



Kane, McKenna
and Associates, Inc.

**Facilities Plan Project Redevelopment Proposal
Summary of Preliminary Financial and Tax Revenue Analysis**

Prepared by: Kane, McKenna and Associates, Inc.

Prepared for: The Village of Downers Grove

February 23, 2017

SECTION I

Assumptions and Summary of Proposals

Assumptions

The analyses herein assume that the Village will designate the TIF District in 2017 and use the property tax increment generated thereby to pay for certain eligible redevelopment costs (the “Incremental Property Taxes”). In addition the analyses herein relating to any development that will include residential housing assumes that the Village will be required to allocate up to 40% of Incremental Property Taxes related to any residential development (the “School Payment Set Aside”) for the payment of potential student tuition reimbursement (the “Student Payments”) as provided in the TIF Act with any excess amounts not used for student tuition reimbursement to be available annually for other eligible redevelopment costs.

Based upon the materials submitted, KMA prepared preliminary projections of Incremental Property Taxes for the developments described in each of the Proposals. **It is expected that each analysis would be refined based upon additional information provided by each developer (see below) or other questions (or revisions) that the Village Council and Village Staff may require.**

The following conservative assumptions were utilized as to the projection of Incremental Property Taxes with respect to each of the developments identified in the Proposals.

- a) TIF District expires in 2040 (with a final tax collection in 2041);
- b) Property tax rate = 7.7544% (6.2544% for 2015 tax year together with 1.5% SSA tax rate)
- c) State multiplier = 1.00 (2015 tax year)
- d) County assessment rate = 33.33%
- e) Annual growth rate for property tax assessment = 1.5%
- f) Market value of each rental residential unit for assessment purposes = \$125,000 (based on values for comparable residential rental properties located in areas surrounding the Village as researched by KMA)
- g) Market value of each residential townhome unit for assessment purposes = \$475,000 (based on values for comparable townhome properties in the Village as researched by KMA)
- h) Market value of each square foot of medical office facilities for assessment purposes = \$120/sq. ft. (based on values for comparable medical office facilities in the Village and surrounding communities as researched by KMA)

Each of the analyses of the Proposals assumes Tax collection – one year in arrears, e.g., 2018 taxes collected in 2019.

Summary

The following is a summary of the projected Incremental Property Taxes relating to each of the developments described in the Proposals based upon the assumptions identified above, the proposed land purchase prices and the net benefit to the Village based on each of the developments described in the Proposals.

SECTION II

LFI Development Analysis

EXHIBIT A-1

Description of LFI Development and Analysis of EAV During Absorption

Village of Downers Grove, Illinois
Proposed Location Finders International/DMG Development
Estimate of Equalized Assessed Valuation - Absorption Period

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2017																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Medical/Office Building	3	60,000	120.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals														0	0	0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2018																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Medical/Office Building	3	60,000	120.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals														0	0	0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2019																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Medical/Office Building	3	60,000	120.00	100.00%	100.00%	103.02%	7,417,620	33.33%	2,472,293	1.00000	2,472,293	0	2,472,293	7.754%	191,711
Totals								7,417,620		2,472,293		2,472,293		2,472,293		191,711

EXHIBIT A-2

Preliminary Incremental Property Tax Pro Forma – LFI Development

Village of Downers Grove, Illinois
Proposed Location Finders International/DMG Development
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Medical/Office Building	3	Jan-19	60,000	120.00	0	0	2,472,293	2,509,377	2,547,018	2,585,223	2,624,001	2,663,361	2,703,312
Total EAV All Components						0	0	2,472,293	2,509,377	2,547,018	2,585,223	2,624,001	2,663,361	2,703,312
I. Incremental Property Taxes:														
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0	0
(b) Incremental EAV						0	0	2,472,293	2,509,377	2,547,018	2,585,223	2,624,001	2,663,361	2,703,312
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						0	0	0	191,711	194,587	197,506	200,469	203,476	206,528
(e) Incremental Property Taxes (Residential Only)						0	0	0	0	0	0	0	0	0
(f) Set Aside for School and Library Districts						0	0	0	0	0	0	0	0	0
(g) Est. Incremental Property Taxes Available						0	0	0	191,711	194,587	197,506	200,469	203,476	206,528
(h) TIF Administrative Costs						0	0	0	0	0	0	0	0	0
(i) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0	0
(j) Incremental Property Taxes Available for Redevelopment Costs						0	0	0	191,711	194,587	197,506	200,469	203,476	206,528
(k) Cumulative Incremental Property Taxes Available for Redevelopment Costs						0	0	0	191,711	386,299	583,805	784,273	987,749	1,194,276
(k) NPV of Incremental Property Taxes @ 4.5%						0	0	0	167,996	331,169	489,658	643,597	793,117	938,344

