

**BOARD OF PUBLIC WORKS AND SAFETY
OF THE CITY OF HOBART, INDIANA**

RESOLUTION NO. 2019- 16

**A Resolution to Approve and Authorize the Execution of a
Development Agreement between the City of Hobart, Hobart Sanitary District,
Hobart Storm Water Management Department and Cressmoor Development, LLC
and Cressmoor Financial, LLC**

WHEREAS, the Common Council (“Council”) of the City of Hobart, Lake County, Indiana (“City”) adopted Resolution No. 2019-16 on July 3, 2019 declaring that the area commonly known as the Cressmoor Estates Planned Unit Development in the City of Hobart, Lake County, Indiana 46342, as more particularly described in Exhibit “A” attached to said Resolution, is an Economic Revitalization Area for the purpose of encouraging development and occupancy therein by providing real property tax abatement in accordance with I.C. 6-1.1-12.1, *et seq.*; and

WHEREAS, said Resolution was adopted pursuant to the application of Cressmoor Development, LLC and Cressmoor Financial, LLC (collectively “Cressmoor”) for the construction of a residential development including commercial strip, and the Council subsequently on August 7, 2019 adopted its Ordinance No. 2019-18 on first reading designating said area as an Economic Development Target Area after public hearing duly noticed in the manner required by law; and

WHEREAS, the Council is scheduled to consider the adoption of its Resolution No. 2019-17 confirming such designation as an Economic Revitalization Area and said tax abatement later on the date of this Resolution of the Board of Public Works and Safety of the City (“Board”) and also to complete passage of Ordinance No. 2019-18 on second reading; and

WHEREAS, the City of Hobart and Cressmoor have negotiated and preliminarily approved, and are prepared to execute, upon the approval of this Board, a Development Agreement governing the covenants, terms and conditions under which the project would be constructed and said abatement administered, said Agreement being tendered to the Board and attached to this Resolution; and

WHEREAS, the Board is a party to the Agreement which is attached to this Resolution, and the Board also acts as the City’s contracting entity pursuant to law; and

WHEREAS, the Board now desires to approve and adopt said Amended and Restated Development Agreement and to authorize its execution for itself and the City, such approval to become effective upon the adoption and approval of said Ordinance, confirming Resolution, and Development Agreement by the Common Council of the City and upon approval of the Agreement by the joint Board of Commissioners of the Hobart Sanitary District and Board of Directors of the Hobart Storm Water Management Department.

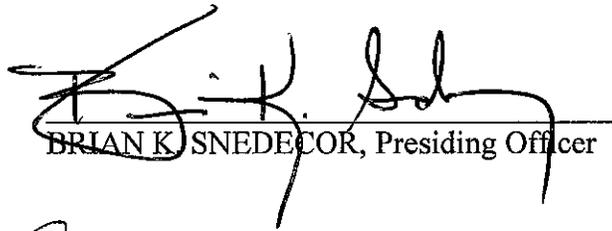
NOW, THEREFORE, BE IT RESOLVED by the Board of Public Works and Safety of the City of Hobart as follows:

1. The Development Agreement by and between the City and Cressmoor Development, LLC, which is attached hereto, is hereby approved and adopted.

2. The Mayor of the City and the City Clerk-Treasurer are authorized to execute and to attest to the execution of the Agreement, respectively.

3. This Resolution shall take effect upon the adoption and approval of said Ordinance, confirming Resolution, and Development Agreement by the Common Council of the City and upon approval of the Agreement by the joint Board of Commissioners of the Hobart Sanitary District and Board of Directors of the Hobart Storm Water Management Department

ALL OF WHICH IS ADOPTED on this 21st day of August, 2019 by the BOARD OF PUBLIC WORKS AND SAFETY of the City of Hobart, Indiana.


BRIAN K. SNEDECOR, Presiding Officer

ATTEST: 
DEBORAH A. LONGER, Clerk-Treasurer

DEVELOPMENT AGREEMENT

by and between

THE CITY OF HOBART, INDIANA,

**THE CITY OF HOBART BOARD OF
PUBLIC WORKS AND SAFETY,**

**THE HOBART SANITARY DISTRICT and HOBART
DEPARTMENT OF STORM WATER MANAGEMENT**

and

CRESSMOOR DEVELOPMENT, LLC

and

CRESSMOOR FINANCIAL, LLC

August ____, 2019

TABLE OF CONTENTS

Section	Title	Page
	Recitals	5
ARTICLE I DUTIES AND REPRESENTATIONS OF THE COMPANIES		6
1.01	Duties and Representations	6
	a. Evidence of Title	6
	b. Evidence of Financing	6
	c. Conformance to Applications, Plans and Statements	7
	d. Compliance with Zoning Ordinance, Building Codes, etc.	7
	e. Compliance with Bidding Practices Ordinance and Standards	7
	f. Payment of Fees	7
	g. Filings of Tax Abatement Forms	7
	h. Property Taxes	7
	i. E-Verify Program; No Iran Investments	8
	j. Non-Discrimination	8
	k. Compliance with Laws	8
	l. Compliance with this Agreement	8
	m. Companies in Good Standing	9
	n. Binding Obligation	9
	o. No Breach	9
	p. No Pending Action	9
	q. Purpose	9
ARTICLE II DUTIES AND REPRESENTATIONS OF THE CITY PARTIES		9
2.01	Duties and Representations of the City Parties	9

ARTICLE III CONSTRUCTION OF INFRASTRUCTURE 11

3.01 Preliminary and Final Plat 11

3.02 Phasing and Sequencing of Infrastructure Work 12

3.03 Sanitary and Storm Water Management 12

 a. Connection Fees 12

 b. Sewer Laterals and Drops 12

 c. Temporary Easements and Rights of Entry 13

 d. Storm Water Retention 13

3.04 Sidewalks 13

3.05 Bond Requirements 13

ARTICLE IV LAND USE MATTERS 14

4.01 Zoning 14

4.02 Land Use Covenants 14

ARTICLE V TAX ABATEMENT ADMINISTRATION 14

5.01 Filing Requirements by the Companies 14

5.02 Companies' Duties with Respect to Homeowners Filings 14

5.03 Duration of Companies' Obligations under Article V 15

ARTICLE VI ENFORCEMENT-SANCTIONS 15

6.01 Economic Representations of the Companies 15

6.02 Imposition of Sanctions 16

6.03 Events Requiring Imposition of Sanctions 16

6.04 Reporting Requirements 17

6.05 Other Enforcement 17

ARTICLE VII OTHER PROVISIONS 17

7.01 Material Consideration 17

7.02	Cooperation	18
7.03	No Agency, Joint Venture or Partnership	18
7.04	Conflict of Interest; Representatives of City Parties Not Individually Liable	18
7.05	Future Acts and Good Faith	18
7.06	Waiver of Jury Trial	19
7.07	Severability	19
7.08	No Other Agreement	19
7.09	Counterparts	19
7.10	Notices and Demands	19
7.11	Governing Law	20
7.12	Authority	20
7.13	No Third-Party Beneficiaries	21
7.14	Assignment	21
7.15	Amendments	21
7.16	Default	21
7.17	Prior Development Agreements Cancelled.	21

SCHEDULE OF EXHIBITS

Exhibit A: Project Site Plan dated July 25, 2019	26
Exhibit B: Legal Description of Development Site	29
Exhibit C: Letter to be Obtained from Tax Abatement Homeowners at Closing	31
Exhibit D: Annual Reporting Form	32

DEVELOPMENT AGREEMENT

THIS AGREEMENT is made and entered into on the ____ day of August, 2019 by and between CRESSMOOR DEVELOPMENT, LLC, an Indiana Limited Liability Company, and CRESSMOOR FINANCIAL, LLC, an Indiana Limited Liability Company, both with principal offices located at 4529 East Lincoln Highway, Merrillville, Indiana 46342 acting by and through their Managing Member Randolph A. Hall (collectively referred to herein as “Cressmoor” or the “Companies”), and the CITY OF HOBART, INDIANA, a municipal corporation organized and existing under the laws of the State of Indiana with principal offices at 414 Main Street, Hobart, Indiana 46342 (the “City”), acting through its Executive, Brian K. Snedecor, Mayor, and the BOARD OF PUBLIC WORKS AND SAFETY OF THE CITY OF HOBART, an instrumentality of the City, with offices at the same address (“Board”), and the HOBART SANITARY DISTRICT and HOBART STORM WATER MANAGEMENT DEPARTMENT, instrumentalities of the City also at the same address (jointly referred to as the “District”). The City, Board and District are collectively referred to as the “City Parties.”

