



PROPOSED INDEPENDENT  
LIVING RESIDENCES

940 - 970 MADISON  
STREET

DELIVERING A PATTERN OF EXCELLENCE

## 940 – 970 MADISON STREET OAK PARK RFP SUBMITTAL



Proposed New 6-Story / 74 Unit / 141,045 SF  
Independent Living Facility

Property Located at:  
940 – 970 Madison Street  
Oak Park, IL 60302

January 25, 2017

**Developer**

Paragon Real Estate, LLC  
1900 Spring Road, Suite 503  
Oak Brook, Illinois 60525  
630.878.2369

[tom@theparagoncompany.com](mailto:tom@theparagoncompany.com)  
[www.theparagoncompany.com](http://www.theparagoncompany.com)

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## EXECUTIVE SUMMARY

Oak Brook, IL based Paragon Real Estate, LLC wishes to acquire and develop a property located at 940-970 Madison Street in Oak Park, Illinois. The proposed development would contain a 141,045-square foot Independent Living facility with 74 units and 80 parking stalls. Total project costs are estimated to be \$24.5 million.

### Project Highlights

- Based on the estimated bed need for the Oak Park market, Plante Moran's market study concluded that there is significant demand for a new independent living facility in Oak Park. The results show the market can support up to 100 additional independent living units.
- The project has several operators interested in managing this Independent Living community including Watermark Retirement Communities, Life Care Services, and Balfour Senior Living.
- Occupancy of the existing independent living facilities in the Oak Park market is high, at 94.6%.
- The market conditions for a new Independent Living facility will continue to improve due to the 65+ population in the market area growing by 12.0% from 2018-2023.
- Property taxes for the new Independent Living facility estimated to be approximately \$175,000.00.
- Belmont Village Senior Living of Oak Park is located just two blocks west of the proposed development. The combination of Paragon's proposed independent living facility and Belmont Village's 78 assisted living and 48 memory care units, will create a continuing care retirement community (CCRC) for the Oak Park residents.
- The facility will have excellent access to medical services and sit near two hospitals:
  - The Rush Oak Park Hospital is a full-service hospital that sits less than ½ mile to the southwest of the proposed site.
  - West Suburban Medical Center is another full-service hospital that sits approximately 2.0-miles northeast of the proposed site.
- Paragon Real Estate is a well-respected real estate development company financially backed by net worth of over \$500 Million.
- Paragon principals have been involved in over 100 developments across the United States including senior housing, retail and industrial projects. Paragon has a proven ability to close and execute their developments.



MADISON STREET ELEVATION

## DEVELOPMENT TEAM / KEY TEAM MEMBERS

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### Paragon Real Estate, LLC

Paragon Real Estate, LLC ([www.theparagoncompany.com](http://www.theparagoncompany.com)) is a well-capitalized, privately owned real estate development and investment company. We look to develop or acquire senior living, retail and industrial properties throughout the United States.

As a well-capitalized, privately held firm, Paragon swiftly delivers results for its tenants and partners, whether they are municipalities, brokers, lenders or property owners. Paragon has cultivated a network of trust that keeps its development and acquisition activity running smoothly.

### The Paragon Advantage

#### Expertise

Paragon's strengths stem from our commitment to building long-term relationships with partners and our dedication to fostering a culture of innovation and transparency in our transactions. We have exceptional experience and a clear understanding of commercial real estate values, capital markets and the trends that impact these factors. We pride ourselves on understanding the complexity of each deal and crafting a flexible and mutually beneficial solution.

#### Capital

By tapping into Paragon's internal funds, there's no need to search for outside resources to raise money for each project or acquisition, which means a quick and certain close. This capital strength allows Paragon to execute transactions simultaneously, in multiple markets across the country, and structure competitive and flexible leasing arrangements for our clients.

#### Knowledge

Paragon orchestrates a seamless real estate experience for its clients, navigating the development process from client vision to reality, from project planning through entitlements and construction to project closeout. Paragon's people, technical know-how and local market expertise converge to bring about the best possible facility at the lowest possible cost.

#### Flexibility

Paragon collaborates with clients and municipalities at every stage of the streamlined development process and takes time to listen to their business strategy. By investing our time and effort to understanding their story, we foster a long-term relationship that is advantageous for both parties. Paragon's client-first approach focuses on doing whatever it takes to meet its client's business needs

## DEVELOPMENT TEAM / KEY TEAM MEMBERS

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Based in Oak Brook, IL, Paragon was founded in early 2009 by two principals. Tom Williams and Greg Van Landingham offer an extensive background in development and acquisitions that make Paragon an ideal partner.

### **Tom Williams**

As Managing Partner and Co-Founder of Paragon, Tom Williams is actively involved in every aspect of Paragon's business including sourcing and structuring development and investment opportunities.

Prior to forming Paragon, Mr. Williams served as Managing Director for InSite Real Estate, where he sourced and oversaw development and investment opportunities from build-to-suit developments to value-add acquisition projects throughout the United States. Prior to joining InSite, Mr. Williams worked in Joseph Freed & Associates' development group where he sourced and managed large-scale residential, retail and mixed-use development projects throughout the Midwest. Mr. Williams also worked in Jones Lang LaSalle's development group managing real estate advisory, acquisition and disposition assignments for their corporate, institutional, municipal and not for profit clients.

Mr. Williams received an M.B.A. from Kellogg School of Management at Northwestern University, and a B.S. in Electrical Engineering from Marquette University. He is an active member of the International Council of Shopping Centers and was appointed to the Plan Commission of the Chicago suburb where he lives with his wife and two young children.

