

This document prepared by:
E. Kenneth Friker
Klein, Thorpe and Jenkins, Ltd.
15010 S. Ravinia – Suite 10
Orland Park, Illinois 60462

For Recorder's Use Only

**ANNEXATION AGREEMENT
AUTUMN LEAVES (MEMORY CARE ASSISTED LIVING)
(SOUTHWEST CORNER OF 151ST STREET AND 80TH AVENUE)**

INTRODUCTION.

1. This Agreement entered into this _____ day of _____, 2008, by and between the VILLAGE OF ORLAND PARK, an Illinois Municipal Corporation (hereinafter referred to as the "Village") and THE LASALLE GROUP, INC., a Texas corporation (hereinafter collectively referred to as "Owner").

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

THE NORTH 450 FEET OF THE EAST 607 FEET (EXCEPT THE NORTH 233 FEET OF THE EAST 183 FEET THEREOF) OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 36 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPTING THEREFROM THAT PART OF THE LAND CONVEYED TO THE COUNTY OF COOK BY WARRANTY DEED RECORDED AS DOCUMENT 0020607726, DESCRIBED AS FOLLOWS: THE SOUTH 66.142 METERS (217 FEET) OF THE NORTH 137.160 METERS (450 FEET) OF THE WEST 5.182 METERS (17 FEET) OF THE EAST 15.240 METERS (50 FEET) OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 36 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.)

P.I.N. Nos. 27-14-201-013 and -014

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

3. The Subject Property consists of approximately 4.05 gross acres and is generally located at the southwest corner of 151st Street and 80th Avenue, in unincorporated Orland Township, Cook County, Illinois.

4. The Subject Property is proposed to be developed by the Owner for a one-story 24,843 square foot, 46-bed assisted living facility (nursing home) specializing in care for the memory impaired, with on-site surface parking, and on-site detention pond under the R-3 Residential District classification of the Land Development Code of the Village of Orland Park (the "Code") with a Major Special Use for a nursing home, with modifications for lot coverage to exceed the maximum 35% required by the Code, reduction of landscape buffers from the required 15 feet to a minimum of 5 feet, reduction of detention setbacks from the required 25 feet to 4 feet, with a Minor Special Use to exceed the parking requirements of the Code by more than 20%. In addition, the westerly 1.001 acres is to be rezoned for Open Space.

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 (or such portion thereof as is not presently within the corporate boundaries of the Village) 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 R-3 Residential District (except for the westerly 1.001 acres to be rezoned for Open Space), with a Special Use for a nursing home and modifications as above set forth pursuant to provisions of the Code.

2. Owner has petitioned the Village for annexation to the Village of the Subject Property (or such portion thereof as is not presently within the corporate boundaries of the Village) 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 development 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 and special use 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 (or such portion thereof as is not presently within the corporate boundaries of the Village) 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 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/they 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 (except such portion thereof as is presently within the corporate boundaries of the Village) 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 (except such portion thereof as is presently within the corporate boundaries of the Village) to be annexed to the Village. Also the Village, upon annexation of the Subject Property, shall thereafter adopt all ordinances respecting the zoning, use and development 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 (except such portion thereof as is presently within the corporate boundaries of the Village) 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 R-3 Residential District of the Code and (as to the westerly 1.001 acres) Open Space, with a Special Use for a nursing home, with modifications as more fully set forth in paragraph 4 of page 2 hereof and in the ordinance rezoning said property.

B. The Subject Property shall be developed by Owner substantially in accordance with the site plan appended hereto and incorporated herein as EXHIBIT B entitled "AUTUMN LEAVES ASSISTED LIVING PROPOSED SITE PLAN," prepared by SAS ARCHITECTS AND PLANNERS dated March 17, 2008, subject to and expressly conditioned upon the following:

1. The Owner work with Village staff for final location and configuration of depressional storage on the one acre dedicated to the Village; he Owner will publicly dedicate the sufficient right of way shown on the Site Plan for 151st Street, so that the 151st Street right of way along the frontage of the Subject Property matches the right of way along the frontage of the adjacent fire station property as extended west;
2. The Owner will show on its engineering plans a right lane taper extension on 151st Street and include this in the Cook County permit application that will be required for the new curb cut along 151st;
3. A final landscape plan, meeting all Village Codes, is submitted for review and approval within 60 days of final engineering approval. This is to include additional plant material in the 5' buffer along 80th Avenue; and
4. All final engineering related items are met.

