

**INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN  
COUNTY OF LAKE AND VILLAGE OF VERNON HILLS  
REGARDING THE CUNEO PROPERTY**

THIS INTERGOVERNMENTAL AGREEMENT (the “**Agreement**”) is entered into by and between the COUNTY OF LAKE (the “**County**”) and the VILLAGE OF VERNON HILLS (the “**Village**”) (the County and the Village are collectively referred to herein as the “Parties” and individually, generally as “**Party**”).

RECITALS

WHEREAS, the Village and the County are units of local government as defined by Article VII, Section 1 of the Constitution of the State of Illinois; and

WHEREAS, intergovernmental cooperation between Illinois local governments is authorized directly by Section 10(a) of Article VII of the Illinois Constitution 1970, and is further encouraged and authorized by the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; and

WHEREAS, under Section 3 of the Intergovernmental Cooperation Act any powers, privileges or authority exercised or which may be exercised by a public agency may be exercised, combined, transferred, and enjoyed jointly with any other public agency of this State, 5 ILCS 220/3, and public agencies may enter into agreements to effect such cooperative use of their powers, privileges, and authority under Section 5 of the Intergovernmental Cooperation Act, 5 ILCS 220/5; and

WHEREAS, The County and the Village have previously entered into that certain “Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” dated June 7, 1996 (the “**Original Sewer and Water Agreement**”).

WHEREAS, the Village desires to expand the availability of water and sewer services within the Cuneo Service Area [as defined in the Original Sewer and Water Agreement, and as proposed

to be amended and redefined in the “First Amendment to Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” in the form that is attached hereto as Exhibit 1 (the “**First Amendment**”), and to make other changes in the restrictions affecting certain properties in the Cuneo Service Area; and

WHEREAS, as more specifically set forth in this Agreement and its exhibits, the County and the Village agree to modify the potable water and sanitary sewer service provided for in the Original Sewer and Water Agreement and otherwise to modify the development parameters for the Cuneo South Commercial Property and the Cuneo Museum Property within the Cuneo Service Area, and the County and Village have each determined that doing so is in the best interests of the public health, safety, and welfare;

NOW, THEREFORE, in consideration of the foregoing premises, mutual promises, covenants, and agreements set forth herein, the Parties hereby agree as follows:

Section 1. Recitals. The foregoing recitals are material to this Agreement and are incorporated herein as though fully set forth in this Section 1.

Section 2. Amendment to Original Sewer and Water Agreement. Contemporaneous with their approval of this Agreement, and consistent with Section 9.3 of the Original Sewer and Water Agreement, the County and the Village shall also approve the First Amendment in the form that is attached hereto as Exhibit 1, subject to Section 5 of this Agreement. In the event that either Party fails to approve the First Amendment as herein provided, this Agreement shall have no further force or effect.

Section 3. Preservation Agreement.

A. The Village and Loyola University of Chicago (“**Loyola**”) have each approved that certain “Cuneo Mansion and Gardens Preservation and Campus Development Agreement” in the

form that is attached hereto as Exhibit 2 (the “**Preservation Agreement**”). Contemporaneous with its approval of this Agreement, the County shall also approve the Preservation Agreement, subject to the conditions in Section 3.B and Section 5 of this Agreement. In the event that the County fails to approve the Preservation Agreement as herein provided, this Agreement shall have no further force or effect.

B. Notwithstanding any provision to the contrary in the Preservation Agreement, the Village agrees as follows:

- i. The Village shall not approve any requested disbursements from the Cuneo Restoration and Repair Funds for any work that is not Exhibit D Work or Approved Restoration and Repair Work (as such terms are defined in the Preservation Agreement and for which Village approval is required under the Preservation Agreement) without the approval of the County Administrator; provided, however, that, in the event that the County Administrator does not object in writing to a requested disbursement that is not for Exhibit D Work within fifteen (15) days after notice of the requested disbursement is delivered to the County Administrator, the County will be deemed to have approved the requested disbursement. In addition, upon written request from the County, the Village will request from Loyola documentation evidencing the costs incurred for any Approved Restoration and Repair Work. In the event that the Village receives documentation from Loyola evidencing the costs incurred for any Approved Restoration and Repair Work, the Village shall deliver to the County Administrator a complete set of such documentation.
- ii. Upon written request of the County, the Village shall request from Loyola a written summary of Loyola’s expenditures with respect to campus facility improvements on the Property in accordance with Section 4 of the Preservation Agreement.
- iii. Upon written request of the County, the Village shall request Loyola to cooperate in seeking a nomination of the Cuneo Mansion and a portion of the surrounding gardens and grounds for listing on the National Register of Historic Places in accordance with Section 5 of the Preservation Agreement.
- iv. Upon written request of the County, in the event that Loyola defaults in its obligations under the Preservation Agreement, the Village shall notify Loyola of such violation in accordance with Section 8 of the Preservation Agreement. Further, if such default is not cured within sixty (60) days of written notice from the Village as provided in Section 8 of the Preservation Agreement, the County may request Village in writing to pursue enforcement of the Preservation Agreement, and the Village agrees to do so. If the Village pursues an enforcement action at the request of the County: (a) the

County shall reimburse the Village for its reasonable attorneys' fees and expenses incurred in connection with such enforcement; less (b) any monetary compensation awarded to the Village in connection with such enforcement or the settlement thereof (whether in the form of damages, fines, penalties, interest, or otherwise).

Section 4. Amendment to Cuneo South Commercial Property Declaration.

Contemporaneous with their approval of this Agreement, the County and the Village shall also approve the "Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property Now to Be Known as the Cuneo South Residential Property" in the form that is attached hereto as Exhibit 3 (the "**Amended Covenant**"), which Amended Covenant is intended to supersede that certain "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835077 (the "**1996 Declaration**"). The approvals of the County and the Village with respect to the Amended Covenant are consistent with Clause V.D of the 1996 Declaration, but they shall have no force or effect unless and until the Village and County each have approved this Agreement, the First Amendment, and the Preservation Agreement, and the approval of the Amended Covenant shall be further subject to Section 5 of this Agreement.

Section 5. Sequencing of Approvals.

The Parties acknowledge and agree that neither this Agreement, the First Amendment, the Preservation Agreement, nor the Amended Covenant shall have any force or effect unless and until they all have been fully executed by all Parties to each of the respective documents. In addition, the County shall not execute any of the Agreement, the First Amendment, the Preservation Agreement, or the Amended Covenant unless and until such documents have been delivered to the County bearing the signatures of all other parties thereto.

Section 6.     Incorporation of Exhibits. Exhibits 1 through 3 attached hereto are hereby incorporated into and made part of this Agreement.

Section 7.     Applicable Law; Venue; Challenges to Agreement; Interpretation; Severability.

A.     Applicable Law and Venue. This Agreement is executed and to be performed in the State of Illinois, and shall be governed by and construed in all respects, whether as to validity, construction, capacity, performance, or otherwise, in accordance with the laws of the State of Illinois. It is agreed between the parties that, in the event of any dispute involving, arising out of, or concerning this Agreement, venue shall lie in the Circuit Court of the Nineteenth Judicial Circuit, Lake County, Illinois.

B.     Joint Defense. In the event that a third-party should make a claim or demand or file a suit challenging the provisions of this Agreement or its exhibits (including without limitation any challenge that this Agreement is unlawful or unauthorized) (a “**Claim**”), the Parties shall jointly defend themselves, each other, and this Agreement against such Claim, unless the Parties mutually agree to modify the Agreement in a manner that would negate the Claim.

C.     Interpretation and Severability. In case of any conflict among the provisions of this Agreement, the provision that best promotes and reflects the intent of the Parties shall control. If any provision of this Agreement is construed or held to be void, invalid, or unenforceable in any respect, the remaining provisions of this Agreement shall not be affected thereby but shall remain in full force and effect.

Section 8.     Effective Date. This Agreement shall be effective as of the date that the last Party has executed this Agreement as evidenced by the dates contained on the signature page of this Agreement.

Section 9.     Execution in Counterparts. This Agreement and its exhibits may be executed in multiple identical counterparts, and all of such counterparts, taken individually and taken together, shall constitute the Agreement.

Section 10.    No Third Party Beneficiaries. Nothing in this Agreement shall create, or shall be construed or interpreted to create, any legal or equitable third party beneficiary rights.

Section 11.    Amendments. Except as expressly provided otherwise in this Agreement, this Agreement shall not be modified, changed, altered, amended, or terminated without the written and duly authorized consent of the County and the Village.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed by their duly authorized corporate officers and have caused their corporate seals to be hereunto affixed all as of the day and year first above written.

