

J.P. "RICK" CARNEY
DUPAGE COUNTY RECORDER
JUN. 18, 2003 11:35 AM
OTHER 06-07-209-006
044 PAGES R2003-228947

ORDINANCE NO. 5260

**AUTHORIZING A REDEVELOPMENT AGREEMENT
BETWEEN THE VILLAGE OF LOMBARD AND
NORWOOD-LOMBARD LLC IN REGARD TO THE
REDEVELOPMENT OF THE PROPERTY COMMONLY
KNOWN AS 129 AND 143 W. ST. CHARLES ROAD
AND AUTHORIZING THE SALE OF SAID PROPERTY IN
RELATION THERETO**

**PIN: 06-07-209-006
129 W. St. Charles Road**

**PIN: 06-07-209-004 and 005
143 W. St. Charles Road**

Return To:

**Village of Lombard
Department of Community Development
255 E. Wilson Avenue
Lombard, IL 60148**

ORDINANCE NO. 5260

**AN ORDINANCE AUTHORIZING A REDEVELOPMENT AGREEMENT
BETWEEN THE VILLAGE AND NORWOOD-LOMBARD LLC IN REGARD TO
THE REDEVELOPMENT OF THE PROPERTY COMMONLY KNOWN AS 129
AND 143 WEST ST. CHARLES ROAD AND AUTHORIZING THE SALE OF SAID
PROPERTY IN RELATION THERETO**

BE IT ORDAINED, by the President and Board of Trustees of the Village of Lombard,

DuPage County, Illinois, as follows:

SECTION 1: The President and Board of Trustees of the Village find as follows:

- A. The Village of Lombard (hereinafter referred to as the "VILLAGE") is a non-home rule municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois.
- B. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as from time to time amended (hereinafter referred to as the "TIF ACT").
- C. Pursuant to its powers and in accordance with the TIF ACT, on February 2, 1989, the corporate authorities of the VILLAGE adopted Ordinance Numbers 3121, 3122 and 3123, in accordance with the TIF ACT, approving a tax increment redevelopment plan and project, designating a tax increment redevelopment project area and adopting tax increment financing relative to the VILLAGE'S downtown area tax increment financing district (hereinafter referred to as the "DOWNTOWN TIF DISTRICT") for redevelopment and revitalization of a portion of the corporate limits of the VILLAGE, which property is legally described on EXHIBIT A attached hereto and made part hereof (hereinafter referred to as the "REDEVELOPMENT PROJECT AREA").
- D. Pursuant to and in accordance with the Act, on June 6, 2002, the corporate authorities of the Village adopted Ordinance No. 5145, entitled "An Ordinance Amending Ordinance No. 3121, Adopted February 2, 1989, and the Redevelopment Plan and Project Attached Thereto as Exhibit "B", in Regard to the Termination Date for the Village of Lombard's Downtown Tax Increment Financing District," for the Village's DOWNTOWN TIF DISTRICT, by which the termination date for the DOWNTOWN TIF DISTRICT was extended to December 31, 2011, subject to the receipt of 2011 incremental real estate tax revenues during 2012.

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- E. Norwood-Lombard LLC (hereinafter referred to as the "DEVELOPER") desires to redevelop a portion of the REDEVELOPMENT PROJECT AREA, said portion thereof being legally described on EXHIBIT B attached hereto and made part hereof, (hereinafter referred to as the "SUBJECT PROPERTY") on which the DEVELOPER intends to construct a mixed use residential and retail development (hereinafter referred to as the "DEVELOPMENT").
- F. The VILLAGE has entered into contracts to purchase the SUBJECT PROPERTY from the current owners thereof.
- G. In order to move forward with the DEVELOPMENT, it is necessary for the DEVELOPER to acquire the SUBJECT PROPERTY.
- H. That attached hereto as EXHIBIT C and made part hereof is a Redevelopment Agreement, between the DEVELOPER and the VILLAGE, which sets forth the terms and conditions pursuant to which the VILLAGE will sell the SUBJECT PROPERTY to the DEVELOPER, upon acquisition thereof by the VILLAGE, as well as the terms and conditions pursuant to which the DEVELOPER will proceed with the DEVELOPMENT (hereinafter referred to as the "REDEVELOPMENT AGREEMENT").
- I. In accordance with the TIF ACT it is in the best interest of the VILLAGE to approve the REDEVELOPMENT AGREEMENT, and to sell the SUBJECT PROPERTY to the DEVELOPER pursuant thereto, so that redevelopment within the DOWNTOWN TIF DISTRICT can continue, said redevelopment pursuant to the TIF ACT being the VILLAGE'S public purpose for selling the SUBJECT PROPERTY.

SECTION 2: Based upon the foregoing, and pursuant to the TIF ACT, the REDEVELOPMENT AGREEMENT attached hereto as EXHIBIT C is hereby approved, and the President and Clerk of the VILLAGE be and they are hereby authorized and directed to sell the SUBJECT PROPERTY, pursuant to the terms and conditions set forth in said REDEVELOPMENT AGREEMENT, on behalf of the VILLAGE, and they are further authorized and directed to execute and deliver such other instruments, including said REDEVELOPMENT AGREEMENT attached hereto as EXHIBIT C, as may be necessary or convenient to consummate said sale.

SECTION 3: That this Ordinance shall be in full force and effect from and after its

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passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this 20th day of February, 2003.

First reading waived by action of the Board of Trustees this ___ day of _____, 2003.


Passed on second reading this 6th day of March, 2003.

AYES: Trustees DeStephano, Tross, Koenig, Sebby, Florey, Soderstrom

NAYS: None

ABSENT: None

APPROVED by me this 6th day of March, 2003.


William J. Mueller
Village President

ATTEST:


Suzan Kramer
Village Clerk

Published by me in pamphlet form this 31st day of March, 2003.


Suzan Kramer
Village Clerk

@PFDesktop\::ODMA/MHODMA/iManage;108055;1

**REDEVELOPMENT AGREEMENT FOR THE LILAC SQUARE
DEVELOPMENT COMPRISING A PART OF THE DOWNTOWN T.I.F. DISTRICT OF
THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS**

THIS AGREEMENT is between the Village of Lombard, DuPage County, Illinois, a municipal corporation (hereinafter referred to as the "Village") and Norwood-Lombard LLC, an Illinois limited liability company (hereinafter referred to as "Developer"), and is dated this 6th day of March, 2003.

WITNESSETH:

IN CONSIDERATION of the Preliminary Statements, the mutual covenants herein contained, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. PRELIMINARY STATEMENTS

Among the matters of mutual inducement which have resulted in this Agreement are the following:

- A. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as from time to time amended (hereinafter referred to as "Act").
- B. Pursuant to and in accordance with the requirements of the Act, on February 2, 1989, the corporate authorities of the Village adopted Ordinance No. 3121, entitled "An Ordinance Approving the Tax Increment Redevelopment Plan and Project" for the Village's Downtown T.I.F. District, which sets forth a plan (hereinafter referred to as the "TIF Plan") for the redevelopment and revitalization of the property legally described on EXHIBIT 1 attached hereto and made part hereof, being located within the corporate boundaries of the Village, which property is currently zoned commercial (hereinafter referred to as the "Redevelopment Project Area").
- C. Pursuant to and in accordance with the Act, on February 2, 1989, the corporate authorities of the Village adopted Ordinance No. 3122, "An Ordinance Designating the Tax Increment Redevelopment Project Area," for the Village's Downtown T.I.F. District, by which the property legally described on EXHIBIT 1 was designated as the Redevelopment Project Area.
- D. Pursuant to and in accordance with the Act, on February 2, 1989, the corporate authorities of the Village adopted Ordinance No. 3123, entitled "An Ordinance Adopting Tax Increment Financing," for the Village's Downtown T.I.F. District, by which tax increment financing was adopted pursuant to the Act for the TIF Plan for the Redevelopment Project Area.
- E. Pursuant to and in accordance with the Act, on June 6, 2002, the corporate authorities of the Village adopted Ordinance No. 5145, entitled "An Ordinance Amending Ordinance No. 3121, Adopted February 2, 1989, and the Redevelopment Plan and Project Attached Thereto as Exhibit "B", in Regard to the Termination Date for the Village of Lombard's Downtown Tax Increment Financing District," for the Village's Downtown T.I.F. District, by which the termination date for the Downtown T.I.F. District was extended to December 31, 2011, subject to the receipt of 2011 incremental real estate tax revenues during 2012.

- F. The Village has entered into a contract to become the fee owner of certain real property located within the Redevelopment Project Area, said property being legally described on EXHIBIT 2 attached hereto and made part hereof (hereinafter referred to as the "Village Parcel").
- G. The Village has entered into a contract to become the fee owner of certain additional real property located in the Redevelopment Project Area, said property being legally described in EXHIBIT 3 attached hereto and made part hereof (hereinafter referred to as the "Park District Parcel").
- H. Developer desires to acquire ownership of the Village Parcel and the Park District Parcel (hereinafter collectively referred to as the "Developer Parcel"), and intends to develop a mixed use residential (39 dwelling units) and retail (3,600 net rentable square feet) building on the Developer Parcel, as more fully shown on the preliminary plans attached hereto as EXHIBIT 4, and made a part hereof (hereinafter referred to as the "Project").
- I. The Village is desirous of having the Redevelopment Project Area rehabilitated, developed and redeveloped in accordance with the TIF Plan, and particularly the Project as a part thereof, in order to serve the needs of the Village, arrest physical decay and decline in the Redevelopment Project Area, increase employment opportunities, stimulate commercial growth and stabilize the tax base of the Village and, in furtherance thereof, the Village is willing to undertake certain incentives, under the terms and conditions hereinafter set forth, to assist such development.

