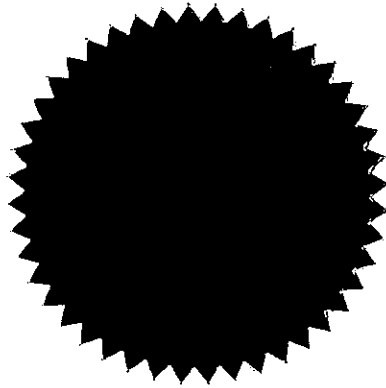


PUBLISHED IN PAMPHLET FORM THIS 31st DAY OF March, 2003
BY ORDER OF THE CORPORATE AUTHORITIES OF THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS.

Suzan L. Kramer
Suzan L. Kramer
Village Clerk



REDEVELOPMENT AGREEMENT
VILLAGE OF LOMBARD AND NORWOOD-LOMBARD LLC
129 AND 143 WEST ST. CHARLES ROAD

PAMPHLET

ORDINANCE 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 VILLAGES' 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 DOWN 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.

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

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.

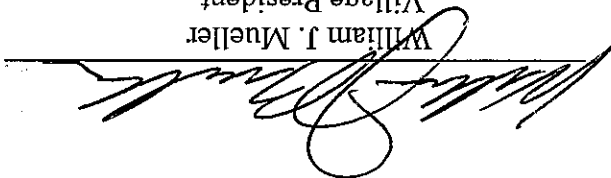
Passed on second reading this 6th day of March, 2003.

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

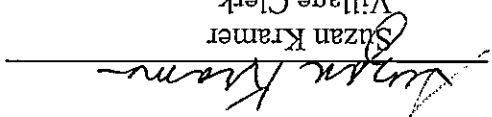
NAYS: None

ABSENT: None

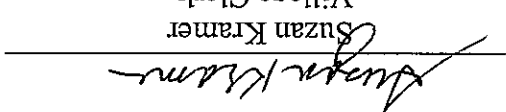
APPROVED by me this 6th day of March, 2003.


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

(Legal Description of Downtown T.I.F. District)

EXHIBIT A

LEGAL 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 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.

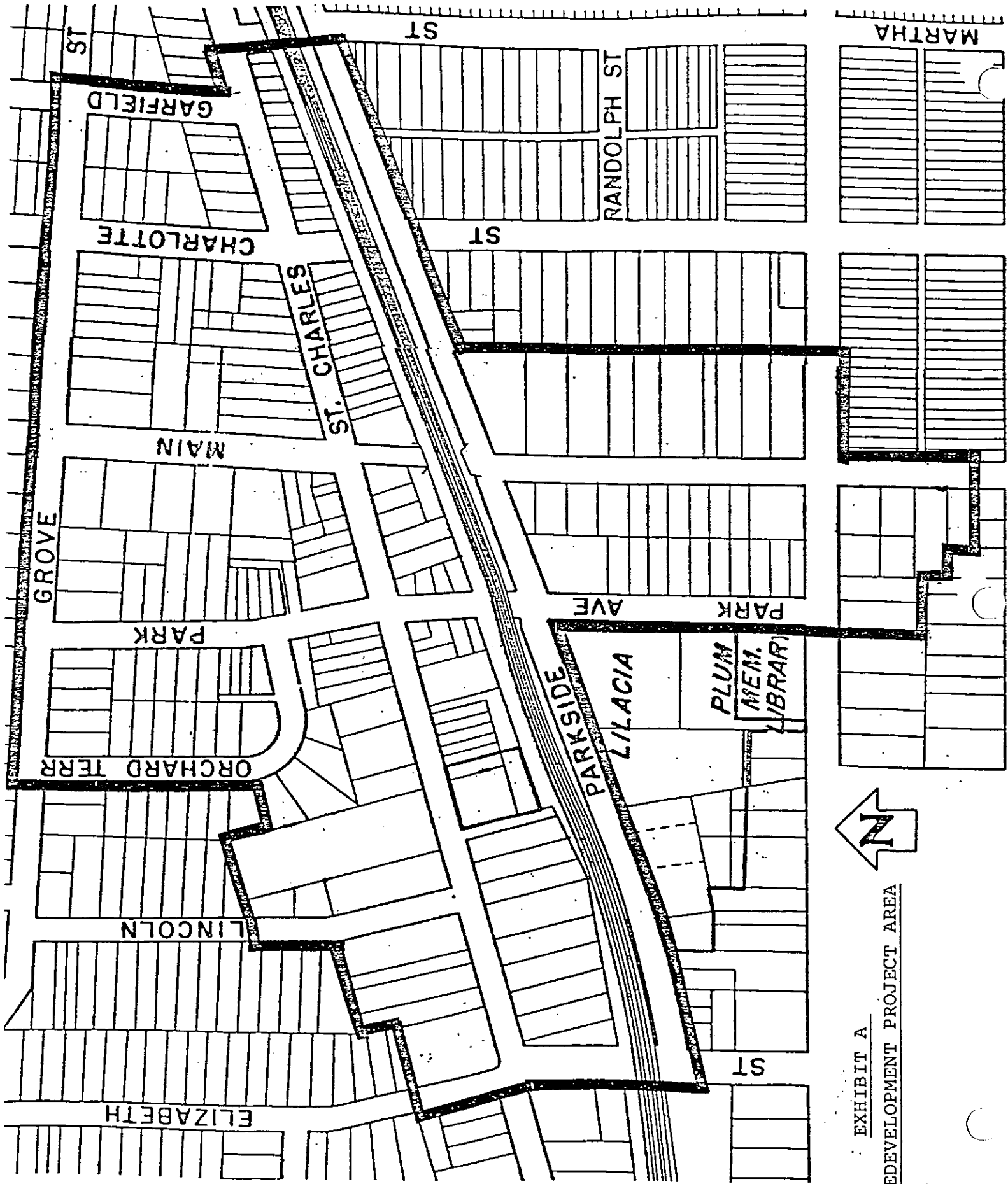


EXHIBIT A
REDEVELOPMENT PROJECT AREA

EXHIBIT B

(Legal Description of the Subject Property)

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.