VILLAGE OF VERNON HILLS

COUNTY OF LAKE

By: \_\_\_\_\_  
      Its Village President

By: \_\_\_\_\_  
      Its Chairman

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
      Village Clerk

Attest: \_\_\_\_\_  
      County Clerk

**EXHIBIT 1**

First Amendment to Agreement for Sanitary Sewer and Water Supply Services to the  
Cuneo Service Area of the Village of Vernon Hills

**FIRST AMENDMENT TO AGREEMENT FOR SANITARY  
SEWER AND WATER SUPPLY SERVICES TO THE CUNEO  
SERVICE AREA OF THE VILLAGE OF VERNON HILLS**

This **FIRST AMENDMENT TO AGREEMENT FOR SANITARY SEWER AND WATER SUPPLY SERVICES TO THE CUNEO SERVICE AREA OF THE VILLAGE OF VERNON HILLS** (the "**First Amendment**") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 by and between the **COUNTY OF LAKE** (the "**County**") and the **VILLAGE OF VERNON HILLS** (the "**Village**").

**SECTION ONE: Recitals.**

a. The County and the Village entered into that certain "Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills" dated June 7, 1996 (the "**Original Sewer and Water Agreement**").

b. Under Section 5.3(a) of the Original Sewer and Water Agreement, services to residential dwelling units in the Cuneo Service Area are limited to a maximum of 2,100 dwelling units, which are all to be located within the Cuneo Residential Service Area.

c. The Village has requested an expansion of the Cuneo Service Area and an increase of the extent of services to be provided to residential units within the Cuneo Service Area as expanded from 2,100 dwelling units to 2,126 dwelling units, which latter number includes 128 dwelling units to be hereafter constructed in the Cuneo expanded Residential Service Area described in Section Two of this First Amendment.

d. Subject to the terms and conditions of this First Amendment, the County agrees to expand the Cuneo Service Area and to increase the extent of County sewer and water service to for residential dwelling units within such expanded service area from 2,100 to 2,126 dwelling units.

**SECTION TWO: Amendment to Section 2.17.** Section 2.17 of the Original Sewer and Water Agreement is hereby amended in its entirety, so that said Section 2.17 shall hereafter be and read as follows:

2.17 **Cuneo Service Area**

The entire Cuneo Property, ~~excepting only (i) that portion of the Cuneo Property, consisting of a strip of land running parallel to, and abutting, the south side of the EJ&E Railroad Right-of-way Lake View Parkway and Butterfield Road, which is to be legally described on Exhibit A to be attached to this Agreement pursuant to Section 9.12 of this Agreement, and which is generally depicted on the Cuneo Service Area Map attached hereto as Exhibit B (the "Strip") and (ii) that portion of the Cuneo Property commonly referred to as the Cuneo Museum Property, which contains approximately 80 acres located south of the EJ&E Railroad right-of-way and directly west of and along Milwaukee Avenue, which is devoted to the Cuneo Museum and related uses, which is to be legally described on Exhibit A to be attached to this Agreement pursuant to Section 9.12 of this Agreement, and which is generally depicted on the Cuneo Service Area Map attached hereto as Exhibit B.~~ The Strip and the Cuneo Museum Property are **is** not part of the Cuneo Service Area. The Cuneo Service Area is composed of the following ~~two~~ **four** services areas:

- A. **Cuneo Commercial Service Area.** The area designated and outlined on ~~Exhibit B~~ **Exhibit 1-A to this First Amendment** hereto as the area within the Cuneo Service Area, consisting of approximately ~~439~~ **127.7** acres, to be developed for Retail Commercial, office, and hotel uses.
- B. **Cuneo Residential Service Area.** The area designated and outlined on ~~Exhibit B~~ hereto **Exhibit 1-A to this First Amendment** as the area within the Cuneo Service Area, consisting of approximately ~~937~~ **931** acres, to be developed for residential, recreational, and other similar uses.
- C. **Cuneo Museum Service Area.** **The area designated and outlined on Exhibit 1-A to this First Amendment, which contains approximately 44 acres located south of the EJ&E Railroad right-of-way and directly west of and along Milwaukee Avenue. The final boundaries of the Cuneo Museum Service Area shall be as approved by the Village as part of the Planned Unit Development ("PUD") applicable to the**

**Cuneo Expanded Residential Service Area. The Cuneo Museum Service Area shall be devoted to the Cuneo Museum and uses related thereto as may be authorized under the applicable zoning.**

**D. Cuneo Expanded Residential Service Area. The area designated and outlined on Exhibit 1-A to this First Amendment, which contains approximately 53 acres located south of the EJ&E Railroad right-of-way and directly west of and along Milwaukee Avenue. The final boundaries of the Cuneo Expanded Residential Service Area shall be as approved by the Village as part of the PUD applicable to the Cuneo Expanded Residential Service Area, which is devoted to the development of not more than 128 dwelling units and related accessory and recreational uses permitted under the PUD.**

**SECTION THREE: Amendment to Section 5.3.** Section 5.3 of the Original Sewer and Water Agreement is hereby amended in its entirety, so that said Section 5.3 shall hereafter be and read as follows:

**5.3 Limitations on County Service.**

Notwithstanding any other provision of this Agreement, the right of the Village and of the Customers in the Cuneo Service Area to receive Sanitary Sewer and Water Supply Service from the County, and the County's obligation to provide Sanitary Sewer and Water Supply Services within the Cuneo Service Area, shall be subject to the following limitations and conditions:

- (a) The total number of residential dwelling units receiving Sanitary Sewer and Water Supply Service within the Cuneo Service Area shall not exceed ~~2400~~ **2,126**. All such ~~2400~~ **2,126** residential dwelling units shall be located within the Cuneo Residential Service Area **or the Cuneo Expanded Residential Service Area.**
- (b) The total amount of Sewage delivered to the Cuneo Sewage Collection Facilities from within the Cuneo Commercial Service Area shall not exceed 3400 P.E. Service within the Cuneo Commercial Service Area shall be limited to Retail Commercial, office, and hotel uses; ~~provided, however, that~~

~~in that portion of the Cuneo Commercial Service Area located south of the EJ&E Railroad right-of-way line and more than 1,000 feet west of the west right-of-way line in Milwaukee Avenue, as such right-of-way lines are legally established or adjusted from time to time, Retail Commercial use shall be restricted to Retail Commercial uses that are directly ancillary to, and located within and operated as part of, an office or hotel operation or use. The Cuneo Commercial Service Area shall not exceed 447 127.7 acres.~~

- (c) Water Supply Service within the Cuneo Service Area shall be commensurate with the aforesaid levels of Sanitary Sewer Service.
- (d) **Except with respect to the Cuneo Expanded Residential Service Area and the Cuneo Museum Service Area, the** The number, size, and location of all points of connection between the Cuneo Sewage Collection Facilities and the County-Vernon Hills Interceptors and between the Cuneo Water Distribution Facilities and the County-Vernon Hills Waterworks System shall be as shown on Exhibits C, D, E, F, G, H, and I attached hereto or as otherwise approved or required by the County.
- (e) Neither the Village nor any Customer within the Cuneo Service Area shall discharge any Industrial Waste to the County-Vernon Hills Sewerage System, and the County shall not be required to accept any Industrial Waste from the Cuneo Service Area.
- (f) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be on the first come-first served basis and within the limits of available capacity.
- (g) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be subject to the County Sewer and Water Ordinances and all other applicable laws, ordinances, rules, and regulations, including any Pretreatment standards.
- (h) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be subject to all other terms and conditions of this Agreement.
- (i) **The total amount of Sewage delivered to the Cuneo Sewage Collection Facilities from within the Cuneo Museum Service Area shall not exceed 100 P.E. Service within the Cuneo Museum Service Area shall be limited to the Cuneo Museum and the educational and other permitted uses authorized under the PUD for the Cuneo Museum Service Area. All existing septic systems within the Cuneo Museum Service Area, if any, shall be discontinued and connected to the Cuneo Sewage Collection Facilities within 24 months after the execution of this First Amendment.**
- (j) **Sanitary Sewer and Water Supply Services to the Cuneo Expanded Residential Service Area and the Cuneo Museum Service Area shall**

**be further conditioned as set forth in Section Four of this First Amendment.**

**SECTION FOUR: Conditions on Amendments with Respect to the Cuneo Expanded Residential Service Area.** With respect to the provision of any Sanitary Sewer or Water Supply Services within the Cuneo Expanded Residential Service Area or the Cuneo Museum Service Area, the following terms and conditions must be satisfied:

- (a) The number, size, and location of all points of connection between the Cuneo Sewage Collection Facilities and the County-Vernon Hills Interceptors and between the Cuneo Water Distribution Facilities and the County-Vernon Hills Waterworks System shall be subject to the review and written approval of the County.
- (b) The provisions of Sections 3.1 and 3.2 of the Original Sewer and Water Agreement shall be modified only with respect to Sanitary Sewer or Water Supply Services within the Cuneo Expanded Residential Service Area or the Cuneo Museum Service Area as follows:
  - i. The work schedules referenced in Section 3.1.A of the Original Sewer and Water Agreement shall have no applicability;
  - ii. The “Master Letter of Credit” referenced in Section 3.2.A of the Original Sewer and Water Agreement shall not apply to work related to the Sanitary Sewer or Water Supply Services within the Cuneo Expanded Residential Service Area or the Cuneo Museum Service Area, but any such work will be required to provide security as required by the County Sewer and Water Ordinances; and
  - iii. The Village shall cause the work related to the Sanitary Sewer and Water Supply Services within the Cuneo Expanded Residential Service Area and the Cuneo Museum Service Area to be commenced within one year after the date of the conveyance of the Cuneo Expanded Residential Service Area property from Loyola University of Chicago to Pulte Home Corporation; provided, however, that, unless otherwise authorized in writing by the County, no Sanitary Sewer and Water

Supply Services shall be available to either the Cuneo Expanded Residential Service Area or the Cuneo Museum Service Area until such work has been fully permitted, approved by, dedicated to, and accepted by the County.

