

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

RESOLUTION NO. 2022 - 05

**A Resolution to Approve and Authorize the Execution of an
Amended Development Agreement between the City of Hobart, Hobart Sanitary District,
Hobart Storm Water Management Department and Cressmoor Development, LLC,
Cressmoor Financial, LLC, and D.R. Horton, Inc. - Midwest**

WHEREAS, the Common Council ("Council") of the City of Hobart, Lake County, Indiana ("City") adopted Resolution No. 2019-16 declaring that the area commonly known as the Cressmoor Estates Planned Unit Development ("Cressmoor Estates PUD") 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 Ind. Code 6-1.1-12.1, *et seq.*;

WHEREAS, said Resolution was adopted pursuant to the application of Cressmoor Estates, LLC and Cressmoor Financial, LLC (collectively "Cressmoor") for the construction of a residential development including commercial strip, and the Council adopted its Ordinance No. 2019-18 on first reading designating said area as an Economic Development Target Area;

WHEREAS, the Council adopted Ordinance No. 2019-18 on second reading, together with its Resolution No. 2019-17 confirming such designation as an Economic Revitalization Area and said tax abatement;

WHEREAS, the Council adopted Resolution No. 2019-27 approving and authorizing the execution of a Development Agreement between the City and Cressmoor, which Agreement was executed on August 8, 2019 and duly recorded in the Office of the Lake County Recorder on November 27, 2019 as Document Number 2019-081874;

WHEREAS, the Council adopted Resolution No. 2020-14 approving an amendment to the Development Agreement to correct a scrivener's error;

WHEREAS, Cressmoor and D.R. Horton, Inc. – Midwest ("Horton") have entered into a purchase agreement whereby, upon closing, Horton would purchase from Cressmoor a substantial portion of the land in the Cressmoor Estates PUD, but not including fourteen lots in Phase 1 and not including the commercial Phases 14 and 15 or Outlot F;

WHEREAS, the City of Hobart Plan Commission, in Petition No. 21-29, and the Common Council, in Ordinance No. 2021-24, approved certain amendments to the Covenants and Restrictions in the Cressmoor Estates PUD;

WHEREAS, Cressmoor has completed and submitted to the City a revised statement of benefits under which the tax abatement would be administered solely as to the fourteen Phase 1 lots to be retained by Cressmoor, said revised statement of benefits being tendered to the Board of Public Works and Safety of the City ("Board") and attached to this Resolution;

WHEREAS, the City, Cressmoor, and Horton have negotiated and preliminarily approved, and are prepared to execute, upon the approval of the Council, an Amended Development Agreement setting forth certain covenants, terms, and conditions under which the project would be constructed and said abatement administered, said amended agreement being tendered to the Board and attached to this Resolution;

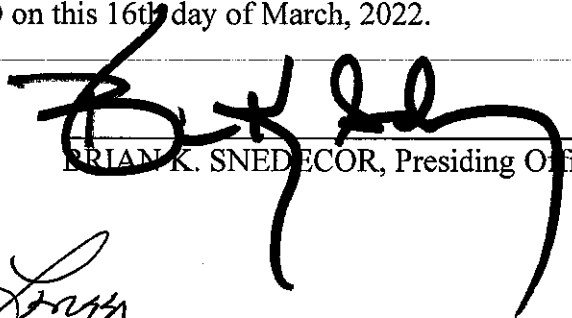
WHEREAS, earlier on the date of this Resolution, the Board adopted its Resolution approving and authorizing the execution of said Amended Development Agreement contingent upon the approval of the Council and the joint Board of Commissioners of the Hobart Sanitary District and Board of Directors of the Hobart Storm Water Management Department; and

WHEREAS, the Council now desires to approve and adopt said Amended Development Agreement and to authorize its execution by the City, such approval to become effective upon the adoption and 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.

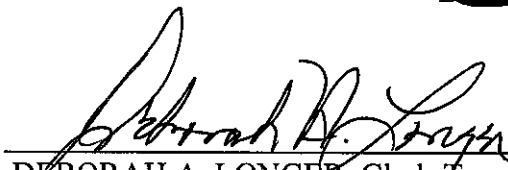
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart as follows:

1. The Amended Development Agreement by and between the City, Cressmoor, and Horton, attached hereto, is hereby approved and adopted.
2. The Cressmoor revised statement of benefits, which is attached hereto, is hereby approved, adopted, and confirmed.
3. This Resolution shall take effect upon the adoption and approval of said Agreement by the joint Board of Commissioners of the Hobart Sanitary District and Board of Directors of the Hobart Storm Water Management Department

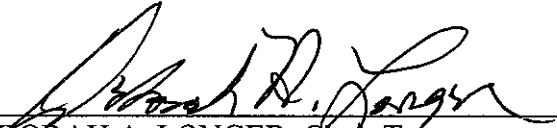
ALL OF WHICH IS ADOPTED on this 16th day of March, 2022.


BRIAN K. SNEDECOR, Presiding Officer

ATTEST:


DEBORAH A. LONGER, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart on the 16th day of March,
2022, at 6:30 ~~am~~/p.m.


DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, SIGNED, AND RETURNED by me to the Common Council of the City of
Hobart, on this 16th day of March, 2022.


BRIAN E. SNEDECOR, Mayor

ATTEST:

DEBORAH A. LONGER, Clerk-Treasurer

March 14, 2022

AMENDED 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

and

D.R. HORTON, INC. - MIDWEST

March __, 2022

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AMENDED DEVELOPMENT AGREEMENT

THIS AMENDED DEVELOPMENT AGREEMENT ("Agreement") is made and entered into on the ____ day of March, 2022 by and between CRESSMOOR DEVELOPMENT, LLC, an Indiana Limited Liability Company ("Cressmoor Development"), and CRESSMOOR FINANCIAL, LLC, an Indiana Limited Liability Company ("Cressmoor Financial"), both with principal offices located at 4529 East Lincoln Highway, Merrillville, Indiana 46410 acting by and through their Managing Member Randolph A. Hall (collectively referred to herein as "Cressmoor"), and D.R. Horton, Inc. - Midwest, a California Corporation, with its principal office located at 1750 E Golf Road, Suite 925, Schaumburg, Illinois 60173 (individually referred to herein as "Horton," and sometimes collectively with Cressmoor referred to herein as 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, Cressmoor and Horton are in the business of developing, managing, marketing, constructing the infrastructure for, and overseeing the establishment of certain specific portions 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 of the Development, Lake Park Avenue on the East of the Development, 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;"

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 14 of the 186 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 plan for the same (attached as Exhibit A) which allows 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;

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;"

WHEREAS, the Development consists in the aggregate of 105 acres, more or less, and is legally described on Exhibit B which is attached hereto and made a part hereof;

WHEREAS, the portion of the Development to be developed by Cressmoor is hereafter referred to as the "Cressmoor Property" and the portion of the Development to be developed by Horton is hereafter referred to as the "Horton Property," each as depicted on Exhibit C hereto;

WHEREAS, the composition of the residential Development, as noted above (but excluding certain contemplated commercial-residential units), features a total of 435 dwelling units (including 225 townhome units, 186 single family dwellings, and 24 duplex units). Of these, all are expected to 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;

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;

WHEREAS, the City Parties and Cressmoor have reached agreement upon the promises, terms and conditions upon which the City has granted and will grant certain residential real estate tax abatements to Cressmoor Development and the future owners of 14 of the single family homes located on the Cressmoor Property, and the City Parties and the Companies have reached agreement regarding 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;

WHEREAS, the residential real estate tax abatements referenced above were first duly approved by the Common Council of the City of Hobart in Resolution Nos. 2019-16 and 2019-17, and the abatements were amended in the Resolution approving this Agreement;

WHEREAS, Cressmoor Development and Horton contemplate a real estate transaction wherein Horton will purchase the Horton Property from Cressmoor Development; and

WHEREAS, the City Parties and Cressmoor entered into this Development Agreement dated August 21, 2019 recorded in the Office of the Lake County Recorder on November 27, 2019 as Document Number 2019-081874, which was duly approved by the Common Council of the City of Hobart and the Board on August 21, 2019 and by the District on August 27, 2019 (hereinafter the "2019 Development Agreement"). The Parties now desire to amend the 2019 Development Agreement by adding Horton as a developer party with respect to the Horton

Property and by amending terms of the 2019 Development Agreement as stated below in this Agreement.