### **Greg Van Landingham**

As Managing Partner and Co-Founder of Paragon, Mr. Van Landingham is pivotal to the company's business operations.

Prior to forming Paragon, Mr. Van Landingham served as Director for InSite Real Estate. At Insite Mr. Van Landingham lead the development and construction group where he was responsible for overseeing all phases of the development process. Prior to joining InSite, Mr. Van Landingham played a vital role at Forest River Inc., a subsidiary of Berkshire Hathaway, Inc., where he managed their real estate division. While there, Mr. Van Landingham oversaw the acquisition and development of new facilities, in addition to overseeing the asset management activities for the 2.5 million square feet of warehouse and manufacturing space the company owned.

Mr. Van Landingham earned a B.S. in Finance from Indiana University. He is an active member of the International Council of Shopping Centers and the Urban Land Institute.

## DEVELOPMENT TEAM / KEY TEAM MEMBERS

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### **Oppidan Investment Company**

Twin Cities-based Oppidan Investment Company is a national property development firm offering a full range of real estate services including asset management, brokerage services, construction management and project management. Since our founding in 1991, Oppidan has successfully developed in excess of 400 projects valued at more than \$2.7 billion and spanning 12 million-square feet throughout 29 states and parts of Canada.

Oppidan has a reputation for being fast, being flexible, and being value-oriented while meeting our clients' needs and exceeding their expectation. We also have a reputation for offering broad thinking and unprecedented depth of experience that defies our size. We believe it is our ability to live up to this reputation that has led every single Oppidan client over the past 25 years, to become a repeat client.

### **Shannon Rusk – Vice President of Development and Brokerage Services**

Shannon Rusk joined Oppidan in 2006 as Vice President of Development and Brokerage Services. She is responsible for developing and maintaining client relationships with an emphasis in strategic real estate planning. Shannon manages and oversees site selection, entitlement, project development, transaction services, project management and financing for her clients. With a successful track record spanning more than twenty years in the commercial real estate industry, Shannon is a valuable asset to Oppidan and her clients.

### **Heavenrich & Company**

Heavenrich & Company is a Boutique investment bank exclusively serving senior housing since 1994. They have closed over \$1 billion in senior housing transactions and sourced over \$190 million of equity over the last 8 years.

### **Adam Heavenrich – Founder & Managing Director**

Adam Heavenrich is managing director of Heavenrich & Company, a boutique investment brokerage firm serving independent living, assisted living, skilled nursing and memory care organizations nationwide since 1994. Based in Chicago, with offices in Denver, Heavenrich & Company advises public and privately held for-profit and non-profit senior housing organizations in mergers, acquisitions and financing. Heavenrich & Company also formulates construction funding options for senior housing operators with a variety of capital sources, including private equity groups, hedge funds, family offices, banks and pension funds. They serve as exclusive advisors to a \$100 million equity fund dedicated to new construction of senior housing. The SeniorCare Investor named Heavenrich & Company one of the top ten senior housing investment brokerage firms in 2015. Heavenrich & Company offers integrity of advice, breadth and depth of industry contacts and certainty of execution. They have closed over \$1 billion in transactions.

## DEVELOPMENT TEAM / KEY TEAM MEMBERS

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Adam is a longtime healthcare transaction and finance professional with over thirty years of experience in development, structuring, selling, acquiring, and underwriting senior living and healthcare real estate projects. Adam's articles appear regularly in industry trade publications and he speaks frequently at industry conferences.

### **Watermark Retirement Communities – The Operator of the Independent Living Community**

Watermark Retirement Communities currently manages 39 communities in 20 states, including CCRCs, standalone independent living, assisted living and memory care communities. With the intent to dramatically improve the quality of life for the residents they serve, Watermark has led the way in the development of transformative programs that support not only resident's physical and intellectual health but also their emotional well-being.

### **David Barnes – President of Watermark Retirement Communities**

David's career began with Fountains Retirement Communities in 1988 when he served as an operational trouble-shooter. Traveling to communities across the United States, typically living at the community and working with the Executive Director to implement policies, procedures and systems, he could not have asked for a better primer in healthy aging. As President of Watermark Retirement Communities, he ensures that they have the right people, in the right place, doing the right thing: serving their associates, residents and clients. Over the years, they've developed state-of-the-art systems, and they're proud of them. But it's their amazingly committed associates and residents that make Watermark communities such uncommon places.



## EXAMPLE SENIOR HOUSING DEVELOPMENTS

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### **Thrive Senior Living at Athens – Athens, GA**

Located in Athens, Georgia, approximately 50 miles west of Atlanta, Thrive Senior Living at Athens features 50 assisted living and 20 memory care units, all of which are private pay. Thrive Senior Living at Athens received its certificate of occupancy in May 2016.



### **Pathways Memory Care at Villa Toscana – Houston, TX**

Pathways Memory Care at Villa Toscana in Houston, TX is a 94-bed memory care facility in the Cypresswoods area of Houston. The facility is operated by StoneGate Senior Living and will be licensed both as assisted living and skilled nursing.

The new 68,484 square foot Pathways Memory Care facility will offer 26 private rooms, 20 two-bedroom suites, and 14 private rooms that have been expanded to accommodate 28 semi-private beds in double occupancy rooms. The building site is located on 4.48 acres of land that is part of an 80-acre medical campus. The facility serves high acuity, atypical dementia and short-term rehab.