**SECTION FIVE: Amendment to Section 9.2.** Section 9.2, entitled "Exhibits," of Article IX, entitled "Legal Relationships and Requirements," of the Original Sewer and Water Agreement is hereby amended in its entirety, so that said Section shall hereafter be and read as follows:

9.2 **Exhibit.**

Exhibits A through and including I attached to this Agreement, **and Exhibit 1-A attached to the First Amendment to this Agreement,** are, by this reference, incorporated into and made a part of this Agreement. **To the extent of any inconsistency between Exhibit 1-A to the First Amendment and any other Exhibit to the Agreement, Exhibit 1-A shall control.**

**SECTION SIX: Continuing Effect.** Except as amended in this First Amendment, the Original Sewer and Water Agreement shall remain in full force and effect and shall be enforceable according to its terms.

**SECTION SEVEN: Effective Date; Counterparts.** This First Amendment shall be effective upon its approval and execution by duly authorized representatives of the County and the Village. This First Amendment may be executed in multiple counterparts, with each set of executed signature pages being deemed an original of this First Amendment.

**[END OF TEXT; SIGNATURES TO FOLLOW ON NEXT PAGE]**

IN WITNESS WHEREOF, the County and the Village have, by their duly authorized officers, set their hands and affixed their seals on the date first above written.

**COUNTY OF LAKE**

**VILLAGE OF VERNON HILLS**

BY: \_\_\_\_\_  
Chairman, Lake County Board

BY: \_\_\_\_\_  
Village President

ATTEST:

ATTEST:

\_\_\_\_\_  
County Clerk

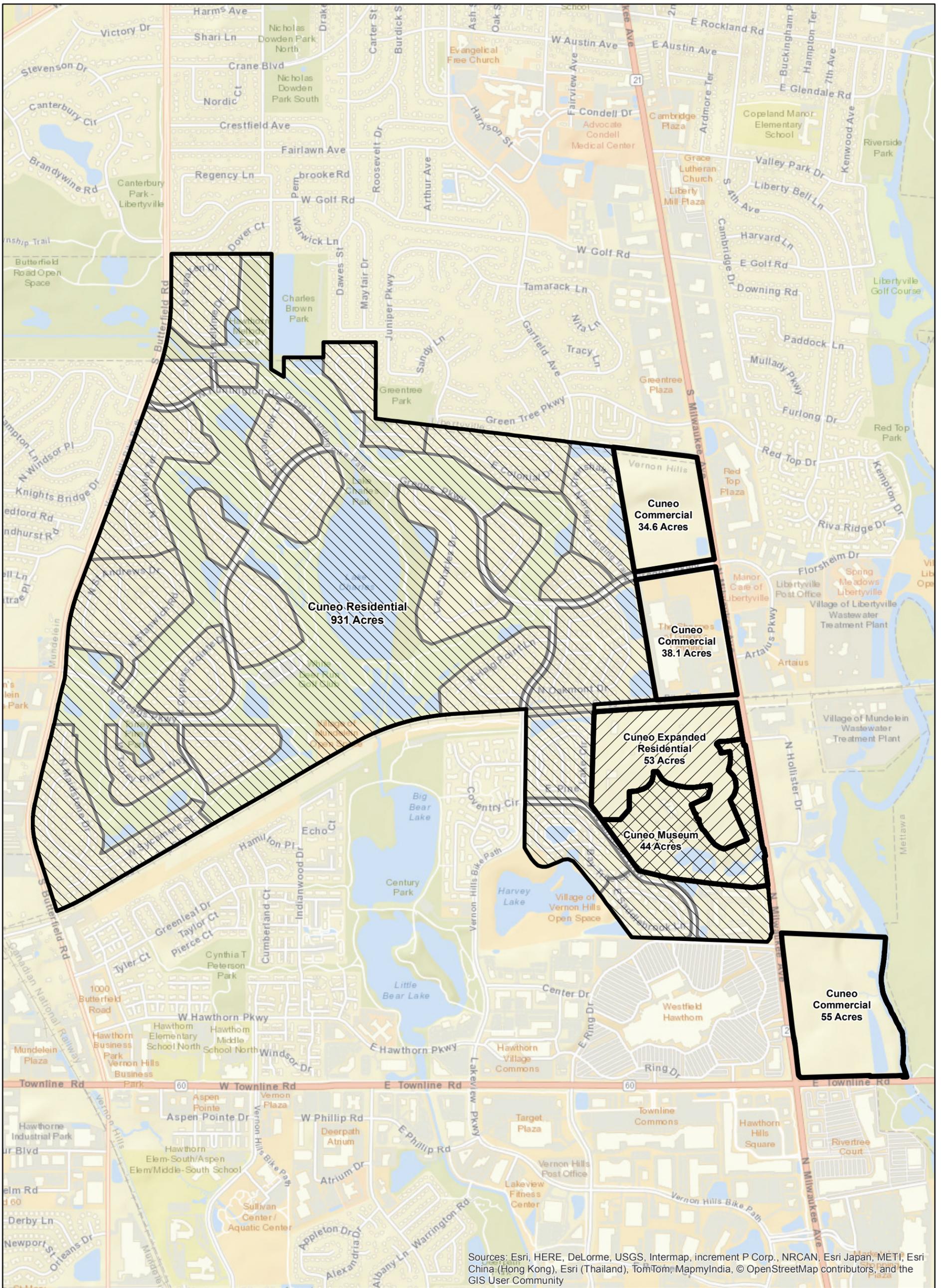
\_\_\_\_\_  
Village Clerk

(SEAL)

(SEAL)

**EXHIBIT 1-A**

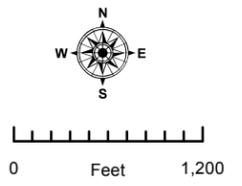
**Cuneo Service Area Map**



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

# EXHIBIT 1-A CUNEO SERVICE AREA MAP

-  Cuneo Residential Service Areas - 931 Acres
-  Cuneo Commercial Service Areas - 127.7 Acres
-  Cuneo Museum Service Area - 44 Acres
-  Cuneo Expanded Residential Service Area - 53 Acres



**EXHIBIT 2**

**Cuneo Mansion and Gardens Preservation and Campus Development Agreement**

**CUNEO MANSION AND GARDENS PRESERVATION AND  
CAMPUS DEVELOPMENT AGREEMENT**

This CUNEO MANSION AND GARDENS PRESERVATION AND CAMPUS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2015 by, between and among (i) the County of Lake, an Illinois body politic and corporate (the "County"); (ii) the Village of Vernon Hills, an Illinois municipal corporation (the "Village"); and (iii) Loyola University of Chicago, an Illinois not-for-profit corporation ("Loyola" or the "University").

**RECITALS**

A. Loyola is the owner of the real property and improvements located on the approximately ninety-seven (97) acres legally described on Exhibit A to this Agreement and the improvements located thereon (the "Property"), which improvements include, among other things, the former Cuneo mansion and gardens (such mansion and gardens, the "Cuneo Mansion and Gardens"). Exhibit B depicts the Cuneo Mansion and Gardens property that shall remain after the sale to Pulte.

B. Since acquiring the Property in March 2010, Loyola has invested over \$8 million in maintaining and repairing the Cuneo Mansion and Gardens and in constructing certain new improvements on such property in an effort both to preserve the Cuneo Mansion and Gardens and to develop new facilities on the Property to serve as a Lake County campus for the University, as summarized on Exhibit C to this Agreement.

C. Loyola has recently identified additional restoration and repair work that Loyola anticipates needs to be done to preserve and maintain the Cuneo Mansion and Gardens, as summarized on Exhibit D to this Agreement.

D. To fund such necessary but unforeseen maintenance and repair work, Loyola is seeking to sell approximately fifty-three (53) acres of the Property (the "Residential Project Property") to Pulte Home Corporation ("Pulte") for the development of a residential community consisting of up to 128 single family homes (the "Residential Project"), the final unit count being subject to approval by the Village as part of the land use entitlements ("Land Use Entitlements"). The area designated for the Residential Project is generally depicted on the map attached as Exhibit E to this Agreement. The Residential Project Property shall be adjusted to match the area encompassed by the Land Use Entitlements as approved by the Village.