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. Cressmoor, only with respect to the Cressmoor Property, and Horton, only with respect to the Horton Property, agree to undertake and perform the following duties, and make the following representations:

a. *Evidence of Title.* Provide to the City Attorney, documents evidencing title to the real estate occupied by the Development as it will be vested in the Companies upon the closing of their contemplated transaction, which documents shall consist of (1) a copy of the purchase agreement between Cressmoor Development and Horton from which only confidential financial information will be redacted, and (2) a title policy or commitment issued by a licensed title insurance company or deed or deeds of conveyance. Such documents shall be provided to the City Attorney before the date of the execution of this Agreement by the City Parties.

b. *Evidence of Financing.* That they have the financial capability to complete all infrastructure construction contemplated herein. Cressmoor has provided to the City, acting by and through the City Attorney, such documents, as are satisfactory and acceptable to the City, evidencing the access to, possession of, or control of funds to construct infrastructure improvements. Concerning Horton, the City agrees that access to D.R. Horton, Inc. financial statements that are available to the public on the internet shall suffice in demonstrating Horton's financial capability as aforesaid.

c. *Conformance to Applications, Plans and Statements.* Cause the construction and operation of their proposed Development in Hobart, Indiana to be in substantial and material conformance to the 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 the Hobart Plan Commission as Petition No. 18-06 and the Common Council in Ordinance No. 2018-08, and as amended by the Hobart Plan Commission as Petition No. 21-29 and by the Common Council in Ordinance No. 2021-24 ("Cressmoor Estates PUD"), and 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, including, without limitation, the site review process as applied to Planned Unit Developments for Residential projects as required by Hobart Municipal Code (herein "HMC") §§154.415-424, 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 expressly modified in this Agreement or in the Declaration for Cressmoor Estates (herein "Declaration"), as amended by the Hobart Plan Commission as Petition No. 21-29 and by the Common Council in Ordinance No. 2021-24. The City expressly acknowledges and agrees that dwelling units constructed in compliance with the foregoing, including, without limitation, the City's Building Codes, can be built on any of the following foundation conditions: slab, crawl, partial basement, or full basement, regardless of any future modifications to City Municipal Code or Ordinances that expressly and directly pertain to residential foundation conditions, unless said future modifications are Building Code requirements made by the State of Indiana (including its administrative agencies).

e. *Compliance with Responsible Bidding Practices Ordinance and City Standards.* As to the construction of all streets, common areas, parks, public amenities, and appurtenances and related to Phase 1 (as shown on the site plan attached as Exhibit A) of the Development only, comply with the requirements of the City of Hobart Responsible Bidding Practices Ordinance (HMC §§33.200 through 207), as amended, as to any contractor and subcontractor engaged by Cressmoor, unless the application of such Ordinance is waived by ordinance or resolution of 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 Project'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.* Cressmoor shall make all filings of applications, Forms SB-1 and CF-1 when due under I.C. §6-1.1-12.1-1, *et seq.*, including I.C. §6-1.1-12.1-5.1, as more completely set forth in Sections 5.01 and 5.02, below, and of State Form 322/RE along with the duties prescribed below in Article V;

h. *Property Taxes.* Cressmoor, with respect to the Cressmoor Property and Horton, with respect to the Horton Property, shall pay all property taxes levied upon its real and personal property, and shall pay in full, when due, the amount of any real 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.* Cressmoor shall, 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 Cressmoor has enrolled and is participating in the E-Verify program, provide documentation to the City that Cressmoor is participating in the E-Verify program, and that Cressmoor does not knowingly employ an unauthorized alien, and, in addition, pursuant to I.C. §5-22-16.5-14, an affidavit certifying that Cressmoor is not engaged in investment activities in Iran (as defined in I.C. §5-22-16.5);

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.* Except as expressly provided for otherwise in this Agreement, 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 Cressmoor 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; and Horton is a corporation validly organized and existing under the laws of the state of its incorporation 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 respective obligations hereunder; and this Agreement constitutes a legal, valid and binding obligation of each of the Companies enforceable against each and/or all 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 Incorporation/Organization, Operating Agreement, By-Laws, or other governing instrument of any of the Companies, or any provision of any existing note, bond, security, mortgage, debenture, indenture, trust, license, lease, instrument, decree, order, judgment, or agreement to which any 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 any of them, threatened, which seeks to enjoin, or could result in enjoining, the Companies or any of them from entering into this Agreement or any of the transactions contemplated hereby or from performing their or its obligations under this Agreement; 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.

[Remainder of page intentionally left blank.]

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.* Amend the prior designation of lots eligible for tax abatement to include only Phase 1 lots numbered 77, 78, 79, 80, 81, 84, 85, 86, 87, 101, 103, 104, 105, and 106 of the Cressmoor Estates PUD 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 City Parties and Cressmoor 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 (which occurred on August 21, 2019, Resolution No. 2019-17) and ending ten (10) years from such commencement date (that is, ending on August 21, 2029). This period is referred to as the "window of opportunity." The Deduction Period shall commence on January 1 of the tax year in which the improvements on the lot are fully assessed for property taxation. Only owner-occupied units in Lots 77, 78, 79, 80, 81, 84, 85, 86, 87, 101, 103, 104, 105, and 106 qualify for tax abatement. The City Parties acknowledge that building permits have already been released for Lots 84, 86, 87, 103, 105 and 106, and that home construction has already commenced (and in some cases completed) on Lots 77, 78, 79, 80, 81, 85, 101 and 104. The parties agree that the initial new construction building permits, but not subsequent permits of any kind, on all the Cressmoor lots listed in this subsection 2.01(a) shall be regulated by the architectural standards and ordinance recorded at the County at the time Cressmoor applied to the City for said permits.

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, and street and infrastructure management of City thoroughfares. Cressmoor understands, and Horton understands and agrees as to subsections (i), (iv), and (v), 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 tax 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 State Form 322/RE with all required attachments.
- (iii) For avoidance of doubt, the City Parties shall not have any responsibility to provide property owners with information about the tax abatement or information about or copies of Form 322/RE—such responsibilities lie solely with Cressmoor as prescribed in Article V below.
- (iv) The City shall have no responsibility for those duties that belong to Declarant, the Cressmoor Estates Homeowner's Association ("HOA"), an Owner, or any other person under the Declaration for Cressmoor Estates ("Declaration") made by Horton and approved by the Common Council in Ordinance No. 2021-24.
- (v) Horton shall ensure that the HOA engages the third party property manager described in the Declaration; and, at the time of the Turnover Date (as defined therein), Horton shall ensure that the HOA knows of its obligation to engage such a property manager.

