development Entity] and the Village of Hanover Park, Illinois _____ (hereinafter, collectively and singly, called the "Obligee"), and its representatives, successors and assigns, in the sum of _____ Dollars (_____) for the payment of which sum well and truly to be made the said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the Principal has been awarded a contract with Obligee for _____ (hereinafter called the "Contract") and which Contract is hereby referred to and incorporated by express reference as if fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall promptly make payment in full to all persons or entities supplying labor, material, supplies, services, utilities and equipment in the prosecution of the work provided for in said Contract and any and all modifications of said Contract that may hereafter be made, and shall indemnify and save harmless said Obligee of and from any and all loss, damage, and expense, including costs and attorneys' fees, which said Obligee may sustain by reason of Principal's failure to do so, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, waiver, or other modification of the terms of either the said Contract or in the said work to be performed, or in the specifications, or in the plans, or in the Contract documents, or any forbearance on the part of either the Obligee or Principal to the other, shall in any way affect its obligation on this Bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations, additions, omissions, waivers, or other modifications.

The said Principal and the said Surety agree that this Bond shall inure to the benefit of all persons or entities as supplying labor, material, supplies, services, utilities and equipment in the prosecution of the work provided for in said Contract, as well as to the Obligee, and that any of such persons or entities may maintain independent actions upon this Bond in the name of the person or entities bringing any such action.

The parties executing this Bond on behalf of Principal and Surety represent and warrant that they are duly authorized to bind the Principal and Surety, respectively.

IN WITNESS WHEREOF, the above parties have executed this instrument under their several seals this _____ day of _____, 20__, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

PRINCIPAL: _____

By: _____

Title: _____

(Principal's Address)

Witness:

Or Secretary's Attest

[SEAL]

SURETY: _____

By: _____

Title: _____

(Surety's Address)

Witness:

Or Secretary's Attest

[SEAL]

Attach Power of Attorney if executed by attorney-in-fact on behalf of Surety

LIMITED LIABILITY COMPANY AGREEMENT

OF

HANOVER SQUARE, LLC

(an Illinois limited liability company)

THE LIMITED LIABILITY COMPANY MEMBERSHIP INTERESTS IN _____, LLC ARE SUBJECT TO THE RESTRICTIONS ON TRANSFER SET FORTH IN THIS AGREEMENT. THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE FEDERAL OR STATE SECURITIES LAWS, IN EACH CASE IN RELIANCE UPON EXEMPTIONS FROM THE REQUIREMENTS OF SUCH LAWS. NEITHER THE MEMBERSHIP INTERESTS NOR ANY PART THEREOF MAY BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT AND ALL APPLICABLE SECURITIES LAWS.

_____, 2015

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**LIMITED LIABILITY
COMPANY AGREEMENT
OF
HANOVER SQUARE, LLC**

THIS LIMITED LIABILITY COMPANY AGREEMENT of HANOVER SQUARE, LLC, an Illinois limited liability company (the “Company”), is entered into as of _____, 2015 (the “Effective Date”), by and between the Village of Hanover Park, Illinois, an Illinois municipal corporation (the “Village”), as a Member, and TDHS MANAGER, LLC, an Illinois limited liability company (“TDHS MANAGER”), as a Member, and the initial manager of the Company.

WITNESSETH:

WHEREAS, the Members desire to form the Company for the purpose of owning, leasing, managing, financing, operating, redeveloping and disposing of that certain property described on Exhibit B (the “Property”), in accordance with the terms set forth herein;

WHEREAS, the Company was formed pursuant to the laws of the State of Illinois by the filing of articles of organization (the “Articles of Organization”) with the office of the Secretary of State of the State of Illinois on _____;

WHEREAS, the Members desire to set forth the manner in which the business and affairs of the Company shall be managed and their respective rights, duties and obligations with respect to the Company.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Capitalized Terms. Except where otherwise specified or if the context otherwise requires, the following terms shall have the meanings set forth below for all purposes of this Agreement:

“Act” shall have the meaning given in Section 2.1.

“Additional Capital Contribution” shall mean, with respect to any Member, any amount contributed to the capital of the Company by such Member pursuant to Section 3.1(c).

“Adjusted Balance” means the Capital Account balance of a Member, increased by such Member’s share of Company Minimum Gain (as determined in accordance with Treasury Regulations Section 1.704-2(g)(1)) and such Member’s “partner nonrecourse debt minimum gain” (as defined in Treasury Regulation Section 1.704-2(i)) allocable to the Member under Treasury Regulations Section 1.704-2.

“Affiliate” shall mean, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such first Person. The term “control” as used herein (including the terms “controlling,” “controlled by” and “under common control with”) shall mean the possession, directly or indirectly, of the ability to (a) vote twenty-five percent (25%) or more of the outstanding voting securities of or voting interests in a Person, or (b) direct the management policies of such Person, by contract or otherwise.

“Agreement” shall mean this Limited Liability Company Agreement.

“Alternative Offer Price” shall have the meaning given in Section 11.3(b).

“Annual Business Plan” shall have the meaning given in Section 7.1(a).

“Articles of Organization” shall have the meaning given in the recitals to this Agreement.

“Authorized Representatives” shall have the meaning given in Section 8.5.

“Book Value” means, with respect to any Company asset, the adjusted basis of that asset for federal income tax purposes, except as follows:

(a) The initial Book Value of any asset contributed by a Member to the Company will be the fair market value of the asset on the date of the contribution, as determined by the Members. For the purpose of this agreement, the initial Book Value of the Property as of the date of this Agreement shall be \$2.36 million dollars.

(b) The Book Values of all assets will be adjusted to equal the respective fair market values of the assets, as reasonably determined by the Members, as of (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis capital contribution, (ii) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for an interest in the Company if an adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company, (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), and (iv) the grant of an interest in the Company (other than a de minimis interest) as consideration for providing services to or for the benefit of the Company.

(c) The Book Value of any asset distributed to any Member will be the gross fair market value of the asset on the date of distribution as reasonably determined by the Members.

(d) The Book Values of assets will be increased or decreased to reflect any adjustment to the adjusted basis of the assets under Section 734(b) or 743(b) of the Code , but only to the extent that the adjustment is taken into account in determining Capital Accounts under Treasury Regulations Section 1.704-1(b)(2)(iv)(m), provided that Book Values will not be adjusted under this paragraph (d) to the extent that the Members determine that an adjustment under paragraph (b) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment under this paragraph (d).

(e) After the Book Value of any asset has been determined or adjusted under paragraph (a), (b) or (d) above, Book Value will be adjusted by the Depreciation taken into account with respect to the asset for purposes of computing Tax Profits or Tax Losses.

“Business Day” shall mean any day other than a Saturday, Sunday or a holiday on which national banking associations in Chicago, Illinois are closed or are authorized or required to close.

“Buy/Sell Interest” shall have the meaning given in Section 11.3(a).

“Capital Account” shall have the meaning given in Section 10.1.

“Capital Contributions” shall mean the amount of money and the agreed fair market value of other property (net of any liabilities secured by such property that the Company is deemed to assume, or to which the property remains subject, pursuant to Section 752 of the Code) contributed by a Member to the Company.

“Capital Proceeds” shall mean funds of the Company arising from a Capital Transaction, net of (a) the actual costs incurred by the Company or in consummating the Capital Transaction, (b) any condemnation, insurance or financing proceeds used by the Company to repair, replace or redevelop a Property pursuant to this Agreement or an approved Annual Business Plan or the requirements of any approved lease or Financing Document, (c) any indebtedness or other monetary obligations or relating to the Property paid and satisfied with the proceeds of such Capital Transaction and (d) such contingency reserves as are reasonably determined by the Manager and approved by all Members pursuant to Section 6.2.

“Capital Transaction” shall mean (a) any sale, exchange, taking by eminent domain, damage, destruction or other disposition of all or any part of the assets of the Company, including the Property, other than tangible personal property disposed of in the ordinary course of business, or (b) any financing or refinancing of any Company indebtedness.

“Cash Amount” shall mean, with respect to any Membership Interest to be purchased in accordance with Section 11.5(b)(i), an amount in cash equal to the amount of cash that would be available for distribution to the applicable Member if the Company sold all of their assets for cash at a purchase price equal to the Fair Market Value of the Property and paid all closing costs and expenses customarily paid by a seller of real estate, and all of such remaining cash was paid or distributed in the following order:

(a) first, to creditors other than the Members and their Affiliates, in the order of priority provided by law;

(b) then, to the Members and their respective Affiliates for any fees or other compensation or unreimbursed costs or expenses owing to the Members or their respective Affiliates in accordance with the terms of this Agreement or the Property Management Agreements, and then to repayment of any loans (with interest at the rate or rates determined pursuant to Section 3.4) made by any Member to the Company in accordance with the terms of this Agreement;

(c) then, to contingency reserves that the non-Insolvent Member deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company (it being understood and agreed that, to the extent that such reserves are not used, the Insolvent Member shall receive its share thereof upon the non-Insolvent Member's determination that such reserves are no longer needed); and

(d) then, to the Members in accordance with the provisions of Sections 4.2(b) and 4.2(c).

If the purchasing Member and the selling Member are unable to agree on the Cash Amount within thirty (30) days after an Insolvent Member's receipt of the Purchase Notice, the Cash Amount shall be determined by a nationally recognized accounting firm selected by the purchasing Member and the selling Member (or, if applicable with respect to an Insolvent Member, the Personal Representative) or if they cannot agree to such appointment within fifteen (15) days after receipt of such notice, then by a nationally recognized accounting firm selected by the purchasing Member in its sole discretion. The accounting firm so appointed shall determine the Cash Amount for the Membership Interest to be sold as provided herein.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Company” shall have the meaning given in the preamble to this Agreement.

“Company Minimum Gain” shall mean “partnership minimum gain” as set forth in Section 1.704-2(b)(2) of the Treasury Regulations, and any Member's share of Company Minimum Gain shall be determined in accordance with Section 1.704-2(g)(1) of the Treasury Regulations.

“Debt” shall mean all indebtedness for borrowed money, whether secured or unsecured, incurred by the Company (other than Default Loans).

“Default Loan” shall have the meaning given in Section 3.4(c).

“Default Rate” shall mean the greater of (a) eight percent (8%) per annum, compounded monthly, or (b) a per annum rate equal to the sum of five (5) percentage points, plus the Prime Rate, as it may change from time to time; provided, however, that in no event shall the Default Rate exceed the highest rate permitted by applicable law.

“Defaulting Member” shall have the meaning given in Section 3.4.

“Defaulting Purchaser” shall have the meaning given in Section 11.3(d).

“Depreciation” means, with regard to any Company asset for any fiscal year or other period, the depreciation, depletion or amortization, as the case may be, allowed or allowable for federal income tax purposes; provided, however, that if there is a difference between the Book Value and the adjusted tax basis of the asset, Depreciation shall mean “book depreciation, depletion or amortization” as determined under Section 1.704-1(b)(2)(iv)(g)(3) of the Treasury Regulations. Notwithstanding the foregoing, if the Company uses the “remedial allocation method” described in Treasury Regulations Section 1.704-(3)(d) for any asset, then Depreciation for

that asset shall instead be determined in accordance with Treasury Regulations Section 1.704-3(d)(2).

“Dispose,” “Disposing” or “Disposition” shall mean, with respect to any asset (including a Membership Interest or any portion thereof), a sale, assignment, transfer, lease, conveyance, gift, pledge, encumbrance, exchange or other disposition of such asset; provided, however, that such term does not refer to the lease of space or units at a Property to a tenant or to the granting of an easement in connection with the use of a Property.

“Dispute Notice” shall have the meaning given in Section 6.3.

“Effective Date” shall have the meaning given in the preamble to this Agreement.

“Election Notice” shall have the meaning given in Section 11.2(b).

“Elgin CC Lease” shall mean the existing lease at the Property with Elgin Community College District 509 and any other subsequent lease with such party.

“Emergency Situation Responses” shall mean reasonable actions, in light of the circumstances, taken in direct response to unanticipated emergency situations that create an imminent and substantial threat of property damage or personal injury or death, in order to maintain the value of one or more of the Properties or mitigate the threat of such injury or death.

“Encumbrance” shall have the meaning given in Section 11.1(a).

“Entity” shall mean any Person other than a natural person.

“Event of Default” shall have the meaning given in Section 14.1.

“Fair Market Value” shall mean the gross fair market value of the Properties, taken as a whole, determined as follows:

(a) by the written agreement of the Members (or, if applicable with respect to an Insolvent Member, its Personal Representative);

(b) if the Members (or, with respect to an Insolvent Member, its Personal Representative) fail to agree on such a value in writing within fifteen (15) Business Days, then the Members (or, with respect to an Insolvent Member, its Personal Representative) shall jointly select an independent appraiser with at least ten (10) years’ experience in the appraisal and valuation of retail/commercial (the “Independent Appraiser”); the Independent Appraiser shall, within thirty (30) days following its appointment, determine the gross fair market value of the Properties, taken as a whole, without taking into account any liabilities associated with such Properties, and shall deliver to each of the Members and the Manager its written report as to such value;

(c) if the Members (or, with respect to an Insolvent Member, its Personal Representative) fail to agree on an independent appraiser pursuant to clause (b) above within

fifteen (15) Business Days, then the Manager shall deliver to each Member a written notice stating that no such appraiser has been selected and:

(i) Within five (5) Business Days after such written notice is given, each Member (or, with respect to an Insolvent Member, its Personal Representative) shall choose an independent appraiser with at least ten (10) years' experience in the appraisal and valuation of retail/commercial properties (each, a "Member Appraiser") to value the Properties and shall provide written notice of such appointment to the other Member(s).

(ii) Within thirty (30) days following its appointment, each Member Appraiser shall determine the gross fair market value of the Properties, taken as a whole, without taking into account any liabilities associated with such Properties, and shall deliver to each Member and the Manager its written report as to such fair market value.

(iii) If the highest valuation in such reports differs from the lowest valuation in such reports by five percent (5%) of such lowest valuation or less, the Fair Market Value of the Properties shall be equal to the average of such highest and lowest valuations.

(iv) If the highest valuation differs from the lowest valuation by more than five percent (5%) of such lowest valuation, then the Member Appraisers shall jointly select another independent appraiser with at least ten (10) years' experience in the appraisal and valuation of retail/commercial properties (the "Final Independent Appraiser") to value the Properties.

(v) Within twenty-five (25) days following its appointment, the Final Independent Appraiser shall determine the fair market value of the Properties, taken as a whole, without taking into account any liabilities associated with such Properties, and shall deliver to each Member and the Manager its written report as to such fair market value.

(vi) If the fair market value of the Properties as determined by the Final Independent Appraiser is within five percent (5%) of the average of the valuations determined by the Member Appraisers, the value of the Properties shall be determined by calculating the average of all three values; otherwise, the value of the Properties shall be determined by calculating the average of the two numerically closest values determined by the Member Appraisers and the Final Independent Appraiser.

(vii) Notwithstanding clauses (ii) through (vi) above, in the event any Member (or Personal Representative) fails to choose an appraiser pursuant to clause (i), the valuation of the sole chosen Member Appraiser shall be binding upon the Members and any Personal Representative.

(d) The costs of the Independent Appraiser jointly selected by the Member Appraisers in accordance with clause (b) above shall be a Company expense. If the Members (or Personal Representative) fail to agree on an Independent Appraiser, each Member shall be responsible for paying the cost of its own Member Appraiser, and the costs of the Final Independent Appraiser, if required, shall be a Company expense.

“Final Independent Appraiser” shall have the meaning given in the definition of Fair Market Value.

“Financial Rights” shall mean the right to receive distributions of funds and allocations of income, gain, loss, deduction and credit.

“Financing Documents” shall mean documents executed by the Company in connection with any financing or loan transaction, including any Mortgage Loan and the assumption by the Company of any existing financing or loan, with respect to the Property.

“Fiscal Year” shall mean each fiscal year of the Company as provided in Section 9.2.

“Governmental Authority” shall mean the United States of America, any of the several states, any county or municipality in which a Property is located, and any agency, authority, court, department, commission, board, bureau or instrumentality of any of them.

“Gross Asset Value” shall mean, at any time, with respect to the Company or Property, an amount equal to the sum of (a) the Gross Purchase Price of the Property and (b) additions to the Gross Purchase Price to reflect all capital expenditures and other renovation costs (hard and soft with respect to the Property).

“Gross Purchase Price” shall mean the total purchase price for a Property, which shall be the amount set forth in the Acquisition Agreement, including any debt assumed in connection with the acquisition, plus any closing costs and expenses and attorneys’ fees and expenses to the extent relating to such acquisition and paid or reimbursed by or on behalf of the Company.

“Gymkhana Lease” shall mean the proposed lease (or any future lease) with Gymkahana Gymnastics Club, Inc. or any related party.

“Indemnified Parties” shall mean (a) the Manager, the Members, their respective Affiliates and any officer, partner, member, shareholder, director, manager, general partner or other agent of or advisor to such Persons, (b) any Person who serves at the request of the Company, the Manager or any Member as an officer, director, trustee, manager or agent of the Company, or any Entity in which the Company has an interest as an owner, security holder, creditor or otherwise and (c) each Authorized Representative.

“Independent Appraiser” shall have the meaning given in the definition of Fair Market Value.

“Information” shall have the meaning given in Section 16.13(a).

“Insolvent Member” shall mean any Member (a) who has voluntarily initiated proceedings of any nature under the Federal Bankruptcy Code, or any similar state or federal law for the relief of debtors; (b) who has made a general assignment for the benefit of creditors; (c) against whom an involuntary proceeding under the Federal Bankruptcy Code, or any similar federal or state law for the relief of debtors, has been initiated, and (i) with respect to such proceeding, an order for relief has been entered under the Bankruptcy Code (or comparable order under any similar federal or state law), or (ii) which proceeding is not dismissed or discharged

within ninety (90) days after the filing thereof; (d) who has admitted in writing its inability to pay its debts as they mature; or (e) all or any substantial part of whose assets, or whose interest in the Company or any part thereof, has been the subject of attachment or other judicial seizure.