Recitals

WHEREAS, the Companies are in the business of developing, managing, marketing, constructing the infrastructure for, and overseeing the establishment of a large residential development, including a commercial strip, to be known as “Cressmoor Estates” or referred to herein as the “Development” in Hobart, Indiana, lying generally between Wisconsin Street on the West, Lake Park Avenue on the East, and South of 37th Avenue and North of Old Ridge Road in the City as more particularly described below. The construction of the infrastructure for the entire development, as more completely described below, is referred to herein as the “Project;” and

WHEREAS, the Companies are seeking financial incentives from the City in the form of expansion of its sanitary and storm water sewers to serve the Development and the surrounding area, real property residential tax abatement for 184 of the 472 single family dwellings to be constructed in the Development pursuant to I.C. §6-1.1-12.1- 1, *et seq.*, long-term approvals and extension of completion dates for the Planned Unit Development that will contain Cressmoor Estates, and the site plans for same which allow phased construction of its infrastructure, phased posting of performance and maintenance bond requirements, together with other grants of accommodation by the City parties to the needs of the Companies as specified more fully below; and

WHEREAS, the Development which is the subject of this Agreement is described upon the site plan which has been approved by the City and the Board, a reduced-size version of which is attached hereto and made a part hereof as Exhibit “A;” and

WHEREAS, the real estate occupied by the Companies’ Development consists of 105 acres, more or less, and is legally described on Exhibit B which is attached hereto and made a part hereof; and

WHEREAS, the composition of the Development, as noted above, features a total of 472 dwelling units, of which 184 are single family dwellings. Of these, all are expected yield an assessed value for improvements only of not less than \$225,000 each at the time of adoption of the Agreement. The remaining residential units are contained in multi-unit town homes, and the Development features dedicated park land and green space, storm water detention facilities as well as all required paved street, curbs, gutters, street lights, street and other signage, and other appurtenances and structures specified upon said site plan; and

WHEREAS, the City is an Indiana municipality of approximately 30,000 persons, strategically situated in Lake County along I-65 near its junction with Interstate Highways 80, 90, 94, U.S. Highway 30 and several rail lines. The Board is an instrumentality of the City empowered to issue and approve City contracts and to supervise the City's Public Works and emergency services departments; and

WHEREAS, the City Parties and the Companies have reached agreement upon the promises, terms and conditions upon which the City has granted and will grant such residential real estate tax abatements to the Companies and the future owners of the single family homes in the Development, and the other concessions, extensions and accommodations referred to above and specified more completely below, all of which are important to the Companies in assuring the financial viability of the project and its subsequent profitability, and the parties now wish to document their agreements in this instrument.

THEREFORE, IN CONSIDERATION of the mutual promises, terms and conditions hereinafter set forth and intending themselves to be legally bound, the parties agree as follows:

ARTICLE I DUTIES AND REPRESENTATIONS OF THE COMPANIES

Section 1.01. Duties and Representations. The Companies, and each of them, for themselves and for their officers, directors and employees, agree to undertake and perform the following duties, and make the following representations:

a. *Evidence of Title.* Deliver to the City, acting by and through the City Attorney, documents evidencing title to the real estate occupied by the Development vested in one or both of the Companies consisting of a title policy or commitment issued by a licensed title insurance company, or deed or deeds of conveyance. Such documents shall be produced to the City Attorney on or before the date of the execution of this instrument by the City Parties.

b. *Evidence of Financing.* Deliver to the City, acting by and through the City Attorney, documents evidencing the access to, possession of or control of funds to construct the infrastructure improvements necessary for the implementation of the initial phases of the work on the Development consisting of loan commitment letters, loan agreements, bank statements or brokerage statements issued by licensed financial institutions. Such documents shall be

produced to the City Attorney on or before the date of the execution of this instrument by the City Parties.

c. *Conformance to Applications, Plans and Statements.* Cause the construction and operation of its proposed Development in Hobart, Indiana to be in substantial and material conformance to the written applications, Statements of Benefit forms, the site plan and other plans and specifications submitted to and approved by the City, including the site plan for the project which is attached hereto as Exhibit "A;"

d. *Compliance with Zoning Ordinance, Building Codes and Orders of City Bodies.* Comply with all applicable requirements of the City's Zoning Ordinance, particularly the site review process as applied to Planned Unit Developments for Residential projects as required by Hobart Municipal Code (HMC) §§154.420-428 and the City's Building Codes, and the orders and actions of the City Plan Commission, Board of Zoning Appeals and Common Council unless any one or more than one of such requirements have been specifically extended or otherwise modified in this Agreement;

e. *Compliance with Responsible Bidding Practices Ordinance and City Standards.* As to the construction of all streets, common areas, parks, public amenities and appurtenances, comply with the requirements of the City of Hobart Responsible Bidding Practices Ordinance, as amended, (HMC §§33.200 through 207) as to any contractor and subcontractor engaged by the Companies, unless the application of such Ordinance is waived by the Common Council of the City, and with all City engineering and construction standards that may apply as determined by the City Engineer;

f. *Payment of Fees.* Pay in full, when required, all City fees prescribed by ordinance in connection with the construction of the Development's infrastructure, including all streets, common areas, parks, public amenities and appurtenances, and the tax deduction and abatement process, including, but not limited to building permit fees, abatement application and exaction fees, financial impact analysis fees, compliance review fee and third party infrastructure inspection fees;

g. *Filings of Tax Abatement Forms.* Make all filings of applications, Forms SB-1 and CF-1 when due under I.C. §6-1.1-12.1-1, *et seq.*, particularly I.C. §§6-1.1-12.1-5.1, as more completely set forth in Sections 3.02 and 3.03, below, and of State Form 322/RE along with the duties prescribed below in Article V;

h. *Property Taxes.* Pay all property taxes levied upon the real and personal property of the Companies in connection with the Development when due. The Company shall pay in full, when due, the amount of any real and personal property taxes resulting from assessments for tax years prior to the sale of lots to third parties or homeowners. For the period of ten years after the taking

effect of this Agreement, the Companies shall not file an appeal of real estate taxes upon the real estate owned by any one or more of them in the Development without first giving notice in writing to the City Executive of their intent to do so at least 15 days before filing, and providing the City Executive with a complete copy of any such appeal petition and all supporting documents.

i. *E-Verify Program; No Iran Investments.* Within 30 days of the taking effect of this Agreement, sign and deliver to the City Attorney an affidavit pursuant to I.C. §22-5-1.7-11 that affirms that the Companies have enrolled and are participating in the E-Verify program, provide documentation to the City that the Companies are participating in the E-Verify program, and that the Companies do not knowingly employ an unauthorized alien, and, in addition, pursuant to I.C. §5-22-16.5-14, an affidavit establishing that the Companies are not engaged in investment activities in Iran;

j. *Non-Discrimination.* Refrain from any discrimination in employment on account of race, religion, gender, color, national origin, sexual orientation, disability or age under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and any other federal law, similar state law or local ordinance applicable to the Companies' operations at or with respect to the Development. In addition, be subject to Title VI of the Civil Rights Act of 1964 and all related statutes, regulations and directives, which provides that no person shall be excluded from participation in, denied benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the grounds of race, color, age, sex, gender, national origin, disability or income status. The Civil Rights Restoration Act of 1987 broadened the scope of Title VI coverage by expanding the definition of terms "programs or activities" to include all programs and activities of federal aid recipients, sub-recipients, and contractors, whether such programs or activities are federally supported or not. (Public Law 100-259, [S.557] March 22, 1988). Further, the Companies are bound to comply with the policy of the City of Hobart to provide, within constitutional limitation, for fair housing throughout its corporate limits as provided for under the United States Civil Rights Act of 1968, as amended, the United States Housing and Community Development Act of 1974, as amended, and the Indiana Fair Housing Law (I.C. §22-9.5-1-1, et seq.) The Companies must also comply with HMC §§33.100 through 33.110. (Ordinance 2010-14, §1)

k. *Compliance with Laws.* Comply with all applicable laws of the City of Hobart, the State of Indiana and the United States in the construction, operation and maintenance of the Companies' business and property at the Development;

l. *Compliance with this Agreement.* Comply with all provisions of this Agreement.

m. *Companies in Good Standing.* Each of the Companies is a limited liability company validly organized and existing under the laws of the State of Indiana and, at the time of execution of this agreement, is in good standing with the Office of the Indiana Secretary of State;

n. *Binding Obligation.* All necessary action has been taken to authorize the Companies' execution of this Agreement; the Companies and each of them possess the requisite power to enter into this Agreement and all other agreements contemplated hereby, and to perform their obligations hereunder; and this Agreement constitutes a legal, valid and binding obligation of each of the Companies enforceable against either of them in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors rights heretofore or hereafter enacted and subject to the exercise of judicial discretion in accordance with general principles of equity;

o. *No Breach.* Neither the execution and delivery by the Companies of this Agreement, the consummation of the transactions contemplated herein, nor compliance with the provisions hereof violates, breaches, contravenes, conflicts with, or causes a default under any provision of the Articles of Organization or Operating Agreement of either of the Companies, or any provision of any existing note, bond, mortgage, debenture, indenture, trust, license, lease, instrument, decree, order, judgment or agreement to which either Company is a party or by which it or its assets may be bound or affected;

p. *No Pending Action.* No litigation or proceeding in any court or before any other governmental authority or other person or entity is currently pending or, to the best knowledge of the Companies or either of them, threatened, which seeks to enjoin the Companies or either of them from entering into this Agreement or any of the transactions contemplated hereby; and

q. *Purpose.* The Companies and each of them are entering into this Agreement for the sole purpose of providing for the development of Cressmoor Estates on the site described above subject to and in accordance with the terms and conditions herein.

