

\$4,460,000
Village of Huntley
McHenry and Kane Counties, Illinois
Special Service Area Number Six
Special Tax Refunding Bonds, Series 2007

Annual Continuing Disclosure Report

For the Period Ending December 31, 2008

Prepared by
MUNICAP, INC.
July 10, 2009

Village of Huntley
Special Service Area Number Six
Annual Continuing Disclosure Report
For the Period Ending December 31, 2008

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I. UPDATED INFORMATION

Information provided below is updated from the annual report dated July 16, 2008:

- Special taxes in the amount of \$345,000 were to be collected for calendar year 2007. Calendar year 2007 special taxes were due in June and September of 2008. According to the treasurer's office for McHenry County, special taxes in the amount of \$345,000 have been collected. As a result, there are no outstanding calendar year 2007 special taxes.
- Special taxes in the amount of \$345,000 are to be collected for calendar year 2008. Calendar year 2008 special taxes are due in two equal installments of \$172,500 each in June and September of 2009. As of July 9, 2009, the treasurer's office for McHenry County reports that special taxes in the amount of \$165,929 have been collected, representing 48.1 percent of the calendar year 2008 special taxes to be collected. According to McHenry County, the outstanding first half special taxes for calendar year 2008 will be collected with the second half in September 2009 if not paid prior to that time by the property owner.
- According to village records, the 2008 estimated population for the village was 22,645. According to the U.S. Census Bureau's 2008 American Community Survey, the estimated populations of McHenry County, Kane County and the State of Illinois were 318,641, 507,579 and 12,901,563, respectively.
- According to the U.S. Census Bureau's 2007 American Community Survey, the median family incomes for McHenry County, Kane County and the State of Illinois were \$85,272, \$75,851 and \$65,504, respectively.
- According to the U.S. Census Bureau's 2007 American Community Survey, the median household incomes for McHenry County, Kane County and the State of Illinois were \$75,095, \$67,219 and \$53,745, respectively.
- According to the U.S. Census Bureau's 2007 American Community Survey, the median home values for McHenry County, Kane County, and the State of Illinois were \$250,500, \$242,400 and \$198,000, respectively.
- According to the Village of Huntley, the number of building permits issued for units located within the corporate limits of the village for 2008 were 1,904 permits. The estimated construction cost of the issued permits was \$1,860,117.
- According to the assessor's offices for McHenry and Kane Counties, the 2008 equalized assessed value for all property within McHenry and Kane Counties was \$877,072,847, representing a 13.13 percent increase from the previous year.
- As of June 15, 2009, according to the assessor's office for Grafton Township, the 2008 assessed value of the property within Special Service Area Number Six was \$20,179,892. The estimated market value of the property within Special Service Area Number Six was \$60,539,676. As of December 31, 2008, the outstanding amount on the Series 2007 Refunding Bonds was \$4,306,000. Accordingly, the 2008 estimated value-to-lien ratio is 14.06 to 1.00.

II. INTRODUCTION

The Village of Huntley, McHenry and Kane Counties, Illinois (the “Village”), Special Service Area Number Six issued the \$4,460,000 Series 2007 Special Tax Refunding Bonds to refund and defease the \$4,900,000 Series 1998 Special Tax Bonds. The Series 2007 Special Tax Refunding Bonds were issued by the village pursuant to and in accordance with (i) the Special Service Area Tax Law of the State of Illinois, (ii) the Illinois Local Government Debt Reform Act of the State of Illinois, (iii) Ordinance Number 2007-06.23 of the village adopted at a meeting held on June 14, 2007, providing for the issuance of Special Service Area Number Six Refunding Bonds, and (iv) a trust indenture, dated as of June 1, 2007, between the village and U.S. Bank National Association, Chicago, Illinois, as trustee.

The village is located approximately 45 minutes west of the Chicago Loop and encompasses approximately 13.4 square miles. The village consists of approximately 82 acres of land located east of route 47, west of Crystal Lake Road and adjacent to Reed Road in Huntley, Illinois, known as the first phase of the Southwind Subdivision. The village is located in two different counties and townships. North of Kreutzer Road is McHenry County, part of Grafton Township. South of Kreutzer Road is Kane County, part of Rutland Township.

The property in the special service area was developed by Burnside’s Cambridge Homes Inc. (the “SSA Six Developer”). The SSA Six Developer has completed building all 223 homes under their respective contracts in the special service area. The development includes 223 single-family homes consisting of two model types (the Meadow and Prairie Series). According to the Official Statement, dated June 14, 2007, all homes in the special service area have been constructed and sold to homebuyers.

Pursuant to the Official Statement, \$4,460,000 in Series 2007 Special Tax Refunding Bonds were sold and used to refund and defease the \$4,900,000 Series 1998 Special Tax Bonds. The Series 1998 bond proceeds were used to construct public improvements, consisting of sanitary sewer mains, water mains, public streets, storm sewers, water supply systems (including portions of a deep well), an elevated water storage tower, a water filtration plant, and engineering and consulting services related to the construction of these improvements.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Limited Offering Memorandum and any such intent is expressly disavowed. Rather, this report responds to the specific requirements of the continuing disclosure agreement.

No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this report. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of December 31, 2008, unless otherwise stated, and no representation is made that the information contained in this report is indicative of information that may pertain since the end of the period covered by this report or in the future.

III. TRUSTEE ACCOUNTS

The trustee for the Series 2007 Refunding Bonds is U.S. Bank National Association. The balance as of December 31, 2007, interest paid, additional proceeds, disbursements and account balances as of December 31, 2008, are shown in the following table.