“Loss” or “Losses” shall mean any and all losses, liabilities, costs, claims, damages, judgments, fines, penalties or expenses (including reasonable expenses of investigation and attorneys’ fees and expenses in connection with any action, suit or proceeding, whether involving a third-party claim or a claim solely between the Members).

“Major Dispute” shall have the meaning given in Section 6.3.

“Management Rights” shall mean the right of a Member to participate in the management of the Company to the extent expressly provided herein.

“Manager” shall mean TDHS MANAGER, LLC, an Illinois limited liability company, or any other Person that is designated to act as the Manager of the Company as provided herein.

“Member Appraiser” shall have the meaning given in the definition of Fair Market Value.

“Members” shall mean (a) collectively, at any time, the Persons who are members in the Company as provided in this Agreement and under the Act, such Persons being, on the date of this Agreement, the Persons listed as Members on Exhibit A (or such Persons’ respective successors), and at any time thereafter those Persons admitted as a Member in the Company in accordance with this Agreement in substitution of such Persons and any other Person admitted as an additional member in the Company, in each case in accordance with this Agreement and the Act, each in its capacity as a member in the Company and (b) for purposes of Article X, the Persons described in clause (a) and the Manager.

“Membership Interests” shall mean all of the rights and interests of the Members in the Company, including each Member’s respective Management Rights and Financial Rights.

“Mortgage Loan” shall mean any Debt secured by an interest in the Property or any portion thereof or proceeds therefrom.

“Non-Controllable Items” shall mean costs that are outside of the reasonable control of the Manager, including interest, insurance, taxes and utility costs.

“Non-Defaulting Member” shall have the meaning given in Section 3.4.

“Offer Notice” shall have the meaning given in Section 11.3(a).

“Offer Price” shall have the meaning given in Section 11.3(a).

“Offeree” shall have the meaning given in Section 11.3(a).

“Offeror” shall have the meaning given in Section 11.3(a).

“Operating Budget” shall have the meaning given in Section 7.1(a).

“Operating Cash” shall mean, with respect to any period for which such calculation is being made, the positive difference of (a) Operating Revenues, minus (b) the sum of the following (without duplication): (i) all Operating Expenses; (ii) all interest and principal payments made during such period by the Company on account of or with respect to any Debt (other than Default Loans); and (iii) the amount of any Reserves (including Reserves for working capital, operating deficits and capital items) established or increased during such period.

“Operating Expenses” shall mean, with respect to the Company, taken as a whole, and for any period, the current obligations of the Company for such period, determined in accordance with U.S. GAAP consistently applied, for (a) operating expenses of the Property, (b) approved capital expenditures. Operating Expenses shall not include any debt service (principal or interest) on loans to the Company or any non-cash expenses such as depreciation or amortization but shall expressly include any and all other cash expenses incurred in constructing and operating the Property.

“Operating Revenues” shall mean, with respect to the Company, taken as a whole, and for any period, the gross revenues of the Company arising from the ownership and operation of the Properties during such period, rental income, interest income, proceeds of any business interruption insurance and decreases in Reserves, but specifically excluding (a) Capital Proceeds, (b) Capital Contributions made by the Members, and (c) tenant security deposits until the Company becomes entitled to any such deposit in accordance with the applicable tenant lease.

“Operating Standard” shall mean the level of professional service and quality generally consistent with the level of service and quality prevailing from time to time at retail/commercial properties that are similarly situated to the Property.

“Option Period” shall have the meaning given in Section 11.3(b).

“Payment Default” shall have the meaning given in Section 3.4.

“Percentage Interest” shall mean the percentage in which each Member participates in, and bears, certain Company items. The initial Percentage Interests of the Village and TDHS MANAGER are:

Village	90%
TDHS	10%
MANAGER	

“Permitted Transfer” shall have the meaning given in Section 11.1(b).

“Person” shall mean any individual, corporation, sole proprietorship, partnership, limited liability company, association, trust, joint venture or other Entity or organization, including any Governmental Authority or political subdivision or an agency or instrumentality thereof.

“Personal Representative” shall have the meaning given in Section 11.5(a).

“Prime Rate” shall mean the highest prime rate (or base rate) reported in the Money Rates column or section of *The Wall Street Journal* published on the second Business Day of each month as having been the rate in effect for corporate loans at large United States money center commercial banks (whether or not such rate has actually been charged by any such bank) as of the first Business Day of such month for which such rate is published. The Prime Rate shall change monthly and shall be effective for the entire calendar month. If *The Wall Street Journal* ceases publication of the Prime Rate, the “Prime Rate” shall mean the prime rate (or base rate) announced by JPMorgan Chase & Co., New York, New York or its successors (whether or not such rate has actually been charged by such bank). If such bank discontinues the practice of announcing the Prime Rate, the “Prime Rate” shall mean the highest rate charged by such bank on short-term, unsecured loans to its most creditworthy large corporate borrowers.

“Property” shall have the meaning given in the recitals to this Agreement.

“Purchase Notice” shall have the meaning given in Section 11.5(b).

“Purchaser” shall have the meaning given in Section 11.3(d).

“Recipient” shall have the meaning given in Section 11.2.

“Redevelopment Agreement” shall mean that certain Redevelopment Agreement between the Village and TDHS MANAGER dated _____, 2015

“Related Parties” shall have the meaning given in Section 2.7(b).

“Reserves” shall mean, at any time, the total amount of the reserves established and maintained by the Company at that time, in amounts determined in an approved Operating Budget, required by any Financing Documents or otherwise approved by all Members pursuant to Section 6.2, to be adequate and appropriate for current and future operating and working capital and for capital expenditures and other costs and expenses incident to the business.

“Securities Act” shall mean the U.S. Securities Act of 1933, as amended.

“Seller” shall have the meaning given in Section 11.3(d).

“Significant Matter” shall mean the matters set forth in Section 6.2(a).

“Substituted Purchase Price” shall have the meaning given in Section 11.3(d).

“Substituted Purchaser” shall have the meaning given in Section 11.3(d).

“Tax Profits” and “Tax Losses” mean, for each taxable year or other period, an amount equal to the taxable income or loss of the Company for the year or other period, determined in accordance with Section 703(a) of the Code (including all items of income, gain, loss or deduction required to be stated separately under Section 703(a)(1) of the Code), adjusted by the Treasury Regulations under Section 704(b) of the Code, including those requiring that depreciation or amortization and gain or loss on sale or other disposition of property the Book Value of which differs from its adjusted tax basis, be determined by reference to the book value,

rather than the adjusted tax basis, of such property. Any items that are allocated under Section 10.6 shall not be taken into account in determining Tax Profits or Tax Losses.

“Tax Returns” shall have the meaning given in Section 9.4.

“Third-Party Recipient” shall have the meaning given in Section 11.2(c).

“Transfer” shall have the meaning given in Section 11.1(a).

“Transfer Notice” shall have the meaning given in Section 11.2(a).

“Transferor” shall have the meaning given in Section 11.2.

“Treasury Regulations” shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“Unpermitted Transfer” shall mean a Transfer or Encumbrance with respect to a Member that is not permitted by the terms of this Agreement and to which the non-transferring Member has not otherwise consented.

“U.S. GAAP” shall mean generally accepted accounting principles in the United States of America, as in effect from time to time.

“Village” shall have the meaning given in the preamble to this Agreement.

“Village Representatives” shall have the meaning given in Section 8.5.

Section 1.2 Rules of Interpretation.

(a) The use of the masculine, feminine or neuter gender or the singular or plural form of words herein shall not limit any provision of this Agreement. The use of the term “including” or “include” shall in all cases herein mean “including, without limitation” or “include, without limitation,” respectively. Underscored references to Articles, Sections or Exhibits shall refer to those portions of this Agreement, and any underscored reference to a clause shall, unless otherwise identified, refer to the appropriate clause within the same Section in which such reference occurs. The use of the terms “hereunder,” “hereof,” “hereto” and words of similar import shall refer to this Agreement as a whole and not to any particular Article, Section or clause of, or Exhibit to, this Agreement. All references in this Agreement to dollar amounts shall refer to United States currency.

(b) Unless otherwise expressly provided herein, (i) references to agreements, including this Agreement, other contractual instruments and organizational documents shall mean such agreements, instruments and documents as the same may be amended, restated or modified from time to time in accordance with the terms thereof, and (ii) references to any statute or regulation shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such statute or regulation.

ARTICLE II

ORGANIZATION OF LIMITED LIABILITY COMPANY

Section 2.1 Organization. The Company has been organized formed by the filing of the Articles of Organization pursuant to the provisions of the Illinois Limited Liability Company Act, 805 ILCS 18011 et seq. (the “Act”). To the extent permitted by the Act, the provisions of this Agreement shall override the provisions of the Act in the event of any inconsistency between them. The Members hereby adopt and ratify the Articles of Organization and all acts taken in connection therewith.

Section 2.2 Name and Offices.

(a) The name of the Company shall be “HANOVER SQUARE, LLC”. The Company shall do business under such name, or under any other name or names that the Members shall agree upon from time to time. If the Company does business under a name other than HANOVER SQUARE, LLC, the Manager shall use commercially reasonable efforts to cause an assumed name or fictitious name certificate, or any other document as required by applicable law in appropriate jurisdictions to be filed, and the Members shall execute such certificates, documents or other writings as may be reasonably requested by the Manager in connection therewith.

(b) The address of the registered office of the Company in the State of Illinois is 500 N. Michigan Avenue, Suite 600, Chicago, IL 60611. The name of its registered agent at that address is Thomas F. Godfrey. The Manager may, from time to time, upon written notice to each Member and without amending this Agreement, change the Company’s registered agent and the address of its registered office.

(c) The Company’s principal office shall be located at 500 N. Michigan Avenue, Suite 600, Chicago, IL 60611, or such other address as may be designated from time to time by the Manager.

Section 2.3 Business of the Company. The purpose of the Company shall be to manage and own the Property, and to carry on any other business which may be agreed to by the Members. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have and may exercise all the powers now or hereafter conferred by Illinois law on limited liability companies formed under the Act to accomplish the foregoing.

Section 2.4 Term. The term of the Company commenced on the date of the filing of the Articles of Organization in the office of the Secretary of State of the State of Illinois and shall continue until the Company is dissolved and liquidated in accordance with Section 15.2 and Articles of Termination have been filed pursuant to Section 15.4.

Section 2.5 Admission of Members; Membership Interests.

(a) Each of TDHS MANAGER and the Village are hereby admitted as Members in the Company. As of the Effective Date, TDHS MANAGER and the Village are the only Members in the Company and shall constitute a single class or group of Members in the

Company for all purposes of the Act. The Manager shall notify the Members of changes in Exhibit A, which shall constitute the record list of the Members for all purposes of this Agreement. Membership Interests in the Company shall not be issued to the Members in certificated form.

(b) Additional Members may be admitted at such time and upon such terms and conditions as may be determined by the written consent of the Members pursuant to Article XI.

Section 2.6 Business Opportunities.

(a) Each Member recognizes that the other Member and its members, partners, shareholders, officers, directors, trustees, employees, agents, representatives and Affiliates (collectively, "Related Parties") have, or may in the future have, other business interests, activities and investments, some of which may be in conflict or competition with the business of the Company, and each of the other Members and its Related Parties are entitled to carry on such other business interests, activities and investments. Neither TDHS MANAGER nor its Related Parties may own or manage any retail development located within a 10 mile radius of the Property. Otherwise each Member and its Related Parties may engage in or possess an interest in any other business or venture of any kind, independently or with others, including owning, leasing, managing, financing, operating and disposing real property, on its own behalf or on behalf of other Entities with which any Member or its Related Parties is affiliated or otherwise, and each Member and its Related Parties may engage in any such activities, whether or not in competition with the Properties, the Company, without any obligation to offer any interest in such activities to the Company, or any Member.

ARTICLE III

CAPITAL CONTRIBUTIONS; FINANCING

Section 3.1 Capital Contributions.

(a) Each Member shall make Capital Contributions from time to time in accordance with this Section 3.1. All Capital Contributions shall be made in cash unless otherwise expressly approved by the Members.

(b) Other than as set forth in this Section 3.1, the Members shall make Capital Contributions only to the extent that (i) the Members agree that such Capital Contributions shall be made and at such time as agreed to pursuant to Section 6.2, (ii) such Capital Contributions are contemplated or required by an Annual Budget approved by all Members pursuant to Section 6.2, or (iii) such Capital Contributions are required to fund payments of principal and interest on any Debt or payments with respect to Non-Controllable Items. Each Member shall contribute its pro rata share of any such Capital Contribution in relative proportion to its Percentage Interest. The Percentage Interest of each Member shall be adjusted accordingly to reflect the proportionate contributions that each Member makes to the capital of the Company, including in respect of any Payment Default pursuant to Section 3.4(b)

or 3.4(c) or unreciprocated cure contribution pursuant to Section 3.5, and any Transfer of Membership Interests permitted by this Agreement.

(c) All Capital Contributions pursuant to this Section 3.1 shall be made in immediately available funds, which shall be made in cash by wire transfer to the accounts specified in the written notice delivered by the Manager on or prior to the payment date specified in the notice. The Manager shall deliver written notices with respect to all Capital Contributions pursuant to this Section 3.1 identifying the amount of the Capital Contribution and providing a reasonably detailed explanation of the purpose of such Capital Contribution, in each case no less than ten (10) Business Days prior to the payment date specified in the notice. Additional Capital Contributions shall be paid by the Members on or before the payment date specified in the notice.

Section 3.2 No Additional Capital Contributions. Other than Capital Contributions required pursuant to this Article III or as may otherwise be required by applicable law, no Member shall be required or permitted to lend any funds to the Company or to make any Additional Capital Contributions to the Company.

Section 3.3 Company Capital. The Manager shall cause the Company's books and records to contain entries indicating the type and amount of Capital Contributions made to the Company by each Member and, if applicable, the return thereon. No Member shall have the right to withdraw all or any part of its Capital Contribution or to receive any return on any portion of its Capital Contribution except as specifically provided in this Agreement.

Section 3.4 Defaulting Members. If at any time any Member (the "Defaulting Member") fails to make all or any portion of any required Capital Contribution on the date specified therefor in accordance with Section 3.1 and such failure shall continue beyond five (5) Business Days from the date such Capital Contribution is due (each, a "Payment Default"), then, without limiting any other remedies that may be available pursuant to Article XIV, the non-defaulting Member (the "Non-Defaulting Member") may, upon written notice to the Defaulting Member and the Company, exercise one of the following rights or remedies:

(a) Request a refund of its share of the applicable Capital Contribution within ten (10) days after the default by the Defaulting Member, in which case the Company shall immediately refund such amount to the Non-Defaulting Member;

(b) Cause the Company to retain the Non-Defaulting Member's share of such requested Capital Contribution, in which case an amount equal to one hundred fifty percent (150%) of such Non-Defaulting Member's share of such requested amount shall be deemed a Capital Contribution by such Non-Defaulting Member; or

(c) Cause the Company to retain the Non-Defaulting Member's share of such requested Capital Contribution, in which case an amount equal to one hundred fifty percent (150%) of such Non-Defaulting Member's share of such requested amount shall be deemed a Capital Contribution by such Non-Defaulting Member, and, if it so elects, contribute to the Company the Defaulting Member's share of such requested amount, in which case the Non-Defaulting Member shall designate all of such amount contributed by the Non-Defaulting

Member in respect of the related request therefor as a loan by the Non-Defaulting Member to the Company (a “Default Loan”). The making of a Default Loan by a Non-Defaulting Member shall not constitute a cure of the breach by the Defaulting Member of its obligations pursuant to this Article III. Each Default Loan shall (i) be a loan by the Non-Defaulting Member to the Company, (ii) bear interest at the Default Rate and (iii) be repaid on a priority basis (meaning with priority over distributions to Members, but not priority over repayment of any Mortgage Loan or other liabilities) from Operating Cash and Capital Proceeds (with all costs associated with the Default Loan being the responsibility of the Defaulting Member, except that the repayment of principal and interest shall be a Company obligation). The Capital Account of the Non-Defaulting Member shall not be credited with the amount of any such contribution designated as a Default Loan. The repayment of a Default Loan and payment or reimbursement of any interest or expenses thereunder shall not constitute a return of Capital Contributions, shall not reduce the Non-Defaulting Member’s Capital Account, and shall not be considered for purposes of determining the Internal Rate of Return of any Member hereunder.

Section 3.5 Cure Contributions. If at any time the Village or TDHS MANAGER reasonably determines that the Operating Cash of the Company is not sufficient to meet the Company’s current obligations or liabilities as they come due, such that a default or breach under a Financing Document has occurred or is imminent, then the Village or TDHS MANAGER as the case may be, shall be entitled to make a Capital Contribution to the Company, and cause the Company to cure or prevent such a default or breach; provided, however, that prior to making any such Capital Contribution the Village or TDHS MANAGER as the case may be, must first notify the other Member of its intent to make such a Capital Contribution and permit such Member to contribute its pro rata share of any such Capital Contribution in accordance with its Percentage Interest; provided, further, that if the other Member fails to make all or any portion of such pro rata Capital Contribution within a period of five (5) Business Days after its receipt of such notice from the Village or TDHS MANAGER as the case may be, then one hundred fifty percent (150%) of the amount actually contributed by the Village or TDHS MANAGER as the case may be, to the capital of the Company pursuant to this Section 3.5 shall be deemed an Additional Capital Contribution by the Village or TDHS MANAGER, as the case may be. In no event shall the Company pay any fee to a Member or any of its Affiliates for providing any such Capital Contribution.