II. CONDITIONS PRECEDENT TO THE UNDERTAKINGS ON THE PART OF DEVELOPER AND THE VILLAGE

- A. Not later than June 1, 2003, Developer shall have obtained approval of the final development plans for the Project in accordance with the rules, regulations and ordinances of the Village, and in accordance with the second sentence of this subsection B, it being understood that the Village in its capacity as a municipal corporation has sole discretion to approve the final development plans for the Project. In the event that, based on the nature of the final development plans that are submitted by Developer for the Project, the rules, regulations and ordinances of the Village do not require final development plan approval for the Project from the President and Board of Trustees of the Village, said final development plans for the Project shall still be subject to the review of, and final approval by, the President and Board of Trustees of the Village.
- B. Developer shall have delivered to the Village an itemized list of any and all costs to complete the Project (hereinafter referred to as the "Project Budget"), in accordance with the final development plans approved by the Village, certified to the Village, including the source of payment for each and every item contained in said Project Budget.
- C. Developer shall have provided evidence, in a form reasonably satisfactory to the Village, of its ability to pay for the costs of the Project as itemized in the Project Budget.
- D. Developer shall have delivered to the Village a construction schedule, including the projected date of actual occupancy and date of opening for the Project, subject only to delays caused by acts of God or "force majeure," the latter term being defined as causes which are outside the control of the parties and cannot be avoided by the exercise of due care.

- E. The Village and Developer shall each use reasonable efforts to timely satisfy the above conditions, but if such conditions are not so satisfied or waived by the Village and Developer, then the Village or Developer may terminate this Agreement by giving written notice thereof to the other party. In the event of such termination, this Agreement shall be deemed null and void and of no force or effect and the Village and Developer shall not have any obligations or liability with respect thereto.

III. UNDERTAKINGS ON THE PART OF THE VILLAGE

The Village shall undertake the following:

- A. The Village will assist Developer in securing and obtaining, in an expeditious manner, all governmental approvals, consents, permits, licenses and authorizations reasonably necessary or required for the Project, all within one hundred twenty (120) days after Developer's submittal of applicable plans therefor. Developer, however, shall remain primarily responsible for preparing the submittals necessary for securing all of its necessary approvals, consents, permits, licenses and authorizations, however, which Developer shall submit not later than five (5) days after approval of this Agreement by the Village.
- B. The Village shall issue, where appropriate, and will reasonably assist Developer to obtain, such building permits, driveway permits, curb cut permits, licenses and other permits as Developer may require to cause the construction of the Project, all within one hundred twenty (120) days after Developer's submittal of applicable plans therefor, provided the Project complies with the applicable ordinances of the Village and other governmental bodies having jurisdiction.
- C. The Village will assist Developer in obtaining all necessary driveway permits and curb cut approvals as may be required from any and all public agencies other than the Village for the Project, all within one hundred twenty (120) days after Developer's submittal of applicable plans therefor. Developer, however, shall be primarily responsible for preparing and submitting the plans necessary for obtaining said permits and curb cut approvals.
- D. To assist in expediting construction of the Project, the Village shall issue its sitework, foundation and construction permits separately as needed so long as Developer has submitted all information as required for each such permit to issue separately.
- E. The Village shall obtain title to the Park District Parcel and transfer title to the Park District Parcel to the Developer pursuant to the Real Estate Sales Contract attached hereto as EXHIBIT 5 and made part hereof (hereinafter referred to as "Contract I"), for a purchase price of eight hundred twenty thousand and no/100ths dollars (\$820,000.00).
- F. The Village shall obtain title to the Village Parcel and transfer title to the Village Parcel to the Developer pursuant to the Real Estate Sales Contract attached hereto as EXHIBIT 6 and made part hereof (hereinafter referred to as "Contract II"), for a purchase price of ten and no/100ths dollars (\$10.00).
- G. The Village through its variation process, either shall waive the requirement that the Developer provide stormwater detention on site in relation to the Project, or shall provide the required stormwater detention off-site at the Village's expense.

- H.** The Village represents that no new or additional streetscape improvements shall be required for the Project; provided that if Developer's site plan requires modification or relocation of existing improvements (including infrastructure) to accommodate the plan, or if Developer damages existing improvements or infrastructure, the costs and expenses of such modifications, relocations and repairs shall be borne exclusively by Developer. Notwithstanding the foregoing, the Developer shall be required to provide a public sidewalk, with a minimum width of five feet, along the East side of Lincoln Avenue, adjacent to the Developer Parcel, and along the North side of Michael McGuire Drive, from Lincoln Avenue to the location of the proposed ingress/egress driveway into the condominium building portion of the Project. The sidewalk shall be designed and constructed consistent with the development standards for sidewalks within the downtown area of the Village. For any portion of the sidewalk that is not located within the public right-of-way, the Developer shall either grant an easement to the Village for public sidewalk purposes or dedicate additional right-of-way so that the sidewalk is located in either an easement or the public right-of-way.
- I.** The Village shall waive its Plan Commission fees.
- J.** In consideration of the covenants and agreements of Developer as set forth in Section V below, and as an incentive to the Developer to build the Project using high quality materials, in the event that, over the life of the Downtown T.I.F. District, the Project produces TIF Revenues, as defined in Section V.B. below, in excess of one million five hundred fifty-five thousand and no/100ths dollars (\$1,555,000.00), the Developer shall be entitled to receive fifty percent (50%) of such excess, to be evidenced by a note to be issued to the Developer at the issuance of the first certificate of occupancy relative to the Project, said note to be in the form attached hereto as EXHIBIT 7 and made part hereof.

IV. UNDERTAKINGS ON THE PART OF DEVELOPER

Developer shall undertake the following:

- A.** Developer shall submit all plans, specifications, and other information necessary for action upon and issuance of, by all applicable governmental agencies, the approvals, consents, permits, licenses and authorizations reasonably necessary or required for the Project, within five (5) days after the approval of this Agreement by the Village.
- B.** Developer shall, after issuance of all applicable governmental approvals, consents, permits, licenses and authorizations reasonably necessary or required for the Project, and after notice from the Village that the Village is in title to the Village Parcel and the Park District Parcel, close on the purchase of the Village Parcel and the Park District Parcel pursuant to the terms of Contract I and Contract II, said closings to be within sixty (60) days of the aforementioned notice from the Village.
- C.** Developer shall provide the Village with a letter of credit in the amount of one hundred eighty-nine thousand three hundred seventy-five and no/100ths dollars (\$189,375.00), from a financial institution approved by the Village, to guaranty the Developer covenant set forth in Section V.B. below, said letter of credit to be in the form attached hereto as EXHIBIT 8 and made part hereof.

- D.** Upon acquisition of the Village Parcel and the Park District Parcel, Developer shall process through the Village a consolidation petition so that all parcels comprising the Developer Parcel are combined as a single lot subdivision of record for zoning and real estate taxation purposes; provided that the Developer shall have the right to separate the retail components of the Project from the residential components of it for real estate taxation purposes at its sole discretion.
- E.** Within five (5) days after Developer's acquisition of the Developer Parcel, and subject only to force majeure and weather permitting Developer shall commence construction of the Project and shall cause construction of the same to be completed in substantial compliance with the final development plans as soon as possible, but in no event later than twelve (12) months after such commencement, subject only to delays caused by acts of God or force majeure. If Developer fails to do so, Developer shall be required to pay the Village three hundred five thousand and no/100ths dollars (\$305,000.00), said amount being the amount paid by the Village in regard to the acquisition of the Village Parcel.

V. COVENANTS OF DEVELOPER REGARDING TAX INCREMENT FINANCING

- A.** Developer hereby covenants and agrees that, with regard to the assessed value as proposed by the Assessor of DuPage County, Illinois for the Project and the Developer Parcel during the life of the Downtown Tax Increment Financing District, Developer shall not, except as herein provided:
1. Apply for, seek or authorize any special classification of the Developer Parcel or any exemption from the imposition or paying of any or all real property taxes extended for collection without first obtaining the prior written approval of the Village.
 2. Directly or indirectly, seek to lower the assessed valuation of the Developer Parcel below the Minimum Assessed Valuation for the Developer Parcel shown on EXHIBIT 9 attached hereto and made a part hereof, to the extent that the assessed valuation of the Developer Parcel for any year is determined by the DuPage County Assessor to be greater than the Minimum Assessed Valuation shown for such year on such EXHIBIT 9.
- B.** Developer hereby covenants and agrees that the incremental TIF revenues to be generated from the Project (hereinafter referred to as "TIF Revenues") shall be equal, at a minimum, to the yearly amounts as set forth on EXHIBIT 10 attached hereto and made part hereof (hereinafter referred to as the "Minimum Yearly TIF Revenues"). To the extent that actual TIF Revenues for any given year are less than said Minimum Yearly TIF Revenues (hereinafter referred to as a "TIF Deficiency"), the Village shall be allowed to draw upon the letter of credit referenced in Section IV.C. above to cover a Net TIF Deficiency as defined in subsection 1. below, subject to the following conditions:
1. Drawing upon the letter of credit shall not occur until the Village has first determined whether there are any Surplus Amount(s), as defined in subsection 2. below, and that upon application thereof there still is a TIF Deficiency (hereinafter referred to as a "Net TIF Deficiency"), and if so has notified the Developer of the Net TIF deficiency and the Developer has failed to remit the amount of the Net TIF Deficiency to the Village in cash or equivalent not later than the date upon which

the tax bill disclosing the TIF Deficiency is due and payable (hereinafter referred to as the "Cash Cover").

