

PRESS RELEASE

PLEA FROM WHISPERING RIDGE HOMEOWNER'S ASSOCIATION TO THE VILLAGE OF JOHNSBURG

The President of the Whispering Ridge Homeowner's Association has asked the Village for assistance in compelling the State Bank to complete its infrastructure obligations in the Whispering Ridge subdivision. He expressed frustration that the association's attorney, a lawyer at the same firm representing the bank, has declined to press the matter in court on behalf of the homeowners. Apparently, the State Bank had previously appointed one of its attorneys as the attorney for the homeowner's association.

State Bank's attorney and Chairman, Jack Franks, has maintained that the bank is not obligated to provide infrastructure improvements in the development because it did not have a "profit motive" when it took over ownership of the development and therefore the taxpayers of the Village should bear the cost. Such position has been met with shock and disappointment by the Village Board. "The Village has a long-term history of doing business with the State Bank and we are shocked with their decision not to honor their obligations in this matter" said Village President Ed Hettermann. The Village filed suit in an effort to bring the matter before a jury and in response to which the State Bank has indicated that it will use its best efforts to prevent the matter from being heard by a jury.

The development, consisting of 75 acres with 45 lots, received final plat approval in 2007. Much of the infrastructure was completed at that time, however final paving of the roads along with sidewalk improvements and landscaping still remain incomplete. Upon taking over as developer, the State Bank sold off 43 of the 45 lots, benefitting from the sale proceeds, yet they refuse to address the outstanding liabilities associated with the development. "The State Bank's refusal to complete the improvements is an effort to place the cost burden squarely on the residents of Johnsburg, which is completely unacceptable," said Village President Ed Hettermann.

The Village Board's decision to take legal action was unanimous and came after several attempts by the Village to amicably resolve this matter. "The Village Board and I have an obligation to protect the interests of our residents and we would be derelict in our duties if after not being able to amicably resolve this matter we did not continue with legal action against the bank" said Village President Ed Hettermann.