

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **CONTRACTS - ILLINOIS**

### **PML Development LLC v. Village of Hawthorn Woods**

**Appellate Court of Illinois, Second District - June 29, 2022 - N.E.3d - 2022 IL App (2d) 200779 - 2022 WL 2336455**

Developer brought breach-of-contract action against village, alleging that village did not comply with agreement under which developer was authorized to fill and grade property in exchange for donating it, after filling and grading, to village. Village counterclaimed, alleging that developer breached agreement by failing to pay taxes on property.

Following a bench trial, the Circuit Court found that both parties had breached, but that village had breached first, and awarded developer much, but not all, of the damages it sought. Village appealed, and developer cross-appealed the damages award.

The Appellate Court held that:

- Trial court's finding that village had materially breached contract was not against the manifest weight of the evidence;
- Village violated its contractual obligation to act in good faith;
- Developer's decision to proceed under contract after village's breach meant that developer was not excused from its contractual obligations by village's breach;
- Village did not prevent developer from performing its contractual obligation to convey property to village;
- Developer's failure to pay taxes on property was misconduct that rendered developer's hands unclean and precluded developer from recovering under doctrine of unjust enrichment; and
- Developer's own material breach of contract, through its failure to pay property taxes, precluded developer's breach-of-contract claim against village.