2. In the event that TIF Revenues for previous given year(s) exceed the Minimum Annual Revenues (hereinafter referred to as the "Surplus Amount(s)"), and said Surplus Amount(s) have not been applied previously to satisfy a TIF Deficiency, said Surplus Amount(s) shall be applied towards satisfaction of the current TIF Deficiency prior to determining the current Net TIF Deficiency that the Village shall have the right to satisfy by drawing upon the letter of credit.
3. The letter of credit requirement imposed on the Developer by this Section V.B. and by Section IV.C. shall cease and determine on the soonest to occur of the following events:
 - a. TIF Revenues, taken together with all draws against the letter of credit and/or the Developer's Cash Covers, reach one million two hundred fifty thousand and no/100ths dollars (\$1,250,000.00);
 - b. TIF Revenues for a two (2) consecutive tax years, after the Project has been fully assessed for tax purposes, equal or exceed one hundred eighty-nine thousand three hundred seventy-five and no/100ths dollars (\$189,375.00) in each year.
- C. Notwithstanding the limitations on the Village's ability to draw on the letter of credit, as set forth in subsection B. above, at anytime that there is less than twenty (20) days left on the life of the letter of credit, the Village can draw upon the letter of credit for the full amount thereof, it being the intent of the Village and the Developer that replacement letters of credit be put in place by the Developer no less than thirty (30) days prior to the expiration of a current letter of credit. Prior to making a draw on the letter of credit pursuant to this subsection C, the Village shall provide the Developer with no less than ten (10) days prior written notice of the Village's intent to do so. Said ten (10) day notice by the Village may be given at any time that there is less than sixty (60) days remaining on the life of the current letter of credit.
- D. The foregoing covenants and agreements contained in this Section V shall be construed and interpreted as an express agreement between Developer and the Village in that a major incentive inducing the Village to enter into this Agreement is to increase the assessed valuation of and the general real estate taxes payable with respect to the Project. This Agreement may be used by the Village, in the Village's discretion, as an admission against Developer's interest in any proceeding respecting the subject matters covered by this Agreement.

VI. ADDITIONAL COVENANTS, UNDERTAKINGS AND AGREEMENTS OF THE PARTIES

- A. This Agreement incorporates all agreements and understandings of the parties hereto as of the date of its execution, concerning the Project. Each party acknowledges that no representations or warranties have been made which have not been set forth herein.
- B. Time is of the essence in the performance of this Agreement..

- C. For the purposes of any of the provisions of this Agreement, neither the Village, Developer nor any of their respective successors and assigns, as the case may be, shall be considered in breach of, or default in, its obligations under this Agreement in the event of any delay caused by acts of god, acts of public enemy, acts of Federal or State government, fires, floods, epidemics, quarantine or restriction, strike, shortage of materials, embargoes, and delays due to weather conditions or delays of construction contractors and subcontractors due to such causes; nor shall the Village or Developer be considered in breach of or default in its obligations under this Agreement in the event of any delay resulting from the conduct of any judicial, administrative or legislative proceedings, or caused by litigation or proceedings challenging the authority or right of the Village to act under the TIF Plan, any of the ordinances referenced herein, or perform under this Agreement. The Village shall diligently contest any such proceedings and any appeals therefrom. The Village may settle a contested proceeding at any point, so long as the settlement results in the Village's ability to perform pursuant to this Agreement and so long as any such settlement does not impose additional obligations on Developer or increase Developer's obligations under this Agreement. It is the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the parties shall be extended for the period of the delay.
- D. Developer recognizes and agrees that the Village has sole discretion with regard to all approvals and permits relating to the Project, including but not limited to approval of the final development plan, excavation permits, grading permits, building permits and occupancy permits, and failure on the part of the Village to grant or issue any required permit shall not be deemed as the cause of a default by Developer under this Agreement or give rise to any claim against or liability to the Village pursuant to this Agreement. The Village agrees, however, that such approvals and permits shall not be unreasonably withheld.
- E. The Village agrees to permit Developer to construct, install and maintain signs on the Developer Parcel in accordance with the signage plans, which shall be submitted as part of the final development plans for the Project to be approved by the Village, which approval shall not be unreasonably withheld. All signage shall, however, be in compliance with the applicable provisions of the Village Code.
- F. The Project shall be completed substantially in accordance with the final approved development plans and in accordance with all applicable ordinances, rules and regulations of the Village in existence as of the date of such approval.
- G. All notices and requests if any, required pursuant to this Agreement shall be sent by certified mail return receipt requested, or by personal service, addressed as follows:

If to Developer. Bruce J. Adreani, Pres.
Norwood Construction, Inc. – Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631

with copy to: James R. Duerf, CFO
Norwood Construction, Inc. – Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631

ies
with copy to:

James R. Duerr, CFO
Norwood Construction, Inc. — Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631

If to the Village:

and-----

Village Manager
Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148

Stephen S. Messutta,
General Counsel
Norwood Construction, Inc. --
Compan Manager
7458 N. Harlem Avenue
Chicago, IL 60631

with copies to:

Director of Community Development
Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148

Klein, Thorpe & Jenkins, Ltd.
20 North Wacker Drive, Suite 1660
Chicago, Illinois 60606
Attention: Thomas P. Bayer

- H. This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois.
- I. Developer shall not assign this Agreement to any person or entity without the prior written consent of the Village, which consent shall not be unreasonably withheld provided, however, at the time of such assignment, there is no default under this Agreement by Developer.
- J. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.
- K. No recourse under or upon any obligation, covenant, or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the Village, in any amount or in excess of any specific sum agreed by the Village to be paid to Developer hereunder, subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to or shall be incurred by the Village's officers, agents and/or employees in regard to this Agreement, with all and any such rights or claims of Developer against the Village's officers, agents and/or employees being hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement by the Village.
- L. Subject to the provisions of Section V.A. above, Developer hereby covenants an agrees to promptly pay or cause to be paid as the same become due, any and all taxes and governmental charges of any kind that may at any time be lawfully assessed against the Developer Parcel or the Project.

VII. REPRESENTATIONS AND WARRANTIES OF DEVELOPER

- A.** Developer hereby represents and warrants that it is an Illinois limited liability company in good standing with proper authority to execute this Agreement. With the Village's written consent, Developer shall have the right to assign its rights and obligations under this Agreement to the permittee of the Village permits for the Project.
- B.** Developer hereby represents and warrants that the Project requires economic assistance from the Village, including, but not necessarily limited to, an underwriting of the property acquisition, environmental remediation, demolition and site preparation costs associated with the Project, in order for Developer to complete the acquisition and construction in accordance with the approved final development plans and, but for the economic assistance to be given by the Village as herein stated, the Project, as contemplated, would not be economically viable nor eligible for the financing necessary for its completion.
- C.** Developer hereby represents and warrants that the Project shall be constructed and fully completed in a good and workmanlike manner in accordance with the approved final redevelopment plans and all plans and specifications pertaining thereto including any amendments, as approved by the Village.
- D.** Developer hereby represents and warrants that at all times it shall comply with all applicable local zoning ordinances and regulations, the building code, fire code and all other applicable Village ordinances, resolutions and regulations in existence as of the date of approval of the Project.
- E.** Developer hereby represents and warrants that it shall comply with all applicable laws, rules and regulations of the State of Illinois and the United States and all agencies thereof, having jurisdiction over it or the Project.
- F.** Developer hereby represents and warrants that it shall comply with all terms, provisions and conditions and shall not default or knowingly permit a default under any document or agreement relating to the Project or the financing of the Project to which it is a party, including but not limited to this Agreement, and all agreements and documentation in connection with any loan to it in relation to the Project.
- G.** Developer hereby covenants and agrees that, except as provided above, it will not, directly or indirectly, sell, transfer, assign or otherwise dispose of the Project (including the beneficial interest or power of direction over any land trust holding legal title thereto) without the prior written consent of the Village, which consent will not be unreasonably withheld. The Village will not withhold such consent if the proposed use by the purchaser, transferee or assignee would not lower the assessed valuation of the Developer Parcel below the Minimum Assessed Valuation for the property as shown on EXHIBIT 9 attached hereto, and would produce the same amount of sales tax revenues as anticipated to be produced by the Project.
- H.** Developer hereby covenants and warrants that it will, as part of the Project, record a covenant restricting the use of the balconies/patios constructed as part of the Project, with the language of said covenant being subject to the approval of the Village.

VIII. REPRESENTATIONS AND WARRANTIES OF THE VILLAGE

The Village hereby represents and warrants to Developer that, subject to its compliance with the Act, it has the power and authority to execute, deliver and perform the terms and obligations of this Agreement.