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 the 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;

f. *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.

g. *Building Permits.* If the Companies submit master building plans for the various types of residential dwelling units to the City for review and approval or disapproval at least sixty (60) days prior to an application for a building permit for a dwelling unit, then as to applications for building permits for dwelling units submitted pursuant to an *approved* master building plan, the City agrees to the following: Each of Cressmoor and Horton may submit an average of five (5) such building permit applications per day (averaged over a rolling five (5) business day period), which Cressmoor and Horton may prioritize according to those permits that are most critical to their respective operations, and the City will approve or disapprove such building permit applications within twenty (20) business days of submission by Cressmoor or Horton, respectively. If the City fails to approve or disapprove, as the case may be, any such building permit application within twenty (20) business days, then the City agrees to forego its then-applicable inspection fee for that building permit application. For avoidance of doubt, the City shall not be considered to have failed to meet any twenty (20) business day deadline as to any such building permit application if (a) within the twenty (20) business day period the City has notified Cressmoor or Horton, as the case may be, of its disapproval of the permit application and the reasons for its disapproval; (b) the parties have invoked Paragraph I of Exhibit D to the Declaration; or (c) the City is kept from acting timely on any such building permit application as a result of decision of Cressmoor or Horton, as the case may be, to prioritize any other building permit application.

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 Cressmoor Estates 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 (i) for residential property, ten (10) years from the grant of Preliminary Plat and Final Development Plan approval to completion of the last and

final infrastructure serving said residential property to be constructed under the Final Development Plan, and (ii) for commercial property in Phases 14 and 15 (as shown on Exhibit A), twenty (20) years from the grant of Preliminary Plat and Final Development Plan approval to completion of the last and final infrastructure serving said commercial property to be constructed under the Final Development Plan. However, except as otherwise provided for in this Agreement, 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 ten (10) years or twenty (20) years, as applicable, elapses from the grant of Preliminary Plat and Final Development Plan approval to completion of the last and final infrastructure to be constructed under the Final Development Plan, then the approval of the Final Development Plan for the project will expire and Cressmoor or Horton, as the case may be, or their successors must apply for new final plan approval. The Final Development Plan has been geographically divided into fifteen consecutively numbered "Phases" as designated upon the Preliminary Plat, provided that it is not a requirement under this Agreement that each Phase be developed sequentially by Phase number. The City, acting through its Plan Commission, will grant Final Plat approval to each Phase before the infrastructure work shown by the Preliminary Plat for that Phase is undertaken. Except as expressly provided for in Section 3.02 herein, the City, acting through its Plan Commission, reserves the right to deny Final Plat approval to Cressmoor or to Horton, respectively as to any Phase if the infrastructure work in one or more prior Phases is not satisfactorily completed by Cressmoor or Horton, as the case may be. For clarity, a future Cressmoor Phase may not be denied for failure of a prior Horton Phase, and vice versa. 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. The construction of infrastructure is the responsibility of Cressmoor, as to the Cressmoor Property and Horton, as to the Horton Property. These areas and improvements include the following: 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. (For avoidance of doubt, the City, through the District has constructed certain main and secondary sanitary sewers pursuant to Section 3.03, below, through its project commonly known as the Lift Station #2 Elimination Project.) 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 Cressmoor and Horton, as applicable. Horton and Cressmoor, as applicable, will begin the construction of infrastructure for each Phase subsequent to Phase 1 as Phases are indicated on the Preliminary Plat, but, after completion of such construction and grant of Final Plat approval for Phase 1, Horton and Cressmoor may thereafter proceed to construct a new Phase or multiple Phases in any order they deem convenient with respect to the Cressmoor Property and the Horton Property, as the case may be. 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. Further, if the City approves a Final Plat for a future Phase, then completion of infrastructure work in a prior Phase shall not be a

condition precedent to commencing infrastructure work in the new approved 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 their respective infrastructure construction for all Phases not later than ten (10) years from construction commencement on the infrastructure for Phase 1 (twenty (20) years for commercial property). 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 Preliminary Plat under the following terms:

a. *Connection Fees.* Cressmoor or Horton, as the case may be, shall pay a connection fee to the Hobart Sanitary District for each of their respective lots 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 has installed sewer mains, sanitary sewer laterals to each platted unit have been installed from the street main by the District to the lot property line at a cost to Cressmoor, for the Cressmoor Property, and Horton, for the Horton Property, 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. Cressmoor, as to the Cressmoor Property, has paid for its respective laterals on the 14 lots referenced in Section 2.01(a). Beginning on September 1, 2022, Horton, as to the Horton Property, shall pay an amount for its unpaid laterals that is sufficient to amortize the construction cost of such laterals over ten (10) years at an interest rate of four percent (4.0%), which Horton agrees will be memorialized on a promissory note to be prepared by City's Clerk-Treasurer. The principal amount subject to amortization shall be reduced by any and all amounts received from Horton for its paid-up laterals. Notwithstanding the foregoing, the City agrees that Horton has the right to prepay for its unpaid laterals at any time, in which instance the City shall mark the original promissory note as "Paid in Full" and return the same to Horton.

Drop sewer manholes specified by the engineering for the Project have been installed by the District. Subject to the last sentence of this paragraph, Horton 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.

c. *Temporary Easements and Rights of Entry.* The parties agree that the undertakings previously described in this subsection have been completed.

d. *Storm Water Retention.* Horton understands that it is subject to the City of Hobart – Storm Water Post Construction Long-Term Operation and Maintenance Agreement dated on or about April 13, 2020 and recorded in the Lake County Recorder's Office as Instrument No. 2020-046281. The updated storm water plan to be submitted by Torrenga Engineering on behalf of the Companies shall be submitted to the City Engineer for his review and approval. 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. Horton shall install a sidewalk ten (10) feet in width along the Wisconsin Street border of the Development at its 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 between lots 154-155 and between lots 207-196. ADA ramps in the development will be installed by Cressmoor or Horton, as the case may be, contemporaneously with the construction of their respective connecting sidewalks on the adjacent lot or lots.

Section 3.05. Bond Requirements. Prior to undertaking any of the infrastructure construction contemplated herein, whether to be undertaken in one or more Phases or in total, the Companies shall furnish the City with performance and payment bonds for such construction. Maintenance/warranty bonds for each Phase of infrastructure constructed by either Cressmoor or Horton shall be filed by the respective Company 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 performance, payment, and maintenance bonds shall be on such forms, in such amounts, and with such Indiana-licensed sureties as are satisfactory to the City in its sole discretion. The Companies shall be required to post and file their bonds for each Phase to secure the maintenance and performance of all infrastructure construction shown on the Final Plat as approved by the City Plan Commission for that Phase prior to approval of said Final Plat by the Board. Notwithstanding anything in the foregoing to the contrary, Cressmoor and Horton, as the case may be, shall be permitted to request partial performance and payment bond reductions as infrastructure is completed from time to time. In the event of such a request, the City agrees to reduce the amount required for such bonds by an amount satisfactory to it in its sole, reasonable discretion (using the applicable bond worksheet as a guide) promptly following inspection and approval of the subject infrastructure by the City Engineer—provided, however, that (i) in no event shall an approved reduction in the amount of any bond take effect until Cressmoor or Horton, as the case may be, provides the City with a replacement bond satisfactory to the City in its sole discretion in the approved amount, and (ii) the City's approval of such infrastructure shall be solely for purposes of a bond reduction and shall not constitute acceptance of the infrastructure into the City's system

for its operation and maintenance. Notwithstanding anything in the foregoing to the contrary, replacement bonds will not be required if the applicable bond subject to reduction includes auto-reduction language that is reasonably acceptable to the City, which language serves to reduce the amount of the bond simultaneously with, and in the amount of, City-approved partial bond reductions pursuant to the process described in the immediately two preceding sentences.