Table III-1
Account Balances

Fund	Balance 12/31/07	Interest Paid	Additional Proceeds	Disburse- ments	Balance 12/31/08
Bond & Interest Account	\$382,968	\$4,646	\$332,599	\$367,498	\$352,715
Costs of Issuance Fund	\$1,313	\$49	\$0	\$0	\$1,362
Administrative Expense Fund	\$14,625	\$197	\$0	\$11,410	\$3,412
Reserve Fund	\$227,269	\$4,096	\$0	\$0	\$231,366
Escrow Account	\$4,420,333	\$130,327	\$0	\$4,550,660	\$0
Total	\$5,046,509	\$139,314	\$332,599	\$4,929,568	\$588,854

The additional proceeds to the Bond and Interest Account were special tax collections transferred from McHenry County, and transfers from the Series 1998 Bond and Interest Fund and the Series 1998 Special Redemption Account to close the accounts. Disbursements from the Bond and Interest Account were for the payment of debt service on the Series 2007 Bonds. Disbursements from the Administrative Expense Fund were for the payment of administrative expenses. The disbursements from the Escrow Account were for the payment of debt service on the Series 1998 Bonds.

The bond proceeds are invested in a money market fund, which pays interest of 0.32 percent. Table III-2 shows the rate of return on the funds and accounts held by the trustee as of December 31, 2008.

All interest and other investment earnings on the Bond and Interest Fund shall become, when received, a part of the Bond and Interest Fund. Investment income on the Cost of Issuance Account will remain in that account and be used for the purposes of that account until a period six months after the bonds are issued, at which time, any remaining balance will be transferred to the Bond and Interest Fund. Investment income in the Administrative Expense Fund will be used for the payment of administrative expenses. Investment income in the Reserve Fund will be made available, first, to pay principal of and interest on the Series 2007 Bonds as the same become due at any time when there are insufficient funds available for such purpose in the Bond and Interest Fund; and second, applied to the payment of debt service. Interest and Investment earnings in the Escrow Account will be applied to the principal and accrued interest owing on the Series 1998 Bonds when due and to the payment of the redemption price of the Series 1998 Bonds on the redemption date.

Table III-2
Rate of Return

Account	Rate of Return
Bond and Interest Fund	0.32%
Administrative Expense Fund	0.32%
Reserve Fund	0.32%

IV. DISTRICT OPERATIONS AND FINANCIAL INFORMATION

A. VILLAGE'S AUDITED FINANCIAL STATEMENTS

A copy of the village's audited financial statements for the fiscal year ending December 31, 2008 will be provided in a separate document entitled the Comprehensive Annual Financial Report for the Village of Huntley.

B. THE SPECIAL TAX REQUIREMENT

The Series 1998 Bonds were defeased and Series 2007 Refunding Bonds were issued on June 17, 2007. The amended special tax roll for the 2008 calendar year is included herein as Appendix A. Special taxes in the amount of \$345,000 must be levied in 2008 for collection in 2009. The methodology used to calculate the special tax requirement and to amend the special tax roll is explained below.

A special tax is to be imposed each year within the Village of Huntley Special Service Area Number Six in an amount sufficient to fund the Special Tax Requirement. The special tax requirement, generally, is equal to (i) annual debt service and administration expenses, less (ii) investment income and prior year surpluses.

Special taxes are collected in June and September in the year after they are levied. The special taxes due in June 2009 are applied to the payment due on the bonds on September 1, 2009 and the special taxes due in September 2009 are applied to the payment due on the bonds on March 1, 2010.

Table IV-1 provides a summary of the special tax requirement for 2008. The administrative expenses, annual debt service and funding of any reserve funds for the special service area are expected to exceed the available revenues, excluding special taxes, by \$345,000. Accordingly, the special tax requirement for 2008 is \$345,000. An explanation of the estimated expenses and revenues follows.

Table IV-1
2008 Special Tax Requirement

Debt service:	
Interest September 1, 2009	\$102,103
Interest March 1, 2010	\$102,103
Principal March 1, 2010	\$138,000
<i>Total Debt Service</i>	\$342,206
Administration Expenses	\$13,150
Special Reserve Fund	\$0
Contingency	\$81,908
<i>Sub-total Expenses</i>	\$437,264
Reserve Fund Investment Income	(\$2,743)
Surplus from Prior Year	(\$89,521)
Special Tax Requirement for 2008	\$345,000

Debt Service

Debt service includes the payments due on September 1, 2009 and March 1, 2010. The interest payments for calendar year 2008 are calculated based on an annual coupon rate of 4.60 percent on the outstanding Term 2017 Bonds of \$1,541,000 and an annual coupon rate of 5.05 percent on the outstanding Term 2025 Bonds of \$2,640,000. Accordingly, the interest payments due on September 1, 2009 and March 1, 2010 will be \$102,103 each. There is a principal payment due on March 1, 2010 of \$138,000, resulting in total debt service for the year of \$342,206.

Administrative Expenses

Administrative expenses generally include the annual expenses of the trustee, the administrator and the legal fees for the village associated with the special service area. The annual charge of the trustee is estimated to be \$1,750. The cost of the administrator for 2008 is estimated to be \$10,250 (including charges for continuing disclosure and arbitrage rebate services). The annual legal fees for the bond counsel are estimated to be \$500. Increasing these amounts for inflation results in total estimated administrative expenses for calendar year 2008 of \$13,150.

Special Reserve Fund

As per Section 7.3 of the Trust Indenture for the Series 2007 Refunding Bonds for Special Service Area Number Six, special tax proceeds shall be deposited into the Special Reserve Fund until the amounts on deposit in the Special Reserve Fund equal the Special Reserve Requirement. According to Section 1.3 of the Trust Indenture for the Series 2007 Refunding Bonds, the Special Reserve Requirement for Special Service Area Number Six is equal to \$35,000. The special reserve fund was to be funded with calendar year 2007 special taxes. Special taxes in the amount of \$35,000 will be transferred from the Bond and Interest Fund to the Special Reserve Fund once the second installment of calendar year 2007 special taxes are transferred to the trustee. Accordingly, the Special Reserve Fund will be fully funded with calendar year 2007 special taxes. As a result, calendar year 2008 special taxes will not be required to fund the Special Reserve Requirement.