ARTICLE II DUTIES AND REPRESENTATIONS OF THE CITY PARTIES

Section 2.01 Duties and Representations of the City Parties. The City Parties make the following representations and agree to undertake and perform the following duties:

a. *Grant of Residential Real Property Tax Abatement.* Approve the designation of Lots Numbered 1 through and including 156, Lot 188, and Lots Numbered 208 through and including 234 of the Cressmoor Estates Subdivision as an Economic Revitalization Area and Economic Target Area pursuant to I.C. §6-1.1-12.1-1, *et seq.*, for the purpose of qualifying such lots for the grant of

residential real property tax abatement. The parties agree that the abatements to be granted by the City will conform to the following terms:

Deduction Period:	Six (6) Years
Deduction Schedule:	Year One 100%
	Year Two 85%
	Year Three 66%
	Year Four 50%
	Year Five 34%
	Year Six 17%

In order to obtain the tax abatement for one of the above-identified lots, the building permit for that lot must be issued during the period commencing twelve (12) months after the date of the passage of the Common Council confirmatory ordinance granting the abatements (expected to be on August 7, 2019), and ending ten (10) years from such commencement date (expected to be August 7, 2020). This period is referred to as the “window of opportunity.” The deduction period shall commence on January 1 of the tax year the improvements on the lot are fully assessed for property taxation. Only owner-occupied units in Lots 1 through 156, 188, and Lots 208 through 234 qualify for tax abatement.

b. *Provision of City Services.* Provide all City services customarily provided by the City to Developments similar to Cressmoor Estates located in Hobart Township including, but not limited to, police, fire prevention and suppression, emergency medical services, sanitary sewer service, storm water management, street and infrastructure management of City thoroughfares. The Companies understand that:

(i) Water service is the responsibility of Indiana American Water Company, a privately-owned public utility, and not the City; and

(ii) The assessment of real property is the responsibility of the Hobart Township Assessor, and the application of the deduction to the lot-owner’s assessed value is the responsibility of the Lake County Auditor, provided that, the property owner makes a timely and complete filing of Form 322/RE with all required attachments.

c. *Binding Obligation.* All necessary action has been or will be taken to authorize the City's execution of this Agreement and the performance of the City's obligations hereunder, the City has the power and authority under all federal, state and local law to enter into this Agreement and perform its obligations hereunder, and this Agreement constitutes a legal, valid and binding obligation enforceable against the City according to its terms;

d. *No Conflict or Default.* Neither the execution and delivery by the City of this Agreement, the consummation of the transactions contemplated herein, nor compliance with the provisions hereof violates, breaches, contravenes, conflicts with, or causes a default under any provision of any statute or regulation of the State of Indiana or the United States governing the City, or any provision of any existing contract, bond, indenture, license, lease, instrument, decree, order or judgment to which the Companies are a party or by which they may be bound or affected;

e. *Cooperation.* The City will cooperate reasonably with Companies' effort to obtain all applicable permits, reviews, licenses, actions, consents, and approvals and submitting all applications necessary for the construction of the Development's infrastructure;

g. *No Pending Action.* There is no action, suit, proceeding, or investigation, at law or in equity or by or before any United States court, arbitrator, administrative agency or other federal, state or local government authority, pending or, to the actual knowledge of the City, threatened against the City, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the validity of this Agreement or material adverse effect on the transactions contemplated hereby.

ARTICLE III CONSTRUCTION OF INFRASTRUCTURE

Section 3.01. Preliminary and Final Plat. The plan governing the Development is contained in the Preliminary Plat which has been approved for the entire PUD by the City through its Plan Commission and the Board, and may also be referred to herein as the "Final Development Plan." The parties agree that approval of the Preliminary Plat fixes, for the duration of the Project, the lines, lay-out and engineering of the Development for all purposes provided that, the Project does not exceed twenty (20) years from the grant of Preliminary Plat and Final Plan Approval to completion of the last and final infrastructure to be constructed under the said Final Development Plan. However, building standards and methods are not fixed, but those standards and methods prescribed by local and state codes and ordinances shall be applied as written at the time improvements are installed or permits are pulled. In the event a period greater than twenty (20) years elapses from the grant of Preliminary Plat and Final Plan Approval to completion of the last and final infrastructure to be constructed under the said Final Plan, then the Final Plan Approval for the project will expire and the Companies or their successors must apply for new final plan approval. The City and the Companies or their successors must agree in writing to any amendment of the Final Plan at any time. The Final Development Plan has been geographically divided into fifteen consecutively numbered "Phases" as designated upon the Preliminary Plat. The City, acting through its Plan Commission, will grant Final Plat approval to each phase as all infrastructure work shown by the preliminary plat for that phase is satisfactorily completed. Any changes to the Preliminary Plat must be approved both by the Companies and the City in writing through its Plan Commission.

Section 3.02. Phasing and Sequencing of Infrastructure Work. The term “infrastructure” refers to all areas and improvements which are necessary for the circulation of persons and traffic within the Development, the provision of utility services to the various lots, and the removal and disposal of waste water and storm water. With a few exceptions which are hereinafter listed, the construction of infrastructure is the responsibility of the Companies. These areas and improvements include, streets, sidewalks (except those discussed below in Section 3.04), park and green space, common areas, curbs, gutters, storm drains, sewers and catch basins, streetlights, street signs and other community signage. Main and secondary sanitary sewers will be constructed by the Hobart Sanitary District pursuant to Section 3.03, below. Water, electrical, natural gas, telephone and cable television service are to be constructed and installed by the respective public and private utilities responsible for them pursuant to agreements with the Companies. The Companies will begin the construction of infrastructure with Phase 1 as indicated on the Preliminary Plat, but, after completion of such construction and grant of final detailed plat approval for that phase, may thereafter proceed to construct each phase in any order the Companies deem convenient. Work shall not commence upon the infrastructure for a Phase subsequent to Phase 1 until a final detailed plan approval has been obtained for that new Phase. The Companies shall commence construction of the infrastructure on that new Phase not more than twelve (12) months after such final detailed plan approval for the new Phase is received. The Companies must complete infrastructure construction for all phases not later than twenty (20) years from construction commencement on the infrastructure for Phase 1. The time periods and limits prescribed in this section shall be deemed granted to the Companies without the need for further extension requests.

Section 3.03. Sanitary and Storm Water Management. The District has agreed with the Companies on the installation of the street sewers, laterals and other structures specified in the approved Final Plat under the following terms:

a. *Connection Fees.* The Companies shall pay a connection fee to the Hobart Sanitary District for each lot in an amount equal to the percentage of the sewer line capacity used by such lot multiplied by the cost of construction of the line, provided that, the connection fee for any one lot shall not exceed \$500.00. The Connection fee for each lot will be determined through a financial analysis performed by Baker Tilly Virchow Krause, LLP (Formerly H.J. Umbaugh & Associates Certified Public Accountants LLP). This per lot charge will be paid in full at the time a permit is pulled for a lot.

b. *Sewer Laterals and Drops.* In those areas of the Development where the District is installing sewer mains, sanitary sewer laterals to each platted unit will be installed from the street main by the District to the lot property line at a cost of \$2,531.00 per lateral. This amount is subject to adjustment when actual construction cost figures are available for each phase of construction. Payment for laterals will be made at the earlier of the time when a permit is pulled for construction on the lot or three years from completion of installation of the laterals in a given phase. At that time, the developer shall pay an amount sufficient to amortize the construction cost of the laterals remaining to be paid for over ten (10) years at an interest rate of four percent (4.0%). The principal

amount subject to amortization shall be reduced by any and all amounts received for paid-up laterals.