Section 3.6 Financing.

(a) The final terms and documentation relating to any Debt proposed to be incurred by the Company shall be subject to the prior approval of those Members owning a majority of the membership interest pursuant to Section 6.2, including with respect to the financing contemplated by Section 3.1(b)(iii). Without limiting the generality of the foregoing, no application, commitment or other loan document obligating the Company to pay any nonrefundable fees, costs or other amounts shall be executed without the prior approval of those members owning a majority of the interest in the Company.

(b) The Manager shall cause the loan documents for all third-party loans to the Company to require that a separate copy of all notices of default thereunder be delivered to the Members at the same time such notices are delivered to the Company. The Manager shall also deliver to the Members a copy of any notice of default under any such loan documents

promptly (and within 3 days after its receipt thereof) after the receipt of the same by the Company.

ARTICLE IV

DISTRIBUTIONS

Section 4.1 Distributions in General. To the maximum extent permitted by the Act and except as otherwise provided in this Article IV, any portion of the Operating Cash of the Company shall be distributed to the Members only upon the joint consent of the Members and then only for Cash Proceeds generated during the period jointly agreed to by the Members, and the Capital Proceeds of the Company shall be distributed to the Members as soon as reasonably practicable after the Company's receipt of such Capital Proceeds, unless reinvestment of any such amounts have been approved by the Members pursuant to Section 6.2. Any distribution of Operating Cash may be based on a reasonable and good faith estimate of Operating Cash for such period, in which case such estimate shall be reconciled with the actual Operating Cash for the period prior to the fifteenth (15th) day of the month subsequent to such distribution, and the Operating Cash (whether actual or estimated) distributed to the Members in such subsequent month shall be adjusted to reflect the actual Operating Cash for such period. To the extent permitted by the Act, the Company may make additional distributions to Members as approved by the Members pursuant to Section 6.2. All distributions shall be made concurrently to all Members on the date set for purposes of such distribution.

Section 4.2 Distributions. Distributions of Capital Proceeds shall be made in the following order and priority:

- (a) first, to the Members, pro rata and pari passu based on the outstanding principal and accrued interest of any outstanding Default Loans in repayment of all outstanding principal and accrued interest on such Default Loans until repaid in full;
- (b) second, to the Members, pro rata and pari passu based on each Member's relative Additional Capital Contributions until such time as the Members' Additional Capital Contributions have been repaid in full;
- (c) third, to the Village until the Village's initial Capital Contribution (\$2,360,000) has been repaid in full;
- (d) fourth, to TDHS MANAGER until it has been repaid \$236,000 pursuant to this Section 4.2(d); and
- (e) to the Members, in equal percentages (50% to each).

Distributions of the Operating Cash shall be made in the following order and priority:

- (f) first, to the Members, pro rata and pari passu based on the outstanding principal and accrued interest of any outstanding Default Loans in repayment of all outstanding principal and accrued interest on such Default Loans until repaid in full;

(g) second, to the Members, pro rata and pari passu based on each Member's relative Additional Capital Contributions until such time as the Members' Additional Capital Contributions have been repaid in full;

(h) to the Members, in equal percentages (50% to each).

Section 4.3 Distributions in Kind. Joint consent of the Members shall be required prior to any distributions of non-cash assets. If assets other than cash are distributed, such assets shall be deemed to be equal to their fair market value as reasonably determined by the Members (net of any liabilities securing such distributed assets that the recipient Members are considered to assume or take subject to under Section 752 of the Code). Any gain or loss associated with such assets shall be allocated to the Members' Capital Accounts in accordance with Article X and adjustments to Capital Accounts in respect of distributions of such assets shall reflect its fair market value in accordance with Section 1.704-1(b)(2)(iv)(e) of the Treasury Regulations.

Section 4.4 Distributions upon Dissolution and Termination. Upon dissolution and termination of the Company, the final distribution of the Company's assets shall be made pursuant to the provisions of Section 15.2.

Section 4.5 Limitation on Distributions. Notwithstanding anything to the contrary contained in this Agreement, the Company shall not knowingly make any distribution that would violate the Act or other applicable law.

ARTICLE V

MEMBERS

Section 5.1 Registered Members. The Company may treat the holder of record of any Membership Interest as the holder in fact of the Membership Interest for all purposes and, accordingly, is not bound to recognize any equitable or other claim to or interest in the Membership Interest on the part of any other Person, whether or not it has express or other notice of the claim or interest, except as expressly provided by this Agreement or the laws of the State of Illinois.

Section 5.2 Limited Liability of Members.

(a) No Member shall (i) be liable for the debts, liabilities, contracts or any other obligation of the Company, except to the extent expressly provided herein or in the Act, (ii) be liable for the debts or liabilities of any other Member, (iii) be required to contribute to the capital of the Company or lend the Company any funds other than as expressly required in this Agreement, (iv) be liable, except as required by the Act, for the return of all or any portion of the Capital Contributions of any Member, or (v) except as otherwise expressly provided herein, have any priority over any other Member as to the return of its contributions to capital or as to compensation by way of income. Except as expressly provided in the Act or this Agreement, all debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

(b) Except as expressly required by law, a Member shall not have any liability in excess of (i) the amount it has committed to contribute or pay hereunder and (ii) the amount of any distributions wrongfully distributed to it (and then only to the extent required by law).

(c) Notwithstanding anything to the contrary contained in this Agreement, the Members agree that if they are required by applicable law to recontribute to the Company any amounts previously distributed to them with respect to the Property, that, as between the Members, such recontributions shall be made in the reverse order that distributions were most recently made under the waterfall set forth in Section 4.2.

Section 5.3 Limitation on Member Actions. Except as expressly authorized by this Agreement, no Member shall, directly or indirectly, do any of the following without the written consent or approval of all of the other Members: (a) withdraw from the Company, (b) voluntarily dissolve, terminate or liquidate the Company, (c) petition a court for the dissolution, termination or liquidation of the Company, or (d) cause any property of the Company to be subject to the authority of any court, trustee or receiver (including suits for partition and bankruptcy, insolvency and similar proceedings). Except for approvals of Members or matters to be determined by Members as provided in this Agreement, no Member, in such capacity, may (i) act for or on behalf of the Company or take part in the operation, management or control of the Company's business, (ii) transact any business in the name of the Company, or (iii) have the authority or power to sign documents for or otherwise bind the Company; provided, however, that such restriction shall not apply to any action taken by a Member who is the Manager and takes such action in its capacity as the Manager.

ARTICLE VI

THE MANAGER

Section 6.1 Powers and Responsibilities. The Manager of the Company shall initially be TDHS MANAGER, and thereafter shall be such other Person as may be appointed to serve as the Manager from time to time by agreement of all of the Members or pursuant to the Village's rights under Section 14.2. The Manager shall have the duty, responsibility, power and authority to manage and administer the business and affairs of the Company and the Property in order to implement any approved Significant Matters. Upon the reasonable request of any Member, the Manager shall report to the Members as to the status of and compliance with the Annual Business Plan and Significant Matters as well as the other business and affairs of the Company and the Property. The Manager shall, to the extent funds are available, make a good faith diligent effort to manage and administer the business and affairs of the Company and the Property as provided in this Agreement, in each case in accordance with the Operating Standard and each approved Annual Business Plan and Operating Budget (it being understood that the foregoing shall not constitute a waiver of any right or remedy of the Members arising under this Agreement). The Manager shall not be required to devote a particular amount of time to the Company's business, but shall devote sufficient time and effort to the Company's business and operation as is necessary to perform its duties hereunder. All costs and expenses incurred by the Manager that are related to the conduct and operations of the Company's shall be borne by the Company to the extent set forth in the Operating Budget or otherwise incurred in compliance with the terms of this Agreement.

Section 6.2 Significant Matters.

(a) Notwithstanding anything to the contrary contained in this Agreement, the following actions shall each be deemed to be a (“Significant Matter”):

(i) authorize the issuance or repurchase of any Membership Interests or any options, warrants or other rights convertible into, or exercisable for, any Membership Interests;

(ii) adopt, amend or update any approved Annual Business Plan or Operating Budget;

(iii) subject to Section 7.1, authorize or commit the Company to make any expenditure in excess of the amounts set forth in an approved Operating Budget;

(iv) except as set forth in an approved Operating Budget in connection with trade payables incurred in the ordinary course, borrow any money or enter into any financing, refinancing, guarantee or loan transaction, including any Mortgage Loan or Financing Document or grant a security interest in all or any portion of the Property, or amend the terms and conditions of any existing financing or make elections with respect to interest periods, interest rates, prepayment or other material provisions under any financing;

(v) approve any construction contract for work not set forth in any approved Operating Budget which exceeds \$10,000;

(vi) make any loan or commitment to, or guarantee the indebtedness of, any Person;

(vii) to the fullest extent permitted by law, dissolve or liquidate, in whole or in part, make an assignment for the benefit of any creditor, file or otherwise initiate on behalf of the Company a petition in bankruptcy, petition or apply to any tribunal for the appointment of a custodian, receiver or any trustee for it or for a substantial part of its property, commence any proceeding under any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereinafter in effect, consent or acquiesce in the filing of (or invoke or cause any person to file) any such petition, application or proceeding, or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or any substantial part of its property, or admit its inability to pay its debts generally as they become due or authorize any of the foregoing to be done or taken on behalf of the Company, or consent to or acquiesce in (A) the filing or other initiation of an involuntary petition for relief against the Company under any Chapter of the Bankruptcy Code, or (B) the appointment of any trustee, receiver, conservator, assignee, sequestrator, custodian, liquidator (or other similar official) for the Company of all or substantially all of its respective assets;

(viii) modify, amend or waive any provision of this Agreement, or any other organizational document of the Company;

(ix) make any decision or election with respect to the tax status of the Company or any other tax matter, including making, filing, amending or revoking any election under Section 754 of the Code or making (or permitting the making of) any special allocations contemplated by Article X;

(x) sell, transfer, subdivide or encumber all or any portion of, or any estate or interest in, the Property or any other asset (including goodwill) of the Company other than a disposition of tangible personal property in the ordinary course of business;

(xi) except as set forth in an approved Operating Budget, purchase or acquire, or contract or commit to purchase or acquire (or amend any contract to purchase or acquire), any personal property or other assets in excess of \$10,000 or any real property;

(xii) change the current use of all or any portion of the Property;

(xiii) approve or make any change to, or take any action in violation of, any leasing or marketing plan approved by the Members;

(xiv) enter into, materially amend or terminate (A) any lease of space in excess of 5,000 square feet or a lease for any use that is set forth as a non-permitted use under the Annual Business Plan, (B) any contract or other agreement which has or is reasonably projected to have aggregate future sums due to or from the Company taken as a whole, in excess of \$10,000 per annum and which is not otherwise contemplated in an approved Operating Budget or (C) enter into, materially amend or terminate the Gymkhana Lease or the Elgin CC Lease;

(xv) enter into, materially amend or terminate any development, property management, listing or brokerage agreement; enforce or make any material election or waiver under any contract, lease or other agreement described in clause (xiv) above or with respect to the Acquisition Agreement;

(xvi) make any change to the purpose of the Company as set forth in Section 2.3;

(xvii) take or cause or permit to be taken any action that could constitute an event of default under any Financing Document;

(xviii) except as set forth in an approved Operating Budget, compromise or settle any claim or series of claims made by or against the Company or affecting the Property in an aggregate amount of \$10,000 or more;

(xix) select or make any change with respect to the Company's legal counsel, auditors or independent public accountants;

(xx) subject to Article IV, and except as set forth in an approved Operating Budget, make any distribution of Operating Cash or Capital Proceeds to the Members or any other Person;

(xxi) subject to Article III, and except as set forth in an approved Operating Budget, make any call for capital from the Members or any other Person;

(xxii) except as set forth in an approved Operating Budget, designate or release any Reserves;

(xxiii) settle, compromise or adjust any insurance claim or condemnation action that, individually or in the aggregate over the course of a fiscal year, exceeds \$10,000;

(xxiv) consolidate or merge with or into any other Entity, or purchase or otherwise acquire all or substantially all of the assets or any stock or shares of any class of any Entity, or otherwise engage in any recapitalization, joint venture or other business combination;

(xxv) terminate or replace any property manager or leasing agent;

(xxvi) approve or make any decision or election with respect to any violation of any environmental law affecting a Property;

(xxvii) seek, approve, make or consent to any change in the zoning or other land use regulations affecting the Property (or any permits or approvals granted thereunder) or enter into or modify any restrictive covenant or easement agreements materially affecting a Property; or

(xxviii) make any material change or modification to the Operating Standard.

(b) Except as otherwise provided in this Agreement, no action shall be taken, sum expended, decision made or obligation incurred by the Company with respect to a matter that is a Significant Matter, unless such matter has been approved by the Village. The Village shall be deemed to have approved, and no additional approval shall be required hereunder with respect to, any action or expenditure specifically set forth in the Annual Business Plan and Operating Budget approved by the Village.

(c) The Manager or any Authorized Representative of TDHS MANAGER shall propose any Significant Matter which it wishes to be adopted to the Village for its review and consideration. The Village shall use reasonable efforts to cause its Authorized Representatives Village Manager to respond to any written request for written consent to a Significant Matter within fifteen (15) Business Days after the date of such request. If the Village Manager fails to respond to such written request within such fifteen (15) Business Day period, such failure shall be deemed an approval of the requested Significant Matter by the Village and its Village Manager.

Section 6.3 Major Disputes. If the Manager (if the Manager is TDHS MANAGER or any of its Affiliates) and the Village are unable to reach an agreement with respect to any Significant Matter (each, a "Major Dispute"), then either TDHS MANAGER or Village may thereafter provide written notice to the other Member (each, a "Dispute Notice") describing in reasonable detail the nature of the Major Dispute. Within thirty (30) days after delivery of a Dispute Notice, TDHS MANAGER and the Village shall meet and attempt in good faith to

arrive at a negotiated agreement regarding the Major Dispute. If TDHS MANAGER and the Village are unable to reach a negotiated agreement regarding any Major Dispute within thirty (30) days after such meeting (or if the Village or TDHS MANAGER uses commercially reasonable efforts to cause such meeting to occur, but it does not occur within such thirty (30) day period), then either the Village or TDHS MANAGER (other than, if no such meeting occurs, the Member who fails to use commercially reasonable efforts to cause such a meeting to occur) may initiate the buy/sell procedures set forth in Section 11.2; provided, however, such buy/sell procedures may not be exercised until after the first (1st) anniversary of the Effective Date. In order to be effective, any Dispute Notice delivered pursuant to this Section 6.3 must contain the following language in bold print on the face of the Dispute Notice:

THIS NOTICE IS GIVEN PURSUANT TO THE TERMS OF THE LIMITED LIABILITY COMPANY AGREEMENT OF HANOVER SQUARE, LLC (THE “AGREEMENT”) IN ORDER TO ADVISE THE MEMBERS OF THE EXISTENCE OF A MAJOR DISPUTE UNDER THE AGREEMENT.

Section 6.4 Liability of the Manager.

(a) It shall not constitute a breach of fiduciary or other duty for the Manager, or an Affiliate of the Manager, to contract or enter into any agreement or arrangement with the Company with respect to any aspect of the operations of the Company if approved by all of the Members after full disclosure of the relationship and the material terms of such agreement or arrangement.

(b) It shall not constitute a breach of fiduciary or other duty for the Manager to devote time to other matters not related to the operations of the Company to the extent permitted hereunder, as long as the Manager devotes such time and attention to the business and affairs of the Company as is necessary to reasonably conduct the business and affairs of the Company as set forth herein.

(c) It shall not constitute a breach of fiduciary or other duty for the Manager to lend funds to the Company to the extent permitted hereunder.

(d) None of the Members shall have any liability for the breach of any duties that otherwise may arise by application of law, course of dealings or otherwise, including any fiduciary duties, which duties and liabilities are hereby waived and eliminated to the fullest extent permitted by law (including Section 18-1101(e) of the Act).

Section 6.5 Resignation and Removal. The Manager may not resign as manager of the Company without the written consent of the Members. The Manager may be removed by the Members only as permitted pursuant to Section 14.2. Upon any such resignation or removal, the Village shall appoint a replacement Manager (or assume the duties of Manager hereunder).

Section 6.6 Compensation and Expenses. The Manager shall not receive any compensation for performing its duties hereunder, except a program management fee equal to 3% of all hard construction costs to be paid 1% upon issuance of a building permit for the Project

(as that term is defined in the Redevelopment Agreement) by the Company, 1% upon the Village's issuance of a Certificate of Completion under the Redevelopment Agreement, and 1% at the time 90% of the rentable square footage of the Property is leased and occupied by tenants. Notwithstanding the foregoing, all costs and expenses incurred by the Members in connection with the formation of the Company, but not the legal fees and expenses of each Members relating to the foregoing shall be for the account of the Company, and the Company shall cause such costs and expenses to be reimbursed to the Members on the Effective Date or as promptly as reasonably practicable thereafter; provided, such costs and expenses are reasonably consistent with the sources and uses previously approved by the Members.

Section 6.7 Delegation of Authority. The Manager may from time to time delegate in writing to one or more Members (or, with the consent of the Members, other Persons) such authority as the Manager may deem advisable.

ARTICLE VII

OPERATION AND EXPENSES

Section 7.1 Annual Business Plan and Operating Budget. The Manager shall, to the extent funds are available, make good faith diligent efforts to operate the Company in accordance with the Operating Standard and the Annual Business Plan and Operating Budget approved in accordance with this Section 7.1 and shall obtain the Members' approval for certain expenditures in excess of the Operating Budget, as more particularly set forth below.