Contingency

A contingency, equal to approximately twenty-three percent of annual expenses has been added in the event there are tax delinquencies, unanticipated expenses, or investment income is less than estimated.

Reserve Fund Investment Income

The reserve requirement is currently \$446,000. As per Section 7.2(b) of the Trust Indenture for the Series 2007 Refunding Bonds for Special Service Area Number Six, the Reserve Requirement may be satisfied with (1) one or more Reserve Fund Credit Instruments, (2) Qualified Investments, or (3) a combination thereof. At the time of delivery of the Series 2007 Refunding Bonds, a Surety Bond, which constitutes a Reserve Fund Credit Instrument, was deposited to the credit of the Reserve Fund in the amount of \$223,000, which with the initial deposit to the Reserve Fund of \$223,000 established a balance in the Reserve Fund equal to the Reserve Requirement of \$446,000. As of September 30, 2008, the balance in the Reserve Fund was \$231,039, which included half of the Reserve Requirement funded with bond proceeds and \$8,039 in investment income previously posted to the account. Bond proceeds in the amount of \$223,000 are invested in a First American Treasury Money Market Fund earning 1.23 percent per annum. At the yield of 1.23 percent per annum, \$1,184 in investment income is estimated to be earned on the Reserve Fund prior to the next debt service payment on March 1, 2009. Together with the investment income previously posted to the Reserve Fund, these funds will be made available to pay a portion of the debt service on the Series 2007 Refunding Bonds on March 1, 2009. An additional \$2,743 in annual investment income is estimated to be earned on the bond proceeds invested in the Reserve Fund by March 1, 2010, which may be applied to the payment of debt service on September 1, 2009 and March 1, 2010.

Surplus from Prior Year

Table IV-2 on the following page shows the estimated surplus from the prior year that may be applied to the budget for calendar year 2008. Special taxes in the amount of \$345,000 were levied in 2007 for collection in 2008. Special taxes were due on June 5th and September 5th of 2008. As of October 7, 2008, McHenry County had reported collecting and transferring to the Village of Huntley \$322,489 in special taxes, of which \$184,488 was previously transferred by the village to the trustee between August and September 2008. The remaining collected balance of \$138,000 will be transferred to the trustee in October and November 2008. The Village anticipates transferring the uncollected balance of \$22,511 when collected and made available by McHenry County. The tax sale is scheduled for December 2, 2008 and the final distribution of special taxes to the Village will take place in January 2009. For purposes of calculating the surplus from the prior year, the uncollected balance has been excluded.

As of September 30, 2008, the balance in the Bond and Interest Fund was \$206,996. A portion of this balance, together with calendar year 2007 special taxes to be transferred to the trustee in October and November, will be made available to pay debt service on the Series 2007 Refunding Bonds in the aggregate amount of \$229,978 on March 1, 2009. As mentioned above, as of September 30, 2008, there was \$8,039 in investment income in the Reserve Fund. An additional \$1,184 in investment income is estimated to be earned

on the bond proceeds invested in the Reserve Fund by March 1, 2009. These funds will be made available to pay debt service on March 1, 2009. The debt service payment due on March 1, 2009 includes an interest payment of \$104,978, which is based on an annual coupon rate of 4.60 percent on the outstanding Term 2017 Bonds of \$1,666,000 and an annual coupon rate of 5.05 percent on the outstanding Term 2025 Bonds of \$2,640,000, and a principal payment of \$125,000.

Table IV-2
Surplus from Prior Year

Available Funds:	
Special taxes to be transferred in October and November 2008	(\$138,000)
Available Bond & Interest Fund at September 30, 2008	(\$206,996)
Available Reserve Fund Investment Income at September 30, 2008	(\$8,039)
Reserve Fund Investment Income at March 1, 2009	(\$1,184)
Available Administrative Expense Fund at September 30, 2008	(\$5,280)
<i>Sub-total Funds Available:</i>	(\$359,499)
Debt Service:	
Interest March 1, 2009	\$104,978
Principal March 1, 2009	\$125,000
Administrative Expenses	\$5,000
Special Reserve Fund	\$35,000
<i>Sub-total Expenses</i>	\$269,978
Surplus from Prior Year	(\$89,521)

As of September 30, 2008, the balance in the Administrative Expense Fund was \$5,280. The administrative expense budget for calendar year 2007 was \$12,750. Administrative expenses totaling \$5,000 remain outstanding for calendar year 2008. As explained above, the special reserve fund was to be funded with calendar year 2007 special taxes. Special taxes in the amount of \$35,000 will be transferred from the Bond and Interest Fund to the Special Reserve Fund once the second installment of calendar year 2007 special taxes are transferred to the trustee. As shown by Table IV-2, the available funds exceed the remaining expenses for the year, resulting in an estimated aggregate surplus of \$89,521 that will be made available to pay debt service and administrative expenses for calendar year 2008.

Summary

Total special service area expenses to be paid from special taxes collected in 2009 are estimated to be \$437,264. Funds available to pay these expenses, other than special taxes, are estimated at \$92,264, resulting in a special tax requirement of \$345,000.

C. DELINQUENT SPECIAL TAXES

Special taxes in the amount of \$345,000 were to be collected for calendar year 2007. Calendar year 2007 special taxes were due in June and September of 2008. According to the treasurer's office for McHenry County, special taxes in the amount of \$345,000 have been collected. As a result, there are no outstanding calendar year 2007 special taxes.

Special taxes in the amount of \$345,000 are to be collected for calendar year 2008. Calendar year 2008 special taxes are due in two equal installments of \$172,500 each in June and September of 2009. As of July 9, 2009, the treasurer's office for McHenry County reports that special taxes in the amount of \$165,929 have been collected, representing 48.1 percent of the calendar year 2008 special taxes to be collected. According to McHenry County, the outstanding first half special taxes for calendar year 2008 will be collected with the second half in September 2009 if not paid prior to that time by the property owner.