Drop sewer manholes specified by the engineering for the Project will be installed by the District. Subject to the last sentence of this paragraph, the Developer shall pay an estimated sum of \$15,000.00 per drop manhole to the District within thirty (30) days of installation and invoicing. This maximum amount is subject to adjustment when actual construction cost figures are available for each phase of construction.

c. *Temporary Easements and Rights of Entry.* The Companies have executed instruments granting temporary easements to the District allowing for right of entry and the installation of sanitary sewers on the parcels identified as Parcels "1", "1A" and "1B" on the two instruments entitled "Grant of Temporary Easement and Right of Entry" which have been prepared by the City Attorney and previously submitted to the Companies for execution and delivery to the City Engineer. Said instruments, by their terms, expire upon the grant by the Companies of permanent easements over and upon the real estate described therein. The Companies will execute and deliver those instruments as a condition to execution of this Agreement by the City parties.

d. *Storm Water Retention.* The retention plan submitted by Torrenge Engineering on behalf of the Companies is accepted by the City Parties. If necessary, waivers of storm water requirements for this plan will be submitted by the Companies for the City's approval to the City Engineer.

Section 3.04. Sidewalks. The Companies shall install a sidewalk ten (10) feet in width along the Wisconsin Street border of the Development at their expense when construction of the phase which contains the sidewalk begins. The City shall install sidewalks of ten (10) feet in width along Lake Park Avenue for the length of the Development at its expense. No sidewalks need be installed on lots 154-155 and lots 207-196. ADA ramps in the development will be installed contemporaneously with the construction of the connecting sidewalks on the adjacent lot or lots.

Section 3.05. Bond Requirements. Bonds for utilities and maintenance for each phase shall be filed by the Companies in accord with the requirements of the Hobart Municipal Code. All requirements for determining the amount of the bond for each Phase and the terms of the Bond and its surety shall conform to the laws of the State of Indiana and the pertinent provisions of the Hobart Municipal Code. The Companies shall be required to post and file their bonds for each Phase to secure the performance of all infrastructure construction shown on the on the Final Plat as approved by the City Plan Commission for that Phase prior to approval of said Final Plat by the Board.

**ARTICLE IV
LAND USE MATTERS**

Section 4.01. Zoning. Zoning for the Development is Planned Unit Development as approved by the Hobart Plan Commission as Petition No. 16-13 and the Common Council in Ordinance No. 16-13, as amended by Hobart Plan Commission as Petition No.18-06 and the Common Council in Ordinance No. 2018-08.

Section 4.02. Land Use Covenants. The Development will be governed by the restrictive covenants approved by the City Plan Commission on June 6, 2019.

**ARTICLE V
TAX ABATEMENT ADMINISTRATION**

Section 5.01. Filing Requirements by the Companies. Under pertinent state law (I.C. §6-1.1-12.1-5.6), a “Compliance with Statement of Benefits Real Estate Improvements” form (State Form CF-1/Real Property) must be filed by the Companies’ as developer annually, subsequent to the grant of residential tax abatement to the Development. The Companies agree to deliver to the City through its Development Office, the signed and completed form for review by the Common Council of the City on or before March 15th in each calendar year during the window of opportunity and thereafter as long as a residential property within the Development is within its six-year deduction period. The form is subject to approval by the Common Council of the City, and shall be filed by the Companies, after Council approval, with the Office of the Lake County Auditor by May 15th. The preparation of the Form CF-1/Real Property, its delivery to the City for approval by the Council, and the filing of the approved form in a timely manner, is solely the responsibility of Companies, and will not be undertaken by the City Development Department. The Development Department of the City will provide a signed CF-1/Real Property to the Companies within five (5) business days after Council action. It is the Companies’ responsibility to provide a signed copy to each homeowner in order to make a complete abatement deduction filing with the Lake County Auditor.

Section 5.02. Companies’ Duties with Respect to Homeowner Filings. Purchasers of lots within the Development which are covered by the grant of residential tax abatement (hereinafter referred to as “abatement home owners”), in order to obtain the abatement deduction, must file with the Lake County Auditor before May 10th in the year in which the new assessment is made, or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10th, a completed State Form 322/RE “Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas (ERA).” A copy of Form 11 (Notice of Assessment), a copy of the Statement of Benefits form (State Form SB-1/Real Property) approved and signed by the City Council, the confirmation resolution adopted by the Council approving that form, and the State Form CF-1/Real Property signed and approved by the Council must be attached to the State Form 322/RE. In addition, the Companies agree that either one or both of them shall:

- a. Design and implement a program of education for all abatement lot owners as to the details of the filing requirements for the filings described above;

b. Supply blank State Forms 322/RE, State of Indiana instruction materials relating to the forms, copies of the Resolution of the City Council confirming the designation of the Development as an Economic Revitalization Area for residential real property tax abatements, copy of the Companies' approved Statement of Benefits form (SB-1/Real Property), and latest Compliance with Statement of Benefits form (Form CF-1/Real Property) which are needed for attachment to the homeowner's State Form 322/RE upon the request of an abatement home owner, and assistance with obtaining real property assessment information and other information necessary to prepare the annual Form 322/RE with required attachments;

c. provide assistance to abatement home owners in preparing forms, timely filing them, and answering questions;

d. require builders in the Development who are constructing homes on lots subject to tax abatement to obtain from purchasers at closing two (2) signed copies of the letter attached hereto as Exhibit "C" explaining their tax abatement entitlement and filing responsibilities. The Companies will deliver one of the copies to the City Development Department.

The Companies understand that the City parties and their instrumentalities will not undertake the above-described functions and will refer all requests for assistance by abatement home owners to the Companies. The Companies will provide the Department of Development with the address, telephone and e-mail contact information for their office which will handle such requests, and keep this contact information current.

Section 5.03. Duration of Companies' Obligations under Article V. The obligations of the Companies under this Article shall commence upon the sale of the first tax abated lot in the Development and continue for as long as any home is entitled to tax abatement.

ARTICLE VI ENFORCEMENT-SANCTIONS

Section 6.01. Economic Representations of the Companies. The Companies have represented that:

a. The construction of the entire Development will result in the provision of 660 full-time jobs. This representation was made in the Statement of Benefits (Form SB-1/Real Property) that was filed in connection with their application for residential real property abatement by the Companies. The number of full time jobs resulting from the construction of the Development's infrastructure is 50.

b. The minimum assessed valuation of improvements (not including land) for any home constructed on a lot in the Development covered by tax abatement will not be less than \$225,000.00 during the window of opportunity.

Section 6.02. Imposition of Sanctions. Upon the grant of the residential real property tax deductions (abatement) by the Council described in Section 2.1 (a), above, and from and after their implementation by the taxing authorities of Lake County, in whole or in part, and such grant results in the reduction of the amount of real estate property taxes for which an abatement home owner would otherwise have been responsible, in any year in which such deduction or deductions are in effect, then the Companies, their successors by merger or acquisition, or their assigns shall be subject to the following sanctions, in the form of the termination of the residential tax abatement program for the Development for homes covered by the program to be subsequently constructed.

Section 6.03. Events Requiring Imposition of Sanctions. The City may, at its sole discretion, during the time specified in the preceding section, determine whether or not, and to what extent to apply the sanction of termination of the tax abatement program, in whole or as part, upon the occurrence of any one or more than one of the following events:

- a. The suspension of active construction upon the infrastructure of any phase of the Development for a period of more than twelve (12) months during the term of this agreement;
- b. The material change of any aspect of the Preliminary Plat for any Phase which results in the decrease of the number of single family homes to be constructed in the Development.
- c. The seizure, attachment or foreclosure of the land or improvements of the Companies in the Development by any creditor, the insolvency of the Companies or either of them, or, as to either or both of the Companies, adjudication as a bankrupt or the making of assignment for the benefit of creditors;
- d. Failure to comply with the employment commitment contained in Section 6.01 (a) of this Agreement by failing, in any year in which infrastructure construction for the Development occurs, to cause the participation of not less than 50 persons with full-time jobs, directly employed in the construction of infrastructure for the Development. A full-time job is an employment position requiring the employee to work 40 hours per week, excluding periods of vacation, illness or personal time off for each week during the construction season in any one year commencing with the beginning of work and ending when construction is suspended for the season;
- e. Failure to comply with the home assessed value commitment contained in Section 6.01 (b) of this Agreement. Compliance will be achieved notwithstanding that no more than three (3) homes otherwise covered by tax abatement, are initially assessed after construction at a value (improvements only) of less than \$225,000.00.