## EXAMPLE SENIOR HOUSING DEVELOPMENTS

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### **Windsor Manor Assisted Living & Memory Care – Nevada, IA**

Windsor Manor is an assisted living / memory care community in Nevada, IA containing 70 beds in 40 units. The facility contains a dedicated 10-unit memory care wing.



### **Red Rock Senior Living – Woodbury, MN**

Red Rock Senior Living is located in Woodbury, MN and includes the following: Studio, one and two-bedroom apartment homes, with several floor plans to choose from, controlled Access, balconies in some apartment homes, covered entrance for residents and guest, heated, underground parking, private dining room for family gatherings, dining Room with tableside service, chef-prepared meals, community Room for gatherings, beautifully landscaped walking paths and outdoor patios, Fitness Center with scheduled classes and wellness programs, Movie Theater with comfortable theater style seating, Spa salon for both men and women, Secured Access, Library with computers and internet, Sunroom, and Chapel.



## EXAMPLE SENIOR HOUSING DEVELOPMENTS

### White Bear Heights Senior Living - White Bear Lake, MN

White Bear Heights Senior Living is a brand new 137,000 square foot senior housing complex in White Bear Lake, MN. The senior housing development will open Spring of 2017.

The development will consist of a variety of apartment floor plans – studio, one bedroom, one bedroom + den and two-bedroom styles, many feature balconies, Walk-in closets, Heated underground parking, Chef-prepared meals served restaurant style – Dining room with outdoor deck, Community room for parties and programs, Large, beautiful outdoor spaces to include a covered porch, Fitness center with scheduled classes and wellness programs, Movie theater with comfortable seating, Hair salon and spa, Club lounge, Bistro for snacks and coffee.



### Shorewood Landing Senior Living - Shorewood, MN

Shorewood Landing is a brand new 3.67-acre senior housing facility in Shorewood, MN. This complex is on track to open in Fall of 2017.

This development will include a variety of floor plans and amenities for Independent Living. A full array of Assisted Living services including round-the-clock staffing by care professionals, health monitoring, individually tailored health and personal care, and on-site visits by geriatric physicians and nurse practitioners are also available. For the Memory Care units, you can select from apartments that open onto the household common area, or a more private entry, allowing for personal preference and flexibility. It also includes meals and activities in family style dining and living rooms, spa tub rooms, and on-site staff 24 hours a day.

Other amenities at Shorewood Landing include Studio, one- and two-bedroom apartment homes with several floor plans to choose from - some with dens, Controlled access, Many apartments feature balconies, Covered entrance for residents and guests, Heated/underground parking, Extra storage, Multiple patios and lounges, Dining room and outdoor patio, Chef-prepared meals, Community room with



## EXAMPLE SENIOR HOUSING DEVELOPMENTS

outdoor patio for parties and events, Fitness center, Hair salon and spa, Club lounge and bar, Walk-in closets, and convenient scooter station with power hookups.



### **Napa Senior Living – Napa, CA**

Napa Senior Living is a three-story, 195,000-square-foot facility containing 73 units for independent living, 79 for assisted living and 21 units within a memory-care center for dementia patients. Napa Senior Living amenities include three dining rooms, a fitness center, library, theater, chapel and several courtyards.



# VISION / PROJECT OVERVIEW

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## The Overall Project Vision

Our proposed Independent Living facility will include the familiar comforts of home, and then some. Independent Living means that the dedicated staff is there to accommodate Oak Park seniors' unique lifestyle so they can enjoy the freedom of what makes them happy. Every Independent Living facility has its own unique identity, but in general the following services and amenities are included:

- Fine dining served restaurant-style by a professionally trained service staff.
- Stimulating and engaging life enrichment programs such as music, arts and cooking classes, fitness and group outings, gardening and technology assistance.
- Private dining accommodations for special occasions.
- Routine housekeeping service.
- Transportation service to local shopping centers, physician's offices and local attractions.
- On-site physical, occupational and speech therapy services.
- On-site beauty salon and barber shop.

This Independent Living facility is proposed to be a 6-story community with 74 units. The ground level will feature a lobby entry, coffee bar, music, billiards and art room, computer lab with internet access, dedicated fitness / physical therapy room, onsite dining room with kitchen, private dining room and a vehicular ramp for access to the 2<sup>nd</sup> and 3<sup>rd</sup> level parking decks. This community will allow residents to choose from private studios, one-bedrooms and two-bedrooms.

The second level will include 8 independent living units and 38 parking stalls.

The third level will include 8 independent living units and 42 parking stalls.

The 4<sup>th</sup> level will include 18 independent living units, a 2,000-square foot amenity room (Yoga / Television Lounge) and a 2,875-square foot roof deck.

The 5<sup>th</sup> and 6<sup>th</sup> levels will include 20 independent living units each.

## The Market

### Market Study Demand Analysis

To assist Paragon in evaluating the need for independent living at the proposed property located at 940 – 970 Madison Street in Oak Park, IL, Plante Moran performed a study of the market area. The study consisted of an analysis of the following:

- Determination of the market area,
- Economic factors and demographic characteristics of the market area, including housing and trends,
- Estimated age, income, housing unit value, and population within the market area,

## VISION / PROJECT OVERVIEW

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- Identification of existing and planned competitive offerings in the market area based on NICMAP research data; and
- Unit potential and penetration rates for independent living.

According to the bed need methodologies used by industry experts to calculate the demand for more independent living units, the Oak Park market is under-bedded. The results show the market can support up to 100 additional independent living units. Occupancy in the existing inventory is high, at 94.6%. With the continued growth of the Oak Park area, the senior population in the area will increase the demand for independent living facilities for the foreseeable future.

