

This document prepared by:
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20 N. Wacker Drive – Suite 1660
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For Recorder's Use Only

**ANNEXATION AGREEMENT
(THREE BRIDGES OF ORLAND-
SOUTHEAST CORNER OF 104TH AVENUE AND 179TH STREET)**

INTRODUCTION.

1. This Agreement entered into this _____ day of _____, 2007, by and between the VILLAGE OF ORLAND PARK, an Illinois Municipal Corporation (hereinafter referred to as the "Village"), and CORDILLERA INVESTMENTS, LLC, an Illinois limited liability company (hereinafter referred to as "Owner"):

2. The Property subject to this Agreement and legal title to which is vested in the Owner referenced above is legally described as follows:

THE SOUTHWEST QUARTER (SW 1/4) OF SECTION 33, TOWNSHIP 36 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN 27-33-300-001-0000

The said property is hereinafter referred to as the "Subject Property".

3. The Subject Property consists of approximately 161.6 acres and is generally located at the southeast corner of 104th Avenue and 179th Street, in unincorporated Orland Township, Cook County, Illinois.

4. The Subject Property is to be developed by the Owner for 184 single family residential lots under the R-3 Residential District classification, 160 condominiums and 62 duplex units (townhomes) under the R-4 Residential zoning classification, as well as 20 acres of storm water detention area and 30 acres of open space under the OS Open Space zoning classification, with a Special Use for a Planned Development under the Land Development Code (the "Code") of the Village of Orland Park.

5. The Village of Orland Park is a Home Rule Unit pursuant to the provisions of the Illinois Constitution, Article VII, Section 6, and the terms, conditions and acts of the Village under this Agreement are entered into and performed pursuant to the Home Rule powers of the Village and the statutes in such cases made and provided.

RECITALS:

1. The parties hereto desire that the Subject Property be annexed to the Village, subject to the terms and conditions as hereinafter set forth and that the Subject Property be zoned and developed in the manner as set forth in this Agreement under the OS, R-3 and R-4 Residential District provisions of the Code with a Special Use for a Planned Development.

2. Owner has petitioned the Village for annexation to the Village of the Subject Property and for amendments to the Land Development Code classifying the Subject Property as more fully hereinafter set forth.

3. The parties hereto have fully complied with all relevant statutes of the State of Illinois and ordinances of the Village with respect to annexation including the filing of a petition by Owner requesting annexation of the Subject Property and zoning of the Subject Property to enable use of the property as herein provided. The Village has caused the issuance of proper notice and the conduct of all hearings by all necessary governmental entities to effectuate such annexation and rezoning as herein provided, including all hearings as are necessary to effectuate the plan of development herein set forth.

4. All reports by all relevant governmental entities have been submitted enabling appropriate action by the Village Board of Trustees to achieve the following:

(a) Adoption and execution of this Agreement by ordinance;

(b) Enactment of annexation ordinances annexing the Subject Property as described above to the Village;

(c) Adoption of such ordinances as are necessary to effectuate the terms and provisions of this Agreement including the classification of the entire Subject Property for purposes of zoning pursuant to the terms and conditions of this Agreement;

(d) The adoption of such other ordinances, resolutions and actions as may be necessary to fulfill and implement this Agreement pursuant to the terms and conditions herein contained.

5. The Subject Property is not within a library district nor are any roads adjacent to or on the Subject Property under the jurisdiction of a township. The Village does not provide fire protection services to the Subject Property.

6. The parties hereto have determined that it is in the best interests of the Village and the Owner and in furtherance of the public health, safety, comfort, morals and welfare of the community to execute and implement this Agreement and that such implementation of this Agreement and development of the Subject Property pursuant to its terms and conditions will constitute an improvement of the tax base of the Village, be in implementation of the Comprehensive Plan of the Village and will constitute a preservation of environmental values.

7. Owner covenants and agrees that it will execute all necessary directions and issue all necessary instructions and take all other action necessary to perform their obligations hereunder.

SECTION ONE: Annexation.

The Owner has filed a petition for annexation to the Village of the Subject Property legally described above pursuant to statute in such cases made and provided. The Village has by execution of this Agreement manifested its intention to annex the Subject Property pursuant to the terms and conditions of this Agreement.

Subject to the provisions of Chapter 65, Act 5, Article 7, of the Illinois Compiled Statutes, and such other statutory provisions as may be relevant and the Home Rule powers of the Village, the Village shall by proper ordinance, cause approval and execution of this Agreement and after adoption and execution of this Agreement shall cause the Subject Property to be annexed to the Village. Also the Village, upon annexation of the Subject Property, shall thereafter adopt all ordinances respecting the zoning and use of the entire Subject Property as herein provided. A plat of annexation of the Subject Property to be annexed is attached hereto as EXHIBIT A The new boundary of the Village resulting from such annexation shall extend to the far side of any adjacent highway and shall include all of every highway within the area so annexed.

Upon the execution of this Agreement, Owner shall do all things necessary and proper to carry out the terms, conditions and provisions of this Agreement and effectuate the annexation of the above-described Subject Property to the Village, and to aid and assist the Village in also so doing.

The Village shall take all actions necessary to carry out and perform the terms and conditions of this Agreement and to effectuate the annexation of the Subject Property to the Village.

