Property Value Protection Plan
Zion Landfill, Inc.

- Exhibit C of City of Zion Host Agreement dated May 11, 1994
- Section 4 of Second Amendment to Host Agreement

(Rev. 05/10/94)

EXHIBIT C

PROPERTY VALUE PROTECTION AGREEMENT

By this Property Value Protection (PVP) Agreement, executed contemporaneously with the Host City Agreement and supported by the consideration stated therein, Browning-Ferris Industries of Illinois, Inc. (BFI) agrees to provide sales price protection to the owners of residential property in the vicinity of BFI's operations. Such protection is provided as evidence of BFI's good faith and good citizenship in seeking expansion of its current solid waste management operations, and not because of any BFI belief that such operations will actually negatively impact surrounding community property values.

I. PREAMBLE

BFI recognizes that by the nature of the operation of a landfill, that the residential real property immediately surrounding the landfill may be impacted in value due to the operation of the landfill. City, on behalf of the persons described in this Agreement, wishes to insure that those persons suffer no loss in their property values due to the granting of additional siting for landfill activities as set forth in the Host City Agreement. This Plan is then made a part of the Host City Agreement for the protection of those persons who suffer legitimate and bona fide losses as a result of the conduct of the landfill operations, and is directed only to those persons who suffer legitimate and bona fide losses.

II. DEFINITIONS

A. **Appraiser** means any Illinois-licensed real estate appraiser who is certified as a member of the American Institute of Appraisers or recognized by the National Appraisers Association.

B. **BFI Protected Price** means the Protected Price determined by an appraiser selected by BFI.

C. **Bona Fide Sale** means a sale at a Bona Fide Sale Price, provided that a sale for a price less than the initial Reasonable Market Price shall be considered bona fide if it is in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

D. **Bona Fide Sale Price** means a price equal to or greater than 90% of the applicable price here following:

(1) the "BFI Protected Price," for any Property purchase offer made within 90 days following the determination of such value; or,

(2) the "Reasonable Market Price," for any Property purchase offer made more than 90 days after determination of the BFI Protected Price.

E. **Final Protected Price** means the applicable price here following:

(1) the BFI Protected Price, if the Owner agrees with such price;

(2) the price agreed to between BFI's appraiser and the Owner's appraiser; or,

(3) in the event of a third-party-neutral appraisal, the higher of:

(a) the average of the BFI, Owner, and Neutral Protected Price appraisals; or,

(b) the median appraisal of the BFI, Owner, and Neutral Protected Price appraisals.

F. **Neutral Protected Price** means the Protected Price determined by a third party appraiser who is agreed upon by BFI and the Owner.

G. **Owner** means the legal entity, individual or individuals holding legal title, or, in the case of a trust, holding beneficial title to the Property at the time of the "sale" of the Property.

H. **Owner Protected Price** means the Protected Price determined by an appraiser selected by the Owner.

I. **Property** means real property improved with not more than four (4) residential dwelling units, which units are in existence or under construction on the "Effective Date" of this agreement.

J. **Property Value Protection Plan Administrator** means the BFI representative responsible for implementing and administering the PVP.

K. **Protected Price** means the Reasonable Market Price of the Property, at the time of appraisal, with the further assumption that the BFI Property has not been approved for development, or permitted or used for the purpose of receiving and managing solid waste.

L. **Protected Property** means property, all or part of, which is located within 1500 feet of the BFI Property or within the area bounded by Kenosha Road (east), Russell Road (north), Green Bay Road (west) and Ninth Street (south), or which is located on the following streets in

the Oak View Estates Subdivision: Oak Lane, Block Lane, 3rd Street, Prairie Avenue and Clear View Court.

M. **Reasonable Market Price** means the actual market value of the Property "as is, where is," predicated upon the final sales prices of comparable properties in the vicinity of the Property, and initially fixed at the higher of the market prices assigned by the Owner in the Application or by BFI's appraiser at the time the BFI Protected Price is determined. A Property offered for sale at the reasonable market price, which has not been the subject of a good faith purchase offer within 90 days, may have its offering price reduced by up to 10% every 120 days thereafter until a bona fide sale is completed. Such a reduced price shall be considered the reasonable market price under this Agreement.