IX. DEFAULTS AND REMEDIES

In the event of any non-monetary default and/or breach of this Agreement or any terms or conditions by either party hereto or bound by this Agreement, such party shall upon written notice proceed promptly to cure or remedy such default or breach within said sixty (60) days after receipt of such notice; provided, however, that in the event such default is incapable of being cured within sixty (60) day period and the defaulting party commences to cure within said sixty (60) day period and proceeds to cure with due diligence, such party shall not be deemed to be in default under this Agreement. In case such action is not taken or not diligently pursued or the default or breach shall not be cured or remedied within the above time or in the event of a monetary default (time being of the essence with respect to the payment of any sums required hereunder), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach including but not limited to proceedings to compel specific performance by the party in default or breach of its obligations, but not specific performance of any obligations to construct any buildings or other improvements. The rights of the parties to this Agreement, whether provided by law or this Agreement, shall be cumulative and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it of any one or more of such remedies in relation to the same default or breach by the other party. No waiver made by either party with respect to any specific default by the other party under this Agreement shall be construed as a waiver of rights with respect to any other default by the defaulting party under this Agreement or with respect to the particular default except to the extent specifically waived in writing. Notwithstanding anything contained herein to the contrary, all monetary damages resulting from a breach of this Agreement shall be limited to the non-defaulting party's actual out of pocket costs and expenses resulting from such breach along with all costs and expenses, including reasonable attorneys' fees, incurred by the non-defaulting party in enforcing this Agreement. In the event of any litigation between the parties hereto resulting from a breach of this Agreement, the prevailing party in such litigation, as determined by final judgment, shall be entitled to an award of its attorneys' fees and costs incurred in such litigation.

X. AGREEMENT TERM

The term of this Agreement shall commence as of the date of its execution after approval by the corporate authorities of the Village and expire at the termination of the Village's Downtown T.I.F. District as required by the Act.

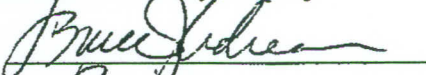

VILLAGE OF LOMBARD,
a municipal corporation

By: 
Village President

ATTEST:


Deputy Village Clerk

NORWOOD-LOMBARD LLC, an
Illinois limited liability company

By: 
Title: 

Bruce J. Adreani, President of Norwood
Construction, Inc., Company Manager

EXHIBIT 1

(Legal Description of Downtown T.I.F. District - to be supplied by the Village)

Exhibit ALEGAL DESCRIPTION
REDEVELOPMENT PROJECT AREA

Lots 1 and 2 of the Resubdivision of Lot 6 of Block 27 of the Original Town of Lombard, Lots 1, 2, 3, and 4 of the Original Town of Lombard, Lots 1, 2, 3, the North 25 ft. of Lot 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 in Caverno's Subdivision, Lot 1 in Lombard Bible Church Consolidation Plat, Lots 1, 2, 3, 4, and 5 in Owner's Subdivision in Block 18 of the Original Town of Lombard, Lots 1, 2, 3, 4, 5, 6, and 7 in Block 11 of the Original Town of Lombard, Lots 8, 9, 10, 11, and 12 in J. B. Hull's Subdivision of part of Block 11 and part of outlot 4 of the Original Town of Lombard, Lots 7, 8, 9, 12, 13, 14, 15, 16, 17 and 18 of Grove Park Subdivision, Lots 2, 3, 4, 5, 6, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 28 in Grove Park Subdivision, Lots 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 in Grove Park Subdivision First Addition, Lots 11 and 12 in W. H. Maple's Subdivision, Lots 3, 4, 5, 6, 7, 8, 9, 10, and 11 in Block 10 of the Original Town of Lombard, Lots 1, 2, and 3, in the Subdivision of Outlot 10 in the Original Town of Lombard, Lot 1 of the Belfast Consolidation Plat, Lots 1, 2, 4, and 5 of Block 19 in the Original Town of Lombard, Lots 1, 2, 3, 4, 5, 6, 7, 8, of J. B. Hull's Subdivision of Lot 3 of Block 19 of the Original Town of Lombard, Lot 43 excepting the North 20 feet thereof in Orchard Subdivision, Lots 1 and 2 of Timke's Resubdivision, all of Park Manor Condominium, including all Chicago & Northwestern Railroad right-of-way and all public rights-of-way adjacent to the above-described property all being in the Northeast Quarter of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian in DuPage County, Illinois.

Of that part of Block 22 of the Original Town of Lombard described by beginning at a point on the East line of Main Street, 499.0 feet North of the Southwest corner of said Block 22 and running thence Easterly to a point on the center line of said Block 22 that is 386.6 feet to the Southerly line of said Parkside Avenue; thence Southwesterly along the Southerly line of said Parkside Avenue to the East line of Main Street; thence South on the East line of Main Street, 291.85 feet to the place of beginning, Lots 1, 2, and 3 in James' Subdivision of Part of Block 22 of the Original Town of Lombard, Lots 28, 29, 30, and 31 of Part of Block 22 in N. Matson & Others Resubdivision, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13 in Block 17 of the Original Town of Lombard, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14 in Block 16 of the Original Town of Lombard, Lots 1, 2, the East 1/2 of Lot 3, Lots 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 in Block 12 of the Original Town of Lombard, Lots 1, 2, 3, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15 in Block 18 of H. O. Stone & Company's Addition to Lombard, Lombard Tower Condominiums, Charlotte-Garfield Condominiums, including all Chicago & Northwestern Railroad right-of-way and all public rights-of-way adjacent to the above-described property all being in the Northwest Quarter of Section 8, Township 39 North, Range 11, East of the Third Principal Meridian all in DuPage County, Illinois.

EXHIBIT A
REDEVELOPMENT PROJECT AREA

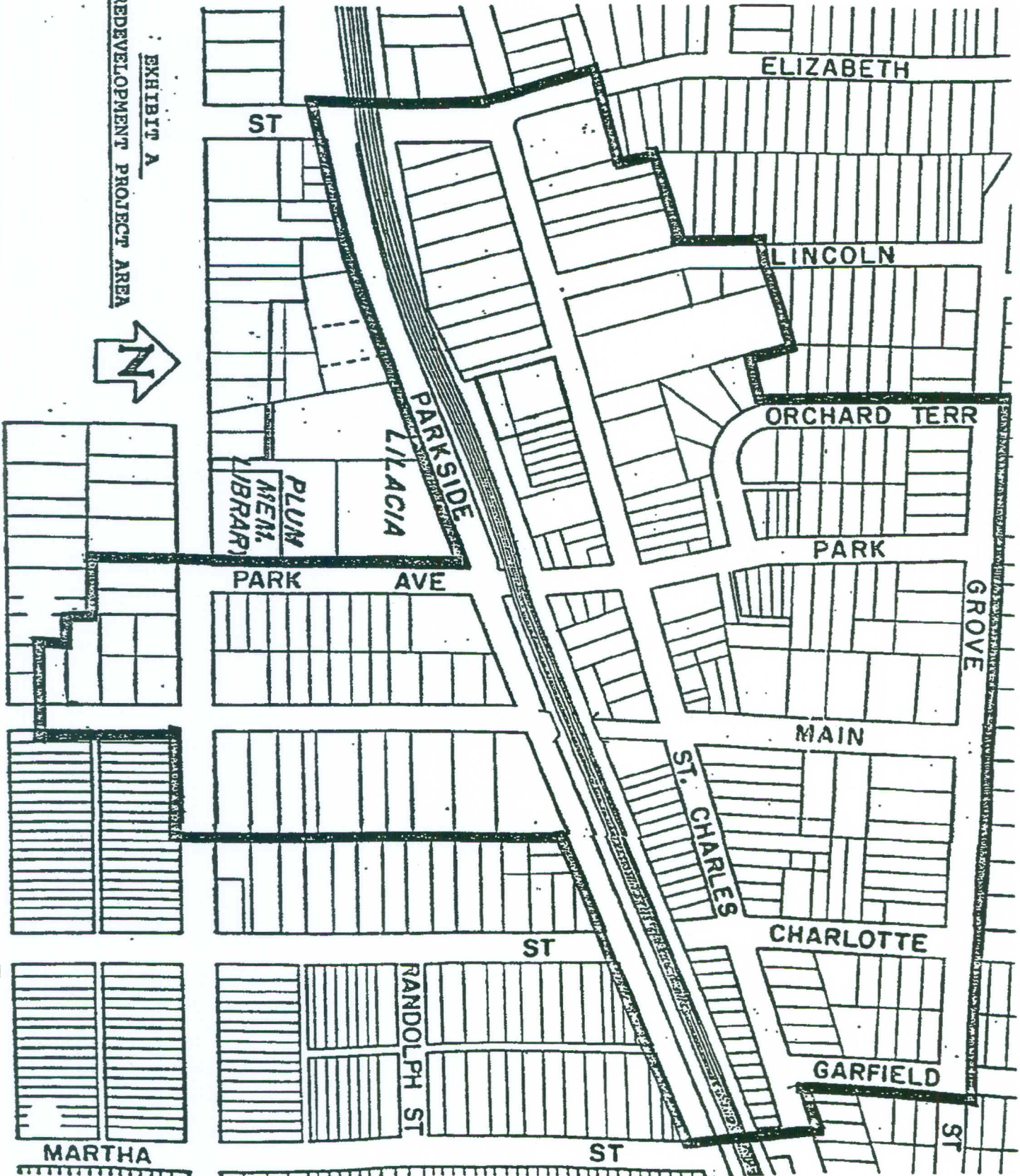


EXHIBIT 2

(Legal Description of the Village Parcel)

Lot 5 in J.B. Hull's Subdivision of Lot 3 in Block 19 in Original Town of Lombard, a subdivision of part of the Northeast 1/4 of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian, DuPage County, Illinois;

P.I.N. 06-07-209-006;

Common Address: 129 West St. Charles Road, Lombard, Illinois.