The Subject Property further comply with the approved Elevations titled "AUTUMN LEAVES ASSISTED LIVING EXTERIOR ELEVATIONS" prepared by SAS ARCHITECTS AND PLANNERS, last revised March 3, 2008, subject to and expressly conditioned upon the following:

1. Dumpster and storage shed must be constructed of brick to match the building and are shown on the elevations; and
2. All mechanical equipment must be screened either at grade level with landscaping or hidden behind the roof line or parapet that matches the building materials.

Owner agrees that the entire Subject Property shall be developed substantially in accordance with said plan as approved or as may be subsequently amended by Owner and approved by the Village. It is further understood and agreed by Owner and the Village that such portion of the Subject Property which will not be owned by the Owner but will continue to be owned by the Calvary Reformed Church, an Illinois not-for-profit corporation, is not being developed by said Church and that the Village will look solely to the Owner for compliance with this Agreement and not to said Church.

Owner agrees that permission for the construction of those public improvements which require approval from the Metropolitan Water Reclamation District of Greater Chicago 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 Metropolitan Water Reclamation District of Greater Chicago, or any other governmental agency. Owner agrees to construct any improvements required by the aforesaid permit at Owner's sole expense.

All public improvements required to serve the Subject Property, except the street surface and sidewalks, shall be constructed and installed prior to occupancy or no later than two (2) years from the date that the Plat of Subdivision of the Subject Property has been approved, whichever first occurs, unless extended by Agreement. If the date of completion falls after September 30, but prior to May 30, the completion date shall be the following May 30.

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, the Cook County Department of Public Health and/or the Illinois Department of Transportation. A copy of the well sealing affidavit must be filed with the Village Public Works Department.

D. Owner shall install or cause to be installed 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.

E. The Village shall have the right to require such soil boring tests as it determines for the building pad on the Subject Property.

SECTION THREE: Contributions.

Upon the issuance of the first building permit, Owner shall pay the FAIR SHARE ROAD EXACTION FEE of \$.90 per square foot for the building (for a total of \$22,359.00) as required by the Code, which is payable to the Village.

Said sum of money shall be a lien on the Subject Property until paid, and Owner acquiesces and agrees to the payment of said sum being a lien on the Subject Property subordinate to any acquisition loan or construction development loan of this or any subsequent 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. Other than such payments to the Village as provided in this Agreement as well as the customary permit and inspection fees, no additional contributions, impact or exaction fees shall be paid to the Village by Owner.

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

Sums of money required to be paid hereunder shall be obligations of the Owner and all 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 subsequent owner for the collection of monies.

SECTION FOUR: Water Supply.

Owner shall have the right to construct and install at its expense all necessary on-site water mains to service the Subject Property. All water mains shall be constructed and installed in accordance with the Code 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.

SECTION FIVE: Sanitary and Storm Sewers.

Owner shall be required to construct and install at its expense all necessary sanitary sewers (having diameters as approved by the Village Engineer) to service the Subject Property in accordance with the Code and final engineering plans approved by the Village. 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 detention pond is to be perpetually owned and maintained by Owner and its successors in title. Appropriate covenants shall be prepared, submitted to the Village attorney for approval, and recorded to provide for such private ownership and maintenance of the detention pond.

All public improvements, which shall be completed within 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: Dedication, Maintenance/Cleaning of Streets; Street Lights; Bicycle Path; Miscellaneous.

A. Streets.

The Owner shall provide access to the site. All deliveries of construction supplies or materials shall be restricted to certain streets or temporary haul roads designated by the Village. Owner shall dedicate, for street/road purposes, the necessary right-of-way shown on EXHIBIT B for 151st Street (as described in SECTION TWO B. 2, above).

Also, Owner shall be required to keep all public streets adjoining the Subject Property 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.

B. Bicycle Path.

Owner shall be required to construct a bicycle path along 151st Street in accordance with the Code and final engineering plans approved by the Village.

C. Miscellaneous.

The cost of the bicycle path and street trees to be installed on public rights of way shall be included in the required letters of credit for 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 Owner's obligation to install the street trees may not be assigned or transferred by the Owner to a subsequent title-holder, and the street tree(s) shall be planted not later than the planting season next following the issuance of the Village occupancy permit.

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.

All such easements to be granted shall name the Village and/or other appropriate entities designated by the Village as grantee thereunder and shall be located as shown on the approved engineering plans. 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.