SECTION TWO: Zoning. Plan Approval and Design Standards.

A. The Village, upon annexation and necessary hearings before the relevant governmental bodies having taken place pursuant to statute and ordinances in such cases made and provided and pursuant to requisite notice having been given, shall by proper ordinance after execution of this Agreement and annexation of the Subject Property to the Village, cause the Subject Property described above to be classified as OS Open Space, R-3 and R-4 Residential

Districts of the Land Development Code of the Village of Orland Park, as more fully set forth in the ordinance rezoning said property

Owner agrees that permission for the construction of those public improvements which require approval from the Metropolitan Water Reclamation District of Greater Chicago (“MWRD”) or any other governmental agency, must be obtained. Owner agrees to maintain and keep in good repair the public improvements that are to be constructed until accepted by the Village.

The parties hereto agree to cooperate in obtaining, expediting and submitting such necessary documents as may be required for the approval thereto from the MWRD or any other governmental agency. Owner agrees to construct any improvements required by the aforesaid permit at Owner’s sole expense. The Village agrees to sign the Developer’s completed MWRD permit application, provided it complies with approved engineering, within 10 business days of receipt by the Village of an acceptable and complete permit application.

B. The Subject Property shall be developed substantially in accordance with the preliminary site plan appended hereto and incorporated herein as EXHIBIT B entitled “THREE BRIDGES PRELIMINARY SITE PLAN” prepared by Lenet Crestani Tallman Design Group, LLC (“lct design”), Job No. 2007-219, Sheet sp-1, dated June 5, 2007, revised August 29, 2007, subject to the following:

- (a) The Owner must return to the Village for a more detailed review and approval of the condominium site plan and building elevations;
- (b) Owner must submit a landscape plan to the Village for separate review and approval within 60 days of final engineering approval by the Village; and
- (c) Owner must meet all final engineering related items.

C. Existing septic systems contained on the Subject Property shall be removed and any wells on the same shall be capped in accordance with the requirements of the Illinois Environmental Protection Agency and/or the Illinois Department of Transportation. A copy of the well-sealing affidavit or certificate must be filed with the Village by the Owner.

D. Owner shall install or cause to be installed for each residential unit and at its own expense Roundway and Buffalo Box combinations. The Owner agrees to pay for the actual cost and inspection fee for the installation of a water meter of the type required by the Village, and appurtenances. All of the facilities herein described shall be located as determined by the Village

SECTION THREE: Contributions.

Upon the issuance of each building permit, Owner shall make the following contributions as required by Village ordinance, which are payable to the Village on behalf of the following:

	Detached <u>Single Family</u>	<u>Townhomes</u>	<u>Condominiums</u>
Per residential unit			
Water Construction Fund	\$3,550.00	\$2,642.00	\$1,817.00
Park and Recreation Development Fund	2,099.00*	1,380.00#	See below
Orland Park Board of Library Trustees	125.00	125.00	125.00
School District Number 135	1,900.00**	574.00##	See below
High School District Number 230	877.00***	156.00###	See below
Fair Share Road Exaction Fee	1,500.00	1,500.00	1,500.00
Corporate Services	400.00	400.00	400.00
Cul-de-sac fee (not to exceed \$8,000.00 per cul-de-sac)	-0-	1,000.00	-0-

* This is an average. The actual contribution is \$1,826.00 for a 3-bedroom residence, \$2,371.00 for a 4-bedroom residence and \$2,375.00 for a 5-bedroom residence.

** This is an average. The actual contribution is \$1,490.00 for a 3-bedroom residence, \$2,309.00 for a 4-bedroom residence and \$1,687.00 for a 5-bedroom residence.

*** This is an average. The actual contribution is \$593.00 for a 3-bedroom residence, \$1,161.00 for a 4-bedroom residence and \$968.00 for a 5-bedroom residence.

#This is an average. The actual contribution is \$1,254.00 for a 2-bedroom residence, \$1,507.00 for a 3-bedroom residence and \$1,981.00 for a 4-bedroom residence.

##This is an average. The actual contribution is \$378.00 for a 2-bedroom residence, \$769.00 for a 3-bedroom residence and \$1,311.00 for a 4-bedroom residence.

###This is an average. The actual contribution is \$123.00 for a 2-bedroom residence, \$190.00 for a 3-bedroom residence and \$558.00 for a 4-bedroom residence.

Park and Recreation Development Fund contributions for condominiums are \$1,108.00 for 1-bedroom units, \$1,206.00 for 2-bedroom units and \$1,923.00 for 3-bedroom units. School District Number 135 contributions for condominiums are \$8.00 for 1-bedroom units, \$353.00 for 2-bedroom units and \$990.00 for 3-bedroom units. High School District Number 230 contributions for condominiums are \$3.00 for 1-bedroom units, \$148.00 for 2-bedroom units and \$381.00 for 3-bedroom units.

Notwithstanding anything to the contrary herein-contained, any balance of the above contributions remaining unpaid shall be due and payable upon the issuance of the last building permit for residential construction, or 6 years (which date may, upon proper application, be extended by the Village if the development has not been substantially completed) from the date hereof, whichever occurs first.

