

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into as of the ____ day of _____, 2014, by and between the VILLAGE OF ORLAND PARK, an Illinois municipal corporation (hereinafter the "Village") and DHE DEVELOPMENT, INC., an Illinois corporation (hereinafter "Flaherty").

WITNESSETH

WHEREAS, the Village and Flaherty entered into that certain "Amendment to Annexation Agreement" dated January 3, 2007, and recorded with the Cook County Recorder of Deeds on January 3, 2007, as Document No. 0703009067 (hereinafter the "Annexation Agreement") which Annexation Agreement, in part, contained the agreements of the parties as to the development of the twenty-three (23) lot Deer Haven Estates Subdivision (hereinafter the "Subdivision"); and

WHEREAS, the Subdivision is not yet completely improved and the seven (7) year term of the Annexation Agreement expired on January 3, 2014; and

WHEREAS, the Village and Flaherty have reached agreements regarding: (i) the completion, repair and conveyance of public improvements within the Subdivision; (ii) the continued posting of Flaherty's existing Letter of Credit; and (iii) the contribution amounts to be paid by Flaherty to the Village upon the issuance of building permits for the six (6) remaining undeveloped lots in the Subdivision.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby mutually acknowledged, the parties agree as follows:

1. **Preambles**. The preambles and premises set forth above are an integral part of this Memorandum of Understanding and are hereby incorporated into and made a part of this Memorandum of Understanding as though they were fully set forth herein.

2. **Agreements**. Village and Flaherty hereby agree as to the following regarding the Subdivision:

A. If not already completed, the Village shall provide Flaherty a complete and final punch list no later than October 10, 2014, and, assuming receipt of the final punch list by said date, Flaherty shall complete the punch list items and complete the development matters set forth on the Village Attorney's letter dated June 11, 2014, as revised and attached hereto as Exhibit "A" on or before December 1, 2014;

B. Following Flaherty's completion of the final lift of asphalt and the work set forth in Item A above and contained in Exhibit "A," the Village will accept and assume ownership of the Subdivision's public improvements, including streets and the storm, water and sanitary sewer systems;

C. Flaherty's Marquette Bank Letter of Credit No. 2004-1404, previously posted with the Village, is sufficient to cover the improvements to be completed and the Letter of Credit will continue to be posted with the Village for that purpose until the matters contained in this Memorandum of Understanding are completed. Attached hereto as Exhibit "B" is a Memorandum dated May 14, 2013 from the Village's Public Works and Engineering Department setting forth the Letter of Credit details and current security amount of \$354,262.07; and

D. The contribution amounts to be paid by Flaherty upon issuance of building permits for the six (6) out of twenty-three (23) lots remaining to be developed in the Subdivision that have not yet had a building permit issued (Lot No. 4, 6, 11, 14, 18 and 21) shall be in the contribution amounts set forth in Section Three in the January 3, 2007 Annexation Agreement. Provided, however, there will be no refunds to Flaherty of any contributions already collected by the Village for previously developed lots in the Subdivision.

3. **Village Approval.** The President and Board of Trustees of the Village shall adopt and approve an ordinance or resolution approving the terms and conditions of this Memorandum of Understanding and authorizing and directing the Village President to execute this Memorandum of Understanding on the Village's behalf. A copy of said ordinance or resolution, certified by the Village Clerk, shall be provided to Flaherty.

4. **Entire Agreement.** This Memorandum of Understanding sets forth all the promises, inducements, agreements, conditions and understandings between the parties hereto relative to the subject matter thereof, and there are no promises, agreements, conditions or undertakings, either oral or written, express or implied, between them, other than are herein set forth.

5. **Execution of Agreement.** This Memorandum of Understanding shall be signed last by the Village and the President of the Village shall affix the date on which he signs this Memorandum of Understanding on Page 1 hereof, which date shall be the effective date of this Memorandum of Understanding.