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Location Finders International/DMG Development
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	2026	2027	2028	2029	2030	2031	2032	2033
1	Medical/Office Building	3	Jan-19	60,000	120.00	2,743,862	2,785,019	2,826,795	2,869,197	2,912,235	2,955,918	3,000,257	3,045,261
Total EAV All Components						2,743,862	2,785,019	2,826,795	2,869,197	2,912,235	2,955,918	3,000,257	3,045,261
I. Incremental Property Taxes:													
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0
(b) Incremental EAV						2,743,862	2,785,019	2,826,795	2,869,197	2,912,235	2,955,918	3,000,257	3,045,261
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						209,626	212,770	215,962	219,201	222,489	225,826	229,214	232,652
(e) Incremental Property Taxes (Residential Only) Set Aside for School and Library Districts						0	0	0	0	0	0	0	0
(f) Est. Incremental Property Taxes Available						209,626	212,770	215,962	219,201	222,489	225,826	229,214	232,652
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						209,626	212,770	215,962	219,201	222,489	225,826	229,214	232,652
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						1,403,902	1,616,672	1,832,634	2,051,834	2,274,323	2,500,150	2,729,364	2,962,015
(k) NPV of Incremental Property Taxes @ 4.5%						1,079,402	1,216,410	1,349,486	1,478,741	1,604,285	1,726,225	1,844,664	1,959,704

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Location Finders International/DMG Development
Projected Incremental Taxes (with SSA)

TIF
Expiration

Final
Collection

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./# Units	Market Value Sq. Ft./Unit	2034	2035	2036	2037	2038	2039	2040	2041
1	Medical/Office Building	3	Jan-19	60,000	120.00	3,090,940	3,137,304	3,184,363	3,232,129	3,280,611	3,329,820	3,379,767	3,430,464
Total EAV All Components						3,090,940	3,137,304	3,184,363	3,232,129	3,280,611	3,329,820	3,379,767	3,430,464
I. Incremental Property Taxes:													
(a)	Base EAV (2015 Tax Year)					0	0	0	0	0	0	0	0
(b)	Incremental EAV					3,090,940	3,137,304	3,184,363	3,232,129	3,280,611	3,329,820	3,379,767	3,430,464
(c)	Tax Rate* = 7.7544%					7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d)	Total Est. Incremental Property Taxes					236,142	239,684	243,279	246,928	250,632	254,392	258,208	262,081
(e)	Incremental Property Taxes (Residential Only)					0	0	0	0	0	0	0	0
	Set Aside for School and Library Districts					0	0	0	0	0	0	0	0
(f)	Est. Incremental Property Taxes Available					236,142	239,684	243,279	246,928	250,632	254,392	258,208	262,081
(g)	TIF Administrative Costs					0	0	0	0	0	0	0	0
(h)	Carryforward of Administrative Costs					0	0	0	0	0	0	0	0
(i)	Incremental Property Taxes Available for Redevelopment Costs					236,142	239,684	243,279	246,928	250,632	254,392	258,208	262,081
(j)	Cumulative Incremental Property Taxes Available for Redevelopment Costs					3,198,157	3,437,841	3,681,120	3,928,048	4,178,681	4,433,072	4,691,280	4,953,360
(k)	NPV of Incremental Property Taxes @ 4.5%					2,071,440	2,179,969	2,285,382	2,387,769	2,487,217	2,583,810	2,677,630	2,768,756