(a) The strategic business plan that is in effect with respect to any Fiscal Year, as it may be amended, is called the "Annual Business Plan." The Annual Business Plan shall include the items identified in Exhibit C. The executive summary shall outline the business strategy and budgeted and forecasted financial information for the upcoming period and shall contain a comprehensive statement setting forth the overall plan for the business of the Company to the extent known at that point in time, including proposed dispositions, financings and refinancings, and repair or renovation (in all cases, to the extent then known or reasonably anticipated), and shall set forth, for the operation of the Company during the Fiscal Year to which it relates based on information that is known, an annual operating budget for the Company (the "Operating Budget"). In preparing and approving each Annual Business Plan and any revisions or amendments thereto, the Manager shall consider, among other things, the previous years' experience, current and projected market conditions and anticipated future needs in light of such projections. The Operating Budget shall reflect all line items on a consolidated basis and shall include anticipated revenues (considering projected occupancies and rate increases), capital improvements, financing needs, insurance coverage (including coverage types and policy limits), and all other operating expenditures of the Company.

(b) No later than (i) the date of this Agreement, with respect to the Fiscal Year ending December 31, 2015, and (ii) November 15 of each calendar year, with respect to each Fiscal Year ending after December 31, 2015, the Manager shall present a proposed Annual Business Plan and Operating Budget for the following year to the Members for their consideration and approval. Following delivery of a proposed Annual Business Plan and Operating Budget, the Members shall approve or disapprove the Annual Business Plan and

Operating Budget no later than thirty (30) days after delivery of the proposed Annual Business Plan and Operating Budget. The Members shall review the Operating Budget on a line-by-line basis. Unless otherwise mutually agreed by the Members:

(i) If the Members disapprove or raise any objections to any line items contained in the proposed Operating Budget or any amendments thereto, the undisputed portions of the proposed Operating Budget shall be deemed to be adopted and approved.

(ii) Failure to agree or disagree in writing within such thirty (30) day period shall be deemed a disapproval, and any such disputed line item(s) of the Operating Budget for a particular Property, other than capital expenditures and Non-Controllable Items, shall be set at one hundred five percent (105%) of the amount shown for such line item(s) in the Operating Budget for the preceding year for such Property; for Non-Controllable Items, any such disputed line item(s) shall be set at one hundred five percent (105%) of the amount actually incurred for such item for such Property during the preceding year; and for capital expenditures, no expenditure shall be made for capital items until approval is received unless such expenditure was approved in the Operating Budget for the current year but not yet incurred, in which case such expenditure, as previously approved, may be incurred. In the event that the applicable Property was not owned for the entire preceding year, the amounts described in this clause (ii) for such preceding year shall be annualized.

(c) Notwithstanding anything to the contrary contained herein (including but not limited to Section 6.2 above), with respect to the Property and without the consent of the Members, the Manager shall have the right, in its reasonable discretion, to expend any amounts necessary for Non-Controllable Items and Emergency Situation Responses.

(d) The Manager shall exercise reasonable efforts to cause the Company to be operated in compliance with the Operating Budget. The Manager shall secure the Members' prior approval for any expenditure that will cause the total expenditures for the Property (other than Non-Controllable Items and Emergency Situation Responses) to exceed (i) one hundred ten percent (110%) of the total budget for such expenditures as set forth in the Operating Budget for such Property, or (ii) \$5,000 of the total amount allocated to the relevant line item in the Operating Budget for the Property. During the calendar year, the Manager shall promptly inform the Members of any significant increases or decreases in costs, expenses or income that were not reflected in the Operating Budget.

(e) The Manager shall have the right, from time to time during each Fiscal Year, to submit a proposed amendment to the Operating Budget to the Members for approval. The Members shall review all proposed amendments to the Operating Budget on a line-by-line basis in the same manner as the Operating Budget. Following delivery of any proposed amendment to an Operating Budget, the Members shall be required to approve or disapprove such proposed amendment to the Operating Budget no later than thirty (30) Business Days after the delivery of the proposed amendment. If the Members disapprove or fail to approve a proposed amendment to the Operating Budget, the Manager shall continue to use all reasonable efforts to comply with the Operating Budget in accordance with the foregoing provisions until a proposed amendment has been approved.

(f) The Manager shall be deemed not to have made any guarantee or warranty of the fiscal estimates set forth in the Annual Business Plan or Operating Budget.

Section 7.2 Contracts with Related Parties. Except as otherwise set forth in this Section 7.2, the Village shall have the sole and exclusive right to direct, acting reasonably and in good faith, the Company's actions with regard to enforcing the Company's rights under any contract, agreement or arrangement between the Company, on the one hand, and the Manager or any Affiliate of the Manager or TDHS MANAGER (other than the Company), on the other hand. Except as provided in Section 14.2, the Company shall not enter into any other contracts with the Manager or any Affiliate of the Manager or TDHS MANAGER (other than the Company) or amend, waive any right granted to the Company under, or terminate any contract, agreement or arrangement between the Company, on the one hand, the Manager or any Affiliate of the Manager or TDHS MANAGER (other than the Company), on the other hand, without the specific prior written approval of the Village.

Section 7.3 Insurance Matters. The Manager shall cause the Company to obtain and maintain insurance coverage for the Property and other assets of the Company, in such amounts and with such coverages as set forth in the Annual Business Plan (and, to the extent the Annual Business Plan, or the insurance amounts and coverages set forth therein, have not been approved in any year in accordance with Section 7.1(b), in such amounts and with such coverages as set forth in the most recent Annual Business Plan approved in accordance herewith or as required by the lenders under the Mortgage Loans).

ARTICLE VIII

MEETINGS OF MEMBERS

Section 8.1 Place of Meetings. All meetings of the Members shall be held at the principal office of the Village or at such other place within or without the State of Illinois as may be determined by all of the Members and set forth in the respective notice or waivers of notice of such meeting.

Section 8.2 Meetings of Members. Meetings of the Members shall be held at least quarterly (unless waived by the Members) and may be called by the Manager or any Member. The Manager shall hold meetings with the Members through the Authorized Representatives to review and discuss the Company and Property performance from time to time as reasonably requested by any Member. For so long as TDHS MANAGER is the Manager, an Authorized Representative designated by TDHS MANAGER shall serve as chairperson of the meetings unless all of the Members determine otherwise.

Section 8.3 Notice of Meetings of Members. Written notice stating the place, day and hour of the meeting shall be delivered at least five (5) Business Days (but not earlier than sixty (60) days) before the date of the meeting, either personally, by mail or e-mail, by or at the direction of the Manager or Members, through the Authorized Representatives, calling the meeting, to each Member of record entitled to vote at such meeting. Notice of any meeting may be waived by the Members.

Section 8.4 Actions With or Without a Meeting and Telephone Meetings. Notwithstanding any provision contained in this Article VIII, all actions of the Members provided for herein shall be taken either at a meeting of the Members (and evidenced by written minutes thereof (which may take the form of electronic correspondence) executed by an Authorized Representative of each Member attending such meeting) or by written consent without a meeting. Any meeting of the Members may be held by means of a telephone conference, at the election of the party calling the meeting or any other Member. Any action that may be taken by the Members without a meeting shall be effective only if the written consent (or consents) sets forth the action so taken, and is signed by all of the Members necessary to have approved such action if such a meeting had occurred. Any written consent signed by less than all of the Members shall be delivered promptly to each other Member.

Section 8.5 Authorized Representatives. TDHS MANAGER shall appoint one (1) individual (the "TDHS MANAGER Representatives") to act on its behalf in connection with the business and operations of the Company. The Village shall appoint one (1) individual (the "Village Manager" and, together with the TDHS MANAGER Representatives, the "Authorized Representatives") to act on its behalf in connection with the business and operations of the Company. Each approval, consent and decision of a Member pursuant to this Agreement shall be made by its Authorized Representatives. TDHS MANAGER or the Village may replace an Authorized Representative designated by such Person by delivering written notice to the Company and the other Member of the removal of such Authorized Representative and designating a new Authorized Representative. The Manager, the Members and the Authorized Representatives may rely absolutely on the vote, consent, approval, disapproval or execution and delivery of any instrument by an Authorized Representative as having been fully authorized and approved by the Person so designating such individual as its Authorized Representative.

ARTICLE IX

BOOKS AND RECORDS

Section 9.1 Books and Records. At all times during the existence of the Company, the Manager shall cause the Company to keep at the Company's principal office true and complete books of account, prepared on a consistent basis from year to year, including: (a) a current list of the full name and business address of each Member, (b) a copy of the Articles of Organization and all certificates of amendment thereto, (c) copies of the Company's federal, state and local income Tax Returns and reports until the expiration of all applicable statute of limitations periods for the taxable year for which such Tax Return or report was filed (but in no event less than six (6) years following the applicable due date of such Tax Return or report) or, if longer, for such period as required by any record retention agreements between the Company and any taxing authority, (d) copies of this Agreement, all amendments to this Agreement and any financial statements of the Company for the five (5) most recent years and (e) all documents and information required under the Act. The Manager shall keep the books and records of the Company on the accrual method of accounting in accordance with U.S. GAAP; provided, however, that the Capital Accounts shall be maintained in accordance with Article X and, for purposes of determining distributions to Members, Operating Cash and Capital Proceeds shall be determined on a cash basis. Such books and records shall be available for examination and copying (and the Manager shall cause the Company to make such copies and deliver them to any

Member who requests them at reasonable intervals) at such office by any Member and its duly authorized representatives. Such documents may also be examined at the Company's office by any potential transferee of a Membership Interest or any portion thereof where a Member authorizes such proposed transferee to examine the same in a writing addressed to the Manager and copies of which are sent to all other Members and such proposed transferee has executed and delivered to the Company a confidentiality agreement with provisions substantially identical to the provisions set forth in Section 16.13. Any Member, at its own expense, may cause an audit of the books and records of the Company during regular business hours and shall furnish a written report thereof to the other Members. The Manager shall cause the Company to furnish promptly to the Members at the Company's expense such other information bearing on the financial condition and operations of the Company or the status of the Properties as any Member from time to time may reasonably request. Each Member shall have the right to visit and inspect the Property and the books and other records related thereto during normal business hours. The Manager shall provide each Member with reasonable access to such premises for all purposes deemed necessary or appropriate by such Member in connection with its review of the operations, management and finances of the Property.

Section 9.2 Fiscal Year. The fiscal year of the Company (the "Fiscal Year") shall end on December 31. Any change to the Fiscal Year shall be agreed upon by all of the Members.

Section 9.3 Reports.

(a) Not later than ninety (90) days after the end of each Fiscal Year, the Manager shall cause the Company to prepare and send to each Member a statement of operations, balance sheet, statement of cash flows and statement of changes in Members' equity for that Fiscal Year. Such financial statements shall be audited and certified by an accounting firm selected by TDHS MANAGER and the Village, and the Manager shall assist and cooperate with any such audit.

(b) Upon the reasonable request of a Member (but not less frequently than monthly), the Manager shall cause the Company to prepare and send to each Member financial statements prepared in accordance with U.S. GAAP. The Manager shall certify that, to the best of its knowledge after reasonable inquiry, all such financial statements and reports are accurate in all material respects. The Manager shall cause the Company to provide promptly any additional information that any Member may reasonably request so that it may fully understand the financial performance of the Company and the Properties.

(c) During any period when the Company shall be performing construction or other capital improvements to the Property, the Manager shall prepare financial statements on a monthly basis. Such financial statements shall include the approved budget for such construction or capital improvements, the sources of funding therefor and the amount of costs and funds remaining available. Such financial statements shall be distributed to the Members.

(d) Upon the reasonable request of a Member (but not less frequently than monthly), the Manager shall cause the Company to provide to each Member a summary of all leasing activity for the Property, including potential tenants and terms of leases as well as any potential offers to sell the Property.

Section 9.4 Returns. The Manager (together with the Company's accountants) shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. The Members agree that the Company shall be taxed as a partnership. Within ninety (90) days after the end of each Fiscal Year, and in any event, at least twenty (20) days prior to the filing thereof, the Manager shall use commercially reasonable efforts to cause the Company's accountants to deliver a draft of each federal, state and local tax return of the Company (collectively, the "Tax Returns") to the Members for their approval, together with such other tax information as shall be reasonably necessary for the preparation by each Member of its federal, state and local income Tax Returns. The Members shall approve or disapprove of the Tax Returns no later than fifteen (15) days after the date on which the draft Tax Returns are delivered to the Members by providing written notice to the Manager. To be effective, any notice that disapproves a draft Tax Return must contain specific line item objections thereto in reasonable detail. Any Member who fails to provide any such written notice within the thirty (30) day period shall be deemed to have approved the Tax Returns as submitted, and the Manager shall promptly request an appropriate extension if the Members do not approve (or are deemed to have approved) a draft tax return prior to its due date. The Members shall have the right to cause the Company to withhold and pay to any applicable governmental tax collecting authority or agency any federal or state income or other tax required or permitted to be withheld by the Company pursuant to any applicable law. Any withheld amount shall be deemed to have been distributed or paid to the Member with respect to whom such amounts have been withheld.

Section 9.5 Tax Matters Partner. The Manager shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. The Manager shall take such action as may be necessary to cause each Member to become a "notice partner" within the meaning of Section 6231(a)(8) of the Code. The Manager shall inform each Member of all significant matters that may come to its attention in its capacity as "tax matters partner" by giving notice thereof within five (5) Business Days after the Manager becomes aware thereof and, within that time, shall forward to each Member copies of all significant written communications it may receive in that capacity. The tax matters partner shall keep the Members fully apprised of any action required to be taken or that may be taken by the tax matters partner for the Company and shall not take any such action unless approved by all Members pursuant to Section 6.2.

Section 9.6 Accountants. The Manager shall cause the Company to retain (a) McDonald Doherty, 22285 Pepper Road, Suite 305, Lake Barrington, IL 60010 (or such other firm of independent certified public accountants as the Village and TDHS MANAGER may jointly designate from time to time) to perform the functions specified in this Agreement to be performed by the Company's tax accountants, including the preparation of Tax Returns, and (b) Sikich LLP (or such other firm of independent certified public accountants as the Village may later select as its municipal auditor) to examine and audit the Company's books and records. The Manager shall, and shall cause the Company to, provide McDonald Doherty and Sikich (or such other designated accounting firms) with information necessary to complete new client acceptance, which may include background checks on the Manager, the Company or key employees of the Manager. The Manager shall cause the Company's accountants to cooperate with each Member's accountants, including answering queries and providing copies of invoices, contracts and other Company-related materials.

Section 9.7 Environmental Investigations. The Manager shall promptly notify the Members if the Manager becomes aware of any discharge of contaminants at any Property or any other circumstances or condition which indicates that any Property is not in compliance with all applicable environmental laws and regulations. The Manager shall require the Property Manager to notify the Manager of any such discharges, circumstances or conditions of which such Property Manager becomes aware. If any Member reasonably determines, on the basis of such notice, that it is appropriate to undertake investigations regarding the compliance of any Property and the activities at the Property with applicable environmental laws, or the existence of and potential for contamination, such Member may require that the Company conduct such investigation (and the Operating Budget shall be deemed to be amended to include the reasonable costs thereof). The results of any such investigation shall be provided to each Member promptly after receipt by the Company.

ARTICLE X

ALLOCATIONS

Section 10.1 Capital Accounts. A separate capital account (each, a “Capital Account”) shall be maintained for each Member in accordance with Section 704(b) of the Code and the Treasury Regulations thereunder.

Section 10.2 Tax Profits, Tax Losses and Distributive Shares of Tax Items.

(a) Tax Profits and Tax Losses. Except as otherwise provided in this Article X, Tax Profits and Tax Losses (and items thereof) for any Fiscal Year shall be allocated to the Members such that each Member’s Adjusted Balance equals the amount that would be distributed to such Member if the Company sold all of its assets for their Book Value and distributed the proceeds after paying all liabilities pursuant to Sections 4.2(b) and 4.2(c).

(b) Tax Allocations; Code Section 704(c). For U.S. federal, state and local income tax purposes, Company income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Members to reflect the allocations made pursuant to the provisions of Section 10.2(a) for such Fiscal Year; provided, however, that, in accordance with Section 704(c) of the Code and the related Treasury Regulations, income, gain, loss and deduction with respect to any property contributed to the capital of the Company, solely for tax purposes, shall be allocated among the Members so as to take account of any variation between the adjusted basis to the Company of the property for U.S. federal income tax purposes and the initial Book Value of the property. If the Book Value of any Company asset is adjusted under paragraph (b) or (d) of the definition thereof, subsequent allocations of income, gain, loss and deduction with respect to that asset will take account of any variation between the adjusted basis of the asset for federal income tax purposes and its Book Value in the same manner as under Section 704(c) of the Code and the related Treasury Regulations. Subject to Section 6.2, any elections or other decisions relating to allocations under this Section 10.2(b) shall be made in any manner that the Members mutually agree reasonably reflects the purpose and intention of this Agreement. Allocations under this Section 10.2(b) are solely for purposes of U.S. federal, state and local income taxes and shall not affect, or in any way be taken into account in

computing, any Member's Capital Account or share of Tax Profits, Tax Losses or other items or distributions under any provision of this Agreement.

(c) Reporting. The Members shall be bound by the provisions of this Section 10.2 in reporting their shares of Company income and loss for income tax purposes.

Section 10.3 Tax Elections. Subject to Section 6.2, the following elections shall be made on the appropriate returns of the Company:

(a) to adopt the calendar year as the Fiscal Year;

(b) if there is a distribution of Company property as described in Section 734 of the Code or if there is a transfer of a Company interest as described in Section 743 of the Code, upon written request of any Member, to elect, pursuant to Section 754 of the Code, to adjust the basis of Company properties;

(c) to amortize the organizational expenses of the Company ratably over a period of fifteen (15) years or as otherwise permitted by Section 709(b) of the Code; and

(d) if necessary to cause Sections 6221 through 6234 of the Code to apply to the Company, the election pursuant to Section 6231(a)(1)(B)(ii) of the Code to have Section 6231(a)(1)(B)(i) of the Code not to apply.