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 the Hobart Plan Commission as Petition No. 18-06 and the Common Council in Ordinance No. 2018-08, and as further amended by the Hobart Plan Commission as Petition No. 21-29 and the Common Council in Ordinance No. 2021-24.

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, as amended or replaced by the restrictive covenants approved by the Common Council in Ordinance 2021-24.

ARTICLE V TAX ABATEMENT ADMINISTRATION

Section 5.01. Filing Requirements by Cressmoor. Unless Cressmoor receives written instruction from the Lake County Auditor that State Form CF-1/Real Property is unnecessary for administration of the tax abatement program contemplated herein, Cressmoor shall comply with this Section 5.01. Under pertinent state law (I.C. §6-1.1-12.1-5.3), a "Compliance with Statement of Benefits Real Estate Improvements" form (State Form CF-1/Real Property) must be filed by Cressmoor as developer annually, subsequent to the grant of residential tax abatement to the Development. Cressmoor agrees 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 Cressmoor, 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 Cressmoor, 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 Cressmoor within five (5) business days after Council action. It is Cressmoor responsibility to provide a signed copy to each applicable homeowner in order to make a complete abatement deduction filing with the Lake County Auditor.

Section 5.02. Cressmoor's 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, Cressmoor agrees that it shall:

- a. Design and implement a program of education for all abatement home 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 Cressmoor Development's 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 before closing two (2) signed copies of the letter attached hereto as Exhibit "D" explaining their tax abatement entitlement and filing responsibilities. Before closing, Cressmoor will deliver one of the copies to the City Development Department. The City shall have the right to decline to issue a certificate of occupancy as to any lot subject to tax abatement if Cressmoor has not complied with the provisions of this sub-section (d).

Cressmoor understands 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 Cressmoor. Cressmoor 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. Said initial information is below.

Section 5.03. Duration of Cressmoor's Obligations under Article V. The obligations of Cressmoor under this Article shall commence upon the sale of the first tax abated lot to a homeowner 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 Cressmoor. Cressmoor has 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 Cressmoor. 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.

a. Upon the grant of the residential real property tax deductions (abatement) by the Council described in Section 2.01(a) above, which only apply to Cressmoor, and from and after their implementation by the taxing authorities of Lake County, in whole or in part, if 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 Cressmoor, its successors by merger or acquisition, or its assigns shall be subject to termination of the residential tax abatement program for the Development for homes covered by the program to be subsequently constructed.

b. As to Horton, upon the occurrence of a sanctionable event applicable to it under Section 6.03, Horton, its successors by merger or acquisition, or its assigns shall be subject to suspension of issuance of building permits, and all other remedies available to the City at law or in equity, at the City's sole discretion.

Section 6.03. Events Requiring Imposition of Sanctions.

a. As to Cressmoor and the Cressmoor Property, 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 to Cressmoor the sanction of termination of the tax abatement program, in whole or in part, upon the occurrence of any one or more than one of the following events:

1. 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;

2. 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.

3. 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 any of them, or, as to any or all of the Companies, adjudication as a bankrupt or the making of assignment for the benefit of creditors;

4. Failure of Cressmoor 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;

5. Failure of Cressmoor 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.

b. As to Horton and the Horton Property, the City may, at its sole discretion, until the substantial completion of the construction of all infrastructure and residential dwelling units contemplated herein, apply to Horton the sanctions described above in Section 6.02(b) upon the occurrence of any one or more of the sanctionable events described in Section 6.03(a)(1), (2), or (3) above; provided that Section 6.03(a)(1) shall be read to include suspension of active construction upon the infrastructure or residential dwelling units of any Phase of the Development for a period of more than twelve (12) months during the term of this Agreement.

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

a. Upon of the City's agreement to terminate the performance bond for the infrastructure for Phase 1 of the Development, Cressmoor agrees to report or cause to be reported to the City in writing, the total number of local contractors or sub-contractors involved in Phase 1 and the aggregate amount of construction payroll for such contracts related to the Phase 1. As used herein, the term "local" is defined to mean Lake County, Indiana.

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

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

(ii) the number of persons employed in full-time construction of the Development infrastructure in Phase 1 by Cressmoor's contractors, and

(iii) 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 "E," signed by Cressmoor's Member(s) 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 until a certificate of occupancy has been issued for each of the tax abatement lots described in Section 2.01(a) above. Upon the completion of all the infrastructure in Phase 1 of the Development, Cressmoor will report the monetary investment by it in the Project.

Section 6.05. Other Enforcement. The provisions of this Agreement may be enforced by either 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 attorneys representing Cressmoor and Horton, respectively, nor shall Cressmoor or Horton 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, Cressmoor and Horton 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. In furtherance thereof, the City Parties hereby acknowledge and agree that neither Cressmoor or Horton are responsible or liable for the obligations and/or covenants of the other party; Cressmoor and Horton hereby disclaim joint and several liability, whether express or implied hereunder; and notwithstanding anything in this Agreement to the contrary, the City Parties will look solely to Cressmoor relative to matters concerning the Cressmoor Property and will look solely to Horton relative to matters concerning the Horton Property.

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 Cressmoor or Horton 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 Cressmoor or Horton or their successors or assigns, on any obligations under the terms of the Agreement. No member, employee, or agent of Cressmoor or Horton or their respective 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 the 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 Cressmoor, as to the Cressmoor Property, Horton, as to the Horton Property 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 provided that (i) no such termination by Cressmoor shall be effective as to the Horton Property, (ii) no such termination by Horton shall be effective as to the Cressmoor Property, and (iii) any termination by the City Parties that is applicable solely to Cressmoor or Horton, but not both, shall only apply to the Cressmoor Property or the Horton Property, respectively.

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 Agreement. 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 or by electronic mail, and in the case of the Companies, is addressed to or delivered personally or by electronic mail to the parties below. (In the case of any claimed breach or violation of this Agreement, notice must be by certified mail, postage prepaid, return receipt requested as the only acceptable method.)

Cressmoor Development Cressmoor Development, LLC
Randolph A Hall, Member
4259 E Lincoln Highway
Merrillville IN 46410
219-750-9247
randy.hall@luxorhomes.net

Cressmoor Financial Cressmoor Financial, LLC
Randolph A Hall, Member
4529 East Lincoln Highway
Merrillville, Indiana 46410
Randy.hall@luxorhomes.net

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

Horton: D. R. Horton, Inc.–Midwest
Attn: Cole Tyrell
1750 E. Golf Road, Suite 925
Schaumburg, Illinois 60173
Email: CPTyrell@drhorton.com

With a copy to: D. R. Horton, Inc. – Midwest
Attn: Chris Lester
1750 E. Golf Road, Suite 925
Schaumburg, Illinois 60173
Email: cjlester@drhorton.com

And a copy to: Steven H. Goodman
Meltzer, Purtill & Stelle, LLC
1515 East Woodfield Road, Second Floor
Schaumburg, Illinois 60173
Phone: (847) 330-2400
Fax: (847) 330-1231
Email: shgoodman@mpslaw.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

Heather A. McCarthy
City Attorney
City of Hobart Law Department
705 East 4th Street
Hobart, IN 46342
Attn: Heather A. McCarthy

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, Cressmoor and Horton may assign their rights and obligations under this Agreement to another party capable of performing all covenants and terms of this Agreement binding upon Cressmoor or Horton, as the case may be.