E. The Residential Project will require certain governmental approvals and entitlements from the County and the Village which shall run with the Property (or the applicable portions thereof), govern its future development, and shall be binding upon and for the benefit of the owner(s) of the Property.

F. The County, the Village, and Loyola share a long-term interest in the continued presence and operation of the Cuneo Mansion and Gardens and in the University's development and operation of a Lake County campus on the Property.

G. The parties are therefore entering into this Agreement to set forth certain understandings concerning the Residential Project and Loyola's commitment both to maintain and repair the Cuneo Mansion and Gardens and to undertake certain campus improvements on the Property.

NOW THEREFORE, in consideration of the above recitals, the covenants and obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

### **AGREEMENTS**

1. **Incorporation of Recitals and Exhibits.** The recitals set forth above, and the Exhibits attached to this Agreement, are incorporated herein by reference, and constitute a material part of this Agreement.

2. **Operation of Cuneo Mansion and Gardens.** Subject to Section 6 regarding a possible earlier expiration of the restrictive operating covenants applicable to the Cuneo Mansion and Gardens imposed by the Cuneo Foundation, Loyola covenants to operate the Cuneo Mansion and Gardens through at least March 2030 in a manner consistent with Loyola's religious, educational, scientific and charitable purposes (collectively, "University Purposes"). Loyola shall provide controlled public access ("Public Access") to the Cuneo Mansion and Gardens, which shall include tours and other programs at least eight (8) days per month during March through December, including at least one (1) free day per month during such months. Loyola shall use reasonable efforts to accommodate small theater, musical and similar cultural performances as part of the Public Access, which shall include but not be limited to artists or groups who have performed in the Cuneo Mansion in the past. The mansion will be closed to the public in January and February for annual cleaning and repair work.

Loyola is currently undertaking certain restoration work with respect to the artwork identified in Exhibit F which, after restoration, shall be returned to the Cuneo Mansion. Artwork gifted to Loyola as part of the initial transfer of the Cuneo Mansion and Gardens shall also be returned to the Cuneo Museum if Loyola, in its sole discretion, determines that such objects (a) are in a condition suitable for display, (b) will not suffer damage or deterioration as a result of such display, and (c) can be safely and securely displayed, with adequate insurance coverage available to cover any loss from theft or vandalism at a premium reasonably acceptable to Loyola.

During the restrictive covenant period, Loyola shall retain the chapel space and shall not remodel the chapel space in the Cuneo Mansion into a classroom or other use, nor shall Loyola substantially alter the grand foyer, grand staircase, dining room or living room, but shall,

consistent with its undertakings under this Agreement, maintain such first floor improvements in their current condition, ordinary wear and tear excepted.

3. **Establishment of Cuneo Restoration and Repair Fund**. In furtherance of Loyola's commitments under Section 2 above, upon the closing of the Residential Project Property, Loyola shall fund a joint order restoration and repair reserve escrow account with a title company, or a similar joint order account with another escrow agent mutually acceptable to the parties (any such account, the "Joint Order Escrow Account"), in the amount of Three Million and No/100 Dollars (\$3,000,000) (the "Cuneo Restoration and Repair Funds"). Because the sale of the Residential Project Property will take place in two phases, Loyola shall fund the Cuneo Restoration and Repair Funds in two installments, simultaneously with such closings, and in an amount proportionate to the percentage of the overall purchase price received by Loyola at each such closing (e.g., if Loyola receives 60% of the purchase price at the first closing, Loyola will fund One Million Eight Hundred Thousand and No/100 Dollars (\$1,800,000) of the Cuneo Restoration and Repair Funds at the time of such closing). If the initial sale of the Residential Project Property to Pulte does not occur prior to April 1, 2016, Loyola shall have the right to terminate this Agreement, in Loyola's sole discretion.

The Cuneo Restoration and Repair Funds shall initially fund the Cuneo mansion restoration and repair work ("Exhibit D Work") listed on Exhibit D to this Agreement in accordance with the estimated schedule set forth therein, and to maintain the Cuneo gardens depicted on Exhibit B. However, in the event that Loyola, in its reasonable discretion, determines that any other restoration and/or repair work ("Other Work") is more urgent or critical to the long-term preservation of the Cuneo Mansion than the Exhibit D Work, Loyola may re-prioritize the scheduled work, may expend the Cuneo Restoration and Repair Funds on such Other Work not listed on Exhibit D, and may otherwise perform such Other Work as may be necessary or appropriate (all such Exhibit D Work and Other Work to be "Approved Restoration and Repair Work"). In such event, Loyola shall provide the Village and the County with reasonably prompt written notice of such changes, which notice requirement shall occur before the Other Work is commenced.

Disbursements of the Cuneo Restoration and Repair Funds shall be made from the Joint Order Escrow Account, with the written approval of both Loyola and the Village, to contractors, subcontractors, and materials suppliers performing work or providing materials with respect to the Approved Restoration and Repair Work. The Village shall at all times have the right to monitor construction progress, confirm that the work being done constitutes Approved Restoration and Repair Work, and that such work is satisfactorily completed and paid for. Provided that such conditions are satisfied, the Village shall grant its timely approval to such disbursements. Loyola shall at all times have the right in its sole discretion to contract for and select the contractors, subcontractors, and materials suppliers performing work or providing materials with respect to the Approved Restoration and Repair Work, the scope and prioritization of which shall be within Loyola's reasonable discretion, as described in the immediately preceding paragraph.

Loyola shall provide a written summary to the County and the Village of Loyola's expenditure of the Cuneo Restoration and Repair Funds on a semi-annual basis until such funds have been fully expended.

Notwithstanding anything to the contrary herein, up to Five Hundred Thousand and No/100 Dollars (\$500,000) of the Three Million and No/100 Dollars (\$3,000,000) in Cuneo Restoration and Repair Funds may also be spent on updates, renovations, improvements, utilities, and similar infrastructure serving the Cuneo Mansion and Gardens, as delineated on Exhibit G (e.g., a new irrigation system for the gardens, a new sewer, water, or electrical line, construction of a spine road, parking lot for the use of the mansion, and a required new detention pond) and other improvements that further the use of the mansion for University Purposes (e.g., the installation of air conditioning or ADA accessibility improvements), which shall also constitute Approved Restoration and Repair Work. Notwithstanding the foregoing, the Five Hundred Thousand and No/100 Dollars (\$500,000.00) shall not be used in conjunction with any work, utility, public improvement or similar infrastructure required for or involving the Residential Project. The Cuneo Restoration and Repair Funds may not be spent on the campus improvements described in Section 4 below, or on other campus improvements or improvements to existing campus facilities, but must be spent solely on Approved Restoration and Repair Work.

If, notwithstanding Loyola's expenditure of the Cuneo Restoration and Repair Funds, the condition of the Cuneo Mansion and Gardens does not allow the public to safely access such mansion and gardens, Loyola shall not be obligated under this Agreement to spend additional funds to provide such access and may restrict access to portions thereof consistent with such safety concerns.

Loyola will pay for ongoing maintenance of the Cuneo Mansion and Gardens out of Loyola general operating funds, consistent with its practices for other Loyola-owned facilities and its obligations under this Agreement. Landscaping, painting and scheduled, customary maintenance and repairs shall be done on a yearly basis. Upon the Village's written request (but not more than once annually), Loyola agrees to submit reasonable documentation evidencing the costs incurred for such work to the Village.

If, after the second phase closing of the sale of the Residential Project Property to Pulte, and prior to expenditure of all of the Cuneo Restoration and Repair Funds, Loyola transfers title to the Cuneo Mansion and Gardens to a third party, Loyola shall also transfer or otherwise assign its rights to the funds in the Joint Order Escrow Account to such third party transferee or assignee.

Loyola shall comply with Village Codes with regard to Approved Restoration and Repair Work and maintenance activities on the Property, including required building permits and inspections.

4. **Campus Improvements.** In an effort to further develop and improve the University's facilities at the Property as part of the University's efforts to establish a Lake County campus for its academic programs, including, without limitation, the Quinlan School of Business, the School of Education, the Institute for Paralegal Studies, the Institute For Pastoral

Studies, the School of Continuing and Professional Studies, and English Language Learners course offerings, Loyola also anticipates funding the improvements described on Exhibit H to this Agreement in furtherance of such academic programming initiatives and, upon reaching a stabilized enrollment equal to or greater than the benchmark specified on Exhibit H, will undertake such improvements.

However, in the event that Loyola, in its reasonable discretion, determines that any improvements (whether listed on Exhibit H or subsequently determined to be necessary or appropriate) are more likely to advance University Purposes, including the successful development of a satellite campus on the Property, than the improvements listed on Exhibit H, Loyola may re-prioritize the scheduled improvements, may construct other improvements, or may make additional improvements to existing facilities, as Loyola deems necessary or appropriate.

Upon the Village's written request (but not more than once annually), Loyola shall provide a written summary to the County and the Village of Loyola's expenditures with respect to campus facility improvements on the Property during the just ended calendar year until the improvements identified in Exhibit H have been substantially completed. Loyola shall also provide interim updates to the County and the Village upon written request.