No election shall be made by the Company or any Member to be excluded from the application of the provisions of subchapter K of chapter 1 of subtitle A of the Code or any similar provisions of applicable state laws.

Section 10.4 Allocations on Transfer of Interests. All items of income, gain, loss, deduction, and credit allocable to any interest in the Company that may have been transferred shall be allocated between the transferor and the transferee based upon that portion of the calendar year during which each was recognized as owning such interest, taking into account the results of Company operations during any particular portion of such calendar year, but without regard to whether cash distributions were made to the transferee or the transferee during such calendar year; however, such allocation shall be made in accordance with a method permissible under Section 706 of the Code and the Treasury Regulations thereunder.

Section 10.5 Restricted Distributions. Notwithstanding anything to the contrary contained in this Agreement, the Company, and the Manager on behalf of the Company, shall not make a distribution to any Member on account of its Membership Interest to the extent (if any) that such distribution would violate Section 18-607 of the Act or other applicable law.

Section 10.6 No Deficit Restoration by Members and Certain Regulatory Allocations.

(a) No Deficit Restoration. Notwithstanding anything to the contrary contained in this Agreement, no Member shall be required to contribute capital to the Company to restore a deficit balance in its Capital Account upon liquidation or otherwise.

(b) Minimum Gain Chargebacks and Nonrecourse Deductions.

(i) Notwithstanding anything to the contrary contained in this Agreement, in the event there is a net decrease in Company Minimum Gain during a Fiscal Year, the Members shall be allocated items of income and gain in accordance with Section 1.704-2(f) of the Treasury Regulations. This Section 10.6(b)(i) is intended to comply with the minimum gain charge-back requirement of Section 1.704-2(f) of the Treasury Regulations and shall be interpreted and applied in a manner consistent therewith.

(ii) Notwithstanding anything to the contrary contained in this Agreement, “nonrecourse deductions” (within the meaning of Section 1.704-2(b)(1) of the Treasury Regulations) shall be allocated to the Members, *pari passu*, in proportion to their respective Percentage Interests.

(iii) Notwithstanding anything to the contrary contained in this Agreement, to the extent required by Section 1.704-2(i) of the Treasury Regulations, any items of income, gain, loss or deduction of the Company that are attributable to a nonrecourse debt of the Company that constitutes “partner nonrecourse debt” as defined in Section 1.704-2(b)(4) of the Treasury Regulations (including chargebacks of partner nonrecourse debt minimum gain) shall be allocated in accordance with the provisions of Section 1.704-2(i) of the Treasury Regulations. This Section 10.6(b)(iii) is intended to satisfy the requirements of Section 1.704-2(i) of the Treasury Regulations (including the partner nonrecourse debt minimum gain chargeback requirements) and shall be interpreted and applied in a manner consistent therewith.

(c) Loss Limitations. Tax Losses allocated pursuant to Section 10.2(a) shall not exceed the maximum amount of Tax Losses that can be allocated without causing or increasing a deficit balance in a Member’s Adjusted Capital Account. A Member’s “Adjusted Capital Account” balance shall mean such Member’s Capital Account balance increased by such Member’s obligation to restore a deficit balance in its Capital Account, including any deemed obligation pursuant to the penultimate sentences of Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Treasury Regulations, and decreased by the amounts described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations. In the event that some but not all of the Members would have a deficit balance in its Adjusted Capital Account Deficits in excess of the amount, if any, permitted under the first sentence of this Section 10.6(c) as a consequence of an allocation of Tax Losses pursuant to Section 10.2(a), the limitation set forth in this Section 10.6(c) shall be applied on a Member-by-Member basis so as to allocate the maximum permissible items of loss and deduction to each Member under Section 1.704-1(b)(2)(ii)(d) of the Code.

(d) Qualified Income Offset. Any Member who unexpectedly receives an adjustment, allocation or distribution described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations that causes a deficit balance in its Capital Account (in excess of any deemed deficit restoration obligation pursuant to Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, and adjusted as provided in Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations) shall be allocated items of income and gain in an amount and a manner sufficient to eliminate, to the extent required by the Treasury Regulations, such deficit balance as quickly as possible. This Section 10.6(d) is intended to comply with the alternate test for economic effect set forth in Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent therewith.

(e) Code Section 704(b) Allocations. The allocation provisions contained in this Article X and the Capital Account maintenance provisions are intended to comply with Section 704(b) of the Code and the Treasury Regulations promulgated thereunder, and shall be interpreted and applied in a manner consistent therewith.

Section 10.7 Withholding. The Company is authorized and directed to withhold from payments, distributions or allocations to any Member and to pay over to any Governmental Authority any amount required to be withheld pursuant to the Code or any other governmental requirements with respect to any payment, distribution or allocation to the Company or such other Member and shall allocate any such amounts to such other Member with respect to which such amount was withheld. The Company shall notify the Village prior to withholding any amounts with respect any Governmental Authority pursuant to this Section 10.7 in order to provide the Village with a reasonable opportunity to establish any exemption from any applicable withholding requirements. All amounts so withheld shall be treated as amounts paid or distributed to such other Member and shall reduce the amount otherwise payable or distributable to such other Member for all purposes of this Agreement.

ARTICLE XI

TRANSFER OF MEMBERSHIP INTERESTS

Section 11.1 Restrictions on Transfer of Interest of and in a Member.

(a) Except as otherwise set forth in this Article XI, unless all of the Members consent (which consent shall be in the sole discretion of each Member), a Member shall not (i) withdraw or retire from the Company, (ii) substitute any Person in its stead or make an assignment, transfer, exchange or other disposition, voluntarily, involuntarily or by operation of law of all or any portion of or any interest in its Membership Interest (collectively, a “Transfer”), or (iii) pledge, mortgage, hypothecate, grant a security interest in or otherwise encumber (an “Encumbrance”) all or any portion of or any interest in its Membership Interest, including a transfer, assignment, hypothecation or pledge of its Financial Rights, including any right to receive distributions from the Company. Any attempted Transfer or Encumbrance of all or any portion of a Membership Interest, other than strictly in accordance with such provisions, shall be void *ab initio* and of no force or effect whatsoever. In addition, any Transfer or Encumbrance of a direct or indirect ownership or beneficial interest in a Member shall be included within the meaning of, and shall be deemed to be a Transfer or Encumbrance by such Member and prohibited by the first sentence of, this Section 11.1(a).

(b) Notwithstanding anything to the contrary contained in this Agreement, but subject always to Sections 11.1(d), the following Transfers (each, a “Permitted Transfer”) shall be permitted without any consent of the other Member(s) being required:

(i) the direct or indirect Transfer of Membership Interests to any Affiliate of a Member that, in the case of TDHS MANAGER, is directly or indirectly wholly owned by TDHS MANAGER, provided, however, that the transferring Member shall remain liable for all of its obligations under this Agreement and deliver prompt written notice of such Transfer to each Member;

(ii) Transfer permitted pursuant to the buy/sell procedures set forth in Section 11.3; or

(iii) the Transfer of any equity interest in a Member to any trust or other entity that is established for the purpose of estate planning and which trust or entity is controlled by or for the sole benefit of any individual (and/or one or more members of the immediate family of such individual) who holds equity interests in a Member.

(c) Notwithstanding anything to the contrary contained in this Agreement, unless either (i) Members holding aggregate percentage interests of 80% or (ii) both the Village and TDHS MANAGER (which consent shall be in the sole discretion of each Member), no Member may Transfer all or any portion of its Membership Interest.

Section 11.2 Buy/Sell. (i) Beginning upon the date that is one year following the Effective Date, upon the occurrence and continuation of a Major Dispute that has not been resolved by the Manager (if the Manager is TDHS MANAGER or any of its Affiliates) and the Village within the thirty (30) day period contemplated by Section 6.3 (or such lesser time as provided in Section 6.3 if a meeting of TDHS MANAGER and the Village fails to occur); or (ii) upon the occurrence and continuation of an Event of Default as contemplated by Sections 14.1 and 14.2:

(a) Either Member (the “Offeror”) shall deliver written notice (the “Offer Notice”) to the Company and the other Member (the “Offeree”) specifying: (i) the intent to rely on this Section 11.2; (ii) the proposed purchase price (the “Offer Price”) for which the Offeror is willing to pay in cash for all, but not less than all, of the Membership Interest (the “Buy/Sell Interest”) of the Offeree; and (iii) all other material terms and conditions of the offer.

(b) Within thirty (30) days after receipt of the Offer Notice by the Offeree (the “Option Period”), the Offeree shall notify the Offeror in writing whether the Offeree elects: (i) to sell its Buy/Sell Interest to the Offeror for a price equal to the Offer Price; or (ii) to purchase the Buy/Sell Interest of the Offeror for a price (the “Alternative Offer Price”) that is in proportion to the Offer Price based upon the relative percentage ownership interests of the Members in the Company.

(c) If the Offeree does not notify the Offeror of its election to purchase or sell prior to the expiration of the Option Period, the Offeree shall for all purposes be conclusively deemed to have elected to sell its Buy/Sell Interest to the Offeror for the Offer Price indicated in Section 11.2(a).

(d) If the Member (the “Purchaser”) obligated to purchase the Buy/Sell Interest under Section 11.2(b) or (c) fails or refuses to close on the purchase and sale of its Buy/Sell Interest as provided in Section 11.4 (the “Defaulting Purchaser”), the other Member (the “Seller”) shall have the option of substituting itself as the Purchaser of the Buy/Sell Interest of the Defaulting Purchaser (such Seller being then referred to as the “Substituted Purchaser”) under this Section 11.2(d) at a purchase price (the “Substituted Purchase Price”) equal to ninety percent (90%) of the Purchase Price multiplied by the ratio of the Defaulting Purchaser’s percentage ownership interest in the Company to the Substituted Purchaser’s percentage

ownership interest in the Company. If the Seller elects to become the Substituted Purchaser in accordance with the preceding sentence the Seller shall, within fifteen (15) days after the Seller obtains the right to become the Substituted Purchaser, give written notice to the Defaulting Purchaser of its intention to do so, which notice shall include a reasonably detailed calculation of the Substituted Purchase Price. Alternatively, after the default by the Defaulting Purchaser, the Seller may elect to decline its option to become the Substituted Purchaser and obtain and retain, as liquidated damages for the Defaulting Purchaser's default under this Section 11.2(d), an amount equal to ten percent (10%) of the Purchase Price from the Defaulting Purchaser. Any purchase and sale of the Buy/Sell Interest pursuant to this Section 11.2 shall be effected in accordance with the closing procedures set forth in Section 11.3.

Notwithstanding the foregoing, in no instance shall the Village be required to sell its interest in the Company hereunder during the twenty-four (24) month period immediately following its contribution of the Property for a value of less than the initial Book Value of the Property.

Section 11.3 Closing Procedures.

(a) The closing of the purchase and sale of the Buy/Sell Interest pursuant to Section 11.2, as applicable, shall take place no later than ninety (90) days after the date the Purchaser becomes obligated to purchase the Buy/Sell Interest of the Seller (including with respect to a Seller who becomes a Substituted Purchaser of the Buy/Sell Interest of the Defaulting Purchaser).

(b) Any sale of the Buy/Sell Interest, as applicable, shall be made in accordance with definitive transfer agreements reasonably acceptable to the Company and the parties to such purchase and sale, at 10:00 a.m. local time at the principal offices of the Company, or at such other date, time or place as the parties to such purchase and sale shall mutually agree. At such closing, the Transferor or the Seller, as applicable, shall sell, transfer and deliver to the Recipient or the Purchaser, as applicable, full right, title and interest in and to the Buy/Sell Interest, as applicable, free and clear of all Encumbrances of any kind and nature other than those in favor of the purchasing party or parties and those created by this Agreement. The Transferor or the Seller, as applicable, shall deliver to the Recipient or the Purchaser, as applicable, a duly endorsed assignment of such Buy/Seller Interest and any other documents necessary for Transfer. Simultaneously with the delivery of such assignment and other documents necessary for transfer, the Recipient or the Purchaser, as applicable, shall deliver to the Transferor or the Seller, as applicable, an amount in immediately available funds equal to the purchase price for the Buy/Sell Interest, as applicable, in full payment of such purchase price, together with an unconditional release, indemnity or other undertaking sufficient to provide reasonable assurance to the Transferor or the Seller, as applicable, that such Member will incur no future liability with respect to the Company. Any purchase and sale contemplated by this Section 11.4 may be effected through customary escrow arrangements.

Section 11.4 Insolvency of a Member.

(a) If a Member becomes an Insolvent Member, the personal representative, trustee or receiver of its estate (the "Personal Representative") shall have only such rights of that Member as are necessary for the purpose of settling or managing its estate and such power as the

Member possessed, if any, to assign all or any part of its interest and to join with such assignee in satisfying conditions precedent to such assignee's becoming a substituted Member. Such Person shall not have any rights of a Member to grant or withhold consents or any other rights except for those specified in the preceding sentence.

(b) If the Manager becomes insolvent as provided in clause (a), (b), (c), (d) or (e) of the definition of "Insolvent Member" (whether or not it is also a Member), or if any Member affiliated with the Manager becomes an Insolvent Member, then in addition to its other remedies pursuant to this Section 11.5, the Non-Insolvent Member may elect:

(i) to assume the duties of the Manager of the Company, or may elect to transfer a portion of its interest in the Company to an Entity controlled by the Non-Insolvent Member or Persons directly or indirectly owning the Non-Insolvent Member, and to designate such Entity as a replacement Manager hereunder. If the Village exercises such right, the Manager shall automatically, without need for the execution and delivery of any instrument other than notice by the Village to TDHS MANAGER that it has exercised such right, cease to be the Manager and the Village or the Entity designated by the Village shall become the sole Manager with all rights and responsibilities of the Manager set forth in this Agreement, and the Lockout Period shall immediately terminate. The former Manager shall execute such amendments to this Agreement and execute and file such amendments to the Articles of Organization as may be required to effect such appointment of the Village (or its designated Affiliate) as the Manager and hereby appoints the Village its attorney-in-fact, with full power of substitution, to execute and deliver any such amendments or other instruments;

Section 11.5 Assignees.

(a) The Company shall not recognize for any purpose any purported sale, assignment or Transfer of all or any fraction of the interest of a Member unless all provisions of this Agreement relating thereto have been satisfied, all costs of such assignment have been paid by the assigning Member, and there is filed with the Company a written and dated notification of such sale, assignment or Transfer, in form reasonably satisfactory to the Manager, executed by both the seller, assignor or transferor and the purchaser, assignee or transferee and such notification (i) contains the acceptance by the purchaser, assignee or transferee of and agreement to be bound by all the terms and provisions of this Agreement and (ii) represents that such sale, assignment or Transfer was made in accordance with all applicable securities laws and regulations (including suitability standards). Any such sale, assignment or Transfer shall be recognized by the Company as effective on the date of such notification if the date of such notification is within fifteen (15) days after the date on which such notification is filed with the Company and otherwise shall be recognized as effective on the date such notification is filed with the Company.

(b) Any Member who transfers or assigns its entire Membership Interest in the Company shall cease to be a Member, except that, unless and until a substituted Member has been admitted into the Company, such assigning Member shall retain the statutory rights of the assignor of a Member's interest under the Act.

(c) A Person who is the assignee of all or any portion of the Membership Interest of a Member but does not become a substituted Member, and who desires to make a further assignment of such interest it had acquired, shall be (and its proposed Transfer shall be) subject to all the provisions of this Agreement relating to the Disposition of Membership Interests to the same extent and in the same manner as any Member desiring to make an assignment of its Membership Interest.

Section 11.6 Substituted Members. Except as set forth in Section 11.1, only upon the unanimous written consent of all of the Members shall a purchaser, assignee, transferee or other recipient of a Membership Interest who was not previously admitted to the Company as a Member be admitted as a substituted Member to the extent of its acquired interest in the Company. In the event that any such Person is admitted to the Company as a substituted Member, the Manager shall have the power and authority to amend this Agreement to reflect the admission of such Person as a substituted Member and such Person shall have all the rights, duties and obligations of a Member under this Agreement. The Manager shall promptly deliver to each Member a copy of any amendments to this Agreement made by the Manager under this Section 11.6.

ARTICLE XII

REPRESENTATIONS AND WARRANTIES OF THE MEMBERS

Each Member represents and warrants, as of the Effective Date, the other Member and the Company as follows:

Section 12.1 Acquisition of Membership Interest for Investment. Each Member hereby represents and warrants to the Company and the other Member(s) that its acquisition of its Membership Interest is made for its own account for investment purposes only and not with a view toward the resale or distribution of such Membership Interest.

Section 12.2 Access to Information. Each Member has been afforded full opportunity to request any and all relevant information and ask questions concerning the proposed purposes and business of the Company, has been provided all information and copies of documents it has requested, and has received answers to such questions to its full satisfaction. Each Member represents and warrants that such Member has not relied upon any information relating to the Company other than information supplied by the Company.

Section 12.3 No Registration. The Membership Interests are not intended to constitute “securities” as defined under Section 2(a)(1) of the Securities Act. Notwithstanding the foregoing, each Member recognizes that (a) the Membership Interests have not been registered under the Securities Act or applicable state securities laws and are being sold pursuant to the exemptions from registration offered by Section 4(2) of the Securities Act and by applicable state law provisions, (b) as a consequence, its Membership Interest must be held indefinitely unless it is subsequently registered under the Securities Act and applicable state securities laws or an exemption from such registration is available and (c) each Member must bear the economic risk of investment in its Membership Interest for an indefinite period of time.