*Assumes creation/extension of SSA with tax rate of 1.5%

SECTION III

Hovnanian Development Analysis

EXHIBIT B-1

**Description of Hovnanian Development and Analysis of EAV During Absorption
(Applicable to Both Two Phase and Single Phase Development)**

Village of Downers Grove, Illinois
 Proposed K. Hovnanian Homes Development (Two Phases)
 Estimate of Equalized Assessed Valuation - Absorption Period

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2017																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Townhouse - Phase I	4	14	475,000.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
2	Townhouse - Phase II	4	28	475,000.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals							0							0		0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2018																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Townhouse - Phase I	4	14	475,000.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
2	Townhouse - Phase II	4	28	475,000.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals							0							0		0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2019																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Townhouse - Phase I	4	14	475,000.00	100.00%	100.00%	103.02%	6,850,996	33.33%	2,283,437	1.00000	2,283,437	84,000	2,199,437	7.754%	170,553
2	Townhouse - Phase II	4	28	475,000.00	0.00%	0.00%	103.02%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals							6,850,996							2,199,437		170,553

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2020																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Townhouse - Phase I	4	14	475,000.00	100.00%	100.00%	104.57%	6,953,761	33.33%	2,317,689	1.00000	2,317,689	84,000	2,233,689	7.754%	173,209
2	Townhouse - Phase II	4	28	475,000.00	50.00%	100.00%	104.57%	6,953,761	33.33%	2,317,689	1.00000	2,317,689	84,000	2,233,689	7.754%	173,209
Totals							13,907,522							4,467,377		346,418

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2021																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Townhouse - Phase I	4	14	475,000.00	100.00%	100.00%	106.14%	7,058,068	33.33%	2,352,454	1.00000	2,352,454	84,000	2,268,454	7.754%	175,905
2	Townhouse - Phase II	4	28	475,000.00	100.00%	100.00%	106.14%	14,116,135	33.33%	4,704,908	1.00000	4,704,908	168,000	4,536,908	7.754%	351,810
Totals							21,174,203							6,805,362		527,715

EXHIBIT B-2

**Preliminary Incremental Property Tax Pro Forma – Hovnanian Development
(Applicable to Both Two Phase and Single Phase Development)**

Village of Downers Grove, Illinois
Proposed K. Hovnanian Homes Development (Two Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year							
						2017	2018	2019	2020	2021	2022	2023	2024
1	Townhouse - Phase I	4	Jan-19	14	475,000.00	0	0	2,199,437	2,233,689	2,268,454	2,303,741	2,339,557	2,375,910
2	Townhouse - Phase II	4	Jul-20	28	475,000.00	0	0	0	2,233,689	4,536,908	4,607,481	4,679,114	4,751,820
Total EAV All Components						0	0	2,199,437	4,467,377	6,805,362	6,911,222	7,018,671	7,127,731
I. Incremental Property Taxes:													
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0
(b) Incremental EAV						0	0	2,199,437	4,467,377	6,805,362	6,911,222	7,018,671	7,127,731
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						0	0	0	170,553	346,418	527,715	535,924	544,256
(e) Incremental Property Taxes (Residential Only)						0	0	0	68,221	138,567	211,086	214,370	217,702
(f) Est. Incremental Property Taxes Available						0	0	0	102,332	207,851	316,629	321,554	326,553
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						0	0	0	102,332	207,851	316,629	321,554	326,553
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						0	0	0	102,332	310,183	626,812	948,366	1,274,920
(k) NPV of Incremental Property Taxes @ 4.5%						0	0	0	89,673	263,969	518,048	764,968	1,004,929
II. School Payment Set Aside Analysis (Assuming No School Age Children)													
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						0	0	0	68,221	138,567	211,086	214,370	217,702
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						0	0	0	68,221	206,789	417,875	632,244	849,946
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						0	0	0	59,782	175,979	345,365	509,979	669,953