Section 6.04. Reporting Requirements. The Company agrees to deliver the following written reports:

a. Upon substantial completion of the infrastructure for each phase of the Development, the Companies agree to report or cause to be reported to the City in writing, the total number of local contractors or sub-contractors involved in the Project and the aggregate amount of construction payroll for such contracts related to the Project. As used herein, the term “local” is defined to mean Lake County, Indiana.

b. Each year during construction of the Development infrastructure, the Companies shall deliver to the City Department of Development a written report which shall include the following information:

(i) a general status report of the construction completed to date,

(ii) an update on the project schedule,

(iii) the number of persons employed in full-time construction of the Development infrastructure by the contractors of the Companies, and

(iv) a list identifying by lot number and address the current assessed valuation for improvements (not including land) for each new home sold in the Development for the annual period of January 1 through December 31. Such report shall be made upon the form specified by the Department and attached hereto as Exhibit “D,” signed by the Managers of the Companies under penalty of perjury, and filed annually on or before the March 15th following the end of each calendar year commencing with December 31, 2019 and for subsequent years thereafter through the final year of the window of opportunity. Upon the completion of all of the infrastructure of the Development, the Company will report the monetary investment by the Company in the Project.

Section 6.05. Other Enforcement. The provisions of this Agreement may be enforced by either of the City Parties or the Companies through any and all remedies available at law or in equity. In the event of any litigation between or among the Parties regarding an alleged breach of this Agreement, the prevailing party will be entitled to recover its reasonable attorney fees and expenses of litigation.

ARTICLE VII OTHER PROVISIONS

Section 7.01. Material Consideration. The Companies acknowledge and agree that their agreements to perform and abide by the covenants and obligations set forth in this Agreement are material consideration for the commitments of the City Parties to perform and abide by their covenants and obligations contained in this Agreement.

Section 7.02. Cooperation. In the event of any administrative, legal or equitable action or other proceeding instituted by any person not a party to this Agreement challenging its validity or the validity of any provision thereof, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel and retain such counsel at its own expense, and in no event shall the City Parties be required to bear the fees and costs of the Companies' attorneys nor shall the Companies be required to bear the fees and costs of the City Parties' attorneys. The Parties agree that this Section 7.02 shall constitute a separate agreement entered into concurrently with this Agreement, and that, if any other provision of this Agreement, or this Agreement as a whole is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section, which shall survive such invalidation, nullification, or setting aside.

Section 7.03. No Agency, Joint Venture or Partnership. It is specifically understood and agreed to by and between the Parties that the Project is a private development. The City Parties and the Companies hereby renounce the existence of any form of agency relationship, joint venture or partnership between them and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the Parties.

Section 7.04. Conflict of Interest; Representatives of City Parties Not Individually Liable. No member, official, or employee of the City Parties shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the City Parties shall be personally liable to the Companies or to any successor in interest, in the event of any default or breach by the City Parties or for any amount which may become due to the Companies or their successors or assigns, on any obligations under the terms of the Agreement. No member, employee or agent of the Companies or the Companies' successors shall be personally liable to the City Parties or to each other under this Agreement.

Section 7.05. Future Acts and Good Faith. The Parties acknowledge and understand that (a) the Parties must take future actions to implement and maintain their respective obligations under this Agreement, and (b) certain of the representations, performance of the covenants, and agreements of the City Parties are subject to and contingent upon compliance with and completion of applicable statutory and administrative procedures, including, without limitation, any applicable public notice and public hearing requirements, official actions by governing bodies, and any remonstrance and appeal rights. Subject to compliance with and to the fullest extent permitted by applicable laws, each of the City Parties covenants that it shall diligently pursue and use its best efforts to do all things lawfully within its power, to take such future actions and to comply with all applicable statutory and administrative proceedings at such times and in such manner as to effectuate and implement the provisions and intent of this Agreement to the fullest extent possible in accordance with the time limits set forth herein, time being of the essence.

Section 7.06. Waiver of Jury Trial. The parties acknowledge that disputes arising under this Agreement are likely to be complex and they desire to streamline and minimize the cost of resolving same. Each party irrevocably waives the right to trial by jury in any action, counterclaim, dispute or proceeding based upon, or related to the subject matter of this Agreement. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally and voluntarily made by all parties.

Section 7.07. Severability. If any one or more than one of the covenants, terms or conditions of this Agreement should be determined by a court of competent jurisdiction to be unenforceable or contrary to law, such covenant, term or condition shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and the remaining provisions of this Agreement shall be given effect to the extent practicable. Notwithstanding the foregoing, in the event any provision of this Agreement is determined to be invalid under any applicable law and therefore deemed void hereunder, and such voided provision prevents the Companies or the City Parties from realizing the intended benefits of this Agreement, then the Companies and the City Parties agree to modify this Agreement in a manner that allows each of the Parties to realize the originally intended benefits of this Agreement to the greatest extent possible. If the Agreement cannot be so modified or amended to allow the Parties to realize the originally intended benefits of this Agreement, then the Companies and the City Parties shall have the right to terminate this Agreement and upon such termination all rights and obligations under this Agreement shall be extinguished, and the Parties agree to execute such releases or other evidence of the extinguishment of such obligations as may be necessary.

Section 7.08. No Other Agreement. With the exception of any written side agreements between the Companies and the City concerning the reimbursement of expenses incurred by the City Parties prior to the execution of this Agreement, and as otherwise expressly provided herein, this agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties.

Section 7.09. Counterparts. This Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Any telecopied or digitally transmitted version of a manually executed original shall be deemed a manually executed original.

Section 7.10. Notices and Demands. A notice, demand, or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and in the case of the Companies, is addressed to or delivered personally to:

Companies: Randolph A. Hall
Manager
Cressmoor Development, LLC
Cressmoor Financial, LLC
4529 East Lincoln Highway
Merrillville, Indiana 46342

With a copy to: Patrick Schuster
Attorney at Law
Patrick A. Schuster & Associates
1201 N. Main St.
Crown Point, Indiana 46307
219-663-7271
pat@pschusterlaw.com

In the case of the City Parties or either of them addressed to or delivered personally to:

City: Mayor Brian K. Snedecor
City of Hobart
414 Main Street
Hobart, IN 46342

With copies to: Philip E. Gralik, P.E.
City Engineer
City of Hobart
414 Main Street
Hobart, IN 46342

Anthony DeBonis, Jr.
City Attorney
Anthony DeBonis, Jr. & Associates
214 Main Street
Hobart, IN 46342
Attn: Anthony DeBonis, Jr.

or at such other address with respect to such Party as that Party may, from time to time, designate in writing and forward to the other parties as provided in this section.

Section 7.11. Governing Law. This Agreement shall be construed and enforced under the laws of the State of Indiana. The Parties agree to submit to the exclusive jurisdiction and venue of the courts of the State of Indiana sitting in Lake County, Indiana and the U.S. District Court for the Northern District of Indiana, Hammond Division.

Section 7.12. Authority. The undersigned persons executing and delivering this Agreement on behalf of each of the Parties represent and certify that they are the duly authorized officers of such Party and have been fully empowered to execute and deliver this Agreement on

behalf of such Party and that all necessary actions to execute and deliver this Agreement have been taken by such Party.

Section 7.13. No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties.

Section 7.14. Assignment. Upon written consent of the City Parties, the Companies may assign their rights and obligations under this Agreement to another party capable of performing all covenants and terms of this Agreement binding upon the Companies.

Section 7.15. Amendments. This Agreement may be amended from time to time, in whole or in part, only by a written agreement executed by the parties and adopted in like manner as this Agreement.

Section 7.16. Default. Any material failure by any party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure provided to the defaulting party from another party, unless such period is extended by written mutual consent (but any extension is at the non-defaulting parties' sole discretion), shall constitute a default under this Agreement ("Default"). Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. If the nature of the alleged failure is such that it cannot reasonably be cured within such thirty-day period (provided economic considerations may not be a factor in such delay), then the commencement of the cure within such time period, and the diligent prosecution to completion of the cure thereafter, shall be deemed to be a cure within such applicable period. Upon the occurrence of a Default, a non-defaulting party may institute legal proceedings at law or in equity (including any action to compel specific performance) to enforce the observance and performance of any covenant, condition, obligation, or agreement of the defaulting party under this Agreement; provided, that, in no event shall any party have the right to terminate this Agreement. If the Default is cured, then no Default shall exist and the noticing party shall take no further action.