Said sums of money shall be a lien on the Subject Property until paid, and Owner acquiesces and agrees to the payment of said sums being a lien on the Subject Property subordinate to any acquisition loan or construction development loan of any developer of the Subject Property from the date hereof. In the event of a default in the payment of said sums, or any part thereof, the Village shall have the right to foreclose the lien aforesaid in the same manner as provided for with respect to a mortgage foreclosure. The issuance of a building permit shall serve to terminate and extinguish said lien rights of the Village as to that part of the Subject Property included in the permit issued by the Village. Nothing herein contained shall limit the right of Owner to prepay the permit amount set forth above for the release of lien with respect to any lot or lots. Upon request after the Owner has paid the per permit amount set forth above for any particular lot, the Village will issue a letter indicating such payment has been made and the lien on the lot in question is waived.

Village shall solely determine how said sums so paid shall be allocated and disbursed.

Sums of money required to be paid hereunder shall be obligations of the Owner and successors in title, and no conveyance of the Subject Property shall relieve Owner or any subsequent Owner of said obligation. In the event of a default in payment, in addition to the remedy of foreclosure of the lien aforementioned, Village shall have all other rights and remedies against Owner or any of them or any subsequent owner for the collection of monies.

The above-referenced contributions will not increase during the term of this Agreement.

SECTION FOUR: Water Supply.

Owner shall have the right to construct and install at its expense all necessary on-site and off-site water mains to service the Subject Property. All water mains shall be constructed and installed in accordance with the Land Development Code of the Village and final engineering plans approved by the Village. The Village agrees to permit connection of the aforementioned water mains to the water facilities of the Village and to furnish water service on the same basis as said services are furnished to other parts of the Village. At the request of the Village Engineer, Owner shall install a sixteen (16") inch watermain without recapture of the cost thereof.

SECTION FIVE: Sanitary and Storm Sewers.

Owner shall be required to construct and install at its expense all necessary on-site and off-site sanitary sewers to service the Subject Property in accordance with the Land Development Code of the Village and final engineering plans approved by the Village. At the request of the Village Engineer, Owner shall install a fifteen inch (15") sanitary sewer line without recapture of the cost thereof. The Village agrees to permit connection of the aforementioned sanitary sewers to the sanitary sewer facilities of the Village and to furnish sewer service on the same basis as said services are furnished to other parts of the Village. Owner agrees that no surface water is to be discharged into the sanitary sewerage collection system and will make adequate provision that this will not occur.

The Owner shall, as a part of constructing off-site sanitary sewer improvements, to service the Subject Property, on or within sanitary sewer easements granted to the Village, properly and timely restore such easement premises and surrounding areas disturbed during the course of construction, including but not limited to ensuring the following:

- a. That surface drainage is maintained;
- b. That broken farm tiles, if any, are promptly repaired/replaced;
- c. That, except for stone bedding placed below and above the sanitary sewer tiles and around the manholes the trenches are backfilled with suitable materials excavated from the easement premises and in conformance with current Village construction standards;
- d. That excess materials are removed from the easement premises;
- e. That the surface of the excavated areas are finish graded with 4" of black dirt;
- f. That Owner shall, at all times, utilize the easement premises consistent and in compliance with the applicable ordinances of, and the applicable portions of this Agreement;
- g. That Owner shall reimburse the farm operator on the easement premises a reasonable amount for damages, if any, to said operator's crops; and,
- h. That construction of any sanitary sewer improvements located West of the ditch on Lot 2 in the Horton Subdivision (per instrument recorded in Will County as Document Number R2005019971) shall be completed not later than October 31, 2008, and the remaining Sanitary Sewer Improvements shall be completed not later than April 15, 2009.

Storm Water run off emanating from the Subject Property shall be retained in accordance with a central retention/detention system for the Subject Property to be constructed and installed by the Owner as finally approved by the Village. Such system shall include all storm water management facilities, including both on-site and off-site storm sewers, if needed, in accordance with final engineering plans approved by the Village. The design criteria, construction and maintenance of the storm sewers and retention facilities shall be in accordance with all standards of the Village in force on the date of final plat approval for each phase, and also all standards of the MWRD in effect at the time of final plat approval for each phase, and shall be completed by the Owner at its expense.

The required storm water retention facilities for the development must be completed before any occupancy permits shall be issued.

All public improvements, which shall be completed within two (2) years after approval of the Plat of Subdivision, shall be inspected by the Village upon completion, and if they are found to be in compliance with the requirements of the Code and in accordance with the final engineering plans, they shall thereupon, without unreasonable delay, be accepted by the Village.

SECTION SIX: Construction of Streets Street Lights: Miscellaneous.

A. Streets.

The Owner shall provide access to the site. Owner shall be responsible for keeping all adjacent streets free from construction debris and for repair of damages to the streets caused by Owner's construction traffic. All deliveries of construction supplies or materials shall be restricted to certain streets or temporary haul roads designated by the Village.

Also, Owner shall be required to keep all public streets located on the Subject Property as well as adjoining streets free from mud and debris generated by construction activity on the Subject Property. Such streets must be cleaned at least once a week, and more often if required by Village in its sole judgment. For each day that the streets are not cleaned as required hereunder during construction, Owner shall be subject to a fine as provided in the Code. If any such fine is not promptly paid, the Village shall have the right to stop any and all further construction until paid.