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed K. Hovnanian Homes Development (Two Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./# Units	Market Value Sq. Ft./Unit	Year								
						2025	2026	2027	2028	2029	2030	2031	2032	2033
1	Townhouse - Phase I	4	Jan-19	14	475,000.00	2,412,809	2,450,261	2,488,275	2,526,859	2,566,022	2,605,772	2,646,119	2,687,071	2,728,637
2	Townhouse - Phase II	4	Jul-20	28	475,000.00	4,825,618	4,900,522	4,976,550	5,053,718	5,132,044	5,211,544	5,292,238	5,374,141	5,457,273
Total EAV All Components						7,238,427	7,350,783	7,464,825	7,580,577	7,698,066	7,817,317	7,938,356	8,061,212	8,185,910
I. Incremental Property Taxes:														
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0	0
(b) Incremental EAV						7,238,427	7,350,783	7,464,825	7,580,577	7,698,066	7,817,317	7,938,356	8,061,212	8,185,910
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						552,713	561,297	570,009	578,852	587,828	596,939	606,186	615,572	625,099
(e) Incremental Property Taxes (Residential Only) Set Aside for School Districts						221,085	224,519	228,004	231,541	235,131	238,776	242,474	246,229	250,039
(f) Est. Incremental Property Taxes Available						331,628	336,778	342,005	347,311	352,697	358,163	363,712	369,343	375,059
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						331,628	336,778	342,005	347,311	352,697	358,163	363,712	369,343	375,059
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						1,606,547	1,943,325	2,285,331	2,632,642	2,985,339	3,343,502	3,707,214	4,076,557	4,451,616
(k) NPV of Incremental Property Taxes @ 4.5%						1,238,125	1,464,744	1,684,971	1,898,984	2,106,956	2,309,058	2,505,452	2,696,299	2,881,755
II. School Payment Set Aside Analysis (Assuming No School Age Children)														
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						221,085	224,519	228,004	231,541	235,131	238,776	242,474	246,229	250,039
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						1,071,032	1,295,550	1,523,554	1,755,095	1,990,226	2,229,002	2,471,476	2,717,705	2,967,744
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						825,416	976,496	1,123,314	1,265,989	1,404,638	1,539,372	1,670,301	1,797,533	1,921,170

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed K. Hovnanian Homes Development (Two Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year										TIF Expiration	Final Collection
						2034	2035	2036	2037	2038	2039	2040	2041				
1	Townhouse - Phase I	4	Jan-19	14	475,000.00	2,770,826	2,813,649	2,857,113	2,901,230	2,946,008	2,991,459	3,037,591	3,084,414				
2	Townhouse - Phase II	4	Jul-20	28	475,000.00	5,541,652	5,627,297	5,714,227	5,802,460	5,892,017	5,982,917	6,075,181	6,168,829				
Total EAV All Components						8,312,479	8,440,946	8,571,340	8,703,690	8,838,025	8,974,376	9,112,772	9,253,243				
I. Incremental Property Taxes:																	
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0				
(b) Incremental EAV						8,312,479	8,440,946	8,571,340	8,703,690	8,838,025	8,974,376	9,112,772	9,253,243				
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%				
(d) Total Est. Incremental Property Taxes						634,768	644,583	654,545	664,656	674,919	685,336	695,909	706,641				
(e) Incremental Property Taxes (Residential Only) Set Aside for School Districts						253,907	257,833	261,818	265,862	269,850	273,898	278,007	282,177				
(f) Est. Incremental Property Taxes Available						380,861	386,750	392,727	398,794	405,069	411,438	417,902	424,464				
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0				
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0				
(i) Incremental Property Taxes Available for Redevelopment Costs						380,861	386,750	392,727	398,794	405,069	411,438	417,902	424,464				
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						4,832,477	5,219,227	5,611,954	6,010,747	6,415,816	6,827,254	7,245,156	7,669,620				
(k) NPV of Incremental Property Taxes @ 4.5%						3,061,969	3,237,089	3,407,259	3,572,616	3,733,342	3,889,565	4,041,410	4,188,997				
II. School Payment Set Aside Analysis (Assuming No School Age Children)																	
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						253,907	257,833	261,818	265,862	269,850	273,898	278,007	282,177				
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						3,221,651	3,479,485	3,741,302	4,007,165	4,277,015	4,550,913	4,828,920	5,111,097				
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						2,041,313	2,158,060	2,271,506	2,381,744	2,488,817	2,592,816	2,693,830	2,791,944				