EXHIBIT 3

(Legal Description of the Park District Parcel)

Lots 4 and 5 in Block 19 in Original Town of Lombard, a subdivision of part of the Northeast 1/4 of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian, along with Lots 6 and 7 in J.B. Hull's Subdivision of Lot 3 in Block 19 in Original Town of Lombard, aforesaid, all in DuPage County, Illinois;

P.I.N.: 06-07-209-004 and -005;

Common Address: 143 West St. Charles Road, Lombard, Illinois.

EXHIBIT 4

(Preliminary Site Plan and Preliminary Concept Drawings
for the Project to be supplied by the Developer)

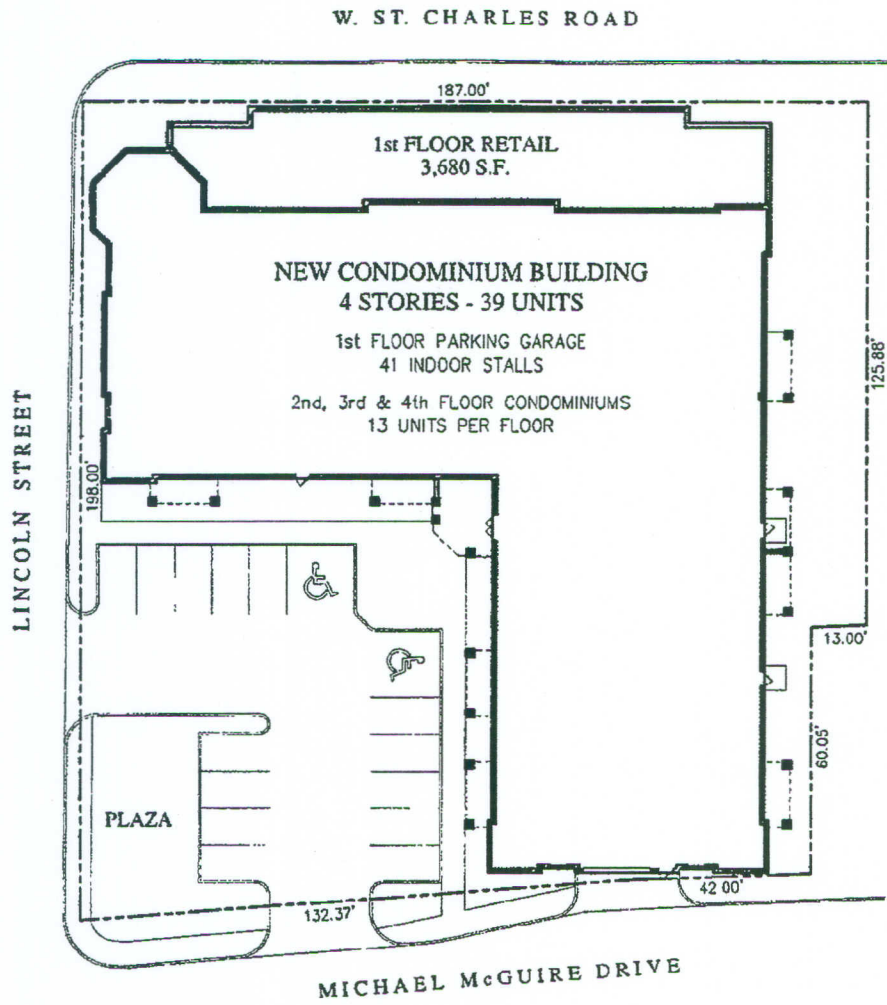




EXHIBIT 5

REAL ESTATE SALES CONTRACT
(143 WEST ST. CHARLES ROAD)

THIS CONTRACT is made and entered into as of this ____ day of _____, 2003, by and between the Village of Lombard, an Illinois municipal corporation (the "Village") and Norwood-Lombard LLC, an Illinois limited liability company ("Norwood"). Norwood and the Village are sometimes hereinafter individually referred to as a "Party," and jointly referred to as the "Parties."

RECITALS

Subject to the further terms and conditions of this Contract, the Village desires to sell to Norwood, and Norwood desires to purchase from the Village, certain real property commonly known as 143 W. St. Charles Road, Lombard, IL 60148, and legally described as follows:

Lots 4 and 5 in Block 19 in Original Town of Lombard, a subdivision of part of the Northeast 1/4 of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian, along with Lots 6 and 7 in J.B. Hull's Subdivision of Lot 3 in Block 19 in Original Town of Lombard, aforesaid, all in DuPage County, Illinois;

P.I.N.: 06-07-209-004 and -005;

Common Address: 143 West St. Charles Road, Lombard, Illinois;

plus all improvements and fixtures thereon and thereat (the "Property"), but excluding all personal property.

NOW, THEREFORE, in consideration of the mutual promises contained in this Contract and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Purchase Price: Norwood shall pay to the Village a purchase price of Eight Hundred Twenty Thousand and No/100ths Dollars (\$820,000.00), for the Property. The purchase price shall be paid by cashier's or certified check at the closing.

2. Deed: The conveyance of the Property by the Village to Norwood shall be by warranty deed, in recordable form.

3. Date and Place of Closing. The closing of such purchase shall occur within sixty (60) days after the Village notifies Norwood in accordance with Section IV.B. of the "Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown T.I.F. District of the Village of Lombard, DuPage County, Illinois," by and between the Parties hereto and dated as of the date hereof, (the "Redevelopment Agreement"), or at such earlier or later date to which the Parties agree in writing. The closing shall occur at an office of the Title Company mutually acceptable to the Parties.

4. Title: The Village shall provide to Norwood, within ten (10) days of the Village providing Norwood with the notice referenced in paragraph 3 above, a title insurance commitment, by a title company reasonably acceptable to both Parties, it being the Parties intent to use Chicago Title Insurance Company (the "Title Company"), covering the Property, dated on or after the date this Contract is signed by both Parties, subject to the following exceptions (hereinafter referred to as the "Permitted Exceptions"):

- a. General real estate taxes for 2002 and subsequent years;
- b. Covenants, conditions, restrictions and easements of record which do not interfere with Norwood's intended use of the Property, being development of the Property as a mixed use residential/retail building (the "Intended Use"); and
- c. The standard general exceptions.

Any other title exceptions are hereinafter referred to as "Unpermitted Exceptions"). Within ten (10) days of its receipt of the title commitment, Norwood shall notify the Village, in writing, of any exceptions therein listed it deems to be Unpermitted Exceptions and the specific reason such exception will interfere with the Intended Use, if applicable. Thereafter, the Village shall have thirty (30) days from the date of its receipt of such notice to have such Unpermitted Exceptions waived or insured over by the Title Company, and in the event the Village is unable to do so, Norwood may either close and take title to the Property subject to the Unpermitted Exceptions, or, if Norwood elects not to do so, on notice by either Party to the other, this Agreement shall be cancelled, and neither Party shall have any liability to the other under this Agreement. At the closing, the Village shall direct the Title Company to issue its owner's title insurance policy, at the Village's expense, insuring Norwood's title to the Property, in the amount of the purchase price, subject only to the Permitted Exceptions and to any Unpermitted Exceptions which Norwood has agreed to accept.

5. Representations and Warranties. The Village makes the following representations to Norwood:

- a. There are no leases or licenses or other possessory rights existing in any person or entity with respect to the Property, and the Village shall not, from the date of this Contract until the closing date, enter into any such agreements.
- b. The Village has full authority and power to enter into this Contract and to convey fee simple title to the Property and has full authority and power to perform the Village's obligations under this Contract.

Norwood warrants and represents to the Village that Norwood has full authority and power to enter into this Contract and perform Norwood's obligations under this Contract.

6. No Broker. The Parties, each to the other, hereby represent and warrant that there has been no involvement of any real estate broker in connection with the purchase and sale of the Property, by Norwood from the Village, to whom either Party has agreed to pay a commission. Based on the foregoing representation, each Party hereby agrees to indemnify and hold the other Party harmless from any loss or expense, including, but not limited to, reasonably attorneys' fees, arising from the alleged liability of the other Party for brokerage commission or finder's fees claimed from persons with who either Party has dealt.

7. **Closing:** The Village shall prepare and execute, at its expense, and shall deliver to Norwood at closing, the aforementioned warranty deed, and State and County transfer tax declarations, ALTA Statement(s), deed and money escrow instructions, closing statement, affidavit of title, a survey no less than one (1) year old and other documents customarily provided by sellers of commercial property, however no bill of sale shall be prepared, as Norwood is not purchasing any personal property located on the Property. At the closing, the Village shall deliver to Norwood all keys to the Property in the Village's possession. Norwood shall execute the transfer tax declarations, deed and money escrow instructions, closing statement and all other documents customarily executed by purchasers of commercial property. The Village and Norwood agree to execute all customary closing documents request by the Title Company, in accordance with the usual form of deed and money escrow instructions then in use by the Title Company, with such special provisions inserted in such instructions as may be necessary to conform with this Contract. In the event of a conflict between the provisions of such escrow instructions and this Contract, the provisions of the Contract shall control. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the purchase price shall be made through such escrow. The Village shall pay the cost of State and County transfer tax stamps, if any, the cost of recording any documents necessary to remove Unpermitted Exceptions, and the cost of a regular owner's title policy, without extended coverage. Norwood shall pay the cost of recording the warranty deed. The Title Company's closing escrow fee shall be split between the Parties, provided, however, that should Norwood desire to use a "New York Style" closing, whereby Norwood would obtain a pro forma owner's title insurance policy at the completion of the closing, Norwood shall pay the extra Title Company fee for such closing.

8. **Pro-Rations:** Real estate taxes, if any, shall be prorated at closing based on one hundred five percent (105%) of the most recently ascertainable taxes. The Parties shall use their best efforts to have all utilities in the name of the Village cancelled and place in the name of Norwood or Norwood's designee as of the closing date.