N. **Sale** means the first compensated sale of a Property pursuant to a real estate sale contract entered into after the "Effective Date." Sale does not include transfers of a Property by gift, bequest, inheritance, to terminate a joint tenancy or pursuant to a Decree of Dissolution of Marriage.

III. BFI COMMITMENT TO OWNERS

In the event a Property is sold for a Bona Fide Sale Price which is less than the Final Protected Price of the Property, as herein determined, BFI will pay the Property Owner(s) the difference between such prices. Such payment will be made not later than 15 days after closing of the Property's sale, upon the Owner's presentation of appropriate closing documents to verify the sale price.

IV. APPLICATION FOR PROPERTY PRICE PROTECTION

An Owner desiring to sell a Property, and seeking property value protection, shall complete an "Application for Property Value Protection" in the form specified in Attachment 1. Such application shall be submitted to the "Plan Administrator" in duplicate, prior to the time the Property is offered for sale. The Plan Administrator shall be designated by BFI, and be available for communications from Owners, within fourteen (14) days following the "Effective Date" of this Agreement.

V. CONTENTS OF APPLICATION

All information solicited in Attachment 1 shall be provided by the Owner. The Owner shall determine the "Reasonable Market Price" of the Property, with or without the assistance of a Broker, after giving fair consideration to the final sales prices of comparable properties in the geographical area of the BFI Property, and particularly sales of such properties after the Effective Date of this Agreement.

If an Application is determined to be incomplete by the Plan Administrator, the Owner shall supply the requested information or signatures, as part of a new Application to the Plan

Administrator.

VI. RESPONSE TO APPLICATION BY PLAN ADMINISTRATOR

Within seven (7) days of receipt of an Application, the Plan Administrator shall determine whether the Application is complete and whether the Owner's designated "Reasonable Market Price" is acceptable, and shall mail a letter to the Owner stating such determinations and what is needed, if anything, from the Owner. If the Application is complete, within seven (7) days after mailing the letter of explanation, the Plan Administrator shall designate, and advise the Owner of the identity of, the appraiser to determine the BFI Protected Price and, if necessary, an alternative "Reasonable Market Price." BFI's appraiser shall determine such prices, and communicate them to the Owner, within fourteen (14) days of being designated. The foregoing schedule is intended to allow the determination of a BFI Protected Price within twenty-eight (28) days of receipt of a complete Application.

VII. APPRAISALS SUBSEQUENT TO THE BFI PROTECTED PRICE APPRAISAL

Within twenty-eight (28) days after receipt of the BFI Protected Price, the Owner may designate, and advise the Plan Administrator of the identity of, an appraiser to determine the Owner Protected Price. Failing such designation and advice, it shall be presumed the Owner accepts the BFI Protected Price. Any such appraiser shall be paid for by Owner, subject to the provisions of Section X.

In the event the Owner selects an appraiser, the appraiser shall determine the Owner Protected Price, and communicate such to the Plan Administrator, within fourteen (14) days of being designated. The Owner's appraiser and BFI's appraiser shall thereafter have fourteen (14) days within which to either: (a) reach agreement on a single Protected Price, in which event both BFI and the Owner shall be bound to such price; or, (b) reach agreement on a third-party appraiser to determine a Neutral Protected Price.

Following designation, the third-party-neutral appraiser shall conduct an appraisal and report the Neutral Protected Price, to both the Owner and the Plan Administrator, within fourteen (14) days.

The foregoing schedule is intended to allow the determination of a Neutral Protected Price, and, therefore, a Final Protected Price, not later than seventy (70) days after the determination of the BFI Protected Price.