All entrance islands and median islands as depicted on EXHIBIT B are to be perpetually owned and maintained by the homeowners' association(s) (i.e., single family, duplex and condominium associations) adjacent to the street wherein the islands are located. Owner shall record covenants, conditions and restrictions for each such association (after review and approval by the Village attorney) setting forth the respective association's obligation to perpetually own and maintain such entrance and median islands.

B. Street Lights.

Owner shall be required to install street lights in accordance with the Code of the Village and final engineering plans approved by the Village.

C. Sidewalks.

Owner shall be required to construct sidewalks all in accordance with the terms of this Agreement, the Code and final engineering plans approved by the Village.

D. Bike Paths.

Bike paths shall be installed in accordance with EXHIBIT B and the approved final Engineering Plans.

E. Dedications.

The Village shall accept the dedication of any street right-of-way upon completion of the street improvements and acceptance thereof by the Village. All public street rights-of-way to be located on the Subject Property shall be at least 60 feet in width, unless otherwise depicted on EXHIBIT B.

F. Miscellaneous.

The cost of all street trees including installation shall be included in the required letters of credit for each phase of the development of the Subject Property, with the amounts to be computed on the same basis as the amounts to be included in the letter of credit for all other public improvements for the Subject Property. The installation of street trees shall remain the ultimate obligation of Owner. Nothing contained herein shall prohibit assigning or delegating the responsibility for planting such trees by contract or Declaration provided, however, the Owner shall remain primarily liable to the Village in the case of non-performance of such installation. The street tree(s) for each residence shall be planted not later than the planting season next following the issuance of the Village occupancy permit for said residence.

SECTION SEVEN: Easements.

The Owner agrees at the time of approval of the Annexation Agreement to grant to the Village, and/or obtain grants to the Village of, all necessary easements for the extension of sewer, water, street, or other utilities, including cable television, or for other improvements which may serve not only the Subject Property, but other territories in the general area. Also, Owner shall grant a blanket easement to the Village to have access to and the right to maintain any storm water management facilities located on the Subject Property for storm water management purposes. The Village shall have the right, but not the duty, in its discretion to go in and perform such maintenance work if necessary and to charge the Owner for the costs of the same, including the right to record a lien against the Subject Property if such costs are not paid.

All such easements to be granted shall name the Village and/or other appropriate entities designated by the Village as grantee thereunder. It shall be the responsibility of the Owner to obtain all easements, both on site and off site, necessary to serve the Subject Property.

SECTION EIGHT: Developmental Codes and Ordinances and General Matters.

Except as provided herein, the development of the Subject Property annexed, and of each lot respectively encompassed by this Agreement shall be in accordance with the existing building, zoning, subdivision, storm water retention and other developmental codes and ordinances of the Village as they exist on the date each respective permit for development of each lot is issued. The Owner is responsible for any off-site public utility improvements including the frontages of major roadways. Planning and engineering designs and standards, and road construction and dedication of public improvements, shall be in accordance with the then existing ordinances of the Village or in accordance with the statutes and regulations of other governmental agencies having jurisdiction thereof if such standards are more stringent than those of the Village of Orland Park at such time. Notwithstanding the foregoing, the dollar amounts for the contributions set forth in Section Three above shall not be increased during the first seven (7) years of the term of this Agreement; however, all other fees, etc. set forth under the various ordinances of the Village shall be paid by the Owner at the rate set forth in the Village ordinances at the time each permit is issued.

No occupancy permit shall be issued for any building prior to the completion and approval by the Village Engineer of the required public improvements, except for the final surface course of the streets. The Village will not finally accept any public improvements until after the final surface course of asphalt has been placed on the private drive or easement. Provided, however, the construction and installation of the public improvements to be done by Owner may be commenced at any time after Owner has delivered to Village an irrevocable letter of credit, in a form satisfactory to, and from a bank or other financial institution approved by, the Village in the amount of 125% of the Owner's Engineer's estimate of the cost of construction and installation of all such improvements as approved by the Village Engineer, including all required lighting, streets and street lights, sidewalks, landscaping, street trees, sewer and water lines and storm water management facilities. The Village Engineer may, in his discretion, permit the amount of said letter of credit to be reduced, from time to time, as major public improvements are completed.

All public improvements shall be constructed and installed within four (4) years from the date of approval of the Plat of Subdivision; however, if the completion date falls after September 30th, the date shall be the following May 30th. Notwithstanding any other provision of this Agreement, no construction of public improvements shall commence until the plans and specifications for the public improvements have been approved, the agreement for construction of the public improvements as herein provided has been executed, the minimum security has been provided, the requirements of Ordinance No. 2084 have been met, and until documentation, including a copy of any required permit if applicable, or evidence is received by the Village that Owner is not violating a wetland regulation or a regulation relating to waters of the United States and the Owner has shown the Village a permit for building a roadway on a floodplain. Further, no earthwork shall be done in any area tentatively identified as wetlands until an appropriate permit or permission has been obtained and such permit or permission is shown to the Village. The Plat(s) of Subdivision shall contain such restrictive covenants, drainage covenants and easement provisions as are or were required by the Village President and Board of Trustees as a condition to approval of the Plat(s) of Subdivision which may be approved in two or more phases.