*Assumes creation/extension of SSA with tax rate of 1.5%

SECTION IV

F&C Development Analysis

EXHIBIT C-3

**Description of Single Phase of F&C Development and
Analysis of EAV During Absorption**

Village of Downers Grove, Illinois
Proposed Flaherty & Collins Development (Single Phase)
Estimate of Equalized Assessed Valuation - Absorption Period

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2017																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	350	125,000.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
2	Retail/Commercial	3	2,000	100.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals													0	0	0	0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2018																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	350	125,000.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
2	Retail/Commercial	3	2,000	100.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals													0	0	0	0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2019																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	350	125,000.00	100.00%	100.00%	103.02%	45,072,344	33.33%	15,022,612	1.00000	15,022,612	0	15,022,612	7.754%	1,164,913
2	Retail/Commercial	3	2,000	100.00	100.00%	100.00%	103.02%	206,045	33.33%	68,675	1.00000	68,675	0	68,675	7.754%	5,325
Totals													15,091,287	15,091,287	7.754%	1,170,239

EXHIBIT C-4

**Preliminary Incremental Property Tax Pro Forma –
Single Phase F&C Development**

Village of Downers Grove, Illinois
Proposed Flaherty & Collins Development (Single Phase)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year									
						2017	2018	2019	2020	2021	2022	2023	2024	2025	
1	Multifamily Rental - Phase I	4	Jan-19	350	125,000.00	0	0	15,022,612	15,247,951	15,476,671	15,708,821	15,944,453	16,183,620	16,426,374	
2	Retail/Commercial	3	Jan-19	2,000	100.00	0	0	68,675	69,705	70,750	71,812	72,889	73,982	75,092	
Total EAV All Components						0	0	15,091,287	15,317,656	15,547,421	15,780,632	16,017,342	16,257,602	16,501,466	
I. Incremental Property Taxes:															
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0	0	
(b) Incremental EAV						0	0	15,091,287	15,317,656	15,547,421	15,780,632	16,017,342	16,257,602	16,501,466	
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	
(d) Total Est. Incremental Property Taxes						0	0	0	1,170,239	1,187,792	1,205,609	1,223,693	1,242,049	1,260,679	
(e) Incremental Property Taxes (Residential Only)						0	0	0	0	0	0	0	0	0	
(f) Set Aside for School Districts						0	0	0	0	0	0	0	0	0	
(g) 40.0%						0	0	0	465,965	472,955	480,049	487,250	494,559	501,977	
(f) Est. Incremental Property Taxes Available						0	0	0	704,273	714,837	725,560	736,443	747,490	758,702	
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0	0	
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0	0	
(i) Incremental Property Taxes Available for Redevelopment Costs						0	0	0	704,273	714,837	725,560	736,443	747,490	758,702	
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						0	0	0	704,273	1,419,111	2,144,671	2,881,114	3,628,604	4,387,307	
(k) NPV of Incremental Property Taxes @ 4.5%						0	0	0	617,152	1,216,587	1,798,814	2,364,326	2,913,603	3,447,111	
II. School Payment Set Aside Analysis (Assuming No School Age Children)															
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						0	0	0	465,965	472,955	480,049	487,250	494,559	501,977	
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						0	0	0	465,965	938,920	1,418,969	1,906,219	2,400,778	2,902,755	
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						0	0	0	408,324	804,926	1,190,142	1,564,299	1,927,714	2,280,697	