D. COLLECTION EFFORTS

There are no collection efforts underway at this time.

V. THE VILLAGE

A. SOCIOECONOMIC INFORMATION

Population

Table V-1 below depicts the populations of the Village of Huntley, McHenry and Kane Counties, and the State of Illinois. According to village records and the American Community Survey conducted by the U.S. Census Bureau, the estimated 2008 populations of the village, McHenry County, Kane County and the State of Illinois were 22,645, 318,641, 507,579 and 12,901,563, respectively.

Table V-1
Population

Area	1980	1990	2000	2008 (Estimated)
Village of Huntley	1,646	2,453	5,730	22,645
McHenry County	147,897	183,241	260,077	318,641
Kane County	278,405	317,471	404,119	507,579
State of Illinois	11,427,414	11,460,602	12,419,293	12,901,563

Source: Village Records and U.S. Census Bureau

Median Family Income

Table V-2 below depicts the 2007 median family income for the Village of Huntley, McHenry and Kane Counties, and the State of Illinois. According to the American Community Survey conducted by the U.S. Census Bureau, the median family incomes for McHenry County, Kane County and the State of Illinois were \$85,272, \$75,851 and \$65,504, respectively. The distributions of the family income for the Village of Huntley are based on the 2000 Census with a median family income of \$60,456, as shown in the Official Statement.

Table V-2
Median Family Income

Income	The Village		McHenry County		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	23	1.29%	1,601	2.0%	3,364	2.8%	137,112	4.3%
\$10,000 to \$14,999	20	1.12%	1,286	1.6%	2,025	1.7%	91,842	2.9%
\$15,000 to \$24,999	78	4.38%	2,773	3.4%	6,476	5.4%	236,074	7.5%
\$25,000 to \$34,999	127	7.13%	4,317	5.4%	9,594	7.9%	276,402	8.8%
\$35,000 to \$49,999	288	16.16%	7,533	9.4%	14,117	11.7%	416,419	13.2%
\$50,000 to \$74,999	636	35.69%	15,612	19.4%	24,121	19.9%	651,918	20.7%
\$75,000 to \$99,999	317	17.79%	16,632	20.7%	10,315	16.1%	491,957	15.6%
\$100,000 to \$149,999	217	12.18%	19,200	23.9%	24,003	19.8%	505,818	16.0%
\$150,000 to \$199,999	30	1.68%	6,664	8.3%	10,315	8.5%	178,312	5.7%
\$200,000 or more	46	2.58%	4,816	6.0%	7,550	6.2%	169,516	5.4%
Total	1,782	100.00%	80,434	100.0%	120,994	100.0%	3,155,370	100.0%

Source: US Census Bureau

Median Household Income

Table V-3 below provides the 2007 projected household income distributions for the Village of Huntley, McHenry County, Kane County, and the State of Illinois. According to the U.S. Census Bureau's 2007 American Community Survey, the median household incomes for McHenry County, Kane County and the State of Illinois were \$75,095, \$67,219 and \$53,745, respectively. The distributions of the household income for the Village of Huntley are based on the 2000 Census with a median income of \$65,433, as shown in the Official Statement.

**Table V-3
Median Household Income**

Income	The Village		McHenry County		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	56	2.39%	3,227	3.0%	5,905	3.7%	338,262	7.2%
\$10,000 to \$14,999	77	3.29%	2,580	2.4%	5,491	3.4%	242,887	5.1%
\$15,000 to \$24,999	145	6.19%	6,341	6.0%	11,681	7.3%	482,305	10.2%
\$25,000 to \$34,999	231	9.86%	7,772	7.3%	13,892	8.7%	476,295	10.1%
\$35,000 to \$49,999	416	17.76%	11,929	11.3%	20,358	12.7%	655,974	13.9%
\$50,000 to \$74,999	703	30.00%	21,015	19.8%	32,499	20.3%	916,436	19.4%
\$75,000 to \$99,999	331	14.13%	19,237	18.2%	23,884	14.9%	615,300	13.0%
\$100,000 to \$149,999	290	12.38%	21,442	20.2%	27,138	16.9%	597,473	12.6%
\$150,000 to \$199,999	38	1.62%	7,186	6.8%	10,994	6.9%	205,598	4.4%
\$200,000 or more	56	2.39%	5,172	4.9%	8,560	5.3%	193,932	4.1%
Total	2,343	100.00%	105,901	100.0%	160,402	100.0%	4,724,462	100.0%

Source: US Census Bureau

Median Home Values

Table V-4 below illustrates the 2007 median home value of homes in McHenry County, Kane County and the State of Illinois. According to the U.S. Census Bureau's 2007 American Community Survey, the median home value for McHenry County, Kane County, and the State of Illinois were \$250,500, \$242,400 and \$198,000, respectively. As of June 15, 2009, the median value of homes in the Village of Huntley was unavailable.

**Table V-4
Median Home Values**

Area	1990	2000	2007
Village of Huntley	\$102,600	\$191,600	N/A
McHenry County	\$110,600	\$168,100	\$250,500
Kane County	\$101,700	\$160,400	\$242,400
State of Illinois	\$80,900	\$130,800	\$198,000

Source: US Census Bureau

Building Permits

Table V-5 on the following page provides the number of building permit requests issued by the village from 2003 through 2008.

Table V-5
Building Permits

Year	Number of New Privately-Owned Residential Building Permits	Construction Value
2003	2,578	\$3,903,302
2004	2,796	\$3,980,745
2005	2,965	\$3,944,066
2006	2,612	\$2,865,789
2007	2,021	\$4,303,813
2008	1,904	\$1,860,117

Source: Village of Huntley Department of Development Services

Average Annual Unemployment Rates

The average annual unemployment rates for the village, McHenry County, Kane County, and the State of Illinois are presented in Table V-6 below.