Owner, at Owner's own cost, agrees to provide the Village "as built" engineering plans and specifications upon substantial completion of the public improvements or at the request of the Village Engineer but in no event later than the time required by Ordinance No. 2084.

It is agreed that all of the public improvements contemplated herein shall upon acceptance thereof by the Village, become the property of Village and be integrated with the municipal facilities now in existence or hereafter constructed and Village thereafter agrees to maintain said public improvements. Acceptance of said public improvements shall be by resolution of the President and Board of Trustees only after the Village Engineer or Village Engineer Consultant has issued his Certificate of Inspection affirming that the improvements have been constructed in accordance with approved Engineering Plans and Specifications. Owner agrees to convey by appropriate instrument and Village agrees to promptly accept, subject to terms hereof, the public improvements constructed in accordance with the approved Engineering Plans and Specifications.

SECTION NINE: Utilities.

All electricity, telephone, cable television and gas lines shall be installed underground, the location of which underground utilities shall be at the Owner's option but not conflicting with any Village utility.

SECTION TEN: Impact Requirements.

Owner agrees that any and all contributions, dedications, donations and easements provided for in this Agreement substantially advance legitimate governmental interests of the Village, including, but not limited to, providing its residents, and in particular the future residents of the Subject Property, with access to and use of public utilities, streets, libraries, schools, parks and recreational facilities, police protection, and emergency services. Owner further agrees that the contributions, dedications, donations and easements required by this Agreement are uniquely attributable to, reasonably related to and made necessary by the development of the Subject Property.

SECTION ELEVEN: Binding Effect and Term and Covenants Running with the Land.

This Agreement shall be binding upon and inure to the benefit of the parties hereto, successor owners of record of the Subject Property, assignees, lessees and upon any successor municipal authorities of said Village and successor municipalities, for a period of ten (10) years from the date of execution hereof and any extended time that may be agreed to by amendment.

The terms and conditions of this Agreement relative to the payment of monies to the various Village recapture funds, contributions to the Village construction and/or dedication of public improvements, granting of easements to the Village, dedication of rights-of-way to the Village and the developmental standards established herein shall constitute covenants which shall run with the land.

SECTION TWELVE: Notices.

Unless otherwise notified in writing, all notices, requests and demands shall be in writing and shall be personally delivered to or mailed by United States Certified mail, postage prepaid and return receipt requested, as follows:

For the Village:

1. Daniel J. McLaughlin, Village President
Village of Orland Park
14700 South Ravinia Avenue
Orland Park, Illinois 60462

2. David P. Maher, Village Clerk
Village of Orland Park
14700 South Ravinia Avenue
Orland Park, Illinois 60462
3. E. Kenneth Friker, Village Attorney
Klein, Thorpe & Jenkins, Ltd.
15010 S. Ravinia Avenue, Suite 10
Orland Park, Illinois 60462

For the Owner:

1. Cordillera Investments, LLC
Attn: Damani Short, Manager
416 S. Pine Grove Lane
Hortonville, WI 54944
2. David Sosin, Esq.
Sosin, Lawler and Arnold, Ltd.
11800 S. 75th Avenue, Suite 300
Palos Heights, Illinois 60463

or such other addresses that any party hereto may designate in writing to the other parties pursuant to the provisions of this Section.

SECTION THIRTEEN: Model Units.

At any time after the Owner posts the required security for public improvements and as approved by the Village Engineer and Building Department, Owner shall have the right to construct residential model units, sales and construction trailers, and other appurtenant facilities, with the number of models, sales trailers and construction trailers to be as approved by the Village, and upon acceptance by the Village of a plan encompassing that portion of the property upon which same are proposed to be constructed. Any model unit must be served by an approved roadway and plumbing facilities in accordance with Village ordinances.

SECTION FOURTEEN: Signs.

After application is made to the Village's Building Department Director, and all required fees are paid, the Village will permit Owner to erect and maintain two (2) outdoor advertising signs for this proposed development. Such signs to be double-faced, not more than 40 square feet in size, no higher than 10 feet from the top of the sign to ground level and may be exteriorly illuminated. Such signs shall be located on the Subject Property and may so remain for the duration of Owner's sales program. The location of the signs upon the Subject Property shall be in accordance with the Code and shall have reasonable setbacks from streets and highways as the interest of safety may require. The Village shall have the right to compel removal of, and Owner shall so remove, such sign within 90 days after the last building permit is issued, or within four

(4) years from the date of this Agreement, whichever occurs later; provided, however, Owner shall in any event remove such signs no later than the time its development and all dwelling units are completely sold.

SECTION FIFTEEN: Provisional Occupancy Permits.

The Village, in accordance with the requirements and customary practice of the Village Building Department, will grant provisional permits for individual residences between November 1st and May 15 if weather prevents the Owner from completing the following work for any such residence (it being understood that if other work remains to be done, no occupancy permit, provisional or otherwise, will be issued):

- (a) The asphalt or concrete has not been poured for the driveway, provided that the stone base has been installed;
- (b) Final grading;
- (c) Painting of the exterior;
- (d) Installation of the gutters and downspouts.