**5. Designation on National Register.** If requested in writing by the Village, Loyola will cooperate with the Village and the Illinois State Historic Preservation Officer in nominating the Cuneo Mansion and a portion of the surrounding gardens and grounds for listing on the National Register of Historic Places. Such nomination shall designate certain significant and historical architectural features of the Cuneo Mansion as having historical significance, including the exterior façade, the chapel and first floor atrium, but shall not designate other rooms or features, so as to allow for the economical, adaptive reuse of other portions of the mansion if necessary or appropriate such as, for example, for University Purposes such as classrooms or offices.

**6. Possible Sale of Mansion to Village.** After the sale of the Residential Property to Pulte has been completed, Loyola, may, in its sole discretion, offer to sell the remainder of the Property, including the then-existing Cuneo Mansion and Gardens (but not any artwork, Cuneo family objects, or the pavilion), to the Village (or to the Village's assignee or nominee, so long as such assignee or nominee is either a unit of government or a not-for-profit, tax exempt entity that has historic preservation as a primary purpose) for One Dollar (\$1.00). It is specifically acknowledged that any sale of the Mansion pursuant to the preceding sentence shall include fixtures within the Mansion but shall not include any artwork that was gifted to Loyola and which may be present in the Mansion at the time of the sale. Under the current limiting restrictions applicable to the Cuneo Mansion and Gardens, such sale could not occur prior to 2030 (provided, however, such offer to sell may be at an earlier date if the Cuneo Foundation, in its sole discretion, removes the restrictions). If Loyola exercises such sole discretion, Loyola may require that the contract for sale include the following terms, among others: (a) the right for the University to retain fee simple title to the portion of the Property and any then-existing improvements on the Property which, at the time of the contract, are being used by Loyola to conduct classes, seminars, or educational activities, or for other University Purposes, including,

without limitation, the pavilion and any parking area; (b) the right for the University to continue to use, on a rent free basis (subject to Loyola's allocable contribution for operating expenses) such portions of the Cuneo Mansion in which Loyola is, at the time of the contract, then conducting classes, seminars, or educational activities, or other University Purposes, in each case so that Loyola may continue to operate a Lake County Campus; and (c) grants to the University, at no cost to the University, for easements for such ingress, egress, utilities, drainage and storm water retention, parking and such other appurtenances as may be reasonably necessary to enable the University's continued operation of such campus.

If, within fifteen (15) years of Loyola's sale of the then-existing Cuneo Mansion and Gardens to the Village or the Village's permitted assignee or nominee, either (a) the mansion is demolished, or (b) such property is rezoned or otherwise entitled for development for a use other than the historic preservation and operation of such mansion and gardens, then in that event (or, in the event of the demolition of the Cuneo Mansion, the subject vacant land), or any portion thereof, to a private party, Loyola shall be entitled to fifty percent (50%) of the net proceeds<sup>1</sup> received by the Village or its permitted assignee or nominee from any and all such sale(s) or transfer(s) occurring within such fifteen (15) year period.

7. **Agreement Conditions Precedent.** Notwithstanding the parties' execution of this Agreement, Loyola's obligations under Sections 2 through 6 of this Agreement are subject to the following conditions precedent to the effectiveness of such obligations: (a) the prior receipt by Loyola (or Pulte, or both such parties) of the necessary governmental approvals for the Residential Project, and (b) the actual closing of the sale of the land for such project to Pulte in accordance with the terms of the Real Estate Sale Contract dated as of September 5, 2013 by and between Seller and Purchaser, as amended from time to time. If one or both of such conditions precedent does not occur, this Agreement shall terminate upon the University's written notice to the Village and the County. Notwithstanding the foregoing, if the initial closing takes place, this Agreement shall not terminate but shall remain in effect on a pro rated financial basis regarding the portion of the Property sold as contemplated in Paragraph 1 of Section 3 of this Agreement and for the number of residential lots contained in the first take down by Pulte.

In the event the Village approves less than 128 units Loyola has the option to terminate this agreement at its discretion.

Notwithstanding the parties' execution of this Agreement and any provision herein that might be interpreted to the contrary, this Agreement is subject to the condition that the Village hold the necessary hearings to consider and approve the land use change requests and revisions to such other agreements as may be required prior to implementing the development plan contemplated in this Agreement. The Village is not bound by this Agreement to approve the land use requests but shall follow Village code and state law in proceeding with hearings to consider said requests.

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<sup>1</sup> Net Proceeds is defined as the net dollars received by the Village or the Village's permitted assigned or nominee after all costs and expenses of the transaction are subtracted from the proceeds.

8. **Default; Enforcement.** In the event that Loyola defaults in its obligations under this Agreement, and such default is not cured within sixty (60) days of written notice from the Village, the Village shall have the right to specifically enforce the terms of this Agreement, and to recover the reasonable costs of any attorney's fees and expenses incurred in doing so. Notwithstanding the foregoing, in the event a default cannot reasonably be cured within such sixty (60) day period (such as, for example, by an inability to perform certain maintenance and repair or garden work due to weather conditions or seasonal planting limitations), the period for curing such default shall be reasonably extended as necessary so long as Loyola provides reasonable evidence of its intent and ability to cure such default during such initial sixty (60) day period and thereafter follows through in a diligent manner, taking into account such limiting circumstances, to cure such default.

Notwithstanding the above paragraph or anything in Section 4 to the contrary, if either the President of the University or the Board of Trustees of the University determines to discontinue operation of a Lake County campus on the Property, the University's obligations under Section 4 shall be (a) suspended during the duration of such discontinuance, if such discontinuance is temporary, and (b) terminated, if such discontinuance is permanent, and in neither instance shall Loyola be deemed in default in its obligations under this Agreement.

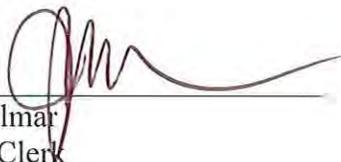
9. **Counterpart Signatures.** This Agreement may be executed in multiple counterpart originals and the signature pages attached to form an original, fully-executed agreement. A facsimile or photocopied signature shall have the same legal effect as an original signature.

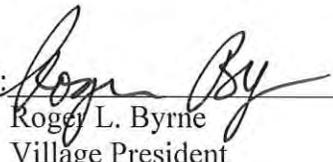
**COUNTY OF LAKE**

ATTEST: \_\_\_\_\_  
Carla N. Wyckoff  
County Clerk

By: \_\_\_\_\_  
Aaron Lawlor  
County Board Chairman

**VILLAGE OF VERNON HILLS**

ATTEST: \_\_\_\_\_  
  
John Kalmar  
Village Clerk

By: \_\_\_\_\_  
  
Roger L. Byrne  
Village President

**LOYOLA UNIVERSITY OF CHICAGO**

By: \_\_\_\_\_  
Wayne Magdziarz  
Senior Vice President for  
Capital Planning and  
Campus Management

**Exhibit A**

**Legal Description of Property**

[See Attachment]

EXHIBIT "A"

LEGAL DESCRIPTION

**PARCEL 1:** THAT PART OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF MILWAUKEE AVENUE (STATE ROUTE NO. 21) AS WIDENED BY CONDEMNATION IN CIRCUIT COURT, LAKE COUNTY, ILLINOIS, CASE NO. 65-2323, WITH THE SOUTHERLY RIGHT OF WAY LINE OF THE ELGIN, JOLIET AND EASTERN RAILWAY; THENCE SOUTH 11 DEGREES 05 MINUTES 47 SECONDS EAST ALONG SAID WESTERLY LINE OF MILWAUKEE AVENUE AS WIDENED, BEING A LINE 50.00 FEET, AS MEASURED AT RIGHT ANGLES, WESTERLY OF AND PARALLEL WITH THE CENTER LINE OF MILWAUKEE AVENUE, 553.26 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 86 DEGREES 43 MINUTES 09 SECONDS WEST, 311.96 FEET; THENCE SOUTH 85 DEGREES 35 MINUTES 41 SECONDS WEST, 153.40 FEET; THENCE SOUTH 84 DEGREES 29 MINUTES 38 SECONDS WEST, 427.28 FEET; THENCE NORTH 05 DEGREES 29 MINUTES 59 SECONDS WEST, 535.67 FEET TO AN INTERSECTION WITH THE SOUTHERLY RIGHT OF WAY LINE OF SAID ELGIN, JOLIET AND EASTERN RAILWAY; THENCE SOUTH 84 DEGREES 30 MINUTES 01 SECONDS WEST ALONG SAID LAST DESCRIBED LINE, 990.10 FEET; THENCE SOUTH 00 DEGREES 22 MINUTES 54 SECONDS WEST, 1199.06 FEET; THENCE SOUTH 37 DEGREES 25 MINUTES 00 SECONDS EAST, 1032.64 FEET; THENCE SOUTH 77 DEGREES 59 MINUTES 09 SECONDS EAST, 399.87 FEET; THENCE SOUTH 84 DEGREES 27 MINUTES 58 SECONDS EAST, 688.54 FEET; THENCE SOUTH 85 DEGREES 08 MINUTES 28 SECONDS EAST, 242.41 FEET; THENCE SOUTH 86 DEGREES 31 MINUTES 10 SECONDS EAST, 125.09 FEET; THENCE NORTH 80 DEGREES 43 MINUTES 15 SECONDS EAST, 223.04 FEET TO A POINT ON THE WESTERLY LINE OF SAID MILWAUKEE AVENUE AND THE WESTERLY LINE OF MILWAUKEE AVENUE AS WIDENED PER DOCUMENT 1691385; THENCE NORTHERLY, 373.39 FEET ALONG SAID WESTERLY LINE, BEING THE ARC OF A CIRCLE CONVEX EASTERLY, HAVING A RADIUS OF 11681.72 FEET, WHOSE CHORD BEARS NORTH 10 DEGREES 10 MINUTES 51 SECONDS WEST, 373.37 FEET TO A POINT OF TANGENCY; THENCE NORTH 11 DEGREES 05 MINUTES 47 SECONDS WEST ALONG SAID WESTERLY LINE, TANGENT TO THE LAST DESCRIBED COURSE, 1176.60 FEET; THENCE SOUTH 78 DEGREES 54 MINUTES 13 SECONDS WEST ALONG SAID WESTERLY LINE, 10.00 FEET; THENCE NORTH 11 DEGREES 05 MINUTES 47 SECONDS WEST ALONG SAID WESTERLY LINE, 278.35 FEET TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM ALL THAT PART THEREOF TAKEN FOR WIDENING OF MILWAUKEE AVENUE PER DOCUMENT 4543140), IN LAKE COUNTY, ILLINOIS.