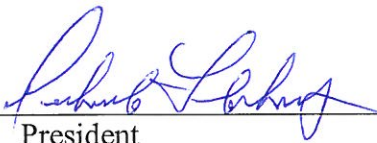
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the year and date first above written.

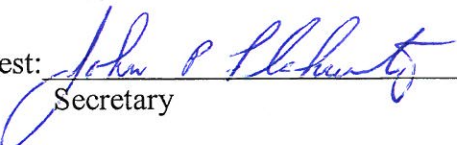
VILLAGE OF ORLAND PARK,
an Illinois municipal corporation

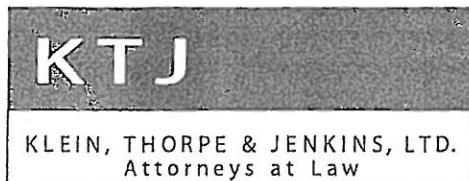
By: _____
Village President

Attest: _____
Village Clerk

DHE DEVELOPMENT, INC.

By:  _____
President

Attest:  _____
Secretary



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June 11, 2014

Via e-mail rskrodzki@gsrnh.com
Richard J. Skrodzki, Esq.
Goldstine, Skrodzki, Russian, Nemec and Hoff, Ltd.
835 McClintock Drive - Second Floor
Burr Ridge, Illinois 60527

Re: Deer Haven Estates I

Dear Rick:

The following are development matters remaining to be performed in the above subdivision:

- OK* 1. Finalize erosion control on vacant lots;
- OK* 2. Final paving; curb sidewalk and asphalt repairs and finished asphalt surface course;
- OK* 3. Landscape final inspection and subsequent punch list items;
- ~~4. Clean-up of subdivision right-in and right-out entry;~~
- OK* 5. Street light final inspection and punch list;
- OK* 6. Utility final inspection and punch list for acceptance of storm, water and sanitary sewer systems;
- Village to verify that*
7. 143rd Street improvements (culverts and swales across project frontage as well as east of the site) *are complete and working as designed.*

The deposited Letter of Credit should cover the above matters, and I think your client could provide a Memorandum of Understanding with regard to a completion date and providing that the Letter of Credit is to cover the above items. Perhaps the current Letter of Credit could be combined with the Letter of Credit needed for Deer Haven II. This would be easier for the Village to administer.

Please let me have your thoughts.

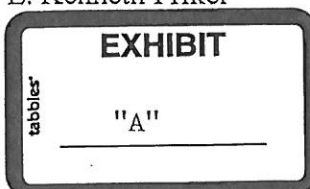
Very truly yours,

KLEIN, THORPE AND JENKINS, LTD.

E. Kenneth Friker

cc: Jane Turley, Development Services
Kevin Lehmann, Development Services

330208_1





MEMORANDUM

Public Works & Engineering Department

To: Denise Domalewski

From: Kevin Lehmann

Date: May 14, 2013

Re: **Revised Security Information**

Development: Deer Haven Estates
Developer: DHE Development Inc. (Flaherty Builders)
Institution: Marquette Bank
Letter of Credit: 2004-1404
Expiration: June 7, 2013
Current Amount: \$354,262.07

Development Services has reviewed the above development regarding the improvements contained within the letter of credit.

Development Services recommends an extension of the current amount w/out changes, as no significant improvements have been made since the last renewal. If you concur, please inform the lending institution and the developer.

1. Estimated Cost of Improvements to be Completed =	\$103,471.67
Contingency & Escalation (Twenty-Five (25) Percent) =	\$25,867.92
2. Fifteen (15) Percent of Improvements Constructed =	\$213,729.98
3. Twenty-Five (25) Percent of sidewalks on Buildable Lots=	\$11,192.50
Recommended Security =	\$354,262.07

#N/A

cc: Karie Friling
Kurt Corrigan
Kimberly Flom
John Ingram
Brian Cassidy
Loy Lee