Section 7.17. Prior Development Agreements Cancelled. All prior Development Agreements entered into and executed between the Companies or either of them and the City of Hobart, its agencies or instrumentalities concerning the development of the Cressmoor Estates site, as legally described herein, are hereby cancelled, abrogated and superseded by this Agreement. The Memorandum of Agreement executed by Cressmoor Development, LLC, the City of Hobart, the Hobart Sanitary District and Hobart Storm Water Management Department dated on or about April 17, 2019 and recorded as instrument number 2019 029112 in the Office of the Recorder of Lake County on May 15, 2019 is hereby merged into this Agreement and is without further force or effect. In the event of any conflict between the provisions of this Agreement and any prior Development Agreement, Memorandum of Agreement, or other document evidencing an agreement between the Companies or either of

them and the City of Hobart or any of its instrumentalities concerning the Cressmoor Estates site, this Agreement shall control.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CRESSMOOR DEVELOPMENT, LLC
an Indiana Limited Liability Company
("Cressmoor" and one of the "Companies")

By: _____
RANDOLPH A. HALL, Manager

CRESSMOOR FINANCIAL, LLC
an Indiana Limited Liability Company
("Cressmoor" and one of the "Companies")

By: _____
RANDOLPH A. HALL, Manager

CITY OF HOBART, INDIANA ("CITY"),
a municipal corporation

By: _____
BRIAN K. SNEDECOR, Mayor

ADOPTED and APPROVED by the City of Hobart Board of Public Works and Safety on this _____ day of August, 2019.

CITY OF HOBART BOARD OF PUBLIC
WORKS AND SAFETY ("Board"):

BRIAN K. SNEDECOR, Presiding Officer

THOMAS EHRHARDT, Member

RICH LAIN, Member

ATTEST: _____
DEBORAH A. LONGER, Clerk-Treasurer

HOBART SANITARY DISTRICT AND
HOBART DEPARTMENT OF STORM WATER MANAGEMENT
("DISTRICT")

By: _____
ROBERT B. FULTON, President

ADOPTED and APPROVED by the joint Hobart Sanitary District Board of Commissioners and
Hobart Storm Water Management Board of Directors on this _____ day of August, 2019.

ROBERT B. FULTON, President

ATTEST: _____
PHILLIP E. GRALIK, P.E., Secretary

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared
Randolph A. Hall, Manager of Cressmoor Development, LLC and Manager of Cressmoor
Financial, LLC, parties to the above instrument and a person known to me, who acknowledged
execution of same in such capacities, as his free and voluntary act, for the uses and purposes
stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this _____ day of August, 2019.

Notary Public

Name Printed: _____

S E A L

County of Residence: _____

My Commission Expires: _____

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared BRIAN K. SNEDECOR and DEBORAH A. LONGER, Mayor-Presiding Officer of the City of Hobart Board of Public Works and Safety and Clerk-Treasurer of the City of Hobart, Indiana, respectively, signatories to the above instrument and persons known to me, who acknowledged execution of same in such capacities on behalf of said City, as their free and voluntary acts, for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this _____ day of August, 2019.

Notary Public

Name Printed: _____

S E A L

County of Residence: _____

My Commission Expires: _____

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared THOMAS EHRHARDT and RICH LAIN, Members of the Board of Public Works and Safety of the City of Hobart, Indiana, signatories to the above instrument and persons known to me, who acknowledged execution of same in such capacities on behalf of said Board, as their free and voluntary acts, for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this _____ day of August, 2019.

Notary Public

Name Printed: _____

S E A L

County of Residence: _____

My Commission Expires: _____

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared ROBERT B. FULTON and PHILLIP E. GRALIK, P.E., President and Secretary, respectively, of the joint Hobart Sanitary District Board of Commissioners and Hobart Storm Water Management Board of Directors, signatories to the above instrument and persons known to me, who acknowledged execution of same in such capacities on behalf of said City, as their free and voluntary acts, for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this _____ day of August, 2019.

Notary Public

Name Printed: _____

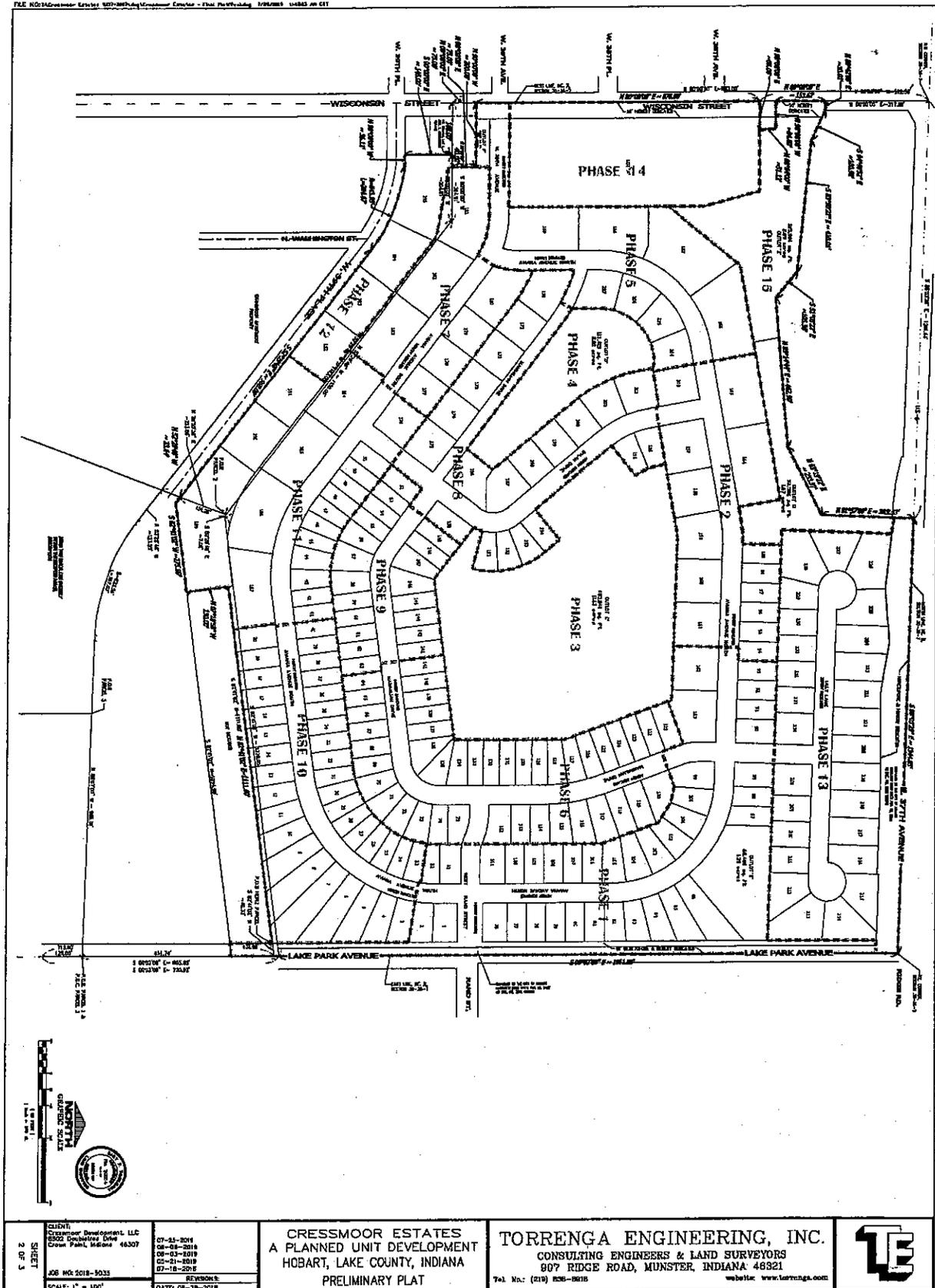
S E A L

County of Residence: _____

My Commission Expires: _____

I affirm under the penalty for perjury that I have taken reasonable care to redact each Social Security number in this document unless required by law. Anthony DeBonis, Jr.