[The legal description continues on the following page.]

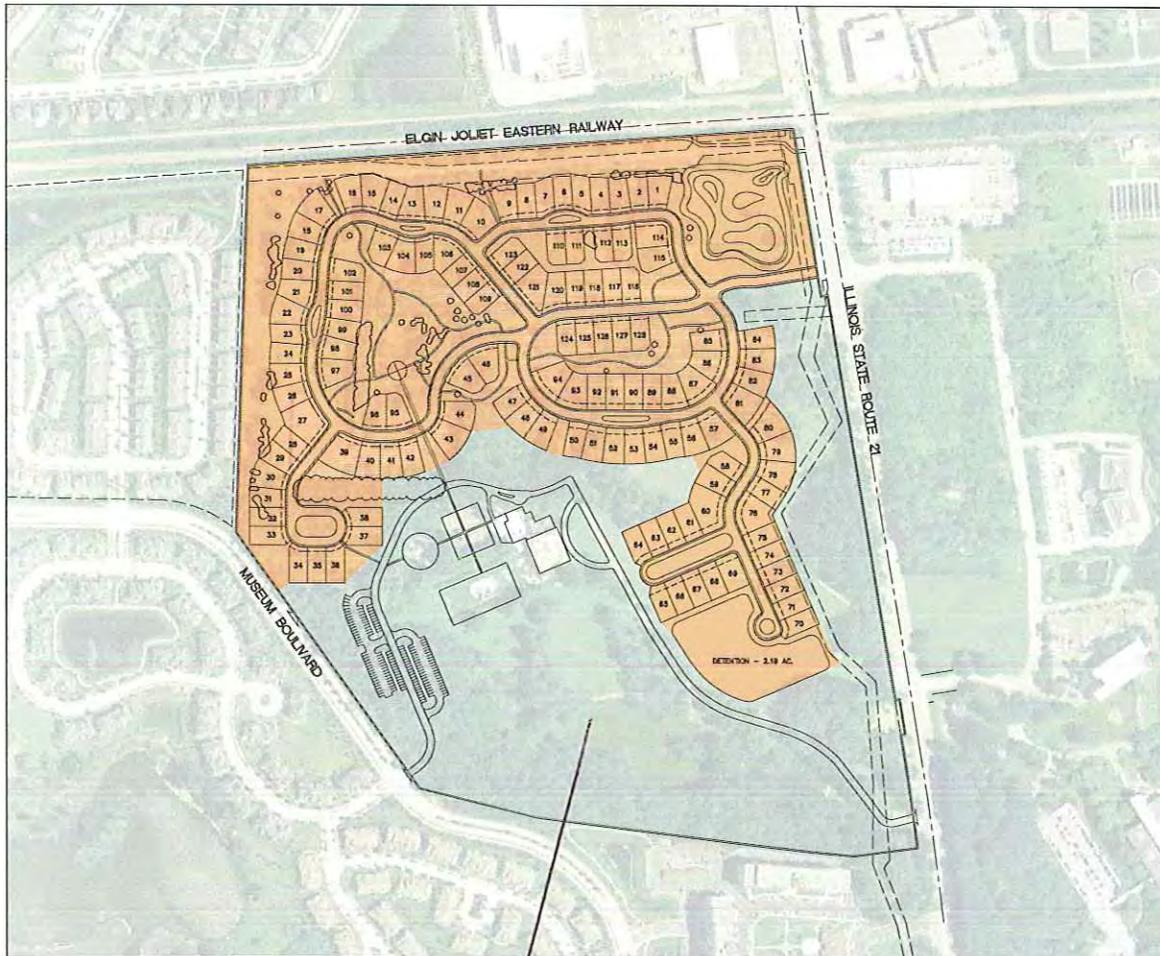
**PARCEL 2:** THAT PART OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF MILWAUKEE AVENUE (STATE ROUTE NO. 21) AS WIDENED BY CONDEMNATION IN CIRCUIT COURT, LAKE COUNTY, ILLINOIS, CASE NO. 65-2323, WITH THE SOUTHERLY RIGHT OF WAY LINE OF THE ELGIN, JOLIET AND EASTERN RAILWAY; THENCE SOUTH 11 DEGREES 05 MINUTES 47 SECONDS EAST ALONG SAID WESTERLY LINE OF MILWAUKEE AVENUE AS WIDENED, BEING A LINE 50.00 FEET, AS MEASURED AT RIGHT ANGLES, WESTERLY OF AND PARALLEL WITH THE CENTER LINE OF MILWAUKEE AVENUE, 553.26 FEET; THENCE SOUTH 86 DEGREES 43 MINUTES 09 SECONDS WEST, 311.96 FEET; THENCE SOUTH 85 DEGREES 35 MINUTES 41 SECONDS WEST, 153.40 FEET; THENCE SOUTH 84 DEGREES 29 MINUTES 38 SECONDS WEST, 427.28 FEET; THENCE NORTH 05 DEGREES 29 MINUTES 59 SECONDS WEST, 535.67 FEET TO AN INTERSECTION WITH THE SOUTHERLY RIGHT OF WAY LINE OF SAID ELGIN, JOLIET AND EASTERN RAILWAY; THENCE NORTH 84 DEGREES 30 MINUTES 01 SECONDS EAST ALONG SAID LAST DESCRIBED LINE, 838.42 FEET TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM ALL THAT PART THEREOF TAKEN FOR WIDENING OF MILWAUKEE AVENUE PER DOCUMENT 4543140), IN LAKE COUNTY, ILLINOIS.

**PINs:** 11-33-200-023  
11-33-200-026  
11-33-200-027  
11-33-400-005

**Address:** 1350 N. Milwaukee Ave., Vernon Hills, Illinois

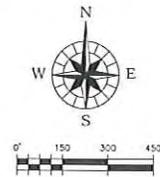
**Exhibit B**

**Depiction of Cuneo Mansion and Garden Property**



Remaining Property

63.39 AC SINGLE FAMILY LOTS  
 OFFICE # OF LOTS  
 TOTAL # OF LOTS = 128 LOTS  
 TOTAL AREA = 43.8 AC.  
 DENSITY = 2.91 D.U./AC



FILE	CUNEO MANSION PROPERTY
CONTRACT NO.	
DATE	
SCALE	1" = 100'
PROJECT NAME	PULTE HOMES 128 LOTS
CLIENT	WILLS BUREK KELSEY ASSOCIATES LTD. 111 N. Charles, Illinois 60714 (800) 462-7155
PROJECT NO.	131341
DATE	07.29.2014
SHEET	1 OF 1
DRAWING NO.	EX 1

**Exhibit C**

**Summary of Prior University Expenditures**

Pavilion Construction	\$5.7 million
Improvement to Pavilion since opening	\$70,000.00
Mansion Improvements	
Windows and door 2 <sup>nd</sup> Floor	\$465,000.00
Boilers	\$590,000.00
Electrical Improvements	\$125,000.00
Sump Pumps	\$65,000.00
Soffit Repairs	\$28,000.00
Elevator Upgrades	\$16,000.00
Gutter replacement and tile roof repairs	\$65,000.00
Tuck pointing and masonry repairs	\$5,000.00
Rebuild of the Pool	\$126,000.00
Other Improvements	\$35,000.00