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Flaherty & Collins Development (Single Phase)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year								
						2026	2027	2028	2029	2030	2031	2032	2033	2034
1	Multifamily Rental - Phase I	4	Jan-19	350	125,000.00	16,672,770	16,922,861	17,176,704	17,434,355	17,695,870	17,961,308	18,230,728	18,504,189	18,781,751
2	Retail/Commercial	3	Jan-19	2,000	100.00	76,218	77,362	78,522	79,700	80,895	82,109	83,340	84,591	85,859
Total EAV All Components						16,748,988	17,000,223	17,255,226	17,514,055	17,776,765	18,043,417	18,314,068	18,588,779	18,867,611
I. Incremental Property Taxes:														
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0	0
(b) Incremental EAV						16,748,988	17,000,223	17,255,226	17,514,055	17,776,765	18,043,417	18,314,068	18,588,779	18,867,611
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						1,279,590	1,298,784	1,318,265	1,338,039	1,358,110	1,378,482	1,399,159	1,420,146	1,441,448
(e) Incremental Property Taxes (Residential Only)						509,507	517,149	524,907	532,780	540,772	548,883	557,117	565,473	573,956
(f) Est. Incremental Property Taxes Available for Redevelopment Costs						770,083	781,634	793,359	805,259	817,338	829,598	842,042	854,673	867,493
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						770,083	781,634	793,359	805,259	817,338	829,598	842,042	854,673	867,493
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						5,157,390	5,939,024	6,732,383	7,537,642	8,354,980	9,184,578	10,026,620	10,881,293	11,748,786
(k) NPV of Incremental Property Taxes @ 4.5%						3,965,303	4,468,619	4,957,486	5,432,318	5,893,519	6,341,479	6,776,579	7,199,189	7,609,666
II. School Payment Set Aside Analysis (Assuming No School Age Children)														
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						509,507	517,149	524,907	532,780	540,772	548,883	557,117	565,473	573,956
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						3,412,262	3,929,411	4,454,318	4,987,098	5,527,870	6,076,753	6,633,870	7,199,343	7,773,299
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						2,623,547	2,956,553	3,280,000	3,594,161	3,899,303	4,195,686	4,483,559	4,763,168	5,034,751

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Flaherty & Collins Development (Single Phase)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year					Final Collection	
						2035	2036	2037	2038	2039		2040
1	Multifamily Rental - Phase I	4	Jan-19	350	125,000.00	19,063,478	19,349,430	19,639,671	19,934,266	20,233,280	20,536,780	20,844,831
2	Retail/Commercial	3	Jan-19	2,000	100.00	87,147	88,455	89,781	91,128	92,495	93,882	95,291
Total EAV All Components						19,150,625	19,437,884	19,729,453	20,025,394	20,325,775	20,630,662	20,940,122
I. Incremental Property Taxes:												
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0
(b) Incremental EAV						19,150,625	19,437,884	19,729,453	20,025,394	20,325,775	20,630,662	20,940,122
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						1,463,070	1,485,016	1,507,291	1,529,901	1,552,849	1,576,142	1,599,784
(e) Incremental Property Taxes (Residential Only)												
Set Aside for School Districts						582,565	591,303	600,173	609,175	618,313	627,588	637,002
(f) Est. Incremental Property Taxes Available						880,505	893,713	907,118	920,725	934,536	948,554	962,782
(g) TIF Administrative Costs						0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						880,505	893,713	907,118	920,725	934,536	948,554	962,782
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						12,629,291	13,523,003	14,430,122	15,350,847	16,285,383	17,233,937	18,196,720
(k) NPV of Incremental Property Taxes @ 4.5%						8,008,359	8,395,606	8,771,737	9,137,069	9,491,913	9,836,570	10,171,333
II. School Payment Set Aside Analysis (Assuming No School Age Children)												
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						582,565	591,303	600,173	609,175	618,313	627,588	637,002
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						8,355,863	8,947,167	9,547,340	10,156,515	10,774,828	11,402,416	12,039,418
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						5,298,536	5,554,749	5,803,606	6,045,320	6,280,094	6,508,128	6,729,615

*Assumes creation/extension of SSA with tax rate of 1.5%

SECTION V

NextGen Development Development Analysis

EXHIBIT D-3

**Description of Single Phase NextGen Development and
Analysis of EAV During Absorption**

Village of Downers Grove, Illinois
Proposed Next Generation Development LLC Development (Single Phases)
Estimate of Equalized Assessed Valuation - Absorption Period

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2017																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	234	125,000.00	0.00%	0.00%	100.00%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals								0						0		0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2018																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	234	125,000.00	0.00%	0.00%	101.50%	0	33.33%	0	1.00000	0	0	0	7.754%	0
Totals								0						0		0