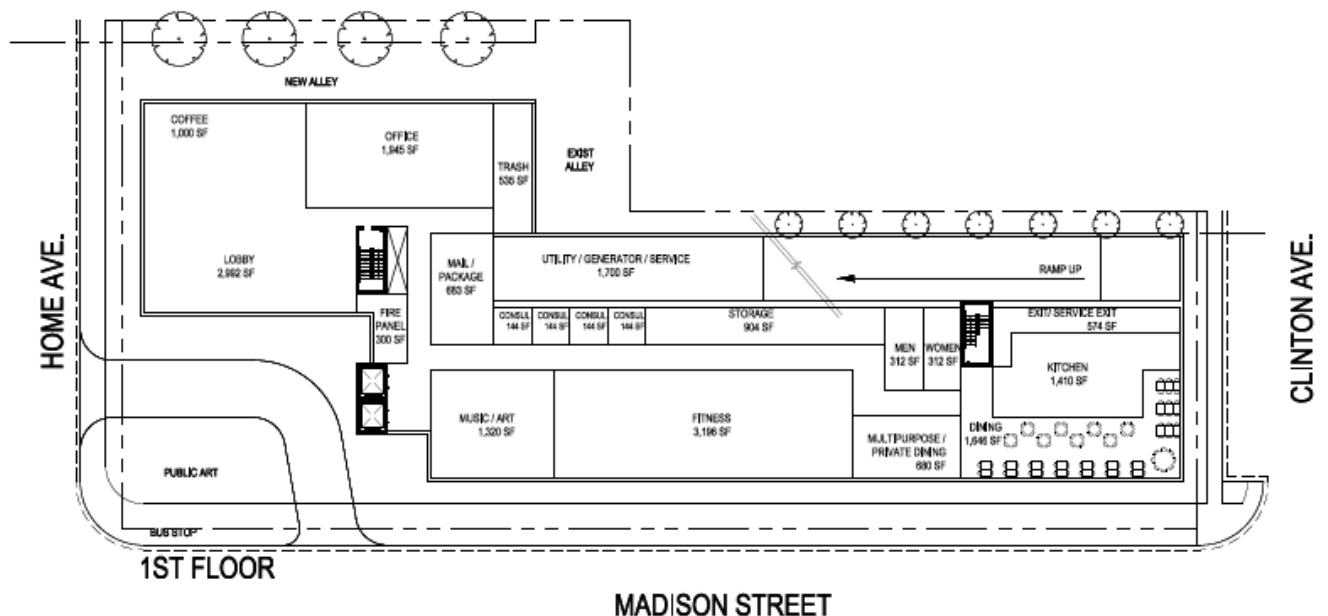
### **Independent Living Overview**

Independent living is designed for seniors who pay for some services (for example, housekeeping, transportation, meals) as part of a monthly fee or rental rate, and who require little, if any, assistance with activities of daily living. The average age of an independent living resident moving into a facility is 82. Independent living facilities may be stand alone or part of a continuing care retirement community (CCRC). Continuing care retirement communities feature a combination of independent living units with assisted living (and/or Alzheimer's) beds, and/or skilled nursing beds. Many varieties of contracts exist and are distinguished by the type of life care and healthcare benefit they offer. The most common type of independent living facility is a rental facility where residents pay no up-front entry fee at the time of occupancy of an independent living unit.