*This Instrument prepared by Anthony DeBonis, Jr., Hobart City Attorney,
ANTHONY DeBONIS, JR. & ASSOCIATES ATTORNEYS AT LAW, LLC,
214 Main Street, Hobart, Indiana 46342
(219) 940-9963; Facsimile (219) 940-9965*



CLIENT: Cressmoor Development, LLC 8502 Cressmoor Drive Crown Point, Indiana 46307	DATE: 07-25-2018 08-08-2018 08-03-2018 02-21-2019 07-18-2018
JOB NO: 2018-5033	REVISIONS:
SCALE: 1" = 100'	DATE: 08-28-2018

CRESSMOOR ESTATES
A PLANNED UNIT DEVELOPMENT
HOBART, LAKE COUNTY, INDIANA
PRELIMINARY PLAT

TORRENGA ENGINEERING, INC.
CONSULTING ENGINEERS & LAND SURVEYORS
907 RIDGE ROAD, MUNSTER, INDIANA 46321
Tel. No.: (219) 836-8818 website: www.torrenga.com



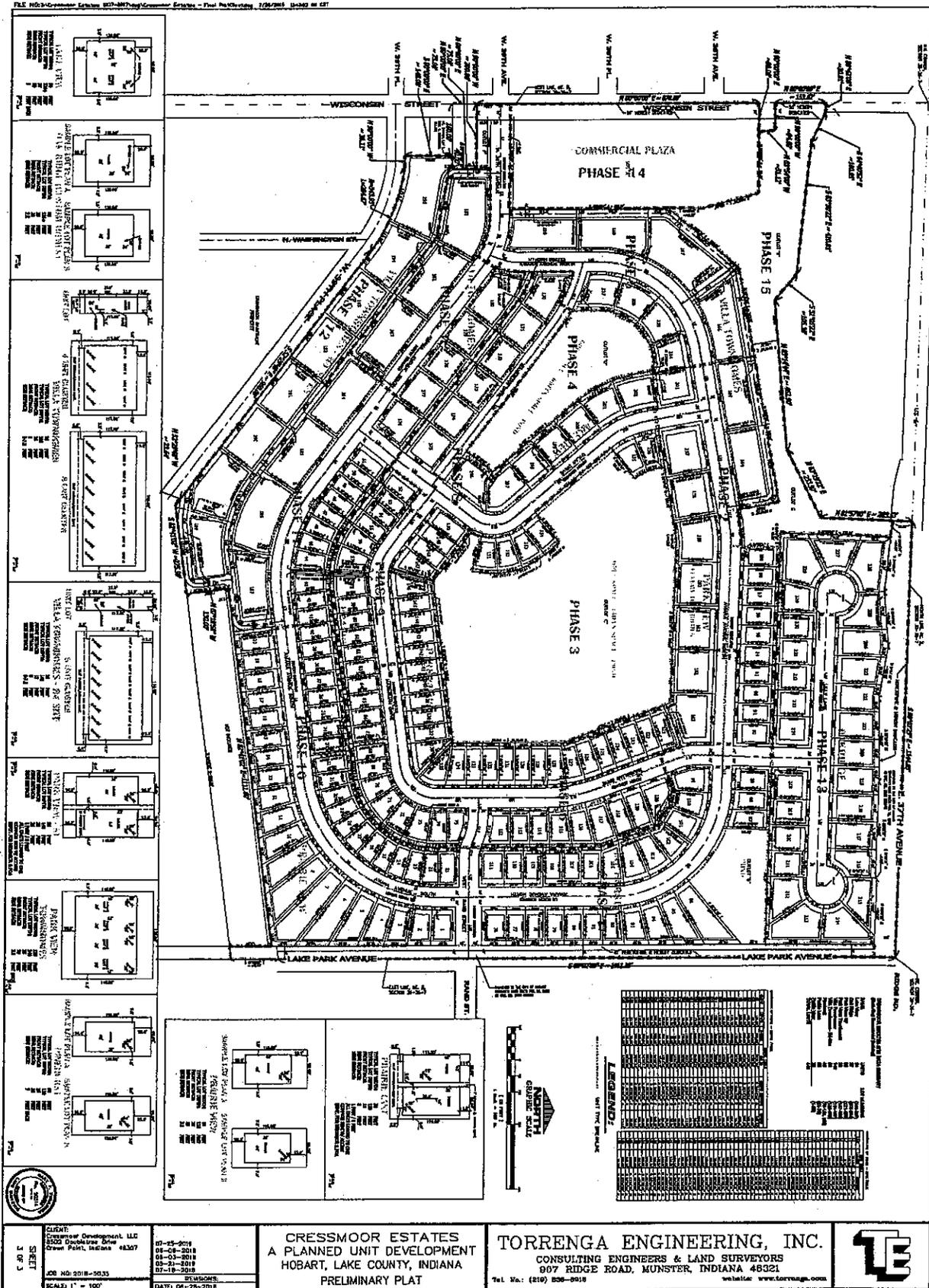


EXHIBIT B
Legal Description of Development Site

LEGAL DESCRIPTION (CHICAGO TITLE INSURANCE COMPANY COMMITMENT No. 620066344):

Part of the East half of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, Lake County, Indiana, described as: Beginning at the Northeast corner of said Section 30; thence South 00 degrees 02 minutes 08 seconds East along the East line of said Section 30 a distance of 1911.85 feet more or less to a point 730.92 feet North of the Southeast corner of the Northeast quarter of said Section 30; thence South 82 degrees 41 minutes 02 seconds West, 1370.05 feet; thence North 52 degrees 29 minutes 48 seconds West, 1150.05 feet; thence North 90 degrees 00 minutes 00 seconds West, 364.91 feet to the West line of the Northeast quarter; thence North 00 degrees 00 minutes 00 seconds East along said West line a distance of 953.0 feet more or less to a point 522.5 feet South of the Northwest corner of the Northeast quarter of Section 30; thence North 90 degrees 00 minutes 00 seconds East 88.08 feet; thence North 03 degrees 54 minutes 00 seconds West, 51.12 feet; thence North 90 degrees 00 minutes 00 seconds West 84.6 feet to the West line of the Northeast quarter of said Section 30; thence North 00 degrees 00 minutes 00 seconds East, 153.62 feet to a point 317.88 feet South of the Northwest corner of the Northeast quarter of said Section 30; thence North 88 degrees 42 minutes 00 seconds East, 30.01 feet; thence South 64 degrees 40 minutes 52 seconds East, 100.95 feet; thence South 83 degrees 50 minutes 22 seconds East, 410.01 feet; thence South 51 degrees 05 minutes 22 seconds East, 105.36 feet; thence North 85 degrees 14 minutes 44 seconds East, 462.90 feet; thence North 63 degrees 19 minutes 22 seconds East, 233.97 feet; thence North 01 degrees 57 minutes 00 seconds East, 283.53 feet to a point on the North line of said Section 30 and 1291.64 feet East of the Northwest corner of the Northeast quarter of said Section 30; thence South 88 degrees 03 minutes 29 seconds East 1344.85 feet to the point of beginning, except the South 75 feet of a parcel of land described as follows: That part of the Northeast quarter of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in Lake County, Indiana, described as follows: That part of the Northeast quarter of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian in Lake County, Indiana, described as follows: Beginning at a point on the West line of the Northeast quarter of said Section 30 which point is 1169.91 feet North of the Southwest corner of said Northeast quarter; thence East at right angles a distance of 200 feet; thence North and parallel with the West line of said Northeast quarter a distance of 150 feet; thence West at right angles a distance of 200 feet to the West line of the said Northeast quarter; thence South along the West line of the said Northeast quarter a distance of 150 feet to the point of beginning, EXCEPTING THEREFROM that part conveyed to the City of Hobart by Warranty Deed recorded February 10, 2000 as Document No. 2000 009652.

LEGAL DESCRIPTION (CHICAGO TITLE INSURANCE COMPANY COMMITMENT No. 620070950): Parcel 1:

Part of the Northeast quarter of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in Hobart, Lake County, Indiana, described as follows: Beginning at a point on the East line of the Northeast quarter of said Section 30 and 125 feet North of the Southeast corner thereof; thence North 88 degrees 07 minutes 00 seconds West and parallel to the South line of said Northeast quarter a distance of 985.18 feet to a point of curve; thence Northwesterly along a curve to the right with a radius of 622.55 feet for a distance of 387.03 feet to a point of tangent; thence North 52 degrees 29 minutes 48 seconds West, 123.55 feet, more or less to a point on the Easterly line of the Cranbrook Apartment property and on the Southerly line of 39th Place; thence North 20 degrees 55 minutes 30 seconds East, 213.86 feet; thence South 52 degrees 29 minutes 48 seconds East, 7.00 feet; thence North 82 degrees 41 minutes 02 seconds East, 1370.05 feet, more or less, to the East line of said Section 30; thence South 00 degrees 02 minutes 08 seconds East, 605.92 feet to the point of beginning.