Estimated Equalized Assessed Valuation for Tax Assessment Year: 2019																
Component Name	Project Description	Class Code	Sq. Ft./ # Units	Market Value	% Occupied for Year	% Occupancy	Reassmnt. Factor	Property Value	Assessment Level	Assessed Value	Equalization Factor	Adj. Equalized Assessed Value	Homeowners Exemption	Equalized Assessed Value	Tax Rate	Real Estate Taxes
1	Multifamily Rental - Phase I	4	234	125,000.00	100.00%	100.00%	103.02%	30,134,081	33.33%	10,043,689	1.00000	10,043,689	0	10,043,689	7.754%	778,828
Totals							30,134,081			10,043,689		10,043,689		10,043,689		778,828

EXHIBIT D-4

**Preliminary Incremental Property Tax Pro Forma –
Single Phase NextGen Development**

Village of Downers Grove, Illinois
Proposed Next Generation Development LLC Development (Single Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year									
						2017	2018	2019	2020	2021	2022	2023	2024	2025	
1	Multifamily Rental - Phase I	4	Jan-19	234	125,000.00	0	0	10,043,689	10,194,345	10,347,260	10,502,469	10,660,006	10,819,906	10,982,204	
Total EAV All Components						0	0	10,043,689	10,194,345	10,347,260	10,502,469	10,660,006	10,819,906	10,982,204	
I. Incremental Property Taxes:															
(a) Base EAV (2015 Tax Year)						0	0	0	0	0	0	0	0	0	
(b) Incremental EAV						0	0	10,043,689	10,194,345	10,347,260	10,502,469	10,660,006	10,819,906	10,982,204	
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	
(d) Total Est. Incremental Property Taxes						0	0	0	778,828	790,510	802,368	814,403	826,619	839,019	
(e) Incremental Property Taxes (Residential Only)						0	0	0	311,531	316,204	320,947	325,761	330,648	335,608	
Set Aside for School Districts 40.0%						0	0	0	0	0	0	0	0	0	
(f) Est. Incremental Property Taxes Available						0	0	0	467,297	474,306	481,421	488,642	495,972	503,411	
(g) TIF Administrative Costs						0	0	0	0	0	0	0	0	0	
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0	0	0	
(i) Incremental Property Taxes Available for Redevelopment Costs						0	0	0	467,297	474,306	481,421	488,642	495,972	503,411	
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						0	0	0	467,297	941,603	1,423,024	1,911,666	2,407,637	2,911,049	
(k) NPV of Incremental Property Taxes @ 4.5%						0	0	0	409,491	807,225	1,193,542	1,568,768	1,933,222	2,287,213	
II. School Payment Set Aside Analysis (Assuming No School Age Children)															
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						0	0	0	311,531	316,204	320,947	325,761	330,648	335,608	
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						0	0	0	311,531	627,735	948,682	1,274,444	1,605,092	1,940,699	
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						0	0	0	272,994	538,150	795,695	1,045,845	1,288,815	1,524,809	