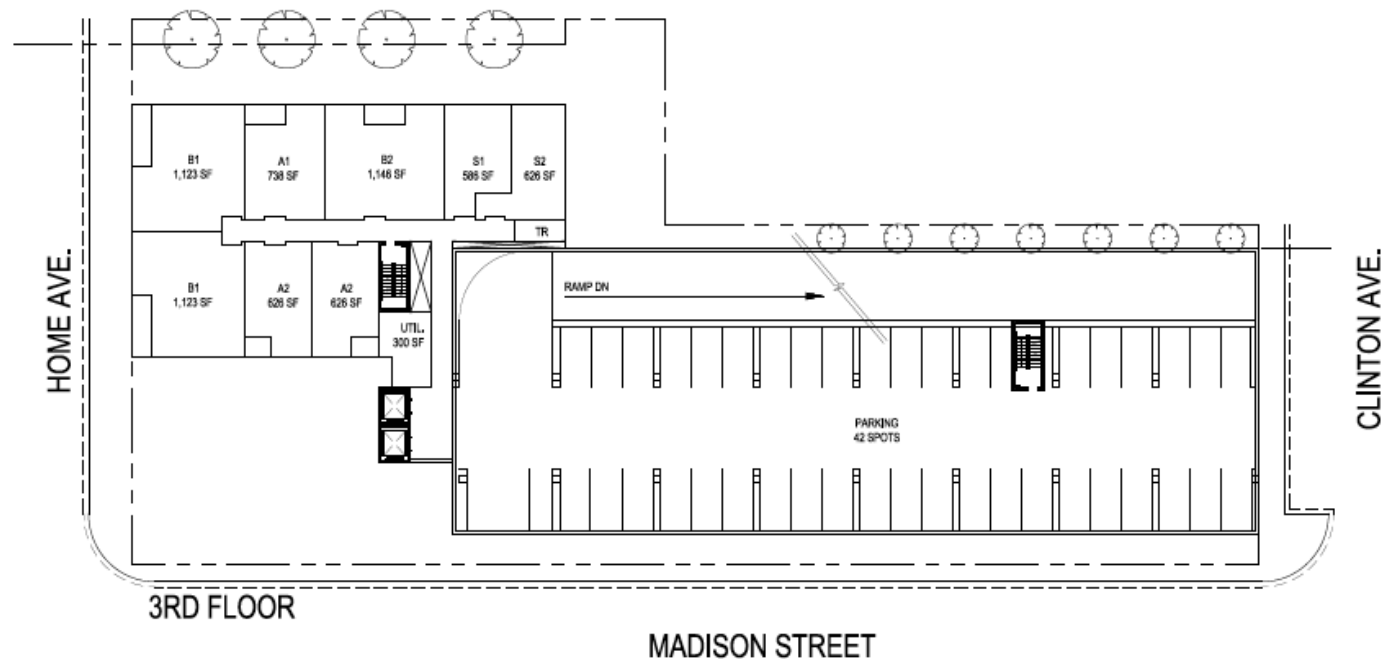
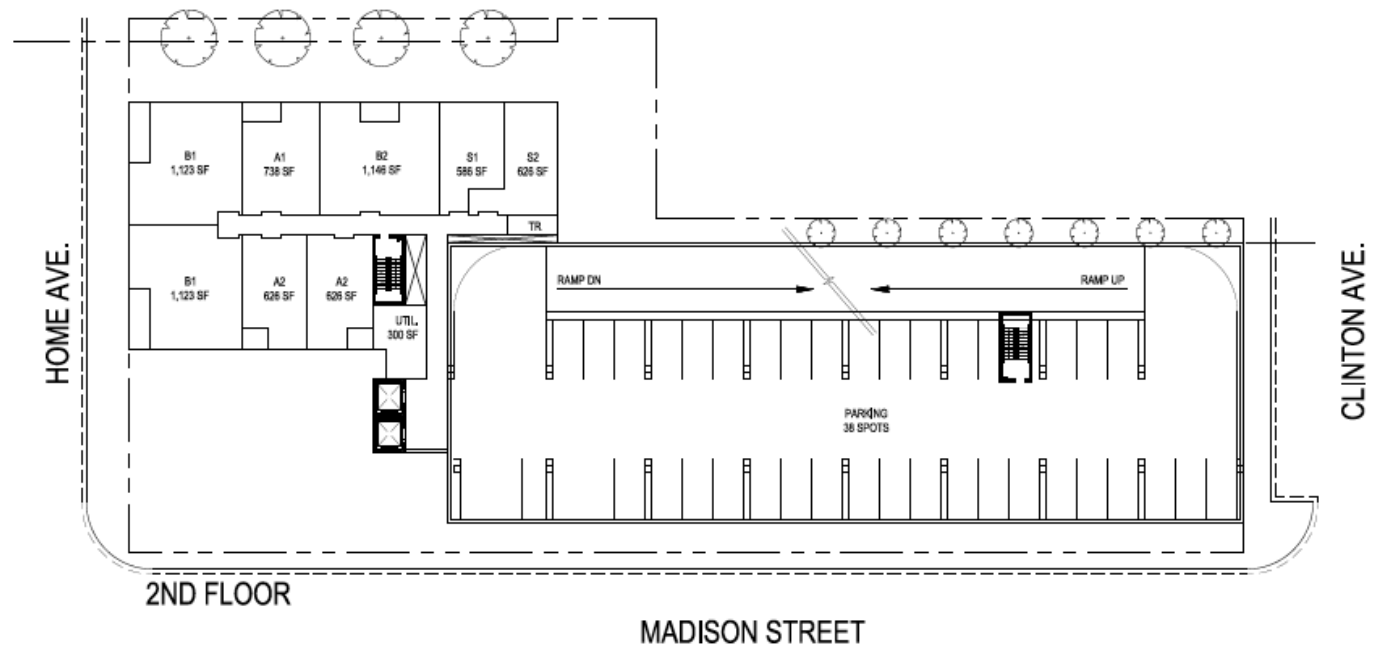
# VISION / PROJECT OVERVIEW

## Preliminary Site Plan / Floor Plans

940-970 MADISON STREET SENIOR LIVING FACILITY STUDY OPTION 1							1/19/17
SITE METRIC / UNIT TABULATION							
UNIT	UNIT	RENTABLE	UNIT			TOTAL	OVERALL
NAME	TYPE	AREA (NET)	COUNT	BEDS	PERCENT	RENTABLE AREA	UNIT MIX
S1	STUDIO/1BA	596	5	5	6.8%	2,930	41.8%
S2	STUDIO/1BA	626	5	5	6.8%	3,130	
A1	1BR/1BA	738	5	5	6.8%	3,690	
A2	1BR/1BA	626	10	10	13.5%	6,260	
A3	1BR/1BA	898	3	3	4.1%	2,694	
A4	1BR/1BA	690	3	3	4.1%	2,070	58.1%
B1	2BR/2BA	1,123	10	20	13.5%	11,230	
B2	2BR/2BA	1,146	29	58	39.2%	33,234	
B3	2BR/2BA	1,011	4	8	5.4%	4,044	
TOTALS			74	117	100.0%	69,282	100.0%
* NET AREA IS COMPUTED TO INCLUDE SQUARE FOOTAGE FROM EXTERIOR FACE OF ALL EXTERIOR FRAME WALLS THAT ENCLOSE A/C SPACE. IT DOES NOT INCLUDE PATIOS, BALCONIES, PATIO/BALCONY STORAGE							
PROJECT DATA							
TOTAL RENTABLE AREA:			69,282				
TOTAL RESIDENTIAL GROSS AREA:			84,851				
EFFICIENCY:			81.7%				
UNIT AVERAGE NET SF:			936.24 S.F.				
SITE ACREAGE:			0.99 ACRES				
DENSITY:			(74.75) UNITS/ACRE				
BEDS			117.00				
PARKING:			PROVIDED 80 GARAGE SPACES				
			1.08 SPACES/UNIT				