Parcel 2:

Part of the Northeast quarter of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in Hobart, Lake County, Indiana, described as follows: Commencing at a point on the East line of the Northeast quarter of said Section 30 and 730.92 feet North of the Southeast corner thereof; thence South 82 degrees 41 minutes 02 seconds West, 1370.05 feet; thence North 52 degrees 29 minutes 48 seconds West, 7.00 feet to the point of beginning of this described parcel; thence North 52 degrees 29 minutes 48 seconds West, 1143.05 feet; thence North 90 degrees 00 minutes 00 seconds West, 204.91 feet more or less, to the Northeast corner of Lot 1,

Block 1, Cressmoor Village; thence South 00 degrees 00 minutes 00 seconds East, 145.00 feet to the Northerly line of 39th Place; thence North 90 degrees 00 minutes 00 seconds East 36.11 feet; thence Southeasterly along a curve to the right with a radius of 543.93 feet for a distance of 284.67 feet; thence South 52 degrees 29 minutes 48 seconds East, 960.00 feet; thence North 20 degrees 55 minutes 30 seconds East, 151.26 feet to the point of beginning.

Parcel 3:

Part of the East half of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in Hobart, Lake County, Indiana, described as follows: Commencing at a point on the East line of the Northeast quarter of said Section 30 and 125.0 feet North of the Southeast corner thereof; thence North 88 degrees 07 minutes 00 seconds West and parallel to the South line of the Northeast quarter of said Section 30 a distance of 752.50 feet to the point of beginning of this described parcel; thence continuing North 88 degrees 07 minutes 00 seconds West, 232.68 feet to a point of curve; thence Northwesterly along a curve to the right with a radius of 622.55 feet for a distance of 387.03 feet to a point of tangent; thence North 52 degrees 29 minutes 48 seconds West 123.55 feet more or less to a point on the Easterly line of the Cranbrook Apartment property and on the Southerly line of 39th Place; thence South 20 degrees 55 minutes 30 seconds West, 473.96 feet; thence South 00 degrees 00 minutes 00 seconds East 530.27 feet to the Northerly line of the Penn Central R.R.; thence South 52 degrees 29 minutes 48 seconds East along said railroad 1136.07 feet to a point of curve; thence continuing Southeasterly along a curve to the left with a radius of 5679.65 feet for a distance of 195.54 feet more or less to the West line of Rifenburg's Addition; thence North 00 degrees 00 minutes 54 seconds West along the West line of Rifenburg's Addition, 795.63 feet; thence North 88 degrees 07 minutes 00 seconds West, 200.00 feet; thence North 00 degrees 00 minutes 54 seconds West 642.80 feet to the North line of the Southeast quarter of Section 30; thence North 00 degrees 02 minutes 08 seconds West 125.00 feet to the point of beginning.

EXCEPTING THEREFROM THE FOLLOWING:

Part of the East half of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in Lake County, Indiana, described as: Beginning at a point on the East line of said Section 30 and 125 feet North of the Southeast corner of the Northeast quarter of said Section 30; thence North 00 degrees 02 minutes 08 minutes (*sic*) East, 459.74 feet; thence South 82 degrees 41 minutes 02 seconds West 1411.31 feet; thence North 52 degrees 29 minutes 48 seconds West 23.64 feet; thence South 20 degrees 55 minutes 30 seconds West along the Easterly end of the dedicated 39th Place and the Easterly line of the Cranbrook Apartment Complex, 536.56 feet to the Southeast corner of said Cranbrook and the Northeast corner of YMCA property; thence South 00 degrees 00 minutes 00 seconds East along the East line of the YMCA property, 530.27 feet more or less to the Northerly line of the Penn Central RR; thence South 52 degrees, 29 minutes, 48 seconds East along said Northerly right of way, 1,136.07 feet; thence continuing Southeasterly along a curve to the left with a radius of 5,679.65 feet, a chord bearing of South 53 degrees 29 minutes 06 seconds East, an arc distance of 195.94 feet more or less to the West line of Rifenburg's Addition; thence North 00 degrees 00 minutes 54 seconds West along the Subdivision, 795.63 feet; thence North 88 degrees 07 minutes 00 seconds West, 200.00 feet; thence North 00 degrees 00 minutes 54 seconds West 767.80 feet, more or less to a point 125 feet North of the South line of the Northeast quarter of said Section 30; thence South 88 degrees 07 minutes 00 seconds East, 752.50 feet to the point of beginning,

and

ALSO EXCEPTING THE FOLLOWING SHIRLEY HEINZE PARCEL DESCRIBED AS FOLLOWS:

Part of the Northeast quarter of Section 30, Township 36 North, Range 7 West of the Second Principal Meridian, in the city of Hobart, Lake County, Indiana, described as follows: Commencing at the Southeast corner of said Northeast quarter; thence North 00 degrees 02 minutes 08 seconds West along the East line of said Northeast quarter a distance of 715.80 feet; thence South 82 degrees 41 minutes 02 seconds West a distance of 40.33 feet to the Point of Beginning; thence South 00 degrees 02 minutes 08 seconds East parallel with and 40.00 feet West of the East line of said Northeast $\frac{1}{4}$ a distance of 131.06 feet; thence South 82 degrees 41 minutes 02 seconds West a distance of 1094.99 feet; thence North 07 degrees 18 minutes 58 seconds West a distance of 130.00 feet; thence North 82 degrees 41 minutes 02 seconds East a distance of 1111.60 feet to the point of beginning. Containing 143,431.0 Sq. Ft./3.293 Acres more or less.

Statement of Understanding Regarding Tax Abatement for the Cressmoor Estates Planned Unit Development

This form is to be signed by the homeowner and developer or builder at the time of closing. Two signed copies of this letter must be provided to the City of Hobart by Cressmoor Development for each home sale no later than 10 days after the closing.

I understand that the home I am purchasing, located at _____, Lot _____ of the Cressmoor Estates Planned Unit Development, is eligible for tax abatement. The home is eligible for a 6-year tax abatement, beginning in the year that the home is first assessed. I understand that the first year of the abatement deduction may or may not coincide with the year of my purchase of the home. If I purchase the home after the abatement deduction has already been applied, I understand that I will benefit only from the remaining years of the abatement. Furthermore, I understand that the tax abatement only applies to the assessed value of the home and that the land is not abated. The six-year tax abatement is granted on sliding scale as follows:

Deduction Period:	Six (6) Years	
Deduction Schedule:	Year One	100%
	Year Two	85%
	Year Three	66%
	Year Four	50%
	Year Five	34%
	Year Six	17%

The window of opportunity to construct homes eligible for tax abatement is 10 years after the start of construction on Phase I of the development. Homes constructed under residential building permits issued after August 7, 2030 are not eligible for abatement.

I understand that the tax abatement is not effective until a Form 322/RE, Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas (ERA), is filed with the County Auditor according to the instructions listed on the Form 322/RE. The form is to be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation (or new assessment) is made, or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of assessment, he can apply between January 1 and May 10 of a subsequent year for the remainder of the abatement term.

The developer, Cressmoor Development, LLC is responsible for providing the homeowner with the forms SB-1/ Real Property (Statement of Benefits, Real Estate Improvements) Form CF-1/ Real Property (Compliance with Statement of Benefits, Real Estate Improvements) and the Confirmatory Resolution needed to file with the Form 322/RE.

Purchaser's Printed Name

Co-Purchaser Printed Name

Purchaser's Signature

Co-Purchaser Signature

Date

Date

Project Schedule Update

Report the Assessed Value of each Improvement (do not include the AV of the land) for January 1 of each reporting year.

Lot Number	Assessed Value								
1		42		83		124		215	
2		43		84		125		216	
3		44		85		126		217	
4		45		86		127		218	
5		46		87		128		219	
6		47		88		129		220	
7		48		89		130		221	
8		49		90		131		222	
9		50		91		132		223	
10		51		92		133		224	
11		52		93		134		225	
12		53		94		135		226	
13		54		95		136		227	
14		55		96		137		228	
15		56		97		138		229	
16		57		98		139		230	
17		58		99		140		231	
18		59		100		141		232	
19		60		101		142		233	
20		61		102		143		234	
21		62		103		144			
22		63		104		145			
23		64		105		146			
24		65		106		147			
25		66		107		148			
26		67		108		149			
27		68		109		150			
28		69		110		151			
29		70		111		152			
30		71		112		153			
31		72		113		154			
32		73		114		155			
33		74		115		156			
34		75		116		188			
35		76		117		208			
36		77		118		209			
37		78		119		210			
38		79		120		211			
39		80		121		212			
40		81		122		213			
41		82		123		214			