Table V-6
Average Annual Unemployment Rates

Year	Village	McHenry County	Kane County	State of Illinois
2001	6.7%	4.6%	5.2%	5.4%
2002	8.2%	5.7%	6.7%	6.5%
2003	9.2%	6.3%	7.0%	6.7%
2004	6.9%	4.8%	5.2%	6.2%
2005	6.8%	5.1%	5.7%	6.2%
2006	5.4%	4.8%	4.3%	6.2%
2007	8.1%	4.4%	4.4%	5.0%

Source: US Census Bureau and Village of Huntley Comprehensive Annual Financial Report

Major Area Employers

Table V-7 below depicts the major employers in the Village of Huntley. The percentage of population represents the proportion of McHenry County population employed by the listed firms.

Table V-7
Major Area Employers

Employer	Number Employed	Percentage of Population
Huntley Community Consolidated School District #158	1,600	9.57%
Prime Outlet Mall	400	2.99%
Huntley Park District	313	1.87%
Union Special Corporation	230	1.38%
Weber-Stephens Products Company	200	1.20%
Tek Packaging Group also Esco Technologies, Inc.	130	0.78%
Village of Huntley	95	0.57%
Schawk Inc./Robingson Industries	90	0.54%
Sun City/Huntley Community Assn	80	0.48%
Crocker Co. Inc./Huntley Specialty	75	0.45%

Source: County of McHenry Comprehensive Annual Financial Report

B. EQUALIZED ASSESSED VALUE

Table V-8 below provides the equalized assessed values for different property categories within McHenry and Kane Counties. According to the assessor's offices for McHenry and Kane Counties, the 2008 equalized assessed value for all property within McHenry and Kane Counties was \$877,072,847, representing a 13.13 percent increase from the previous year.

Table V-8
Equalized Assessed Values

Property Class	2004	2005	2006	2007	2008
Residential	\$410,694,301	\$502,879,237	\$615,900,845	\$712,496,553	\$773,926,630
Farm	\$1,213,550	\$1,313,286	\$1,210,324	\$1,399,896	\$1,611,435
Commercial	\$24,258,790	\$29,565,194	\$32,214,846	\$34,942,950	\$59,847,152
Industrial	\$19,438,630	\$23,557,364	\$25,211,734	\$26,339,096	\$41,596,588
Pollution Control	\$15	\$15	\$15	\$0	\$0
Railroad	\$129,086	\$121,819	\$121,545	\$83,388	\$91,042
Total	\$455,734,372	\$557,436,915	\$674,659,309	\$775,261,883	\$877,072,847
Percent Change	27.35%	22.32%	21.03%	14.91%	13.13%

Source: Clerks of McHenry and Kane County

C. EXPECTED SPECIAL TAX AND DEBT SERVICE COVERAGE

The following debt service schedule is adjusted to reflect the budgeted debt service and debt service reserve earnings as per the Continuing Disclosure Agreement. The Reserve Fund earnings, trustee and administrative fees, and adjusted debt service for the bond years ending 2008 and 2009 are budgeted figures. As of December 31, 2008, the outstanding Series 2007 Refunding Bonds are equal to \$4,306,000.

Table V-9
Expected Special Tax and Debt Service Coverage

Bond Year Ending March 1	Debt Service	Trustee & Admin. Fees	DSRF Interest Earnings	Adjusted Debt Service	Maximum Aggregate Annual Special Tax	Debt Service Coverage
2009	\$334,956	\$12,750	(\$9,366)	\$338,340	\$408,933	1.21
2010	\$342,206	\$13,150	(\$2,743)	\$352,613	\$417,111	1.18
2011	\$349,858	\$18,131	(\$10,035)	\$357,954	\$425,453	1.19
2012	\$357,866	\$18,493	(\$10,035)	\$366,324	\$433,963	1.18
2013	\$365,184	\$18,863	(\$10,035)	\$374,012	\$442,642	1.18
2014	\$373,812	\$19,240	(\$10,035)	\$383,017	\$451,495	1.18
2015	\$380,658	\$19,625	(\$10,035)	\$390,248	\$460,524	1.18
2016	\$389,768	\$20,018	(\$10,035)	\$399,751	\$469,735	1.18
2017	\$399,004	\$20,418	(\$10,035)	\$409,387	\$479,130	1.17
2018	\$406,320	\$20,827	(\$10,035)	\$417,112	\$488,712	1.17
2019	\$413,534	\$21,243	(\$10,035)	\$424,742	\$498,487	1.17
2020	\$423,687	\$21,668	(\$10,035)	\$435,319	\$508,456	1.17
2021	\$431,577	\$22,101	(\$10,035)	\$443,643	\$518,625	1.17
2022	\$441,256	\$22,543	(\$10,035)	\$453,764	\$528,998	1.17
2023	\$449,571	\$22,994	(\$10,035)	\$462,530	\$539,578	1.17
2024	\$458,522	\$23,454	(\$10,035)	\$471,941	\$550,369	1.17
2025	\$229,009	\$23,923	(\$233,035)	\$19,897	\$561,377	28.21

D. SECURITY AND SOURCE OF PAYMENT

Value to Lien Ratio

The value to lien ratio is based on the 2008 assessed value within the Special Service Area. As of June 15, 2009, according to the assessor’s office for Grafton Township, the 2008 assessed value of the property within Special Service Area Number Six was \$20,179,892. The estimated market value of the property within Special Service Area Number Six was \$60,539,679. As of December 31, 2008, the outstanding principal amount of the Series 2007 Refunding Bonds for Special Service Area Number Six was \$4,306,000.

Table V-10 below sets forth the estimated value-to-lien ratio with respect to the Special Service Area Number Six.