9. **Notices:** Notices or other writings which either Party is required to or may wish to give to the other in connection with the Contract shall be in writing and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by facsimile transmission with a copy of the notice and proof of transmission being sent by first class mail within twenty-four (24) hours of the date of transmission, addressed as follows:

If to Developer. : Bruce J. Adreani, Pres.
 Norwood Construction, Inc. — Company Manager
 7458 N. Harlem Avenue
 Chicago, IL 60631
 Fax: (773) 775-4433

with copy to: James R. Duerr, CFO
 Norwood Construction, Inc. — Company Manager
 7458 N. Harlem Avenue
 Chicago, IL 60631
 Fax: (773) 775-4433

If to the Village: Village Manager
 Village of Lombard
 255 East Wilson Avenue

Lombard, IL 60148
Fax: (630) 620-8222

with copies to:

Director of Community Development
Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148
Fax: (630) 629-2374

Klein, Thorpe & Jenkins, Ltd.
20 North Wacker Drive, Suite 1660
Chicago, Illinois 60606
Attention: Thomas P. Bayer
Fax: (312) 984-6444

Or to such address as either Party may from time to time designate in a notice to the other. A notice given: a) by personal delivery shall be deemed given the date of deliver, b) by certified or registered mail shall be deemed given three (3) days after such notice is deposited in the United States mail whether or not such notice is actually received by the addressee, and c) by facsimile transmission shall be deemed given the date of transmission.

10. Related Documents: The Parties acknowledge that the real estate transaction contemplated by this Contract is in furtherance of the terms and conditions of the Redevelopment Agreement, and is a companion real estate transaction to the real estate transaction referenced in Exhibit 6 to said Redevelopment Agreement.

IN WITNESS WHEREOF, the Parties have executed this Contract as of this day and year first above written.

VILLAGE OF LOMBARD

NORWOOD-LOMBARD LLC

By: _____
Village President

By: _____
Bruce J. Adreani, President of
Norwood Construction, Inc.,
Company Manager

ATTEST:

Village Clerk

EXHIBIT 6

REAL ESTATE SALES CONTRACT
(129 WEST ST. CHARLES ROAD)

THIS CONTRACT is made and entered into as of this ____ day of _____, 2003, by and between the Village of Lombard, an Illinois municipal corporation (the "Village") and Norwood-Lombard LLC, an Illinois limited liability company ("Norwood"). Norwood and the Village are sometimes hereinafter individually referred to as a "Party," and jointly referred to as the "Parties."

RECITALS

Subject to the further terms and conditions of this Contract, the Village desires to sell to Norwood, and Norwood desires to purchase from the Village, certain real property commonly known as 143 W. St. Charles Road, Lombard, IL 60148, and legally described as follows:

Lot 5 in J.B. Hull's Subdivision of Lot 3 in Block 19 in Original Town of Lombard, a subdivision of part of the Northeast 1/4 of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian, DuPage County, Illinois;

P.I.N. 06-07-209-006;

Common Address: 129 West St. Charles Road, Lombard, Illinois;

plus all improvements and fixtures thereon and thereat (the "Property"), but excluding all personal property.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Purchase Price: Norwood shall pay to the Village a purchase price of Ten and No/100ths Dollars (\$10.00), for the Property. The purchase price shall be paid by cashier's or certified check at the closing.
2. Deed: The conveyance of the Property by the Village to Norwood shall be by warranty deed, in recordable form.
3. Date and Place of Closing. The closing of such purchase shall occur within sixty (60) days after the Village notifies Norwood in accordance with Section IV.B. of the "Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown T.I.F. District of the Village of Lombard, DuPage County, Illinois," by and between the Parties hereto and dated as of the date hereof, (the "Redevelopment Agreement"), or at such earlier or later date to which the Parties agree in writing. The closing shall occur at an office of the Title Company mutually acceptable to the Parties.

4. Title: The Village shall provide to Norwood, within ten (10) days of the Village providing Norwood with the notice referenced in paragraph 3 above, a title insurance commitment, by a title company reasonably acceptable to both Parties, it being the Parties intent to use Chicago Title Insurance Company (the "Title Company"), covering the Property, dated on or after the date this Contract is signed by both Parties, subject to the following exceptions (hereinafter referred to as the "Permitted Exceptions"):

- a. General real estate taxes for 2002 and subsequent years;
- b. Covenants, conditions, restrictions and easements of record which do not interfere with Norwood's intended use of the Property, being development of the Property as a mixed use residential/retail building (the "Intended Use"); and
- c. The standard general exceptions.

Any other title exceptions are hereinafter referred to as "Unpermitted Exceptions"). Within ten (10) days of its receipt of the title commitment and survey, Norwood shall notify the Village, in writing, of any exceptions therein listed it deems to be Unpermitted Exceptions and the specific reason such exception will interfere with the Intended Use, if applicable. Thereafter, the Village shall have thirty (30) days from the date of its receipt of such notice to have such Unpermitted Exceptions waived or insured over by the Title Company, and in the event the Village is unable to do so, Norwood may either close and take title to the Property subject to the Unpermitted Exceptions, or, if Norwood elects not to do so, on notice by either Party to the other, this Agreement shall be cancelled, and neither Party shall have any liability to the other under this Agreement. At the closing, the Village shall direct the Title Company to issue its owner's title insurance policy, at the Village's expense, insuring Norwood's title to the Property, in the amount of the purchase price, subject only to the Permitted Exceptions and to any Unpermitted Exceptions which Norwood has agreed to accept.

5. Representations and Warranties. The Village makes the following representations to Norwood:

- a. There are no leases or licenses or other possessory rights existing in any person or entity with respect to the Property, and the Village shall not, from the date of this Contract until the closing date, enter into any such agreements.
- b. The Village has full authority and power to enter into this Contract and to convey fee simple title to the Property and has full authority and power to perform the Village's obligations under this Contract.

Norwood warrants and represents to the Village that Norwood has full authority and power to enter into this Contract and perform Norwood's obligations under this Contract.

6. No Broker. The Parties, each to the other, hereby represent and warrant that there has been no involvement of any real estate broker in connection with the purchase and sale of the Property, by Norwood from the Village, to whom either Party has agreed to pay a commission. Based on the foregoing representation, each Party hereby agrees to indemnify and hold the other Party harmless from any loss or expense, including, but not limited to, reasonably attorneys' fees, arising from the alleged liability of the other Party for brokerage commission or finder's fees claimed from persons with who either Party has dealt.

7. **Closing:** The Village shall prepare and execute, at its expense, and shall deliver to Norwood at closing, the aforementioned warranty deed, and State and County transfer tax declarations, ALTA Statement(s), deed and money escrow instructions, closing statement, affidavit of title, a survey no less than one (1) year old and other documents customarily provided by sellers of commercial property, however no bill of sale shall be prepared, as Norwood is not purchasing any personal property located on the Property. At the closing, the Village shall deliver to Norwood all keys to the Property in the Village's possession. Norwood shall execute the transfer tax declarations, deed and money escrow instructions, closing statement and all other documents customarily executed by purchasers of commercial property. The Village and Norwood agree to execute all customary closing documents request by the Title Company, in accordance with the usual form of deed and money escrow instructions then in use by the Title Company, with such special provisions inserted in such instructions as may be necessary to conform with this Contract. In the event of a conflict between the provisions of such escrow instructions and this Contract, the provisions of the Contract shall control. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the purchase price shall be made through such escrow. The Village shall pay the cost of State and County transfer tax stamps, if any, the cost of recording any documents necessary to remove Unpermitted Exceptions, and the cost of a regular owner's title policy, without extended coverage. Norwood shall pay the cost of recording the warranty deed. The Title Company's closing escrow fee shall be split between the Parties, provided, however, that should Norwood desire to use a "New York Style" closing, whereby Norwood would obtain a pro forma owner's title insurance policy at the completion of the closing, Norwood shall pay the extra Title Company fee for such closing.

8. **Pro-Rations.** Real estate taxes, if any, shall be prorated at closing based on one hundred five percent (105%) of the most recently ascertainable taxes. The Parties shall use their best efforts to have all utilities in the name of the Village cancelled and place in the name of Norwood or Norwood's designee as of the closing date.

9. **Notices.** Notices or other writings which either Party is required to or may wish to give to the other in connection with the Contract shall be in writing and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by facsimile transmission with a copy of the notice and proof of transmission being sent by first class mail within twenty-four (24) hours of the date of transmission, addressed as follows:

If to Developer. Bruce J. Adreani, Pres.
Norwood Construction, Inc. — Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631
Fax: (773) 775-4433

with copy to: James R. Duerr, CFO
Norwood Construction, Inc. — Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631
Fax: (773) 775-4433

If to the Village: Village Manager
Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148
Fax: (630) 620-8222

with copies to: Director of Community Development
Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148
Fax: (630) 629-2374

Klein, Thorpe & Jenkins, Ltd.
20 North Wacker Drive, Suite 1660
Chicago, Illinois 60606
Attention: Thomas P. Bayer
Fax: (312) 984-6444

or to such address as either Party may from time to time designate in a notice to the other. A notice given: a) by personal delivery shall be deemed given the date of deliver, b) by certified or registered mail shall be deemed given three (3) days after such notice is deposited in the United States mail whether or not such notice is actually received by the addressee, and c) by facsimile transmission shall be deemed given the date of transmission.