As a condition of the issuance of any such provisional occupancy permit, the Owner shall provide the Village with a timetable (acceptable to the Village) for completion of the outstanding work, which timetable shall be deemed a part of the occupancy permit.

SECTION SIXTEEN: Permits and Letter of Credit.

With the exception of the grading and subdivision signs, the Owner shall not be entitled to obtain any building permits, nor any sign permits, and shall not be entitled to construct any model units, signs, sales and/or rental offices or any other appurtenant facilities unless and until the proper letter of credit or cash deposit has been made to the Village in accordance with the Code of the Village. The letter of credit or cash deposit shall specifically include an amount to cover the cost of street trees and sidewalks as required by the Code and this Agreement.

Owner agrees that any dirt stock piles resulting from the development of the Subject Property shall be located in places as designated and approved by the Village, and for reasonable time periods not to exceed four (4) years unless an extension is agreed to by the Village. In addition, the Village, after providing Owner with ten (10) days advance written notice, shall have the right to draw upon the letter of credit provided for in this agreement to relocate or remove any dirt stock pile which results from the development should they not be placed in an approved location or if the pile is causing a storm water drainage problem, or should it not be permitted to remain beyond the time period specified by the Village; provided, however, that the Village will not draw upon the letter of credit if Owner relocates or removes the stock piles as directed by the Village within the 10-day notice period.

SECTION SEVENTEEN: Conveyance Dedication and Donation of Real Estate and Certain Personal Property.

Any conveyance, dedication or donation of real estate required of the Owner (hereinafter referred to as Grantor for purposes of this Section Seventeen) to the Village or other governmental authority under this Agreement shall be made in conformance with the following requirements and any other applicable provisions of this Agreement:

A. Fee Simple Title. The conveyance, dedication or donation shall be of a fee simple title by trustee's deed or other appropriate instrument.

B. Merchantable Title. Title to the real estate shall be good and marketable.

C. Form and Contents of Deed. The conveyance, dedication or donation shall be by delivery of a good, sufficient and recordable deed, plat of dedication, or appropriate dedication on a recorded plat of subdivision. The deed, conveyance or dedication may be subject only to:

(1) covenants, restrictions and easements of record, provided the same do not render the real estate materially unsuitable for the purposes for which it is being conveyed, dedicated or donated;

(2) terms of this Agreement;

(3) general taxes for the year in which the deed, conveyance or dedication is delivered or made and for the prior year if the amount of prior year's taxes is not determinable at the time of delivery, conveyance or dedication; and

(4) such other exceptions acceptable to the grantee.

D. Title Insurance. Grantor, shall provide to grantee, not less than ten (10) days prior to the time for delivery of the deed, conveyance or dedication, a commitment for title insurance from Chicago Title Insurance Company or such other title insurance company acceptable to the grantee. The commitment for title insurance shall be in usual and customary form subject only to:

(1) the usual and customary standard exceptions contained therein;

(2) taxes for the year in which the deed is delivered and for the prior year if the amount of such prior years taxes is not determinable at the time of delivery of the deed, conveyance or dedication;

(3) subparagraphs 1 and 2 of paragraph C above; and

(4) such other exceptions as are acceptable to the grantee.

The commitment for title insurance shall be in the amount of the fair market value of the real estate and shall be dated not less than 20 days prior to the time for delivery of the deed,

conveyance or dedication. Grantor shall further cause to be issued within 30 days after delivery of the deed, conveyance or dedication a title insurance policy in such amount from the company issuing the commitment for title insurance, subject only to the exceptions stated above.

All title insurance charges shall be borne by Grantor.

E. Taxes, Liens, Assessments, Etc.

General taxes and all other taxes, assessments, liens and charges of whatever nature affecting the real estate shall be paid and removed prior to delivery of the deed, conveyance or dedication. To the extent that any such item cannot be removed prior to delivery of the deed, conveyance or dedication because the amount of the same cannot then be determined, Grantor hereby covenants that it will promptly pay the same upon determination of such amount and that it will indemnify, hold harmless and defend the Village against any loss or expense, including but not limited to attorneys' fees and expenses of litigation, arising as a result of a breach of the foregoing covenant.

F. Delivery of Deed, Conveyance or Dedication.

To the extent not provided in this Agreement, delivery of the deed, conveyance or dedication shall occur at a date, time and place mutually agreeable to Grantor and Village, otherwise at a date, time and place set by Village not less than 30 days after notice thereof is given by Village to Grantor.

Not less than five (5) days prior to any conveyance, dedication or donation of real estate required under this Agreement, any Village ordinance or other requirement, the Grantor, at its sole cost and expense, shall have caused to be prepared and submitted to the Village, a written report of a site assessment and environmental audit, in scope, form and substance, and prepared by an independent, competent and qualified environmental engineer ("Engineer") satisfactory to the Village (the "Environmental Audit"), and dated not more than 60 days prior to the transfer date, showing the Engineer made all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial and customary practice in an effort to minimize liability, which takes into account and satisfies the "innocent landowner" provision set forth at 42 U.S.C. 96901(35), such that consistent with generally accepted engineering practice and procedure, no evidence or indication came to light which would suggest there was a release of substances on the property which could necessitate an environmental response action, and which demonstrates that the property and the facility complies with, and does not deviate from, all applicable federal, state, county, regional and local environmental statutes, laws, ordinances, rules and regulations, including any licenses, permits or certificates required thereunder.