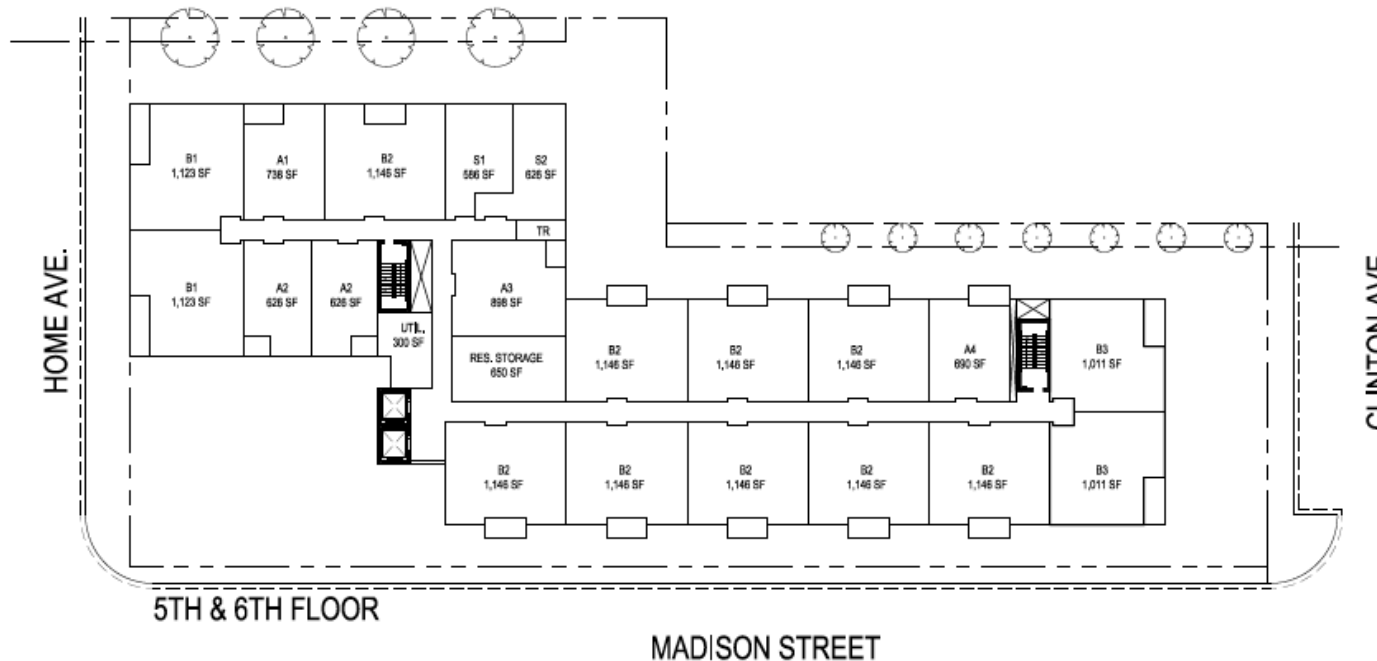
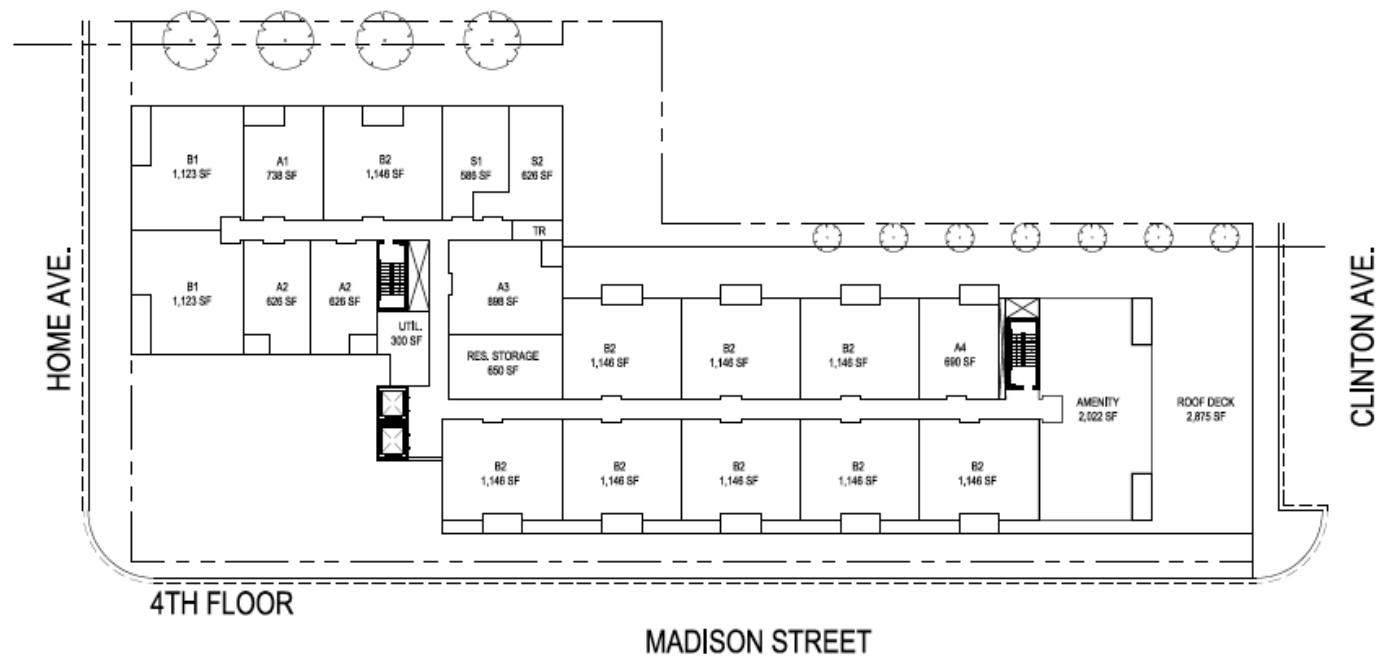