10. Related Documents: The Parties acknowledge that the real estate transaction contemplated by this Contract is in furtherance of the terms and conditions of the Redevelopment Agreement, and is a companion real estate transaction to the real estate transaction referenced in Exhibit 5 to said Redevelopment Agreement.

IN WITNESS WHEREOF, the Parties have executed this Contract as of this day and year first above written.

VILLAGE OF LOMBARD

NORWOOD-LOMBARD LLC

By: _____
Village President

By: _____
Bruce J. Adreani, President of
Norwood Construction, Inc.,
Company Manager

ATTEST:

Village Clerk

EXHIBIT 7

(Form of Developer Note - To be Supplied by the Developer)

REGISTERED

No. _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF DUPAGE
VILLAGE OF LOMBARD

PLEGGED REVENUE REDEVELOPMENT PROJECT NOTE
[NORWOOD - LOMBARD LLC -- "LILAC SQUARE REDEVELOPMENT"]

THIS NOTE MAY BE TRANSFERRED ONLY AS A WHOLE AND NOT IN PART. THE HOLDER OF THIS NOTE AND ANY PROSPECTIVE TRANSFEREE MUST CONTACT THE VILLAGE IN REGARD TO THIS NOTE TO CONFIRM PAYMENT STATUS. THIS NOTE IS SUBJECT TO A CONDITION HEREIN THAT ANY INSUFFICIENCY OF TIF REVENUES (AS DEFINED BELOW IN SECTION 6) IS NOT A DEFAULT OR AN EVENT OF DEFAULT.

Section 1. Promise to Pay. The Village of Lombard, located in DuPage County, Illinois ("Village") hereby acknowledges for value received and promises to pay to the order of NORWOOD - LOMBARD LLC, an Illinois limited liability company, or its assigns (the "Developer"), from the source and in the manner set forth in this note ("Note"), a Principal Amount, not to exceed Five Millions and No/100ths Dollars (\$5,000,000.00), plus interest and such other accrued unpaid charges or costs due under the terms of this Note.

Section 2. Interest. Subject to any limitations stated herein, interest shall accrue on the outstanding Principal Amount (defined below in Section 3), on a compound basis, from the date each payment is due and payable (defined below in Section 3, the "Due Date") until paid in full, at an annual rate of interest (the "Base Rate of Interest") which is equal to 50 basis points over the prime rate published from time to time in the Wall Street Journal, Midwest Edition, which rate is the base rate on corporate loans posted by at least 75% of the nation's thirty (30) largest banks.

Section 3. Payment. Pursuant to Section III.J. of the Redevelopment Agreement (defined below in Section 5), and subject to the limitations set forth in Section 6 hereof, the Village's obligation to pay any Principal Amount whatsoever, and for payment of principal and interest under this Note, shall commence to accrue at such time, if ever, that the Village begins to collect "Excess TIF Revenues", being TIF Revenues in excess of Base TIF Revenues (as defined below in Section 6), from that certain redevelopment project ("Redevelopment Project") to be known as "Lilac Square", 129 - 143 W. St. Charles Road, Lombard, Illinois and legally described on Exhibit "A" attached hereto and made a part hereof. The Principal Amount of each such payment to Developer shall be equal to FIFTY PERCENT (50%) of the amount of Excess TIF Revenues that the Village collects for each of Assessment Years (defined below in

Section 6) 2003 through and including 2011, even if received thereafter, as and when collected by the Village ("Principal Amount"). Payments of the Principal Amount shall be due and payable not later than THIRTY (30) days after the Village's collection of any Excess TIF Revenues (the "Due Date"); interest on the unpaid amount of each of the payments of the Principal Amount shall accrue from the Due Date for each such payment until each such payment is paid in full. The principal and interest are payable in lawful money of the United States of America by check or draft or wire by the Village. The principal and interest described above may also be payable by a trustee or other administrator appointed by the Village, if a pledged revenue account is established for the receipt and disbursement of the Excess TIF Revenues by the Village. Each payment made under this Note shall be applied first to interest accrued to date of payment, second to costs, if any, in the event of a default, and third to principal.

THE FAILURE TO PAY THE PRINCIPAL AND INTEREST OF THE NOTE WHEN DUE BECAUSE EXCESS TIF REVENUES ARE NOT GENERATED BY THE REDEVELOPMENT PROJECT SHALL NOT BE AN EVENT OF DEFAULT HEREUNDER, A CONDITION AND RISK TO WHICH THE DEVELOPER BY ACCEPTANCE OF THIS NOTE IRREVOCABLY ASSENTS.

Section 4. Acceptance and Authorization. The Village shall not authenticate this Note until the Developer signs the attached Acceptance. This Note shall not be valid or become obligatory for any purpose until the certificate of authentication is signed by the Village. The Village shall sign the certificate of authentication promptly upon issuance of the first certificate of occupancy for any residential dwelling unit or any commercial/retail space in the Redevelopment Project building.

Section 5. Authority. This Note is issued pursuant to the terms and conditions of that certain Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown T.I.F. District of the Village of Lombard, DuPage County, Illinois dated _____, 2003 and entered into by and between the Village and the Developer ("Redevelopment Agreement").

Section 6. Definitions; Payment from Tax Increment Only; Pledged Revenues.

A. **Definitions.** For the purposes of this Note, the following words and phrases shall have the meanings ascribed to them:

i. "Assessment Year" shall mean each year in which general real estate taxes become a lien against the Redevelopment Project real estate or any portion of it, even if not payable until thereafter.

ii. "TIF Revenues" shall have the same meaning as, and shall be calculated in the same manner as, incremental (tax) revenues as defined in 65 ILCS 5/11-74.4-8 ("Tax increment allocation financing").

iii. "Base TIF Revenues" shall mean \$1,555,000.00 in TIF Revenues, in aggregate, generated by the Redevelopment Project.

B. Payment from Tax Increment Only, Pledged Revenues. The principal, interest and any other sum due under the terms of this Note shall be paid solely from Excess TIF Revenues generated by the Redevelopment Project. The Principal Amount of this Note, together with all interest accruing on the Principal Amount, and all other sums payable under this Note, if any, is a special, limited obligation of the Village, payable solely from the Village's Downtown T.I.F. District (as more particularly described in Sections I.B. and I.C. of the Redevelopment Agreement) general funds account, into which all Excess TIF Revenues shall be deposited by the Village. The Village hereby pledges the Excess TIF Revenues generated by Redevelopment Project ("Pledged Revenues"), as they are collected, for payment of the principal, interest and all other sums payable under this Note, and after calendar year 2004 no flow of funds and priorities for payment otherwise established pursuant to the Village's Downtown T.I.F. District and its Downtown T.I.F. District general funds account shall supersede the obligations of the Village for segregation and deposit of, and the payment of the principal, interest and all other sums payable under this Note from the Excess TIF Revenues generated by the Redevelopment Project. Within thirty (30) days after the due date for payment of each installment of real estate taxes (but in no event later than the Due Date for payment of any principal and interest hereunder) for and during each of tax years 2003 through and including 2011 in years 2004 through and including 2012 respectively, and thereafter until all Excess TIF Revenues have been collected, the Village will provide Developer with a written accounting of receipts and disbursements of Excess TIF Revenues verified by the Village's Finance Director (or administrator of the Excess TIF Revenues trust account, as the case may be) as being accurate and complete for the applicable accounting.

THIS NOTE SHALL NOT BE SECURED BY THE FULL FAITH AND CREDIT OF THE VILLAGE OR CONSTITUTE A GENERAL OBLIGATION OF THE VILLAGE. NO HOLDER OF THIS NOTE SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE GENERAL TAXING AUTHORITY OF THE VILLAGE, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, FOR PAYMENT OF PRINCIPAL, INTEREST OR OTHER SUMS PAYABLE UNDER THIS NOTE.

Section 7. Developer Acknowledgements. Developer hereby represents, warrants and certifies as follows:

A. No sale or transfer by the holder of this Note will result in a violation of the Securities Exchange Act of 1934, any rules or regulations promulgated under that Act, or the applicable securities laws of any other authority having jurisdiction in connection therewith. This Note has not been registered under any federal or State securities act, law or regulation.

B. Developer is aware that this Note does not represent a general obligation of the Village of Lombard, the State of Illinois or of any political subdivision thereof but is payable solely from the Pledged Revenues.

C. Undefined terms herein shall have the meanings given them in the Redevelopment Agreement.

D. Developer acknowledges that it has, through its attorneys, consultants, agents and employees, participated in the drafting of the Redevelopment Agreement and has investigated such other information as Developer deems necessary and appropriate in evaluating this Note transaction. Developer acknowledges that it has had the opportunity to obtain additional information and the opportunity to ask questions of and receive satisfactory answers concerning the Redevelopment Agreement and the nature and source of the Pledged Revenues. Developer is, by reason of its knowledge and experience in financial and business matters in general and real estate in particular, capable of evaluating the merits and risks of this Note transaction.

E. Developer has reviewed and approved in connection with this Note transaction, the Redevelopment Agreement and all of its Exhibits.

F. The Village has made no representations or warranty concerning the projections of Pledged Revenues, nor has it represented or warranted the correctness of any statements or representations made or materials furnished by or on behalf of any planning consultant related to the Redevelopment Project, except to the extent, if any, set forth in the Redevelopment Agreement.