Section 12.4 No Obligation to Register. Each Member acknowledges that neither the Company nor the Manager is under any obligation to register the Membership Interests under any securities laws, and neither of them has any present intention to do so. Each Member understands that there is no established market for the Membership Interests, and it is extremely unlikely that any public or private market will develop.

Section 12.5 Suitability of Investment. Each Member understands the nature of the investment being made and that it involves a high degree of risk. Each Member recognizes that the Company is a newly organized entity and has no history of operations or earnings.

Section 12.6 Accreditation. Each Member represents that it is a sophisticated investor, able and accustomed to handling sophisticated financial matters for itself, particularly real estate investments, and that it has a sufficiently high net worth that it does not anticipate a need for the funds it has invested in the Company in what it understands to be a highly speculative and illiquid investment.

Section 12.7 Representations and Warranties Regarding Members. Each of the Members represents and warrants, as of the Effective Date, to the other Member concerning itself as follows:

(a) It is a limited liability company, limited partnership, corporation, municipal corporation or other entity duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation.

(b) Its execution and delivery of this Agreement, the performance by it of its obligations under this Agreement and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate or other action on its part.

(c) Its execution and delivery of, and its performance and compliance with the terms and provisions of, this Agreement do not violate any of the terms, conditions or provisions of (i) its articles of organization, certificate of limited partnership, limited partnership agreement, limited liability company agreement, municipal charter or other applicable organizational agreements or governing instruments, (ii) any judgment, order, injunction, decree, regulation or ruling of any court or other Governmental Authority to which it is subject or by which any of its assets are bound or (iii) any agreement or contract to which the Member is a party or to which it or its property is subject.

(d) No authorization, consent, order, approval or license from filing with, or other act by, any Governmental Authority or other Person is or will be necessary to permit the valid execution and delivery by it of this Agreement or the performance by it of the obligations to be performed by it under this Agreement, or if any such authorizations, consents, orders, approvals or licenses are required, they have been obtained.

Section 12.8 No Brokers. Each Member represents and warrants that it has not dealt with any agent or broker in connection with the creation of the Company or the negotiation of this Agreement. Each Member represents and warrants that no agent, broker or other Person acting pursuant to express or implied authority of such Member is entitled to a commission or finder's fee from, or will be entitled to recover on any claim against, any other Member, the

Manager or the Company for a commission or finder's fee, in connection with the creation of the Company or the negotiation of this Agreement.

ARTICLE XIII

INDEMNIFICATION

Section 13.1 Limitation on Liability. Except as otherwise required by applicable law or as the result of the gross negligence, willful misconduct, fraud or uncured (as provided in Section 14.1) material breach of this Agreement of such Person, no Indemnified Party shall be liable to the Company or any Person holding all or any portion of a Membership Interest in the Company for any Loss suffered by the Company or such Person that arises out of any action or inaction of any Indemnified Party.

Section 13.2 Indemnification by the Company. The Company shall indemnify, to the extent of its assets, each Indemnified Party against all Losses incurred by any of them in connection with any liability or obligation of the Company, including amounts paid in satisfaction of judgments, settlements, fines, penalties and expert witness and counsel fees reasonably incurred in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal or investigative, pending or threatened, before any court or administrative or legislative body, in which such Indemnified Party may be or may have been involved as a party or otherwise or with which such Indemnified Party may be or may have been threatened. Notwithstanding the foregoing, indemnification shall not be paid to any Indemnified Party with respect to (i) any Losses to the extent caused by an act or omission involving willful misconduct, fraud, gross negligence or bad faith or uncured (as provided in Section 14.1) material breach of this Agreement on the part of such Indemnified Party or its Affiliates, (ii) expert witness and counsel fees incurred in connection with a dispute between TDHS MANAGER and its Affiliates, on the one hand, and the Village and its Affiliates, on the other hand, and (iii) any Losses as provided in Section 3.6(c).

Section 13.3 Reimbursement of Expenses. The Company shall pay or reimburse all expenses reasonably incurred by the Indemnified Party in connection with any such aforementioned action, suit or proceeding in advance of the final disposition of such action, suit or proceeding; provided, however, that the Company has first received a written undertaking by such Indemnified Party (and, if such Indemnified Party is a wholly owned Person, such Person's ultimate parent Entity) to repay such expenses so advanced by the Company if it shall ultimately be determined that the standard for indemnification has not been met and further provided that the Company's obligation hereunder shall be limited to the value of such Member's interest in the Company.

ARTICLE XIV

EVENTS OF DEFAULT

Section 14.1 Events of Default. The occurrence of any of the events set forth below shall constitute an "Event of Default" on the part of any Member or the Manager if the default remains uncured or not otherwise fully remedied within thirty (30) days after such Member or

the Manager receives written notice of such default from a non-defaulting Member or the Manager; provided, however, that if such default cannot with diligent efforts be cured or otherwise fully remedied within such thirty (30) day period, but such Member or the Manager commences such cure or remedy within such thirty (30) day period, thereafter diligently and continuously prosecutes such cure, and such default is reasonably susceptible to cure within thirty (30) days, such thirty (30) day period shall be extended for the time reasonably required to effect such cure or remedy, but in no event for more than an additional thirty (30) days (i.e., sixty (60) days total); provided, further, no such cure period shall be available with respect to any event described in (A) clauses (b) and (c) below involving fraud, or (B) clause (f) below, which shall be deemed an Event of Default without any notice or further action:

(a) any material breach of any representation, warranty, covenant, undertaking, obligation or agreement, or any breach (other than a breach that does not otherwise result in more than di minimis Losses to the Company, the other Member or the Property) of any material representation, warranty, covenant, undertaking, obligation or agreement, in each case on the part of the Manager, a Member or any of their respective Affiliates pursuant to the terms of this Agreement or any other agreement between the Company, on the one hand, and the Manager, a Member or any of their respective Affiliates, on the other hand, or any breach or inaccuracy in any material respect of any statement set forth in a certificate delivered by the Manager to any Member pursuant to this Agreement or such other agreement;

(b) any knowing or intentional act on the part of the Manager or a Member without the consent of all Members that gives rise to an event or circumstance under any Financing Documents that would permit any lender to the Company to demand repayment of its loan prior to maturity; provided, however, that the failure to pay debt service or to perform any other act requiring the expenditure of funds shall not constitute such a knowing or intentional act if the Company has insufficient funds available to make the applicable payment and the Manager has provided to the Members prompt written notice of such insufficiency and the failure likely to result therefrom;

(c) the occurrence of any act committed by the Manager or a Member involving gross negligence, fraud or willful misconduct in connection with any of its obligations hereunder or under any other agreement referred to in Section 14.1(a);

(d) the occurrence of any Unpermitted Transfer;

(e) with regard to TDHS MANAGER, any default under the Redevelopment Agreement; and

(f) the Member becomes an Insolvent Member.

Section 14.2 Remedies.

(a) During the continuance of any Event of Default by the Manager (if the Manager is TDHS MANAGER or an Affiliate of TDHS MANAGER), the Village shall be entitled to:

(i) in its sole discretion, appoint itself or an independent third party to assume the duties of Manager hereunder. If the Village exercises such right, TDHS MANAGER (or its Affiliate) shall automatically, without need for the execution and delivery of any instrument other than notice by the Village to TDHS MANAGER (or its Affiliate) that it has exercised such right, cease to be the Manager and the Village or the independent third party appointed by the Village shall become the sole Manager with all rights and responsibilities of the Manager set forth in this Agreement. TDHS MANAGER (or its Affiliate) shall execute such amendments to this Agreement and execute and file such amendments to the Articles of Organization as may be required to effect the appointment of such independent third party as the Manager and hereby appoints the Village its attorney-in-fact, with full power of substitution, to execute and deliver any such amendment or instrument; and/or

(ii) initiate the buy/sell procedures set forth in Section 11.2; and/or

(iii) in the event of a default under Section 14.1 (e) hereof, the Village may, upon delivering written notice to TDHS MANAGER thereof, automatically assume all of TDHS MANAGER's membership interest in the Company, in which case TDHS MANAGER shall have no further interest in the Company or right to any future payments under this Agreement.

(b) In addition to the above remedies, the Village may recover from or the Manager, as applicable, any actual damages incurred as a result of TDHS MANAGER or the Manager's respective default under Section 14.1.

ARTICLE XV

DISSOLUTION

Section 15.1 Events of Dissolution.

(a) The Company shall be dissolved upon the earliest to occur of any of the following events:

(i) the unanimous written agreement of all of the Members;

(ii) the sale or other disposition of all or substantially all of the assets of the Company, unless such sale or other disposition involves the acquisition of any additional property or any deferred payment of the consideration for such sale or other disposition, in which latter event the Company will dissolve on the last day of the calendar month during which the balance of such deferred payment is received by the Company;

(iii) the entry of a judgment, order or decree of a court of competent jurisdiction adjudicating the Company to be a bankrupt and the expiration without appeal of the period, if any, allowed by applicable law in which to appeal therefrom; or

(iv) the entry of a decree of judicial dissolution under Section 18-802 of the Act or any successor or similar provision of applicable law.

(b) The events set forth in Section 15.1(a) constitute the only situations or events on which a dissolution of the Company shall occur.

(c) Dissolution of the Company shall be effective as of the day on which the event occurs giving rise to the dissolution, but the Company shall not terminate until there has been a winding up of the Company's business and affairs and the assets of the Company have been distributed as provided in Section 15.2.

Section 15.2 Liquidation; Sale of Substantially All of the Assets.

(a) Subject to the restrictions and limitations contained in this Agreement, upon dissolution of the Company the Manager shall cause all Company assets to be sold in such manner as the Manager shall determine in an effort to obtain the best price. During the liquidation period, the Manager shall have the right to continue to operate and otherwise to deal with Company property to the same extent the Manager had such right prior to dissolution of the Company. In the event that the Manager has dissolved, withdrawn or becomes bankrupt or legally incapacitated, all of the Members may, within thirty (30) days after any such occurrence, appoint a Person to perform the functions of the Manager in liquidating the assets of the Company and winding up its affairs.

(b) In settling accounts after dissolution, the assets of the Company shall be paid or distributed in the following order:

(i) first, to creditors including creditors that are Members and their Affiliates, in the order of priority provided by law;

(ii) then, to the Members and their respective Affiliates for any fees or other compensation or any unreimbursed costs and expenses owing to the Members, the Manager or their respective Affiliates in accordance with the terms of this Agreement, and then to the repayment of any loans (with interest), including any Default Loans, made by any Member to the Company in accordance with the terms of this Agreement;

(iii) then, to contingency reserves as the Members deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Such reserves may be paid over by the Manager to a bank, to be held in escrow for the purpose of paying any contingent or unforeseen liabilities or obligations and, at the expiration of such period as the Members may deem advisable, such reserves shall be distributed to the Members, pursuant to clause (iv); and

(iv) then, to the Members in accordance with Sections 4.2(b) through 4.2(e).

Section 15.3 Waiver of Partition. Each Member hereby irrevocably waives any right or power it may possess now or hereafter to compel a partition or sale of any asset of the Company or to compel a dissolution of the Company other than as expressly set forth in this Agreement.

Section 15.4 Articles of Dissolution. Upon the dissolution and the completion and winding up of the Company, the Manager shall cause Articles of Dissolution to be filed with the

Office of the Secretary of State of the State of Illinois, pursuant to the requirements of the Act, canceling the Articles of Organization; provided, however, that such Articles of Dissolution shall not be filed prior to January 1 of the third (3rd) calendar year subsequent to the sale of all of the assets of the Company.

ARTICLE XVI

MISCELLANEOUS

Section 16.1 Notice. Any notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be given to the Manager and the Members at their respective addresses and to the Authorized Representatives set forth on Exhibit A or at such other address as the Manager or any Member may hereafter designate in a notice duly given to all the other Members and the Manager, as applicable, as its address for receipt of notices hereunder. Such notices may be delivered by hand, overnight courier, U.S. certified mail, facsimile or e-mail; provided, however, that facsimile and e-mail notices are also promptly delivered by hand, overnight courier or U.S. certified mail. Any such notice, demand or communication shall be deemed to have been given on the date received or refused (or, if received on a day that is not a Business Day or after normal business hours in the location delivered, the following Business Day).

Section 16.2 Application of Illinois Law. This Agreement and the application or interpretation hereof shall be governed exclusively by, and construed exclusively in accordance with, the laws of the State of Illinois without regard to principles of conflicts of laws.

Section 16.3 Jurisdiction and Venue; Waiver of Jury Trial. Any process against any Member or the Manager in, or in connection with, any suit, action or proceeding arising out of or relating to this Agreement or the Manager's or any Member's performance hereof may be served personally or, to the extent permitted by law, by certified mail at the Manager's or the Member's address for receipt of notices hereunder with the same effect as though served on the Manager or the Member personally. The Manager and each Member hereby irrevocably submit in any suit, action or proceeding arising out of or relating to this Agreement or the Manager's or any Member's performance hereof or rights or obligations hereunder to the jurisdiction of the federal and state courts of the State of Illinois and waive any and all objections to the jurisdiction of, or venue in, such court that the Manager or such Member may have under applicable laws. The Manager and each of the Members waive trial by jury in any litigation, suit or proceeding among them in any court with respect to, in connection with or arising out of this Agreement or the validity, interpretation, or enforcement thereof.

Section 16.4 No Partnership. The Members intend that the Company not constitute or be deemed to be a partnership (including a limited partnership) or joint venture, and that no Member or the Manager constitute or be deemed to be a partner, agent or joint venturer of any other Member or the Manager, for any purposes other than U.S. federal and state income tax purposes, and this Agreement shall not be construed, interpreted or applied to suggest otherwise.

Section 16.5 Effect of Agreement. This Agreement shall be binding upon all Members and the Manager and their respective successors and permitted assigns.

Section 16.6 Entire Agreement. This Agreement and the Exhibits hereto, together with all other contracts and agreements that either are referred to herein or bear even date herewith, contain all of the understandings and agreements of whatsoever kind and nature existing among the Members and the Manager with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings with respect thereto.

Section 16.7 Amendment. Except as otherwise expressly set forth in this Agreement, this Agreement may be amended, supplemented or restated only by a written agreement executed by each of the Members and the Manager (and, solely with respect to any amendment, supplement or restatement of Section 3.6(c), the Village). Notwithstanding anything to the contrary contained in this Section 16.7, the Articles of Organization and this Agreement may be amended, supplemented or restated by the Manager without the necessity of obtaining the written consent of any of the Members to the change of the registered agent, the address of the registered agent or the address of the principal place of business of the Company.

Section 16.8 Counterparts. This Agreement may be executed in counterparts, including by means of facsimile or other electronic communication, each of which shall be deemed to be an original and shall be binding upon the Member or the Manager who executed the same, but all of such counterparts together shall constitute one and the same agreement.

Section 16.9 Severability. Each provision of this Agreement shall be considered severable and if any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable and contrary to the Act or existing or future applicable law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid. In that case, this Agreement shall be construed so as to limit any term or provision so as to make it enforceable or valid within the requirements of any applicable law, and in the event such term or provision cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable provisions.

Section 16.10 Captions. The title and captions contained herein are for convenience of reference only and shall not be deemed part of this Agreement.

Section 16.11 Interpretation. This Agreement is the result of negotiations among, and have been reviewed by counsel to, each of the parties hereto and is the product of each of the parties. Accordingly, it shall not be construed against any party merely because of such party's involvement in its preparation.

Section 16.12 Additional Documents and Acts. In connection with this Agreement, as well as all transactions contemplated by this Agreement, the Members and the Manager agree to execute such additional documents and papers, and to perform and do such additional acts, as may be necessary and proper to effectuate and carry out all of the provisions of this Agreement.

Section 16.13 Confidentiality.

(a) The provisions of this Agreement and of any other agreement relating to the Company or its Properties to which the Company or any Member is a party, the identity of any Person with whom the Company may be holding discussions with respect to any investment, acquisition, Disposition, or other transaction or in whom the Company may invest directly or

indirectly, and all other business, financial or other information relating directly to the business or affairs of the Company or the relative or absolute rights or interests of any of the Members (collectively, the “Information”) that has not been publicly disclosed with the consent of all of the Members is confidential and proprietary information of the Company, the disclosure of which could cause irreparable harm to the Company and the Members. Accordingly, each Member and the Manager represents that it has not, and agrees that it will not and that it will direct its shareholders, members, managers, directors, trustees, officers, agents, advisors and Affiliates not to, (i) disclose to any Person (except to the extent, if any, it is required by applicable law to make disclosure to a court or other Governmental Authority), or confirm any statement made by any other Person regarding, any Information or the purchase price related to the Property; or (ii) issue any press release or other public statement unless all of the Members consent thereto in writing (which consent may be withheld by any Member in its sole discretion). The covenants and agreements contained in this Section 16.13 will (i) terminate with respect to a Member or the Manager three (3) years after such Member or the Manager ceases to be a Member or the Manager or hold any interest in the Company and (ii) survive the termination of the Company for three (3) years.

(b) Notwithstanding anything to the contrary contained in this Section 16.13, any Member may, without breach of the covenants set forth in this Section 16.13 and without notice to or consent of the Manager, disclose any Information to any potential transferee of a Membership Interest or in connection with any proposed or actual transfer of any interest of the direct or indirect beneficial owners of any of the Members permitted by this Agreement if such transferee agrees (i) to use such Information solely for the purpose of evaluating the purchase of a Membership Interest or beneficial interest in a Member and (ii) to be bound generally by the terms and provisions of this Section 16.13 on the same basis and in the same manner as would apply if it were a Member of the Company who had signed this Agreement. The parties agree that, if this Section 16.13 is breached, the remedy at law may be inadequate, and therefore, in addition to any other remedy to which a party may be entitled, the non-breaching party shall be entitled to an injunction or injunctions to prevent breaches of this Section 16.13 and/or to compel specific performance of this Section 16.13.