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. Notwithstanding the foregoing, no amendment that is specific to the Cressmoor Property need be executed by Horton, and no amendment that is specific to the Horton Property need be executed by Cressmoor. In all instances, individual buyers of lots within the Cressmoor Property or the Horton Property need not consent to or execute any amendment to 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 receipt of written notice via certified mail (return receipt required) 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 Agreements.

a. For avoidance of doubt, this Agreement, which amends the 2019 Development Agreement, is not intended to abrogate Cressmoor's liabilities, if any, or obligations under the 2019 Development Agreement as they existed immediately preceding the effective date of this amended Agreement; rather, such liabilities and obligations shall survive on and after the effective date of this amended Agreement, except as such obligations are expressly amended herein or inconsistent with the terms hereof. The Memorandum of Agreement executed by Cressmoor, 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 any of them and the City of Hobart or any of its instrumentalities concerning the Cressmoor Estates site, this Agreement shall control.

b. Notwithstanding anything in this Section 7.17 or in this Agreement to the contrary, the City Parties, Cressmoor and Horton agree that if Horton fails to acquire the Horton Property by May 31, 2022 for any reason, this Agreement shall terminate as to Horton; provided, however, that Horton shall reasonably cooperate with Cressmoor and the City Parties to make

such notices, filings, or agreements as may be necessary to repeal or amend the Cressmoor Estates PUD. In furtherance thereof, neither this Agreement, the amended Declaration, or any plat of subdivision shall be recorded prior to Horton acquiring title to the Horton Property.

c. As to Cressmoor, in the event of a termination as to Horton described in subsection (b), Cressmoor shall (i) notify the City whether it desires to amend the terms of this Agreement to return to the terms of the 2019 Development Agreement, including the full scope of the residential tax abatement program provided for therein, or whether it desires the City to offer new terms, and (ii) promptly take such steps as are necessary to repeal (before May 31, 2022) or amend the Cressmoor Estates PUD.

Section 7.18. Interpretation. This Agreement shall be interpreted without giving any preference for or against any party as the drafter hereof.

[Remainder of page intentionally left blank. Signature pages follow.]

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 Development" and one of the
"Companies")

By: _____
RANDOLPH A. HALL, Manager

CRESSMOOR FINANCIAL, LLC
an Indiana Limited Liability Company

("Cressmoor Financial" and one of the
"Companies")

By: _____
RANDOLPH A. HALL, Manager

D.R. HORTON, INC. - MIDWEST
a California Corporation

("Horton" and one of the "Companies")

By: _____
COLE TYRELL, Division President

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 March, 2022.

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

BRIAN K. SNEDECOR, Presiding Officer

DEBORAH A. LONGER, 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 March, 2022.

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 March, 2022.

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 Cole Tyrell, Division President, D.R. Horton, Inc.-Midwest party 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 March, 2022.

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 March, 2022.

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 DEBORAH A. LONGER 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 March, 2022.

Notary Public

Name Printed: _____

S E A L

County of Residence: _____

My Commission Expires: _____

March 14, 2022

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 March, 2022.

Notary Public

Name Printed: _____

S E A L

County of Residence: _____

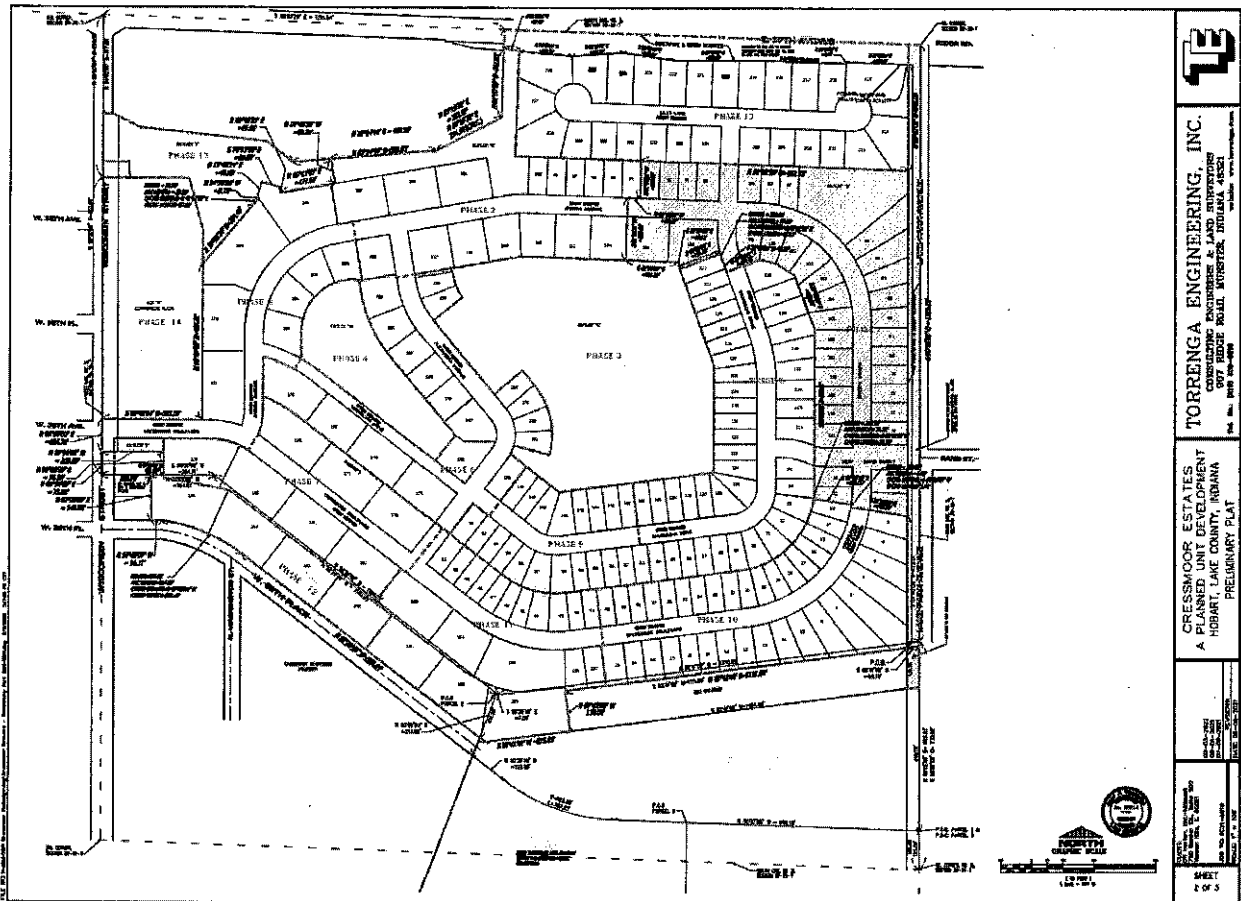
My Commission Expires: _____

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. Ryan A. Cook

*This Agreement prepared by Ryan A. Cook, Eichhorn & Eichhorn, LLP,
for the Hobart City Attorney,
2929 Carlson Ave, Suite 100, Hammond, IN 46323
(219) 931-0560; Facsimile (219) 931-5370*