**Table V-10
Value to Lien Ratio**

	SSA Number Six
Estimated Market Value	\$60,539,676
Bonds Outstanding	\$4,306,000
Value-to-Lien Ratio	14.06 to 1.00

Historical Collections

Special taxes in the amount of \$345,000 were to be collected for calendar year 2007. Calendar year 2007 special taxes were due in June and September of 2008. According to the treasurer’s office for McHenry County, special taxes in the amount of \$345,000 have been collected. As a result, there are no outstanding calendar year 2007 special taxes.

Special taxes in the amount of \$345,000 are to be collected for calendar year 2008. Calendar year 2008 special taxes are due in two equal installments of \$172,500 each in June and September of 2009. As of July 9, 2009, the treasurer’s office for McHenry County reports that special taxes in the amount of \$165,929 have been collected, representing 48.1 percent of the calendar year 2008 special taxes to be collected. According to McHenry County, the outstanding first half special taxes for calendar year 2008 will be collected with the second half in September 2009 if not paid prior to that time by the property owner.

Table V-11 below provides a summary of special tax collections for the village. The table includes the calendar year in which special taxes were to be collected, the year the special taxes were collected, the amount of special tax collected, and the percentage of total taxes collected. Special taxes are due in June and September in the following year in which special taxes are levied.

**Table V-11
Historical Collections**

Calendar Year	Collection Year	Special Tax Amount	Special Taxes Collected	Percent Collected
2000	2001	\$327,059	\$327,059	100%
2001	2002	\$333,900	\$333,900	100%
2002	2003	\$360,000	\$360,000	100%
2003	2004	\$377,853	\$377,853	100%
2004	2005	\$367,000	\$367,000	100%
2005	2006	\$380,000	\$379,094	100%
2006	2007	\$380,000	\$380,000	100%
2007	2008	\$345,000	\$345,000	100%
2008	2009	\$345,000	\$165,929	48%

Source: McHenry County Treasurer’s Office

VI. MATERIAL EVENTS

Pursuant to the continuing disclosure agreement, listed events include the following:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of Bondholders;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property (other than the sale of homes in the ordinary course) securing repayment of the bonds; and
- (xi) Rating changes.

As of July 10, 2009, the administrator is unaware of an occurrence of any of the aforementioned events.

APPENDIX A

Village of Huntley Special Service Area Number Six Special Tax Roll

**Appendix A
Special Tax Roll
Huntley SSA Number Six
2008 Calendar Year**

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-22-426-001	363	\$1,986.24	\$1,642.86
18-22-426-002	362	\$1,986.24	\$1,642.86
18-22-426-003	361	\$1,986.24	\$1,642.86
18-22-427-001	364	\$1,986.24	\$1,642.86
18-22-427-002	365	\$1,986.24	\$1,642.86
18-22-427-003	394	\$1,986.24	\$1,642.86
18-22-427-004	393 (South)	\$0.00	\$0.00
18-22-428-002	396	\$1,986.24	\$1,642.86
18-22-428-003	Outlot F	\$0.00	\$0.00
18-22-428-004	395 (NW Part)	\$1,986.24	\$1,642.86
18-22-476-001	159	\$1,986.24	\$1,642.86
18-22-476-002	158	\$1,986.24	\$1,642.86
18-22-476-003	157	\$1,986.24	\$1,642.86
18-22-476-004	156	Prepaid	Prepaid
18-22-476-005	155	\$1,986.24	\$1,642.86
18-22-476-006	154	\$1,986.24	\$1,642.86
18-22-476-007	168	\$1,986.24	\$1,642.86
18-22-476-008	167	\$1,986.24	\$1,642.86
18-22-476-009	166	\$1,986.24	\$1,642.86
18-22-476-010	165	\$1,986.24	\$1,642.86
18-22-476-011	164	\$1,986.24	\$1,642.86
18-22-476-012	163	\$1,986.24	\$1,642.86
18-22-476-013	162	\$1,986.24	\$1,642.86
18-22-476-014	161	\$1,986.24	\$1,642.86
18-22-476-015	160	\$1,986.24	\$1,642.86
18-22-477-001	184	\$1,986.24	\$1,642.86
18-22-477-002	183	\$1,986.24	\$1,642.86
18-22-477-003	182	\$1,986.24	\$1,642.86
18-22-477-004	181	\$1,986.24	\$1,642.86
18-22-477-005	180	\$1,986.24	\$1,642.86
18-22-477-006	179	\$1,986.24	\$1,642.86
18-22-477-007	178	\$1,986.24	\$1,642.86
18-22-477-008	177	\$1,986.24	\$1,642.86
18-22-477-009	176	\$1,986.24	\$1,642.86
18-22-477-010	175	\$1,986.24	\$1,642.86
18-22-477-011	174	\$1,986.24	\$1,642.86
18-22-477-012	173	\$1,986.24	\$1,642.86
18-22-477-013	199	\$1,986.24	\$1,642.86
18-22-477-014	198	\$1,986.24	\$1,642.86
18-22-477-015	197	\$1,986.24	\$1,642.86