The development of the Subject Property annexed 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 is issued. 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.

No occupancy permit shall be issued for the building prior to the completion and approval by the Village of the required public improvements. 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. In the case of landscaping, the time for completion shall be extended if and when weather conditions do not allow for planting, and this shall not delay the issuance of the certificate of occupancy.

All public improvements shall be constructed and installed within two (2) 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, this Agreement has been executed, the minimum security has been provided, the requirements of Ordinance No. 2084. 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 President of the Board of Trustees as a condition to approval of the Plat(s) of Subdivision.

Owner, at its 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.

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 specifically and 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 seven (7) 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
14700 South Ravinia Avenue
Orland Park, Illinois 60462
2. David P. Maher
Village Clerk
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. The LaSalle Group, Inc.
Attn: Kay Kniepmann, Development Associate
10 N. Martingale Road, Suite 400
Schaumburg, Illinois 60173
2. Ronald S. Cope
Ungaretti & Harris, LLP
Three First National Plaza
70 West Madison Street – Suite 3500
Chicago, Illinois 60602

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: Permits and Letter of Credit.

The Owner shall not be entitled to obtain any building permits, nor any sign permits, and shall not be entitled to construct any, 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. 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 two (2) years, unless an extension is agreed to by the Village. In addition, the Village, after providing Owner with 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 FOURTEEN: Conveyance Dedication and Donation of Real Estate.

Owner shall convey the westerly 1.001 acres of the Subject Property to the Village for purposes of Open Space and to complement the adjacent Boley Farm owned by the Village. This conveyance, dedication or donation of real estate required of the Owner (hereinafter referred to as Grantor for purposes of this Section Fourteen) to the Village 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, warranty 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 twenty (20) days prior to the time for delivery of the deed, conveyance or dedication. Grantor shall further cause to be issued within thirty (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 born 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 thirty (30) days after notice thereof is given by Village to Grantor.

G. Environmental Assessment.

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 sixty (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 to 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.S.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.

The Village shall keep and maintain said 1.001 acre parcel as open space and as an integral part of the adjacent Boley Farm. Further, the Village agrees that said 1.001 acre parcel shall not be built upon or improved except for recreational or agricultural purposes complementary to the adjacent Boley Farm. This paragraph of this Agreement may be memorialized by a recordable covenant with respect to said 1.001 acre parcel.

SECTION FIFTEEN: 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 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 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, which approval would not be unreasonably delayed or withheld.

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.

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 SIXTEEN: Warranties and Representations.

The Owner represents and warrants to the Village that it is the legal title holder and the owner of record of the Subject Property.

The Owner identified on the first page hereof represents and warrants to the Village that:

1. The Owner proposes to develop the Subject Property in the manner contemplated under this Agreement.
2. Other than the Owner, no other entity or person has any ownership interest in the Subject Property, or its development as herein proposed.
3. 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 SEVENTEEN: 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 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 from any or all of such obligations.

SECTION EIGHTEEN: 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 NINETEEN: 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: Singular and Plural.

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

SECTION TWENTY-ONE: 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-TWO: Recording.

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

SECTION TWENTY-THREE: 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-FOUR: 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-FIVE: Counterparts.

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

SECTION TWENTY-SIX: 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, with such time limitation to be extended by the non-defaulting party if within said thirty (30) days, the defaulting party is in good faith diligently attempting to cure the default.

SECTION TWENTY-SEVEN: 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 text of the Agreement shall control and govern.

SECTION TWENTY-EIGHT: 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 TWENTY-NINE: 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: 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. This Agreement shall be executed by Owner not later than May 21, 2008, pending its acquisition of the portion of the Subject Property being purchased from the Calvary Reformed Church.

VILLAGE OF ORLAND PARK,
an Illinois Municipal Corporation

By: _____
Village President

ATTEST:

By: _____
Village Clerk

OWNER:

THE LASALLE GROUP, INC.,
a Texas Corporation

By: _____
Officer

ATTEST:

By: _____
Secretary

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that DANIEL J. MCCLAUGHLIN, 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 _____, 2008.

Notary Public

Commission expires: _____

STATE OF _____)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that _____, and _____ personally known to me to be the _____ and _____ of THE LASALLE GROUP, INC., a Texas corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ and _____, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts and as the free and voluntary act of said Corporation for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this ____ day of _____, 2008.

Notary Public

Commission expires: _____

iManage:210770_6