EXHIBIT A - Project Site Plan

[illegible]



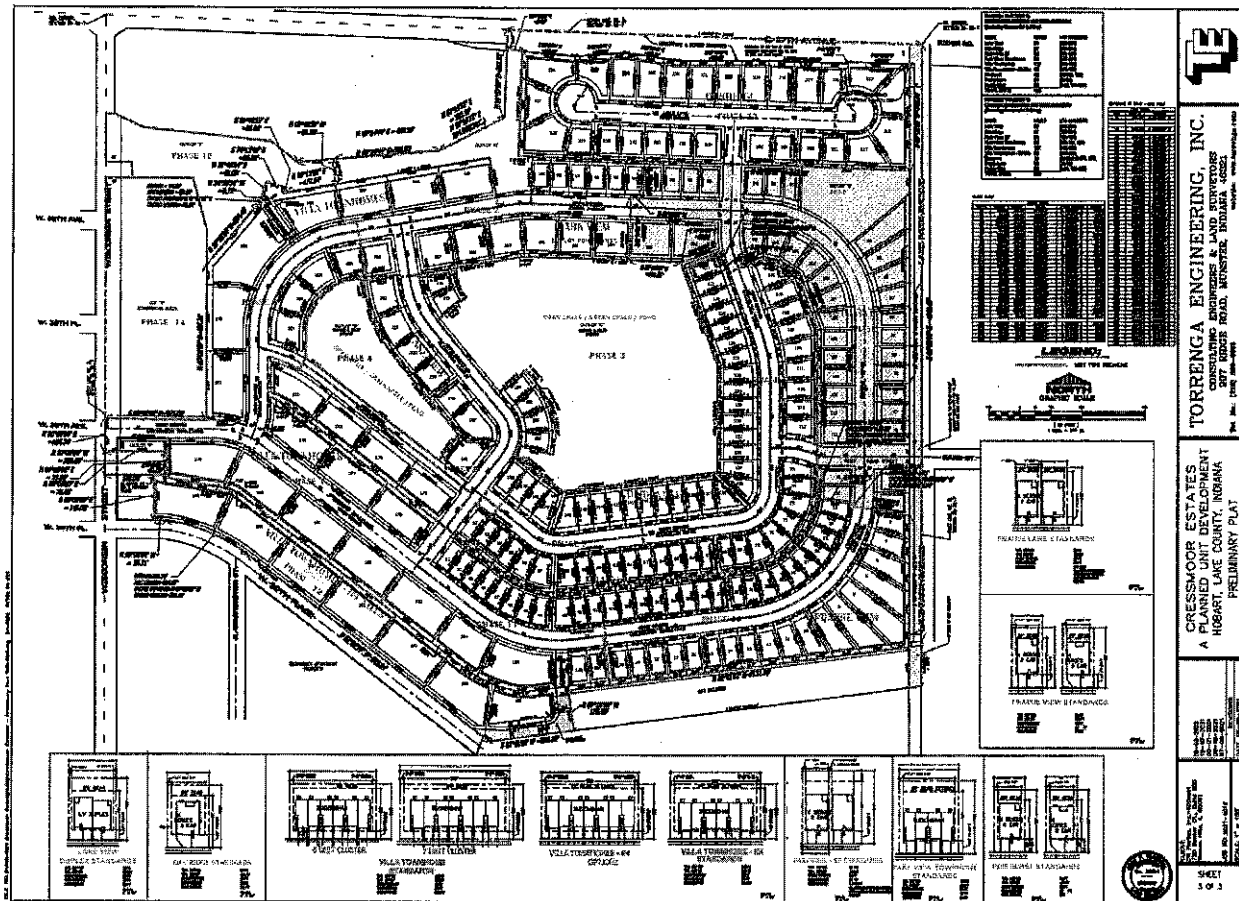


EXHIBIT B

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

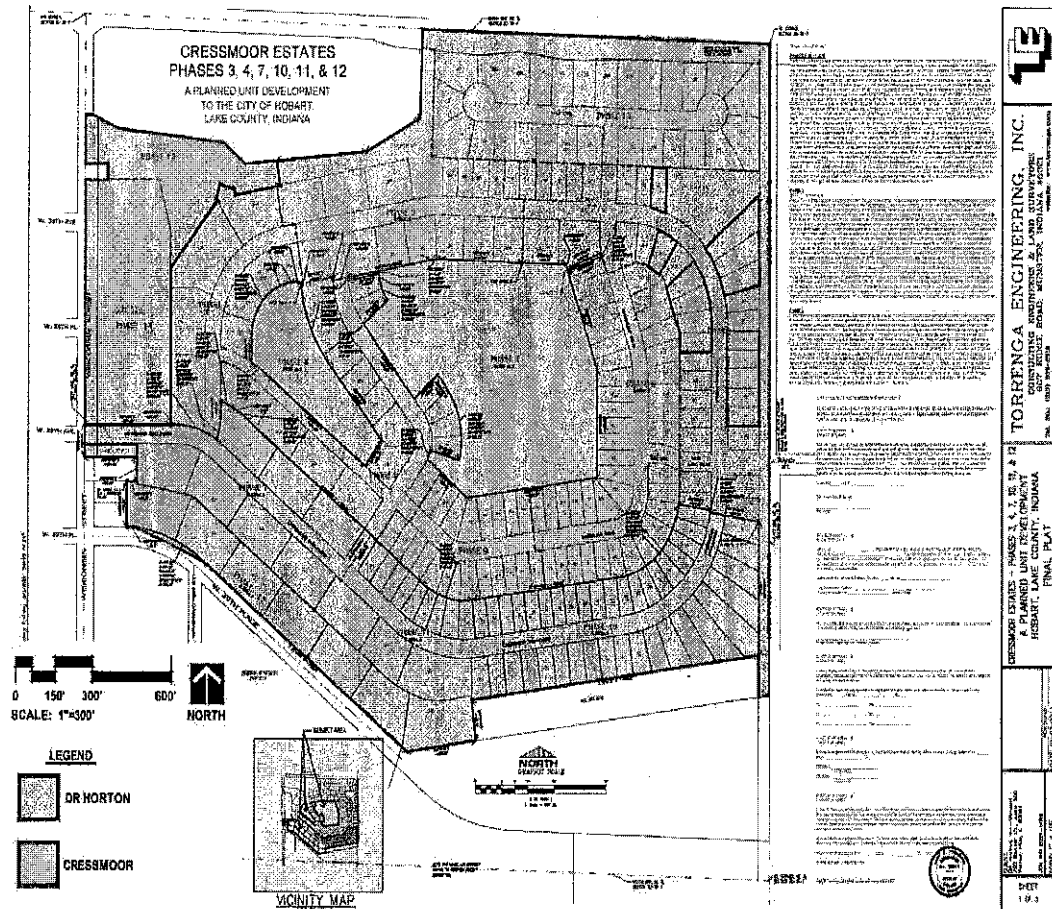
ALSO EXCEPTING THE FOLLOWING SHIRLEY HEINZE PARCEL DESCRIBED AS FOLLOWS:

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

March 14, 2022

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.