VIII. PROTECTED PRICE APPRAISALS

Appraisals conducted hereunder for the purpose of determining a Protected Price shall be performed by real estate Appraisers, who shall work independently of the person retaining them. The Appraisers may determine the Protected Price through any reasonable means, including the use of comparable residential sales in comparable communities and neighborhoods unaffected by either the operations on the BFI Property or similar operations conducted by others.

IX. NOTICE OF RECEIVED OFFERS, ACCEPTED OFFER AND CLOSING

The Owner shall notify the Plan Administrator within twenty-four (24) hours of each written offer to purchase received by Owner, and fourteen (14) days after: (a) acceptance of an offer to purchase the Property; or (b) termination of a sales contract for reasons other than closing. The Owner shall notify the Plan Administrator of the actual closing date not later then seven (7) days before closing.

X. PAYMENT OF OWNER'S APPRAISAL COST

In the event that a Property is sold for a price which requires BFI payment pursuant to Section III, BFI shall also pay the Owner's costs to obtain the Owner Protected Price appraisal if one was obtained. To obtain this payment, the Owner shall submit to the Plan Administrator documentary proof of the appraisal cost and evidence that the cost was paid. Payment shall be made at the time provided in Section III.

XI. EFFECTIVE DATE OF THIS AGREEMENT

For purposes of this Agreement, the "Effective Date" shall be the later of the following dates:

(1) entry of a final and unappealable determination by the City of Zion granting site location or land use approval for BFI's proposed solid waste management facility expansion; or,

(2) entry of a final and unappealable decision by the Illinois Environmental Protection Agency issuing a permit to BFI to develop the proposed expansion.

(Rev. 05/11/94)

APPLICATION FOR PROPERTY VALUE PROTECTION

To: BFI Property Value Protection Plan Administrator
Browning-Ferris Industries of Illinois, Inc.
42575 N. Green Bay Road
Zion, IL 60099

[**Instructions:** This form is to be legibly typed or printed in ink, signed by each Owner, and shall be mailed or delivered, in duplicate, to the BFI Plan Administrator prior to listing the Property for sale. The Owner shall retain a copy of the Application. The applicant is particularly directed to the requirements of Section 4 concerning the minimum sales prices required for this protection program and the obligation to copy the Plan Administrator on offers received.]

THIS APPLICATION is submitted by each Owner of the described Property, pursuant to the provisions of that certain "Property Value Protection Agreement," ("the Agreement"), executed by and between the City of Zion and Browning-Ferris Industries of Illinois, Inc. on May 11, 1994. By signing, each Owner certifies that all of the representations and information provided below are true and correct.

1. Property. This Application seeks property value protection for the sale of the real property described below. The Property is improved with not less than one, nor more than four, residential dwelling units, which were in existence or the subject of a construction contract on [date of IEPA permit issuance].

Commonly Known Address: PIN Number:

Legal Description:
[If required, attach additional pages.]

2. Owner. Each person or entity named below is the Owner (or Co-Owner) of legal title to the above described Property (Co-Owners are collectively referred to, in this Application, as "the Owner"). In the event the owner of legal title is a trust, the Owner(s) of the beneficial interest in such trust are designated below, and will be the

signatories to this Application instead of the Trustee. No person or entity not named has any legal or beneficial title to the Property.

Name: Address: _ Phone:

3. Determination of Protected Property Price ("Protected Price"). This Application seeks a determination, following the principles and procedures specified in the Agreement, of the market value of the Property if it were not affected by the landfilling or other operations conducted on BFI's nearby property. This value is the "Protected Price." The first effort at determining this value shall be conducted by BFI. If Owner does not agree with BFI's evaluation, Owner may cause an evaluation to be made. If BFI's and the Owner's appraisers cannot agree on a single value, a third party neutral appraiser shall make an evaluation.