# VISION / PROJECT OVERVIEW





# VISION / PROJECT OVERVIEW



## VISION / PROJECT OVERVIEW

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### Preliminary Elevations



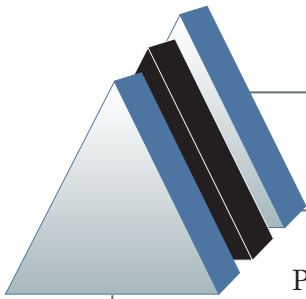
HOME AVE. ELEVATION



CLINTON AVE. ELEVATION



MADISON STREET ELEVATION



## DEVELOPMENT SCHEDULE

Paragon's Development Process is designed to seamlessly execute projects from entitlements, through construction and building occupancy. We employ a process-driven approach of project realization that (1) increases effectiveness by (a) avoiding mistakes and (b) providing transaction "transparency" throughout, and (2) increases efficiency by (a) providing a proven methodology based on the cumulative experiences of the company.

PURCHASE AGREEMENT -  
FEB/MARCH 2017

DESIGN / ENTITLEMENT PROCESS -  
WINTER - SUMMER 2017

DRAWINGS / PERMITTING -  
SUMMER 2017 - FALL 2017

CONSTRUCTION PROCESS -  
FALL 2017 - WINTER 2018

PROJECT COMPLETION / OPERATIONS -  
SPRING 2019

## VISION / PROJECT OVERVIEW

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### The Advantages

#### Benefits for Oak Park

- Planning for the needs of seniors in the community is a key priority and challenge for municipalities. Seniors can downscale from costly, high-maintenance houses with ease. This Independent Living facility will accommodate for both aging in place and the addition of needed independent living housing stock in the Oak Park area allowing seniors easy accessibility to shopping, transportation and other services.
- Brings additional employment and residents to the Madison Street Corridor.
- The facility will meet the general character of the other buildings along the Madison Street Corridor and complement the services of the Belmont Village facility just west of the property.
- Generates a large property tax increase for the Municipality and local schools. The addition of new residents will also generate additional sales tax revenue for the Municipality.



January 25, 2017

Village of Oak Park  
Department of Development Customer Services  
Attn: Tammie Grossman  
123 Madison Street  
Oak Park, Illinois 60302

RE: LETTER OF INTENT for 940-970 Madison Street, Oak Park, IL 60302 ("The **Property**").

Dear Tammie:

In response to the Village of Oak Park's Request for Proposals we are submitting our response including this Letter of Intent ("Letter") for the purchase by Paragon Real Estate, LLC and/or an affiliate ("Purchaser") for 940-970 Madison Street, Oak Park, Illinois, on the following terms and conditions.

1. **Property to be Purchased and Conveyed**

The above-referenced Property consisting of a land parcel of approximately 42,000 square feet, including the land and improvements (the "Property").

2. **Purchase Price**

The purchase price for the property shall be \$1,050,000.00

3. **Terms of Payment**

The Price, inclusive of any earnest money deposit, shall be paid in cash at closing, plus or minus any pro-rations. Seller shall credit Purchaser for all accrued and unpaid real estate taxes.

4. **Contract for Purchase and Sale**

After mutual execution and delivery of this Letter, Purchaser shall prepare an agreement outlining the terms of the property redevelopment and the responsibilities for both the Purchaser and the Seller satisfactory to each of us and our respective attorneys, ("Purchase Agreement"). While Purchaser and Seller are negotiating such Purchase Agreement, Seller shall neither offer the Property for sale to, nor accept any offer of sale for the Property, nor negotiate regarding the sale of the Property with any other party. Nor shall the Seller modify, extend or renew any contracts affecting the Property or enter into any new contracts without the Purchaser's prior written consent. The Purchase Agreement will contain, among other things, the following provisions:



- a. Reasonable warranties and representations, regarding among other things, environmental matters, zoning, access, drainage, any pending litigation or condemnation proceedings, the status of and reassessments affecting real estate taxes, and Seller's authority to convey the Property.
- b. Title to the Property will be conveyed to Purchaser by general warranty deed with title commitment exceptions that are not objected to by the Purchaser. If so requested by Purchaser, Seller will cooperate with Purchaser in attempting to remove any exceptions to which Purchaser timely objects.