EXHIBIT C **Depiction of Cressmoor Property and Horton Property**



PROPERTY EXHIBIT
HOBART, INDIANA

2/23/2022

DR HORTON
American Landmark

GRWA
 GRAYSON & WILSON
 ASSOCIATES, P.C.
 100 N. HOBART AVENUE
 HOBART, INDIANA 46342
 TEL: 219.223.1100 FAX: 219.223.1101
 WWW.GRWA.COM

EXHIBIT D

Letter to be Obtained from Tax Abatement Homeowners at Closing

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

*This form is to be signed by the homebuyer and developer or builder **before** closing. And two signed copies of this letter must be provided to the City of Hobart by Cressmoor Development for each home sale **before** the closing.*

I, _____, understand that the home I am purchasing, located at _____, Lot No. _____ 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 tax on the land is not abated. The six-year tax abatement is granted on a 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 21, 2029 are not eligible for abatement.

I understand that the tax abatement will not be effective until I file a Form 322/RE (Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas (ERA)) with the Auditor of Lake County, Indiana according to the instructions listed on Form 322/RE. Unless the following dates are amended by statute or in a revised Form 322/RE, the form must 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/she 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 homebuyer with the forms required by Form 322/RE—that is, SB-1/Real Property (Statement of Benefits, Real Estate improvements), CF-1/Real Property (Compliance with Statement of Benefits, Real Estate Improvements), and the resolution adopted by the designating body—all of which are to be filed with Form 322/RE.

Purchaser's Printed Name

Co-Purchaser Printed Name

Purchaser's Signature

Co-Purchaser Signature

Date

Date

Developer's Signature

Date

EXHIBIT E **Annual Reporting Form**

Cressmoor Estates **Annual Reporting Form for Tax Abatment**

To be submitted annually with the CF-1, no later than March 15th

Reporting Period: January 1, 20____ through December 31, 20____

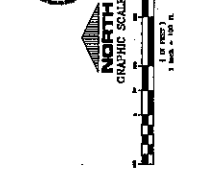
Report Number: _____

Date Submitted: _____

Project Schedule Update

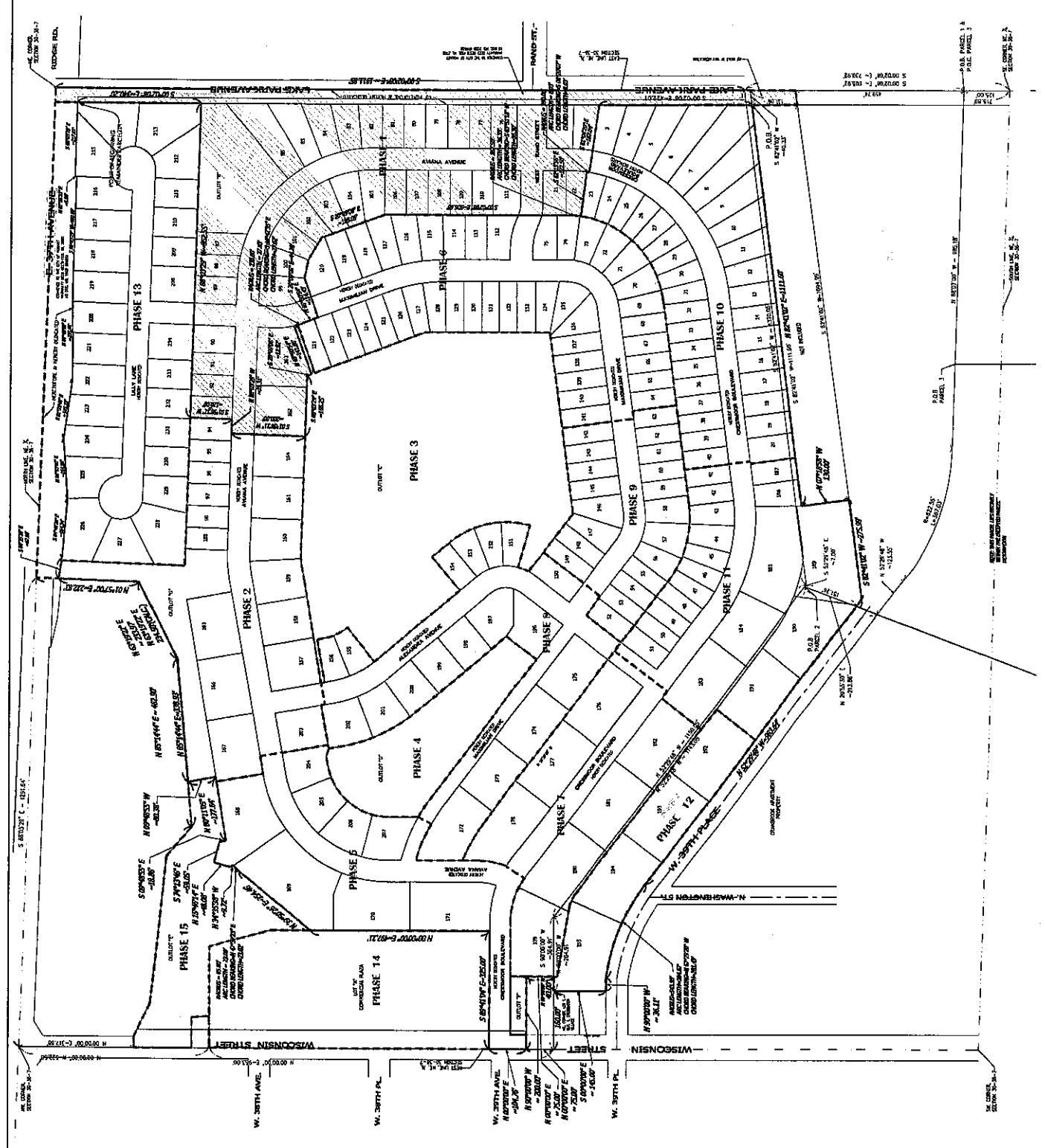
Report the Assessed Value of each improvement (do not include the AV of the land) for January 1 of each reporting year.

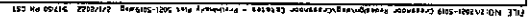
Lot Number	Assessed Value
77	
78	
79	
80	
81	
84	
85	
86	
87	
101	
103	
104	
105	
106	



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) 858-8818
WEBSITE: WWW.TORRENGA.COM







STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R7 / 1-21)

Prescribed by the Department of Local Government Finance

COPY

20 **22** PAY 20 **23**

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the county auditor before May 10 in the year in which the addition to assessed valuation 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. A property owner who failed to file a deduction application within the prescribed deadline may file an application between January 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the county auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer CRESSMOOR DEVELOPMENT LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 4259 E LINCOLN HWY, MERRILLVILLE IN 46410					
Name of contact person RANDY HALL, MEMBER		Telephone number (219) 750-9247	E-mail address RANDY.HALL@LUXORHOMES.NET		
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body HOBART COMMON COUNCIL		Resolution number 2019-16 & 2019-17			
Location of property 601 N WISCONSIN		County LAKE	DLGF taxing district number 18		
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) NEW CONSTRUCTION HOUSING IN THE CRESSMOOR ESTATES PUD. SAID HOUSING TO HAVE ASSESSED VALUES IN EXCESS OF \$225,000 EACH WHICH REPRESENTS A SIGNIFICANT INCREASE TO AREA VALUES. ABATEMENT FOR 14 SINGLE FAMILY HOMES.		Estimated start date (month, day, year) 8/21/2019 Estimated completion date (month, day, year) 6/30/2027			
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
				20.00	\$1,240,000.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		0.00		0.00	
Plus estimated values of proposed project		3,500,000.00		3,150,000.00	
Less values of any property being replaced		0.00		0.00	
Net estimated values upon completion of project		3,500,000.00		3,150,000.00	
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
Other benefits we are prioritizing hiring local employees and subcontractors. these homes are priced at a target at least 20% higher than the neighboring most expensive single family homes.					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative <i>Randy Hall, Member</i>				Date signed (month, day, year) 02/24/2022	
Printed name of authorized representative Randy Hall				Title Member	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is _____. NOTE: This question addresses whether the resolution contains an expiration date for the designated area.