G. Notwithstanding any other provision of this Note or the Redevelopment Agreement to the contrary, expressly or by inference or implication, certain limiting and restricting provisions of this Note are as follows:

i. The Village may deem and treat the Developer as the absolute owner of the Note for the purpose of receiving payment of or on account of principal and interest due and for all other purposes, and the Village shall not be affected absent any notice to the contrary.

ii. Any sums due under this Note may be prepaid at any time at the option of the Village, in whole or in part, from any available funds therefor.

Section 8. Village Certification and Covenants. It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note did exist, have happened, been done and performed in regular and due form and time as required by law, and the Village hereby covenants and agrees that it has made, or will make prior to the collection of first Excess TIF Revenues generated by the Redevelopment Project, provision for the administration of the Pledged Revenues as required by the terms and conditions of this Note, and will

comply with all covenants of and maintain the funds and accounts as provided by the this Note.

Section 10. Mediation. The Village and the Developer agree that any dispute arising under this Note will be submitted to a mediator agreed to by the Village and the Developer, as soon as such dispute arises and, in any event, prior to commencement of arbitration or litigation. Such mediation shall occur in Cook County, Illinois, and the mediation fee and expenses shall be shared equally by the parties who agree to exercise their best efforts in good faith to resolve all disputes in the mediateion. If resolution of the dispute can not be obtained, the parties may pursue other options to resolve the dispute, including but not limited to arbitration and litigation. In case of arbitration or litigation respecting this Note, the non-prevailing party shall pay, as additional sums due under this Note, the costs, expenses and attorney's fees paid and incurred by the prevailing party in prosecuting the same.

IN WITNESS THEREOF, the Village of Lombard, DuPage County, Illinois, by its President and Board of Trustees, has caused this Note to be signed by the manual or duly authorized facsimile signatures of the Village President and Clerk, and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

Impress Village Seal Below:

VILLAGE OF LOMBARD

President

Village Clerk

CERTIFICATION OF AUTHENTICATION

This Note is the Developer Note described in the within mentioned Redevelopment Agreement.

By: _____
Village Treasurer

(FORM OF NOTE ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto* _____

(*insert Name, Address and Taxpayer Identification Number of Assignee)

the within Note and does hereby irrevocably constitute and appoint _____
as Trustee to transfer the within Note on the books kept for registration thereof with full
power of substitution. The Assignee is hereby advised that this Assignment shall not be
complete unless and until an Acceptance in the form attached to the Note is signed by the
Assignee.

Assignor:

Dated: _____

Subscribed and sworn to before me on _____, _____

Notarial Seal Below:

Notary Public

If not part of my Notarial Seal, my
commission expires on: _____

ACCEPTANCE

The Developer hereby accepts each term and provision of this Note and assents to each such term and provision hereof and thereof. In no event shall this Note be of further force and effect after December 31, 2022.

Dated: _____

**NORWOOD - LOMBARD LLC,
an Illinois limited liability company**

By: Norwood Construction, Inc., an
Illinois corporation

By: _____
President

Taxpayer I.D.: _____

EXHIBIT 8

Form of Letter of Credit - To be Supplied by the Developer)

Irrevocable Standby Letter of Credit

Date:		Letter of Credit No.	
Amount:	\$189,375.00	Expiration Date:	
Beneficiary:	Village of Lombard Attn: Village Manager 255 East Wilson Avenue Lombard, IL 60148	Applicant:	Norwood-Lombard LLC 7458 N. Harlem Avenue Chicago, IL 60631 Attn: Company Manager

We hereby establish our Irrevocable Standby Letter of Credit No. _____ in favor of the Village of Lombard, Illinois, a municipal corporation ("Beneficiary"), for the account of Norwood-Lombard LLC, an Illinois limited liability company ("Applicant"), for any sum or sums not to exceed a total of **One Hundred Eighty-Nine Thousand Three Hundred Seventy-Five and No/100ths Dollars (\$189,375.00)** available by your draft(s) at sign drawn on us.

All drafts drawn hereunder must be marked "Drawn under [Name of Financial Institution/Bank] Letter of Credit No. _____ dated _____", and: must reference specifically that certain Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown T.I.F. District of the Village of Lombard, DuPage County, Illinois dated _____, 2003 and entered into by and between the Beneficiary and the Applicant (the "Redevelopment Agreement"), must be accompanied by and presented with the original signed version of one of the following statements #1 or #2 made in writing and dated and executed by the Village Manager or Village President on behalf of the Beneficiary as signatory, and must be for either (a) the amount set forth in statement #1 below if that statement accompanies the draw or (b) the balance of funds then available to be drawn down under said Letter of Credit and not previously drawn down if statement #2 below accompanies the draw:

1. A Net TIF Deficiency (as that term is defined in the Redevelopment Agreement) exists for the assessment year [insert applicable year but not prior to 2003 and not later than 2011 and in no event more than any one such year and no such year more than once] in the amount of \$[insert the amount of the Net TIF Deficiency for the stated assessment year], that the Redevelopment Agreement is in full force and effect and we are not in default under it, that we have notified the Applicant of the foregoing Net TIF Deficiency as required under the Redevelopment Agreement, that the Applicant has failed to remit the amount of the Net TIF Deficiency to us prior to the presentation of this statement, and that this statement has been executed not sooner than TEN (10) calendar days prior to the date that such notice was given to the Applicant.

- OR -

2. This Letter of Credit will expire in THIRTY (30) days or less, that we are not in default of our obligations to Applicant under the Redevelopment Agreement, that we have given said company written notice of said expiration at least TWENTY (20) calendar days prior to the expiration date, and that the Applicant has failed or refused to deposit with us a renewal or replacement letter of credit for this Letter of Credit, within TEN (10) calendar days after such notice was given to the Applicant.

This original Letter of Credit and any and all endorsements and amendments to it must all be present at the time of presentation of each draw.

The amount of this Letter of Credit and any renewal or replacement letter of credit issued for this Letter of Credit shall be, at any time, no greater than its face amount, less amounts previously drawn against it, and upon each draw, it shall be endorsed to reflect the reduced amount resulting from each draw.

It is a condition of this Letter of Credit that we will send in writing by certified mail with return receipt requested to the Beneficiary, at least SIXTY (60) DAYS prior to the expiration date of this Letter of Credit, notice that this Letter of Credit is about to expire. If we fail to notify you as indicated herein, this Letter of Credit shall automatically be extended to comply with this 60-day provision.

We hereby engage with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to us on or before the expiration date.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credit, International Chamber of Commerce Publication No. 500 1993 Revision ("UCP") and to the Uniform Commercial Code-Letter of Credit, as adopted in Illinois, 10 ILCS 5/101 et seq., as amended ("UCC") to the extent that the provisions of the UCP and UCC conflict, the provisions of the UCC shall govern.

[Financial Institution/Bank]

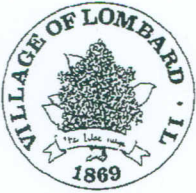
By:

EXHIBIT 9

<u>Period</u>	<u>Assessment Year</u>	<u>Fair Market Value as Determined by the County</u>	<u>Minimum Assessed Valuation (Valuation of the Developer Parcel for the Calculation of Real Estate Taxes)</u>
1	2003	\$ 266,640	\$ 88,880
2	2004	266,640	88,880
3	2005	4,500,000	1,500,000
4	2006	9,000,000	3,000,000
5	2007	9,000,000	3,000,000
6	2008	9,000,000	3,000,000
7	2009	9,000,000	3,000,000
8	2010	9,000,000	3,000,000
9	2011	9,000,000	3,000,000

EXHIBIT 10

<u>Period</u>	<u>Assessment Year</u>	<u>Minimum Incremental TIF Revenues Generated by the Project</u>
1	2003	\$ 5,610
2	2004	\$ 5,610
3	2005	\$ 94,687
4	2006	\$ 189,375
5	2007	\$ 189,375
6	2008	\$ 189,375
7	2009	\$ 189,375
8	2010	\$ 189,375
9	2011	\$ 189,375



I, **Barbara A. Johnson**, hereby certify that I am the duly qualified Deputy Village Clerk of the **Village of Lombard**, DuPage County, Illinois, as authorized by Statute and provided by local Ordinance, and as such Deputy Village Clerk, I maintain and am safekeeper of the records and files of the President and Board of Trustees of said Village.

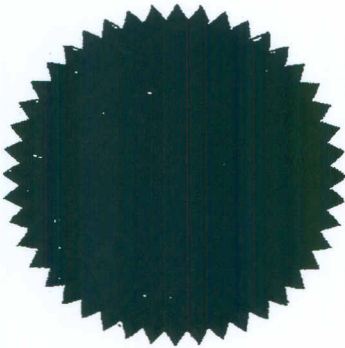
I further certify that attached hereto is a

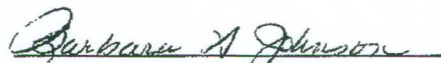
copy of ORDINANCE 5260

AN ORDINANCE AUTHORIZING A REDEVELOPMENT
AGREEMENT BETWEEN THE VILLAGE OF
LOMBARD AND NORWOOD-LOMBARD LLC IN
REGARD TO THE REDEVELOPMENT OF THE
PROPERTY COMMONLY KNOWN AS 129 AND 143
WEST ST. CHARLES ROAD AND AUTHORIZING THE
SALE OF SAID PROPERTY IN RELATION THERETO

of the said Village as it appears from the official records of said Village duly approved March 6, 2003.

In Witness Whereof, I have hereunto affixed my official signature and the Corporate Seal of said **Village of Lombard**, Du Page County, Illinois this 25th day of April, 2003.





Barbara A. Johnson
Deputy Village Clerk
Village of Lombard
DuPage County, Illinois