**Exhibit D**

**Anticipated Cuneo Mansion Maintenance and Repair**

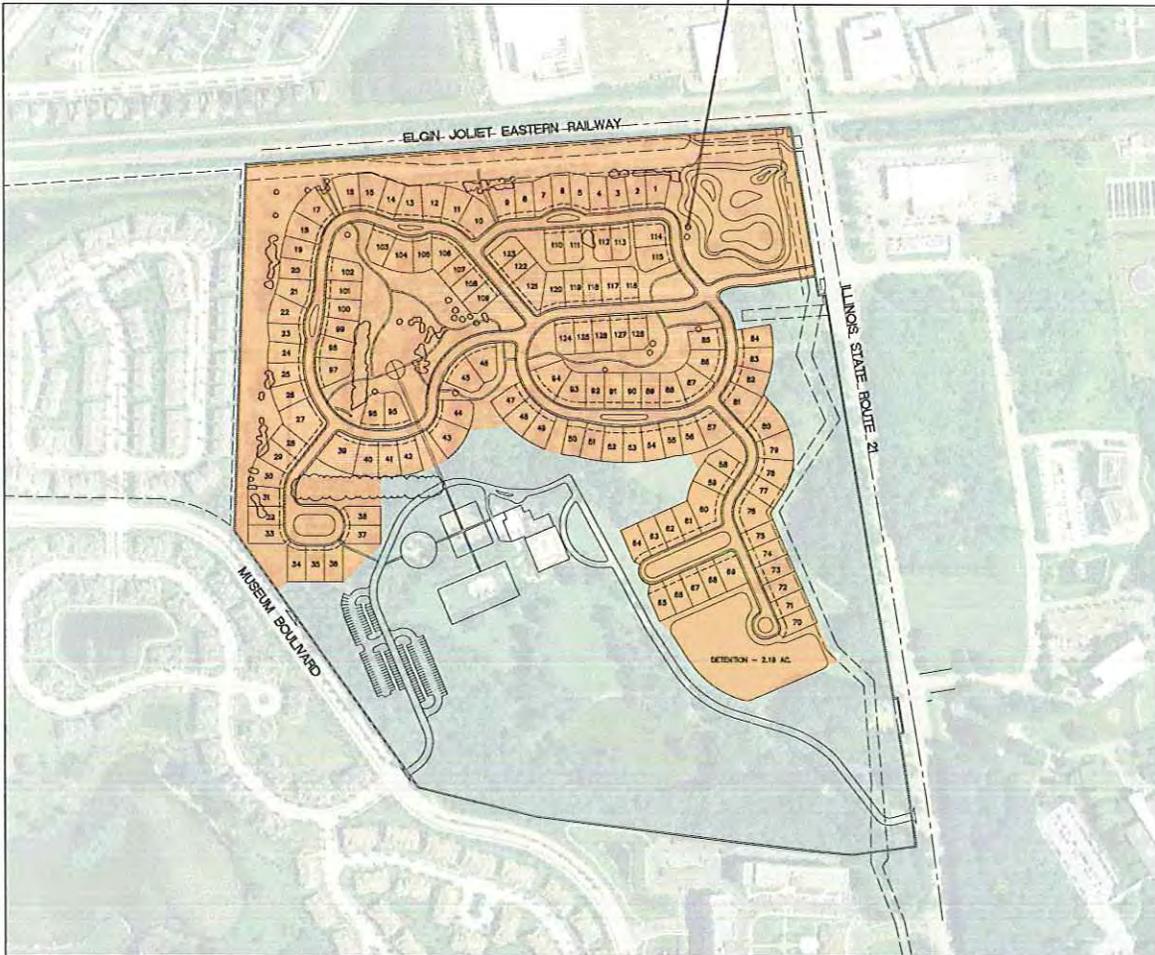
<u>Work Item</u>	<u>Anticipated Cost</u>	<u>Anticipated Date</u>
Main Roof and Skylight	\$700,000.00	After First Closing
Repair Roof Drain	\$12,000.00	After First Closing
Replacement of Windows Lower Level	\$521,000.00	After Second Closing
Sprinkler Installation and tie in to Fire Panel	\$425,000.00	After Second Closing
West Patio Repair	\$342,000.00	TBD

**Exhibit E**

**Map Showing Land to Be Sold to Pulte Homes**

[See Attachment]

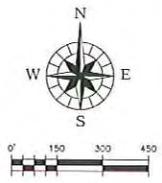
Property to be Sold to Pulte



52.31 AC

SINGLE FAMILY LOTS  
 COVERED 111 & 117  
 # OF LOTS 478

TOTAL # OF LOTS 128 LOTS  
 TOTAL ACRES 153.81 AC  
 DENSITY 1.846 DENSITY



CLIENT	WILLS BUREK KELSEY ASSOCIATES LTD. 1100 W. Chicago Avenue, Suite 201 Chicago, Illinois 60678 (708) 452-2755
PROJECT NO.	14-014
DATE	07-28-2014
SHEET	1 OF 1
DRAWING NO.	EX1
CONTRACT NO.	
DATE	
SCALE	1" = 48'
DATE	
BY	
CHECKED	
DATE	
APPROVED	
DATE	
TITLE	CUNEO MANSION PROPERTY CONCEPT PLAN

**Exhibit F**

**Artwork Undergoing Restoration to be Returned to Mansion**

1. VIRGIN MARY AND CHRIST CHILD  
Italian (Bologna), 15th-century  
Terra cotta statue  
12" x 32" x 22"
  
2. THE HOLY FAMILY  
Neapolitan School  
The Holy Family, 18th century  
Oil on canvas  
45 ¼" x 36 ¾" x 4"

**Exhibit G**

**Depiction of Gardens to be Maintained**

[See Attachment]

Google Maps 1350 N Milwaukee Ave



Area to be Maintained Shown Within White Border

**Exhibit H**

**Anticipated Campus Improvements to be Made to Pavilion**

Improvement	Anticipated Date	Stabilized Enrollment Benchmark (# of Students)
Renovations to Pavilion (Specific Items Noted below)	FY2020	
Lower the ceiling	FY2020	
Create a double loaded corridor	FY2020	
Create 4 classrooms	FY2020	
Build out a Computer Lab	FY2020	
Create a student lounge with vending	FY2020	
Provide for a reception area	FY2020	

**EXHIBIT 3**

Amended and Restated Declaration of Protective Covenants,  
Conditions, and Restrictions for the Cuneo South Commercial  
Property Now to Be Known as the Cuneo South Residential Property

Prepared by, and after recording,  
return to:

Exhibit 3

Victor P. Filippini, Esq.  
Filippini Law Firm LLP  
909 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

AMENDED AND RESTATED DECLARATION OF  
PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR THE CUNEO SOUTH COMMERCIAL PROPERTY NOW TO BE KNOWN AS THE  
CUNEO SOUTH RESIDENTIAL PROPERTY

This Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property ("Declaration"), is made and executed effective as of this \_\_\_ day of \_\_\_\_\_ 2016 by Loyola University of Chicago, an Illinois not-for-profit corporation and, upon its conveyance of the Cuneo South Residential Property to Pulte Home Corporation, or a single purpose entity established by Pulte Home Corporation for purposes of development of such property with single-family buildings (hereinafter referred to as "Declarant").

WITNESSETH

WHEREAS, The Cuneo Foundation, an Illinois not-for-profit corporation (the "Original Declarant") has previously executed that certain Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property, made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835077 (the "1996 Declaration"); and

WHEREAS, since the recording of the 1996 Declaration, Declarant has succeeded to the Original Declarant's fee simple interest in, and is the current owner of, the approximately 10.70 acres of real property legally described in Exhibit A of this Declaration (referred to herein as the "Subject Property"); and

WHEREAS, the Declarant, the Village of Vernon Hills, and the County of Lake desire to amend and restate the covenants, restrictions, reservations, undertakings and agreements set forth in the 1996 Declaration to permit certain revised uses that are proper and appropriate given current planning, development, and land use objectives. In recognition of the change in use, this Declaration shall now be referred to as the "Cuneo South Residential Property Covenant" and the Subject Property shall be known as the "Cuneo South Residential Property"; and

WHEREAS, the Declarant is desirous of subjecting the Cuneo South Residential Property to the conditions, covenants, restrictions, reservations, undertakings and agreements hereinafter set forth (sometimes collectively hereinafter referred to as the "Covenants"), and

WHEREAS, each and all of the Covenants is and are intended to be, and by this Declaration shall be made, binding upon the Cuneo South Residential Property and upon each Owner of any part thereof and every other party having any interest therein, and

WHEREAS, each and all of the Covenants is and are intended to, and by this Declaration shall, from and after the date of recording, be made to inure to the benefit of and run with and bind the Cuneo South Residential Property, and each and every part thereof, and shall replace and supersede those covenants, restrictions, reservations, undertakings and agreements set forth in the 1996 Declaration;

NOW, THEREFORE, Declarant hereby declares that: the Cuneo South Residential Property, and each and every part thereof, is, and shall be, held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants; the Covenants shall run with and bind the Cuneo South Residential Property and be binding on all parties presently having or hereafter acquiring any right, title, or interest in the Cuneo South Residential Property, or any part thereof and their successors and assigns; and the Covenants shall inure to the benefit of each and every present and future Owner of the Cuneo South Residential Property or any part thereof, all as more fully set forth in the following Clauses:

#### CLAUSE I

##### PROPERTY SUBJECT TO AND BENEFITING FROM THIS DECLARATION

The Cuneo South Residential Property to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants is located entirely within the Village of Vernon Hills and Lake County, Illinois, and is more particularly and legally described in Exhibit A attached hereto and incorporated herein by this reference.