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Next Generation Development LLC Development (Single Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year									
						2026	2027	2028	2029	2030	2031	2032	2033	2034	
1	Multifamily Rental - Phase I	4	Jan-19	234	125,000.00	11,146,937	11,314,142	11,483,854	11,656,111	11,830,953	12,008,417	12,188,544	12,371,372	12,556,942	
Total EAV All Components						11,146,937	11,314,142	11,483,854	11,656,111	11,830,953	12,008,417	12,188,544	12,371,372	12,556,942	
I. Incremental Property Taxes:															
(a)	Base EAV (2015 Tax Year)					0	0	0	0	0	0	0	0	0	
(b)	Incremental EAV					11,146,937	11,314,142	11,483,854	11,656,111	11,830,953	12,008,417	12,188,544	12,371,372	12,556,942	
(c)	Tax Rate* = 7.7544%					7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	
(d)	Total Est. Incremental Property Taxes					851,604	864,378	877,344	890,504	903,862	917,419	931,181	945,148	959,326	
(e)	Incremental Property Taxes (Residential Only)					340,642	345,751	350,938	356,202	361,545	366,968	372,472	378,059	383,730	
	Set Aside for School Districts														
(f)	Est. Incremental Property Taxes Available					510,962	518,627	526,406	534,302	542,317	550,452	558,708	567,089	575,595	
(g)	TIF Administrative Costs					0	0	0	0	0	0	0	0	0	
(h)	Carryforward of Administrative Costs					0	0	0	0	0	0	0	0	0	
(i)	Incremental Property Taxes Available for Redevelopment Costs					510,962	518,627	526,406	534,302	542,317	550,452	558,708	567,089	575,595	
(j)	Cumulative Incremental Property Taxes Available for Redevelopment Costs					3,422,011	3,940,638	4,467,044	5,001,347	5,543,663	6,094,115	6,652,824	7,219,913	7,795,508	
(k)	NPV of Incremental Property Taxes @ 4.5%					2,631,042	2,965,001	3,289,371	3,604,430	3,910,444	4,207,673	4,496,369	4,776,777	5,049,136	
II. School Payment Set Aside Analysis (Assuming No School Age Children)															
a)	School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)					340,642	345,751	350,938	356,202	361,545	366,968	372,472	378,059	383,730	
b)	Cumulative Excess School Payment Set Aside Available for Other Eligible Costs					2,281,341	2,627,092	2,978,029	3,334,231	3,695,776	4,062,743	4,435,216	4,813,275	5,197,005	
c)	Net Present Value of Excess School Payment Set Aside @ 4.50%					1,754,028	1,976,667	2,192,914	2,402,954	2,606,963	2,805,116	2,997,580	3,184,518	3,366,090	

*Assumes creation/extension of SSA with tax rate of 1.5%

Village of Downers Grove, Illinois
Proposed Next Generation Development LLC Development (Single Phases)
Projected Incremental Taxes (with SSA)

Component Name	Project Description	Class Code	Occupancy Date	Sq. Ft./ # Units	Market Value Sq. Ft./Unit	Year					TIF Expiration	Final Collection
						2035	2036	2037	2038	2039		
1	Multifamily Rental - Phase I	4	Jan-19	234	125,000.00	12,745,297	12,936,476	13,130,523	13,327,481	13,527,393	13,730,304	13,936,259
Total EAV All Components						12,745,297	12,936,476	13,130,523	13,327,481	13,527,393	13,730,304	13,936,259
I. Incremental Property Taxes:												
(a) Base EAV / 2015 Tax Year						0	0	0	0	0	0	0
(b) Incremental EAV						12,745,297	12,936,476	13,130,523	13,327,481	13,527,393	13,730,304	13,936,259
(c) Tax Rate* = 7.7544%						7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%	7.7544%
(d) Total Est. Incremental Property Taxes						973,716	988,321	1,003,146	1,018,193	1,033,466	1,048,968	1,064,703
(e) Incremental Property Taxes (Residential Only) Set Aside for School Districts						389,486	395,329	401,258	407,277	413,386	419,587	425,881
(f) Est. Incremental Property Taxes Available						584,229	592,993	601,888	610,916	620,080	629,381	638,822
(g) TIF Administrative Costs						0	0	0	0	0	0	0
(h) Carryforward of Administrative Costs						0	0	0	0	0	0	0
(i) Incremental Property Taxes Available for Redevelopment Costs						584,229	592,993	601,888	610,916	620,080	629,381	638,822
(j) Cumulative Incremental Property Taxes Available for Redevelopment Costs						8,379,737	8,972,730	9,574,618	10,185,534	10,805,613	11,434,994	12,073,816
(k) NPV of Incremental Property Taxes @ 4.5%						5,313,675	5,570,620	5,820,188	6,062,592	6,298,037	6,526,722	6,748,843
II. School Payment Set Aside Analysis (Assuming No School Age Children)												
a) School Payment Set Aside Available for Other Eligible Costs (Assuming No Children)						389,486	395,329	401,258	407,277	413,386	419,587	425,881
b) Cumulative Excess School Payment Set Aside Available for Other Eligible Costs						5,586,492	5,981,820	6,383,079	6,790,356	7,203,742	7,623,330	8,049,211
c) Net Present Value of Excess School Payment Set Aside @ 4.50%						3,542,450	3,713,746	3,880,125	4,041,728	4,198,691	4,351,148	4,499,229

*Assumes creation/extension of SSA with tax rate of 1.5%