B. The type of deduction that is allowed in the designated area is limited to:
 1. Redevelopment or rehabilitation of real estate improvements ☒ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☒ No

C. The amount of the deduction applicable is limited to \$ _____.

D. Other limitations or conditions (specify) Six year deduction for 14 single family homes,

E. Number of years allowed: ☒ Year 1 ☒ Year 2 ☒ Year 3 ☒ Year 4 ☒ Year 5 (see below) ☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10

F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No

If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

traditional
Schedule
See Below
for additional
information

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body) <u>Matthew Claussen</u>	Telephone number <u>(219) 942-1940</u>	Date signed (month, day, year) <u>3-16-22</u>
Printed name of authorized member of designating body <u>MATTHEW CLAUSSEN</u>	Name of designating body <u>Common Council</u>	
Attested (signature and title of attester) <u>Deborah A. Long</u>	Printed name of attester <u>DEBORAH A. LONGER</u>	

If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. Except as provided in IC 6-1.1-12.1-18, the deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)

B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. Except as provided in IC 6-1.1-12.1-18, an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

The following 14 lots of the Cressmoor Estates PUD, Phase I are eligible for a 6 year tax abatement:

Lot #: 77, 78, 79, 80, 81, 84, 85, 86, 87, 101, 103, 104, 105, & 106.

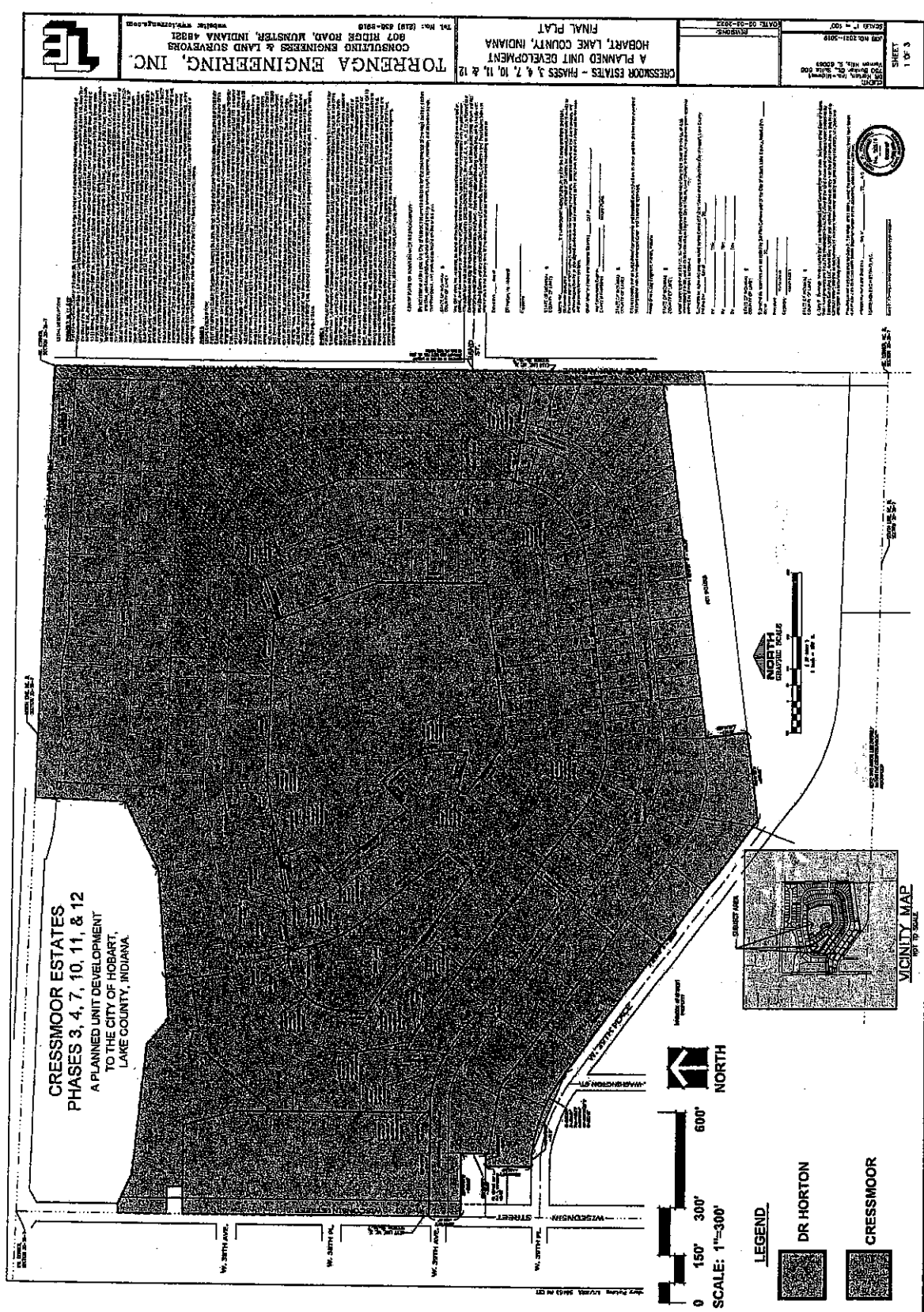
These homes are only eligible for tax abatement if they are owner-occupied. Should one of these homes become a rental property, it is no longer eligible for tax abatement.

The following deduction schedule shall be applied:

Year 1: 100%
 Year 2: 85%
 Year 3: 66%
 Year 4: 50%
 Year 5: 34%
 Year 6: 17%

Page 2 of 2

Please refer to the Development Agreement for additional information. The Developer, not the City, is responsible for providing information to the business.

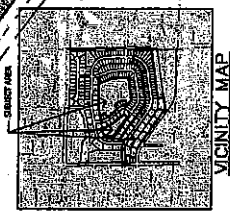


CRESSMOOR ESTATES
PHASES 3, 4, 7, 10, 11, & 12
 A PLANNED UNIT DEVELOPMENT
 TO THE CITY OF HOBART,
 LAKE COUNTY, INDIANA

0 150' 300' 600'
 SCALE: 1"=300'

LEGEND

DR HORTON
 CRESSMOOR



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 CONSULTING ENGINEERS & LAND SURVEYORS
 307 RIDGE ROAD, MUNCIE, INDIANA 47303
 TEL: (317) 281-2018
 FAX: (317) 281-2019
 WWW.TORRENGE.COM

CRESSMOOR ESTATES - PHASES 3, 4, 7, 10, 11, & 12
HOBART, LAKE COUNTY, INDIANA
A PLANNED UNIT DEVELOPMENT
FINAL PLAT

DATE: 11-10-2021
 SHEET: 1 OF 3
 PROJECT: CRESSMOOR ESTATES - PHASES 3, 4, 7, 10, 11, & 12
 DRAWN BY: J. HORTON
 CHECKED BY: J. HORTON
 APPROVED BY: J. HORTON