#### CLAUSE II

##### GENERAL PURPOSE OF THIS DECLARATION

The Cuneo South Residential Property is to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants to ensure the otherwise proper use and appropriate development and improvement of the Cuneo South Residential Property and every part thereof.

#### CLAUSE III

##### DEFINITIONS

**BUILDING.** Any structure intended or used for the shelter, housing, or enclosure of any Person, animal, or chattel.

**COUNTY.** The County of Lake, an Illinois body politic and corporate, and a home rule unit of government.

**DECLARANT.** Loyola University of Chicago, an Illinois not-for-profit corporation.

FAMILY. One or more natural persons each related to the other by blood, marriage, civil union, or legal adoption, or any other group of persons defined as a family in the codes and ordinances of the County or the Village.

OWNER. The Person or Persons whose estates or interests, individually or collectively, aggregate fee simple ownership of all or any portion of the Cuneo South Residential Property. "Owner" shall specifically include, but shall not be limited to, each and any beneficiary of any title-holding land trust, controlling shareholder of any corporation, or partner of any partnership holding legal title to all or any portion of the Cuneo South Residential Property. "Owner" shall mean and refer to the Declarant as to all or any portion of the Cuneo South Residential Property that is owned by Declarant or by any nominee or agent of the Declarant. "Owner" shall not, however, notwithstanding any applicable provision of any mortgage, mean or refer to a mortgagee or any other Person having an interest in any such portion of the Cuneo South Residential Property merely as security for the performance of an obligation unless and until such mortgagee or other holder of a security interest has acquired title pursuant to foreclosure or deed in lieu of foreclosure.

PERSON. A natural person, partnership, trustee, corporation, or other legal entity capable of holding legal title to real property.

SINGLE-FAMILY BUILDING. A Building originally designed, subsequently altered, or used for living quarters by one Family.

VILLAGE. The Village of Vernon Hills, an Illinois municipal corporation, and a home rule unit of government.

#### CLAUSE IV

#### SPECIFIC COVENANTS AND RESTRICTIONS

A. RESIDENTIAL USE PERMITTED. Except only for Buildings and other structures currently existing on Cuneo South Residential Property all which shall be demolished within two years of the recording of this Declaration, the Cuneo South Residential Property shall not be developed, constructed, installed, used, or maintained for any purpose other than Single-Family Buildings.

B. EASTERN BOUNDARY BUFFER. Except only for authorized points of vehicular access, and detention pond or drainage uses, all portions of the Cuneo South Residential Property lying within 50 feet west of the west right-of-way line of Milwaukee Avenue, as such right-of-way-line exists as of March 1, 2016, shall be either (i) maintained in an undeveloped condition, or (ii) improved and maintained as landscaped open spaces in accordance with plans to be approved in advance by the Village as part of the Planned Unit Development process and, with respect to traffic safety matters only, by the County's Division of Transportation. No other development or use shall be permitted within said portion of the Cuneo South Residential Property.

CLAUSE V

GENERAL PROVISIONS

A. TERM. This Declaration and the Covenants shall continue and be binding in perpetuity commencing from the date of recording of this Declaration with the Recorder of Deeds of Lake County, Illinois.

B. NATURE AND SURVIVAL OF OBLIGATION. The Covenants herein set forth shall run with the land and bind the Cuneo South Residential Property and Declarant, its successors, grantees, and assigns, and all parties claiming by, through, or under them. Only the County, the Village and the Declarant (and not the successors, grantees and/or assigns of the Declarant), shall each have an independent right to sue for and obtain a prohibitive or mandatory injunction, or any other equitable remedy, to prevent the breach, or to enforce the observance, of the Covenants and the terms and conditions of this Declaration, in addition to the right to bring an action for damages. Enforcement of the Covenant by a future lot owner shall require said lot owner to petition the Village or County, respectively, to enforce the alleged violation.

C. ABATEMENT OF VIOLATIONS. If there shall be any structure on the Cuneo South Residential Property that is and remains in violation of the Covenants, or any of them, or of any of the other terms and conditions of this Declaration, for a period of 30 days after receipt by the Owner of the portion of the Cuneo South Residential Property on which such structure is located, of written notice of such violation from the Declarant, the Village, or the County, then the Declarant (but not its successors or assigns), the Village, or the County, as the case may be, collectively or individually, or Persons authorized by them, or any one of them, shall have, in addition to the foregoing rights, the right to enter upon the Cuneo South Residential Property and to summarily abate or remove such structure at the expense of the Owner, and such entry and abatement or removal shall not be deemed a trespass.

D. AMENDMENT OF COVENANTS. This Declaration and the Covenants shall not be modified, revoked, amended, or supplemented in whole or in part unless done with prior written approval of the Village, the County and, so long as the Declarant is an Owner, the Declarant pursuant to resolutions duly adopted by their respective corporate authorities. In no event shall the subsequent owners of single family homes on the property be considered to be beneficiaries of this covenant such that individual single family home owners would be able to individually, or as a group, amend the covenant. The right of individual lot owners to propose an amendment to this Covenant is limited to petitioning the Village, the County, or both to request that the Village and County consider adoption of the proposed amendment. Nor shall any subsequent purchaser of the Subject Property have any property rights or equitable rights of enforcement, either directly or indirectly, it being the intent of the Declarant that only the County and the Village shall have rights to enforce this Amended Covenant.

E. COVENANTS AND LIENS SUBORDINATE TO MORTGAGES. All Covenants, liens, and other provisions herein set forth shall be subject to and subordinate to all mortgages or deeds of trust in the nature of a mortgage now or hereafter executed encumbering any portion of the Cuneo South Residential Property. None of said Covenants, liens, or other provisions shall supersede or in any way reduce the security or affect the validity of any such mortgage or deed of trust in the nature of a mortgage. However, if any such portion of the Cuneo South Residential Property is acquired in lieu of foreclosure, or is sold under foreclosure of any mortgage or under the provision of any deed of trust in the nature of a mortgage, or under

judicial sale, any purchaser at such sale, his or its grantees, heirs, personal representatives, successors, or assigns shall hold any and all of such portions of the Cuneo South Residential Property so purchased subject to the Covenants and the provisions of this Declaration.

F. SEVERABILITY. If a court of competent jurisdiction shall hold invalid or unenforceable any part of any Covenant or other provision contained in this Declaration, such holding shall not impair, invalidate, or otherwise affect the remainder of this Declaration or any other Covenant, all of which shall remain in full force and effect.

G. WAIVER. In no event shall the failure of Declarant, the Village or the County to enforce any of the Covenants or any of the other terms and conditions of this Declaration, as to any violation be deemed to be a waiver of the right to do so as to any violation, nor shall such failure entitle any Owner to claim, sue for, or receive any damages or other payment from Declarant, the Village or the County.

H. VILLAGE AND COUNTY ORDINANCES. The Declarant's or any Owner's compliance with the provisions of any Village or County ordinance, rule, or regulation, shall not necessarily be deemed to constitute compliance with this Declaration or the Covenants, and the Declarant and any such Owner must also comply with this Declaration and the Covenants to the extent they are more restrictive of the development and use to be allowed on the Cuneo South Residential Property.



**Acknowledgement, Approval, and Acceptance by Village**

The undersigned, being duly authorized representatives of the Village of Vernon Hills, Lake County, Illinois (the "**Village**"), does hereby acknowledge, approve, and accept by and on behalf of the Village that the foregoing "Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property" is a proper and acceptable amendment to the "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835077.

**VILLAGE OF VERNON HILLS**

By: \_\_\_\_\_

Its \_\_\_\_\_

**Acknowledgement, Approval, and Acceptance by County**

The undersigned, being duly authorized representatives of the County of Lake, Illinois (the "**County**"), does hereby acknowledge, approve, and accept by and on behalf of the County that the foregoing "Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property" is a proper and acceptable amendment to the "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo South Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835077.

**COUNTY OF LAKE**

By: \_\_\_\_\_

Its \_\_\_\_\_

Prepared by:

Victor P. Filippini, Esq.  
Filippini Law Firm  
909 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

After recording, return to:

Victor P. Filippini, Esq.  
Filippini Law Firm  
990 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

**Exhibit A**

**Legal Description of Cuneo South Commercial Residential Property**

[See Attached; Attach Exhibit A From 1996 Declaration]