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-22-477-016	196	\$1,986.24	\$1,642.86
18-22-477-017	195	\$1,986.24	\$1,642.86
18-22-477-018	194	\$1,986.24	\$1,642.86
18-22-477-019	193	\$1,986.24	\$1,642.86
18-22-477-020	192	\$1,986.24	\$1,642.86
18-22-478-001	205	\$1,986.24	\$1,642.86
18-22-478-002	206	\$1,986.24	\$1,642.86
18-22-478-003	207	\$1,986.24	\$1,642.86
18-22-478-004	208	\$1,986.24	\$1,642.86
18-22-478-005	209	\$1,986.24	\$1,642.86
18-22-478-006	210	\$1,986.24	\$1,642.86
18-22-478-007	211	\$1,986.24	\$1,642.86
18-22-478-008	212	\$1,986.24	\$1,642.86
18-22-478-009	213	\$1,986.24	\$1,642.86
18-22-478-010	214	\$1,986.24	\$1,642.86
18-23-301-001	57	\$1,986.24	\$1,642.86
18-23-301-002	56	Prepaid	Prepaid
18-23-301-003	55	Prepaid	Prepaid
18-23-301-004	54	\$1,986.24	\$1,642.86
18-23-301-005	53	Prepaid	Prepaid
18-23-301-006	52	\$1,986.24	\$1,642.86
18-23-301-007	51	\$1,986.24	\$1,642.86
18-23-301-008	50	\$1,986.24	\$1,642.86
18-23-301-009	49	\$1,986.24	\$1,642.86
18-23-301-010	48	\$1,986.24	\$1,642.86
18-23-301-011	47	\$1,986.24	\$1,642.86
18-23-301-012	46	\$1,986.24	\$1,642.86
18-23-301-013	45	\$1,986.24	\$1,642.86
18-23-301-014	44	\$1,986.24	\$1,642.86
18-23-301-015	43	\$1,986.24	\$1,642.86
18-23-301-016	42	\$1,986.24	\$1,642.86
18-23-301-017	41	\$1,986.24	\$1,642.86
18-23-301-018	Outlot C	\$0.00	\$0.00
18-23-301-019	Outlot B	\$0.00	\$0.00
18-23-301-020	40	\$1,986.24	\$1,642.86
18-23-301-021	39	\$1,986.24	\$1,642.86
18-23-301-022	38	\$1,986.24	\$1,642.86
18-23-301-023	37	\$1,986.24	\$1,642.86
18-23-301-024	36	\$1,986.24	\$1,642.86
18-23-301-025	35	\$1,986.24	\$1,642.86
18-23-301-026	34	\$1,986.24	\$1,642.86
18-23-301-027	33	\$1,986.24	\$1,642.86
18-23-301-028	32	\$1,986.24	\$1,642.86
18-23-301-029	31	\$1,986.24	\$1,642.86
18-23-301-030	30	\$1,986.24	\$1,642.86

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-23-301-031	29	\$1,986.24	\$1,642.86
18-23-301-032	28	\$1,986.24	\$1,642.86
18-23-301-033	27	\$1,986.24	\$1,642.86
18-23-301-034	26	\$1,986.24	\$1,642.86
18-23-301-035	25	\$1,986.24	\$1,642.86
18-23-301-036	24	\$1,986.24	\$1,642.86
18-23-301-037	23	\$1,986.24	\$1,642.86
18-23-301-038	22	\$1,986.24	\$1,642.86
18-23-301-039	Outlot D	\$0.00	\$0.00
18-23-302-001	58	\$1,986.24	\$1,642.86
18-23-302-002	59	\$1,986.24	\$1,642.86
18-23-302-003	60	\$1,986.24	\$1,642.86
18-23-302-004	61	\$1,986.24	\$1,642.86
18-23-302-005	62	\$1,986.24	\$1,642.86
18-23-302-006	63	Prepaid	Prepaid
18-23-302-007	64	\$1,986.24	\$1,642.86
18-23-302-008	65	Prepaid	Prepaid
18-23-302-009	66	Prepaid	Prepaid
18-23-302-010	67	\$1,986.24	\$1,642.86
18-23-302-011	68	\$1,986.24	\$1,642.86
18-23-302-012	69	\$1,986.24	\$1,642.86
18-23-302-013	70	\$1,986.24	\$1,642.86
18-23-302-014	71	\$1,986.24	\$1,642.86
18-23-302-015	72	Prepaid	Prepaid
18-23-302-016	73	Prepaid	Prepaid
18-23-302-017	74	\$1,986.24	\$1,642.86
18-23-302-018	75	Prepaid	Prepaid
18-23-303-001	151	\$1,986.24	\$1,642.86
18-23-303-002	121	\$1,986.24	\$1,642.86
18-23-303-003	150	\$1,986.24	\$1,642.86
18-23-303-004	149	\$1,986.24	\$1,642.86
18-23-303-005	148	\$1,986.24	\$1,642.86
18-23-303-006	147	\$1,986.24	\$1,642.86
18-23-303-007	146	\$1,986.24	\$1,642.86
18-23-303-008	145	\$1,986.24	\$1,642.86
18-23-303-009	144	\$1,986.24	\$1,642.86
18-23-303-010	143	\$1,986.24	\$1,642.86
18-23-303-011	130	\$1,986.24	\$1,642.86
18-23-303-012	129	\$1,986.24	\$1,642.86
18-23-303-013	128	\$1,986.24	\$1,642.86
18-23-303-014	127	Prepaid	Prepaid
18-23-303-015	126	\$1,986.24	\$1,642.86
18-23-303-016	125	\$1,986.24	\$1,642.86
18-23-303-017	124	\$1,986.24	\$1,642.86
18-23-303-018	123	\$1,986.24	\$1,642.86