4. Offer and Sale. The Owner will advertise and offer the Property for sale, through a compensated transaction, to an arm's-length buyer, **at an initial sale price at or above 90% of the Protected Price assigned by BFI's appraiser ("BFI Protected Price")**. If the Owner does not receive an offer to purchase the Property at or above 90% of the BFI Protected Price within 90 days of the establishment of such value, the Owner may thereafter offer and sell the Property at or above 90% of the "reasonable market price" specified below for an additional 90 days. If no offer is made to purchase the Property at or above 90% of the "reasonable market price," within such 90 day period, the Owner may then reduce the sale price of the Property by up to 10% and may make further reductions of up to 10% every 120 days thereafter, until a final offer to purchase is made at a price at or above 90% of the reduced reasonable market price.

Within 24 hours of receipt, the Owner shall provide the Plan Administrator with a copy of each written purchase offer. Within 14 days after accepting an offer, the Owner shall provide the Administrator with a copy of the accepted offer. Not later than 7 days prior, the Owner shall notify the Administrator of the time and place of closing.

5. Broker (if any). The Owner has signed or intends to sign a listing agreement with the following person or entity:

Name/Address of Individual and Firm: Bus. Phone:

6. Reasonable Market Price. The Owner has determined that a reasonable market price for sale of the Property, given sales of comparable properties in the vicinity of the Property, is $_____. In making such determination, Owner has relied upon a comparables market analysis performed by the Broker above identified, or by the following person(s):

If BFI rejects the Owner's determination, we understand BFI shall cause its appraiser to state an alternative "reasonable market price" at the time it conducts its appraisal of the BFI Protected Price. For purposes of this Application the initial "reasonable market price" shall be the higher of the Owner's designated price or BFI's appraiser's designated price.

7. Request for and Authorization of Protected Price Appraisal. The Owner requests that BFI retain an appraiser, with those qualifications stated in the Agreement, to conduct an appraisal of the Property and determine its BFI Protected Price. The Owner will cooperate fully with the appraiser in providing access to the Property at reasonable times, provided the name and telephone number of the appraiser are first supplied to the Owner by BFI.

Owner Signature: _____ Date: _____

Owner Signature: _____ Date: _____

Owner Signature: _____ Date: _____

DO NOT WRITE BELOW THIS LINE. FOR COMPLETION BY BFI PLAN ADMINISTRATOR.

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Date Application Received by BFI Plan Administrator: _____

Application Considered:
- ☐ Complete
- ☐ Incomplete

Owner's Stated "Reasonable Market Price":
- ☐ Accepted
- ☐ Rejected

On: _____

Letter of explanation mailed to Owner on: _____

BFI Appraiser Name/Address: _____

_____

_____

Appraiser selected on: _____

Protected Price determined by BFI's Appraiser: _____

Date such value established: _____

"Reasonable Market Price" Determined by BFI's Appraiser: _____
[If Owner's price determination has been rejected].

Date BFI Protected Price and Market Price Communicated to Owner: _____

Other "Protected Price" Determinations:

Protected Price determined by Owner's Appraiser: _____

Date such value established: _____

Cost of Owner's Appraisal: _____

Protected Price determined By Independent 3rd Party: _____

Date such value established: _____

Final Protected Price: _____
[Higher of the mid-point appraisal or the average of all appraisals].

Final Gross Sales Price: _____

Date of Closing: _____

Amount Owed by BFI to Owner: _____ [Final Protected Price less Final Gross Sales Price].

Date Paid to Owner: _____

BFI Plan Administrator:

Name: _____

Signature: _____

Section 4 of Second Amendment to Host Agreement

4. That Section 6 of the Agreement is amended by adding the following sentence to the existing sentence:

   The parties to this Second Amendment agree that the Property Value Protection Agreement ("PVPA") provision as set forth in the City of Zion's host agreement dated May 21, 2019 with Zion Landfill covers Bona Fide Sales by qualified Owners under the PVPA and that the rights and benefits set forth in the PVPA are personal to the Owners, unless the sale, conveyance, or transfer is to an heir, beneficiary, personal representative, guardian, trustee or to terminate a joint tenancy or pursuant to a Decree of Dissolution of Marriage, which are not deemed to be compensated Sales within the meaning of the PVPA and in which case the new property owner shall be entitled to the same protections under the PVPA as the preceding Owner.