(c) Notwithstanding anything to the contrary contained in this Section 16.13, the Members and the Manager (and each employee, representative or other agent of the Members and the Manager) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated herein; provided, however, that neither the Manager nor any Member (and no employee, representative or other agent thereof) shall disclose any information that is not necessary to understanding the tax treatment and tax structure of the transactions contemplated herein (including the identity of the Members, any information that could reasonably allow a Person to determine the identity of the Members, or any other information to the extent that such disclosure could result in a violation of any federal or state securities law).

(d) Notwithstanding anything to the contrary contained in this Section 16.13, the Village shall be allowed to comply and make available any information required under the Illinois Freedom of Information Act.

Section 16.14 No Third-Party Beneficiaries. No creditor of the Company or other Person not a Member, the Manager or an Indemnified Party shall have any right or benefit under or in respect of this Agreement (and, without limiting the generality of the foregoing, no such Person shall have any right to enforce any obligation of any Member to make capital contributions or loans or to pursue any other right or remedy hereunder or in respect hereof or at law or in equity), it being understood and agreed that the provisions of this Agreement shall be solely for the benefit of, and may be enforced solely by, the Members, the Manager, the Company, the Indemnified Parties and, solely for purposes of Section 3.6(c), the Village, and their respective successors and permitted assigns. None of the rights or obligations of the Members herein set forth to make capital contributions or loans to the Company shall be deemed an asset of the Company for any purpose by any creditor or other third party, nor may such rights or obligations be sold, transferred or assigned by the Company or pledged or encumbered by the Company to secure any debt or other obligation of the Company or of any Member. In addition, it is the intent of the parties hereto that no distribution to any Member shall be deemed a return of money or other property in violation of the Act.

Section 16.15 Involvement of the Company in Certain Proceedings. If the Manager or any Member or any Affiliate of a Member becomes involved in legal proceedings unrelated to the business of the Company in which the Company is called upon to provide information, the Manager or the Member, as the case may be, will indemnify, defend and hold harmless the Company against all costs and expenses (including fees and expenses of attorneys and other advisors) paid or incurred by the Company in preparing or producing the required information or in resisting any request for production or obtaining a protective order limiting the availability of the information provided by the Company or in otherwise protecting its interests.

Section 16.16 No Waiver. No waiver, express or implied, by the Manager, any Member or, solely for purposes of Section 3.6(c), the Village, of any obligation of, or any breach or default by, the Manager, any other Member or the Village in the performance by the Manager, any other Member or the Village of their respective obligations, hereunder shall be (a) binding or enforceable except to the extent set out in a writing signed by the Manager, the Village or the Member sought to be charged thereby or (b) deemed or construed to be a waiver of any other breach or default under this Agreement. Failure on the part of the Manager, any Member or the Village to complain of any act or omission of the Manager, any other Member or the Village, or to declare the Manager, such other Member or the Village in default irrespective of how long such failure continues, shall not constitute a waiver hereunder. No notice to or demand on a defaulting Manager or Member or the Village shall entitle such defaulting Manager or Member or the Village to any other or further notice or demand in similar or other circumstances.

Section 16.17 Additional Remedies. Unless the context requires otherwise, the rights and remedies of the Manager and the Members hereunder shall not be mutually exclusive so that the exercise of one or more of the rights or remedies hereunder shall not preclude the exercise of any other.

Section 16.18 Approvals. Except where otherwise expressly stated in this Agreement, all approval, consent and other similar rights of the Manager or of the Members pursuant to this Agreement (i) shall be set out in a writing signed by the Person whose approval, consent or exercise of any other right is required and (ii) may be exercised by such parties, and such

approvals and consents may be granted or denied by such parties, in their sole and absolute discretion.

Section 16.19 Attorneys' Fees. The prevailing party in any action or proceeding relating to this Agreement will be entitled to recover its reasonable attorneys' fees and other costs from the non-prevailing party, in addition to any other relief to which such prevailing party may be entitled.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been executed as of the date set forth above.

MANAGER:

_____, an ____ limited liability company

By: _____

Name:

Title:

**VILLAGE OF HANOVER PARK,
ILLINOIS:**

By: _____

Name: _____

Title: _____

Exhibit B

Property Description

PARCEL 1:

LOT 'A' AND THAT PART OF VACATED PARK AVENUE LYING SOUTH OF THE SOUTH LINE OF WALNUT STREET AND NORTH OF THE NORTH LINE OF MAPLE AVENUE TAKEN AS A TRACT, ALL IN HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING FROM SAID TRACT THE EAST 110 FEET OF THE NORTH 128 FEET ALSO EXCEPTING THE EAST 150 FEET OF THE SOUTH 400 FEET), IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE EAST 150 FEET OF THE NORTH 250 FEET OF THE SOUTH 400 FEET OF LOT 'A' AND THAT PART OF VACATED PARK AVENUE LYING SOUTH OF THE SOUTH LINE OF WALNUT STREET AND NORTH OF THE NORTH LINE OF MAPLE AVENUE WHICH LIES EAST OF AND ADJOINING SAID LAND TAKEN AS A TRACT, ALL IN HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE NORTH 128 FEET OF THE EAST 70 FEET OF LOT 'A'; AND THE NORTH 128 FEET OF VACATED PARK AVENUE, SOUTH OF THE SOUTH LINE OF WALNUT AVENUE, OF HANOVER PARK ESTATE, A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

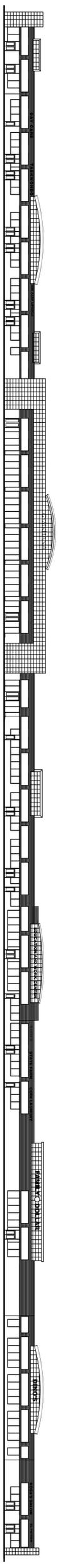
Commonly known as Hanover Square Shopping Center, Hanover Park, Illinois

Exhibit C

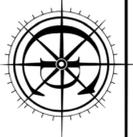
Annual Business Plan Items

1. Budget narrative including: property strengths/weaknesses, property opportunities, physical condition (includes a discussion of the five (5) year capital plan), market overview (includes sub-market conditions, comparative markets, etc.)
2. Reforecast of current year (includes actuals through budget preparation period)
3. Variance notes from budget to reforecast and reforecast to prior year budget
4. Detailed budget provided by month and account
5. Detail of real estate tax calculation outlining the assessed value, tax rates and payment due dates
6. Schedule of service/operating contracts detailing year over year amounts, contract dates, scheduled re-bid dates and vendors
7. Five (5) year capital plan, including building and tenant improvement detail
8. Security and emergency policy and procedures (include an update to date property emergency contact list)
9. Personal property list (if applicable)
10. A leasing plan for the Property setting forth minimum acceptable rents and a list of non-permitted uses.

HANOVER SQUARE SHOPPING CENTER FACCADE RENOVATION



A0.0	CODES, INDEX OF DRAWINGS
A0.1	ARCHITECTURAL ABBREVIATIONS, SYMBOLS & NOTES
A0.2	SPECIFICATIONS
A0.3	SPECIFICATIONS
A0.4	SPECIFICATIONS
A0.5	SPECIFICATIONS
A0.6	SPECIFICATIONS
A1.0	PARTIAL PLAN AND ELEVATION
A1.1	PARTIAL PLAN AND ELEVATION
A1.2	PARTIAL PLAN AND ELEVATION
A1.1	PARTIAL PLAN AND ELEVATION
A1.2	PARTIAL PLAN AND ELEVATION
A1.3	PARTIAL PLAN AND ELEVATION
A1.4	PARTIAL PLAN AND ELEVATION
A1.5	PARTIAL PLAN AND ELEVATION
A1.6	PARTIAL PLAN AND ELEVATION
A2.0	BUILDING SECTIONS
A2.1	BUILDING SECTIONS
A2.2	BUILDING SECTIONS
D1	DETAILS
D1	PARTIAL DEMOLITION PLAN AND ELEVATION
D2	PARTIAL DEMOLITION PLAN AND ELEVATION
D3	PARTIAL DEMOLITION PLAN AND ELEVATION
D4	PARTIAL DEMOLITION PLAN AND ELEVATION
D5	PARTIAL DEMOLITION PLAN AND ELEVATION
D6	PARTIAL DEMOLITION PLAN AND ELEVATION
D7	PARTIAL DEMOLITION PLAN AND ELEVATION



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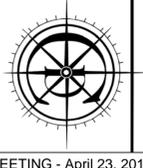
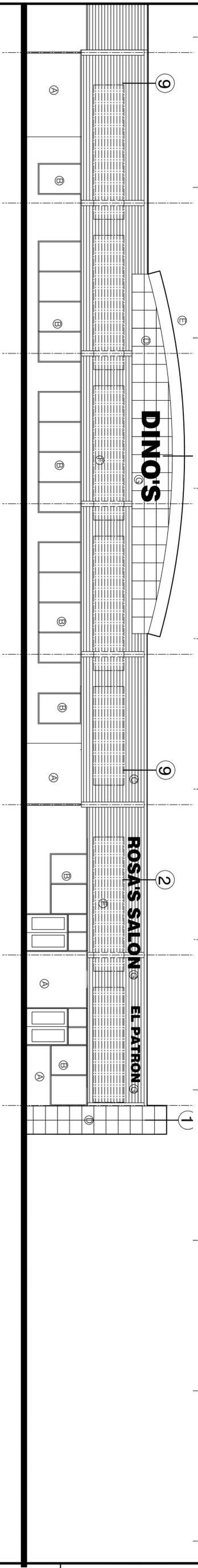
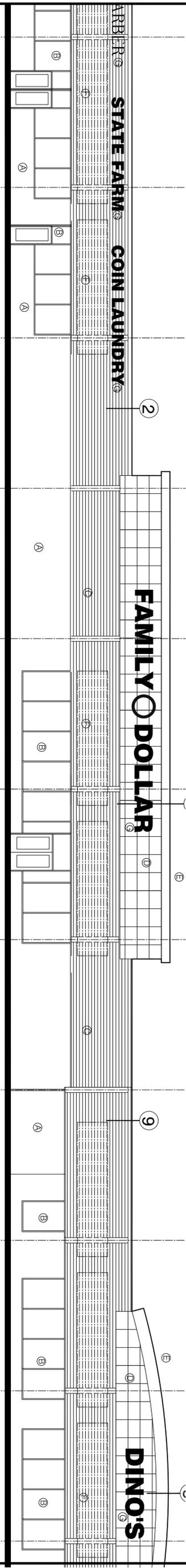
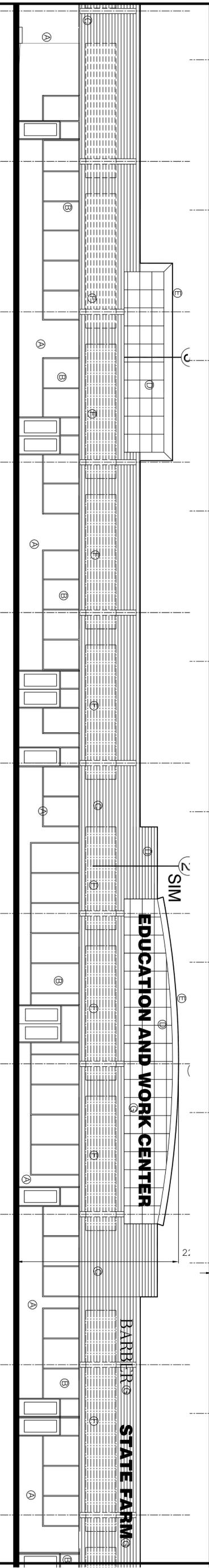
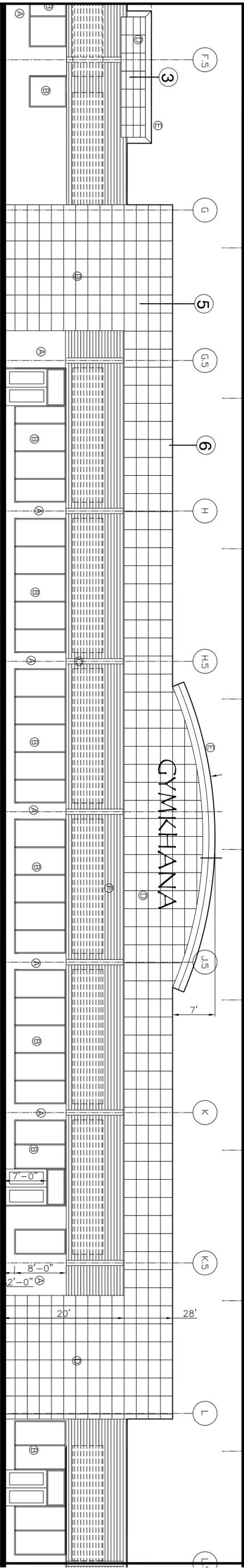
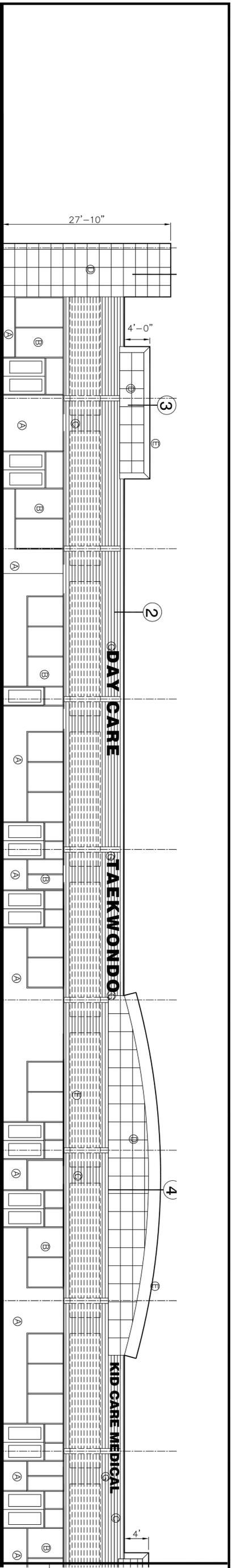

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**HANOVER SQUARE
SHOPPING CENTER**
6706-6772 BARRINGTON ROAD
HANOVER PARK, IL 60133

ARCHITECTURAL
ABBREVIATIONS
SYMBOLS &
NOTES

DATE 4-10-15

A0.0



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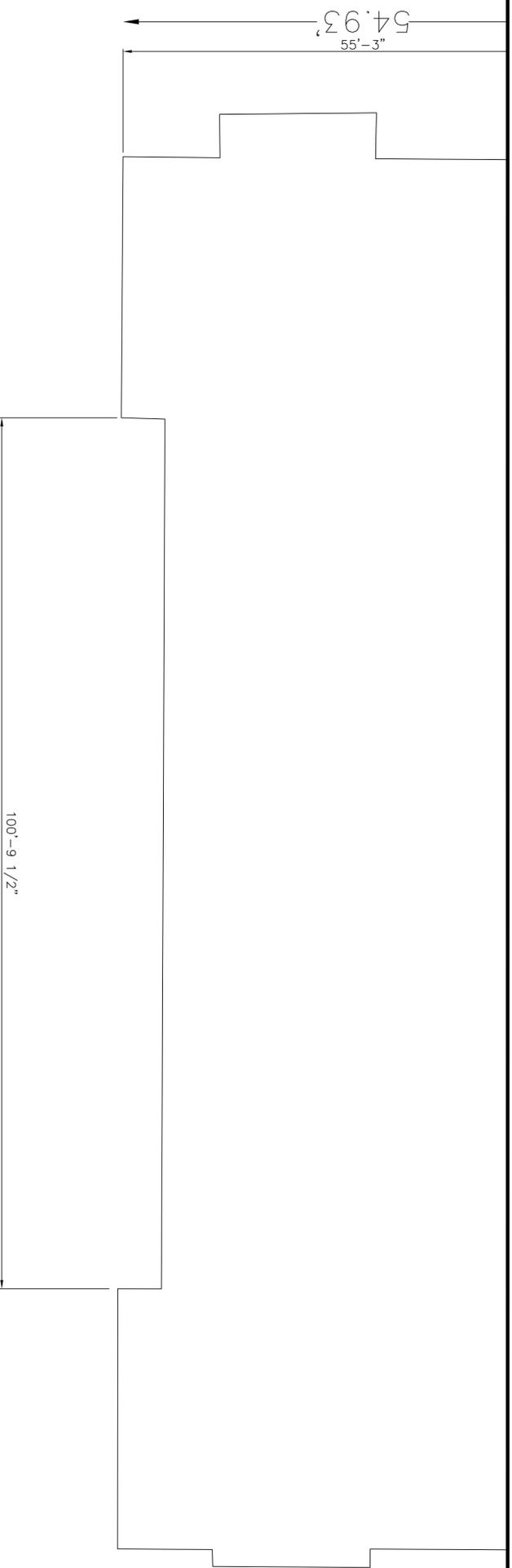
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HANOVER FAMILY CENTER
6706-6772 BARRINGTON ROAD
HANOVER PARK IL 60133

ELEVATION

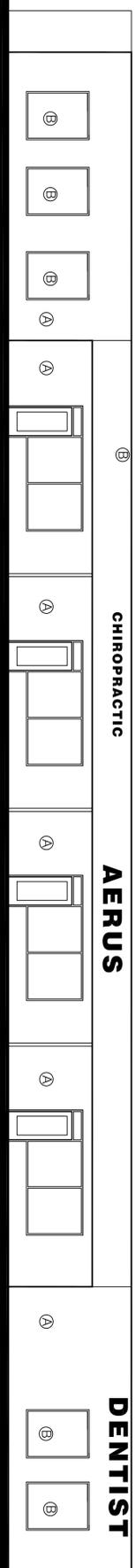
DATE: 4-2-15
SCALE: A1.0

54'-9 3/4"
55'-3"