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-23-303-019	122	Prepaid	Prepaid
18-23-304-001	120	\$1,986.24	\$1,642.86
18-23-304-002	76	\$1,986.24	\$1,642.86
18-23-304-003	77	\$1,986.24	\$1,642.86
18-23-304-004	78	\$1,986.24	\$1,642.86
18-23-304-005	79	\$1,986.24	\$1,642.86
18-23-304-006	80	\$1,986.24	\$1,642.86
18-23-304-007	81	\$1,986.24	\$1,642.86
18-23-304-008	82	\$1,986.24	\$1,642.86
18-23-304-009	83	\$1,986.24	\$1,642.86
18-23-304-010	84	\$1,986.24	\$1,642.86
18-23-304-011	85	\$1,986.24	\$1,642.86
18-23-304-012	86	\$1,986.24	\$1,642.86
18-23-304-013	87	\$1,986.24	\$1,642.86
18-23-304-014	88	\$1,986.24	\$1,642.86
18-23-304-015	109	\$1,986.24	\$1,642.86
18-23-304-016	110	\$1,986.24	\$1,642.86
18-23-304-017	111	\$1,986.24	\$1,642.86
18-23-304-018	112	\$1,986.24	\$1,642.86
18-23-304-019	113	\$1,986.24	\$1,642.86
18-23-304-020	114	\$1,986.24	\$1,642.86
18-23-304-021	115	\$1,986.24	\$1,642.86
18-23-304-022	116	\$1,986.24	\$1,642.86
18-23-304-023	117	\$1,986.24	\$1,642.86
18-23-304-024	118	\$1,986.24	\$1,642.86
18-23-304-025	119	\$1,986.24	\$1,642.86
18-23-351-001	1	\$1,986.24	\$1,642.86
18-23-351-002	2	\$1,986.24	\$1,642.86
18-23-351-003	3	\$1,986.24	\$1,642.86
18-23-351-004	4	\$1,986.24	\$1,642.86
18-23-351-005	5	\$1,986.24	\$1,642.86
18-23-351-006	6	\$1,986.24	\$1,642.86
18-23-351-007	7	\$1,986.24	\$1,642.86
18-23-351-008	8	\$1,986.24	\$1,642.86
18-23-351-009	9	\$1,986.24	\$1,642.86
18-23-351-010	10	\$1,986.24	\$1,642.86
18-23-351-011	11	\$1,986.24	\$1,642.86
18-23-351-012	12	\$1,986.24	\$1,642.86
18-23-351-013	13	\$1,986.24	\$1,642.86
18-23-351-014	14	\$1,986.24	\$1,642.86
18-23-351-015	15	\$1,986.24	\$1,642.86
18-23-351-016	16	\$1,986.24	\$1,642.86
18-23-351-017	17	\$1,986.24	\$1,642.86
18-23-351-018	18	\$1,986.24	\$1,642.86
18-23-351-019	19	\$1,986.24	\$1,642.86

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-23-351-020	20	\$1,986.24	\$1,642.86
18-23-351-021	21	\$1,986.24	\$1,642.86
18-23-351-023	Outlot A	\$0.00	\$0.00
18-23-351-024	Outlot A (North)	\$0.00	\$0.00
18-23-352-001	99	\$1,986.24	\$1,642.86
18-23-352-002	98	\$1,986.24	\$1,642.86
18-23-352-003	97	\$1,986.24	\$1,642.86
18-23-352-004	96	\$1,986.24	\$1,642.86
18-23-352-005	95	\$1,986.24	\$1,642.86
18-23-352-006	94	\$1,986.24	\$1,642.86
18-23-352-007	93	\$1,986.24	\$1,642.86
18-23-352-008	92	\$1,986.24	\$1,642.86
18-23-352-009	91	\$1,986.24	\$1,642.86
18-23-352-010	90	\$1,986.24	\$1,642.86
18-23-352-011	89	\$1,986.24	\$1,642.86
18-23-352-012	108	\$1,986.24	\$1,642.86
18-23-352-013	107	\$1,986.24	\$1,642.86
18-23-352-014	106	\$1,986.24	\$1,642.86
18-23-352-015	105	\$1,986.24	\$1,642.86
18-23-352-016	104	\$1,986.24	\$1,642.86
18-23-352-017	103	\$1,986.24	\$1,642.86
18-23-352-018	102	\$1,986.24	\$1,642.86
18-23-352-019	101	\$1,986.24	\$1,642.86
18-23-352-020	100	\$1,986.24	\$1,642.86
18-23-353-001	131	\$1,986.24	\$1,642.86
18-23-353-002	132	\$1,986.24	\$1,642.86
18-23-353-003	133	\$1,986.24	\$1,642.86
18-23-353-004	134	\$1,986.24	\$1,642.86
18-23-353-005	135	\$1,986.24	\$1,642.86
18-23-353-006	136	Prepaid	Prepaid
18-23-353-007	137	\$1,986.24	\$1,642.86
18-23-353-008	138	\$1,986.24	\$1,642.86
18-23-353-009	139	\$1,986.24	\$1,642.86
18-23-353-010	140	\$1,986.24	\$1,642.86
18-23-353-011	141	\$1,986.24	\$1,642.86
18-23-353-012	142	\$1,986.24	\$1,642.86
18-23-354-001	153	\$1,986.24	\$1,642.86
18-23-354-002	152	\$1,986.24	\$1,642.86
18-23-354-003	170	\$1,986.24	\$1,642.86
18-23-354-004	169	\$1,986.24	\$1,642.86
18-23-355-001	172	\$1,986.24	\$1,642.86
18-23-355-002	171	\$1,986.24	\$1,642.86
18-23-355-003	201	\$1,986.24	\$1,642.86
18-23-355-004	200	\$1,986.24	\$1,642.86
18-23-356-001	204	\$1,986.24	\$1,642.86

Parcel Identification Number	Lot Number	2008 Maximum Special Tax	Special Tax Collected in 2008
18-23-356-002	203	\$1,986.24	\$1,642.86
18-23-356-003	202	\$1,986.24	\$1,642.86
18-23-356-004	232	\$1,986.24	\$1,642.86
18-23-356-005	231	\$1,986.24	\$1,642.86
18-23-356-006	230	\$1,986.24	\$1,642.86
18-23-356-007	229	\$1,986.24	\$1,642.86
18-23-357-005	236	\$1,986.24	\$1,642.86
18-23-357-006	235	\$1,986.24	\$1,642.86
18-23-357-007	234	\$1,986.24	\$1,642.86
18-23-357-008	233	\$1,986.24	\$1,642.86
18-23-357-009	Outlot E	\$0.00	\$0.00
	Total	\$417,111.20	\$345,000.01