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.

(Redevelopment Agreement for the Lilac Square Development)

EXHIBIT C

**REDEVELOPMENT AGREEMENT FOR THE LIAC 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 5/1-74.4-1 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.

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 site-work, 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.

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.

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.

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.

Developer shall undertake the following:

IV. UNDERTAKINGS ON THE PART OF DEVELOPER

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.

I. The Village shall waive its Plan Commission fees.

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.

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 including 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.

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.

VI

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

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.

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.

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.

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.

H This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois.

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

Village of Lombard
255 East Wilson Avenue
Lombard, IL 60148

Director of Community Development
with copies to:

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

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

If to the Village:

Norwood Construction, Inc. --- Company Manager
7458 N. Harlem Avenue
Chicago, IL 60631

and

James R. Duerr, CFO
with copy to:

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 and 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.

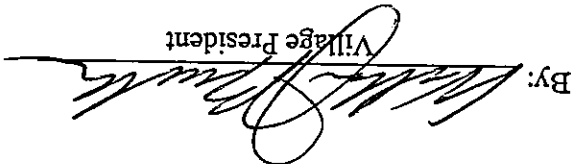
IX. DEFAULTS AND REMEDIES

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.

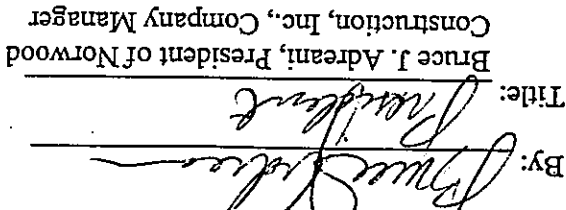
X. AGREEMENT TERM

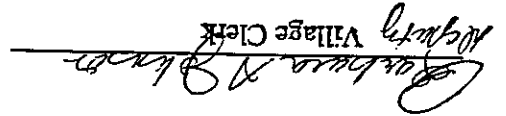
The term of this Agreement shall commence as of the date of its execution after approval by the corporate authorities of the Village and expire at the termination of the Village's Downtown T.I.F. District as required by the Act.

VILLAGE OF LOMBARD,
a municipal corporation

By: 
Village President

NORWOOD-LOMBARD LLC, an
Illinois limited liability company

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


Village Clerk

ATTEST:

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

EXHIBIT 1

EXHIBIT 2

(Legal Description of the Village Parcel)

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 Plans for the Project to be supplied by the Developer)

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 Liliac 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.

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

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.

Parties agree as follows:
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

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

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

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

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;

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:

RECITALS

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."

REAL ESTATE SALES CONTRACT

EXHIBIT 5

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 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 Clerk

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

NORWOOD-LOMBARD LLC

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

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.

time to time designate in a notice to the other. A notice given: a) by personal delivery shall be deemed given the date of delivery, 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.

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 F. Bayer
Fax: (312) 984-6444

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

EXHIBIT 6

REAL ESTATE SALES CONTRACT

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.T.N. 06-07-209-006;

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

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 Liliac Square Development Comprising a Part of the Downtown T.L.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

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

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.

lage that Norwood has full authority and power to enter into this Contract and perform Norwood's obligations under this Contract.

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.

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.

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

ferred 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.

c. The standard general exceptions.

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

a. General real estate taxes for 2002 and subsequent years;

(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"):

Klein, Thorpe & Jenkins, Ltd.
20 North Wacker Drive, Suite 1660

Fax: (630) 629-2374

Lombard, IL 60148

255 East Wilson Avenue

Village of Lombard

Director of Community Development

with copies to:

Fax: (630) 620-8222

Lombard, IL 60148

255 East Wilson Avenue

Village of Lombard

Village Manager

If to the Village:

Fax: (773) 775-4433

Chicago, IL 60631

7458 N. Harlem Avenue

Norwood Construction, Inc. – Company Manager

James R. Duerr, CFO

with copy to:

Fax: (773) 775-4433

Chicago, IL 60631

7458 N. Harlem Avenue

Norwood Construction, Inc. – Company Manager

If to Developer, Bruce J. Adreani, Pres.

addressed as follows:

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,

closing date.

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

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.

Village Clerk

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

NORWOOD-LOMBARD LLC

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

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.

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.

Chicago, Illinois 60606
Attention: Thomas P. Bayer
Fax: (312) 984-6444

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

EXHIBIT 7

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

EXHIBIT 8

Minimum
Assessed Valuation

EXHIBIT 9

EXHIBIT 10

Minimum
Assessed Valuation

\$ 17,998
\$148,281
\$151,484
\$154,751
\$158,083
\$161,481
\$164,948
\$168,484
\$172,090

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