The Environmental Audit shall also demonstrate that the property and the improvements located thereon, if any, do not contain:

- (1) asbestos in any form;
- (2) urea formaldehyde;

- (3) transformers or other equipment that contain fluid containing polychlorinated biphenyls;
- (4) underground storage tanks; or
- (5) any other chemical, material or substance, the exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority (the "Authorities") or which poses a hazard to the health and safety of the occupants of the property or the facility, or the occupants of adjacent property.

The Environmental Audit shall also demonstrate that the property and facility are not, and have not been, the subject of any past, existing or threatened investigation, inquiry or proceeding concerning environmental matters by the Authorities, and that no notice or submission concerning environmental matters has been given or should be given with regard to the property and the facility to the Authorities. The Environmental Audit shall demonstrate that the property and facility are not subject to, or covered by, the requirements of the Emergency Planning and Community Right-To-Know Act of 1986, 42 U &C 11001, et seq., and that the property is not now being used and has never been used for any activities involving directly or indirectly the use, treatment, storage or disposal of any hazardous or toxic chemical, material, substance or waste.

The Grantor of the property and facility acknowledges and agrees that the Village shall not be obligated to take title to any land if, in its sole and exclusive judgment (including without limitations, information revealed by the Environmental Audit), that the use or condition of the property, or any part thereof, poses a material health, safety or environmental hazard.

SECTION EIGHTEEN: Reimbursement of Village for Legal and Other Fees and Expenses.

A. To Effective Date of Agreement.

The Owner, concurrently with annexation and zoning of the Subject Property, or so much thereof as required, shall reimburse the Village for the following expenses incurred in the preparation and review of this Agreement, and any ordinances, letters of credit, plats, easements or other documents relating to the Subject Property:

- (1) the costs incurred by the Village for engineering services;
- (2) all attorneys' fees incurred by the Village; and
- (3) miscellaneous Village expenses, such as legal publication costs, recording fees and copying expenses.

B. From and After Effective Date of Agreement.

Except as provided in the paragraph immediately following this paragraph, upon demand by Village made by and through its President, Owner from time to time shall promptly reimburse Village, for all enumerated reasonable expenses and costs incurred by Village in the administration of the Agreement, including and limited to engineering fees, attorneys' fees and out of pocket expenses involving various and sundry matters such as, but not limited to, preparation and publication, if any, of all notices, resolutions, ordinances and other documents required hereunder, and the negotiation and preparation of letters of credit and escrow agreements to be entered into as security for the completion of land improvements.

Such costs and expenses incurred by Village in the administration of the Agreement shall be evidenced to the Owner upon its request, by a sworn statement of the Village; and such costs and expenses may be further confirmed by the Owner at its option from additional documents relevant to determining such costs and expenses as designated from time to time by the Owner.

Notwithstanding the immediately preceding paragraph, Owner shall in no event be required to reimburse Village or pay for any expenses or costs of Village as aforesaid more than once, whether such are reimbursed or paid through special assessment proceedings, through fees established by Village ordinances or otherwise.

In the event that any third party or parties institute any legal proceedings against the Owner and/or the Village, which relate to the terms of this Agreement, then, in that event, the Owner, on notice from Village shall assume, fully and vigorously, the entire defense of such lawsuit and all expenses of whatever nature relating thereto; provided, however:

1. Owner shall not make any settlement or compromise of the lawsuit, or fail to pursue any available avenue of appeal of any adverse judgment, without the approval of the Village.

2. If the Village, in its sole discretion, determines there is, or may probably be, a conflict of interest between Village and Owner, on an issue of importance to the Village having a potentially substantial adverse effect on the Village, then the Village shall have the option of being represented by its own legal counsel. In the event the Village exercises such option, then Owner shall reimburse the Village from time to time on written demand from the President of Village and notice of the amount due for any expenses, including but not limited to court costs, reasonable attorneys' fees and witnesses' fees, and other expenses of litigation, incurred by the Village in connection therewith. The obligation of Owner to reimburse Village under the terms of this subparagraph 2 shall terminate if no such legal proceedings are brought within one (1) year from the date of the annexation of the Subject Property and, further, such obligation of reimbursement shall not apply if such legal proceedings are based upon alleged errors, omissions or unlawful conduct of Village and not the Owner.

In the event the Village institutes legal proceedings against Owner for violation of this Agreement and secures a judgment in its favor, the court having jurisdiction thereof shall determine and include in its judgment all expenses of such legal proceedings incurred by Village,

including but not limited to the court costs and reasonable attorneys' fees, witnesses' fees, etc., incurred by the Village in connection therewith. Owner may, in its sole discretion, appeal any such judgment rendered in favor of the Village against Owner.

SECTION NINETEEN: Warranties and Representations.