5. **Title Commitment and Survey**

Within ten (10) days after the acceptance of this Letter of Intent, Seller shall deliver to Purchaser, at Seller's cost, copies of the existing owner's title policy and survey. The Purchase Agreement shall provide that within ten (10) days after its execution, Seller shall deliver to Purchaser a current commitment for an owner's ALTA Title insurance policy with extended coverage in the amount of the purchase price issued by a title insurance company acceptable to Purchaser together with true, complete, and legible copies of all documents described in the title commitment; and an updated ALTA survey of the Property prepared by a surveyor licensed in the state in which the Property is located.

6. **Purchaser's Investigation**

Purchaser shall have **120 days** following the execution of a formal purchase agreement by all parties and receipt of all due diligence documents required per the Purchase Agreement for the subject property (such time, the "Investigation Period") to investigate the Property.

Purchaser shall have the right to inspect the Property and perform any studies with respect to structural, mechanical, environmental and regulatory title. Purchaser's inspection shall include, but not be limited to, the following: (i) physical condition of the Property; (ii) the status of compliance with laws, regulations or ordinances issued or imposed by a governmental or public authority having jurisdiction over the Property; (iii) verification of adequate visibility of the site; (iv) soil conditions; (v) utility availability, including adequate sewer capacity; (vi) zoning certification or ability to achieve necessary zoning certification; (vii) Purchaser's ability to obtain title insurance to the Property subject only to standard exceptions; and (viii) presence or absence of hazardous substances, limited to a Phase I Environmental survey.

After such investigation, if Purchaser, in its sole discretion, determines that the Property is not satisfactory by Purchaser, Purchaser may terminate the contract in writing no later than the end of inspection period. If Purchaser terminates the Purchase Contract, the Earnest Money Deposit shall be returned to the Purchaser and Purchaser shall be released from liability under the Contract.

7. **Governmental Approvals**

Purchaser shall have an additional **120 days** after the expiration of the Inspection Period (the "Approvals Period"), to obtain all necessary governmental approvals of its proposed development or redevelopment of the Property, including without limitation, approval of zoning, annexation, use,



setbacks, drive-thru lanes, parking and platting of the Property, and obtaining such other governmental approvals, licenses and permits as Purchaser deems necessary for the development of the Property, including Village incentives (collectively, Governmental Approvals"). If Purchaser is unable to obtain all necessary governmental approvals of its proposed development or redevelopment of the Property or due to a Seller's default under the Agreement, the Earnest Money Deposit shall be returned to the Purchaser and Purchaser shall be released from liability under the Contract.

8. **Earnest Money**

Within 5 business days after the execution of a Purchase Agreement by all parties, Purchaser shall deposit \$5,000 into an escrow account. The escrow trustee shall be a title company acceptable to Purchaser. The earnest money will be applied to the purchase price at closing. In the event Purchaser elects not to purchase the property, for any reason, the earnest money will be immediately refunded to Purchaser upon Purchaser's sole request. At the end of the Approvals Period (including any Extensions), the money escrowed with the Title Company will become non-refundable.

9. **Purchaser's Closing Contingencies**

Purchaser shall not be obligated to close the Purchase Agreement unless the following contingencies have been met to Purchaser's satisfaction:

- (A) The Property shall constitute or be comprised of (i) a legally separate and distinct lot (or lots), and (ii) separate tax lot (or lots);
- (B) No underground storage tanks shall be located on or at the Property;
- (C) No violation of any law, ordinance, governmental statute or regulation shall exist including no violation of any building, zoning, or environmental law; and
- (D) The existing structures shall be demolished by the Village and the Village shall perform site cleanup prior to conveyance of the land.

10. **Closing**

It is the intent of the parties to close no later than 60 days after the expiration of the end of the Approvals Period, as extended (The "Closing Date"). Seller shall give exclusive possession of the Property to Purchaser at Closing.

*Seller shall pay:*

- A. The cost of the title policy and extended coverage;
- B. One-half (1/2) of all closing fees charged by the escrow agent and/or the title company;
- C. Seller's legal fees and expenses;
- D. All County & State transfer taxes; and
- E. All the documentary stamp taxes.

*Purchaser shall pay:*

- A. The fee for the recording of the deed;



- B. One-half (1/2) of all closing fees charged by the escrow agent and/or the title company; and
- C. Purchaser's legal fees and expenses.

11. **Broker/Agent**

There are no brokers involved in this transaction.

12. **Representations and Warranties**

The Purchase and Sale Agreement shall contain standard and customary representations, warranties, and covenants.

13. **Confidentiality**

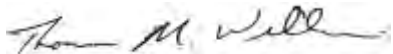
Purchaser and Seller shall not disclose any terms of this transaction to any third party, except Purchaser may disclose said terms to its agents and consultants as well as any mortgagee, prospective mortgagee, or prospective purchaser of the Property.

We look forward to a favorable conclusion of negotiations and would like very much to work with you on this transaction.

**AGREED TO AND ACCEPTED BY:**

**PURCHASER:**

By: **PARAGON REAL ESTATE, LLC**, an Illinois limited liability company, as agent for Purchaser

By: 

Name: Tom Williams

Title: Managing Partner

Date: 1/25/2017

Address: 1900 Spring Road, Suite 503  
Oak Brook, IL 60523

Phone: 630-368-1099

Mobile: 630-878-2369

E-mail: tom@theparagoncompany.com

**SELLER:**

By: \_\_\_\_\_, a(n)  
\_\_\_\_\_ Limited Liability  
company, as agent for Seller

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_





1900 Spring Road, Suite 503 | Oak Brook, IL 60523  
630-878-2369 | [Tom@theparagoncompany.com](mailto:Tom@theparagoncompany.com)

[www.theparagoncompany.com](http://www.theparagoncompany.com)