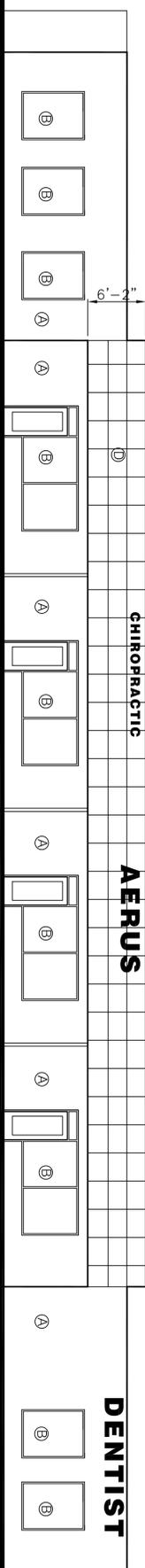
1 PARTIAL ROOF PLAN

1/8" = 1'-0"



2 EXISTING EAST ELEVATION

1/8" = 1'-0"



2 PROPOSED EAST ELEVATION

1/8" = 1'-0"

KEY NOTES

- A EXISTING MASONRY TO REMAIN, TYP
- B NEW ALUMINUM AND GLASS STOREFRONT ALTERNATIVE, RESTORE EXISTING ANODIZED ALUMINUM, TYP
- C NEW PRE-FINISHED METAL FLAT PANEL, TYP
- D NEW PRE-FINISHED METAL FASCIA OR CORNING, TYP
- E EXISTING TENANT SIGNAGE TO BE REMOVED AND REINSTALLED ON NEW FASCIA, TYPICAL



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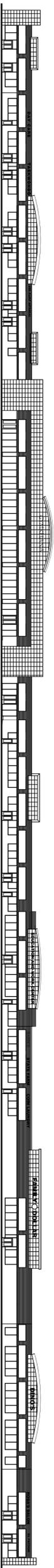
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HANOVER PARK IL 60133

OUTBUILDING
ELEVATIONS

DATE 3-9-15
SCALE A1.6.1

HANOVER SQUARE SHOPPING CENTER

BUILD-OUT FOR GYM/KHANA



A0	COVER SHEET
A0.0	CODE COMPLIANCE DATA
A0.1	ARCHITECTURAL ABBREVIATIONS, SYMBOLS & NOTES
A0.2	SPECIFICATIONS
A0.3	SPECIFICATIONS
A0.4	SPECIFICATIONS
A0.5	SPECIFICATIONS
A0.6	SPECIFICATIONS
A1.0	DEMOLITION PLAN
A1.1	CONSTRUCTION PLAN
A1.2	REFLECTED CEILING PLAN
A2.0	BUILDING SECTIONS
A2.1	BUILDING SECTIONS
A2.2	PARTITION TYPES/ DETAILS/ SCHEDULES
M1	MECHANICAL PLAN
M2	MECHANICAL SCHEDULES AND DETAILS
P1	PLUMBING PLAN
P2	PLUMBING SCHEDULES AND DETAILS
E1	ELECTRICAL PLAN
E2	ELECTRICAL NOTES, SCHEDULES AND DIAGRAMS



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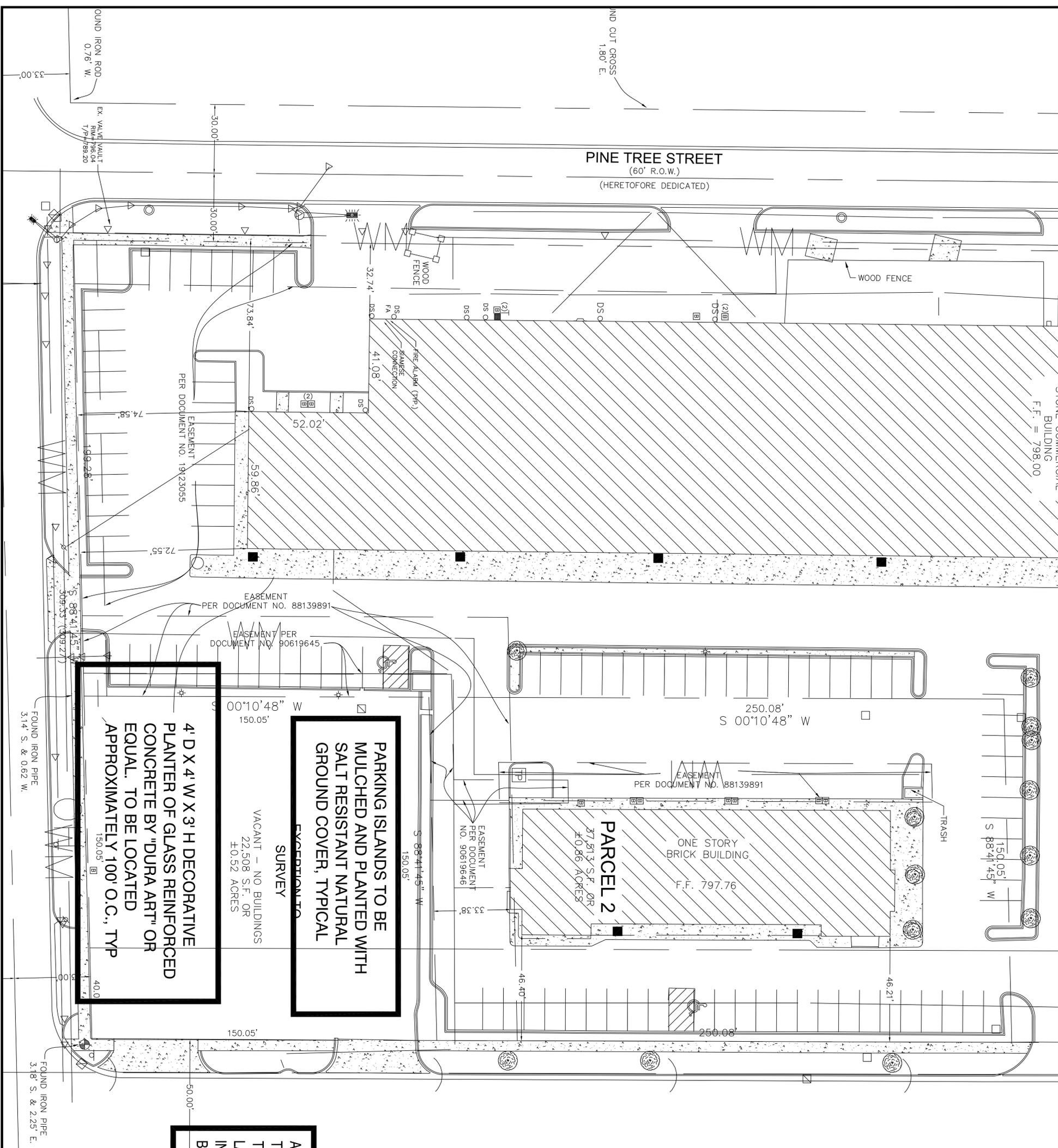


**HANOVER SQUARE
SHOPPING CENTER**
6706-6772 BARRINGTON ROAD
HANOVER PARK, IL 60133

COVER
SHEET

DATE 4-10-15
SCALE

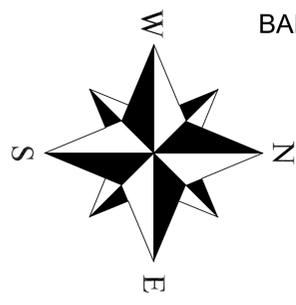
A0



4' D X 4' W X 3' H DECORATIVE
PLANTER OF GLASS REINFORCED
CONCRETE BY "DURA ART" OR
EQUAL. TO BE LOCATED
APPROXIMATELY 100' O.C., TYP

PARKING ISLANDS TO BE
MULCHED AND PLANTED WITH
SALT RESISTANT NATURAL
GROUND COVER, TYPICAL

ADDITIONAL LANDSCAPING TO BE INSTALLED
THROUGHOUT SITE. EXISTING PARKING LOT
TO BE RE-PAVED AND RE-STRIPPED. FINAL
LANDSCAPE AND PARKING PLANS TO BE DEVELOPED
IN ACCORDANCE WITH VILLAGE CODE AND APPROVED
BY VILLAGE PLANNER.



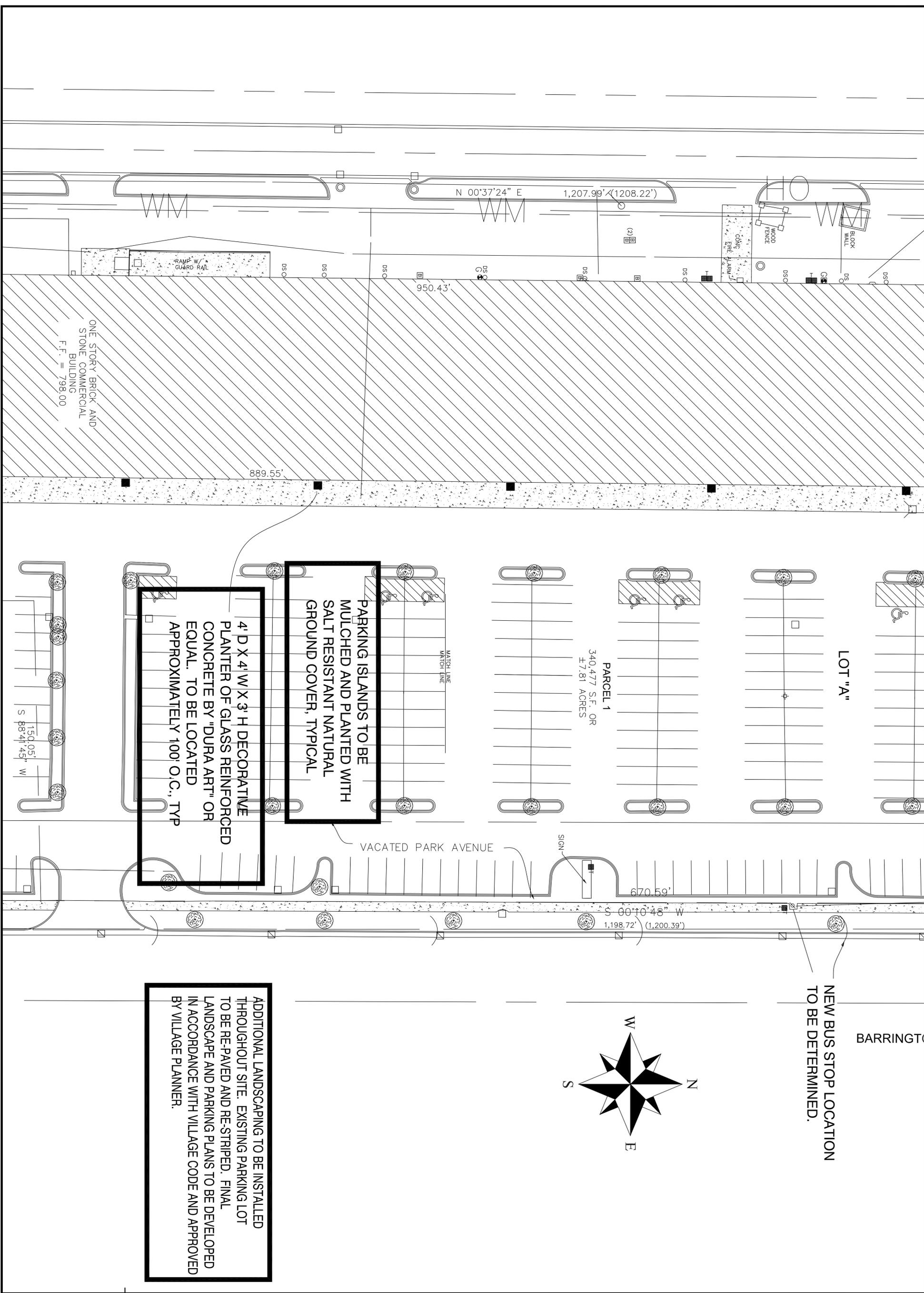
**HANOVER SQUARE
SHOPPING CENTER
PAVING AND PRELIMINARY LANDSCAPE PLAN**

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DATE: 4-20-15
SCALE: 1" = 20'-0"
LS-1

SOUTH

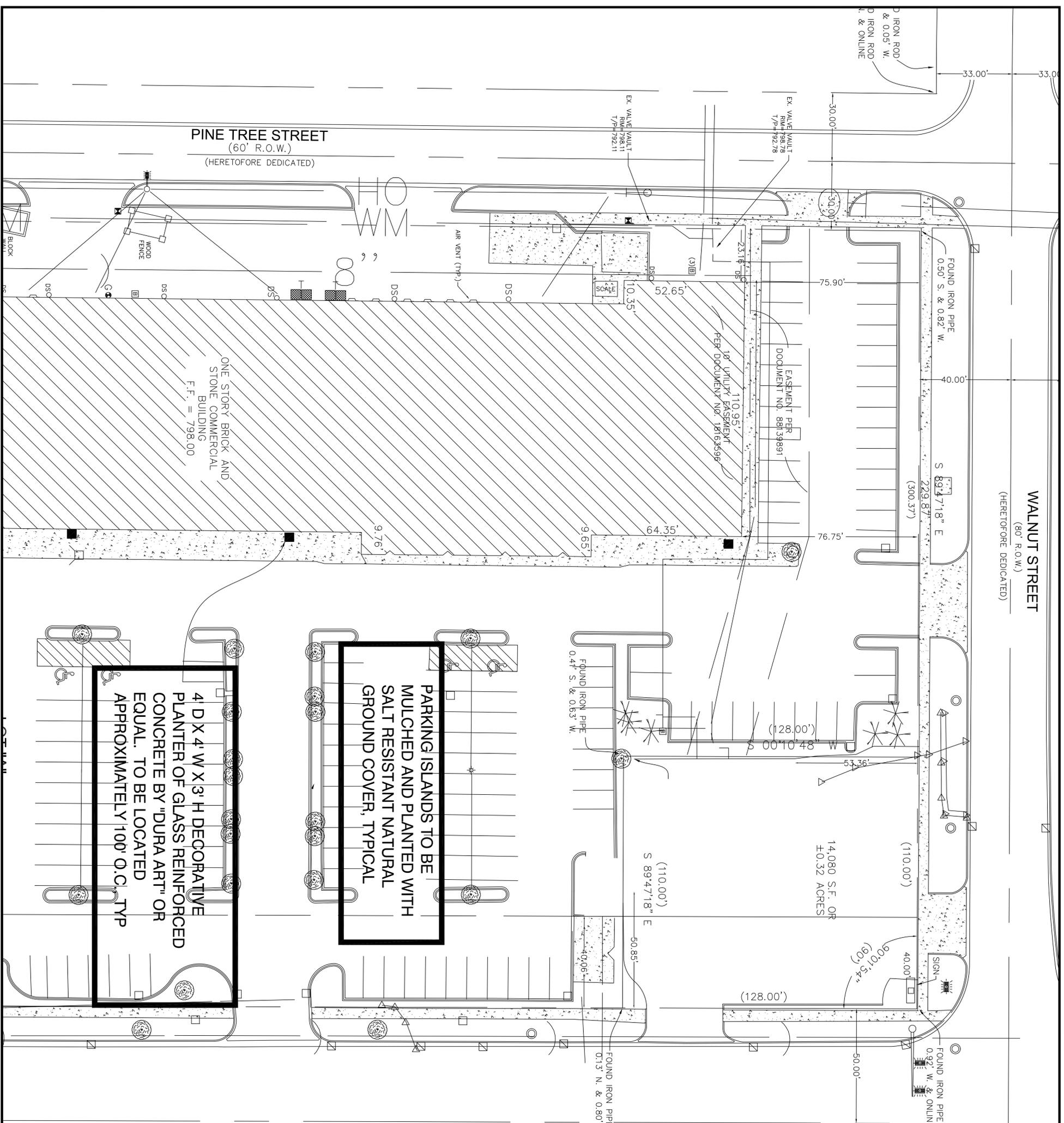


DATE: 4-20-15
SCALE: 1" = 20'-0"
CENTER
LS-2

HANOVER SQUARE SHOPPING CENTER
PAVING AND PRELIMINARY LANDSCAPE PLAN

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WALNUT STREET
(80' R.O.W.)
(HERETOFORE DEDICATED)

PINE TREE STREET
(60' R.O.W.)
(HERETOFORE DEDICATED)

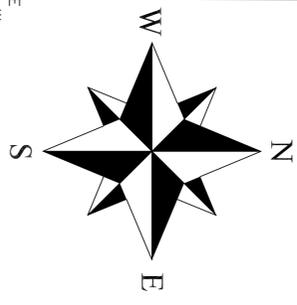
ONE STORY BRICK AND
STONE COMMERCIAL
BUILDING
F.F. = 798.00

4\"/>

PARKING ISLANDS TO BE
MULCHED AND PLANTED WITH
SALT RESISTANT NATURAL
GROUND COVER, TYPICAL

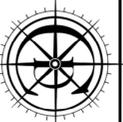
ADDITIONAL LANDSCAPING TO BE INSTALLED
THROUGHOUT SITE. EXISTING PARKING LOT
TO BE RE-PAVED AND RE-STRIPED. FINAL
LANDSCAPE AND PARKING PLANS TO BE DEVELOPED
IN ACCORDANCE WITH VILLAGE CODE AND APPROVED
BY VILLAGE PLANNER.

PARKING SPOTS TOTAL	396
H.C. PARKING REQUIRED	8
H.C. PARKING PROVIDED	11.



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NORTH

HANOVER SQUARE SHOPPING CENTER
PAVING AND PRELIMINARY LANDSCAPE PLAN

DATE: 4-20-15
SCALE: 1" = 20'-0"
LS-3