The Owner represents and warrants to the Village as follows:

1. That Owner, CORDILLERA INVESTMENTS, LLC, is the legal title holder and the owner of record of the Subject Property.
2. That the Owner proposes to develop the Subject Property in the manner contemplated under this Agreement.
3. That other than the Owner, no other entity or person has any ownership interest in the Subject Property or its development as herein proposed.
4. That Owner has provided the legal descriptions of the Subject Property set forth in this Agreement and the attached Exhibits and that said legal descriptions are accurate and correct.

SECTION TWENTY:Continuity of Obligations.

Notwithstanding any provision of this Agreement to the contrary, including but not limited to the sale and/or conveyance of all or any part of the Subject Property by Owner, Owner shall at all times during the term of this Agreement remain liable to Village for the faithful performance of all obligations imposed upon them by this Agreement until such obligations have been fully performed or until Village, at its sole option, has otherwise released Owner and from any or all of such obligations.

SECTION TWENTY-ONE: No Waiver or Relinquishment of Right to Enforce Agreement.

Failure of any party to this Agreement to insist upon the strict and prompt performance of the terms covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

SECTION TWENTY-TWO: Village Approval or Direction.

Where Village approval or direction is required by this Agreement, such approval or direction means the approval or direction of the Corporate Authorities of the Village unless otherwise expressly provided or required by law, and any such approval may be required to be given only after and if all requirements for granting such approval have been met unless such requirements are inconsistent with this Agreement

SECTION TWENTY-THREE: Singular and Plural.

Wherever appropriate in this Agreement, the singular shall include the plural, and the plural shall include the singular.

SECTION TWENTY-FOUR: Section Headings and Subheadings.

All section headings or other headings in this Agreement are for general aid of the reader and shall not limit the plain meaning or application of any of the provisions thereunder whether covered or relevant to such heading or not.

SECTION TWENTY-FIVE: Recording.

A copy of this Agreement and any amendments thereto shall be recorded by the Village at the expense of the Owner.

SECTION TWENTY-SIX: Authorization to Execute.

The President and Clerk of the Village hereby warrant that they have been lawfully authorized by the Village Board of the Village to execute this Agreement. The Owner and Village shall, upon request, deliver to each other at the respective time such entities cause their authorized agents to affix their signatures hereto copies of all bylaws, resolutions, ordinances, partnership agreements, letters of direction or other documents required to legally evidence the authority to so execute this Agreement on behalf of the respective parties.

SECTION TWENTY-SEVEN: Amendment.

This Agreement sets forth all the promises, inducements, agreements, conditions and understandings between the parties hereto relative to the subject matter thereof, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied, between them, other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless authorized in accordance with law and reduced in writing and signed by them.

SECTION TWENTY-EIGHT: Counterparts.

This Agreement may be executed in two (2) or more counterparts, each of which taken together, shall constitute one and the same instrument.

SECTION TWENTY-NINE: Curing Default.

The parties to this Agreement reserve a right to cure any default hereunder within thirty (30) days from written notice of such default.

SECTION THIRTY: Conflict Between the Text and Exhibits.

In the event of a conflict in the provisions of the text of this Agreement and the Exhibits attached hereto, the planning memoranda or any preliminary document or agreement, the text of this Agreement shall control and govern.

SECTION THIRTY-ONE: Severability.

If any provision of this Agreement is held invalid by a court of competent jurisdiction or in the event such a court shall determine that the Village does not have the power to perform any such provision, such provision shall be deemed to be excised herefrom and the invalidity thereof shall not affect any of the other provisions contained herein, and such judgment or decree shall relieve Village from performance under such invalid provision of this Agreement.

SECTION THIRTY-TWO: Definition of Village.

When the term Village is used herein it shall be construed as referring to the Corporate Authorities of the Village unless the context clearly indicates otherwise.

SECTION THIRTY-THREE: Homeowners' Associations.

Owner will be establishing homeowners' associations for the single family, townhomes and condominium areas. The Village shall recognize the rights of those associations, their recorded covenants and architectural review processes provided they comply with Village ordinances and further provided they have been reviewed and approved in advance by the Village Attorney for conformance to this Agreement.

SECTION THIRTY-FOUR: Execution of Agreement.

This Agreement shall be signed last by the Village and the President of the Village shall affix the date on which he signs this Agreement on page 1 hereof which date shall be the effective date of this Agreement.

VILLAGE OF ORLAND PARK, an Illinois
Municipal Corporation

By: _____
Village President

ATTEST:

By: _____
Village Clerk

OWNER:

CORDILLERA INVESTMENTS, LLC

By: _____
Member/Manager

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that DANIEL J. MCLAUGHLIN, personally known to me to be the President of the Village of Orland Park, and DAVID P. MAHER, personally known to me to be the Village Clerk of said municipal corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Village Clerk, they signed and delivered the said instrument and caused the corporate seal of said municipal corporation to be affixed thereto, pursuant to authority given by the Board of Trustees of said municipal corporation, as their free and voluntary act, and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this _____ day of _____, 2007.

Notary Public

Commission expires: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be Member/Manager of CORDILLERA INVESTMENTS, LLC, an Illinois limited liability company, and the same person whose name is subscribed to the foregoing instrument as said Member/Manager of CORDILLERA INVESTMENTS, LLC, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as his free and voluntary act of said CORDILLERA INVESTMENTS, LLC for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this _____ day of _____, 2007.

Notary Public

Commission expires _____