

Resolution No. 21-09

A RESOLUTION APPROVING A REDUCTION IN THE LETTER OF CREDIT AND APPROVING SUBSTITUTE SECURITY FOR SPRUCE ESTATES, PLAT 2

WHEREAS, the developer of Spruce Estates, Plat 2, has requested, and the Consulting Engineer for the Village has approved, a reduction of the security securing construction of public infrastructure with respect to Spruce Estates, Plat 2, to an amount of \$45,000.00, all as outlined in a letter from the Village's Consulting Engineer dated June 2, 2009, and attached hereto as Exhibit A;

WHEREAS, the developer of Spruce Estates, Plat 2, has requested the substitution of a new letter of credit for the existing letter of credit securing the construction of infrastructure for Spruce Estates, Plat 2;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: Letter of Credit No. 01-2008-BR08, issued by United Community Bank on January 28, 2008, which secures the construction of public infrastructure for Spruce Estates, Plat 2, is hereby released.

SECTION 2: Letter of Credit #508 issued by Illini Bank on June 3, 2009, a copy of which is attached as Exhibit B in the amount of \$45,000.00, is hereby accepted as security with respect to construction of infrastructure for Spruce Estates, Plat 2.

SECTION 3: This Resolution is effective immediately.

PASSED this 9 day of JUNE, 2009.

Thomas S Gray
Village President

ATTEST:

Pat Schrad
Village Clerk

AYES: 6 HERK MAU BOYLE REYNOLDS KAVANAGH SCHATEMAN
NAYS: 0

PASSED: 6-9-09
APPROVED: 6-9-09

ABSENT: 0



RESOLUTION CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the Resolution attached hereto is a full, true and exact copy of Resolution No. 21-09, adopted by the President and Board of Trustees of said Village on the 9 day of JUNE, 2009, said Resolution being entitled:

**A RESOLUTION APPROVING A REDUCTION IN THE LETTER OF
CREDIT AND APPROVING SUBSTITUTE SECURITY FOR
SPRUCE ESTATES, PLAT 2**

I do further certify that prior to the making of this certifications, the said Resolution was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 9 day of JUNE, 2009.



Village Clerk

GREENE & BRADFORD, INC.

3501 Constitution Drive
Springfield, Illinois 62711
(217) 793-8844
(217) 793-8227 Fax
www.greeneandbradford.com



June 2, 2009

Mr. Meredith Branham
Village of Chatham
116 E. Mulberry
Chatham, IL 62629

RE: Spruce Estates – Plat 2
G & B# 05001.07

Dear Meredith:

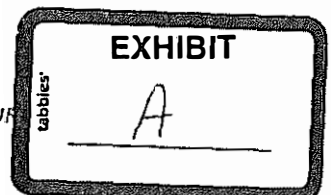
I am in receipt of John Reynolds' letter of credit dated 5/19/09 and approve the aforementioned letter with a reduction to the amount of 45,000.00 as we are holding a previous commitment letter of \$85,900.00.

Respectfully,
GREENE & BRADFORD, INC.

s/n/s Jay E. Jessen

Jay E. Jessen

JEJ:kf
Enclosure
Cc: John Reynolds
John Myers



Illini Bank[®]

Member FDIC

We'll Take You There.™

IRREVOCABLE LETTER OF CREDIT #508

June 3, 2009

Village of Chatham
Attn: Village Engineer
116 East Mulberry
Chatham, IL 62629

RE: Spruce Estates Subdivision
Chatham, IL

To Whom It May Concern:

We hereby establish our IRREVOCABLE LETTER OF CREDIT NUMBER 508 in your favor for the account of FTM One Investments, LLC Subdivision for the amount of \$45,000.00, available by your drafts at sight, drawn on the ILLINI BANK, Springfield, Illinois accompanied by:

(a) Copy of final inspection letter from the Municipality to Developer detailing sidewalk work to be completed including cost estimate.

(b) Statement signed by the Engineer of Village of Chatham, Illinois certifying that the public improvements for which this Letter of Credit is security have not been completed as required by Chapter 153 of the code of the Village of Chatham, and releasing ILLINI BANK of liability under this Letter of Credit to the extent of each draw.

Except as otherwise expressly stated herein, this credit is subject to the Uniform Commercial Code as adopted in the State of Illinois.

EXHIBIT

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Village of Chatham
Attn: Village Engineer
June 3, 2009

We hereby agree with the drawers, endorsers and bona fide holders of drafts drawn under and in compliance with the terms of this debt, that such drafts will be duly honored on due presentation to the drawee on or before June 3, 2010. All parties hereto agree that the outstanding obligation hereunder may be released only upon written authorization of the Engineer of said Village of Chatham. This Letter of Credit shall be automatically extended for additional periods of one year from the expiration date or each future expiration date unless sixty (60) days prior to such date, the Bank shall notify you in writing, by registered mail at the above address, that we elect not to renew this Letter of Credit at the end of said sixty (60) day period, provided however, that nothing contained herein shall be construed to limit the right of Village of Chatham to make drafts against this letter until its initial expiry date or any date to which said letter is automatically extended as described above.

ILLINI BANK

BY: Ronald E. Wenger
Ronald E. Wenger, Senior Vice President

ATTEST: Greg Burky
Greg Burky, President